

Action Sheet

MEETING DATE: October 20, 2021

AGENDA ITEM: Discuss and consider approval of multi-year contract with Cenergistic for RFP #2021-22-001 for Behavior-Based Energy Conservation Services

Last month, the District issued Request for Proposals (RFP) #2021-22-001 for formalized organizational behavior-based energy conservation services. The District requested an integrated approach to implementing a program that addresses both behavioral changes of occupants and energy users, as well as optimization of existing equipment and control systems. Other aspects of the RFP included:

- An on-site energy manager (part-time) to manage the program and perform energy management audits
- A program that can measure and verify energy management avoidance using an independent energy management software
- Ability to make assessments of current energy consumption, building occupancy patterns, equipment run times and settings, and staff routines and practices to provide initial and ongoing recommendations that will produce a sustainable reduction in energy consumption
- An emphasis on changing energy attitudes, procedures, habits and routine. Installation of new automated control systems or replacement of mechanical equipment or lighting was not requested.

One response from Cenergistic, LLC, was received and reviewed. The committee evaluated the proposal based on the criteria published in the RFQ and recommends Cenergistic be awarded a five-year contract which may be renewed for two (2) additional one-year terms. With 35 years of proven experience, Cenergistic has saved 1500 clients \$6B in electricity, water and natural gas costs, with an average savings of 26% annually. Their proposal (attached) included net savings of \$998,700 to the District over a five-year period. Out of the estimated savings each

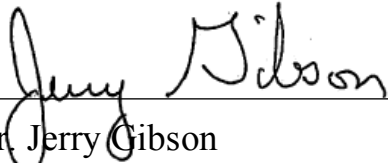
year, the District will employ a part-time energy specialist, purchase energy accounting software and make monthly payments to Cenergistic. In addition, they provide a guarantee that if GISD’s total investment in the program exceeds the amount saved, they will write GISD a check for the difference. Cenergistic’s payments are capped (not percentage based) and escalate each year of the contract term; their total fee is \$732,000 to be generated from projected savings as follows:

	Contract Period					TOTAL	Sustainability Period	
	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5		YEAR 6	YEAR 7
Gross Savings	\$285,000	\$365,000	\$402,000	\$434,000	\$460,000	\$1,946,000	\$464,600	\$469,246
Energy Specialist (Part-time) Stipend ¹	\$32,500	\$33,300	\$34,100	\$35,000	\$35,900	\$170,800	\$36,798	\$37,717
Energy Accounting Software ²	\$8,900	\$8,900	\$8,900	\$8,900	\$8,900	\$44,500	\$8,900	\$8,900
Cenergistic Energy Management Program ³	\$101,100	\$136,800	\$151,900	\$166,500	\$175,700	\$732,000	TBD	TBD
Total Projected Investment ⁴	\$142,500	\$179,000	\$194,900	\$210,400	\$220,500	\$947,300	TBD	TBD
Net Savings to Client ⁴	\$142,500	\$186,000	\$207,100	\$223,600	\$239,500	\$998,700	TBD	TBD

1. Client employs and pays Energy Specialist. Recommended Energy Specialist stipend for one part-time position, annualized, including night, weekend and holiday work. Final stipend figure will affect net savings.
2. Energy Accounting Software is licensed by your organization directly from EnergyCAP, Inc. Terms and conditions to be negotiated directly with EnergyCAP, Inc.
3. Cenergistic's fee is discounted in the early years to generate maximum net savings. The fee will adjust annually as savings grow. Year 1 discounted base fee of \$8425 will be billed monthly.
4. Total investment guaranteed to be funded from savings, including Energy Specialist stipend and cost of third party software. Net savings to client assumes gross savings projections are realized; actual net savings will vary based on the level of gross savings achieved.

RECOMMENDATION:

I move that the board award RFP #2021-22-001 to Cenergistic for behavior-based energy conservation services, as presented.



 Dr. Jerry Gibson
 Superintendent

Connie Morgenroth

 Connie Morgenroth
 Assistant Superintendent of Business &
 Operations