

AGENDA ITEM NO. 1 C

COUNCIL MEETING: 06/23/2011

APPROVED BY _____

DEPARTMENT DIRECTOR _____

CITY MANAGER



June 23, 2011

FROM: MARK SCOTT, Interim Director
Development and Resource Management Department

THROUGH: KEITH BERGTHOLD, Assistant Director
Development and Resource Management Department

BY: JOSEPH W. OLDHAM, Sustainability Manager 
Sustainable Fresno Division, Development and Resource Management Department

SUBJECT: AUTHORIZE THE INTERIM DIRECTOR OF THE DEVELOPMENT AND RESOURCE MANAGEMENT DEPARTMENT TO NEGOTIATE AND ENTER INTO A CONSULTING SERVICES CONTRACT IN AN AMOUNT NOT TO EXCEED \$450,000 FOR HOME ENERGY RATING SYSTEM (HERS) II WHOLE HOUSE RATER TESTING AND REPORTING SERVICES FOR THE FRESNO REGIONAL COMPREHENSIVE RESIDENTIAL RETROFIT PROGRAM WITH CONSOL OF STOCKTON, CA-DEVELOPMENT AND RESOURCE MANAGEMENT DEPARTMENT

RECOMMENDATIONS

Staff recommends that the City Council authorize the Interim Director of the Development and Resource Management Department to negotiate and enter into a consulting services contract in an amount not to exceed \$450,000 for Home Energy Rating System (HERS) II Whole House Rater testing and reporting services for the Fresno Regional Comprehensive Residential Retrofit (FRCRR) Program with ConSol of Stockton, CA.

EXECUTIVE SUMMARY

On June 17, 2010, the City Council authorized the Director of the Development and Resource Management Department to enter into an intergovernmental contract with the California Energy Commission (CEC) for the City of Fresno to receive up to \$1.9 million in funding to implement a two-county pilot residential energy efficiency retrofit project called the Fresno Regional Comprehensive Residential Retrofit (FRCRR) Program. Contracts were signed and returned to the CEC on October 1, 2010. On October 21, 2010, the City Council adopted the 39th Amendment to the Annual Appropriation Resolution (AAR) No. 2010-138 appropriating \$1,545,000 of ARRA, U.S. Department of Energy, California Energy Commission, Energy Efficiency and Conservation Block Grant funding for implementation of a comprehensive residential energy efficiency retrofit program in Fresno and Kern Counties. A major activity funded under this program is providing free Home Energy Rating System (HERS) II Whole House Rater testing for homeowners in both Fresno and Kern Counties. The testing is designed to help homeowners identify opportunities for energy efficiency improvements on their homes and thereby help reduce homeowner energy costs. The program goal is to provide nine hundred (900) HERS II Whole House Rater tests in Fresno and Kern Counties by the end of March, 2012.

The Sustainable Fresno Division of the Development and Resource Management Department developed specifications for the in-home testing and reporting services and issued an advertised, competitive Request for

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Proposal (RFP) for HERS II Whole House Rater and Reporting Services for the Fresno Regional Comprehensive Residential Retrofit (FRCRR) Program. Four (4) sets of specifications for the project were downloaded from Bids On-line with three (3) proposals submitted for review and evaluation on May 18, 2011. An evaluation committee made up of key staff heavily involved with implementation of the City of Fresno residential Energy Survey Program funded by the U.S Department of Energy and a representative from PG&E was established to review the proposals. The specifications allowed for multiple contracts to be awarded due to the two-county area scope of the program and the need to test 900 homes. The committee determined the proposal from ConSol offers the best value for the City of Fresno, but further negotiations is recommended for possible additional contracts with the other two proposers located in Sacramento and Clovis, California. Local preference is not a factor due to the source of grant funding.

Staff recommends that the City Council authorize the Interim Director of the Development and Resource Management Department to negotiate and enter into a consulting services contract in an amount not to exceed \$450,000 for Home Energy Rating System (HERS) II Whole House Rater testing and reporting services for the Fresno Regional Comprehensive Residential Retrofit (FRCRR) Program with ConSol of Stockton, CA.

BACKGROUND

On June 17, 2010, the City Council authorized the Director of the Development and Resource Management Department to enter into an intergovernmental contract with the California Energy Commission (CEC) for the City of Fresno to receive up to \$1.9 million in funding to implement a two-county pilot residential energy efficiency retrofit project called the Fresno Regional Comprehensive Residential Retrofit (FRCRR) Program. Contracts were signed and returned to the CEC on October 1, 2010. On October 21, 2010, the City Council adopted the 39th Amendment to the Annual Appropriation Resolution (AAR) No. 2010-138 appropriating \$1,545,000 of ARRA, U.S. Department of Energy, California Energy Commission, Energy Efficiency and Conservation Block Grant funding for implementation of a comprehensive residential energy efficiency retrofit program in Fresno and Kern Counties.

