



# AGENDA REQUEST FORM

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

ITEM No.:  
**EE-4.**

MEETING DATE	2020-01-14 10:05 - School Board Operational Meeting
AGENDA ITEM	ITEMS
CATEGORY	EE. OFFICE OF STRATEGY & OPERATIONS
DEPARTMENT	Procurement & Warehousing Services

Special Order Request <input type="radio"/> Yes <input checked="" type="radio"/> No
Time
Open Agenda <input checked="" type="radio"/> Yes <input type="radio"/> No

**TITLE:**  
Piggyback Recommendation of \$500,000 or Less - FY20-121 - Guaranteed Energy Performance Contracting Services

**REQUESTED ACTION:**  
Approve the recommendation to award the above Piggyback Agreement. Contract Term: January 14, 2020 through February 28, 2021, 2 Years; User Department: Environmental Health & Safety (EH&S); Award Amount: \$172,406; Awarded Vendor(s): Johnson Controls, Inc.; Small/Minority/Women Business Enterprise Vendor(s): None.

**SUMMARY EXPLANATION AND BACKGROUND:**  
This request is to approve the Project Development Agreement originating from the piggyback of the City of Jacksonville, Florida's Request for Proposal P-65-17 for Guaranteed Energy Performance Contracting Services awarded to Johnson Controls, Inc.  
This Agreement has been reviewed and approved as to form and legal content by the Office of the General Counsel.

**SCHOOL BOARD GOALS:**  
 Goal 1: High Quality Instruction  Goal 2: Safe & Supportive Environment  Goal 3: Effective Communication

**FINANCIAL IMPACT:**  
The estimated financial impact to the District will be \$172,406. The funding source will come from the EHS operating budget. The financial impact amount represents an estimated contract value; however, the amount authorized will not exceed the estimated contract award amount.

**EXHIBITS: (List)**  
(1) Executive Summary (2) Financial Analysis Worksheet (3) Agreement

**BOARD ACTION:**  
**APPROVED**  
(For Official School Board Records Office Only)

SOURCE OF ADDITIONAL INFORMATION:	
Name: Roger Riddlemoser	Phone: 754-321-4600
Name: Mary C. Coker	Phone: 754-321-0501

**THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA**  
Senior Leader & Title

Maurice L. Woods - Chief Strategy & Operations Officer

Signature  
*Maurice Woods*  
1/7/2020, 4:14:06 PM

Approved In Open Board Meeting On:

**JAN 14 2020**

By: *[Signature]*  
School Board Chair

## EXECUTIVE SUMMARY

### Piggyback Recommendation of \$500,000 or Less FY20-121 - Guaranteed Energy Performance Contracting Services

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#### **Introduction**

##### **Responsible: Procurement & Warehousing Services (PWS)**

This request is to approve the Project Development Agreement (PDA) originating from the piggyback of the City of Jacksonville, Florida's Request for Proposal (RFP) P-65-17 for Guaranteed Energy Performance Contracting Services awarded to Johnson Controls, Inc. (JCI). This item is contingent upon approval of Agenda Item E-8.

The primary purpose of this contract is to enable Energy Service Companies (ESCO) to perform work under the Guaranteed Energy Performance Savings Contract Act, codified at Section 489.145, Florida Statutes. The City of Jacksonville, Florida procurement, was structured utilizing Section 489.145, Florida Statutes and Section 287.055, Consultants' Competitive Negotiation Act.

The requested spending authority for the PDA phase of the project is \$172,406.

#### **Goods/Services Description**

##### **Responsible: Environmental Health & Safety (EH&S)**

Energy Savings Performance Contracting (ESPC) is a proven, alternative procurement method which has been widely used for more than thirty (30) years, is recognized by the U.S. Department of Energy, and permits governmental agencies to enter into a guaranteed energy, water, or wastewater savings contract for the duration of more than one (1) year with vendors of guaranteed energy, water, or wastewater savings programs. The contract must state that the financial benefits or savings derived from the implementation of the facility upgrade measures will cover the costs of the program. These programs are financially guaranteed to achieve the projected savings by the ESCO, which reduces the budget and operational risk to the District.

