

PERALTA COMMUNITY COLLEGE DISTRICT
Board of Trustees Agenda Report
For the Trustee Meeting Date of May 26, 2009

ITEM # 6

ITEM TITLE:

Consider Approval to Enter into a Design-Build Contract with Chevron Energy Solutions Company for District Administration Center HVAC Replacement

SPECIFIC BOARD ACTION REQUESTED:

Approval is requested to enter into a contract with Chevron Energy Solutions Company for design-build services for the District Administration Center HVAC (heating, ventilating and air conditioning) Replacement Project, in the amount of \$990,000.

ITEM SUMMARY:

The District Administration Center's HVAC system is old and does not function adequately. It has undergone many modifications due to building renovation and changing demands over the years. The new system will provide an expanded and more energy efficient HVAC system for the District Administration Center. The price was negotiated with Chevron and is within the project budget. Services to be provided by Chevron include, but are not limited to:

- Replacement of existing interior and exterior water source heat pumps.
- Replacement of boiler and cooling tower.
- Addition of electrical breakers, conduit and wiring.
- Installation of new disconnect switches on new water source heat pumps.
- Install Delta DDC controls to control new units.
- All engineering specialties required to deliver a complete system.
- Project management costs.
- On-site construction management.
- AutoCAD drawings and operation and maintenance manuals (hard and electronic copies).

The scope of work is further described in the attached proposal.

BACKGROUND/ANALYSIS:

This contract is permitted under California Government Code Section 4217, which allows public agencies to develop and enter into a negotiated performance contract for energy conservation projects.

ALTERNATIVES/OPTIONS:

Not applicable.

EVALUATION AND RECOMMENDED ACTION:

Approval is recommended to enter into a contract with Chevron Energy Solutions Company for design-build services for the District Administration Center HVAC (heating, ventilating and air conditioning) Replacement Project, in the amount of \$990,000.

SOURCE OF FUNDS (AND FISCAL/BUDGETARY IMPACT):

Measure A, as approved by the voters in Peralta's constituency and authorized under Resolution 05/06-45, Exhibit A-1, District-Wide Projects, "Heating, air, and ventilation systems," and "Solar energy system installation and the retrofitting of existing energy systems."

OTHER DEPARTMENTS IMPACTED BY THIS ACTION (E.G. INFORMATION TECHNOLOGY):

YES _____ NO X

COMMENTS:

No additional comments.

WHO WILL BE PRESENTING THIS ITEM AT THE BOARD MEETING?

Vice Chancellor Ikharo

DID A BOARD STANDING COMMITTEE RECOMMEND THE ITEM? YES _____ NO X

IF "YES", PLEASE INCLUDE THAT INFORMATION IN YOUR SUMMARY.

PLEASE ACQUIRE SIGNATURES IN THIS ORDER:

DOCUMENT PREPARED BY:

Prepared by: Sadiq B. Ikharo Date: 5/20/09
Dr. Sadiq B. Ikharo
Vice Chancellor of General Services

DOCUMENT PRESENTED BY:

Sadiq B. Ikharo Date: 5/20/09
Dr. Sadiq B. Ikharo
Vice Chancellor of General Services

FINANCE DEPARTMENT REVIEW

Finance review required Finance review *not* required

If Finance review is required, determination is: Approved Not Approved

If not approved, please give reason: _____

Signature: Thomas Smith Date: 5/21/09
Thomas Smith
Vice Chancellor for Finance and Administration

GENERAL COUNSEL (Legality and Format/adherence to Education Codes):

Legal review required Legal review *not* required

If Legal review is required, determination is: Approved Not Approved

Signature: Thuy T. Nguyen, General Counsel Date: 5/26/09
to the extent of public notice for approval 2 weeks from 5/26/09

CHANCELLOR'S OFFICE APPROVAL

Approved, and Place on Agenda Not Approved, but Place on Agenda

Signature: Elihu Harris, Chancellor Date: 5/26/09



Peralta Community College District Sustainability and Energy Conservation Program

District Administration Center – HVAC Project

Submitted to: Peralta Community College District

Attention: Dr. Sadiq Ikharo

Date: Thursday, May 07, 2009

Submitted by:

Chevron Energy Solutions Company

A Division of Chevron U.S.A. Inc.

