

Highlights of the Facilities and Transportation Committee Meeting of December 1, 2015

COMMITTEE RECOMMENDATION: The Committee recommends bringing the update on the energy efficiency project to the full City Council in February 2016.

CITY OF SAN LEANDRO

CITY COUNCIL FACILITIES AND TRANSPORTATION COMMITTEE

**December 1, 2015
5:00 p.m. – 6:30 p.m.**

**San Leandro City Hall
835 East 14th Street
San Leandro, California
Sister Cities Gallery**

HIGHLIGHTS

1. CALL TO ORDER

The meeting was called to order at 5:00 p.m.

1.A. Attendance

Committee members present: Mayor Pauline Cutter, Councilmember Corina Lopez, Councilmember Ursula Reed

City staff present: Chief Innovation Officer Deborah Acosta, Finance Director David Baum, Engineering & Transportation Director Keith Cooke, Administrative Analyst Kirsten Foley, Assistant City Manager Lianne Marshall, Senior Engineer Austine Osakwe, Public Works Director Debbie Pollart, Principal Engineer Michael Stella, City Engineer Nick Thom

Public present: Bernard Ashcraft (Bay Area Business Roundtable), Jeff Bartel (Climatec), Tom Jackson (Climatec), Tyler Girtman (Climatec), Jim Prola, Beverly Velasquez (Sunpower), Mike Preta

1.B. Announcements

Change order of agenda items

2. DISCUSSION ITEMS

2.B. Discussion Regarding Update on Energy Efficiency Project

D. Pollart reviewed March 2015 start of a comprehensive program for power and water saving projects for City infrastructure. After a request for proposal process, Climatec was the selected consultant to complete the work.

Climatec and Sunpower completed an energy audit, as well as solar opportunity evaluation, water use reduction and discussed the results of their audit and provided recommendations. Preliminary review was brought to the Facilities and Transportation Committee in July 2015. The detailed evaluation is to be presented at this meeting. Climatec proposed to increase usage of LED lights by upgrading remainder of City street lights to LED and make them dimmable with smart system that alerts Public Works if lights are malfunctioning or failing. The system allows for integration with other technologies, better management as well as for future expansion and growth.

There are six thousand lights throughout the city, of which currently 14% are LED, and the remaining 86% would be installed by Climatec. Climatec confirmed that they plan to replace only street and parking light bulbs and the decorative fixtures and poles will be intact.

Mayor Cutter asked what the cost saving is with having sensors for each light versus LED. There is a 50% to 60% reduction in energy and operation cost by using LED and a ten year warranty on the life of the bulb. With the addition of smart systems there is an increase in efficiency, i.e. twilight/dawn dimmable adjustable lights. This layered control system saves extra 10%.

Recommendations:

Building automation (upgrading to Johnson Control infrastructure throughout the City: recommendation to complete installation and add lighting control panels. Exterior and interior lighting upgrades with energy efficient lighting with control system. Replace roughly 800 exterior fixtures. Able to utilize energy conservation measures to fund Main library chiller and HVAC for City Hall. Upgrade lighting control system infrastructure so that lighting at parks can be controlled more efficiently and move to a weather based irrigation system for water conservation.

Councilmember Lopez asked if it is possible to replace lights at the Library with comfortable light quality (color temperature) in LED. Choices of light temperatures can be reviewed to select the best for reading, as well as aesthetic of library.

Project inflow and utility rebates first year in excess of \$562K /outflow would be \$478K. These improvements would 100% self-funded and could be under a municipal lease at 3% interest (among several financing options).

Sunpower: At the Wastewater Pollution Control Plant (WPCP), solar installation could be deployed at 1/2 Megawatt (MW) option (if dirt moved offsite) or 1 MW option (if dirt remains at site). The first option (1/2 MW) is most cost effective option and would offset

28% of current energy usage at the WPCP. Although multiple engineering challenges at WPCP, \$3.8M could be generated over twenty-five year life of installation.

When asked what specifically are the challenges at the WPCP, D. Pollart responded by saying the disposition of hot dirt still to be determined by State of California as to whether allowed to use on or off-site. Other engineering challenge is determining location of panels as optimal site must be used for additional wastewater treatment capacity.

Mayor Cutter asked about surrounding environment factors of the installation, such as dust and other pollutants from adjacent Waste Management site. Sunpower did studies of soil as well as habitat of proposed installation site and surrounding areas and included costs that address those factors in the proposal. It is very common for client cities to house solar panels at wastewater treatment plants due to available space; similarly, cities typically use most of energy consumption on street lights and waste water treatment.

Second option: 1 MW option would offset 56% of energy consumed by WPCP; would double output of option 1. \$350k-\$450k per year is currently spent on energy for WPCP currently.

As Climatec has provided the energy audit and they are ready to provide a contract by February, the question is being brought to the committee as to how to direct staff whether to go out to bid for implementation of the recommendations or continue with Climatec. D. Pollart replied in similar cities, two models were used: one with the energy audit and attendant implementation of recommendations completed by the same company or the audit was completed and then the recommended actions bid out separately as the alternative. After review by City Attorney, Engineering and Finance, it was determined that bidding out the energy audit and implementation of recommendations together would be most advantageous to the City. If Climatec does both audit and implementation of upgrades, there is more accountability in realizing savings in energy and reduction in cost.

Climatec will serve as general contractor and then will do internal competitive bidding, with full disclosure to the City. Staff will present to full Council once subcontractors and consultants for project are determined a fully itemized proposal for review.

Mayor Cutter asked staff to determine materials used so that San Leandro businesses can be utilized as suppliers. PG&E and EBMUD would continue to provide utilities to San Leandro but amount will be less and savings from that reduction will be used to fund the program. Purchase of energy will be at better rates because of the solar tariff advantage.

