

MINUTES
SPECIAL WORKSESSION/ROUNDTABLE
CITY COUNCIL OF THE CITY OF YUMA, ARIZONA
CONFERENCE ROOM 190, YUMA CITY HALL
ONE CITY PLAZA, YUMA, ARIZONA
October 7, 2014
5:30 p.m.

CALL TO ORDER

Mayor Nicholls called the City Council meeting to order at 5:34 p.m.

Councilmembers Present: Knight, McClendon, Thomas and Mayor Nicholls
Councilmembers Absent: Wright, Beeson and Craft
Staffmembers Present: City Administrator, Gregory K. Wilkinson
Deputy City Administrator, Ricky Rinehart
Various Department Heads or their representative
City Attorney, Steven W. Moore
City Clerk, Lynda L. Bushong

I. CLIMATEC REPORT

Rinehart introduced Matt Vaccaro and Tom Jackson from Climatec. City staff has been working with Climatec to analyze and evaluate the City of Yuma's energy needs over the past two years. **Wilkinson** added that although the City has worked with an APS Grant on lighting retrofits and other things, this is another step towards saving money now and into the future.

Matt Vaccaro, Senior Account Executive of Climatec provided the following information:

Climatec background

- Founded in 1975.
- Headquarters are in Phoenix and has offices in Tucson, California, Nevada and Texas.
- Provides local Yuma resources and references:
 - Yuma Elementary School District #1
 - Crane Elementary School District
 - Somerton Elementary School District
 - Yuma Union High School District
 - Marine Corps Air Station – Yuma
 - Yuma Family YMCA
 - Yuma County
- Is a technology leader – System Integration Expert
- Has a proven savings track record.
- Has extensive public sector experience: 40+ Arizona Clients such as:
 - City of Tucson
 - Tucson USD
 - City of Sierra Vista
 - Casa Grande ESD

- Town of Gilbert
- Gilbert PSD
- Scottsdale USD

Untapped Potential

- The legislature is encouraging public entities to do utility cost reduction projects which involve self-funding with guaranteed savings.
 - The annual savings from the utility reduction will self-fund the improvements that are being proposed as part of this project.
 - Climatec guarantees those savings. If there is a shortfall, the City is still guaranteed that amount of savings.

City of Yuma – Needs List

- Save energy/reduce operating costs
- Provide immediate budget relief
- Address unfunded facility needs
- Reduce maintenance costs/improve efficiency
- Increase municipal sustainability statement (Solar)
- Provide a self-funding solution
- Utilize guaranteed savings

Key Needs

- Rooftop Units at City Hall
 - 3-part solution to solve the comfort issues
- Hot Water Boilers at Marcus Pool
 - More efficient technology available
- HVAC & Controls at Civic Center
 - Engineered a couple of solutions to cool the portions of the building that are being used.
- Upgrade Park Lighting and Controls
 - Installation of control strategies

Scope of work

- Lighting
- Building automation
- Heating Ventillation, Air Conditioning (HVAC)
- Solar (SSA)

Financial Highlights

Total Infrastructure Improvements	\$4,420,199
First Year Savings	\$ 434,555
Annual Payment	\$ 380,029
Lifecycle Savings	\$6,610,374

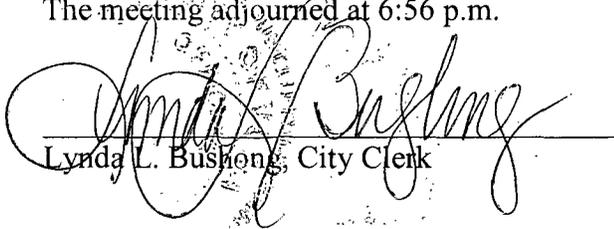
Discussion:

- Bonding vs. Financing.
 - Climatec is available to help facilitate financing if needed.
 - Most municipal customers use municipal leasing.
- Most of the lighting technology Climatec is proposing is LED lighting
 - There is not a cost effective LED available for the baseball fields at this time – possibly Phase II.
 - Parking lot lights
- Soft costs not included as part of overall savings include:
 - Standardized lighting across many of the interior and exterior spaces will make ongoing maintenance more cost effective.
 - Less failures due to new equipment; LED lights last 5 times longer than the average bulb.
 - Longer warranties
- Climatec does not install the HVAC. They will sub-contract using as much local labor as possible.
- Climatec guarantees the price once a final price and budget has been presented.
- As an additional benefit to the employee covered parking, the City will actually be able to offset approximately 35% of the total kw usage or total electric usage in City Hall.
 - The City currently pays about .13 cents per kWh.
- The solar panels are a lease arrangement for the 25 years. At the end of the 25-year lease, the City can have the solar panels removed by the Company, purchase them at their fully depreciated value or renew the contract for continued operation.
- The Company covers all maintenance of the solar panels.
- It is not cost effective to cover the entire parking lot.
- The guaranteed savings is on the project as a whole.
- It is a State requirement that Climatec provide an annual Measurement and Verification Report on each facility, for a minimum of 3 years.
 - This will show the City what the savings were or if there was a shortfall.
 - After 3 years it is the customer's choice if they want to continue it.
- The data is reviewed on a monthly basis in an effort to catch any control or other issues.
- No money is due until the project is done.
- This plan offers a vehicle to get a lot of overdue work done quickly and efficiently
- The following facilities are included in the \$4.4 Phase I:
 - The Art Center
 - City Hall
 - Civic Center
 - Clymer Recreation Center
 - Desert Hills Golf Course
 - Desert Sun Stadium
 - Fire Stations 2, 3, 5 & 6
 - Fleet Facility
 - Joe Henry Optimist Center
 - Kyla Storage
 - Marcus Pool
 - North End Community Center
 - Park Shop
 - Police Department
 - Municipal Court
 - Public Safety Training Facility
 - Public Works Administration
 - Valley Aquatic Center
 - Some parks
 - Some traffic intersections

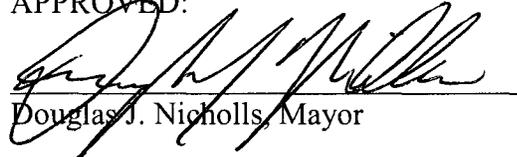
- The solar arrangement in the City Hall employee parking lot is only going to produce power that will be fed into the City Hall building.
- There is no solar involved in any of the other facilities, rather a reduction of the energy spent in each of those buildings based upon their current consumption and the current way they are already supplied power.
- Traffic lights will be replaced with more efficient technology.

II. ADJOURNMENT

The meeting adjourned at 6:56 p.m.


Lynda L. Bushong, City Clerk

APPROVED:


Douglas J. Nicholls, Mayor

Approved at the City Council Meeting of:
February 18, 2015
City Clerk: 