

CITY COUNCIL STUDY SESSION

TO: Mayor and City Council
FROM: Mari E. Macomber, City Manager
SESSION DATE: October 1, 2012
TIME: 4:30 p.m.
PLACE: Second Floor Conference Room of City Hall

AGENDA:

- **POTENTIAL COMMUNITY/ACTIVITY BUILDING PRESENTATION**
- **PERFORMANCE CONTRACTING UPDATE**
- **DILAPIDATED BUILDINGS REPORT**
- **ISO REPORT**
- **REVIEW NEWSLETTER**
- **REVIEW COUNCIL AGENDA**

POTENTIAL COMMUNITY/ACTIVITY BUILDING PRESENTATION

At the time the City began the survey process to determine the community's interest in a community center, medical professionals began talking to groups about the need for a facility that could be used for multiple purposes – sports enhancement, conferences, programming, personal training, conventions, physical therapy and community meeting room space.

The results of the survey indicated that there was a need for a conference center.

Excerpt from CASE Study: The most desired type of community center is a conference center with the sports arena/fitness facility also being quite popular. Overall, the senior center was not as desired in a community center. To those who responded positively to a conference center, the most important amenities are a kitchen large enough for catering, public access computer and web access, and a large room that can hold 250+ people. To those who responded positively to a sports arena/fitness facility, the most important amenities are fitness classes, fitness machines, and an indoor track or walking path. To those who responded positively to a senior center, the most important amenities are a fridge and large counter space. The most important activities are fitness classes, computer classes, and health related activities.

The interest continues to exist in this sort of facility, and the group is working to determine the interest of community organizations including the City of Kirksville.

Jess Burgason is one of the individuals who have been working on this project since its inception will be at the Council Study Session on Monday to provide an overview of the project to the Council. The City will be asked in the near future whether or not there is interest on the part of the City to support this project.

The group is looking at a frame, air and tension building, a.k.a. dome building that would serve multiple purposes. Other organizations that have been included are Northeast Regional Medical Center, Kirksville R-III, ATSU, TSU, YMCA and the City.

Included with this Study Session packet are a few pictures from the company that the group has made contact with to assist them in developing the project. The pictures are a pool facility in Cape Girardeau and an indoor tennis facility for the University of Indianapolis.

Recommendation: Give Ms. Burgason the opportunity to share an overview of the committee's vision and share a draft proposal of what the layout of the facility might look like. No action is expected at this time, but the Council will be asked to determine whether there is support on the part of the City to partner with this organization and other community groups.

PERFORMANCE CONTRACTING UPDATE

City staff began discussing performance contracting with three vendors starting in 2010. Face to face interviews with these firms were held in January of 2011 to learn more about performance contracting and to determine if this is something that should be considered further. In March 2011 the City Council directed staff to seek a firm that would work with the City on evaluating the possibility of implementing a performance contract and developing potential projects. Requests for Qualifications were solicited in April of 2011 from several qualified vendors. A committee consisting of several department managers, the City Manager and Mayor Pro Tem Fajkus conducted interviews, followed by an evaluation of each firm. Schneider Electric was selected as the top vendor through the process.

In June of 2012, Schneider Electric attended the City Council Study Session to discuss the process and the initial Investment Grade Audit. In early August Schneider presented the results of the Investment Grade Audit. The Council then approved an agreement with Schneider Electric to identify projects to be considered for performance contracting.

Additional meetings have been held with Schneider Electric and additional information has been provided to the City Council. At this point we have committed to \$90,000. Options for the Council would be to accept the projects that are shown on page 16 that shows the replacement of the HVAC system for City Hall and meter replacements at a cost of \$4.7 million, the second option is the replacement of just the meters at a cost of \$3.8 million, found on page 17, or the inclusion of the other projects needed to replace the roof at the airport and the HVAC at both the airport and aquatic center.

The \$90,000 will be absorbed into the performance contracting if we move forward. Staff spent time discussing the pros and cons of the project. The State law was established allowing the development of this sort of project. We discussed the ability of replacing all of the meters locally and have found that the equipment costs are comparable to what Schneider has proposed. We discussed City staff replacing the

meters and believe that this is not a practical approach increasing the City's liability and inefficient as it will take years to complete.

