

RESOLUTION 2014 - 17



**A RESOLUTION OF THE CITY COUNCIL OF THE
CITY OF SUNNYSIDE, WASHINGTON, APPROVING
THE FACILITIES IMPROVEMENT MEASURES
WITH MCKINSTRY**

WHEREAS, on December 3, 2013, the City of Sunnyside has entered into an Interagency Agreement with the Washington State Department of Enterprise Services to initiate an Energy/Utility Conservation Project; and

WHEREAS, the City of Sunnyside has received and reviewed the Investment Grade Audit finding from McKinstry and agrees with these Facility Improvement Measures; and

WHEREAS, the WWTP Blowers and a City-wide Lighting Upgrades were identified in the audit and would qualify for grant/loan funding options, these measures would cost \$681,203.00 in total project costs with a repayment over the next eight years, with no increase to the annual budget; and

WHEREAS, the City Council finds and determines that such approval is in the best interests of residents of the City of Sunnyside and will promote the general health, safety and welfare.

NOW, THEREFORE, IT IS HEREBY RESOLVED BY THE CITY COUNCIL OF THE CITY OF SUNNYSIDE, WASHINGTON, as follows:

SECTION 1. That the City Council accepts the project costs in the amount of \$681,203.00 with a payback of eight (8) years, as shown on Tables 4.1 and 4.2 which are attached hereto as Exhibit "A" and incorporated herein by this reference.

SECTION 2. This Resolution shall be effective upon passage, approval and signatures hereon in accordance with law.

PASSED this 10th day of February, 2014.



JAMES A. RESTUCCI, MAYOR

ATTEST:



DELILAH SAENZ, CMC, CITY CLERK

APPROVED AS TO FORM:



KERR LAW GROUP, PLLC
Attorneys for the City of Sunnyside

Table 4.1 - Budget Summary

EXHIBIT "A"



City of Sunnyside
Phase 1: DOC Grant Project
Date 1/30/2014

Database ID	FIM Name	Mechanical	Electrical	EMCS	Lighting	General	Equipment	Other	Total
22842	08.01-WTP: Blower Upgrade	\$ 293,409	\$ 7,490	\$ 22,134	\$ -	\$ 2,140	\$ -	\$ -	\$ 325,173
22845	09.01-COM: Lighting Upgrades	\$ -	\$ -	\$ -	\$ 11,112	\$ -	\$ -	\$ -	\$ 11,112
22843	09.01-CITY: Lighting Upgrades	\$ -	\$ -	\$ -	\$ 15,181	\$ -	\$ -	\$ -	\$ 15,181
22847	09.01-L&J: Exterior Lighting Upgrades	\$ -	\$ -	\$ -	\$ 21,100	\$ -	\$ -	\$ -	\$ 21,100
22849	09.01-PWS: Lighting Upgrades	\$ -	\$ -	\$ -	\$ 12,740	\$ -	\$ -	\$ -	\$ 12,740
22851	09.01-WTR: Lighting Upgrades	\$ -	\$ -	\$ -	\$ 9,782	\$ -	\$ -	\$ -	\$ 9,782
Total Base FIM Cost		\$ 293,409	\$ 7,490	\$ 22,134	\$ 69,915	\$ 2,140	\$ -	\$ -	\$ 395,088

A. Construction Costs									
Commissioning	Lump	\$ 1,178	\$ 30	\$ 89	\$ 281	\$ 9	\$ -	\$ -	\$ 1,586
Site Supervision & Safety	Lump	\$ 6,312	\$ 161	\$ 476	\$ 1,504	\$ 46	\$ -	\$ -	\$ 8,500
Subtotal(FIM Cost and A.)		\$ 300,899	\$ 7,681	\$ 22,699	\$ 71,700	\$ 2,195	\$ -	\$ -	\$ 405,174
Construction Bonds	%	1.30%	100	295	932	29	-	-	5,267
									Total Construction Cost
									\$ 410,441

B. Professional Services Costs									
Audit Fee	Lump	\$23,312							\$ 23,312
Design - Mech/plbg/elec/arch/struct	%	10.00%	Percent of Sub-Total Base FIM Cost and A.						\$ 40,517
Construction Management & Project Administration	%	6.00%	Percent of Sub-Total Base FIM Cost and A.						\$ 24,310
Performance Assurance (Year 1 M&V)	Lump	\$9,821							\$ 9,821
Overhead and Profit	%	18.00%	Percent of Total Construction Cost						\$ 73,879
									Total Professional Services Cost
									\$ 171,839

C. Other Project Costs									
Project Contingency - Owner	%	5.00%	Percent of Total Construction Cost						\$ 20,522
									Total Other Project Cost
									\$ 20,522

D. Total Guaranteed Construction & ESCO Services (A + B + C) \$ 602,802

E. Non-Guaranteed Costs									
Sales Tax - Construction	%	7.90%	Percent of Section A						\$ 32,425
Sales Tax - Professional Services	%	7.90%	Percent of Section B + D						\$ 13,575
DES Energy Program Project Management Fee (Includes 1 Year M&V Review)	Lump	\$32,400							\$ 32,400
									Total Non-Guaranteed Cost
									\$ 78,400

F. Total Maximum Project Cost (D + E) \$ 681,203



Table 4.2 - Facility Improvement Measure (FIM) Summary

Project: City of Sunnyside
 Scenario: Phase 1: DOC Grant Project
 Date: January 30, 2014

Facility Improvement Measures	Facility	Budget *	Annual Utility Savings	Annual Operational Savings **	Simple Payback (SPB)	Potential Incentives ***	Potential Grant ***	Net Customer Cost (with Incentives and grant)	Simple Payback (SPB) (with Incentives)
08.01-WTP: Blower Upgrade	Wastewater Treatment Plant	\$560,657	\$42,948	\$0	13.1	\$95,558	\$140,164	\$324,934	7.6
09.01-COM: Lighting Upgrades	Community Center	\$19,159	\$823	\$0	23.3	\$892	\$4,790	\$13,477	16.4
09.01-CITY: Lighting Upgrades	City Hall	\$26,175	\$1,809	\$0	14.5	\$5,519	\$6,544	\$14,112	7.8
09.01-L&J: Exterior Lighting Upgrades	Law & Justice Center	\$36,380	\$1,561	\$0	23.3	\$2,000	\$9,095	\$25,285	16.2
09.01-PWS: Lighting Upgrades	Public Works Service Center	\$21,966	\$1,037	\$0	21.2	\$2,484	\$5,492	\$13,991	13.5
09.01-WTR: Lighting Upgrades	Water Department	\$16,866	\$770	\$0	21.9	\$2,439	\$4,216	\$10,210	13.3
Totals		\$681,203	\$48,948	\$0	13.9	\$108,892	\$170,301	\$402,010	8.2

* Since design cost, audit cost, etc. are distributed among the FIMs, the total project cost will not go up or down by exactly the amounts shown here if a FIM or FIMs are dropped.
 ** For non recurring operational savings, the values are averaged over the 30 year length of this analysis.
 *** Incentives and grant are contingent on final approval and are not guaranteed. Funds are shown for reference only.