Authorizing the Executive Director to Sign a Contract Exceeding $500,000 with Evergreen Consulting

November 4, 2009

Summary

Authorize the executive director to sign amendments that would bring a contract above the $500,000 limit of the executive director's signing authority.

Background

- In July of 2008, Energy Trust issued a *Request for Qualifications for a Lighting Trade Ally Consultant* (the RFQ) seeking responses from lighting consultants qualified to coordinate and manage a network of trade allies and provide marketing outreach and technical expertise. Evergreen Consulting, LLC (Evergreen) was the sole respondent to the RFQ.
- Energy Trust contracted directly with Evergreen to perform the lighting work for two programs: the Production Efficiency and New Buildings programs. In 2009, funding for this work was $329,031 ($294,031 for Production Efficiency and $35,000 for New Buildings).
- Evergreen also provides lighting services to a third program: the Existing Building program, which is managed by Lockheed Martin Services, Inc., (Lockheed).
- The Energy Trust contract had a term of 2 years, with an option to potentially extend up to two years.
- In 2010, staff expects Evergreen's lighting work to be contracted as follows:
    - Lockheed for lighting services to the Existing Buildings program:
    - Portland Energy Conservation, Inc. (PECI), for lighting services to the New Buildings program; and
    - Energy Trust for lighting services to the Production Efficiency program.

Discussion

- As of October 2009, Evergreen had achieved 82% of its stretch goal (9,000,000 kWh), and appears to be on track to exceed the year-end stretch goal by 20%.
- These savings have the lowest average levelized cost in the Production Efficiency program, at approximately $.01/kWh. They represent 16% of the total 2009 forecasted savings for the industrial sector.
- In the 2010 budget, staff will propose a 50% increase in Evergreen's savings goals, and a higher level of activity. Staff anticipates that this would add about $475,000 to the Evergreen contract, bringing the total contract to an estimated $830,000.
- Because the board has not acted on the 2010 budget, the resolution below seeks only contract signing authority. The actual contract amount would not be determined until the board acts on the 2010 budget.

Recommendation

Authorize the executive director to sign a contract with Evergreen Consulting in an amount to exceed $500,000, to be determined in connection with a final, board-approved 2010 budget.

RESOLUTION 531

AUTHORIZE THE EXECUTIVE DIRECTOR TO SIGN A CONTRACT EXCEEDING $500,000 WITH EVERGREEN CONSULTING, INC.

WHEREAS:

1. **Energy Trust has a two–year contract with Evergreen Consulting, LLC, to deliver lighting consulting services, with a two-year option to extend;**
2. **Evergreen has successfully executed its 2009 scope of work, and is likely to exceed its 2009 stretch goal in a highly cost-effective manner;**
3. **Energy Trust intends to increase the goals and activity level of the Evergreen contract in 2010, estimated to add about $475,000 to the contract, which would cause the current contract amount of $329,031 to exceed the executive director's $500,000 signing authority;**
4. **Because the board has not approved the 2010 budget, the board is asked only to grant contract signing authority in this resolution. The final contract amount and amendments would not be finalized until the board acts on the 2010 budget.**

It is therefore RESOLVED that the Board of Directors of Energy Trust of Oregon, Inc., hereby authorizes the executive director to sign amendments to the Evergreen Consulting contract for expenditures above $500,000, in an amount to be consistent with a board-approved 2010 budget.

Moved by: Seconded by:

Vote: In favor: Abstained:

Opposed: [list name(s) and, if requested, reason for "no" vote]