Recommendation: A decision needs to be made as to whether or not to go forward. The Council has taken this process very seriously and has evaluated it. A commitment of funds has already been made to the process in the amount of \$90,000. In return for this we have learned information about our systems that will be helpful to us in the future. In this current year, we have already spent \$67,000 on meters. We had been spending about \$39,000 worth of meters each year, limiting the number of meters we have bought to stay within budget, which resulted in loss of revenue and staff getting behind in replacing the meters. Replacing the meters will generate additional income, as the meter accuracy will increase. If the decision is made to include the HVAC systems some of the annual maintenance costs will decrease. We estimate our annual maintenance, excluding preventative maintenance to be around \$13,000 a year to maintain the units at City Hall, Aquatic Center, Airport and EDA building.

A summary report from Schneider Electric starting on page 6 is included for your review.

DILAPIDATED BUILDINGS REPORT

Included with this Study Session Report is a report from Brad Selby that outlines where things stand with both the former High School and the Cannaday building just south of City Hall.

Council asked that we bring this back to a study session in October so that you can continue your discussions and stay informed of where things stand.

Recommendation: If the Council determines after discussing this again on Monday that you wish City staff to take a different approach or further action. The current approach is the one directed by Council but it has not yielded much progress.

ISO REPORT

ISO stands for Insurance Service Office. ISO has been a leading source of information about property/casualty insurance risk. This organization conducts evaluations of various aspects of casualty.

Kirksville was evaluated in 1991, and then was re-evaluated in 2003. We were again evaluated in 2012 and received our final evaluation in July. Fire Chief Behrens will be at the Study Session to provide a brief overview of the evaluation and results. The ISO's Public Protection Classification Service gauges the fire protection capability of the local fire department and analyzes the data using a rating schedule and then assigns a Public Protection Classification number to each community on a scale from 1 to 10. Class 1 represents the best public protection, and Class 10 indicates no recognized protection. Kirksville was a class 4 rating prior to this evaluation and has now been upgraded to a 3. The timing of this presentation is to bring it to the Council and

communities attention as the improved rating will go into effect on November 1 and could result in insurance premium discounts.

Recommendation: This is an opportunity for us to share the information about our evaluation and the resulting upgrade to a class 3.

NEWSLETTER REVIEW

REVIEW COUNCIL AGENDA

Attachments

- Pictures of Sample Domes
- Performance Contract Presentation
- Performance Contract Project Costs
- Dilapidate Building Report
- ISO Report



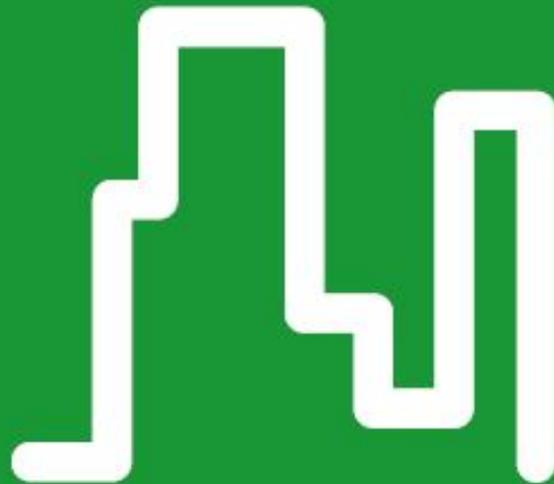
City of Kirksville

Performance Contracting

Project Highlights and Benefits

September 27, 2012

Schneider Electric



Contents

- Project Highlights
- Water Meter Installation Components
- Water Meter IT Components
- Benefits of Performance Contracting Method
- Benefits to the City
- Benefits to the Community

Project Highlights

- **Water Meter Replacement/Retrofit and AMR system**
 - Ensure accurate readings from water meters city-wide
 - Allow City to accurately charge customers for water used
 - Create efficiencies in meter reading operations
 - Improved customer service
 - Increased safety for meter readers
 - Recover \$250,000 in lost revenue annually
- **City Hall HVAC System Replacement/ Structural Platform**
 - Replace failing HVAC equipment
 - Solve the root cause of failing equipment
 - Replace building control system that is no longer functioning properly and for which parts can no longer be purchased
 - Create access to HVAC system components so they may be properly maintained
 - Reduce utility costs

