



Responsible: Office of Operations

BOARD POLICY 7420
PERFORMANCE-BASED CONTRACTING

PURPOSE

The Board of Trustees (Board) understands the importance of seeking alternative methods for financing certain capital and facilities management projects. This Board Policy shall set forth the process for evaluating whether work to be performed on a building will be performed pursuant to a performance-based contract.

DEFINITIONS

1. "Operating cost-savings measure" means any improvement, repair or alteration to a building, or any equipment, fixture or furnishing to be added or used in a building that is designed to reduce operating costs, including, without limitation, those costs related to electrical energy and demand, thermal energy, water consumption, waste disposal and contract-labor costs, and increase the operating efficiency of the building for the appointed functions that are cost-effective.
2. "Performance-based contract" is a written contract between the District and a qualified service company for the evaluation, recommendation, and implementation of one or more operating cost-savings measures, to include energy cost savings.
3. "Qualified Service Company" means a person who is qualified to bid on a performance contract.

POLICY

1. Performance-based contracting is a financial alternative designed to augment the financing of certain capital projects.
 - a. When appropriate, a qualified service company may be utilized to provide design, financing, and installation of operating cost-savings projects related to areas including but not limited to, energy, water, and the disposal of waste.
 - b. The Washoe County School District (District) shall comply with state laws and regulations when considering or implementing any performance-

based contracts, as well as Board policy related to capital projects, bids, and contracts.

2. If a project meets the criteria as outlined within this Board Policy for a performance-based contract and is recommended by an employee to be pursued as a performance-based contract, it shall be presented to the Board for approval.
 - a. The criteria for determining the work which will be evaluated includes, at the minimum:
 - i. Consists primarily of one or more operating cost savings measures;
 - ii. Qualifies to be performed pursuant to a performance contract as defined by current state law; and
 - iii. Would be more reasonably included under an existing performance contract rather than a new performance contract.
 - b. The Board hereby directs the Superintendent to adopt an Administrative Regulation to implement and maintain the purpose of this Board Policy. The Superintendent shall include in the Administrative Regulation the following provisions:
 - i. Should the District determine not to enter into a performance contract for projects that meet the criteria for evaluation, the reasons for that determination shall be documented;
 - ii. Upon determination that a project is appropriate for a performance-based contract, the District shall use the criteria established within District regulation and/or procedure, as well as Nevada state law, to determine if an applicant is qualified to bid; and
 - iii. Preparing an annual report which sets forth the operating cost-savings measures when required by state law.

LEGAL REQUIREMENTS AND ASSOCIATED DOCUMENTS

1. This Board Policy reflects the goals of the District's Strategic Plan and aligns/complies with the governing documents of the District, to include:
 - a. Board Policy 3321, Contract Review and Approval; and
 - b. Board Policy 7400, Conservation and Sustainability.
2. This Board Policy complies with Nevada Revised Statutes (NRS), to include:
 - a. Chapter 332, Purchasing: Local Governments, and specifically:

- i. NRS 332.300 – 332.440, Performance Contracts for Operating Cost-Savings Measures.

REVISION HISTORY

Date	Revision	Modification
10/14/2014	1.0	Adopted
06/04/2019	2.0	Revised: Removed details to administrative regulation
09/13/2022	3.0	Revised: Deleted unnecessary language and Nevada Revised Statutes