The scope of work for the two-county program includes providing homeowners in Fresno and Kern Counties with free in-home HERS II Whole House Rater testing. The testing and subsequent report is designed to provide homeowners with comprehensive data on their homes energy efficiency performance compared with current building standards as well as recommendations as to what types of upgrades would be cost-effective. The program goal is to provide nine hundred (900) free in-home tests covering both counties through March, 2012.

Each HERS II Whole House Rater test is required to be conducted by a technician that has been certified by CalCERTS as a HERS II Whole House Rater. CalCERTS is the only state approved provider for the HERS II Whole House Rater certification. Each home tested requires extensive data collection by the HERS II Rater, including, but not limited to, measurement of walls, windows, and insulation levels, recording data on existing air conditioning equipment age and size, duct leakage testing, testing for air leaks throughout the home, and thermal imaging of the home. The results of the in-home testing and energy bill data from the home are then entered into a state approved software for analysis. The homeowner receives a customized report within two weeks of the testing that shows how their home performs in relation to current homes constructed to State standards, lists cost-effective measures for upgrade, and provides detailed information on rebates and financing options.

Sustainable Fresno Division has four (4) CalCERTS certified HERS II Whole House Rater staff members currently assigned to performing in-home testing within the Fresno metro area funded under the FRCRR

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program through the California Energy Commission. The proposed contract with ConSol would primarily cover homes outside of the Fresno metro area within Fresno County and all of Kern County. Scheduling will be handled by the Sustainable Fresno Division through a current toll-free phone number and on-line website portal being developed. Homeowners will be served on a first-come, first-serve basis.

The Sustainable Fresno Division of the Development and Resource Management Department developed specifications for the in-home testing and reporting services and issued an advertised, competitive Request for Proposal (RFP) for HERS II Whole House Rater and Reporting Services for the Fresno Regional Comprehensive Residential Retrofit (FRCRR) Program. The RFP was advertised in the Fresno Business Journal on May 2, 2011 and in the Bakersfield Californian on May 3, 2011. Four (4) sets of specifications for the project were downloaded from Bids On-line with three (3) proposals submitted for review and evaluation on May 18, 2011. An evaluation committee made up of key staff heavily involved with implementation of the City of Fresno residential Energy Survey Program funded by the U.S Department of Energy and a representative from PG&E was established to review the proposals. The specifications allowed for multiple contracts to be awarded due to the two-county area scope of the program and the need to test 900 homes. The committee determined the proposal from ConSol offers the best value for the City of Fresno, but further negotiations is recommended for possible additional contracts with the other two proposers located in Sacramento and Clovis, California. Local preference is not a factor due to the source of grant funding.

FISCAL IMPACT

All costs for preparation of this RFP including research, data collection, bid processing, and all costs associated with the proposed consulting services contract for HERS II Whole House Rater and Reporting Services are paid for through funding from the California Energy Commission, U.S. Department of Energy, Energy Efficiency and Conservation Block Grant program. There is no impact to the General Fund from this project.

ATTACHMENTS

Report from Evaluation Committee for HERS II Whole House Rater and Reporting Services for the Fresno Regional Comprehensive Residential Retrofit Program

**REPORT FROM EVALUATION COMMITTEE
REQUEST FOR PROPOSAL FOR
HERS II WHOLE HOUSE RATER AND REPORTING SERVICES: FRESNO REGIONAL
COMPREHENSIVE RESIDENTIAL RETROFIT PROGRAM**

COMMITTEE MEMBERS:

James Waughtal, Sustainable Fresno Energy Survey Team Supervisor
Bruce Barnes, Sustainable Fresno Outreach and Marketing Project Manager
Marty Jauss, Sustainable Fresno Administrative Assistant
Frances Macias, Sustainable Fresno Survey Team Scheduler
Bob Riding, PG&E Community Energy Manager
Joseph Oldham, Sustainability Manager

BACKGROUND:

The goal of this Request for Proposal (RFP) was to solicit proposals from qualified Home Energy Rating System (HERS) II Whole House Rater and Reporting provider firms with recent experience providing HERS II whole House Rater testing and reporting in support of large scale residential energy efficiency retrofit programs. The Fresno Regional Comprehensive Residential Retrofit (FRCRR) program has a goal of doing nine hundred (900) free in-home HERS II whole House Rater tests for homeowners in both Fresno and Kern Counties. Because of the scale of the effort, the specifications allowed for multiple contracts for the services covered in the RFP. The City will expect the qualified HERS II Whole House Rater and Reporting provider(s) to furnish the following:

Scope of Work

The selected qualified HERS II Whole House Rater and Reporting Service firm is expected to provide expertise, residential testing, and reporting services pertaining to the **Fresno Regional Comprehensive Residential Retrofit Program**.