Project Highlights

- **Lighting Retrofit**

- Reduce utility costs
- Eliminate use of T12 lamps and magnetic ballasts that are being phased out of the market place
- Adjust light levels to Illuminating Engineering Society standards

- **Programmable Thermostats**

- Reduce utility costs in City owned facilities

Project Highlights

- **Airport Roof/HVAC Replacement (Either option)**
 - Replace failing roofing structure with quality, long life product
 - Replace HVAC equipment past its useful life
 - Reduce utility costs
- **Airport Window Replacement/ Vestibule Installation**
 - Reduce air infiltration
 - Reduce utility costs
- **Aquatic Center HVAC System Replacements (Pool and Locker Room)**
 - Replace deteriorating equipment and remove from corrosive environment
 - Provide adequate heating to locker rooms for pool customers
 - Improve indoor air quality of pool area for pool customers and to meet new indoor pool standards

Water Meter Installation Components

- Schneider Electric will **Eliminate Headaches** and **Save Time** for City Staff
 - **Communication plan** to notify all water customers and schedule meter change-out times where required
 - **Quality Control Process** to expose and address any meter installation issues immediately
 - **24-hour on-call person** to respond to any call that may come into the City regarding any issue with meter installation
 - **Extended, hands-on, in-the-field training** to water department staff to create confidence in new system operation

Water Meter IT Components

- **Schneider Electric will Eliminate Headaches and Save Time for City Staff**
 - **Ensure Accuracy of Meter Swap Out Data** - we will electronically gather all meter swap out data except for the one reading that must be done manually - the existing reading from the old meter.
 - **Update Billing System** - Schneider Electric will update the billing system with the new and old meter data - eliminating the need for extensive data entry by City Staff
 - **Warehouse Digital Photos** of old meter (and reading) for backup documentation, and of new meter for ensure quality installation and document proof of meter condition upon installation
 - **Commission AMR System** to ensure all meters are reading correctly and transmitting accurately to the radio read computer

Benefits of Performance Contracting Method

- Use funds already available to the City to make needed improvements
 - Project funding comes from energy savings and recovered revenue
- Guaranteed Savings/Meter Accuracy
 - Energy Savings and Meter Accuracy Guaranteed to the City with a money-back check
 - The City can confidently communicate to the City Council and citizens that the energy savings and revenue generation used to fund this project will occur
 - The guarantee gives lenders the level of confidence necessary to provide long-term financing at low interest rates
- Assurance
 - Performance contracting projects are engineered to achieve optimal performance and energy savings - Schneider Electric is on the hook for project performance
 - Revenue Protect Plan assures the City will continue to achieve revenue generation gives the City the tools to maintain meter accuracy

Benefits to the City

- **Use funds already available to the City to make needed improvements**
 - Project funding comes from captured lost revenues and energy savings
 - Eliminate need to find additional funds in the budget to make necessary facility improvements
 - No tax increases to community
- **Take advantage of record low financing rates**
- **Create operational efficiencies**
 - Read all water meters throughout the City in a days vs. weeks
 - Free up labor hours to assist with other City departments

Benefits to the Community

- **Keep City funds within the community**
 - Options to utilize local banks and contractors
 - Schneider Electric project and construction management teams will be lodging, eating, and spending money in the City of Kirksville throughout project installation
- **No tax increases to fund needed improvements**
- **Enhanced Water Department Customer Service**
 - AMR system will reduce needed re-reads, help detect possible leaks, eliminate billing errors from manual data entry
- **Improved Aquatic Center Environment**



