

CITY OF OAKLAND
AGENDA REPORT

FILED
OFFICE OF THE CITY CLERK
OAKLAND
2008 SEP 11 PM 3:20

TO: Office of the City Administrator
ATTN: Daniel Lindheim
FROM: Public Works Agency
DATE: September 23, 2008

RE: **A Resolution (1) Waiving Any Further Competitive Process And Authorizing The City Administrator Or Designee To Negotiate And Award A Professional And Construction Services Agreement In An Amount Not To Exceed Two Hundred Fifty-Six Thousand Dollars (\$256,000) To Implement Energy Savings Measures At The City's Five Swimming Pools, Without Returning to City Council, And (2) Accepting And Appropriating Energy-Related Rebates for Project No. C256516**

SUMMARY

Staff has prepared a resolution that allows:

- 1) Waiving any further competitive process and authorizing the City administrator or designee to negotiate and award a professional and construction services agreement in an amount not to exceed \$256,000 to implement energy savings measures at the City's five swimming pools, without returning to City Council; and
- 2) Accepting and appropriating energy-related rebates for Project No. C256516.

FISCAL IMPACT

Funds are appropriated in: City Facilities Energy Conservation Loan Fund (4450), OPR Capital Improvement Projects Organization (94500), OPR Energy Efficiency Project (C256516). Funds are available, inclusive of both project and staff costs.

Payment to the contractor will be performance based. Reduced electricity and natural gas expenses associate with this project will accrue to the City Facilities Fund (4400).

BACKGROUND

In early 2007, PG&E's "Swim Team" audited the mechanical room systems for the City's five swimming pools. The audits found high level of energy savings could be achieved by upgrading the pumping systems. In July 2007, Staff solicited proposals according to City's formal request for proposal process using existing listings for parties interested in Municipal construction

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projects, plus companies known to be engaged in swimming pool projects. Seven firms attended the pre-proposal meeting in October 2007, however no proposals were submitted.

The Department of Contracting and Purchasing performed an availability analysis searching for certified Oakland, pool-related contractors. The City's database revealed that no local firms possess a C-53 California license (Swimming Pool Contractor). There were two local firms that possess a D-35 California license (Pool and Spa Maintenance), RW Plastering and Island Plastering. Staff contacted each of these firms and confirmed that both these companies do not practice mechanical pool design.

KEY ISSUES AND IMPACTS

Energy savings from applying energy efficiency measures for the City's pools is substantial. By installing new technology and replacing equipment the City will experience an operating cost savings. These energy efficiency measures are estimated to reduce the five City pools' total annual electricity consumption by 213,000 Kilowatt-hours and reduce operating cost by \$32,000 per year for approximately 15 years, the estimated life of the equipment. Staff estimates that approximately 219 Metric Tonnes of annual green house gas emissions can be eliminated by this project.

Staff has learned that the Martin Company conducted energy projects at Lyons, Fremont and Defremery pools in 1994 and appears to have the needed qualifications for the pool energy efficiency work required. Recently, the Martin Company has done energy efficiency pool work for the Acalanes School District and for Stanford University.

Staff proposes to enter into negotiations with the Martin Company for pool energy efficiency work. If Staff cannot successfully reach a performance based negotiated agreement with the Martin Company, then other firms specializing in swimming pool energy efficiency will be sought.

Engineering estimates of annual and life cycle cost savings will be used to determine which energy reducing measures will be implemented. Negotiated payment to the Contactor will be performance based. The payment structure will be based upon the total energy savings of all the pools. City Staff will verify results using meters. The Contractor will be paid based on this verification.

Based upon Pacific Gas & Electric (PG&E) audit data, the estimated energy savings for all five pools is \$32,000 a year, over a 15 year period. The project includes costs to upgrade heating, filtration and piping issues that the design and construction team may identify as necessary to improve the pool operations and achieve the energy efficiency ratings. Energy related rebates associated with this project will be appropriated into the project to offset the cost of the project.

PROJECT DESCRIPTION

This project will enhance energy efficiency at the following pools (Defremery, Fremont, Live Oak, Lions and Temescal). This project will replace and update less efficient motors and pumps with high efficiency units, fine-tune controls and upgrade pool lighting when appropriate technology is available. Operation of heaters, filtration and piping layout will also be analyzed. As a result, some piping, filtration and heating equipment may be modified as well. Construction schedules will be phased to coordinate with Office of Parks and Recreations scheduled activities. Payment for services will be based upon performance of the completed project.

SUSTAINABLE OPPORTUNITIES

Economic: The recommended project will increase energy efficiency and reduce the City's operating costs by an estimated \$32,000 per year.

Environmental: This project will reduce green house gas emissions by an estimated 219 Metric Tonnes per year.

Social Equity: This project will add modestly to the demand for green collar jobs.

DISABILITY AND SENIOR CITIZEN ACCESS

This project does not have direct impacts on disabled or senior citizen access.

RECOMMENDATIONS

Staff recommends that City Council approve the attached Resolution that allows:

- 1) Waiving any further competitive process because it is in the best interest of the City to do so for the reasons stated herein as provided in Oakland Municipal Code Section 2.04.051 B, and authorizing the City administrator or designee to negotiate and award a professional and construction services agreement in an amount not to exceed \$256,000 to implement energy savings measures at the City's five swimming pools, without returning to City Council; and
- 2) Accepting and appropriating energy-related rebates for Project No. C256516.

