

RESOLUTION OF THE CITY COUNCIL

No. 493

Approved October 25, 2018

RESOLVED, That the Members of the Providence City Council
hereby Authorize Approval of the following Contract Award by the Board of
Contract and Supply, in accordance with Section 21-26 of the Code of Ordinances.

EDF Renewable Development

\$18,208,039.05 over 25 years

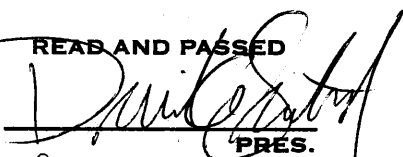
Klein Schmidt
(Water Supply Board)

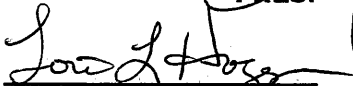
\$200,000.00

IN CITY COUNCIL

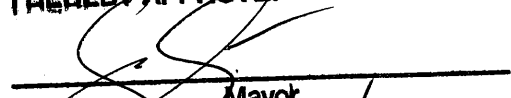
OCT 18 2018

READ AND PASSED


PRES.


CLERK

I HEREBY APPROVE.


Mayor

Date: 10/25/18



September 12, 2018

Office of the Internal Auditor

Ms. Lori Hagen
City Clerk's Office
City of Providence
25 Dorrance Street
Providence, RI 02903

Dear Lori:

I am writing to request that the following requested contract awards be submitted to the City Council and the Finance Committee for approval:

- **Water Supply Board:**
 - Request to award **EDF Renewable Development \$18,208,039 and Klein Schmidt Associates \$200,000** for renewable energy over 20 years in accordance with Code of Ordinance Section 21-26.
- **Workforce Solutions:**
 - Request two one year extensions for **Comprehensive Community Action Program (CCAP) for \$700,000 per year** for the Workforce Investment Opportunity Act (WIOA) youth contracts in accordance with Code of Ordinance Section 21-26.
- **School Department:**
 - Request for a four year extension with **Aramark Management Services, L.P.** for the period of November 13, 2019 through November 12, 2023. Escalator for each of the extensions will be based on the CPI. The first year of the award, October 6, 2014, had a cost not to exceed **\$16,370,332** in accordance with the Code of Ordinances, Section 21-26.

Sincerely,

A handwritten signature in cursive script that reads "Gina M. Costa".

Gina M. Costa
Internal Auditor

Cc: Ricky Caruolo, General Manager, Water Supply Board
Brian Hull, Director of WFS and Community Development
Judith Petrarca, Purchasing Administrator, School Department
Al Buco, Acting Director of Public Property
Molly Hannon, Associate Director of Purchasing
James Lombardi, Senior Adviser to the City Council



September 7, 2018

The Honorable Mayor Jorge O. Elorza
Chairman, Board of Contract and Supply
City Hall
Providence, RI 02903

Dear Mayor Elorza:

RE: RENEWABLE ENERGY PROJECTS

Date Of Bid Opening: June 25, 2018

The Hon. Jorge O. Elorza
Mayor
Ricky Caruolo
General Manager

RECOMMENDED BIDDERS:

Renewable Energy Solar/Wind EDF Renewable Distributed Solutions, Inc.
15545 Innovation Drive, San Diego, CA 92128-3432

Renewable Energy Hydroelect Kleinschmidt Associates
35 Pratt Street, Suite 201, Essex, CT 04967

BOARD OF DIRECTORS
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William E. O'Gara, Esq.
Legal Advisor

This letter is requesting permission to award both bidders identified on line 1

Requesting permission to award EDF Renewable Development, Inc. in an amount not to exceed \$18,208,039.05 over 25 years.

Requesting permission to award Klein Schmidt associates in an amount not to exceed \$200,000.00

It should be noted that this is a a revenue positive award.
PW's approximate energy cost savings of minimally \$20,000,000.00 over 25 years.

I am recommending that you sign this award.