City of Kirksville - Performance Contract Base Project

Scope Items	Subcontractor Costs	Overhead - 11.25%	Profit - 9%	Total Cost	% of Project Price
Building Lighting	\$74,332	\$8,362	\$6,690	\$89,384	1.88%
City Hall RTU Replacement with added zones	\$183,668	\$20,663	\$16,530	\$220,861	4.65%
City Hall BAS	\$104,898	\$11,801	\$9,441	\$126,140	2.66%
City Hall Ductless Split Systems (2)	\$31,574	\$3,552	\$2,842	\$37,968	0.80%
City Hall HVAC Access Walkway	\$167,870	\$18,885	\$15,108	\$201,864	4.25%
AMR Water Meter Project Labor	\$1,062,287	\$119,507	\$95,606	\$1,277,400	26.91%
AMR Water Meter Project Material	\$1,486,662	\$167,249	\$133,800	\$1,787,710	37.65%
Programmable Stats	\$1,050	\$118	\$95	\$1,263	0.03%
Subtotals:	\$3,112,341	\$350,138	\$280,111	\$3,742,590	78.83%
Direct Construction Costs				Total Cost	% of Project Price
Site Superintendent				\$177,476	3.74%
Construction Administration and Management				\$74,215	1.56%
Permits/ Prevailing Wage Documentation				\$2,474	0.05%
M&V Setup				\$4,875	0.10%
Travel, Copy and Printing				\$27,527	0.58%
Mobilization & Demobilization				\$26,578	0.56%
Storage, Tools, Freight				\$8,398	0.18%
Bonding and Insurance				\$63,754	1.34%
Meter Testing and Commissioning				\$57,693	1.22%
Warranty				\$13,812	0.29%
Contingency				\$62,247	1.31%
Subtotal				\$519,049	10.93%
Professional Services				Total Cost	% of Project Price
Account Management				\$23,507	0.50%
IGA				\$90,000	1.90%
Structural Review				\$19,500	0.41%
Meter Testing				\$33,455	0.70%
Design Services				\$239,227	5.04%
Preconstruction Services				\$9,452	0.20%
Training				\$18,110	0.38%
1st Year M&V				\$15,264	0.32%
2 Years Revenue Protection Plan				\$37,534	0.79%
Subtotal				\$486,049	10.24%
Total				\$4,747,688	100%



City of Kirksville - Performance Contract Water Meter Retrofit/Replacement					
Scope Items	Subcontractor Costs	Overhead -11.25%	Profit - 9%	Total Cost	% of Project Price
AMR Water Meter Project Labor	\$1,062,287	\$119,507	\$95,606	\$1,277,400	33.28%
AMR Water Meter Project Material	\$1,486,662	\$167,249	\$133,800	\$1,787,710	46.58%
Subtotals:	\$2,548,949	\$286,757	\$229,405	\$3,065,111	79.86%
Direct Construction Costs				Total Cost	% of Project Price
Site Superintendent				\$114,193	2.98%
Construction Administration and Management				\$45,359	1.18%
Permits/ Prevailing Wage Documentation				\$2,474	0.06%
M&V Setup				\$4,875	0.13%
Travel, Copy and Printing				\$22,288	0.58%
Mobilization & Demobilization				\$21,208	0.55%
Storage, Tools, Freight				\$7,863	0.20%
Bonding and Insurance				\$51,433	1.34%
Meter Testing and Commissioning				\$47,145	1.23%
Warranty				\$11,131	0.29%
Contingency				\$48,979	1.28%
Subtotal				\$376,948	9.82%
Professional Services				Total Cost	% of Project Price
Account Management				\$23,507	0.61%
IGA				\$90,000	2.34%
Structural Review				\$10,500	0.27%
Meter Testing				\$33,455	0.87%
Design Services				\$164,298	4.28%
Preconstruction Services				\$9,452	0.25%
Training				\$16,250	0.42%
1st Year M&V				\$11,214	0.29%
2 Years Revenue Protection Plan				\$37,534	0.98%
Subtotal				\$396,210	10.32%
Total				\$3,838,269	100%



Minimizing the Unnecessary Risks to the City of Kirksville

I. Customer Notifications "Beginning with the End in Mind":

A well executed customer notification plan is the key to reducing the number of likely phone calls that the City will field from an uninformed customer base. In an effort to dramatically reduce this encumbrance, our team uses all forms of media (television, radio, newsprint, etc.) to inform the City's residential, commercial, industrial and institutional customers of the date and time their service will be affected. Additionally, where the above mentioned forms of media are insufficient, and where the City prefers, we exercise a "knock on every door" policy before the meter is changed out.

For non-residential customers, as well as indoor (basement) set residential customers, each meter change-out is scheduled in advance and performed at the appropriate time scheduled by the customer.

II. Identification of Team Members:

Safety and security are paramount when engaging the community of end-users that comprise your customer base. Every member of the change-out team as well as all vehicles are marked with the Schneider Electric and/or PVI Meter Team logo. This signage ensures that we are recognizable to the citizens when we are working on or about their property, and when our crews and vehicles are within the community. Our project managers will be differentiated in dress from the change-out crew so that they remain visibly accessible to the City at all times. Instant accessibility allows the City to streamline ongoing requests during installation.

