MEMORANDUM – ADDENDUM NO. 1

To: Interested Vendors
From: Cindy Clack
Date: 6/15/2017
Re: RFP2017-19 Energy Conservation Services – Addendum No. 1 (Total 44 pages)

To date, the following questions have been submitted for RFP2017-19 Energy Conservation Services:

Questions:
1. In reviewing the RFP, RFP2017-19 Energy Conservation Services, I have a question concerning 4.1.9: it asks for Meter Consolidation Experience. Meter consolidation is not a very common Energy Conservation Measure, and GA Power as the utility has the most experience with it. Why is it weighted so heavily in the scoring criteria? Unless this is a virtual consolidation (which could only be accomplished by the power company), it would have a minimal payback period.

   Response:
   Since Meter Consolidation could be effective in some instances, section 4.1.9 will be retained in the RFP. Also, there are many other elements listed in Section 4.1 that will be considered in the evaluation of the Offeror.

2. Has any Energy Services Company presented to staff or commission? If so, can I get a copy of their presentation?

   Response:
   Prior to advertising this contracting opportunity, the County received summary reports/presentations from two ESCOs. Copies of their materials are attached. (43 Pages attached).

As stated in the original solicitation document, the deadline for submitting questions related to this contracting opportunity is June 21, 2017, at 12:00 (noon). Any other questions received before the deadline will be considered and responses provided by additional addenda as necessary.
Presentation Overview

- Energy Overview
- Audit Findings
- Preliminary Proposal
- Benefits
- Next Steps
Energy Overview

- Energy Spend
- Benchmarks
- Potential Savings
Overall Energy Spend

Total Energy Spend - $789,564

- Detention Center Complex: $566,134
- Original Courthouse: $16,738
- Old Detention Center: $64,305
- Annex: $54,347
- Sheriffs Complex: $31,670
- Library: $11,680
- Senior Center: $27,935
- Recreational Building: $16,755
- Animal Control: $16,738
Overall Energy Spend

Buildings by Percentage

- Detention Center Complex: 72%
- Original Courthouse: 1%
- Old Detention Center Annex: 4%
- Sheriffs Complex: 4%
- Library: 8%
- Senior Center: 2%
- Recreational Building: 1%
- Animal Control: 2%
Energy Benchmarks

Cost per Square Foot

- Detention Center Complex: $2.69
- Original Courthouse: $1.76
- Old Detention Center Annex: $2.09
- Sheriffs Complex: $1.18
- Library: $1.98
- Senior Center: $1.80
- Recreational Building: $1.27
- Animal Control: $1.40
Energy Benchmarks

BTU per Square Foot

- Detention Center Complex: 112,575 BTU
- Original Courthouse: 44,880 BTU
- Old Detention Center Annex: 72,619 BTU
- Sheriffs Complex: 119,593 BTU
- Library: 62,081 BTU
- Senior Center: 39,516 BTU
- Recreational Building: 33,239 BTU
- Animal Control: 45,004 BTU
Energy Findings

• New Courthouse and Detention Center
  – Key to paid from savings project
  – Highest user and cost
  – Best utility savings potential

• Lighting opportunities

• Excess savings for HVAC upgrades
Option 1 – Full Program

• New Courthouse and Detention Center Complex
  – Lighting upgrades to LED
  – Water conservation upgrades
    • Automation Control of water systems
    • Includes sink and toilet control
    • Limits the amount of water utilized

• Lighting Upgrades to LED
  – Courthouse Annex, Sheriff’s Complex, Library, Senior Center, Recreation Building, and Animal Control
  – Benefits
    • Long Warranties - 10 year, 100,000 hour
    • Improved light levels and color
## Option 1 – Full Program

<table>
<thead>
<tr>
<th>Building</th>
<th>Estimated Price</th>
<th>Estimated Annual Savings</th>
<th>Estimated Georgia Power Rebate</th>
<th>Payback W/Rebates Years</th>
</tr>
</thead>
<tbody>
<tr>
<td>New Courthouse</td>
<td>$134,290</td>
<td>$6,176</td>
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<td>21.7</td>
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<tr>
<td>New Detention Center</td>
<td>$204,490</td>
<td>$28,949</td>
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<tr>
<td>Courthouse Annex</td>
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<td>$4,396</td>
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<tr>
<td>Sheriff's Admin and CID</td>
<td>$98,215</td>
<td>$38,160</td>
<td>($11,050)</td>
<td>2.3</td>
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<tr>
<td>Library</td>
<td>$68,879</td>
<td>$6,330</td>
<td>($8,250)</td>
<td>9.6</td>
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<tr>
<td>Senior Center</td>
<td>$21,302</td>
<td>$4,442</td>
<td>($2,100)</td>
<td>4.3</td>
</tr>
<tr>
<td>Recreation Building</td>
<td>$32,192</td>
<td>$8,208</td>
<td>($3,825)</td>
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<tr>
<td>New Animal Control</td>
<td>$34,026</td>
<td>$2,918</td>
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<tr>
<td>New Detention Center Water</td>
<td>$176,311</td>
<td>$23,380</td>
<td></td>
<td>7.5</td>
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<tr>
<td><strong>Totals</strong></td>
<td><strong>$866,260</strong></td>
<td><strong>$122,958</strong></td>
<td>($29,150)</td>
<td><strong>7.0</strong></td>
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</tbody>
</table>
## Option 1 – Full Program

