

# Stanwood Camano School District

TO : BOARD OF DIRECTORS  
FROM : GARY PLATT, EXECUTIVE DIRECTOR – BUSINESS SERVICES  
SUBJECT : DIRECTED ENGINEERING STUDY  
DATE : OCTOBER 6, 2015  
TYPE : ACTION REQUIRED



Attached is a proposal from McKinstry to conduct a directed engineering study to evaluate the efficiency of the existing heating, ventilation, and lighting systems in three district schools. This study will be used to determine the project with the highest potential for obtaining a grant from the state Department of Commerce. Grant awards under this latest round of funding are limited to approximately \$300,000 per project. The funded project(s) will be completed in the summer of 2016. So far, the district has received \$974,000 in energy grant awards plus around \$150,000 in rebates from local utility providers for previous energy conservation projects.

The Facilities and Technology (Capital) Levy included funding to update heating, ventilation, and lighting systems in the following schools:

*Stanwood Elementary –	Capital Levy Year: 2015-16	Budget: \$572,815
Church Creek/LHHS –	Capital Levy Year: 2015-16	Budget: \$532,511
*Twin City Elementary –	Capital Levy Year: 2016-17	Budget: \$654,326
*Port Susan Middle –	Capital Levy Year: 2016-17	Budget: \$873,540

Only the three schools marked above with an asterisk (\*) will be included in the directed engineering study. Should either Twin City or Port Susan be selected for grant funding, other projects scheduled for FY 2015-16 may have to be delayed for one year.

Each of these projects will result in utility cost reductions due to reduced energy demands. Because of these possible savings the projects may be conducted with the assistance of the State Department of Enterprise Services under a contract with McKinstry. McKinstry has conducted other utility conservation projects in the district and is capable of managing this project successfully.

As mentioned above, in order to make a final determination of project eligibility for grant funding, an engineering study is required. Subject to school board and State Department of Enterprise Services approval, we intend to proceed immediately with the study and preparation of grant application materials.

Recommendation:

We recommend the board **move to approve the McKinstry Directed Engineering Study Proposal as attached and further authorize the administration to execute related contracts as required.**



September 16th, 2015

Mr Gary Platt  
Stanwood-Camano School District  
Executive Director, Business Services  
26920 Pioneer Way  
Stanwood, WA 98292

Mr. Joe Sullivan  
Department of Enterprise Services  
Div. of Engineering & Architectural Services  
206 General Administration Building  
P.O. Box 41012  
Olympia, WA 98504-1012

**SUBJECT: – DIRECTED ENGINEERING STUDY PROPOSAL – STANWOOD-CAMANO SCHOOL DISTRICT**

Gary and Joe:

Stanwood-Camano School District has expressed interest in continued improvement of their existing facilities infrastructure through a performance-based contract with McKinstry Essention, Inc. (McKinstry). During the course of previous preliminary school assessments and feedback from Stanwood-Camano School District, the following infrastructure needs have been identified. This proposal letter will provide the guidelines for which McKinstry will provide the following tasks:

1. Conduct a Directed Engineering Study at the target facilities.
2. Review Health & Safety Initiatives that may be eligible for OSPI grant funding
3. Develop a comprehensive Energy Services Proposal for selected initiatives.

The target facilities and initiatives to be studied include:

- ✓ Stanwood Elementary - Upgrade Boilers and Boiler Controls
- ✓ Stanwood Elementary – Upgrade Lighting (T12 Lamps)
- ✓ Twin City Elementary – Upgrade Boilers
- ✓ Twin City Elementary – Upgrade VAV Boxes
- ✓ Twin City Elementary – Upgrade Controls
- ✓ Twin City Elementary – Upgrade Gym Lighting
- ✓ Port Susan MS – Upgrade Boilers
- ✓ Port Susan MS – Upgrade Controls
- ✓ Port Susan MS – Upgrade Lighting at Gym, Foyer and Cafeteria

Additional initiatives to be studied include:

- ✓ Stanwood Elementary - Upgrade Controls
- ✓ Twin City Elementary – Upgrade Restrooms



### **REQUESTED INFORMATION**

For effective execution of this letter of intent we ask that Stanwood-Camano School District provide access to the following for each facility:

- ✓ Good Faith Survey for existing facilities
- ✓ Historical utility bills for the last 24 months.
- ✓ All mechanical, electrical, architectural, and structural drawings.
- ✓ All operational and maintenance manuals, balancing records, & specifications.
- ✓ Operational records related to the cost of maintaining specific equipment.
- ✓ Information with regards to any on-going maintenance contracts.
- ✓ Access to individuals that have relevant information pertaining to the day-to-day operation of energy using systems on site.

### **CRITERIA FOR IMPLEMENTATION**

It is Stanwood-Camano School District' intent that McKinstry will implement all approved projects that meet the following criteria:

- ✓ For measures requested by Stanwood-Camano School District, the implementation criteria are based on demonstrating a net present value benefit over the life expectancy of the proposed measure.
- ✓ For other measures the implementation criteria is Life Cycle Cost Effective.
- ✓ Aggregate Lifecycle Cost (LCC) of the projects shall be equal to or less than the Lifecycle Cost (LCC) of the existing condition or "do nothing" scenario. Lifecycle Cost for the "do nothing" scenario will include any real costs associated with the replacement of failed items including district staff time at the appropriate pay rate.

### **FEE BILLING BASED ON CRITERIA**

All fees assessed under this Letter of Intent will be included in the final implementation costs. In the event that McKinstry is unable to recommend projects that meet the criteria above, Stanwood-Camano School District has no further financial obligation to McKinstry. However, if the recommendations meet or exceed the CRITERIA FOR IMPLEMENTATION, and Stanwood-Camano School District chooses not to enter into an agreement with McKinstry to install the projects, Stanwood-Camano School District will reimburse McKinstry for its time and expenses for the Directed Engineering Study. All associated information, including deliverables, will become the property of Stanwood-Camano School District upon final receipt of payment.

Stanwood-Camano School District will reimburse McKinstry for its time and expenses at a cost not to exceed \$39,587 for this scope of work based on the Criteria for Implementation listed above.



**TASKS AND MILESTONES**

McKinstry is prepared to begin work immediately upon notice to proceed. Formal progress review meetings will be conducted regularly throughout the study phase. During these review meetings, McKinstry will recommend measures based on preliminary analysis while Stanwood-Camano School District will provide final direction regarding recommended measures. The goal of these review meetings is to focus on engineering efforts, budgeting, and savings assessment. Assuming a start by October 1<sup>st</sup> 2015 an Energy Services Proposal will be ready by March 2016

We look forward to working with the Stanwood-Camano School District.

Please call should you have any questions.

Sincerely,

Gerry Galvin  
Program Manager