III. Meter Change Outs:

A detailed discussion of meter change-out procedures will be presented during our preconstruction meetings. In short, the below topics present a general overview of our strategic approach to efficiently maximizing our installation efforts while minimizing disruptions to the City. Going over all details would be too lengthy for this document; however, there are a few worth mentioning.

a. **Training** – *We begin with an experienced installation group.* Every installer receives initial and ongoing training on the proper way to change a meter, as well as the AMR device. Each installer knows the importance of carefully handling the new meter and AMR device with care so as to protect the integrity of critical technology components. We require all installers to attend a daily morning tool box meeting, where we discuss safety topics and installation best practices. Furthermore, these daily meetings allow us to voice issues brought to our attention by the City in a productive "sharpening of the saw" manner.

b. **Responding to Problems** – As with all construction projects, we recognize that when we are installing a significant number of meters a day, a small percentage of those installs are going to require a revisit. Therefore, *we staff a 24 hour on-call person.* Their primary job is to respond to any call that may come into the City regarding any issue with the meter installation. The on-call person is available 24 hours a day and carries with him an on-call phone that is available to every person in the City affected by the project.

c. **Digital Pictures** – For verification of old reading, accurate new meter installation, and location of meter years after the project is complete, *we take digital pictures of each meter changed.* These digital pictures are linked to the customers account in the billing system and are available any time they are needed.

d. **GPS Coordinates** – To aid the City in locating meters, our installers gather the GPS Coordinates of each meter pit. These coordinates are downloaded into the billing system or GIS Software as we work our way through the project.

e. **Nothing Overlooked** – A "turn-key" project is true to the extent that it considers and includes all items for the successful installation and performance of any project. To this end, our approach to a meter retrofit includes the often overlooked items that add post project completion costs to the City. This list includes, but is not limited to the replacement of damaged meter vaults and lids and assuming liability for broken connections within a limited range up and downstream of the meter body.



IV. Quality Control Inspection:

To ensure the City receives as few calls as possible and that all installations are performed according to plan, *we quality control inspect every meter installed.* When an issue is exposed, a work order is generated in our system and addressed immediately.

V. Data Handling and AMR Commissioning – The difficult and often times overlooked part of a Meter Change-Out Project:

It is our opinion that the next 7 bullet items are some of the major areas that separate our team from any other installation effort. Adherence to these proven practices is critical to a smooth project with little headache on the City. A lack of discipline to the below items may result in a project that requires large amounts of time from the City's personnel.

Each of these processes are led and managed by our IT person that will be staffed on your project from start to finish. All of our IT personnel work on these types of projects on a daily basis; and therefore, have received a great deal of experience maintaining the integrity of billing information. They understand that our installation effort cannot interfere with the current acquisition of data or process to create and distribute bills. We request that they have the ability to office very close to the billing department, if the City has space available, and work very closely with billing as we go through the project.

a. Handling of Meter Swap Out Data - Before we start construction on the project, we have a change out card printed for each and every meter in the City. The card contains: account information, serial number of old meter, most recent read of old meter, change out instructions, and boxes for the installer to record the information from the new and old meter that we need to perform the meter swap out in the billing system. All installers are trained on how to correctly populate the card.

When the installers fill the cards out, we make every effort to reduce the opportunity for recording error. In fact, *the only number that they have to manually record is the existing reading from the old meter.* All other numbers are received by us via bar code through an electronic scanner and are scanned into our software program (MPMS – Meter Project Management System). By scanning this bar code, we receive the AMR number, the Serial Number, and all test results for that meter. Due to the potential for manual error in recording the existing reading, we have set up high and low reading warnings similar to those used by handhelds. If the reading is too far off from the most recent reading, the program sends out a warning for that meter and we recheck the data from the old meter.

