

AGENDA ITEM  
CONTAINS MORE THAN 50 PAGES PALM BEACH COUNTY  
IT MAY BE VIEWED IN BOARD OF COUNTY COMMISSIONERS  
COUNTY ADMINISTRATION AGENDA ITEM SUMMARY

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Meeting Date: July 20, 2010 Consent [ ] Regular [X]  
Public Hearing [ ]

Submitted By: Water Utilities Department  
Submitted For: Water Utilities Department

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I. EXECUTIVE BRIEF

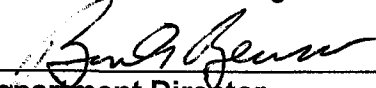
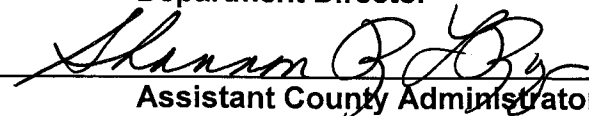
**Motion and Title:** Staff recommends motion to approve: A) Master Agreement for Energy Performance Contracting with FPL Services, LLC in accordance with Florida Statute §489.145 B) Delegation of Authority for Energy Performance Contracting using the limits established in Countywide PPM CW-F-050; and C) Authorization of Investment-Grade Energy Audit No. 1 for the Digester Biogas Renewable Energy Project at Southern Region Water Reclamation Facility (SRWRF) in the amount of \$113,410.

**Summary:** Energy Performance Contracting is a contractual vehicle similar to design build construction with an added performance guarantee that the savings produced by a project will be sufficient to finance the full cost of the project. These services begin with an investment-grade technical energy audit, the cost of which is deferred into the later performance contract phase. Energy performance contracting may be funded by grants, capital dollars or through tax-exempt lease financing with the annual lease payments being covered by the guaranteed savings. If the savings are not realized following completion of the improvements, then FPL Services, LLC will contractually be required to pay for the difference. Energy Performance Contracting may be used at the SRWRF, other Water Utilities sites and other County designated facilities. Investment Grade Audit No. 1 for the biogas at the SRWRF is to convert the existing wasted methane flare into generated electricity to be used on-site. Investment Grade Audits, similar to Consultant Service Authorizations and Energy Performance Contracting Work Authorizations will be negotiated and issued in accordance with the standard County procedures outlined in Countywide PPM No. CW-F-050. Delegation of Authority for approval of Work Authorization shall be granted to the Department Director and Contract Review Committee using the limits established in Countywide PPM CW-F-50. Investment-Grade Energy Audit No. 1 for the Digester Biogas Combined Heat and Power (CHP) Renewable Energy Project at Southern Region Water Reclamation Facility (SRWRF) is in the amount of \$113,410. The Contract has a term of two years subject to annual performance reviews. FPL Services is a local firm and has agreed to meet or exceed a 17% SBE and M/WBE combined participation goal. (WUD 09-030) Countywide (MJ)

**Background and Justification:** This Energy Performance Contract demonstrates environmental stewardship per the Water Utilities mission statement and is critical to the Department's "green" initiatives. On October 20, 2009, the Palm Beach County Board of County Commissioners (BCC) approved the United States Department of Energy's Energy Efficiency and Conservation Block Grant (EECGB) Program Assistance Agreement which included \$1,200,000 for the Digester Biogas project at SRWRF. The total cost of the SRWRF Biogas Combined Heat and Power project is estimated at \$2,300,000 and will generate approximately 300 kW of continuous electrical power which is equivalent to the power used by 150 homes. The selected design/build firm was procured under the provisions of § 287.055, Florida Statutes (Consultant Competitive Negotiation Act) and County-wide PPM No. CW-O-048. Assignment of tasks to the selected design/build firm will be at the sole discretion of the County, and the County may choose to select another firm or use in-house staff to perform any task. Task scope and fee negotiation will be performed on a task by task basis subject to the standard County procedures outlined in Countywide PPM No. CW-F-050.

**Attachments:**

1. Location Map
2. Two (2) Original Contracts
3. Two (2) Original of the Investment Grade Audit Authorization No. 1
4. Overview of Energy Performance Contracting

Recommended By:  6/22/2010  
Department Director Date  
Approved By:  6/22/10  
Assistant County Administrator Date

## II. FISCAL IMPACT ANALYSIS

### A. Five Year Summary of Fiscal Impact:

Fiscal Years	2010	2011	2012	2013	2014
Capital Expenditures	\$113,410	0	0	0	0
External Revenues	( \$113,410 )	0	0	0	0
Program Income (County)	0	0	0	0	0
In-Kind Match County	0	0	0	0	0
NET FISCAL IMPACT	\$0 <i>see below</i>	0	0	0	0
# ADDITIONAL FTE POSITIONS (Cumulative)	0	0	0	0	0
Budget Account No:	Fund 3903	Agency 721	Org W033	Object 6545	\$113,410

Is Item Included in Current Budget? Yes X No     

Reporting Category N/A

### B. Recommended Sources of Funds/Summary of Fiscal Impact:

- \* One time capital expenditure from user fees and balance brought forward and a \$1,200,000 Energy Efficiency and Conservation Block Grant (EECGB) from the United States Department of Energy. If Investment-Grade Energy Audit No. 1 is acceptable to the Water Utilities Department, then the costs of the audit will be rolled into the project costs.

### C. Department Fiscal Review: \_\_\_\_\_

## III. REVIEW COMMENTS

### A. OFMB Fiscal and/or Contract Development and Control Comments:

- \* Remaining balance in Energy grant \$1,196,920. Total Estimated project cost \$2,358,488

*[Signature]* 6/2/10  
OFMB  
6/1/10 5/26/10

*[Signature]* 6/12/10  
Contract Development and Control

This Contract complies with our contract review requirements.

### B. Legal Sufficiency:

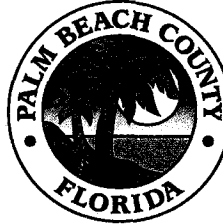
*[Signature]* 6/21/10  
Assistant County Attorney

At the time of our review, the County Attorney's office and FPL were negotiating a change to the Professional Liability Insurance requirements. This has been satisfied! 6/21/10

### C. Other Department Review:

\_\_\_\_\_  
Department Director

## SERVICE AREA (SA) AND MAJOR FACILITIES



# Attachment 1

### Legend

- P.B.C.W.U.D. SA**  
**----- Mandatory Reclaimed SA**  
**- - - County Limits**  
**★ Administration**  
**■ Water Reclamation Plant**  
**▲ Water Treatment Plant**  
**① Wetlands**



NOT TO SCALE

Hendry County