

City of Fayetteville Staff Review Form

2022-1004

Legistar File ID

12/6/2022

City Council Meeting Date - Agenda Item Only
N/A for Non-Agenda Item

Wade Abernathy

10/26/2022

FACILITIES MANAGEMENT (140)

Submitted By

Submitted Date

Division / Department

Action Recommendation:

A RESOLUTION AUTHORIZING APPROVAL OF CHANGE ORDER #1 TO RFQ 20-06 ENERGY SAVINGS PERFORMANCE CONTRACT WITH JOHNSON CONTROLS INC. IN THE AMOUNT OF \$407,185.00 AND APPROVE A BUDGET ADJUSTMENT.

Budget Impact:

4470.631.8900-5804.00	Sales Tax Capital
Account Number	Fund
15009.2022.1960	Building Efficiency Improvements, Energy Savings Performance Contract, Town Center
Project Number	Project Title
Budgeted Item? <u>Yes</u>	Current Budget \$ 4,448,399.00
	Funds Obligated \$ 4,448,399.00
	Current Balance \$ -
Does item have a cost? <u>Yes</u>	Item Cost \$ 407,185.00
Budget Adjustment Attached? <u>Yes</u>	Budget Adjustment \$ 407,185.00
	Remaining Budget \$ -

V20210527

Purchase Order Number: 2022-00000631

Previous Ordinance or Resolution # #191-22

Change Order Number: _____

Approval Date: _____

Original Contract Number: 2022-00000046

Comments:



MEETING OF DECEMBER 6, 2022

TO: Mayor and City Council

THRU: Susan Norton, Chief of Staff
Paul Becker, Chief Financial Officer

FROM: Wade Abernathy, Director Bond Construction Projects

DATE: 10-26-2020

SUBJECT: **Change Order #1 to RFQ 20-06 Energy Savings Contract with Johnson Controls Inc.**

RECOMMENDATION:

Staff recommends approval of this change order in the amount of \$407,185.00 to the Johnson Control Contract for the Solar Panel installations on the Town Center Roof. This is contingent on approval of the repayment contract with Advertising and Promotion Commission. A Budget Adjustment is required.

BACKGROUND:

August 16, 2022, the Fayetteville City Council approved Resolution 191-22 authorizing Mayor Jordan to execute an Energy Savings Performance Contract with Johnson Controls, Inc. to implement energy efficiency upgrades in City facilities.

Resolution 191-22 also provided that the contracted scope of work could be expanded to include a rooftop solar array at the Fayetteville Town Center upon approval by the Fayetteville Advertising and Promotion Commission and the negotiation of a contract with the City of Fayetteville for the payment of the costs associated with the solar array.

DISCUSSION:

The Advertising & Promotion Commission has approved a solar repayment agreement for this project. The change order is contingent on City Council approval of a budget amendment (attached).

BUDGET/STAFF IMPACT:

The change order is funded from the proceeds of a 20-year repayment agreement with the Advertising and Promotion Commission.

Attachments:

Change Order #1
Budget Amendment
Resolution 191-22

CHANGE ORDER

Performance Contract dated August 16, 2022, between Johnson Controls, Inc. and the City of Fayetteville, AR	Change Order No. 1	Date (mo/day/yr) 10/10/2022
City City of Fayetteville, AR		
The above referenced Performance Contract is hereby modified to the extent described below in accordance with the Terms and Conditions of the CHANGE ORDERS section thereof.		
Scope of Work changed as follows:		
<p style="text-align: center;">City of Fayetteville, AR: Town Center Flush Roof Mount Solar Array \$407,185.00</p> <ul style="list-style-type: none"> • To include the Flush Roof Mount Solar Array at the Town Center located in the City of Fayetteville, AR as described below: <ul style="list-style-type: none"> ○ Power capacity (kW-DC) measured at the inverter(s) input: 148.5 kW-DC ○ Power capacity (kW-AC) measured at the electrical interconnection point: 133.2 kW-AC ○ (330) – Boviet Solar, 450-watt bifacial modules or equivalent ○ (2) - SolarEdge 133.2kW 480V inverters or equivalent ○ PanelClaw Ballasted Flat Roof mount system or equivalent ○ Description of the point of interconnection with the electricity distribution system: <ul style="list-style-type: none"> ▪ The proposed point of interconnection is to be 480V within the existing switchgear. <p style="text-align: center;">Reconciliation of Included Contract Fees: (\$41,472.00)</p> <ul style="list-style-type: none"> • To reconcile the additional fees included in Phase One of the executed contract that are not/will not be utilized or recognized by the City of Fayetteville, as described below: <ul style="list-style-type: none"> ○ Additional Fees included in the base price of phase one not being utilized are to be placed within an Owner Controlled Contingency fund. The funds identified herein will not be utilized by Johnson Controls without written consent of the City of Fayetteville <ul style="list-style-type: none"> ▪ Town Center = (\$36,584.00) ▪ Blair Library = \$(4,888.00) ▪ Total Owner Controlled Contingency Fund = (\$41,472.00) <p>*Owner Contingency: Owner Controlled Contingency Fund to be used for additional Facility Improvement Measures (FIMs). All funds associated with the Owner Controlled Contingency shall be utilized to pay Johnson Controls for additional FIMs, Additional Service Agreements and/or Spare Parts.</p>		
Total amount of this Change Order		\$407,185.00
Total Performance Contract amount as revised by this Change Order		\$4,855,584.00
The time for completion is: <input type="checkbox"/> increased, <input type="checkbox"/> decreased, <input checked="" type="checkbox"/> unchanged. The new completion date resulting from this Change Order is:		(mo, day, yr)

