

COUNTY OF SAN MATEO

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Inter-Departmental Correspondence

Date: March 21, 2001

Board Meeting Date: April 3, 2001

TO: Honorable Board of Supervisors

FROM: Neil R. Cullen Director of Public Works

SUBJECT: Investigation to Determine if the Building Lighting or Mechanical Systems of Outlying County Buildings can be Upgraded to Reduce Energy Costs – County-Wide

RECOMMENDATION

Adopt a resolution authorizing the Director of Public Works to negotiate and execute an agreement with Invensys Building Systems to conduct a detailed analysis of specific building lighting or mechanical systems and to draft a performance based contract agreement.

Previous Board Action

1. Approved the County's participation in the Environmental Protection Agency's Green Lights Program, a Federal program, which commits the participating agencies to replace existing building lighting systems with energy efficient lighting systems.
2. Approved a project in June 1999, which upgraded lighting in various County buildings, which is being paid for by the energy savings realized by using more energy efficient lighting.
3. Approved a similar project in July of 2000 which evaluated the building lighting and mechanical systems upgrades of the main County facilities (i.e., Hall of Justice, 455 County Center, etc.).

Key Facts

1. Some components of facility lighting or mechanical systems (heating, ventilation, air conditioning, et. al.) of some of our smaller outlying buildings should be replaced as they are either nearing the end of their economic life or it may be cost-effective to replace these systems to take advantage of more modern energy saving components.
2. Invensys Building Systems (Invensys) is willing to do a detailed inspection and analysis of these building systems on the premise that lighting or other mechanical systems can be replaced with the capital costs paid for by energy savings.

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3. Your Board can then consider either paying for the analysis or entering into an agreement with Invensys to design and install energy efficient lighting and replacement equipment as may be necessary, with a guarantee from Invensys that the capital costs can be paid for from the energy savings calculated by Invensys, or Invensys will reimburse the County for energy savings not realized.

Discussion

We are nearing completion of a \$1.6 Million lighting and mechanical system upgrade project on some of the larger County facilities that is estimated to reduce our energy and operation costs by between \$110,000 and \$130,000 annually. This initial project primarily targeted the larger County facilities as these facilities use a greater amount of energy to run these facilities' lighting and mechanical systems.

Invensys has identified opportunities in other County facilities where it may be cost affective to replace existing systems due to the higher costs of both gas and electricity. The evaluation of facilities include lighting systems at the various Public Works corporation yards, the San Carlos Airport, the Health Services Building, Cordilleras Center, the Weights and Measures Buildings, the Expo Center and the Forestry Stations; and Air Conditioning units at the Expo Center and the University Avenue Building in East Palo Alto. They have proposed to perform a detailed study, which if successful, will guarantee savings in energy and operational costs. We are recommending that we enter into an agreement with Invensys to do a detailed evaluation of these facilities' systems to determine if all or a portion of these lighting and mechanical systems can be repaired or upgraded with the cost of the repairs or upgrades financed with the associated energy savings.

We will then evaluate Invensys' analysis and their proposals and make recommendations to your Board on entering into an agreement with Invensys for various system upgrades. Your Board can then decide if the work should proceed with Invensys or if other options should be explored.

Fiscal Impact

The maximum cost for developing alternatives for the various systems is \$10,000, which can be paid for from the Capital Projects Budget. However, there is no cost to the County for this evaluation if Invensys is unable to offer a self funded Performance Contract as a result of their detailed analysis, or if your Board determines to enter into an agreement with Invensys to install or improve the systems. Invensys will also guarantee the level of energy savings to be realized and will pay the County for any energy savings that they calculate but which are not realized.

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A form of resolution has been approved by County Counsel.



Neil R. Cullen
Director of Public Works

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cc: Milt Mares, County Counsel

Resolution No. _____

Board of Supervisors, County of San Mateo, State of California

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Resolution Authorizing the Director of Public Works to Negotiate and Execute an Agreement with Invensys Building Systems to Conduct a Detailed Analysis of Specific Building Lighting or Mechanical Systems and to Draft a Performance Based Contract Agreement

RESOLVED, by the Board of Supervisors of the County of San Mateo, State of California, that

WHEREAS, this Board in 1995, approved the County's participation in the Federal Environmental Protection Agency's Green Lights Program, a program to improve the energy efficiency of buildings; and

WHEREAS, Invensys Building Systems provides performance based services which calculates energy savings that can be used to finance the replacement of less energy efficient lighting and building mechanical systems; and

WHEREAS, Invensys has proposed to perform a detailed inspection and analysis of additional County facilities based on their preliminary assessment that lighting or other mechanical systems can be replaced with the capital costs paid for by energy savings; and

WHEREAS, the Director of Public Works has recommended that he be authorized to negotiate and execute an agreement with Invensys to conduct a detailed analysis of specific building lighting or mechanical systems and to draft a performance based contract agreement; and

WHEREAS, this Board has considered the recommendation of the *Director of Public Works*.

NOW, THEREFORE, IT IS HEREBY DETERMINED AND ORDERED that the Director of Public Works is authorized to negotiate and execute an agreement with Invensys Building Systems to conduct a detailed analysis of specific building lighting or mechanical systems and to draft a performance based contract agreement.

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