Councilmember Reed indicated that in many areas, light doesn't hit streets because trees block the street lights and that well-lit streets provide for a walkable City. How would the new LED lighting address that challenge? D. Pollart answered that as lights

are replaced, trees that are identified as blocking the light will be trimmed to allow light to flow to street. Specific safety standards will be applied and will be tested before and after replacement.

Councilmember Lopez asked how would the proposed changes by Climatec incorporate the climate action plan. In the next report to Council, specifics on how the proposal addresses climate action plan as well as state mandates for reduction of emissions, water conservation, etc. will be addressed.

Mayor Cutter said that going forward, we will have a baseline so as to analyze energy use with new facilities or upgrades to current facilities. She recommends working with the School District to learn of best practices and experience on monitoring and implementation of new lighting. Adjustments will be made to the agreement to account for changes in facilities. The Mayor was concerned about training and D. Pollart assured that staff is fairly well trained for the specified equipment.

Committee Recommendation for City Council Consideration

The Committee recommends bringing the update on the energy efficiency project to the full City Council in February 2016.

2.A. Discussion Regarding Capital Improvement Program

K. Cooke briefly discussed the process of using a triple bottom line; economics, environmental and social issues to decide on particular projects for our CIP program. The goal being the development of six-year Capital Improvement Program.

N. Thom provided a brief status update of current CIP projects and introduced a proposed CIP project selection process consisting of the following:

1. Score projects in 8 categories
2. Weight scores to emphasize current priorities
3. Prepare detailed scopes and estimates for top scoring projects
4. Propose projects based on score, cost, and funding availability
5. Discuss project list with Council and modify as needed

The 8 categories and the category weighting process were reviewed.

1. Population Served
2. Economic Development Impact
3. External or Internal Mandate
4. Fiscal Impact
5. One-time Funding Leverage
6. Protection of Existing Facilities and Lifespan
7. Liability Risk, Public Health and Safety
8. Quality of Life

Councilmember Reed asked staff why the Committee is being asked to score or categorize projects such as ADA Ramps and why are they on the CIP list if such

projects are mandated. K. Cooke said that with scoring these projects, the results will give a perspective of the importance and urgency of each project and will assist in the prioritization. In addition, not all mandated projects have deadlines (example of the ADA Transition Plan project).

L. Marshall reiterated that staff will score the projects and then take it to the committee for discussion. Project scores will go to Council in advance of a work session on the topic.

RECAP: Staff will do the initial scoring into eight categories, results brought to the CIP committee for overall approval, followed by presentation to the Facilities Committee for discussion and agreement. After final scoring, the categories will be weighted to emphasize priorities. It is recommended that only two categories be given the highest weighting and that two categories be given the lowest weighting in order for the scoring to reflect the priority of the Council. Staff is looking to the committee and council to provide guidance in applying the category weights.

Near the end of January 2016, K. Cooke will have an update on this process for the Committee, which the Committee can review and use as basis for their own research.

Councilmember Lopez asked about the origin of this process. K. Cooke indicated that Baltimore and other cities are using this type of process and that the proposal is modeled after examples in a book by Patricia Tigue called *Capital Improvement Programming, A Guide for Smaller Governments*. The book is issued by the Government Finance Officers Association. Councilmember Lopez asked if the scoring method is a standard practice, to which K. Cooke responded that it is a recommended practice.

Councilmember Lopez asked whether the Population Served category applies to number of people or geographic area. N. Thom responded that it could be either. Councilmember Lopez asked that the facilities committee be allowed to review project scores before the list is sent to Council.

Mayor Cutter recommends that staff bring the proposal to Council keep them informed as the project moves forward. It was noted that this topic is not on the agenda for the Council retreat in January.

2.C. Project Updates

D. Pollart mentioned having another round of grant funds available to fund additional installation of EV charger stations. The initial grant funding funded the cost of infrastructure to install additional EV charger stations at two city locations. It is currently recommended to not apply for the current grant; but to maintain awareness for future opportunities. The OSI (private project) will install about 40-80 more EV chargers stations in private locations.

Councilmember Lopez asked about putting requirements on to new projects that would be included in scope of work. D. Pollart indicated an ordinance is possible in which a percentage of the project cost could be devoted to public art installation. K. Cooke will direct staff to work with developers in influencing the installation of EV charger stations.

At Mayor Cutter's request, D. Pollart will supply a map of where additional chargers will be installed. Currently, there are two at the Estudillo Garage and one at WPCP.

2.D. Discussion Regarding Future Agenda Items

In regards to Olidata's plan for Renewal Energy, Mayor Cutter and Committee Members are uncertain of where it stands right now. Has Olidata been chosen as the vendor or will there be an RFP? Committee would like to see a formalized presentation to provide update on project. K. Cooke will put Olidata update on the January 2016 committee agenda.

D. Acosta wanted to make clear that Olidata is sharing their data and showing what the plan for San Leandro could look like. They are not proposing a contract or agreement at this time, but instead are asking for direction from the Committee and Council.

3. PUBLIC COMMENTS

None.

4. COMMITTEE MEMBER COMMENTS

Councilmember Lopez provided feedback on the BPAC committee, saying that the list of completed projects is significant and impressive. It's great that the public sees what the Council, Committee, and staff is working on and their efforts are listed out very clearly. She would like a list of projects presented to the Facility Committee and suggests listing active projects in the City newsletter.

Staff will publicize projects in the newsletter and on the City's website and media outlets.

5. ADJOURN

The meeting adjourned at 6:28 p.m.