	NAME	BASE	TOTAL
1	EDF Renewables Distributed Inc.	CA	attached
1	Kleinschmidt Associates	CT	attached
2	Green Development, LLC	RI	attached
3	Ameresco	MA	attached
4	Keararge Energy	MA	attached
5	Tesla, Inc	CA	attached
6	Core Development Group	NJ	attached
7	Southern Sky	RI	attached

Additional sheet is attached
(X)

On the basis of said bids, we recommend to award to the lowest qualified bidders, as identified on line 1 whose firm's bids has met the specification:

MEMBER
Rhode Island Water Works Assn.
New England Water Works Assn.
American Water Works Assn.
Water Research Foundation
An EPA WaterSense Partner
(401) 521-6300
125 Dupont Drive
Providence, RI 02907

MINORITY PARTICIPATION:
EDF Renewable Distributed Solutions Inc. MBE 0% WBE 0%
Kleinschmidt Associates MBE 0% WBE 0%

Account Code #601-410-52430

Respectfully Submitted,
PROVIDENCE WATER

www.provwater.com

Follow us @provwater
Like us at:
facebook.com/Providencewater

Ricky Caruolo
General Manager

BID TABULATION SHEET

Project Description:
Renewable Energy Projects
Monday, June 25, 2018

Bidder's Name:
Bidder's Address:

EDF Renewables
EDF Renewable Development, Inc.
15545 Innovation Drive
San Diego, CA 92126-3432

Kleinschmidt
35 First Street, Suite 201
Essex, CT 04867

Green Development
3760 Quaker Lane
New Kingston, RI 02882

Ameresco
11 Salem Street
Franklin, MA 01701

Kearsarge Energy
1200 Software Plant Road, Suite 210
Boston MA, 02134

Teela
3900 Deer Creek Road
Palo Alto, CA 94304

Core
180 Woodlark Avenue, Suite 102
Nutley, NJ 07110

Southern Sky
117 Merit Center Blvd, Suite 2007
Vernon, RI 02960

Bid Form

Photo Voltaic
1. Unit Price per kWh
2. Escalation Factor (%)
3. Guaranteed kWh/Year
4. Date of Commercial Operation
Wind
1. Unit Price per kWh
2. Escalation Factor (%)
3. Guaranteed kWh/Year
4. Date of Commercial Operation
Hydroelectric
1a. Hourly Rates Permitting
1b. Hourly Rates Design
2. Feasibility Assessment

\$0.8914
0%
90% of agreed upon model output per year
Fall 2016, Oct 31, 2019
N/A
N/A
N/A
N/A
N/A
See Attached
\$65,100

N/A
N/A
N/A
N/A
N/A
N/A
N/A
N/A
N/A
See Attached
\$65,100

\$0.0529, \$0.0230
2%, 0%
1,770,000
12/31/2019
\$0.0608, or \$0.101
2
7,770,000
12/31/2019

\$0.0799
2%
90%, 5-yr rolling; Guarantee Period 1: 22,840,216
6/30/2020
N/A
N/A
N/A
N/A
N/A
N/A
N/A

\$0.105, \$0.111, \$0.139
2%, 2%, 2%
6,730,000 (per PVF on site project)
6/30/2019
N/A
N/A
N/A
N/A
N/A
N/A
N/A

\$0.0915
2%
3,444,025
8/1/2019
N/A
N/A
N/A
N/A
N/A
N/A
N/A

\$55.00
2%
857,652
8/1/2019
N/A
N/A
N/A
N/A
N/A
N/A
N/A

\$0.1257
3%
not provided
8/2/2020 for site 1
N/A
N/A
N/A
N/A
N/A
N/A
N/A

Contact Information:

Peter Bay
40866-277-4519
Peter.Bay@edf.com

Andy Due
Phone: 207-416-1246
Andy.Due@kleinschmidt.com

Alison Buckman
Phone: 401-268-4398
Fax: 401-268-4444
alison@green-dev.com

Kiao Talladone
Phone: 603-441-2513
Fax: 603-586-3200
ktalladone@ameresco.com

Andrew Bernstein
Phone: 617-383-4222
abernstein@kearsargeenergy.com

Nick Walsh
Phone: 673-940-5271
nw@teela.com

Henry Cortes
Phone: (201) 635-2195
fcort@coreenergy.com

No contact provided

Office in New England
REC'd to Providence Water
Bid Surety Provided
Surety Description