The above steps ensure a smooth transition of accurately maintained data used in updating the billing system.

b. Updating the Billing System with New and Old Meter Data - Once all of the change out information is in our program and has been checked for accuracy, it is sent to the City's billing system through a batch update. The batch update is our way of updating your billing system with the change out information without having to manually enter in the numbers for all meters changed daily. In order to complete this task successfully, our IT people work with the City's billing system to write a programming modification in your billing system. The modification is thoroughly tested before put into use and a backup of the City's billing system is maintained throughout the project. All updates are completed and monitored by our IT Personnel.

This batch update process ensures that we get accurate information into the billing system and *saves months of data entry time normally left to your billing personnel.*

c. Warehousing Digital Photos of New Installations – Schneider Electric will warehouse digital photos of every single meter installed. By collecting digital photos of new installations, we can provide several invaluable services including: installation quality control, proof of meter condition upon installation (in event of vandalism), and proof of fixture installation.



d. Warehousing Digital Photos of Old Meter (and Reading) – Many cities meet a significant challenge in successfully communicating meter change-out data from the field into the water billing department. By providing digital photos of the old meter with the house or facility captured in the background, we accomplish three things for the City: 1) Provide proof to the customer of the out reading at the time the meter was removed, 2) By using the house or facility as the backdrop, we can provide proof that the meter was installed at the correct location (for outdoor meters), and 3) Redundancy is provided because the reading is also collected on the meter change-out work order. If one piece of the data is lost (either the work order, or the photo), we will have a simple recourse to collect the data.

e. Warehousing Installation GPS Coordinates – GPS coordinates provide not only a great QC tool for Schneider Electric, but also gives the City a new resource to utilize for infrastructure changes, future reference, and future growth. Our team can use the GPS coordinates to confirm if a meter was installed at the correct location. If there is any question as to the installation location, we can always return to the provided Lat and Long coordinates with a City official to confirm.

f. Commissioning the AMR (Automatic Meter Reading) System - One of the other tasks managed by the IT person is commissioning the AMR system. *Each billing system book is commissioned as it is installed* to ensure that all meters are reading correctly and transmitting their readings accurately back to the laptop radio read computer. By the end of the project, we are able to turn over a 100% operable AMR system to the City.

VI. Water Authority Personnel Training:

At a scheduled time during the construction project, the manufacturer of the AMR equipment used will come to the City to train the personnel for a period of 3-5 days. This training gives everyone a good understanding of the equipment and how it is used, but lacks in repetitive hands on training. *We extend the manufacturer's training by requesting that one or more of your personnel accompany our IT commissioning efforts.* We realize they may not be available or simply don't need to accompany us on the commissioning of every book, but they are welcome as often as their other responsibilities allow them to attend. By spending time with us during the commissioning, they will receive invaluable hands on training of the new system. They will get *opportunities to trouble shoot any problem that they may encounter* once we are 100% complete. This extended training and exposure will allow them to feel comfortable operating the system on their own.

VII. Sign Off Procedure:

As previously mentioned, we commission the books as the installations are completed. Once we have commissioned a book, we ask a representative from the City to join our IT Person and Project Manager to witness each meter reading. After the meters read 100%, we supply the City with an Initial Completion Notification Form. This form states that we are complete with the book and it is ready for visual inspection. At that time the City has 30 days, or the length between readings by the meter readers, to visually inspect the meters for proper installation. At the end of the 30 days, any punch list items are presented and resolved, and the book is signed off.

This process allows us and the City to have the time necessary to be *comfortable with the installations and their accuracies* without having to rush through signoff's at the end of the project.

It is important to note that all of the above best practices are just that, best practices, not mandates that we insist on following. We realize that the best way to have a successful project is to work with the personnel of the City to make sure we are executing the project the way you would have us. Your input will play a vital role in shaping the way that we go about implementing all of the above practices. As a team, we are confident that this project will be successful.



Glossary

Site Superintendent: Schneider Electric's on-site person overseeing project installation. At times we will have multiple people on-site depending on the scope of work being installed. Site Superintendent will ensure project quality, milestones, and level of installed performance is achieved with all aspects of scope.

Construction Administration and Management: Schneider Electric administrative costs associated with project installation including Construction Management and Project Management labor and expenses. Prepares for and provides coordination of development design process through installation to limit unforeseen construction costs once development is complete.

Permits/ Prevailing Wage Documentation: Permit cost as well as Schneider Electric's labor hours required to secure the permits and complete the prevailing wage documentation.

M&V Setup: Preparations for Measurement and Verification including working with utility companies and taking on-site pre-measurements.