<table>
<thead>
<tr>
<th>Financial Overview</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Full Program</strong></td>
<td></td>
</tr>
<tr>
<td>Project Cost</td>
<td>$866,260</td>
</tr>
<tr>
<td>Estimated GPC Rebate</td>
<td>($29,150)</td>
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<tr>
<td><strong>Subtotal</strong></td>
<td>$837,110</td>
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<tr>
<td>Annual Savings</td>
<td>$122,958</td>
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<tr>
<td>Annual P&amp;I (10 yr., 3.4%)</td>
<td>($100,655)</td>
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<tr>
<td><strong>Subtotal</strong></td>
<td>$22,303</td>
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<tr>
<td>Annual Guarantee Fee</td>
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<tr>
<td>Net Positive Cash Flow</td>
<td>$7,303</td>
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</table>
Option 2 – High Positive Cashflow

- New Courthouse and Detention Center Complex
  - Lighting upgrades to LED
  - Water conservation upgrades
    - Automation Control of water systems
    - Includes sink and toilet control
    - Limits the amount of water utilized

- Lighting Upgrades to LED
  - Courthouse Annex, Sheriff’s Complex, Library, Senior Center, Recreation Building, and Animal Control
  - Benefits
    - Long Warranties - 10 year, 100,000 hour
    - Improved light levels and color
### Option 2 – High Positive Cashflow

<table>
<thead>
<tr>
<th>Building</th>
<th>Estimated Price</th>
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<td>7.5</td>
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<tr>
<td><strong>Totals</strong></td>
<td><strong>$635,417</strong></td>
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## Option 1 – High Positive Cashflow

<table>
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<tr>
<th>Financial Overview</th>
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<td><strong>High Positive Cashflow</strong></td>
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<tr>
<td>Project Cost</td>
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<td>Estimated GPC Rebate</td>
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<td><strong>Subtotal</strong></td>
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<td>Annual Savings</td>
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<tr>
<td>Net Positive Cash Flow</td>
<td>$27,488</td>
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</table>
Benefits

• Self funding project
• Ability to make needed improvements
• Excess savings to fund additional work
• Georgia Power rebates
• Long term solutions
Next Steps

• Board presentation
• Request for qualifications
• Selection of ESCO
• Investment grade audit
• Final presentation
• Board approval
• Contract signing
• Construction
• On going guarantee verification
Questions
BARROW COUNTY MISSION AND VISION STATEMENT AND CORE VALUES:

Barrow County's mission is to provide high quality essential services in a fiscally responsible manner which promotes economic opportunities for all in collaboration with community partners. The core values of the County are: honesty and integrity, trust and transparency, to be customer-focused, and to have effective leadership.
Budget Objectives

• Continue to minimize the financial impact of county operations on its citizens through conservative budgeting practices that focus on achieving enhanced efficiency and effectiveness throughout the organization.

• Continue to provide outstanding government services at adequate levels.

• Maintain a healthy reserve fund balance in accordance with the Revised GASB 54 Fund Balance Policy as adopted by the Board of Commissioners.
Strategic Priorities

Effective Government

Economic Development

Infrastructure

Quality of Life
ESG Solution

$3.75 Million in savings

- Effective Government – $210,000 per year reduction in utility and operational expenditures
- Economic Development
- Infrastructure
- Quality of Life – New LED Lighting
- Rectify value based construction at Detention Center
## Energy Costs for Selected Buildings