Yes
Yes
Yes
Yes

Yes
Yes
Yes
Yes

Yes
Yes
Yes
Yes

Yes
Yes
Yes
Yes

Yes
Yes
Yes
Yes

Yes
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Yes

Yes
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Yes
Yes
Yes
Yes

Percent in-house project development capability
Percent in-house engineering design capability
Percent in-house construction management capability
Percent in-house operation and maintenance capability

Not Provided
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Payment to Developer (25 Years)

Scenario 1
Scenario 2
Scenario 3

\$18,208,039.05
\$18,208,039.05
\$18,208,039.05

N/A
N/A
N/A

\$21,229,586.05
\$18,226,770.34
\$24,723,005.81

\$21,229,586.05
\$18,226,770.34
\$24,723,005.81

\$19,272,776.14
\$19,272,776.14
\$19,272,776.14

\$27,474,688.57
\$26,165,467.28
\$27,491,349.99

\$27,474,688.57
\$26,165,467.28
\$27,491,349.99

\$26,120,982.78
\$26,120,982.78
\$26,120,982.78

\$13,965,781,985.22
\$13,965,781,985.22
\$13,965,781,985.22

\$31,431,642.86
\$31,431,642.86
\$31,431,642.86

\$31,431,642.86
\$31,431,642.86
\$31,431,642.86

Notes:

All Bids calculated based on 6,457,000 kWh produced in Year 1 of the Contract.
Southern Sky was not evaluated due to no bid form, no MSEA/MBE forms, and entire public bid was redacted.

Recommendation:

Renewable Energy Solar/Wind:

EDF Renewables was the overall lowest qualified bidder. Based on a 25 year Power Purchase Agreement, payments to EDF will be up to \$18,208,039.05 and electric energy savings to Providence Water will be approximately \$22M. EDF is also the only solar developer who is transferring ownership of the Renewable Energy Certificates (RECs) to Providence Water. Based on these facts, it is in the best interest of Providence Water to award the contract and enter into a 25 year Power Purchase Agreement with EDF Renewables, for up to \$18,208,039.05. As part of this Award, Providence Water reserves the right to an outright purchase beginning in year 6 of the contract.

Renewable Energy Hydroelectric:

Kleinschmidt was the sole proposer for hydroelectric. Recommended award to Kleinschmidt in the amount of \$200,000 for a Feasibility Study and permitting based on their quoted hourly rates.

Required Signatures:


Authorized Representative, EDF Renewables


Authorized Representative, Kleinschmidt

Authorized Representative, Green Development

Authorized Representative, Ameresco

Authorized Representative, Kearsarge Energy

Authorized Representative, Teela

Authorized Representative, Core

Authorized Representative, Southern Sky



MEMORANDUM

Date: August 29, 2018
To: Gary Marino; Peter DiLorenzo
Cc: Joe Spremulli, Peter Lepage, Jamie Fitzpatrick
From: Julian Dash
Re: Providence Water RFP Review and Recommendation

Providence Water team,

Provided below is Clean Economy Development's ("CED") summary review and recommendation with respect to the firm that provided the best overall response to Providence Water's ("PW") RFP to seek upwards of 110% of its total annual electricity use of 7,770 MWh from facilities that would be sited on one of seven (7) PW owned sites.

Review and Recommendation methodology:

CED's recommendation is based on analysis and evaluation of the following:

Developer & Project Review: CED evaluated the respondents' proposed projects to gauge the experience and expertise of the proposer, as well as the technical aspects of the projects' designs, interconnection plans, specifications, reasonableness of assumptions and overall path to success.

Environmental Impact and Contractual Benefits: After initial review several environmental and contractual factors were determined:

1. Ownership of Renewable Energy Credits ("RECs") were important to PW. Of all the responses, only EDF Renewables proposal included REC ownership in their pricing and obtaining RECs from the other respondents would have significantly increased pricing.
2. While PW was initially open to land-based leases as a potential option, after review of the proposals it was determined it was in PW's best interest to not pursue lease-only options.
3. After preliminary discussions with the RI Infrastructure Bank, it was determined that PW would like to have the potential option of purchasing the project at a future date.

Taking into consideration the technical review as well as the three points above, Both CED and PW concluded the firms under consideration be narrowed to Ameresco, EDF Renewables and Green Development.