[check if applicable] Assured Performance Guarantee changed as follows:	
Unless specifically changed by this Change Order, all terms, conditions, and provisions of the above referenced Performance Contract remain unchanged and in full effect.	
JOHNSON CONTROLS, INC.	CITY
Signature: <i>R. Hill Savoy</i>	Signature:
Printed Name: Richmond Savoy	Printed Name:
Title: Regional Installation Manger	Title:



113 West Mountain Street
Fayetteville, AR 72701
(479) 575-8323

Resolution: 191-22

File Number: 2022-0718

JOHNSON CONTROLS INC.:

A RESOLUTION TO AUTHORIZE MAYOR JORDAN TO SIGN AN ENERGY SAVINGS PERFORMANCE CONTRACT WITH JOHNSON CONTROLS INC., PURSUANT TO RFQ 20-06, IN THE AMOUNT OF \$4,448,399.00, TO AUTHORIZE MAYOR JORDAN TO NEGOTIATE AND SIGN AGREEMENTS WITH THE ADVERTISING & PROMOTION COMMISSION AND THE FAYETTEVILLE PUBLIC LIBRARY FOR THE PAYMENT OF THEIR RESPECTIVE PROJECT COSTS, AND TO APPROVE A BUDGET ADJUSTMENT

WHEREAS, on January 2, 2018, the City Council adopted an Energy Action Plan by Resolution 25-18 to build a policy, program, and project framework and initiate action for Fayetteville's efforts to be a resource and energy efficient community; and

WHEREAS, Ark. Code Ann. § 14-164-801, *et seq.*, provides the authority for cities to enter into guaranteed energy cost savings contracts in order to reduce energy consumption or operating costs of government facilities; and

WHEREAS, on February 18, 2021 the City Council approved Resolution 64-21 authorizing Mayor Jordan to sign a Project Development Agreement with Johnson Controls, Inc. to conduct an Energy Audit and to identify potential energy and cost saving measures for City facilities; and

WHEREAS, approval of the Energy Savings Performance Contract will authorize Johnson Controls to begin executing 84 energy efficiency upgrades across 47 City-owned buildings as well as the Fayetteville Public Library and Fayetteville Advertising & Promotion Commission; and

WHEREAS, the fully scoped Energy Savings Performance Contract price is \$8,087,014; however, the City has elected to remove certain projects at City Hall, the Police Headquarters, the Town

Center, and the Fayetteville Public Library at this time for a revised project cost of \$4,448,399.00; and

WHEREAS, the upgrades are expected to produce \$3,990,724.00 in savings over 20 years, reduce energy consumption by 27%, and increase the city's clean energy percentage to 75%; and

WHEREAS, the contract scope of work may be expanded upon City Council approval of a change order to include improvements to the Town Center and Fayetteville Public Library, contingent on the successful negotiation of reimbursement terms with the A&P Commission and the Fayetteville Public Library Board of Trustees.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF FAYETTEVILLE, ARKANSAS:

Section 1: That the City Council of the City of Fayetteville, Arkansas hereby authorizes Mayor Jordan to sign an Energy Savings Performance Contract with Johnson Controls Inc., a copy of which is attached to this Resolution, in the amount of \$4,448,399.00 to implement energy efficiency upgrades in City facilities.

Section 2: That the City Council of the City of Fayetteville, Arkansas hereby authorizes Mayor Jordan to negotiate and sign agreements with the Fayetteville Advertising & Promotion Commission and the Fayetteville Public Library to provide for the payment of costs associated with energy efficiency upgrades at properties under the control of those governing bodies.


Section 3: That the City Council of the City of Fayetteville, Arkansas hereby approves a budget adjustment, a copy of which is attached to this Resolution.

PASSED and APPROVED on 8/16/2022

Approved:


Lioneld Jordan, Mayor

Attest:


Kara Paxton, City Clerk Treasurer

