

GRANTS/CONTINGENT AWARD REQUEST



To: Grants and Loans Office

Date: / /

Project Manager: Haile Bucaneg Phone Number: (916) 651-8858 ext.
Office: Special Projects Office Division: Fuels and Transportation MS- 23
Project Title: Energy Efficiency and Conservation Block Grant (EECBG)

Type of Request: (check one)

New Agreement: (include items A-F from below) Agreement Number: Assigned by the G&L Office
Program:
Solicitation Name and/or Number:
Legal Name of Recipient: Palos Verdes Estates
Recipient's Full Mailing Address: 340 Palos Verdes Drive West
Palos Verdes Estates, CA 90274
Recipient's Project Officer: Phone Number: () - ext.
Agreement Start Date: 06 / 30 / 2010 Agreement End Date: 06 / 14 / 2012

Amendment: (Check all that apply) Agreement Number: CBG-09-150
 Term Extension – New End Date: / /
 Work Statement Revision (include Item A from below)
 Budget Revision (include Item B from below)
 Change of Scope (include Items A – F as applicable from below)
 Other: (Specify)

ITEMS TO ATTACH WITH REQUEST:

- A. Work Statement
- B. Budget
- C. Recipient Resolution, if applicable. (Resolution may be requested in Special Conditions if not currently available.)
- D. Special Conditions, if applicable.
- E. CEQA Compliance Form
- F. Other Documents as applicable
 - Copy of Score Sheets
 - Copy of Pre-Award Correspondence
 - Copy of All Other Relevant Documents

California Environmental Quality Act (CEQA)

CEC finds, based on recipient's documentation in compliance with CEQA:
 Project exempt: Section 15301 NOE filed: / /
 Environmental Document prepared: Type NOD filed: / /
 Other: Explain
 CEC has made CEQA finding described in CEC-280, attached

Funding Information:

*Source #1: ARRA Amount: \$ 28,283.00 Statute: 2009 FY: 09/10 Budget List #: 901.003H
*Source #2: Amount: \$ Statute: FY: Budget List #:
*Source #3: Amount: \$ 0.00 Statute: FY: Budget List #:

If federally funded, specify federal agreement number:
* Source Examples include [ERPA](#), [PIER-E](#), [PIER-NG](#), [FED](#), [GRDA](#), [ARFVT](#), [OTHER](#).

Business Meeting Approval: (refer to Business Meeting Schedule)

Proposed Business Meeting Date: 11 / 02 / 2011 Consent Discussion
Business Meeting Participant: Haile Bucaneg Time Needed:

Agenda Notice Statement: (state purpose in layperson terms)

Possible approval of a Grant / Contingent Award to...
Amend the scope of work and budget for the City of Palos Verdes Estates, CBG-09-150. The amendment to the scope of work adds four new projects including the replacement of four heat pump units, replacement of economizer equipment on two HVAC units, upgrades to parking lot lighting using induction technology, and upgrades to lighting controls. (see attached)

Project Manager _____ Date _____ Office Manager _____ Date _____ Deputy Director _____ Date _____

Possible approval of Amendment 1 to Energy Efficiency and Block Grant (EECBG) agreement CBG-09-150 with the Palos Verdes Estates (City) to revise the scope of work as well as augment and revise the budget. The amendment to the scope of work adds four new projects including replacement of four heat pump units, replacement of economizer equipment on two HVAC units, upgrades to parking lot lighting using induction technology, and upgrades to lighting controls. The budget amendment aligns the grant budget to meet this new project list. The total grant amount has not changed and remains \$28,283. The amended project scope will save the city an estimated 27,707 kWh in energy savings and \$3,463 in energy cost savings annually.

