



**PURCHASING ITEM  
FOR  
COUNCIL AGENDA**

**1. Agenda Item Number:**

**20**

**2. Council Meeting Date:**  
May 28, 2009

**TO: MAYOR & COUNCIL**

**3. Date Prepared:** April 21, 2009

**THROUGH: CITY MANAGER**

**4. Requesting Department:** City Manager

**5. SUBJECT:** Approve use of Maricopa County Contract #08066 for Energy Savings Services with APS Energy Services in an amount not to exceed \$40,000.00.

**6. RECOMMENDATION:** Recommend approval to use Maricopa County Contract #08066 for Energy Savings Services with APS Energy Services in an amount not to exceed \$40,000.00.

**7. HISTORICAL BACKGROUND/DISCUSSION:**

During the past six months, City staff has met with several Energy Services Companies (ESCOs) in an effort to determine the benefits of utilizing an ESCO toward the goal of reducing the energy costs associated with City buildings and facilities. ESCOs provide comprehensive energy audits, implement capital improvements through the use of funds made available through energy cost savings and in some cases, provide energy management services for selected facilities owned by an entity. In mid-2008, Maricopa County completed an extensive bid process for an ESCO to complete an investment grade energy audit and resulting improvement plan for over 9,000,000 square feet of selected County facilities. APS Energy Services was selected as the ESCO to perform the audit and to develop the improvement plan for the County. Staff is seeking City Council approval to utilize the County's contract for energy savings services and to contract with APS Energy Services.

The investment grade technical audit will include a list of proposed improvements or measures that will reduce energy consumption. The measures identified will include estimates of savings for each measure as well as cost estimates for proposed improvements. These estimates will include all costs associated with the installation of the measure including design, engineering, installation, maintenance, repairs and debt service. After the audit is completed, staff will make recommendations regarding appropriate projects. Improvement measures can be funded with the cost savings realized through the implementation of the improvement. The City will also discuss other types of financing mechanisms to fund improvements identified by the ESCO audit. If the City decides not to implement any of the measures under this contract, the cost of the audit will be 7.2 cents for each square foot of audited space; in this case staff is estimating a total cost not to exceed \$40,000.

Exhibit A lists the twenty-eight separate City buildings and/or facilities, which will be evaluated. In general buildings selected for the audit are seven years of age or older.

**8. EVALUATION PROCESS:** In September 2008, Maricopa County Materials Management issued a cooperative proposal for comprehensive energy management audit services to APS Energy Services. By utilizing the County's contract, the City can expedite the bidding and award process while complying with ARS 34-201.

**9. FINANCIAL IMPLICATIONS:**

Costs: \$40,000.00  
Savings: N/A  
Long Term Costs: N/A  
Fund Source:

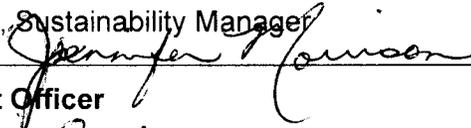
<u>Acct. No.:</u>	<u>Fund Name:</u>	<u>Program Name:</u>	<u>Funds:</u>
101-1290-5219	Non-departmental	Other Professional Services	\$40,000

**10. PROPOSED MOTION:** Move to approve use of Maricopa County Contract #08066 for Energy Savings Services with APS Energy Services in an amount not to exceed \$40,000.00.

APPROVALS

**11. Requesting Department**

Jennifer Morrison, Sustainability Manager



**12. Department Head**

Patrick McDermott



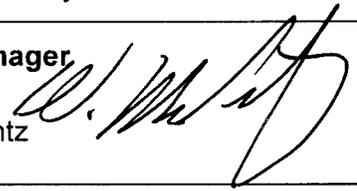
**13. Procurement Officer**

Sharon Brause, CPPB, CPCP



**14. City Manager**

W. Mark Pentz



**Exhibit A**  
**Agreement No 09-059**  
**Energy Audit**

<b><u>Building Name</u></b>	<b><u>Year Built</u></b>	<b><u>Square Footage</u></b>
Community Center	1986	37,621
Senior Center	1986/2000	10,467
Main Library	1996	64,000
Development Services	1970/2000	50,516
Housing and Redevelopment	1970/2000	included above
Information Technology	1970/2000	17,961
Fire Admin/911	1990	11,243
Police	1998	67,529
Courts	1998	32,763
Police Property & Evidence	1976/2003	30,430
Warehouse Building- Armstrong Way	2004	29,755
Streets Building-Armstrong Way	2005	9,000
Fleet Services Building	2004	16,575
Fire Support Services	1985/2007	17,060
Fire Station 2	1985	7,868
Fire Station 3	1999	8,320
Fire Station 4	1985	8,172
Fire Station 5	1998	8,320
Fire Station 6	2002	8,800
Fire Training	1998/2005	17,400
Sunset Branch Library	2000	19,500
Airport Admin,	1996	7,120
Airport Tower	1998	5,940
Snedigar Rec Center	1991/2000	8,266
MUD Building J	2000	6,000
MUD Building K	2001	6,000
MUD Building L	2004	7,250
Water Treatment Plant Admin. Building-Pecos Plant	1985/2007	14,700
<b>Total Square Feet</b>		<b>528,576</b>