

US EPA ARCHIVE DOCUMENT



Date

Name
Address
Address

Re: Proposal for Energy Consulting Services

Dear Joe:

Metro Energy Solutions, an independent energy services and energy consulting company headquartered in West Caldwell, New Jersey, specializing in providing energy services to public sector clients in New Jersey, is pleased to present this Proposal to the [name of municipality] for energy auditing and consulting services for the two wastewater treatment facilities referred to as Woodstream and Elmwood. As per the request of the [NAME OF MUNICIPALITY], our proposal is broken out to offer [name of municipality] the option of having a complete energy efficiency audit performed at both locations, or the option of exploring only the opportunity for Demand Response in both locations.

Metro Energy Solutions specializes in assisting public and private sector clients in designing, installing and retrofitting mechanical and electrical equipment, including renewable technologies, and implementing process improvements that use less energy and improve building comfort while at the same time lowering the facility's operating and maintenance costs.

Metro Energy Solutions is the leading energy services and energy consulting company in the New Jersey/New York region. The company is a registered SBE in New Jersey and has its New Jersey Business Registration Certificate, Public Works Registration Act Certificate, and is a registered Energy Agent and Aggregator with the Board of Public Utilities. In addition, Metro Energy is a Rebuild America Business Partner, a member of the New Jersey Chapter of the United States Green Building Council for the Leadership in Energy and Environmental Design (LEED), a member of the Mid Atlantic Solar Energy Industries Association, a member of the New Jersey League of Municipalities, and a member of the New Jersey Association of Counties.

We are the recipient of the United States Department of Energy's "Energy Champion's Award" for our energy consulting work with the County of Bergen. Metro Energy is also part of a two-company team that was selected to be the energy consultant to the State of New Jersey. As the energy consultant to the State, Metro Energy's specific scope of work includes conducting facility energy assessments, providing recommendations for improvements, providing financial analyses that include project costs, annual energy and maintenance savings, calculating utility rebates, and determining life cycle costs. In addition, Metro Energy will provide the State with design and engineering consulting, preparation of bid specifications, construction management, administration of rebates/incentives and project closeout for each project selected for implementation by the State.

Metro Energy has extensive experience in energy consulting services in the public sector in New Jersey, including numerous municipalities. Metro Energy is currently implementing county-wide energy efficiency initiatives with the County of Bergen/Bergen County Improvement Authority and the Bergen County Utilities Authority (“Rebuild Bergen County”), the County of Burlington, the County of Cumberland, the County of Morris, the Morris County Utilities Authority, Burlington County and Somerset County. Metro Energy has also completed work in Essex County and has provided the County of Essex with additional evaluations (Phase 1) of other County-owned facilities for their review. Most recently Metro Energy has completed a Phase 1 energy assessment for the County of Cumberland. All of the projects include engineering and consulting services for the facilitation of county or city-wide energy initiatives and include working with the county as well as municipalities, school districts and water/wastewater utility authorities within each county.

In Bergen County Metro Energy has completed energy evaluations at all County owned facilities, almost all of the 70 municipalities and more than half of the school districts.

In 2007, the State of New Jersey selected Metro Energy as part of a team to be the energy efficiency consultant for the State’s facilities.

Scope of Services

Metro Energy has performed thousands of energy audits on a wide range of systems. Our team of engineers has performed energy audits on building systems that have included chillers (centrifugal, reciprocating, screw, absorption, etc.), cooling towers and pumps, variable speed drives, energy management systems, computer systems, lighting systems, HVAC retrofits, central plants, geothermal, photovoltaic and other renewable energy systems.

The following represents the scope of services that will be provided for this project. Each project is broken into two Phases. Phase I is the energy audit and analysis. Phase II is the Project Implementation.

1. Phase I: Energy Audit and Analysis

Client Consultation – Metro Energy will begin the process with an extensive client consultation which establishes project scope, EMUA’s objectives and priorities, roles and responsibilities, project time line, deliverables, and communication and feedback mechanisms.

Energy Study and Analysis – Metro Energy will perform an energy analysis of the Woodstream and Elmwood plants. Metro Energy will use a combination of resources that possess the skill levels and manpower required to perform a high quality energy efficiency analysis on a reasonable schedule. The energy study and analysis will include a breakout of all energy conservation measures (ECM) identified and estimated costs, energy and operational savings, and life-cycle cost benefits.

Calculation and Verification of Energy Savings – Metro Energy will perform detailed calculations of projected energy savings based on the proposed installation of each ECM.

Utility Incentive Analysis– Metro Energy will perform a preliminary analysis to determine federal, state and utility company low-cost energy loan, grant, rebate, and similar programs to supplement financing of the project recommendations; Metro Energy will analyze local utility rebate or performance programs to qualify the project to assure the greatest incentives achievable.