GRANT/LOAN AMENDMENT

CEC-140 (Revised 6/11)

CALIFORNIA ENERGY COMMISSION


 Check here if additional pages are attached. 11 Pages

AGREEMENT NUMBER:

CBG-09-150

AMENDMENT NUMBER:

1

1. This Agreement is entered into between the State Agency and the Recipient named below:

STATE AGENCY'S NAME

California Energy Commission

RECIPIENT'S NAME

City of Palos Verdes Estates

2. The term of this Agreement: From: 06/30/10 To: 6/14/123. The maximum amount of this Agreement after this amendment is: \$ 28,283.00

4. The parties mutually agree to this amendment as follows. All actions noted below are by this reference made a part of the Agreement and incorporated herein:

1. Amend the scope of work to add four new projects including replacement of four heat pump units, replacement of economizer equipment on two HVAC units, upgrades to parking lot lighting using induction technology, and upgrades to lighting controls.
2. Amend the budget to meet the new project list.

All other terms and conditions shall remain the same.

5. Amendment Amount

| Fund Title | Item | Fiscal Year | Chapter | Statute | Amendment Amount |
|-------------|--------------|-------------|---------|---------|------------------|
| | | | | | \$ |
| | | | | | \$ |
| | | | | | \$ |
| OBJECT CODE | Total | | | | \$ 0.00 |

I hereby certify upon my own personal knowledge that budgeted funds are available for the period and purpose stated above.

SIGNATURE OF ACCOUNTING OFFICER

DATE

IN WITNESS WHEREOF, this Agreement has been executed by the parties hereto.

RECIPIENT

RECIPIENT'S NAME (If other than an individual, state whether a corporation, partnership, etc)

City of Palos Verdes Estates

BY (Authorized Signature)

DATE SIGNED (Do not type)

NAME AND TITLE OF PERSON SIGNING

ADDRESS

340 Palos Verdes Drive West
Palos Verdes Estates, CA 90274**STATE OF CALIFORNIA**

AGENCY NAME

California Energy Commission

BY (Authorized Signature)

DATE SIGNED (Do not type)

NAME AND TITLE OF PERSON SIGNING

Mark Hutchison, Deputy Director of Administration

ADDRESS

1516 9th Street, MS-1
Sacramento, CA 95814

EXHIBIT A
SCOPE OF WORK

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EXHIBIT A

SCOPE OF WORK

Task 1 — Attend Kick-Off Meeting

The goal of this task is to establish the lines of communication and procedures for implementing this Agreement. The Recipient shall attend a “kick-off” meeting with the Commission Project Manager and the Grants Officer. The Recipient shall bring their Project Manager and other relevant staff. The administrative and technical aspects of this Agreement will be discussed at the meeting. Prior to the kick-off meeting, the Commission Project Manager will provide an agenda to all potential meeting participants.

Topics to be discussed at this meeting will include, but are not limited to:

- Terms and Conditions of the Agreement
- Permit Documentation
- Scope of Work
- Project Schedule (including Products and Due Dates)
- Progress Reports
- Final Report
- Use of State Identity Branding Mark Logo
- Prohibition on KEMA Inc. or its subsidiary known as KEMA Services Inc. from performing services as a subcontractor or other lower-tier contractor to achieve the objectives of this Agreement
- Historic Preservation and Consultation Package Requirements

The Commission Project Manager shall designate the date and location of this meeting. This meeting may occur in person, via teleconference call, or other method at the discretion of the Commission Project Manager.

Products: List of Permits, if applicable (no draft)

Due Date: ~~October 29, 2010~~ January 18, 2011

Task 2 — Identify and Obtain Required Permits

The goal of this task is to obtain all permits required for work completed under this Agreement in advance of the date they are needed to keep the Agreement schedule on track.

Permit costs and the expenses associated with obtaining permits are not reimbursable under this Agreement. Permits must be identified in writing and obtained before the Recipient can incur any costs related to the use of the permits for which the Recipient will request reimbursement.

The Recipient shall prepare a letter documenting the permits required to conduct this Agreement and submit it to the Commission Project Manager at least 2 working days prior to the kick-off meeting:

1. If there are no permits required at the start of this Agreement, then state such in the letter.
2. If it is known at the beginning of the Agreement that permits will be required during the course of the Agreement, provide in the letter:
 - Type(s) of permit(s)
 - Name, address and telephone number of the permitting jurisdictions or lead agencies
 - Schedule the Recipient will follow in applying for and obtaining these permits

The list of permits and the schedule for obtaining them will be discussed at the kick-off meeting and a timetable for submitting the updated list, schedule and the copies of the permits will be developed. The implications to the Agreement if the permits are not obtained in a timely fashion or are denied will also be discussed. If applicable, permits will be included as a line item in the progress reports.

