

How to Modernize Facilities using GESA/Performance Contracting Legislation



You may know that you can use Performance Contract legislation as a budget-neutral approach to energy-efficiency projects at your facility. But, did you know that same legislation is available to **fund necessary capital projects?**

Established in Pennsylvania in 1998 under the Guaranteed Energy Savings Act (GESA), the law permits public / governmental entities to use Energy Performance Contracting to pursue necessary capital improvements that save energy and money without any upfront cost. Through the Performance Contract Legislation, traditional energy savings measures are combined with necessary facility capital / infrastructure projects to provide a larger scale facility improvement solution.

BENEFITS OF UTILIZING GESA LEGISLATION

Project Plan

By using this method of procurement, Public / Governmental entities can accomplish and address more of their needs under one umbrella project with a single source of execution responsibility, as an alternative to the traditional bid and spec method with multiple low-bid prime contractors. This saves time and manpower during the installation and minimizes disruption to building occupants, activities, and schedules.

Guaranteed ROI

One of the most valuable aspects of Performance Contracts over traditional bid/spec projects is the project guarantee. The guarantee provides for a defined energy / operational savings to the customer while maintaining or improving comfort.

This minimizes the entity's financial risk associated with the installation by guaranteeing a ROI. Providing a turnkey solution guarantees that the finished project will meet the customer's agreed upon expectations.

Maximized Rebate / Grant Programs

Performance Contracting allows for greater leverage in maximizing potential utility rebate programs to help fund these projects. The performance contracting company will also look to include any and all available grants associated with specific scope measures further offsetting cost to the customer.

Contractor/ Manufacturer Control

Performance Contracting provides Public / Governmental entities the freedom to dictate which equipment manufacturers and contractors are used to upgrade / modernize their facilities. This eliminates the low bid "...and or equal" aspects of the bid and spec procurement method, resulting in customers having to settle for substandard work.

Owner's Reps and engineering firms have also found this approach beneficial in serving the Owner for the speed, flexibility, and end results this provides following identification of necessary facility improvements.



ADDITIONAL ADVANTAGES

- No referendum required
- No change orders
- Fast approach to facility improvements
- Minimal disruption to building schedules
- Greater oversight regarding scope of renovations
- Better control over final cost of the project
- Enhanced management of renovation timeline

TYPE OF FACILITY IMPROVEMENTS

Both traditional energy savings measures and non-traditional, large scale facility improvements can be included in the Performance Contract project.

Traditional Energy Savings Measures	Non-Traditional Measures Executed Through GESA Legislation
Lighting Upgrades	Surveillance Systems Replacements
Building Automation Systems	Environmental Remediation
Mechanical System Upgrades	Access Control System Installation
Roof Replacements	Auditorium / Multi-purpose Room Renovations
Window Replacements	Carpet and Tile Replacements
Building Envelope Updates	Painting
Emergency / On-Site Power Generation	ADA Compliance Issues
Electrical System Upgrades	Parking Lot Repaving
Renewable Energy Systems	Exterior Building Signage
	Sports Field / Stadium Renovations / Lighting
	Tennis Court / Gymnasium Updates