

# ARKANSAS SENATE

## 84th General Assembly - Second Extraordinary Session, 2003 Amendment Form

\*\*\*\*\*

### Subtitle of Senate Bill No. 34

"AN ACT TO ASSIST SCHOOL DISTRICTS IN THE ACQUISITION OF ENERGY  
CONSERVATION MEASURES."

\*\*\*\*\*

### Amendment No. 1 to Senate Bill No. 34.

Amend Senate Bill No. 34 as originally introduced:

Delete SECTION 3 and substitute:

"SECTION 3. Arkansas Code § 6-20-405 is amended to read as follows:  
6-20-405. Energy savings contract.

(a) As used in this section, unless the context otherwise requires:

(1)(A) "Energy savings contract" means a contract for the implementation of one (1) or more energy conservation measures as defined in § 6-20-401 and shall include a preinstallation energy audit or analysis.

(B) The contract may provide that all payments except obligations on termination of the contract before its expiration are to be made over time and that the energy cost savings are guaranteed to the extent necessary to pay the costs of the energy conservation measures.

(C) The energy conservation measures to be performed under the contract may be paid for with either revenue or nonrevenue receipts of a school district or, alternatively, financed by the issuance of postdated warrants or entering into installment contracts or lease-purchase agreements.

(D) Obligations incurred pursuant to a guaranteed energy savings contract are not included in computing a district's debt ratio;

(2)(A) "~~Qualified provider~~" means ~~a person or business experienced or trained in the design, implementation, or installation of energy conservation measures who possesses a valid Arkansas contractor's license~~ business that possesses a valid Arkansas contractor's license and that is experienced in the analysis, design, implementation, and installation of energy efficiency and facility improvement measures, and who has demonstrated the ability to secure necessary financial measures to support energy savings guarantees, the technical capabilities to ensure such measures generate energy cost savings, and the ability to provide maintenance and ongoing measurement of these measures to ensure and verify energy savings.

(B) A qualified provider to whom the contract is awarded may be required to give a sufficient bond to the school district for its faithful performance of the equipment installation or accomplishment of the guaranteed savings; and

(3)(A) "Request for proposals" means a negotiated procurement.



(B)(i) Notice of the request for proposals shall be published one (1) time each week for no fewer than two (2) consecutive weeks in a newspaper of the school district's choosing and having a circulation in the county or city where the contract is to be performed.

(ii) Proposals shall be sealed and opened in a public forum at a date within ten (10) days from the last publication, at which point the district shall evaluate the proposals.

(b) A school district may utilize a request for proposals to negotiate an energy savings contract or may enter into an energy savings contract with a qualified provider after evaluating any proposal received from a qualified provider through a method other than a request for proposal.

(c)(1) A school district may enter into a guaranteed energy savings contract with a qualified provider if it finds that the amount it would spend on the energy conservation measures recommended in the proposal would not exceed the amount to be saved in either energy or operational costs, or both, within ~~a fifteen year period~~ twenty (20) years from the date of installation if the recommendations in the proposal are followed ~~or, for a guaranteed energy savings contract that includes installation of a water source system for heating, ventilation, and air conditioning equipment, a twenty year period from the date of installation if the recommendations in the proposal are followed.~~

(2) The qualified provider's proposal shall include:

(A) The estimates of all costs of installation, modifications, or remodeling, including, without limitation, costs of a preinstallation energy audit or analysis, design, engineering, installation, maintenance, repairs, debt service, postinstallation project monitoring, and data collection and reporting, as well as whether energy consumed or the operating costs, or both, will be reduced;

(B) The qualifications of the provider; and

(C) Certification that all energy-consuming products utilized in the projects will be certified with the appropriate standards by the Air Conditioning and Refrigeration Institute.

(3) The district may select the qualified provider or providers best qualified and capable of performing the desired work and negotiate an energy savings contract for the project.

(d) The qualified provider shall reimburse the school district for any shortfall of guaranteed energy savings projected in the project.

(e) This section shall constitute the sole authority necessary to accomplish the purposes of this section without regard to compliance with other laws which may specify procedural requirements for execution of contracts.

The Amendment was read the first time, rules suspended and read the second time and \_\_\_\_\_  
By: Senator Broadway  
PBB/RKC - 12-18-2003 14:57  
RKC038 \_\_\_\_\_ Secretary