The scope of work to be analyzed with this PDA is primarily focused on the interior, exterior lighting, and lighting controls.

The following schools are to be evaluated:

1. Dillard Elementary
2. Maplewood Elementary
3. Bethune, Mary M. Elementary
4. Pines Lakes Elementary
5. Pompano Beach Elementary
6. Pompano Beach Middle
7. Stranahan High
8. Tequesta Trace Middle
9. William Dandy Middle

**Piggyback Recommendation of \$500,000 or Less**  
**FY20-121 - Guaranteed Energy Performance Contracting Services**  
**January 14, 2020 Board Agenda**  
**Page 2**

The anticipated timeline for these projects is shown below:

	Date
PDA approved by The School Board of Broward County, Florida (SBBC)	January 14, 2020
JCI to complete Project Design and Development with the Firm Implementation Contract	February 28, 2020
SBBC to approve the Implementation Contract	March 10, 2020
Anticipated project completion and begin system operation	July 2020

**Procurement Method**

**Responsible: PWS and EH&S**

Procurement & Warehousing Services (PWS) and EH&S opted to piggyback on the RFP P-65-17 for Guaranteed Energy Performance Contracting Services solicitation from the City of Jacksonville, Florida, as a pilot. Since this is a pilot, PWS' & EHS' future goal is to release a competitive solicitation for Energy Savings Performance Contracting, based on this piggyback results and lessons learned.

**Financial Impact**

**Responsible: PWS and EH&S**

This request to piggyback represents the District's intention to enter into a PDA with JCI. The requested spending authority of \$172,406 is based on a unit price of twelve cents (\$0.12) per square foot of the facilities mentioned.

Below is a breakdown:

<u>School Name</u>	<u>Facility Square Footage</u>
Dillard Elementary	118,096
Maplewood Elementary	101,237
Bethune, Mary M. Elementary	143,054
Pines Lakes Elementary	119,644
Pompano Beach Elementary	91,913
Pompano Beach Middle	166,444
Stranahan High	317,650
Tequesta Trace Middle	194,612
William Dandy Middle	184,066
<b>Total square footage</b>	1,436,716
<b>Project Develop Agreement cost per square foot</b>	\$0.12
<b>Project Development Agreement cost</b>	\$172,406





**PROJECT DEVELOPMENT AGREEMENT  
BETWEEN**

**The School Board of Broward County, Florida**  
600 SE Third Avenue  
Ft. Lauderdale, Florida 33301

**AND**

**Johnson Controls, Inc.**  
15901 SW 29<sup>th</sup> St # 801  
Miramar, FL 33027

The purpose of this Project Development Agreement (PDA) is to confirm the intent of Johnson Controls, Inc. (JCI) and **The School Board of Broward County, Florida (hereinafter referred to as Broward County Public Schools, SBBC or Client)**, to develop an *Energy Savings Performance Contract under Florida Statutes 489.145 and 287.055 for the locations and facilities outlined in Appendix A*. This agreement will provide the basis of the scope of the PDA, the obligations of both parties, the financial metrics to be met, the intended outcomes and timeline.

**WITNESSETH:**

WHEREAS, the Parties seek to enter into a performance based contract pursuant to Section 489.145, Florida Statutes to improve customer owned infrastructures and reduce energy, operating and future capital costs within those infrastructures owned and/or operated by the SBBC as set forth in Appendix A hereto (the "Premises"); and

WHEREAS, this Agreement is entered into with JCI in accordance with Article 15 ("Other Agencies") of the Agreement between the City of Jacksonville, Florida and JCI dated February 15, 2018 which has been approved by the SBBC for use herein (the "Piggybacked Agreement"); and

WHEREAS, JCI will evaluate, and with SBBC's approval, implement economically feasible measures to improve the SBBC's infrastructures; and

NOW, THEREFORE, for the mutual promises contained herein, and for good and valuable consideration, the sufficiency of which is hereby acknowledged, the Parties agree as follows:

JCI agrees to undertake a detailed development of the following Scope of Work. Upon reliance of the detailed development, SBBC shall consider approval of an Implementation Contract with JCI to install the Improvement Measures. SBBC intends to consider approval of the Implementation Contract no later than March 31, 2020.