<table>
<thead>
<tr>
<th>Building Name</th>
<th>Address</th>
<th>Size (ft²)</th>
<th>Year Built</th>
<th>Electric</th>
<th>Natural Gas</th>
<th>Water &amp; Sewer</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Courthouse Annex &amp; Health Department</td>
<td>30 North Broad Street</td>
<td>30,811</td>
<td>1987</td>
<td>$65,728</td>
<td>$739</td>
<td>$685</td>
<td>$67,152</td>
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<tr>
<td>Historic Courthouse</td>
<td>30 North Broad Street</td>
<td>9,500</td>
<td>1919</td>
<td>$16,775</td>
<td>$0</td>
<td>$6,298</td>
<td>$23,074</td>
</tr>
<tr>
<td>Animal Control</td>
<td>610 Barrow Park Drive</td>
<td>12,000</td>
<td>2009</td>
<td>$17,871</td>
<td>$0</td>
<td>$4,361</td>
<td>$22,232</td>
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<tr>
<td>New Courthouse and Detention Center</td>
<td>652 Barrow Park Drive</td>
<td>210,228</td>
<td>2009</td>
<td>$360,031</td>
<td>$64,715</td>
<td>$92,161</td>
<td>$516,907</td>
</tr>
<tr>
<td>Senior Center *</td>
<td>80 Lee Street</td>
<td>6,500</td>
<td>2002</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>Multi-Purpose Building</td>
<td>Second Street</td>
<td>22,000</td>
<td>2000</td>
<td>$27,696</td>
<td>$4,697</td>
<td>$2,017</td>
<td>$34,410</td>
</tr>
<tr>
<td>Sherrif's Office</td>
<td>233 East Broad Street</td>
<td>45,964</td>
<td>1955/2004</td>
<td>$29,120</td>
<td>$2,810</td>
<td>$6,425</td>
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<tr>
<td>LIBRARY</td>
<td>189 Bellview Street</td>
<td>16,000</td>
<td>1985</td>
<td>$21,905</td>
<td>$3,949</td>
<td>$5,804</td>
<td>$31,658</td>
</tr>
<tr>
<td><strong>Total for Selected Bldgs.</strong></td>
<td></td>
<td>353,003</td>
<td></td>
<td>$539,128</td>
<td>$76,910</td>
<td>$117,749</td>
<td>$733,787</td>
</tr>
</tbody>
</table>

- Utility information for the Senior Center was not available.

** Additional buildings not examined total 132,685 square feet.
### Comparative Energy Use Index

<table>
<thead>
<tr>
<th>Building or Building Type</th>
<th>Peach County</th>
<th>Barrow County</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>EUI $/Ft²</td>
<td>EUI $/Ft²</td>
</tr>
<tr>
<td></td>
<td>Pre-Project</td>
<td>Post-Project</td>
</tr>
<tr>
<td>Historic Courthouse</td>
<td>1.59</td>
<td>1.00</td>
</tr>
<tr>
<td>Annex and Health Department</td>
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<td></td>
</tr>
<tr>
<td>Animal Control</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Courthouse/Detention Center</td>
<td>1.95</td>
<td>1.57</td>
</tr>
<tr>
<td>Multi-Purpose Bldg.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sherriff's Admin &amp; Election</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Library</td>
<td>0.91</td>
<td>0.68</td>
</tr>
<tr>
<td><strong>Overall County Average</strong></td>
<td>1.73</td>
<td>1.27</td>
</tr>
</tbody>
</table>

**Benchmark:** Energy efficient office buildings are around $1.25/sq. ft., and can be less than $1.00/sq. ft., depending on regional utility costs.

**Energy Use Index (EUI):** Electric and gas utility cost per square foot. Does not include street lights.

** - % Occupied Space
Savings Opportunity

Cost Per Sq. Ft.

<table>
<thead>
<tr>
<th>Price</th>
<th>Peach</th>
<th>Barrow</th>
</tr>
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<tbody>
<tr>
<td>$2.00</td>
<td>Before $1.73</td>
<td>Before $1.88</td>
</tr>
<tr>
<td>$1.90</td>
<td></td>
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<tr>
<td>$1.80</td>
<td></td>
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<td>$1.70</td>
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<tr>
<td>$1.60</td>
<td></td>
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<tr>
<td>$1.50</td>
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<tr>
<td>$1.40</td>
<td></td>
<td></td>
</tr>
<tr>
<td>$1.30</td>
<td></td>
<td></td>
</tr>
<tr>
<td>$1.20</td>
<td>After $1.27</td>
<td></td>
</tr>
<tr>
<td>$1.10</td>
<td></td>
<td></td>
</tr>
<tr>
<td>$1.00</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Lighting

- All of the subject facilities would benefit from lighting upgrades.
- Upgrading to similar styled LED lighting can reduce the lighting power requirement to less than 0.7 w/ft².
- These upgrades could result in annual savings of over $80,000.
Reduction in Lighting Cost
HVAC

- HVAC units at the Senior Center, Sherriff's Administration building & Annex, Multi-Purpose building, and the Library are more than 16 years old. ASHRAE life expectancy for these units is 15 years.
- These buildings as well as the New Courthouse, and Detention Center are using R-22 refrigerant. This refrigerant is currently scheduled to be discontinued.

