



CITY OF COMMERCE AGENDA REPORT

TO: Honorable City Council

FROM: City Manager

SUBJECT: PRESENTATION FROM ABM BUILDING SOLUTIONS, ON A PRELIMINARY ASSESSMENT OF CITY FACILITIES FOR CURRENT UTILITIES AND PROPOSED COST SAVINGS

MEETING DATE: July 7, 2020

RECOMMENDATION:

The City Council will receive and file the preliminary assessment of City Facilities for current utilities and proposed cost savings, and/or direct staff to enter into a letter of intent with ABM for the next phase of this project, and/or take any other action deemed appropriate by the City Council.

BACKGROUND:

In November 2019, the City of Commerce authorized ABM Building Solutions (ABM) to conduct a preliminary assessment of City-owned facilities, through its Bundled Energy Solutions (BES) Program at no cost to the City of Commerce. The BES Program is a comprehensive infrastructure reinvestment program with the purpose of identifying energy consuming equipment and infrastructure improvements that will maximize facility efficiency and occupant comfort while reducing operating expenses at the City's facilities. The BES Program utilizes California procurement legislation that allows this type of design-build project focused on energy conservation, under California Government Code 4217.10-18.

Included in the study were Atlantic Library, Greenwood Library, Bandini Park, Bristow Park, Rosewood Park / Aquatic Center, Senior Center, Teen Center, and Veterans Park. City Hall, Transportation and the North Annex were not included in the study due to the City's plans to relocate City Hall and Transportation and the pending demolition and transfer of the North Annex to City Ventures to build housing.

ANALYSIS:

City staff worked with ABM to conduct the preliminary assessment by reviewing current energy/water consumption and identifying potential facility improvements that would reduce utility costs while addressing and improving City facility operations. ABM estimates that based on the City's current annual expenses of more than \$1,000,000 in combined utility costs (gas, electrical & water) across the eight facilities assessed, the

City has the opportunity to save approximately \$225,000 annually in utility costs, or nearly 23%, by making upgrades to lighting, HVAC, and other energy-using building equipment. Along with utility cost savings, these upgrades are estimated to reduce maintenance and operating costs by an additional \$50,000 annually.

With the preliminary assessment completed and, if the City Council directs Staff to move forward with ABM to further investigate the financial feasibility of the upgrades through a detailed engineering study known as an Investment Grade Audit, Staff will come back at a later date to present a Letter of Intent and a resolution and sign a contract with ABM with the understanding that such agreement will trigger a not to exceed \$60,000 cost should the City of Commerce opt not to move forward on the recommended improvements.

The following provides a snapshot of the various improvements recommended for the respective City sites.

VETERANS PARK

- Complete LED Upgrade
- Water Conservation Measures
- Irrigation Controls

SENIOR CENTER

- Boiler Cycling Controls
- New Wi-Fi Controls
- Complete LED Upgrade
- New HVAC Equipment
- Building Envelope Solutions
- Window Film / Security Film
- High Efficiency Transformers
- Water Conservation Measures
- Plug Load Controls

TEEN CENTER

- New Wi-Fi Controls
- Complete LED Upgrade
- Building Envelope Solutions
- Window Film / Security Film
- High Efficiency Transformers
- Water Conservation Measures
- Plug Load Controls

ROSEWOOD PARK

- Boiler Cycling Controls
- New Wi-Fi Controls
- Complete LED Upgrade
- New HVAC Equipment
- Building Envelope Solutions
- Window Film / Security Film
- High Efficiency Transformers
- Water Conservation Measures
- Irrigation Controls
- Plug Load Controls
- Submetering
- New Pool Chlorination System



RECOMMENDATION:

1. The City Council will receive and file the preliminary assessment of City Facilities for current utilities and proposed cost savings; and/or;
2. Authorize staff to draft Letter of Intent (LOI) for a Design and Engineering Phase Study with ABM and a Resolution, with the understanding that such LOI will trigger a not to exceed amount of \$60,000 should the City opt not to move forward on the recommended improvements with ABM; and;
3. Direct staff to present final draft LOI and Resolution at a further City Council meeting; or
4. Direct staff to take any action deemed appropriate by the City Council.

FISCAL IMPACT:

There is no fiscal impact at this time. However, there is a not to exceed \$60,000 cost associated with the Design and Engineering Phase if the City does not sign a contract with ABM to implement the recommendations of the study. If the City chooses to move forward, the not to exceed \$60,000 will be incorporated into the project costs for implementation.

RELATIONSHIP TO STRATEGIC GOALS:

This item relates to the City Council's specific 2016 Strategic Action Plan's:

Capital Improvement Projects:**Guiding Principle 2:**

- Goal to "develop and implement a sustainable Capital Improvement Program (CIP) to ensure the quality of existing infrastructure and support future plans for the City."

Prepared by:	Chidi Ugwueze, Facility CIP Project Manager
Recommended by:	Daniel Hernandez, Director of Public Works
Reviewed by:	Vilko Domic, Assistant City Manager
Respectfully submitted:	Edgar P. Cisneros, City Manager

ATTACHEMENTS:

- A. ABM presentation
- B. Letter of Intent