**1. Scope of Work**

It is the Parties' mutual understanding that as part of this Project Development Agreement, JCI and SBBC to agree to the following:

Develop a project which will fund the Primary Facility Improvement Measures (FIMs) utilizing utility, operational, maintenance, and capital cost avoidance savings over a maximum period of 20 years per FL State Statute 489.145.

Develop Primary Facility Improvement Measures (FIMs) which will lower the District's operating costs and/or improve facility operating conditions, and/or improve institutional resiliency.

## Performance Infrastructure

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### Allowable project savings and funding sources are as follows:

- Electrical consumption (kwh), Electrical Demand (kW, on- and off-peak), Potable water consumption (kgal), Sewer consumption (kgal), Reclaimed usage (kgal), Natural gas consumption (Therms), District Steam (MMBtu), and District Chilled Water (ton-hours)
- Utility marketing, distribution, and/or delivery costs
- Existing contract cost savings throughout the project term or other cost savings attributable to the District's behavioral modifications, facility operating schedule or efficiency plan
- Escalation rates for utilities, commodities, labor, maintenance, and material shall be the greater of 3% annually or the Consumer Price Index (CPI)
- Utility rate structure adjustments (rate category change)
- Deferred maintenance reduction and/or emergency repair costs
- Capital Improvement Budget funds; Capital contribution, adjustment, or re-allocation funds; and/or offset of future District costs
- Applicable Bond or Tax Referendum proceeds
- Utility Provider and/or State or Federal rebates or grants

The Detailed Development included in this scope of work will result in the delivery of a written final business case based on a guaranteed maximum price to install Primary Facility Improvement Measures (FIMs) and the realization of guaranteed energy savings for an agreed-to term ("Detailed Development Summary"). Additional Secondary FIMs can be included in the scope of work of this project development agreement through mutual written agreement of Johnson Controls and SBBC. Compensation to JCI for the additional secondary development costs incurred as a result of scope of work additions as described above shall be negotiated in accordance with the terms, conditions and unit pricing set forth in the Piggybacked Agreement.

The end work product will be a specific list of Primary Facility Improvement Measures (FIMs) with the following information:

- i) Final savings calculations for energy, operational, other savings and a defined measurement and verification plan for each FIM.
- ii) Final cost data for each FIM and all other project related costs that will be used in the performance contract on a not to exceed cost basis.
- iii) Draft version of the "**Implementation Contract**" for negotiation of final terms and conditions with SBBC.

**JCI shall commence Work upon approval of this Agreement.**

## 2. Records and Data

During the Development Phase, the SBBC will furnish to JCI upon its request, accurate and complete data concerning current costs, budgets, facilities requirements, future projected loads, facility operating requirements, collective bargaining agreements, etc. More specific information requested by JCI is included in Appendix B. JCI will provide a separate document with the required information and the SBBC shall make every effort to provide that information within 5 days of request.

## 3. Preparation of "Implementation Contract"

Along with the other Scope of Work required under this Agreement, JCI will develop the framework of the subsequent Implementation Contract and the Financing Agreement if applicable. These Agreements shall be co-developed by JCI and the SBBC during the term of this Project Development Agreement (PDA). These documents will vary dependent on the SBBC's desired structure, but where possible shall be standardized JCI documents for most expedient delivery.

