

RESOLUTION 11-18

CITY OF MILLBRAE, COUNTY OF SAN MATEO STATE OF CALIFORNIA

AUTHORIZING A LETTER OF INTENT WITH SIEMENS INDUSTRY, INC., BUILDING TECHNOLOGIES DIVISION FOR A TECHNICAL AND FINANCIAL ENERGY AUDIT

WHEREAS, Siemens Industry, Inc., Building Technologies Division (Siemens) offers local governments the opportunity to use a performance contracting methodology to finance energy capital projects which does not require an upfront capital investment but enables the installation of low energy using equipment in various City systems and to then pay for that installation using the resulting energy savings over time; and

WHEREAS, this contracting methodology is known as an energy conservation contract under applicable statutory authority in Government Code section 4217.10 et seq.; and

WHEREAS, under the proposed energy conservation contract, once the financing concludes at the end of the payback period, the City would own the low energy using equipment; and

WHEREAS, Siemens has performed a preliminary feasibility analysis of the City's energy costs and usage at no cost to the City, the results of which conclude that there are opportunities to reduce streetlight energy costs and to reduce the energy costs in some of the City's parks and landscaping water accounts; and

WHEREAS, Siemens now proposes to enter into a Letter of Intent (LOI) with the City to complete the next step beyond a feasibility study which is a technical and financial energy audit to investigate opportunities for energy conservation in more detail and to determine whether an energy conservation services contract would be financially worthwhile for the City; and

WHEREAS, the terms of the LOI would require the City to agree to proceed with the award of an energy conservation contract with Siemens for the design and installation of the energy conservation facilities, or to reimburse the \$25,000 cost of the energy audit; and

WHEREAS, staff has compared the time and costs associated with proceeding with the award of a LOI and subsequent energy conservation contract with Siemens with a conventional Request for Proposals for design services followed by a low-bid award for installation of energy conservation equipment, and determined that proceeding with the award of a LOI and subsequent energy conservation contract with Siemens would save the City time and resources in accomplishing the same objectives; and

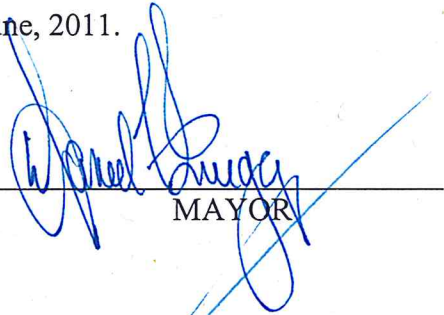
WHEREAS, Siemens minimizes the City's risks by guaranteeing that any installed equipment will produce sufficient energy savings over time to pay for the installation; and

WHEREAS, the Council has opened a public hearing as required by applicable law, and based on the evidence, information and testimony received at this stage, finds and concludes that entering into a LOI with Siemens provides the most cost effective means by which the City can entertain desired energy savings with respect to the operation of its facilities and appears to be in the best interests of the City; and

WHEREAS, staff recommends that the Council (1) authorize the City Manager to execute a LOI with Siemens subject to approval by the City Attorney, (2) continue the public hearing until September 13, 2001, and (3) bring back the results of the audit and any proposals for an energy savings contract for review and consideration.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Millbrae authorizes the City Manager to execute a Letter of Intent with Siemens Building Technologies subject to final approval by the City Attorney for the purpose of conducting a technical and financial energy audit.

REGULARLY PASSED and adopted this 14th day of June, 2011.



MAYOR

ATTEST:

CITY CLERK

Resolution No. 11-18

I do hereby certify that the foregoing Resolution was duly and regularly passed and adopted by the City Council of the City of Millbrae this 14th day of June 2011, by the following vote:

AYES:	COUNCILMEMBERS:	Quigg, Colapietro, Papan, Holober, and Seto
NOES:	COUNCILMEMBERS:	None
ABSENT:	COUNCILMEMBERS:	None
ABSTAIN:	COUNCILMEMBERS:	None
EXCUSED:	COUNCILMEMBERS:	None

ACTING CITY CLERK