



City of San Antonio

Agenda Memorandum

File Number:16-2487

Agenda Item Number: 6.

Agenda Date: 5/12/2016

In Control: City Council A Session

DEPARTMENT: Office of Sustainability

DEPARTMENT HEAD: Douglas Melnick

COUNCIL DISTRICTS IMPACTED: Council Districts 3, 4, and 5

SUBJECT:

Contract Award: (Job Order Contract) FY 2016 Municipal Lighting Retrofits

SUMMARY:

An Ordinance authorizing a Job Order Contract (JOC) with Kencon Constructors in an amount not to exceed \$157,983.45 for the FY 2016 Municipal Retrofits Project, a FY 2016 Energy Efficiency Funds funded project, for providing energy efficient retrofits for City owned facilities located in Council Districts 3, 4, and 5.

BACKGROUND INFORMATION:

As part of the FY 2016 Energy Efficiency Fund budget, \$450,000.00 was included for energy efficiency retrofits to be overseen by the Office of Sustainability. The balance of the energy funds are to be used for additional energy efficiency projects in FY 2016.

Existing interior and exterior lighting at Fire Station #25, the SAPD Property and Evidence Storage and the Park's South Flores Yard will be replaced with high efficiency fluorescent or LED technologies, in order to reduce energy consumption, lower operating and maintenance costs and realize environmental benefits. CPS Energy has estimated an annual energy savings of approximately \$12,331.00 from the three buildings in total and could be eligible for a rebate of up to \$14,900.00 resulting in a payback of project costs through savings in 11.6 years. The rebate and utility cost savings will be transferred to the Energy Efficiency Fund for use in future energy efficient retrofits.

Since FY 2011, the Office of Sustainability has completed 393 energy efficiency projects at over 180 municipal buildings. These projects include lighting retrofits, HVAC equipment and controls upgrades, window film and

retro-commissioning. The total avoided annual energy cost of these projects is over \$1.3 million.

Future Planned Projects include:

Project Name	Scope	No. of Facility
Variable Frequency Drive (VFD) Retrofit	This project will install VFDs on the HVAC fan motor to reduce the energy consumption of the fans.	6
Retro-commissioning	This project will review existing HVAC controls sequence of operation and optimize their current operation in an effort to save energy while increasing occupant comfort	5
Lighting Retrofit	This project will retrofit existing light fixtures with energy-efficient LED fixtures.	1

VFD retrofit at: Animal Care Services, Hamilton Community Center, San Juan Brady Community Center, North Substation, Northwest Substation and West Substation

Retro-commissioning at: Fire Station #50, CoSA and Bexar County EOC, One Stop DSD, Parman Library, and Public Safety Answering Point

Lighting Retrofit at: NE Service Center

Energy retrofits are selected based on quantitative assessments of potential energy and cost reductions relative to implementation costs. All retrofits must pay for themselves through avoided energy costs and utility rebates and result in a positive return on investment (ROI) in order to be selected.

Procurement of Services

This Project was selected to utilize Job Order Contracting (JOC), an alternative project delivery method, through which 10 contractors were approved through Ordinance 2015-01-15-0013 by City Council on January 15, 2015. The use of the JOC delivery method has provided the City with on-call construction, renovation and maintenance services for City buildings and facilities. Assignment of a JOC contractor to a specific job is based on the contractor's current workload, overall capacity, familiarity with a specific facility, cost, expertise in completing specific task(s) and/or managing a specific trade needed to carry out the job. Of the ten contractors, Kencon Constructors was selected to submit an estimate and project schedule for this Project

Kencon Constructors is a small, minority-owned business that has committed to 23% Minority/Women Business Enterprise and 3% African-American Business subcontractor participation.

Discretionary Contracts Disclosure Form, as required by the City's Ethics Ordinance for all Projects, where subjective criteria are used to select the contractor or consultant rather than by low bid, is attached.

ISSUE:

This Ordinance for the FY 2016 Municipal Lighting Retrofits, a FY 2016 initiative located in council Districts 3, 4, and 5, authorizes a task order to a Job Order Contract with Kencon Constructors in an amount not to exceed \$157,983.45.

This Project will consist of interior and exterior lighting retrofits to Fire Station #25, the Property & Evidence Storage Building and the Park's South Flores Yard with high efficiency fluorescent and LED technology. Since FY2011, the Office of Sustainability has completed 393 energy efficiency projects at over 180 municipal buildings. These projects include lighting retrofits, HVAC equipment and controls upgrades, window film and retro-commissioning. The total avoided annual energy cost of these projects is over \$1.3 million.

Energy retrofits are selected based on quantitative assessments of potential energy and cost reductions relative to implementation costs. All retrofits must pay for themselves through avoided energy costs and utility rebates and result in a positive return on investment (ROI) in order to be selected.

Coordination with the SAFD, SAPD and Parks & Recreation will be made to allow necessary access to each property during retrofits.

ALTERNATIVES:

As an alternative, this Project could be delivered utilizing another delivery method. However, considering the additional time required for another solicitation process, this would adversely affect the timely completion of the project.

FISCAL IMPACT:

This is a one-time capital improvement expenditure in the amount of \$157,983.45, payable to Kencon Constructors. Funds are available in FY 2016 Energy Efficiency Fund.

RECOMMENDATION:

Staff recommends approval of this ordinance authorizing a task order to a Job Order Contract in an amount not to exceed \$157,983.45 to Kencon, Inc., for the FY 2016 Municipal Lighting Retrofits-Phase I.