If during the course of the Agreement additional permits become necessary, then provide the appropriate information on each permit and an updated schedule to the Commission Project Manager.

As permits are obtained, send a copy of each approved permit to the Commission Project Manager.

If during the course of the Agreement permits are not obtained on time or are denied, notify the Commission Project Manager within 5 working days.

Product: Letter documenting the Permits or stating that no Permits are required (no draft)

Due Date: ~~October 26, 2010~~ October 31, 2011

Product: Updated list of permits as they change during the approved term of the Agreement (no draft)

Due Date: As necessary, within 10 days of change

Product: A copy of each approved Permit (no draft)

Due Date: As necessary, within 10 days of receipt of each permit

Task 2a — Submission of Waste Management Plan

The goal of this task is to submit a Waste Management Plan to the Commission Project Manager prior to the proposed project activities generating any waste. This Waste Management Plan will describe the Recipient's plan to dispose of any sanitary or hazardous waste generated by the proposed project activities. Sanitary and hazardous waste includes, but is not limited to, construction and demolition debris, old light bulbs, fluorescent ballasts and lamps, piping, roofing material, discarded equipment, debris, and asbestos.

The Recipient's Waste Management Plan must comply with all federal, state, and local laws and regulations governing waste disposal.

Products: Waste Management Plan (no draft)

Due Date: ~~November 30, 2010~~ December 31, 2011

Task 2b — Award Subcontract

The goal of this task is to approve a subcontract for the purchase and installation of the following equipment ~~Heat Pumps and UV Emitters~~ for the City of Palos Verdes Estates' City Hall/Police Station:

- (2) Parking pole induction fixtures
- (6) Interior lighting occupancy sensors in offices
- (16) Bi-level lighting occupancy sensors in parking garage
- (1) Air-side economizer
- (4) 16 SEER heat pumps serving office space and police department

A listing of the specific materials/equipment purchased AND project activities undertaken pursuant to this subcontract shall be documented in the next monthly progress report submitted under this agreement.

NOTE: The requirement to submit copies of all executed subcontracts applies to all subcontracts for services to achieve the objectives of this Agreement, including subcontracts paid for entirely with cost share funds.

Products: Copy of Executed Subcontract (no draft)

Due Date: ~~November 1, 2010~~ December 13, 2011

Task 2c — Submit Prevailing Wage Rates and Weekly Certified Payrolls

Within 30 days or less after execution of any subcontract for services under this Agreement the Recipient must submit to the Commission Project Manager a copy of applicable wage determinations for any and all labor and mechanic work to be performed under the subcontract.

The Recipient must also submit to the Energy Commission on a weekly basis a copy of all certified payrolls prepared for all subcontractors and lower tier contractors. The terms and conditions of this Agreement provide the required specifications.

These requirements apply to all subcontracts for services to achieve the objectives of this Agreement, including subcontracts paid for entirely with cost share funds.

Products: Copies of Applicable Wage Determinations (no draft)

Due Date: Within 30 days or less after execution of any subcontract for services under this Agreement

Products: Weekly Certified Payrolls of All Lower Tier Contractors (no draft)

Due Date: Weekly for each week in which any Contract work is performed during the term of the Agreement

Task 2d — Historic Preservation

Prior to the expenditure of EECBG Program funds to alter any structure or site, the Recipient is required to comply with the requirements of Section 106 of the National Historic Preservation Act (NHPA). In order to fulfill the requirements of Section 106, the Energy Commission and the Recipient must consult with the California State Historic Preservation Officer (SHPO), and, if applicable, the Tribal Historic Preservation Officer (THPO), to ensure that proposed projects will have no adverse effects on any historic resources. The Energy Commission has executed a Programmatic Agreement with the SHPO to streamline the Section 106 consultation process. Under the Programmatic Agreement, the Energy Commission will evaluate projects to determine whether such projects are categorically excluded from the SHPO's direct review and consultation.