The HERS II Whole House Rater and Reporting Service firm will provide adequate personnel, equipment, and materials to provide HERS II Whole House Rater and Reporting services at site locations designated by the City of Fresno in Fresno and Kern counties. The HERS II Whole House Rater and Reporting Service firm will be responsible for employing and supervising personnel to perform contracted services described below. At a **minimum** the services should entail:

1. CalCERTS prescribed HERS II Whole House Rater testing of homes within Fresno and Kern Counties;
2. Thermal imaging done of the interior of the home during the Blower Door test to help detect air infiltration locations, missing insulation, and possible water and mold damage;
3. Combustion Safety testing;
4. Data upload and registration of each home analysis to the CalCERTS website;
5. Generation of a California Home Energy Rating Certificate for each home tested;
6. Preparation of a detailed homeowner report that shows current conditions in the home, recommended measures for improvement, cost-benefit analysis, financial analysis showing potential for cash-flow positive benefit from investment in the recommended measures, shows the thermal images taken during the testing and provides the homeowner some narrative as to their meaning, and provides a level of homeowner education as to the overall value of energy efficiency improvements;
7. Review of ratings performed and generated by the HERS Whole House Rater staff and provide feedback and technical support on modeling and reporting;

Report from Evaluation Committee

RFP for **HERS II Whole House Rater and Reporting Services: Fresno Regional Comprehensive Residential Retrofit Program**

8. Assure that ratings generated are accurate and in accordance with the procedures established by the California HERS II program.

MINIMUM SKILLS OF STAFF PROVIDING THE IN-HOME TESTING

During the term of the Agreement and any extensions hereof; HERS II Whole House Rater and Reporting Service firm shall provide staff for each residential home tested that are;

1. Certified by CalCERTS as a HERS II Whole House Rater;
2. Experienced and trained in thermography and capable of interpreting thermal images taken of the home during the testing;
3. Trained (or expected to be trained through the workforce development component of the FRCRR Program) to perform combustion safety testing as prescribed by the Building Performance Institute.
4. Good communicators and have customer service skills oriented to answer homeowner questions about the FRCRR program, Energy Upgrade California, and energy efficiency in general.

MINIMUM QUALIFICATIONS FOR HERS II TESTING AND REPORTING SERVICE

During the term of the Agreement and any extensions hereof; HERS II Whole House Rater and Reporting Service firm shall have:

1. Experience modeling residential retrofit homes using EnergyPro HERS II software;
2. Previous or current experience managing projects funded with American Recovery and Reinvestment Act of 2009 (ARRA) funds. Proposer must demonstrate experience complying with ARRA regulations and guidelines related, but not limited to, labor, wage, invoicing, and reporting;
3. Possess strong understanding and knowledge of building science and energy efficiency.

Four (4) sets of specifications for the project were downloaded from Bids On-line with three (3) proposals submitted for review and evaluation on May 18, 2011.

EVALUATION BY COMMITTEE:

ConSol:

This proposer conformed to all the RFP requirements and offered a proposal that was considered to be ideally suited to the goals and objectives of the Fresno Regional Comprehensive Residential Retrofit Program by the committee. The proposer has extensive experience providing HERS II Whole House Rater and Reporting Services for utility programs and public agencies across California, making them well qualified for this contract.

Energy:

This proposer conformed to the basic RFP requirements and offered a proposal that was considered adequate in terms of the technical expertise of the staff proposed to do the work and the ability to prepare reports for homeowners. However, the report format and the way the information in the report was presented, was considered inadequate by the committee to be easily understood by homeowners. The committee recommended further negotiation with Energy to determine if they could provide a more easily understood report structure. Through an interview with the representative of Energy, the committee determined that if a revised report could be developed, Energy would be a suitable firm to perform services for the Fresno Regional Comprehensive Residential Retrofit Program.

Report from Evaluation Committee
RFP for HERS II Whole House Rater and Reporting Services: Fresno Regional Comprehensive Residential Retrofit Program

Bright Ideas:

This proposer did not meet the minimum qualifications for staff performing the in-home testing to be CalCERTS certified Whole House Raters. However, through the interview with the representative for Bright Ideas, the committee determined that Bright Ideas had the potential to fulfill the requirements for the project once the CalCERTS Whole House Rater certifications were achieved.

RECOMMENDATION

1. The Committee recommends entering into a contract for Home Energy Rating System (HERS) II Whole House Rater and Reporting Services for the Fresno Regional Comprehensive Residential Retrofit Program with ConSol of Stockton, California. The committee also purposes continued negotiations with Energuy and Bright Ideas to determine if additional contracts for project services should be recommended at a future date.