Respectfully submitted,



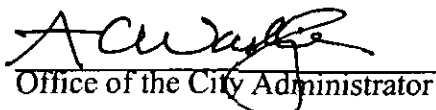
Raul Godinez II, P.E.
Director, Public Works Agency

Reviewed by:
Brooke A. Levin, Assistant Director

Reviewed by:
Susan Kattchee, Environmental Services Manager

Prepared by:
Scott Wentworth, Energy Engineer
Environmental Services Division

APPROVED AND FORWARDED TO THE
PUBLIC WORKS COMMITTEE:


Office of the City Administrator

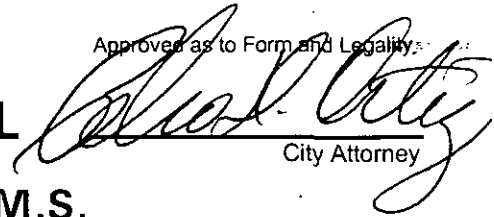
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FILED
OFFICE OF THE CITY CLERK
OAKLAND

2008 SEP 11 PM 3:21

OAKLAND CITY COUNCIL

Approved as to Form and Legality



City Attorney

RESOLUTION No. _____ C.M.S.

A RESOLUTION (1) WAIVING ANY FURTHER COMPETITIVE PROCESS AND AUTHORIZING THE CITY ADMINISTRATOR OR DESIGNEE TO NEGOTIATE AND AWARD A PROFESSIONAL AND CONSTRUCTION SERVICES AGREEMENT IN AN AMOUNT NOT TO EXCEED TWO HUNDRED FIFTY-SIX THOUSAND DOLLARS (\$256,000) TO IMPLEMENT ENERGY SAVINGS MEASURES AT THE CITY'S FIVE SWIMMING POOLS, WITHOUT RETURNING TO CITY COUNCIL AND (2) ACCEPTING AND APPROPRIATING ENERGY-RELATED REBATES FOR PROJECT NO. C256516

WHEREAS, the City of Oakland participated in Gas and Electric Company (PG&E) pool audit program that provided general energy efficient measures for reducing energy consumption and greenhouse gas emissions; and

WHEREAS, the pool audit program found the City could experience significant savings by implementing energy efficiency measures at its five pools; and

WHEREAS, if the City will undertake these cost effective energy efficiency projects then it may save an estimated \$32,000 in City cost, cut approximately 213,000 Kilowatt-hours of annual energy use, and reduce greenhouse gas emissions by about 219 MT each year; and

WHEREAS, the City has appropriated funds in the City Facilities Energy Conservation Loan Fund (4450), OPR Capital Improvement Projects Organization (94500), OPR Energy Efficiency Project (C256516) to implement this project and lower the City's operating costs; and

WHEREAS, the City, in compliance with Oakland Municipal Code ("O.M.C.") Section 2.04.051 conducted a formal Request For Proposals solicitation for providing swimming pool energy efficiency design and construction services, however no proposals were received; and

WHEREAS, Department of Contracting and Purchasing performed an availability analysis for local contractors and found none qualified for this pool energy related work; and

WHEREAS, the City Council has determined that it is in the best interests of the City to waive any further competitive solicitation requirements of the competitive process for reasons detailed in the agenda report and this resolution, and further recommends negotiation and execution of agreements without returning to the City Council for professional and construction services for life-cycle cost-effective and energy efficiency projects for the City community swimming pools; now, therefore, be it

RESOLVED: That, pursuant to O.M.C. Section 2.04.051 B, the Council hereby finds that any further competitive process is waived because it is in the best interest of the City to do so for the reasons detailed in the agenda report and this resolution, and the City Administrator, or designee, is authorized to negotiate and execute agreements without returning to the City Council for professional and construction services for life-cycle cost-effective and energy efficiency projects for the City swimming pools; and be it

FURTHER RESOLVED: That the City Administrator or designee is authorized to apply for, accept, and appropriate energy related rebates or incentive payments from programs offered by the State, PG&E or other rebate programs and place funds into the City Facilities Fund (4400); and be it

FURTHER RESOLVED: That the City Administrator or designee is authorized to transfer funds between projects as necessary to achieve the optimal use of resources; and be it

FURTHER RESOLVED: That the Local and Small Business Enterprise Program be waived due to an availability analysis revealing that no local firm holds a C-53 California state swimming pool contractor license; and be it

FURTHER RESOLVED: That, unless specifically designated above, all grantees and contractors will be bound by all applicable Oakland laws and policies including the Living Wage Ordinance; the Local Employment Program; the 15% Apprenticeship Policy; the Equal Benefits Ordinance; and the Local Construction Employment referral Program; and be it

FURTHER RESOLVED: That all contracts shall be reviewed and approved for form and legality by the Office of the City Attorney and a final copy shall be placed on file in the Office of the City Clerk.

IN COUNCIL, OAKLAND, CALIFORNIA, _____, 20_____

PASSED BY THE FOLLOWING VOTE:

AYES - BROOKS, BRUNNER, CHANG, KERNIGHAN, NADEL, QUAN, REID, and PRESIDENT DE LA FUENTE

NOES -

ABSENT -

ABSTENTION -

ATTEST: _____
LaTonda Simmons
City Clerk and Clerk of the Council
of the City of Oakland, California