

COUNCIL ACTION FORM

SUBJECT: MAINTENANCE FACILITY ENERGY EFFICIENCY PROJECTS

BACKGROUND:

This project is for energy efficiency projects at the City's Maintenance Facility on Edison Street. It consists of replacing the rooftop heating and cooling unit (RTU) for the Fleet Services offices, and installing a heating/ventilation/air conditioning (HVAC) system that replaces seven window air conditioners and numerous baseboard or portable electric heaters in the Public Works offices. These improvements were identified as a part of the Cool Cities Program in the Capital Improvements Plan. The new equipment will include three energy efficient natural gas fired furnaces and three energy star SEER rated cooling units. These units qualify for energy rebates from both Alliant Energy and the City's Electric Services.

To take advantage of economies of scale, these projects are combined into one project for better pricing. The project also combines the systems to gain better energy efficiency for the Maintenance Facility.

After receiving feedback during the design process, it was determined to also include an alternate to upgrade the exhaust system in the Public Works vehicle bay area to improve the discharge of exhaust fumes created by vehicles and equipment stored in that area. This will be pursued if funding allows.

The current budget for these projects includes \$75,800 in Cool Cities funding for the replacement of the rooftop unit for the Maintenance Facility. In addition, \$60,000 is budgeted from the Road Use Tax, Water, Sanitary Sewer and Fleet Maintenance funds for installation of the new HVAC system in the Public Works offices, for a total budget of \$135,800. The plans and specifications for this project were prepared by LMV Engineering, L.C. in the amount of \$4,900. The work for the Fleet Services area is estimated at \$49,800 and the work for the Public Works offices is estimated at \$60,400. The alternate for the exhaust units is estimated at \$56,200. However, this alternative would only be accepted if the other projects come in substantially lower than estimated and budgetary savings is available.

This project was previously bid on July 12, 2012, but no bids were received. The project's engineering consultant contacted ten of the potential bidders regarding why they did not bid on this project. From the feedback received, it appears most were too busy at the time, but still have a strong interest and would be willing to submit bids if the project is reissued.

That is the approach now being proposed by staff. This will be the same project scope, but the completion date will be changed to allow for more potential bidders.

ALTERNATIVES:

1. Approve preliminary plans and specifications for the Maintenance Facility Energy Efficiency Projects by establishing September 12, 2012, as the date of letting and September 25, 2012, as the date for report of bids.
2. Do not proceed with this project.

MANAGER'S RECOMMENDED ACTION:

These projects will provide more economical and efficient systems to heat, cool, and condition the air in these offices and will improve the air quality for a healthier work environment. Potential bidders have indicated strong interest in bidding on the reissue of the project. The completion date has been extended to March 30, 2013, to provide greater flexibility and encourage more bids.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, thereby approving plans and specifications for the Maintenance Facility Energy Efficiency Projects by establishing September 12, 2012, as the date of letting and September 25, 2012, as the date for report of bids.