



**CITY COUNCIL
COMMUNICATION:**

ITEM _____

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

02-445

SYNOPSIS -

AGENDA:

AUGUST 19, 2002

The replacement of older models of refrigerators/freezers using high levels of electricity is now a new component of the federal and state weatherization program that will add to energy conservation and affordable housing efforts.

SUBJECT:

**BIDS ON
REFRIGERATOR
AND FREEZER
REPLACEMENT FOR
LOW-INCOME
WEATHERIZATION
PROGRAM**

On July 31, 2002, the City received two bids for Refrigerator/Freezer Replacement Services for the low-income weatherization program per Bid No. V03-6. The low bidder was American Electronics, 5355 NW 86th St., Johnston, Iowa (Steve Archer, Contract Manager). Stogdills TV and Appliances, 4809 Franklin Ave., Des Moines, Iowa (James Stogdills, President), also bid.

TYPE:

**RESOLUTION
ORDINANCE
RECEIVE/FILE**

FISCAL IMPACT -

\$ 45,000 will be allocated from current weatherization contracts: DOE-02-07J, HEAP-02a-07J, and MEC-02-07J to provide this component of the federal and state weatherization program operated locally by the City.

SUBMITTED BY:

**JAMES M. GRANT
COMMUNITY
DEVELOPMENT
DIRECTOR**

RECOMMENDATION -

Approve the low bid from American Electronics/Appliances for Refrigerator and/or Freezer replacement and removal services as the primary vendor with Stogdills TV and Appliances to be the secondary vendor.

BACKGROUND -

The City of Des Moines' weatherization program weatherizes between 120-150 homes each year. A new component of this program was added this year to replace older inefficient refrigerators and freezers. We estimate that the program will replace refrigerators and/or freezers in approximately 75 of these homes.

Low-income families generally pay a disproportionate share of their income on gas and electricity. As heating costs represent about 35% of a household's energy costs, the federal and state weatherization program has traditionally looked at measures such as insulation, furnace repairs or replacements to reduce such costs.

Refrigerators and/or freezers are the largest users of electricity in the home. In the last couple years, appliance manufacturers have designed refrigerators and freezers to use less than \$ 60 a year. Some older appliances can use over \$260 a year. With a projected life of 15 years, a low-income family could save \$ 3,000 over the lifetime of the appliance.

Weatherization staff will meter the electrical use of refrigerators and freezers for a minimum of two hours during the time they are evaluating a house for appropriate weatherization measures. Meter readings are converted to annual electrical use and expense. If a replacement appliance is available that will use less electricity, the appliance will be replaced with the homeowner's permission. The old appliance will be removed from the house by the vendor and will be decommissioned, not to be sold again.

Replacements will not be available to renters. The replacement appliance becomes the property of the homeowner who has the responsibility for maintenance and upkeep.