## Performance Infrastructure

### 4. Price and Payment Terms

#### Pricing for Development

Pricing has been negotiated in accordance with the terms, conditions and unit pricing set forth in the Piggybacked Agreement. Client agrees to pay to JCI the sum of **\$172,405.92 (One Hundred Seventy Two Thousand Four Hundred Five & 92/100 Dollars)** within thirty (30) days after the delivery to the Client of the documentation described under paragraph 1 of this Agreement. However, Client will have no obligation to pay this amount if:

JCI and the SBBC enter into the "Implementation Contract" (outlined in Section 3) within thirty (30) days after the delivery to the SBBC of the documentation described under paragraph 1 of this Agreement. Costs for the Study will be transferred to the total cost of the implementation Contract and be subject to the payment terms outlined in the Contract.

4a. PDA Price Calculation:

<b>School Name</b>	<b>Facility Square Footage</b>
Pompano Beach Middle School	166,444
Dillard Elementary School	118,096
Pines Lakes Elementary School	119,644
Mary M. Bethune Elementary School	143,054
Maplewood Elementary School	101,237
William Dandy Middle School	184,066
Tequesta Trace Middle School	194,612
Pompano Beach Elementary School	91,913
Stranahan High School	317,650
<b>Total Square Footage</b>	<b>1,436,716</b>
<b>Project Develop Agreement Cost per Square Foot</b>	<b>\$0.12</b>
<b>Project Development Agreement Cost</b>	<b>\$172,405.92</b>

### 5. Timeline

It is the intent and commitment of all parties identified in this Agreement to work diligently, and cause others under their direction to work diligently toward meeting the timeline shown below.

	<b>Date</b>
Project Development Agreement (PDA) Approved by SBBC	January 14, 2020
JCI to Complete Project Development and Provide Firm Implementation Contract	February 28, 2020
SBBC to Approve the Implementation Contract	March 10, 2020
Anticipated Project Completion and begin System Operation	July 2020

**These are anticipated timeframes and may be modified by subsequent work plans approved by the parties.**

# Performance Infrastructure

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## 6. Other Agencies

The parties mutually agree that this Agreement to form may be utilized by the Client or any other "Agency", as defined by F.S. 489.145 or F.S. 1013.23, to enter their own Project Development Agreement with JCI. Other agencies electing to utilize this agreement shall negotiate their specific scope, terms, conditions, and additional schedules, directly with JCI in all respects. Client will in no way be liable for the other agency's agreement.

## 7. Miscellaneous Provisions

This Agreement cannot be assigned by either party without the prior written consent of the other party. This Agreement is the entire Agreement between JCI and SBBC and supersedes any prior oral understandings, written agreements, proposals, or other communications between JCI and the SBBC. Any change or modification to this Agreement will not be effective unless made in writing. This written instrument must specifically indicate that it is an amendment, change, or modification to this Agreement.

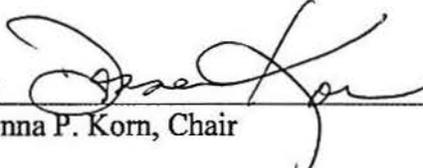
This document represents the business intent of both parties and should be executed by the parties who would ultimately be signatory to a final agreement.

### FOR SBBC:

(Corporate Seal)

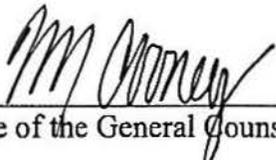
THE SCHOOL BOARD OF BROWARD  
COUNTY, FLORIDA

ATTEST:

By   
Donna P. Korn, Chair

  
Robert W. Runcie, Superintendent of Schools

Approved as to Form and Legal Content:

  
Office of the General Counsel

**[THIS SPACE INTENTIONALLY LEFT BLANK; SIGNATURE PAGE FOLLOWS]**

FOR Johnson Controls International, Inc.:

Johnson Controls International, Inc.

ATTEST:

By [Signature]

-OR-

Lupita Zillinger

Witness Lupita Zillinger

Kevin Bowe

Witness

STATE OF FLORIDA

COUNTY OF COLLIER

The foregoing instrument was acknowledged before me this 13th day of December, 2019

by PAUL AUGUSTUS BACH of Johnson Controls, Inc., on behalf of the  
Name of Person Name of Corporation or Agency

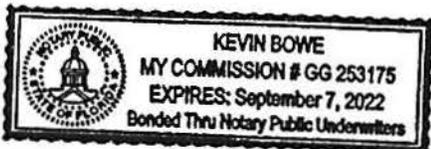
corporation/agency. He/She is personally known to me or ~~produced~~ as identification and ~~did~~ did not first take an oath.

