



**CITY COUNCIL
COMMUNICATION:**

ITEM _____

98-166

**OFFICE OF THE CITY MANAGER
CITY OF DES MOINES, IOWA**

AGENDA:
APRIL 27, 1998

SYNOPSIS –

SUBJECT:
PROFESSIONAL
SERVICES
AGREEMENT– THE
ENERGY GROUP

Approval of Professional Services Agreement with The Energy Group, Kelley E. Needles, Executive Vice President, 3125 Douglas Avenue, Suite 201, Des Moines, Iowa, for design and construction services in conjunction with air energy efficiency program for City buildings for compensation not to exceed \$40,638.

TYPE:
RESOLUTION
ORDINANCE
RECEIVE/FILE

FISCAL IMPACT –

SUBMITTED BY:
MICHAEL MATTHES
ADMINISTRATIVE
ASSISTANT TO
THECITY
MANAGER

Funding for The Energy Group will not exceed \$40,638. The Energy Group will manage a comprehensive electricity retrofit in 36 City buildings which may cost up to \$450,000 in labor and materials. This retrofit will reduce the City’ s demand for electricity by an estimated \$90,000 per year from the General Fund. This project uses no debt and is funded from the unallocated account in the General Fund in the amended 1997-98 Operating Budget.

RECOMMENDATION –

Approval of the Professional Services Agreement and authorize the Mayor to sign said Agreement.

BACKGROUND –

In October of 1996, staff in the City Manager’ s Office began benchmarking the City’ s electricity usage and expenditures. Part of that research involved preliminary “ audits” of 44 City buildings. Those audits demonstrate that significant savings are attainable through the change-out of inefficient lighting, HVAC systems, mechanical devices, and windows.

The Energy Group will provide a detailed follow-up audit and

project oversight for the necessary materials acquisition and labor contracting. The Energy Group will prepare all specifications necessary to acquire the labor and materials, but the City will competitively bid for these items.

After the change-outs are accomplished, the reduction in electricity will be documented and reported to Council on a regular basis. This reduction in demand is expected to save the City \$90,000 per year in the General Fund.