In order for the Energy Commission to determine whether a given project is categorically excluded from the SHPO's direct review and consultation, the applicant must prepare a Consultation Package for each project proposed under this grant, unless the project obtained SHPO clearance prior to grant approval. The Energy Commission will provide the required specifications for the Consultation Package.

Products: Consultation Package

Due Date: No later than 30 days after the **execution** of the grant or the identification of the project structure(s) or site(s) to be retrofitted under the grant, whichever is later.

Task 3 — Install Equipment - City Hall and Police located at 340 Palos Verdes Drive West, Palos Verdes Estates, CA 90274

The goal of this task is to install the equipment identified in Task 2b ~~and replace 6–1983 era Heat Pump units of same size with a Seer rating of 13.0, and to upgrade the systems with Ultraviolet C Emitters (UVC).~~

The Recipient shall ensure that the subcontractor will install the approved equipment. A listing of the equipment installed shall be documented in the next monthly progress report submitted under this agreement. As appropriate, photographs should be submitted to the Energy Commission Project Manager to verify that installation has been completed. For very large projects, a sampling of photos may be used to document installation. Recipients shall work with the assigned Energy Commission Project Manager to ensure sufficient verification is provided.

Products: Photographs of Installed Equipment (no draft)

Due Date: ~~August 30, 2014~~ March 14, 2012

Task 5 — Monthly Progress Reports

The goal of this task is to periodically verify that satisfactory and continued progress is made towards achieving the objectives of this Agreement.

The Recipient shall prepare progress reports which summarize all Agreement activities conducted by the Recipient for the reporting period, including an assessment of the ability to complete the Agreement within the current budget and any anticipated cost overruns. Each progress report is due to the Commission Project Manager within 3 calendar days after the end of the reporting period. The terms and conditions of this Agreement provide the required specifications.

Products: Monthly Progress Reports (no draft)

Due Date: By the 3rd day of each month during the approved term of this Agreement or until submission of the final report, whichever comes first.

Task 6 — Final Report

The goal of this task is to prepare a comprehensive written Final Report that describes the original purpose, approach, results and conclusions of the work done under this Agreement. The Commission Project Manager will review and approve the Final Report.

A Draft Final Report shall be submitted to the Commission Project Manager no later than the Draft Final Report Due Date. The terms and conditions of this Agreement provide the required specifications.

The Commission Project Manager will review the Draft Final Report. The Recipient will incorporate applicable comments and submit the Final Report (the original and two copies) to the Commission Project Manager for review and approval. Upon receipt of the Final Report, the Commission Project Manager shall ensure that all work has been satisfactorily completed.

The Final Report must be completed on or before the Final Report Due Date.

The Final Report shall be a public document.

| **Product:-** Draft Final Report

| **Due Date:** ~~September 30, 2011~~ April 14, 2012

Product: Final Report

| **Due Date:** ~~November 30, 2011~~ June 1, 2012

EXHIBIT B CATEGORY BUDGET

| Budget Category Item | EECBG Share (\$) | Cost Share (\$) | Total Cost (\$) |
|---------------------------------|------------------|-----------------|-----------------|
| Personnel: | | | |
| Unloaded Direct Labor | | | \$ - |
| Fringe Benefits | | | \$ - |
| Total Personal Services | \$ - | \$ - | \$ - |
| Operating Expenses: | | | |
| Travel | | | \$ - |
| Equipment | | | \$ - |
| Materials/Supplies | | | |
| Non-Labor Contract Expenses | \$ 11,313 | \$ 228 | \$ 11,541 |
| Contract Labor | \$ 16,970 | | \$ 16,970 |
| Miscellaneous | | | \$ - |
| Total Operating Expenses | \$ 28,283 | \$ 228 | \$ 28,511 |
| Overhead: | | | |
| Overhead | | | \$ - |
| Total Overhead | \$ - | \$ - | \$ - |
| Total | \$ 28,283 | \$ 228 | \$ 28,511 |

**EXHIBIT B
BUDGET DETAILS**

Unloaded Direct Labor

| Title / Job Classification | Maximum Rate to be Billed* (\$ / Hr) | Number of Hours | EECBG Share | Cost Share | Total Cost |
|------------------------------------|--------------------------------------|-----------------|-------------|------------|------------|
| | \$ - | | \$ - | \$ - | \$ - |
| Total Unloaded Direct Labor | | | \$ - | \$ - | \$ - |

* Maximum salary rates are caps: The Energy Commission will not reimburse at a higher rate over the term of the project.

