



Legislation Text

File #: 20-0605, Version: 1

Contract Request Template (Contracts; IGAs; Leases)

Date Submitted: 6-15-20

Requesting Agency: Finance
Division:

Subject Matter Expert Name:

Name: Kiki Turner
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Item Title & Description:

(Do not delete the following instructions)

*These appear on the Council meeting agenda. Initially, the requesting agency will enter a 2-3 sentence description. Upon bill filling, the City Attorney's Office should enter the title above the description (the title should be in **bold** font).*

*Both the title and description must be entered between the red "title" and "body" below. Do **not** at any time delete the red "title" or "body" markers from this template.*

A resolution approving a proposed Construction Reimbursement Agreement between the City and County of Denver and EAS Energy Partners, LLC for a district heating and cooling project at the National Western Center campus.

Approves a Construction Reimbursement Agreement with EAS Energy Partners (EAS) to reimburse the City for \$3,761,000 of design and construction expenses for the district heating and cooling system for the National Western Center in Council District 9 (FINAN-202054979). The last regularly scheduled Council meeting within the 30-day review period is on 8-3-20. The Committee approved filing this item at its meeting on 6-23-20.

Affected Council District(s) or citywide? Council District 9

Contract Control Number: FINAN-202054979

Vendor/Contractor Name (including any "DBA"): EAS Energy Partners (EAS)

Type and Scope of services to be performed:

The National Western Center Authority (Authority) has found a responsible approach to

delivering heating and cooling to the NWC campus buildings - by working with EAS Energy Partners (EAS) to develop a low carbon and price certain district energy system.

The Authority's Board of Directors has approved entering into a 40-year, \$185 million contract with EAS, a proven industry expert equipped to deliver a district heating and cooling system to create a low-carbon campus. This district energy project will source nearly 90 percent of its heating and cooling from an existing underground sewer pipeline - a recycled source of thermal energy - rather than relying on fossil fuels (natural gas).

Under its contract with the Authority, EAS Energy Partners will deliver all phases of the district energy project including designing, building, financing, operating and maintaining the system. The project includes approximately \$32 million in design and construction costs for the capital infrastructure, which consists primarily of a Central Utility Plant (CUP) and an underground ambient loop piping system delivers warm water to the campus buildings.

The proposed Construction Reimbursement Agreement benefits the City and EAS by ensuring alignment of the district energy system delivery with the Phase 1&2 capital Build Program and by reducing risk and cost for all parties. The City will procure the design of the CUP pad site under the NWC's existing horizontal infrastructure design contract. The City will also procure the construction of the pad site and of the ambient loop piping system under the existing horizontal integrated construction (HIC) contract. This work represents \$3,761,000.00 of the \$32 million of design and construction costs.

Location (if applicable):

WBE/MBE/DBE goals that were applied, if applicable (construction, design, Airport concession contracts):

Are WBE/MBE/DBE goals met (if applicable)?

Is the contract new/a renewal/extension or amendment?

Was this contractor selected by competitive process or sole source?

For New contracts

Term of initial contract: Duration of project

Options for Renewal:

How many renewals (i.e. up to 2 renewals)?

Term of any renewals (i.e. 1 year each):

Cost of initial contract term: \$3,761,000.00

Cost of any renewals:

Total contract value council is approving if all renewals exercised:

For Amendments/Renewals Extensions:

Is this a change to cost/pricing; length of term; terms unrelated to time or price (List all that apply)?

If length changing

What was the length of the term of the original contract?

What is the length of the extension/renewal?

What is the revised total term of the contract?

If cost changing

What was the original value of the entire contract prior to this proposed change?

What is the value of the proposed change?

What is the new/revised total value including change?

If terms changing

Describe the change and the reason for it (i.e. compliance with state law, different way of doing business etc.)