

## **Minutes for ECC Meeting #6**

Date/Time: Thursday, June 19<sup>th</sup>, 2008 7pm

Attendees:

Rob Darnell, Wendy Dennis, Matthew Jewett, Jennifer Kallay, Warren Magoon, Pooja Parsons, Steve Shoap, and Tim Healy from the Department of Public Works

1. Wiki Site: Rob has created a wiki site which has better organizational features and functionality than Google Groups. We will soon transition to using this wiki site in place of Google Groups. Rob will send committee members an email soon with information on how to access this new site.
2. Updates on Wendy's Meeting w/ Tom Mullen:
  - a. Tom Mullen confirmed that our conduct to date with the ESCOs is fine. In general, it is fine for us to receive and request information from any ESCO at any time. We can talk with them individually or in groups.
  - b. Tom Mullen reviewed the draft RFQ and has incorporated his feedback into the document.
  - c. Tom Mullen confirmed that anyone with a close relative who works for any of the responding ESCOs cannot vote on the RFQ responses submitted by the ESCOs. Wendy is verifying that working relationships with ESCOs do not present an issue. If any of you (i.e., the 7 committee members who were sworn in) have a concern that you have a relationship with an employee of an ESCO, please feel free to contact Wendy as soon as possible to verify that this relationship does not preclude you from voting.
3. Updates on Status of the draft RFQ created by Rob and Wendy:
  - a. The RFQ is basically finished and ready to be sent out to ESCOs.
  - b. The only remaining component that needs to be inserted into the RFQ is the data. The plan is to format the data so that it can either be incorporated directly to the document, incorporated into the package as a separate PDF, or posted on the wiki site so that the ESCOs can reference it directly online.
    - i. Wendy to follow up with Leo at Trane to determine how much data they would like to see in the RFQ (annual and/or monthly)
  - c. We had a longer discussion about whether we want to request the ESCOs conduct an investment-grade audit and provide the results of that audit within the context of their response. The issue is that we may limit the number of responses by asking for too much from ESCOs and we need to balance getting what we need to evaluate the responses with getting enough responses so that we have some options. Tim Healy suggested that we request that each ESCO send us the results of an investment-grade audit that they performed for a school in another town, as this could get us the information we need to evaluate them but without the extra effort for the ESCO. If we do decide we want to have the ESCOs conduct an audit, we need to determine which town building to audit (it should be the same

for all of the ESCOs). It should also be a building we expect the ESCOs to work on so that we are not wasting their time. Before we can decide what to do, Wendy is following up on the following questions.

- i. What exactly is an investment-grade audit?
  - ii. How much time and effort is it for an ESCO to perform?
  - iii. In what form would the ESCO present the results?
  - iv. Is this a standard part of an RFQ or does it only appear in Newton's RFQ?
  - d. We also need to confirm how many hard copies of the RFQ responses we need to request from the ESCOs and Wendy is following up on this. Electronic copies will be posted on the wiki site for viewing by a broader audience.
  - e. We plan to run RFQ draft by Eileen before sending it out to confirm that all of the mandatory components are there.
4. Update on call with Eileen from DOER: Eileen confirmed that she will not benchmark our data. She clarified that she had offered to benchmark our data only if we decided we were not going down the ESCO path. The ESCOs have the ability to benchmark our data. Therefore, we will provide our data in the RFQ and their RFQ responses will reflect this benchmarking. In other words, our RFQ will contain all of the buildings in town that we want them to consider. The buildings they discuss in their RFQ response will be the buildings that they determine need to be addressed because they use more energy than they should and use more energy than other like buildings in the state. If Eileen were to also do this it would be a duplication of efforts and the ESCOs have the experience and knowledge to make the best recommendations.
5. Update on talk with Northeast Vocational
- a. A few weeks ago, Eileen forwarded Jenn an email from Ernest Zucco with the Northeast Vocational School because they also have participated in an RFQ. Jenn followed up with Ernest to see what was going on and determined that all of the vocational schools in Massachusetts filed an RFQ jointly to the ESCOs. The ESCOs determined that Northeast Vocational School was ranked #2 in terms of need. However, for some reason the project has fallen through and the school is trying to determine what to do. It is not a municipal building, so they cannot be included in our RFQ. As a result, Jenn simply updated Ernest on our efforts and provided him contact information in case he'd like to get in touch with us in the future with any questions.
  - b. Jenn will forward the initial email from Eileen introducing her to Ernest to the group.
6. Summer Meetings: It was determined that even though we will not have responses from ESCOs to review at our July meeting, we should still meet. The committee needs to use this meeting to prepare for when the responses come in and how they should be evaluated. Voting will be conducted by the original 7 committee members that were sworn into the group only – liaisons are able to advise us, but not vote. Once we receive responses, we will likely want to call references that the ESCOs provided in their responses. At the July meeting, we should think

about the types of questions we'd like to ask these references and determine who would like to assist with this task.

Next Meeting: Thursday, July 17<sup>th</sup> at 7pm at the Town Hall

Interim Meetings: None planned for now

## **Process & Draft Timeline (bolded text denotes where the committee is in this process)**

- 1. The data collection subcommittee collects data on energy use (includes Peter Evangelista, Richard Stinson, Rob Darnell, and Jenn Kallay) – done**
  - Create spreadsheet containing the energy use for all fuels for each of the buildings that are included in the list of town buildings that Warren's obtained
  - Determine whether or not to remove unoccupied space from the square footage estimates – we will not pursue this at this time
- 2. The research subcommittee surveys other towns to get insights into their experiences (includes Pooja Parsons, Steve Shoap, Richard Stinson and Warren Magoon) – done**
  - Determine which towns to survey
  - Follow up with those towns
  - Evaluate the pros and cons of different financing options
  - Present findings at future committee meetings
- 3. Learn more about ESCOs - done**
  - Coordinate presentations with ESCOs to learn more about their approach, process, etc.
- 4. Prepare a shell of the RFQ - done**
  - Determine a purchasing agent, finance agent and attorney from the town who could be available to assist with the preparation of the RFQ
  - Work with attorney to determine additional language to be added to the RFQ (the bid document can require there be no affect on the budget or that there be a positive cash flow or that the ESCO conduct an audit on the buildings as part of its response or request that water conservation should/can be included, for example)
- 5. Present the draft of the RFQ to town officials, the school board, etc.; get buyoff from the town – done**
  - Incorporate comments from presentation
  - Finalize the RFQ
  - Advertise the RFQ in newspapers, etc.
- 6. Seek ESCO Responses – in progress; RFQ to be public by July 1st**
- 7. Develop a scoring system for bids – in progress; to be discussed at July committee meeting**
8. Evaluate responses and hire ESCO – aiming for September
  - QC calculations of energy savings/review contractor's annual reports on achieved savings and variance against guarantees

- Review the decision with town officials, the school board, etc.
- Get DOER approval, if needed
- Negotiate final terms of contract
- Agree on guaranteed energy savings
- Determine timing to start and complete the needed work
- Recommend that Selectmen to sign the contract

9. Coordinate with ESCO to complete work – TBD