Type of Identification

[Signature]  
Signature - Notary Public

Kevin Bowe  
Printed Name of Notary

(SEAL)



GG 253175  
Notary's Commission No.

# Performance Infrastructure

## Appendix A

### Buildings & Facilities to be evaluated:

<u>School Name</u>	<u>Address</u>	<u>Facility Square Footage</u>
Pompano Beach Middle School	310 NE 6 <sup>th</sup> Street, Pompano Beach, FL 33060	166,444
Dillard Elementary School	2330 NW 12 <sup>th</sup> Court, Fort Lauderdale, FL 33311	118,096
Pines Lakes Elementary School	10300 Johnson Street, Pembroke Pines, FL 33026	119,644
Mary M. Bethune Elementary School	2400 Meade St, Hollywood, FL 33020	143,054
Maplewood Elementary School	9850 Ramblewood Dr, Coral Springs, FL 33071	101,237
William Dandy Middle School	2400 NW 26th St, Fort Lauderdale, FL 33311	184,066
Tequesta Trace Middle School	1800 Indian Trace, Weston, FL 33326	194,612
Pompano Beach Elementary School	700 NE 13th Ave, Pompano Beach, FL 33060	91,913
Stranahan High School	1800 SW 5th Pl, Fort Lauderdale, FL 33312	317,650

### Facility Improvement Measures (FIM's) to be evaluated:

These are anticipated FIMs to be evaluated. The scope may be revised based on both parties mutual agreement.

<b><u>Primary Facility Improvement Measures</u></b>
Interior Lighting & Controls
Exterior Lighting & Controls
<b><u>Optional Facility Improvement Measures</u></b>
Building Schedule HVAC Controls Integration
Building HVAC Controls Retro-commissioning & Training
Pneumatic to DDC HVAC Controls Conversion
Building HVAC System Upgrades
Building Envelope Upgrades
Hot Water System Improvements
Chiller Plant Optimization & Expansion
Renewable Energy/Distributed Energy Storage/Resiliency
Miscellaneous Mechanical Improvements
Life Safety, Security, & IT-related Improvements
Any other FIM mutually agreed to by the parties

## Performance Infrastructure

### Appendix B

**The following items are requested of SBBC to perform the Detailed Development Phase:**

#	Description	Completed
1.	Utility Bills information for each site including: electricity, natural gas, water/sewer, telephone (if not VOIP) and other utilities such as fuel (fuel oil, biomass etc.), steam and chilled water/hot water, etc. as applicable -12 months required; 36 months preferred – Most recent consecutive monthly data important to analysis -Copies of bills provide both usage and cost/rates which is important to the analysis	
2.	Hazardous Materials – copies of all Lead Paint surveys and Asbestos surveys. *Signed "JCI Certification regarding Asbestos- Containing Materials" – See attached document	
3.	Overall facility information including: A. Specific conditioned area square footage B. Access to mechanical, electrical and architectural drawings. JCI might need to check out drawings for photocopying during project	
4.	Current Service Contract Information for equipment applicable to this project (can be discussed to identify which equipment)	
5.	Specific Information from Past 2 Year's Operational Budget for purposes of showing savings including: A. Parts Costs (Filters, Motors, etc.) B. M&R Costs	
6.	List of deferred maintenance items and/or list of service requests and/or external service costs	
7.	3 or 5 year capital improvement plan or sustainability master plan to understand improvements already planned	
8.	Mechanical Schedules of Major Equipment (copy) & access to energy management system and trending (viewer level at minimum)	
9.	List of any major mechanical or electrical systems purchased over past 4 years for the included buildings.	
10.	Building renovation, addition or demolition plans for the included buildings within the next 5 years.	
11.	Any additional information that you think is relevant to this project.	