

 <p style="text-align: center;">Council Communication Office of the City Manager</p>	Date: June 28, 2010
	Agenda Item No. 62 Roll Call No. <u>10-1097</u> Communication No. <u>10-410</u> Submitted by: Jeb E. Brewer, P.E. City Engineer, Matthew Anderson, Office of Economic Development

AGENDA HEADING:

Approving amendment to the scope of the Department of Energy (DOE), Energy Efficiency and Conservation Block Grant (EECBG), and approving staff recommendation to utilize aluminum replacement windows in City Hall and the Police Station.

SYNOPSIS:

Recommend City Council approval of staff’s recommendation (Alternate A below) to amend the scope of the DOE, EECBG, utilizing aluminum replacement windows for City Hall and the Police Station. The DOE notified the City that the Mortgage Buy-Down program included in the City’s application for the original EECBG was ineligible. Therefore, the City must request amendment of its grant scope to replace the \$555,000 requested for the proposed Mortgage Buy-Down program with other DOE-eligible work elements, or the \$555,000 will be deleted from the DOE grant. During the preliminary design review process, the State Historic Preservation Office (SHPO) has given approval to the staff-recommended aluminum replacement window design for City Hall, however, the Urban Design Review Board (UDRB) has recommended utilizing more expensive aluminum-clad-wood windows. Both replacement window types will replicate the window profile and look of the original windows as constructed. There is minimal difference between the energy efficiency of the two types of windows. Staff recommends the less expensive aluminum replacement windows (Alternate A), thus allowing \$400,000 in available grant funds to be utilized for a Downtown Sustainability Study and replacement of the lights in the Third and Court Parking Garage with LED lights.

FISCAL IMPACT:

Amount: \$1,982,300

Funding Source: DOE, EECBG, FY 2009-2010 CIP, Municipal Improvements-10, Energy Conservation, CP034, PKS990000.

ADDITIONAL INFORMATION:

The EECBG is a part of the American Resource and Recovery Act (ARRA). The primary purposes of the program are to reduce fossil fuel emissions, maximize benefits to local and regional communities, reduce total energy use of eligible entities and improve energy efficiencies in the building and

transportation sectors and others. DOE has made it a priority for cities to work together to provide information about energy efficiency, on a regional basis.

In June 2009, the City submitted an application to the DOE for funding from the formula EECSBG program. In the City's application a number of projects and programs were included as part of the energy strategy for DOE review, such as the replacement of windows in City Hall and the Police Station, an internal revolving loan program for building projects and hybrid vehicles, trails, mortgage buy-down, benchmarking and outreach.

In February 2010, the DOE notified the City that the Mortgage Buy-Down Program originally included in the grant was ineligible and the program scope should be revised to include other grant-eligible work elements. Three potential programs have been identified for the \$555,000 scope modification: new LED lighting in the Downtown Parking Garage at Third and Court for \$450,000, Energy Usage Reduction Strategy to identify the City's carbon footprint for \$150,000 and Downtown Sustainability Study to help downtown redevelop in a more energy efficient manner for \$250,000. The combined \$750,000 of potential programs exceeds the available \$555,000.

The original grant included replacement of City Hall and Police Station windows. The amount allocated to the window replacement for both buildings was \$1,000,000 for construction and \$95,000 for grant administration, design and inspection. The design of the window replacement project has progressed to the point of selecting the final style/materials of windows for City Hall. In order to comply with the DOE energy requirements, as well as the budget, staff selected a thermally-broken aluminum frame window system with 1 inch-thick insulating low "E" coated glass. The aluminum replacement window frames, trim and panning would replicate the original historic exterior trim profiles and paint color. The 1-inch-thick insulating low "E" coated glass would increase the amount of natural daylight by 28% over the existing windows, and also increase the thermal efficiency by 113%. This aluminum window replacement system was presented to SHPO on February 1, 2010. On March 4, 2010, a finding of "No Adverse Effect" was received by the City from SHPO, which is SHPO's approval of the design.