Variable refrigerant flow (VRF) systems can be an efficient alternative to multiple heat pumps. The best alternative for each building will be determined during project development.
Building Improvements (Envelope)

Improvements can be made to the entrances and exits of several buildings to reduce uncontrolled infiltration of air.

Similar improvements can be made where HVAC piping penetrates the buildings.

Protection of existing assets – The existing standing seam metal roof at the new Detention Center is not equipped with walkways. Built up roof on the New Courthouse shows evidence of leaking and should be repaired.
Capital Cost Avoidance

2017: HVAC roof units for Library: $7,000
2017: Boiler for Detention Center: $22,750
2017: Roof walkway to access HVAC: $75,000
2020: Replace HVAC Senior Center: $45,000
2021: Replace HVAC Parks & Rec: $100,000

**What does the next 15 years look like?**
## How We Do It

<table>
<thead>
<tr>
<th>Savings</th>
<th>Annual</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Energy</td>
<td>$130,000</td>
<td>$2,400,000</td>
</tr>
<tr>
<td>Maintenance/Operational</td>
<td>$40,000</td>
<td>$750,000</td>
</tr>
<tr>
<td>HVAC Capital Cost Avoidance</td>
<td>$40,000</td>
<td>$600,000</td>
</tr>
<tr>
<td><strong>Total Financial Impact</strong>*</td>
<td><strong>$210,000</strong></td>
<td><strong>$3,750,000</strong></td>
</tr>
</tbody>
</table>
How We Do It

Before Improvements

- Future Capital Costs
- Utility Costs
- O&M Costs

After Improvements

- Future Capital Costs
- O&M Costs
- Utility Costs
- Savings Repay Improvements...

- $3.75 in potential savings over 15 year finance term.
- Project funded through savings within existing budgets.
- No new funding required.
Economic Development

Access to a Skilled Workforce
The Barrow Area has a labor force of over 700,000 qualified professionals ready to work for you.

Access to a Vast Labor Market
With a workforce that is college-educated, highly skilled and trained, there is no challenge your company can't handle.

Access to International Distribution
Barrow County is within a day's travel to three large seaports, two international airports, as well as direct access to major rail and interstate systems.
Quality of Life
# Next Steps

<table>
<thead>
<tr>
<th>Activity</th>
<th>Completion</th>
</tr>
</thead>
<tbody>
<tr>
<td>Letter of Authorization</td>
<td>January</td>
</tr>
<tr>
<td>Review of Business Case</td>
<td>February</td>
</tr>
<tr>
<td>Presentation of Business Case – Commission</td>
<td>March</td>
</tr>
<tr>
<td>Question and Answer Period</td>
<td>April</td>
</tr>
<tr>
<td>Approval to Proceed (Project Development Agreement)</td>
<td>May</td>
</tr>
<tr>
<td>Contract and Construction Documentation Acceptance</td>
<td>October</td>
</tr>
<tr>
<td>Construction Begins</td>
<td>December</td>
</tr>
</tbody>
</table>

* Estimate dates – actual to be determined
ESG Value

- Long Term Experience with Performance Contracting
- Value Based Design Build Construction
- Partnering Approach – Long Term
- Fortune 500 Company
- Innovative Solutions
Customer Case Study

Peach County, Georgia

**Problems**
- Decreasing tax base
- Increased facility and maintenance costs
- Aging equipment

**Solution**
- Project funded through energy savings, operational savings and capital cost avoidance

**Key Installed Technologies**
- Lighting
- HVAC
- Water conservation
- Information Technology

**Savings Information**
Total savings of $5.8 million over 15 year term

**Project Size**
$3.69 million
ENERGY SYSTEMS GROUP
MORE THAN $2.4 BILLION IN ENERGY & INFRASTRUCTURE IMPROVEMENTS
GREEN. SUSTAINABLE. ENERGY EFFICIENT SOLUTIONS.

- Tradition of excellence since 1994
- Leading Energy Services Provider
- Subsidiary of Vectren Corporation (NYSE: VVC)
- Accredited by the National Association of Energy Service Companies (NAESCO)
- More than $2.4 billion in energy & infrastructure improvement projects for 350+ customers
- More than $1 billion of multi-phase, repeat customer projects
- Customer-centric | Trusted Partner
- Renewable Energy & Waste-to-Energy Expertise
- Turnkey Sustainable Infrastructure Solutions
- Product Independent / Fuel Neutrality
- Leading Utility Energy Service Contract Partner
Thank You