



CITY OF HOUSTON - CITY COUNCIL

Meeting Date:

Item Creation Date:

25ENRG001 - Interlocal Agreement with Texas A&M Engineering Experiment Station (TEES) for Energy Services related to the development of a Utility Assessment Report

Agenda Item#:

Background:

RECOMMENDATION: Approve and authorize an Interlocal Agreement between City of Houston and Texas A&M Engineering Experiment Station (TEES) for energy services related to the development of a Utility Assessment Report.

SPECIFIC EXPLANATION: The General Services Department recommends that City Council approve an Interlocal Agreement with TEES to provide energy services related to the development of a Utility Assessment Report (UAR) for City Hall, City Hall Annex, Bob Lanier Public Works Building and the Houston Permitting Center.

The General Services Department (GSD) has applied to the State Energy Conservation Office (SECO) for energy efficiency funding under its LoanSTAR (Saving Taxes and Resources) Revolving Loan Program to fund the energy cost reduction measures identified by TEES' Energy System Laboratory. TEES' Energy System Laboratory conducted and developed a Preliminary Energy Assessment (PEA) of the aforementioned City buildings which identified much needed mechanical upgrades as well as other energy cost reduction measures. SECO has approved the PEA and now requires that the City complete and submit a UAR to obtain the funding, no later than July 13, 2020. The UAR is a comprehensive engineering report that outlines detailed costs, savings and return on investment calculations.

GSD desires to enter into an Interlocal Agreement with TEES to develop the UAR in accordance with the SECO LoanSTAR Revolving Loan Program guidelines. The total estimated cost of the energy cost reduction measures is \$2,753,914.00 with a payback of 6.7 years. GSD will implement the energy cost reduction measures at the various facilities and the City will repay the low-interest SECO loan from the energy cost savings achieved through retrofits of the facilities. The cost of the UAR is \$165,000.00. The City's payment obligation is limited to the loan proceeds from SECO, unless the City elects not to pursue or fails to finalize the SECO loan.

PROJECT LOCATIONS:

FACILITY	ADDRESS	DISTRICT
Houston Permitting Center	1002 Washington Ave. Houston, TX 77002	H
City Hall	901 Bagby Street, Houston, TX 77002	I
City Hall Annex	900 Bagby Street, Houston, TX 77002	I
Bob Lanier Public Works Bldg.	611 Walker Street, Houston, TX 77002	I

M/WBE PARTICIPATION: The Office of Business Opportunity reviewed the scope of services and approved a waiver of an M/WBE goal because the services are being procured through an Interlocal Agreement without any opportunity for divisibility for subcontracting.

HIRE HOUSTON FIRST: This procurement is exempt from the City's Hire Houston First Ordinance. Bids/proposals were not solicited because the department is utilizing an Interlocal Agreement for this purchase.

DIRECTOR'S SIGNATURE/DATE:

C. J. Messiah, Jr. 4/16/2020

C. J. Messiah, Jr.
General Services Department

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