Financial Analysis – As part of the energy study and analysis, Metro Energy will prepare a complete financial analysis. Metro Energy will identify projected energy savings as measured in kW, kWh, therms and energy cost

savings. The analysis will also include operational savings if applicable. Metro Energy will provide estimated pricing for materials and labor. Metro Energy will calculate the maximum utility rebates and other financial incentives. Finally, Metro Energy will perform a life-cycle cost analysis in order for the EMUA to have an order of magnitude of each project.

2. Phase II: Project Implementation

Engineering and Design - Based on the energy study and analysis data, Metro Energy will begin the detailed engineering for each ECM that has been approved by the [name of municipality]. During the detailed engineering phase Metro Energy will be responsible for the preparation of design engineering specifications.

Bid Specification Implementation – Metro Energy will prepare specifications and solicit proposals for each ECM selected for implementation. Metro Energy will also be responsible for the preparation of contractor/subcontractor specifications and review and evaluation of the submissions. Upon review, Metro Energy will provide a written recommendation to the [name of municipality].

Utility Incentive Analysis – Metro Energy will oversee the winning Bidder and manage the identification, preparation, and submission of applications for federal, state and utility company low-cost energy loan, grant, rebate, and similar programs to supplement financing of the project recommendations; Metro Energy will oversee the winning Bidder in obtaining all local utility rebates on behalf of the [name of municipality]. This will entail Metro Energy overseeing all required submittals and site visits, and ensuring the winning Bidder responds to all required utility requests for information.

Project Management – Metro Energy will provide Project Management of contractors and subcontractors during the project implementation phases; Metro Energy will supply project management services for each project to ensure that projects are installed within budget (Preparation of project time, cost and financing schedules, including significant interim milestones), on time and in strict accordance with the specifications. (Preparation of progress reports during the implementation of any energy conservation measures, renewable energy systems, or green power purchases). Metro Energy's fee includes (2) construction meetings per month during the installation phase of the project.

Budget Costs for Services

The Metro Energy fee will have two components:

Phase I: The Energy Audit and Analysis Fee includes:

- Preliminary engineering consulting services to provide the [name of municipality] with the preliminary scope of work, estimated installed cost, estimated annual kWh production and resultant energy savings, and a financial analysis including all available incentives.
 - (2) Bound color copies of the Feasibility Analysis
 - (2) Bound black & white copies
 - (1) Black & white copy – suitable for copying
 - (1) Copy on compact disk
 - (2) engineering site visits
 - Client consultation
 - (1) Presentation of Energy Assessment
 - Travel for the above

Phase I Fee:

a. Complete Energy Efficiency Audit, including Demand Response and Renewables - \$21,450

This fee will be billed on a lump sum basis according to the following milestones:

Invoices for our services will be submitted to you monthly based on completion of the following milestones. Our invoices will also show a summary of the contract value, amount previously billed, and contract value remaining.

<u>% of Fee</u>	<u>Milestone</u>
25%.....	1. Issuance of Purchase Order or Contract
25%.....	2. Completion of Field Work
40%.....	2. Delivery of Draft report
10%.....	3. Delivery of Final report

Phase II: The Implementation Fee includes:

- Implementation services to include design/engineering for the ECM selected by the [name of municipality]. In addition, the Implementation Fee includes:
 - (2) additional engineering site visits
 - Bid Specification Development. (1) final copy to be submitted to the [name of municipality] on either compact disk or submitted via email for advertising.
 - Attendance at (1) bid walk-through for bidders
 - Responses in writing to all appropriate questions from bidders
 - Attendance at public bid opening
 - Written recommendation to the [name of municipality] indicating selected bidder
 - Project Management throughout the duration of the project, not to exceed 15 months from the date the Bid Specification is complete. This includes (2) on-site construction meetings per month.
 - Attendance at site inspections by utility to confirm rebate amounts
 - Client consultation
 - Travel for the above

Reimbursable expenses for items such as additional reproductions, overnight delivery, and additional meetings are not included in this fee. The Implementation Fee will be priced following approved scope of work.

RESPONSIBILITIES OF THE [NAME OF MUNICIPALITY]

1. The [name of municipality] shall be responsible for obtaining and distributing all information in its possession, custody, or control that may relate to the services to be performed by Metro Energy.
2. The [name of municipality] shall be fully responsible for obtaining the necessary authorization to allow Metro Energy, its agent, sub-consultants and representative to have access to the facilities at reasonable times throughout the term of this agreement, and shall set up interviews with designated appropriate representatives of the [name of municipality].

Limitations

1. Metro Energy will rely on the accuracy of any information submitted to us by the [name of municipality] in the performance of our services, and will not be held responsible for errors or inaccuracies contained in information provided to us.

