

Matthew G. Bevin
Governor



Derrick Ramsey, Secretary
Education and Workforce
Development Cabinet

Wayne D. Lewis, Ph.D.
Interim Commissioner of Education

KENTUCKY DEPARTMENT OF EDUCATION

300 Sower Boulevard • Frankfort, Kentucky 40601
Phone: (502) 564-3141 • www.education.ky.gov

July 12, 2018

Mr. Jay Brewer, Superintendent
Dayton Independent Schools
200 Clay Street
Dayton, KY 41074

RE: BG 19-023, DAYTON IND. – Multiple Facilities - Guaranteed Energy Savings Contract (GESC)

Dear Mr. Brewer:

This is to acknowledge our receipt and approval of the district's July 11, 2018 "letter of intent" to issue a KDE Request for Proposal for a Guaranteed Energy Savings Contract.

Enclosed is a copy of the Checklist for Guaranteed Energy Savings Contract. Please use this checklist as a guide for submitting the documentation required for Kentucky Department of Education approval through completion of the project.

If there are questions about our requirements or KDE regulations, please call us at (502) 564-4326.

Sincerely,

A handwritten signature in blue ink that reads "Gregory C. Dunbar".

Gregory C. Dunbar, AIA, Manager
District Facilities Branch
Division of District Support

GCD/GTL

c: Ron Kinmon - DIS
DFB Project File/District Correspondence File

702 KAR 4:160

GUARANTEED ENERGY SAVINGS CONTRACTS (Pursuant to KRS 45A.352)

The following procedural steps shall be followed by the local school district in initiating and carrying out a guaranteed energy savings contract. Each step completed will be acknowledged by the Kentucky Department of Education (KDE) and authorization given to proceed. Reference 702 KAR 4:160 for all required KDE contracts and forms. For additional information regarding 702 KAR 4:160 Capital Construction Process refer to the Best Practices Manual. KDE forms and the Best Practices Manual are available on the KDE website (<http://education.ky.gov/districts/fac/Pages/Construction.aspx>)

NOTE: (AIA) Refers to American Institute of Architects

Required Items Are Checked *Indicates Board Order / Board Approval required with submittal on file.

DATE RECEIVED

* ☒ 7/11/2014

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1. Submit a letter of intent to issue a KDE Request for Proposal (RFP) for a Guaranteed Energy Savings Contract (GESC). The letter of intent shall include a high level description of the project scope and a list of buildings. *Refer to 702 KAR 4:160 Section 7 (1)*

2a. At the district's option, solicit Requests for Qualifications (RFQ) from multiple potentially qualified providers and select no fewer than two (2) qualified providers prior to initiating the RFP process. Advertisement for RFQ shall comply with KRS 424.130(1)(b). Provide a minimum of thirty (30) days for qualified providers to respond to the RFQ;

- or -

2b. If the RFQ process is not utilized, the district shall advertise the RFP in compliance with KRS 424.130(1)(b). Allow a minimum of forty-five (45) days after advertisement for qualified providers to respond to the RFP. Submit a copy of the advertisement to KDE.

3. GESC Project Initiation. *Refer to 702 KAR 4:160 Sections 7 (6)(7)*

a. Submit for approval, a board-approved BG-1 Project Application Form (2013).

1) If the project will use donated labor, material or funds from external sources, or if the district proposes to self-perform any work, request KDE instructions.

b. Submit the board-approved proposal from the selected provider. The proposal shall include the following:

1) A detailed list of the proposed energy conservation measures and the guaranteed savings supported by calculations. Savings shall be determined by a recognized and approved measurement and verification methodology.

2) The estimated cost of the proposed energy conservation measures including engineering, construction, commissioning, measurement and verification, annual reconciliation statements, and required on-going services.

3) Identification of any additional maintenance services for the affected proposed energy conservation measures subject to annual budget appropriations.

4) Proposed method and costs of financing.

5) Identification of the design professional(s) responsible for the systems design with Professional Liability Insurance Certificates.

6) Confirmation of the qualified provider's construction management capabilities.

7) Identification of any annual agreements required to maintain the guarantee.

c. Schedule a meeting to review.

702 KAR 4:160

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4. Submit for approval the following (*Refer to 702 KAR 4:160 Section 7 (8)*):

- a. Board-approved project scope documents.
- b. Board-approved BG-2 Outline Specifications Energy Design Criteria (2013) (per building).
- c. Board-approved proposed contract (AIA).
 - 1) AIA Document A141-2004, Standard Form of Agreement – KDE Version
 - 2) AIA Document A141-2004, Exhibit C – KDE Version
- d. Schedule a meeting to review.

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5. Submit for approval the board-approved proposed contract (AIA A141-2004 – KDE Version) incorporating prior KDE review comments, including (*Refer to 702 KAR 4:160 Section 7 (9)*):

- a. Board-approved completed Project Documents, including final drawings and specifications.
- b. Plan of Financing. Pursuant to KRS 45A.352(3), the value for total cost of the contract minus the calculated savings from the energy conservation measures listed in the proposal shall be within fifteen percent (15%) of the value for the total cost of the contract minus the calculated savings after the final contract has been negotiated. If the difference between the proposed and the final contract is not within fifteen percent (15%) and the district and the qualified provider are unable to renegotiate the final to reconcile the difference between the proposed and final contract values, the district may terminate negotiations and select an alternate qualified provider.
- c. Board-approved revised BG-1 (2013) conforming to the contract and financing.

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6. Submit a copy of transmittal letters for final plans and specifications to:

- a. Completed of Housing, Building & Construction or local building code authority having jurisdiction over the project.
- b. Other regulatory agencies having jurisdiction over the project.

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All Documents shall be received 10 business days prior to the sale of bonds and in an approvable form at least 5 business days prior to scheduled bond sale, otherwise the sale date shall be postponed.

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7. Submit a copy of signed contract (AIA A141-2004 – KDE Version) with (*Refer to 702 KAR 4:160 Section 7 (5)*):

- a. Qualified provider's signed KDE Non-Collusion Affidavit.
- b. Qualified provider's Certificate of Insurances.
- c. Executed Performance and Payment bond.
- d. KDE Purchase Order Summary, if owner direct Purchase Orders utilized.
- e. Copy of signed KDE Purchase Orders, if utilized.
- f. Board-approved AIA G701-2001 Change Order and KDE Change Order Supplemental Information Form (2013), if utilized.

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8. Submit for record the following:

- a. Board-approved BG-4 Contract Closeout Form (2013) approving final payment upon completion of the punch list items and reconciling each contract and Purchase Order Summary, if utilized. Submit one BG-4 per contract (AIA A141-2004 – KDE Version).
- b. Board-approved BG-5 Project Closeout Form (2013) confirming acceptance of project, closeout of all contracts, and reconciliation of final project cost.
- c. Confirmation that district has possession of record documents and written guarantee.

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9. OTHER _____