Economic Analysis: CED reviewed the financial proposals of the remaining three firms under consideration and used a set of metrics/ratios to determine the greatest value proposition to PW:

Economic Metric	Total Lifetime Contract Savings	Savings Per \$1 invested	NPV
EDF Renewables #2	\$24,327,016	\$2.1579	\$11,453,934
Green Development #2	\$20,984,868	\$2.1208	\$9,901,754
Ameresco #1	\$20,230,954	\$2.0387	\$9,719,831

Recommendation

As outlined, EDF renewables presented not only a strong technical proposal, but also the strongest economic proposal. Additionally, EDF Renewables is the only proposal to include RECs. We believe it would be in PW's best interest to enter into contract negotiations with EDF Renewables for a Net Meter Credit Agreement with a purchase option in year 6. This would give PW the ability to take advantage of the most economically favorable NMCA alternative, while providing the option to purchase and take advantage of greater long-term savings.

Payment to Developer (25 Years)	
EDF Renewables	\$18,208,039.05
Green Development (Scenario 1)	\$21,228,586.06
Green Development (Scenario 2)	\$18,526,779.34
Green Development (Scenario 3)**	\$24,723,005.91
Green Development (Scenario 4)**	\$21,353,925.00
Ameresco	\$19,272,779.14
Kearsarge Energy (Scenario 1)	\$27,474,686.37
Kearsarge Energy (Scenario 2)	\$28,185,487.28
Kearsarge Energy (Scenario 3)	\$27,491,349.99
Tesla	\$23,233,982.76
Southern Sky	\$31,431,642.86
Core*	\$13,965,781,985.22

Notes: *Error on Core's Bid form
Assumptions: ** No Degredation Factor Assumed for Wind Proposals
0.5% Solar Array Degradation Factor
National Grid Net Meter Credit Rate (Year 1) = \$0.1547/kWh
Utility Rate Escalation Factor = 2.0%

Payments include Escalation Factors



BOARD OF CONTRACT AND SUPPLY
CITY OF PROVIDENCE, RHODE ISLAND

Form D1: MBE/WBE Participation Contractor Waiver Request Form

Name of Bidder: EDF Renewables Distributed Solutions, Inc.
Contract Name/Number: TBD
Bid Due Date: 6/25/18
Goals on this contract: 10 % MBE 10 % WBE
I have achieved 0 % MBE 0 % WBE
I am requesting a waiver of 10 % MBE 10 % WBE
Is the BIDDER certified by the State of Rhode Island Minority Business Enterprise Program Yes X No
If Yes, please check the type(s) of certification and enter the Certification number immediately below:

Type of Firm: MBE ☐ WBE ☐
MBE/WBE Certification Number (MBCN#): _____ Expiration Date: _____
Did the Bidder attempt to or does the Bidder intend to subcontract any portion of the proposed work/service to a MBE/WBE? Yes No

If yes, how many firms were contacted? TBD Complete the Outreach Contact form (Form E) for each firm not listed on Participation Disclosure form (Form B).

Please note outreach has not occurred for this project yet.

What efforts have been made to secure sufficient MBE/WBE participation to meet the stated goals and/or why is your company unable to? EDF Renewables Distributed Solutions, Inc. will go out to bid for the subcontracted portions of this work. We will endeavor to solicit bids from MBE/WBE companies however, cannot guarantee which vendors we will work with at this time. Those decisions will be made on the qualifications and price of the bids received and will endeavor to hit the above targets as mentioned.

I acknowledge the City of Providence's goals of supporting MBE/WBE certified businesses.

Peter Bay
Signature of Bidder

Peter Bay

Printed Name

6/20/18

Date

Submit this form to the City of Providence MBE/WBE Office for signature and approval by either the MBE/WBE Compliance Officer or the MBE/WBE Coordinator. All requests must be made at least four (4) days prior to the bid opening date.

Grace Diaz
Signature of MBE/WBE Outreach Director

GRACE DIAZ

Printed Name

06/14/18

Date

*For more information on this program please contact Grace Diaz the MBE/WBE Outreach Director for the City of Providence, by phone at (401) 680-5766 or by email at gdiaz@providenceri.gov. (Please use subject line "MBE WBE Forms")

**This form will NOT be considered complete without the signature of the MBE/WBE Outreach Director.