

County of Santa Clara General Services Agency

Facilities Department
Building Operations Division



GSA03 050404

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DATE: May 4, 2004

TO: Board of Supervisors

FROM: *Larry Jinkins JT*
Larry Jinkins
Acting Director General Services Agency

SUBJECT: Acceptance of Work and Notice of Completion of the Energy Conservation Measures performed pursuant to the Energy Service Contract and the First Amendment to the Energy Service Contract with Chevron Energy Solutions.

RECOMMENDED ACTION

Accept the Energy Conservation Measures (ECMs) as complete and authorize the Clerk of the Board to execute Notice of Completion and Acceptance of Work for Groups One and Two, and Group 4, Project Number 263-BL03132, and Elmwood Conservation Measures M4 & M5, Project Number 263-BL03133.

FISCAL IMPLICATIONS

There is no net impact to the General Fund as a result of this action. Funds for the Energy Conservation Projects were allocated through Capital Fund 50, Superior Fund Center 0263, Cost Center 2516, GL Account 5530200, Project Number 263-BL03132 and Capital Fund 50, Superior Fund Center 0263, Cost Center 2516, GL Account 5530200, Project Number 263-BL03133.

Per County Policy, the balance of unspent funds of \$63,746.00 will be transferred to the GSA Energy BIP Holding Account (263-ENHOLD) for future use as directed by the Board of Supervisors.

CONTRACT HISTORY

On June 24, 2003, the Board of Supervisors approved the Energy Service Contract with Chevron Energy Solutions for Energy Conservation Measures – Groups One and Two in the sum of \$463,658. An additional \$46,366 was encumbered as a supplemental work allowance (SWA) for a total encumbered sum of \$510,024.

The approved ECM included the Juvenile Hall Gymnasium Lighting Retrofit; the Sheriff Department/EOC First Floor Isolation; the CCOB-West Wing Chiller VFD; the Civic Center Parking Garage Lighting Replacement; and project management. Deductive Change Order No. 1 reduced base costs by <\$5,145>. Deductive Change Order No. 2 reduced base costs by an additional <\$12,235>.

On December 16, 2004, the Board of Supervisors approved the First Amendment to the Energy Service Contract with Chevron Energy Solutions to increase the fixed fee compensation from \$463,658 to \$788,166 and revise the Scope of Work to add Energy Conservation Measure Group 4 Elmwood Conservation Measures M4 & M5. The supplemental work allowance (SWA) in the sum of \$46,366 remained unspent from the original contract award and was available for the cost of the First Amendment Scope of Work, if necessary. The total contract appropriation was amended to \$834,532 based on this Board action.

Original Contract (Groups One and Two):

1. Base contract amount: \$463,658
2. SWA encumbrance: \$46,366
- A. Total encumbrance: \$510,024

Amended Contract (First Amendment):

1. Base contract amount: \$788,166
2. SWA encumbrance: \$46,366
- B. Total encumbrance: \$834,532

Final Contract (Deductive Change Orders No. 1 and No. 2):

1. Base contract amount: \$770,786
2. SWA encumbrance: \$0
- C. Total encumbrance: \$770,786

Encumbrance balance (B-C) \$63,746 (includes unspent SWA and deductive change order).

REASONS FOR RECOMMENDATION

All work has been completed for the ECMs within the scope of the Energy Service Contract and the First Amendment.

BACKGROUND

On June 24, 2003, the Board of Supervisors approved the Energy Service Contract with Chevron Energy Solutions and the first four energy conservation measures (ECM) identified from the Energy Audits were performed by Chevron Energy Solutions.

The first four projects consisted of the following:

- ECM 1 – Juvenile Hall Gymnasium Lighting Replacement: The scope of this ECM was to replace the existing thirty-five 400 watt metal halide fixtures with new fluorescent fixtures on a one for one replacement basis.
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ECM 2– Sheriff Department/EOC First Floor HVAC Isolation: The scope of this ECM was to include the modification of the existing Andover control system to shut the VAV boxes serving the upper floors of the building during unoccupied hours.

- ECM 3 – CCOB West Wing Chiller VFD: The scope of this ECM was to install a variable frequency drive (VFD) and any necessary modifications to an existing Trane Centravac chiller.
- ECM 4 – West Hedding Parking Garage Lighting Replacement: The scope of this ECM was to replace the existing 461 (four hundred sixty one) 150-watt high pressure lighting fixtures with new fluorescent fixtures on a one for one replacement basis.

Final inspection of these projects was held on February 25, 2004. There were no items left to be corrected. The contract requires a one-year warranty, which begins with the Board's Acceptance of these ECMs as complete.

On December 16, 2003, the Board of Supervisors approved the First Amendment to the Energy Service Contract with Chevron Energy Solutions. When completed, the ECM identified in the First Amendment would reduce water use from three hundred and eighty-four (384) toilets and thirty-two (32) showers in Barracks M4 and M5 at Elmwood Correctional Facility by replacing the existing flush valves and showerheads with low flow versions.

Final inspection of this project was held on March 15, 2004. There were no items left to be corrected. The contract requires a one-year warranty, which begins with the Board's Acceptance of these ECMs as complete.

The Energy Service Contract term expires on June 24, 2006, three years after it commenced. Staff recommends that no action be taken to terminate this Contract at this time. By allowing the Contract to remain in effect, the County maintains the procedural option for future ECMs. Since the bonds were issued based on the specific Scopes of Work (ECMs), should new projects be authorized by the Board through subsequent Contract amendments, new bonds will be provided by Chevron.

CONSEQUENCES OF NEGATIVE ACTION

Without acceptance of this work as complete and the recording of the Notice of Completion and Acceptance of Work by the Office of the County Recorder, the County cannot release the 10% contract retention of funds due to Chevron Energy Solutions. Also, the one-year warranty period cannot begin without the Board's Acceptance of these ECMs as complete.

STEPS FOLLOWING APPROVAL

Upon Board approval, the Clerk of the Board shall:

1. Send one executed copy of the Notice of Completion of Contract and Acceptance of Work to the Office of the County Recorder for recording within ten (10) days from the Board action date in order to comply with contract law.
2. Send one executed copy of the Notice of Completion of Contract and Acceptance of Work to Chevron Energy Solutions, Attn: Legal Department, 345 California Street, 32nd Floor, San Francisco, CA 94104.

ATTACHMENTS

- (Transmittal submitted on Apr 22, 2004 8:34:22 AM – PDF Version)
- NOTICE OF COMPLETION OF CONTRACT AND ACCEPTANCE OF WORK
(Miscellaneous)
- FORM OF WARRANTY/GUARANTEE (Miscellaneous)