Fringe Benefits

| Title / Job Classification | Maximum % Rate to be Billed* | Base (typically Total Unloaded Hourly Rates) | EECBG Share | Cost Share | Total Cost |
|------------------------------|------------------------------|--|-------------|------------|------------|
| | 0% | | \$ - | \$ - | \$ - |
| Total Fringe Benefits | | | \$ - | \$ - | \$ - |

* Maximum fringe benefit rates are caps: The Energy Commission will not reimburse at a higher rate over the term of the project.

Travel**

| Location | Purpose | Number of Trips | People per Trip | EECBG Share* | Cost Share | Total Cost |
|---------------------|---------|-----------------|-----------------|--------------|------------|------------|
| | | | | \$ - | \$ - | \$ - |
| Total Travel | | | | \$ - | \$ - | \$ - |

* EECBG Share: Travel is reimbursed at State rates. Higher travel costs can count as Match Share.

** Trips not identified in the approved budget or listed as "to be determined (TBD)" require advanced written approval from Commission Project Manager.

Equipment

| Item | Quantity | Unit Cost | EECBG Share | Cost Share | Total Cost |
|------------------------|----------|-----------|-------------|------------|------------|
| | | \$ - | \$ - | \$ - | \$ - |
| Total Equipment | | | \$ - | \$ - | \$ - |

**EXHIBIT B
BUDGET DETAILS**

Materials, Supplies

| Item | Quantity | Unit Cost | EECBG Share | Cost Share | Total Cost |
|-------------------------------------|----------|-----------|-------------|------------|------------|
| | | | | | |
| Total Materials and Supplies | | | | \$ - | \$ - |

Non-Labor Contract Expenses

| Subcontractor Name | Purpose | EECBG Share | Cost Share | Total Cost |
|--|-------------------------------------|-------------|------------|------------|
| TBD | Lighting Occupancy Sensors | \$ 2,244 | | \$ 2,244 |
| TBD | Parking Pole Lights | \$ 600 | | \$ 600 |
| TBD | Air-side Economizer | \$ 960 | \$ - | \$ 960 |
| TBD | Office and PD Heat Pump Replacement | \$ 7,509 | \$ 228 | \$ 7,737 |
| Total Non-Labor Contract Expenses | | \$ 11,313 | \$ 228 | \$ 11,541 |

Miscellaneous

| Item | Purpose | EECBG Share | Cost Share | Total Cost |
|----------------------------|---------|-------------|------------|------------|
| | | \$ - | \$ - | \$ - |
| Total Miscellaneous | | \$ - | \$ - | \$ - |

Overhead

| Name of Overhead | Overhead Base* | Maximum % Rate to be Billed** | Base Cost | EECBG Share | Match Share | Total Cost |
|-----------------------|----------------|-------------------------------|-----------|-------------|-------------|------------|
| | | 0% | \$ - | \$ - | \$ - | \$ - |
| Total Overhead | | | | \$ - | \$ - | \$ - |

* Base: Define cost categories used to charge Overhead rate, e.g., Total Labor, Total Direct Cost, Materials, Subcontracts, etc.

** Maximum Indirect Overhead rates are caps: Energy Commission will not reimburse at higher rates over the term of the project.

**EXHIBIT B
CONTRACT LABOR**

Contract Labor

| Subcontractor | Title / Job Classification | Number of Individuals Employed in Classification | Estimated Prevailing Wage Rate* as Determined by DOL or DIR | Estimated Maximum Rate to be Billed (\$ / Hr) | Number of Hours | EECBG Share | Cost Share | Total Cost |
|-----------------------------|----------------------------|--|---|---|-----------------|------------------|-------------|------------------|
| TBD | Electrician | 1 | 35.89 | \$ 57.13 | 59 | \$ 3,366 | \$ - | \$ 3,366 |
| TBD | Electrician | 1 | 35.89 | \$ 57.13 | 16 | \$ 900 | \$ - | \$ 900 |
| TBD | Electrician | 1 | 35.89 | \$ 57.13 | 25 | \$ 1,440 | \$ - | \$ 1,440 |
| TBD | Electrician | 1 | 35.89 | \$ 57.13 | 197 | \$ 11,263 | \$ - | \$ 11,263 |
| Total Contract Labor | | | | | | \$ 16,970 | \$ - | \$ 16,970 |