The aluminum replacement window system was then presented to the City's UDRB. After three review meetings, the Board decided to recommend to City Council that aluminum-clad-wood windows (aluminum-clad outside and wood inside) would be a better alternative, from a historical perspective. The aluminum-clad-wood-windows are more costly than the recommended aluminum replacement windows, and any decision related to window selection should consider the overall energy grant budget. Staff recommends the aluminum replacement windows because they will replicate the original windows, and are estimated to be \$400,000 less than the aluminum-clad-wood windows. In addition, the energy efficiency is essentially the same; however, the aluminum windows will require less future maintenance than the aluminum-clad-wood windows. The staff recommendation is to install the aluminum replacement windows in City Hall, as approved by SHPO, and also in the Police Station, and request scope revision to DOE to reallocate the energy funds from the ineligible Mortgage Buy-Down program, as shown in Alternate A below. Alternate B is presented to show the UDRB's recommendation to utilize the aluminum-clad-wood windows in both City Hall and the Police Station, with an alternate request to DOE to reallocate the energy grant funds for the additional cost.

Alternate A

Aluminum Windows for City Hall & Police Station	\$1,095,000
Energy Usage Reduction Strategy	\$155,000
Downtown Sustainability Study	\$250,000
LED lighting at Third & Court Parking Garage	\$150,000
	\$1,650,000

Alternate B

Aluminum Clad Wood Windows for City Hall & Police Station	\$1,495,000
Energy Usage Reduction Strategy	\$155,000
None	
None	
	\$1,650,000

The total Grant amount is \$1,982,300; however, the request to DOE would be to reallocate the \$555,000 from the non-allowed Mortgage Buy-Down program. The \$555,000, plus the originally allocated \$1,095,000 for the window project, adds up to \$1,650,000 of the original \$1,982,300 grant. The remaining \$332,300 is already programmed for the following projects, and there is no recommendation to modify these projects.

Existing Program

Grant Administration	\$14,000
Trail Signs	\$35,000
Benchmarking	\$8,300
Hybrid Vehicles	\$275,000
	\$332,300

PREVIOUS COUNCIL ACTION(S):

Date: February 22, 2010

Roll Call No.: [10-322](#)

Action: [Assistance](#) Agreement for second grant payment of \$555,000 for a Mortgage Buy-Down Program for Energy – Efficient Residential Buildings as part of Department of Energy (DOE) Energy Efficiency and Conservation Block Grant (EECBG). ([Council Communication No. 10-075](#)) Moved by Mahaffey to adopt. Motion Carried 6-1. Pass: Hensley.

Date: January 25, 2010

Roll Call Number: [10-118](#)

Action: [Acceptance](#) of Department of Energy (DOE) Energy Efficiency and Conservation Block Grant for a Retrofit Ramp-Up Program made available through The American Recovery and Reinvestment Act, initial award of \$57,300. ([Council Communication No. 10-017](#)) Moved by Mahaffey to adopt. Motion Carried 7-0.

Date: June 22, 2009

Roll Call Number: [09-1150](#)

Action: [Application](#) for Energy Efficiency and Conservation Block Grant from the Department of Energy, \$1,982,300. ([Council Communication No. 09-437](#)) Moved by Vlassis to approve. Motion Carried 6-1. Absent: Mahaffey.

BOARD/COMMISSION ACTION(S): URBAN DESIGN REVIEW BOARD

Date: June 8, 2010

Roll Call Number: N/A

Action: Motion by Morgan to recommend and approve the exterior aluminum wood-clad windows (Option 2). Second by Garner, Motion carried.

Date: May 18, 2010

Roll Call Number: N/A

Action: Presentation of all wood windows and additional glass options for City Hall. Item tabled until next meeting.

Date: May 4, 2010

Roll Call Number: N/A

Action: Presentation of thermally broken aluminum framed windows for City Hall. Board directed project to return with additional glass options and a wood window option.

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS:

Request for DOE approval of grant reprogrammed funds and actions to award construction contracts.

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