

 <p style="text-align: center;">Council Communication Office of the City Manager</p>	Date:	December 6, 2010
	Agenda Item No. Roll Call No. Communication No. Submitted by:	25 <u>10-2002</u> <u>10-729</u> Donald M. Tripp Parks and Recreation Director

AGENDA HEADING:

Approve award to Baker Group (BJ Baker III, Chairman and CEO) per State of Iowa contract to upgrade HVAC systems to improve energy efficiency in city buildings at a total cost of \$268,404.

SYNOPSIS:

On April 26, 2010, by Roll Call No. 10-613, City Council authorized the acceptance of \$110,000 in grant funding from the State of Iowa Office of Energy Independence (OEI) Energy Efficiency Conservation Block Grant (EECBG) that required a City match of \$110,000 to upgrade and expand the current GCM building monitoring system. Since the award of the grant, staff is requesting that this project be expanded which will require \$60,000 in additional City funds. This action is a request to award to Baker Group to provide building automation products and services to upgrade existing facilities at a total cost of \$268,404, utilizing the \$110,000 of grant funds, and \$168,404 of available City funds from the CIP. Pricing was secured via State of Iowa contract 3165-08.

FISCAL IMPACT:

Amount: \$268,404

Funding Source: Funding Source: 2010-2011 CIP, Page Municipal Building -7, Energy Conservation, BLD110 - \$98,404 (GO Bonds Issued); Office of Energy Independence (OEI) Energy Efficiency Conservation Block Grant (EECBG) - \$110,000; with a transfer of \$60,000 (GO Bonds Issued) from Page Municipal Building – 9, HVAC. Electrical and Plumbing Improvements. BLD074. Funds from this account are used for the same work that will be done on this project so no projects will be delayed due to this transfer. The total cost of \$170,000 in city funds is expected to be paid back in approximately five to seven years.

ADDITIONAL INFORMATION:

On February 22, 2010, by Roll Call No. 10-280, the Council authorized the submission of a grant application to the State of Iowa OEI for upgrading and expanding the current GCM in the amount of \$110,000. On April 26, 2010, by Roll Call No. 10-613, the City accepted a grant award in the amount of \$110,000. The City’s \$110,000 match was funded by FY2010-2011 HVAC Electrical and Plumbing Improvements, BLD074.

After submitting the OEI grant application, staff has continued to research additional equipment modifications during the installation that could further add to the efficiency of the project. Additional

requested modifications or additions include: converting City Hall and Armory pneumatic dampers to electronic ones, converting City Hall's pneumatic low-pressure steam coil valves to electronic actuators, and converting Armory pneumatic hot water coil valves to electronic actuators. Energy savings will be realized with the additional equipment changes as well as installation, by doing the work at this time there will be a cost savings of approximately 20% of the contracted labor costs that would be incurred if these changes were made at a later date.

The upgrade and expansion of the GCM Project involves both upgrade and expansion of the system, which controls climate in three municipal buildings: City Hall, Armory and Pioneer Columbus Community Center, and gives the City a platform to build upon for future upgrades. It replaces and expands the capabilities of the control system that monitors and regulates utility usage in City Hall, the Armory and Pioneer Columbus Community Center. The existing system was installed in 1994 and its software is obsolete; therefore, its capabilities cannot be updated or expanded to control additional buildings and systems such as lighting, water usage, and variable frequency drive (VFD) controls, and levels of energy used.

The new system addresses these inefficiencies and also expands the monitored area to include five additional buildings not currently centrally-controlled through a computerized system: the Police Station, Police Academy, Chesterfield Community Center, Four-Mile Community Center and Public Works Administration Building. This system will employ one central control site for all affected buildings and allow remote, web-accessed off-site monitoring to control all Heating Ventilation and Air Conditioning (HVAC), lighting, water usage, air handlers and power monitoring. It is estimated that the City will realize a minimum annual energy savings of 10%.

The existing building control equipment was custom built by Baker Controls when it was installed sixteen years ago. It is more efficient to hire Baker Controls through a State of Iowa contract to convert their system at a lower than market rate than it is to pay another company to design and build an entirely new system with all new equipment. Staff has reviewed industry-standard costs associated with this type of project to ensure the City has received a fair equipment/installation cost. The City's investment of a total of \$170,000 is expected to be paid back in utility savings in approximately five to seven years.

PREVIOUS COUNCIL ACTION(S):

Date: April 26, 2010

Roll Call Number: 10-613

Action: [State](#) of Iowa Office of Energy Independence (OEI) Energy Efficiency and Conservation Block Grant (EECBG) funding of \$185,000 for retrofitting 87 light fixtures along M. L. King Jr. Pkwy. from Ingersoll to SW 16th Street and upgrading and expanding current Global Control Module. ([Council Communication No. 10-235](#)) Moved by Coleman to adopt. Motion Carried 7-0.

Date: February 22, 2010

Roll Call Number: 10-280

Action: [Applications](#) for funding of 5 projects, 2 for the City totaling \$175,000, from the Iowa Office of Energy Independence (OEI) as part of the Energy Efficiency and Conservation Block Grant Program (EECBG). ([Council Communication No. 10-085](#)) Moved by Hensley to adopt. Motion Carried 7-0.

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS:

Approve purchases associated with the grant projects.

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