* Prevailing wage rates are comprised of unloaded hourly rates and qualifying fringe benefits. For more information on prevailing wage rates under Federal and California law see EECBG Application Exhibits 7 and 8 and Attachment K.

Memorandum

To: Robert P. Oglesby
Executive Director

Date: August 30, 2011

Telephone: 651-8858

From: **California Energy Commission**
1516 Ninth Street
Sacramento CA 95814-5512

Subject: STAFF RECOMMENDATION TO APPROVE AN AMENDMENT TO THE CITY OF PALOS VERDES ESTATE'S ENERGY EFFICIENCY AND CONSERVATION BLOCK GRANT (EECBG) CBG-09-150.

Summary of Item

The California Energy Commission awarded an Energy Efficiency and Conservation Block Grant (EECBG) to the City of Palos Verdes Estates (City) in the amount of \$28,283 to upgrade existing Heating, Ventilation and Air Conditioning (HVAC) units at the City Hall and Police Department.

The City is requesting a change of scope on their HVAC project and the addition of lighting projects. The revised scope of HVAC projects includes the replacement of four HVAC heat pumps totaling 15.5 tons of capacity, and the addition of an HVAC equipment upgrade to install economizers on two existing HVAC units with a total capacity of 15 tons.

This amendment also includes the addition of several newly identified lighting projects. The added lighting projects includes upgrading existing parking lot lights using induction technology, upgrading interior lighting controls using occupancy sensors, and upgrading garage parking lot lights using occupancy sensors and bi-level controls.

Due to the addition of new projects, the amendment will also require a budget reallocation of \$1,023 in EECBG funds from the Materials/Supply budget category to the Contract Labor category. The City's grant amount remains at \$28,283.

Based on the amended project list the cost-effectiveness ratio for this EECBG project is 10 mmBtu/\$1000. This project will have an estimated annual energy savings of 27,707 kWh and will save the City approximately \$3,463 per year in energy costs.

Justification for Action Requested:

The City is committed to reducing their energy consumption and to the reduction of greenhouse gas emissions. These projects, when completed, will reduce approximately 9.6 tons of harmful carbon dioxide emissions annually.

Energy Commission staff has determined that the grant amendment request for the City is technically justified and meets all requirements for the EECBG Program. The program

requires this Energy Efficiency Project (EEP)-type agreement to have a minimum cost-effectiveness ratio of 10 mmBtu/\$1,000. The City meets this requirement. As a result, staff recommends approval of this grant amendment for the City of Palos Verdes Estates.

Project Manager

Haile Bucaneg, Special Projects Office

Oral Presentation

Staff will be prepared to discuss this recommendation and to respond to questions regarding the grant amendment.

Business Meeting Participants

Haile Bucaneg, Special Projects Office, Fuels and Transportation Division

Commission Action Requested

Approve the grant amendment and authorize the Executive Director to execute the grant documents.

PAT PEREZ, Deputy Director
Fuels and Transportation Division

**Palos Verdes Estates
CBG-09-150
Grant Amendment #1**

Pros and Cons

The following are the Pros and Cons to the Energy Commission of providing a grant amendment to the City of Palos Verdes Estates:

Pros:

- Consistent with the Energy Commission's *2009 Integrated Energy Policy Report* to reduce energy use, demand, and greenhouse gas emissions through efficiency and renewable energy programs and diversify California's energy sources.
- Meets the objective of the American Recovery and Reinvestment Act (ARRA) by distributing ARRA-funded Energy Efficiency and Conservation Block Grants (EECBG) to small local jurisdictions to implement energy efficient projects and create jobs.
- Provides a grant to help the City install energy efficiency projects that it may otherwise not be able to fund.

Cons:

- None