

Hall of the House of Representatives
83rd General Assembly - Regular Session, 2001
Amendment Form

Subtitle of House Bill No. 1874

"AN ACT RELATING TO THE PROCUREMENT AND FINANCING OF PERFORMANCE-
BASED EFFICIENCY CONTRACTS FOR ARKANSAS STATE BUILDING SERVICES."

Amendment No. 2 to House Bill No. 1874.

Amend House Bill No. 1874 as engrossed, H2/28/01:

Page 1, delete lines 9 through 11 and substitute:

"AN ACT RELATING TO THE PROCUREMENT AND FINANCING OF PERFORMANCE-BASED
EFFICIENCY CONTRACTS FOR ARKANSAS STATE BUILDING SERVICES; AND FOR OTHER
PURPOSES. "

AND

Page 1, delete lines 14 through 17 and substitute:

"AN ACT RELATING TO THE PROCUREMENT AND FINANCING OF PERFORMANCE-BASED
EFFICIENCY CONTRACTS FOR ARKANSAS STATE BUILDING SERVICES. "

AND

Delete Section 1 and substitute:

"SECTION 1. Arkansas Code Title 22, Chapter 2, Subchapter 1 is amended
by adding an additional section to read as follows:

22-2-121. Performance-based contracts.

(a)(1) Arkansas State Building Services may enter into performance-
based efficiency contracts for professional services contracts.

(2) Performance-based efficiency contracts shall contain a
guarantee of cost savings.

(b)(1) Arkansas State Building Services may enter into an installment
contract or lease purchase agreement for the purpose of financing
performance-based efficiency projects for a term not to exceed twenty (20)
years.

(2) The contract shall provide that all payments, except
obligations on termination of the contract before its expiration, are to be
made in installments.

(3) The contract's cost savings shall be guaranteed each year
during the term of the agreement to Arkansas State Building Services on a
first party basis.

(4) The savings shall be sufficient to offset the annual costs

of the contract.

(c)(1) A qualified provider to whom the contract is awarded shall provide a sufficient bond to Arkansas State Building Services for its faithful performance of the equipment installation and the accomplishment of the guaranteed savings.

(2) One (1) multi-year performance bond covering the aggregate amount of guaranteed savings over the contract term shall be required, and shall remain in full force and effect until the termination of the agreement.

(3) A qualified provider shall employ a professional engineer registered in the State of Arkansas.

(d)(1) Arkansas State Building Services shall give a notice of the request for proposals.

(2) Notice of the request for proposals shall be published one (1) time each week for not less than two (2) consecutive weeks in a newspaper having a circulation in the county or city where the contract is to be performed.

(3) Proposals shall be sealed and opened in a public forum at least thirty (30) calendar days after the last publication and the Arkansas State Building Services shall evaluate the proposals.

(e)(1) The request for proposal shall state the:

(A) Relative importance of price and other evaluation factors;

(B) Tasks to be performed under the contract;

(C) Criteria to be used in evaluating the proposals; and

(D) Time frames within which the work shall be completed.

(2) Requests for proposals shall solicit quotations and shall specify the relative importance of guaranteed savings, price, return on investment, financial performance, and stability, quality, technical ability, experience, or other evaluation factors.

(f)(1) Negotiations shall be entered into with the person whose proposal is determined in writing by the director of Arkansas State Building Services to be the most advantageous to the state, taking into consideration price and the evaluation factors set forth in the request for proposals.

(2) Discussions shall not disclose any information derived from proposals submitted by competing offerers.

(3) The contract shall be awarded to the responsible offerer whose proposal, following negotiations, is determined to be the most advantageous to the state considering the guaranteed savings and other evaluation factors set forth in the request for proposals.

(g)(1) To obtain the best final offers, Arkansas State Building Services may allow proposal revisions after submissions and before the award of the contract.

(2) Arkansas State Building Services shall select the provider deemed best qualified and capable of performing the desired work and negotiate a contract for the project.

(h)(1) Arkansas State Building Services may enter into a performance-based efficiency contract with a qualified provider if it finds that the amount it would spend on the measures recommended in the proposal would not exceed the amount to be saved in either utility or operational costs, or both, within a twenty-year period after the date of installation, if the recommendations in the proposal are followed.

(2) The qualified provider shall guarantee the annual savings to

Arkansas State Building Services every year during the term of the contract and shall reconcile the guaranteed savings on an annual basis.

(3) The qualified provider shall reimburse Arkansas State Building Services for any shortfall of guaranteed savings.

The Amendment was read _____

By: Representative Rackley

MG/VJF

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Chief Clerk