345 California Avenue

San Francisco, CA 94104

**Peralta Community College District
District Administration Center
HVAC Replacement Project**

Chevron ES is please to present the following indicative pricing for the replacement of the existing water source heat pumps at the Districts Administration Center. Our proposal is based on a design/built approach, and includes the items listed below.

Scope of Work:

1. Replace 6 existing roof top water source heat pumps
2. Replace 4 existing water source heat pumps located below the ceiling
3. Replace one existing boiler
4. Replace one existing cooling tower
5. Add electrical breakers as needed to existing panel and all necessary conduit and wiring
6. Install new disconnect switches on new water source heat pumps
7. Install Delta DDC controls to control new units.
8. All engineering specialties required to deliver a complete system are included
9. Project management costs are include
10. On-site construction management is included (one construction superintendent)
11. AutoCAD drawings and operation and maintenance manuals will be provided at completion of project (hard and electronic copies)

Detailed Inclusions:

12. Demolition of 5 existing roof top and 4 ceiling mounted WSHP's
13. Install new roof top ductwork per plan
14. Connection to the existing ductwork per plan
15. Cap off existing curbs (5) connection to exist. ductwork at curbs
16. New roof flashings for duct penetrations
17. Modifications to the existing distribution ductwork per plans
18. New distribution ductwork to be aluma-flex, wire flex ductwork at registers
19. Pipe existing condensate drains to sanitary for roof top units
20. Connection to the existing electrical, install new disconnects
21. Cut & frame roof openings for 10 duct penetrations only
22. Install 10 new supply registers
23. Install new WSHP's per plans
24. Install 2 new barometric dampers
25. Demolition of one existing boiler and cooling tower
26. Install one new boiler & cooling tower per plans
27. Connection to the existing make up water
28. Connection to the existing supply and return piping
29. Pipe existing CT drain to sanitary
30. Air balancing for 10 WSHP systems (pre and post installation)

- 31. Water balancing
- 32. Cooling tower & boiler skid isolation & isolation
- 33. Safe rigging with rig plan is included
- 34. DSA permits included
- 35. All Structural - seismic review, calculations, or modifications - included
- 36. T24 Calculations

The total indicative price for the above scope is as follow,

Proposed Cost $\pm 2.5\%$\$990,000.00

Please do not hesitate to contact me if you have any questions or need additional information.

Sincerely,

Adan Rosillo, PE
Project Manager

GENERAL	
Capital Investment	\$890,000
CCC/IOU Incentive	\$67,368
Loan Amount:	\$322,631
Financing Terms:	15
Estimated Interest Rate	5.00%
Utility Cost Escalation Rate, Electrical	6.00%
Utility Cost Escalation Rate, Gas	3.00%
Annual Maintenance Cost \$	64,000
Analysis Term:	15

	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6	YEAR 7	YEAR 8	YEAR 9	YEAR 10	YEAR 11	YEAR 12	YEAR 13	YEAR 14	YEAR 15	#	Total
Annual Energy Usage, Electrical, kWh/yr	61,753	65,459	69,397	73,561	77,975	82,655	87,612	92,869	98,441	104,348	110,609	117,245	124,260	131,737	139,641	147,900	1,437,600
Annual Energy Usage, Gas, Therms/yr	25,215	26,280	26,280	26,280	26,280	26,280	26,280	26,280	26,280	26,280	26,280	26,280	26,280	26,280	26,280	26,280	393,441
Annual Maintenance Cost	54,000	54,410	54,000	54,000	54,000	54,000	54,000	54,000	54,000	54,000	54,000	54,000	54,000	54,000	54,000	54,000	810,810
Total Annual Energy Cost	141,278	146,559	149,678	153,841	158,255	162,934	167,893	173,150	178,722	184,628	190,889	197,526	204,560	212,017	219,921	228,351	2,641,851

Prohibited Clean Energy and Cost Savings	
Annual Energy Usage, Electrical, kWh/yr	36,868
Annual Energy Usage, Gas, Therms/yr	21,924
Annual Maintenance Cost Savings	-
Total Savings	71,764

FINANCIAL METRICS	
Cash Flow	(\$322,631)
Accumulative Cost Savings	71,764
Internal Rate of Return	74,435
NPV Cash Flow	76,901
Payback Year	9.314