2. Detailed building energy simulations will not be performed. The study will employ techniques that rely on historical information compiled over the years from similar facilities. Individual building performance will not be modeled in great detail. Rather, building type, size and occupancy will be used to form a rough calculation model of the building (or specific equipment) energy usage for use in determining the estimated results of energy conservation measures. Likewise, construction costs will also be based on historic data compiled from similar installations, and engineering opinion.
3. In the event that our activities indicate areas of significant health, safety or environmental concern, the scope of work outlined above may need to be expanded as appropriate. We would notify you as soon as possible if potentially significant areas of concerns are encountered.
4. Metro Energy shall be responsible only for its activities and that of its employees on any site. Neither the professional activities nor the presence of Metro Energy or its employees or subcontractors on a site shall imply that Metro Energy controls the operations of others.
5. Recommendations will take into account measures intended to improve or enhance the operation and efficiency of conventional, code-compliant lighting systems, similar to those currently in place.
6. Metro Energy's fee includes (1) formal presentation of the report at [municipality]'s site, and up to (5) copies of the report in hard copy. Travel and related miscellaneous expenses are included in our fee. Preparation of engineered drawings and permits are not included in our fee.

References and record of success of same or similar service.

Metro Energy's experience with energy conservation initiatives in the public sector is unparalleled in New Jersey. Following please find a partial list of public sector projects where Metro Energy has completed or is in the process of completing both the "Phase 1" energy auditing services as well as the "Phase 2" implementation services.

Bergen County Community College (Energy Efficiency Audit)
 Bergen County Correctional Facility (Cogeneration Project)
 Bergen County Improvement Authority (Energy Conservation Initiative)
 Bergen County Utilities Authority (Cogeneration Project)
 Bergen County Vocational Technical Schools (Energy Efficiency Audit and Solar Project)
 Bergen Regional Medical Center (Cogeneration Project)
 Bergen Regional Medical Center (Energy Efficiency Project)
 Burlington County (Energy Efficiency and Cogeneration Project)
 Caldwell, Borough of (Cogeneration Project)
 Caldwell - West Caldwell School District (Energy Efficiency Project)
 Cedar Grove (Energy Efficiency Audit)
 Clinton Public Schools (Energy Efficiency Audit)
 Clinton, Town of (Energy Efficiency Project)
 Closter, Borough of (Energy Efficiency Audit)
 Cranbury (Energy Efficiency Audits)
 Cumberland County (Energy Efficiency Projects)
 Edison (Energy Efficiency Audits)
 Essex County Improvement Authority (Cogeneration Project)
 Essex County (Energy Efficiency Project)
 Hackensack, City of (Energy Efficiency Project)
 Hampton, Borough of (Energy Efficiency Audit. Pending receipt of Purchase Order)
 Leonia Board of Education (Energy Efficiency Project and Audit)
 Leonia, Borough of (Lighting and Solar Project and Audit)
 Lodi, Borough of (Energy Efficiency Audit)

Maplewood, Township of (Energy Efficiency Audit)
Montclair, Township of (Energy Efficiency and Solar Power)
Montclair Board of Education (Energy Efficiency and Solar Power)
Montclair State University (Energy Efficiency and Cogeneration Project)
Moonachie, Borough of (Energy Efficiency Project)
Morris County (Multiple Energy Efficiency and Cogeneration Project completed)
Morris County Municipal Utilities Authority (Energy Efficiency Audits)
Morristown, Town of (Energy Efficiency Audit)
New Jersey Sports and Exposition Authority
New Jersey, State of (Energy Efficiency Audits)
Nutley Board of Education (Energy Efficiency Audit)
Oradell, Borough of (Energy Efficiency Project)
Orange, City of (Energy Efficiency, Wind Power, Solar Power)
Orange Housing Authority (Cogeneration Project)
Park Ridge, Borough of (Energy Efficiency Audit)
Parsippany, Township of (Engineering and Design of Photovoltaic System)
Pascack Valley Regional School District (Energy Efficiency Audit)
Princeton Board of Education (Energy Efficiency Project)
Princeton, Township of (Energy Efficiency Project)
Somerset County (Energy Efficiency Project)
Somerset County (Cogeneration Project)
South Orange, Village of (Energy Efficiency Audit)
Summit Board of Education (Energy Efficiency Project)
Tinton Falls, Borough of (Energy Efficiency Audit)
Upper Saddle River School District (Energy Efficiency Project)
West Orange, Township of (Energy Efficiency Project)
Woodcliff Lake, Borough of (Energy Efficiency Audit)

Thank you for giving Metro Energy Solutions the opportunity to work with you on this project. If you have any questions or require any additional information, please contact me at (973) 439-SAVE extension 15, or via email at rragozine@metroenergysolutions.com.

Sincerely,

Robert Ragozine
Principal Chief Operating Officer