Travel, Copy, and Printing: Travel to and from the job site, hotels and lodging, meals, copying and printing of drawings, weekly reports, punch-list items, safety documentation, etc.

Mobilization & Demobilization: Setting up and taking down everything necessary to complete the project. Ordering of equipment including lighting, mechanical, electrical, water meters, etc.

Storage, Tools, and Freight: Storage required for project components, tools required for project installation, and freight for any resources shared amongst Schneider Electric employees (ex. Testing and Balancing equipment).

Bonding and Insurance: Payment and Performance Bond and maintaining all necessary insurance for all project aspects.

Meter Testing and Commissioning: Post-installation meter testing required for Measurement and Verification, commissioning for mechanical systems, automation controls, and AMR system

Warranty: Includes the warranty on the City Hall building automation system as well as Schneider Electric expense for assisting with other warranty items after substantial completion.

Contingency: Designated for unknown items that may be encountered during project installation. Once construction is completed, any unused contingency will be given back to the customer or additional scope can be added based upon the client's preference.

Account Management: Schneider Electric costs related for management on a day-to-day level directly with the customer. Duties include client meetings, cash flow and financial analysis, project development, contract review and development, and final scoping with customer.

IGA: Investment Grade Audit activities including but not limited to: facility modeling, energy savings analysis, water revenue generation analysis and pre-engineering of the scope.

Structural Review: All work required for securing and completing the necessary structural reviews for the City Hall and Airport roofing projects.

Meter Testing: Water meter testing that occurred during the Investment Grade Audit.



Design Services: All design services required for project development including but not limited to: mechanical engineering, electrical engineering, building automation system engineering, load analysis, ductwork design, natural gas piping design, refrigerant piping design, and testing and balancing, as-built drawings, computer-aided design drawings, and professional engineering stamps and approvals.

Preconstruction Services: Services occurring prior to construction including but not limited to: lighting audits, preparing bid packages, contractor submittals, etc.

Training: Includes training on mechanical systems, control systems, water meter installation and troubleshooting, and AMR and IT system. Operational and Maintenance manuals will be provided and utilized during the training process to understanding of maintenance procedures of new systems installed.

1st Year M&V: Costs associated with Measurement and Verification analysis for Guarantee on energy savings and water revenue generation.

2 Years Revenue Protection Plan: Includes the costs for 2 years of Schneider Electric's Revenue Protection Plan for water meter retrofit/replacement project. A summary of the Revenue Protection Plan follows:

Schneider Electric will provide water billing analysis services to assist the City of Kirksville in minimizing apparent losses in water billing revenue. A quarterly report of findings and recommendations will be provided to the City. This analysis and reporting will help identify failed meters, meters which may be reading inaccurately, and meters which aren't capturing the appropriate revenue for the owner's water consumption. Recommendations as part of the Revenue Protection Plan may include a list of meters to replace or rebuild and water meter customer sites to investigate for failure or reclassification. Schneider Electric will provide the City of Kirksville a residential water meter test kit and training on its use to assist in this effort. An annual summary of all findings, results, and additional captured revenue will be provided to the City.

KIRKSVILLE CITY COUNCIL STUDY SESSION ATTACHMENT

SUBJECT: Dilapidated Buildings Report

STUDY SESSION MEETING DATE: October 1, 2012

CITY DEPARTMENT: Codes Department

PREPARED BY: Brad Selby

There are two large buildings in the City that we consider dilapidated and that need improvement. They are the Miller Building at 219 S. Franklin and the Old High School at 411 E. McPherson.

The Miller building has been in a state of significant decline for more than 10 years. In the last few years, conditions are at the point where they require enforcement. The current owner, Charles Cannaday, wishes to sell, and a potential new owner, Donnie O'Haver, has obtained a remodeling permit, and has begun tear-out of the whole 3rd floor and some of the 2nd floor. He has plans for improvement, including replacement of all the windows, but little has been done. Clean up of some of the debris has taken place. I do not believe that the building is in danger of collapse or has major structural problems. There are probably some structural issues that need additional support, and that would be found during a remodeling process. We will be watching for progress on this building, and will set targets for that if necessary.

The Old High School is a condemned building. Since it was condemned, we approved the property to be sold to other owners – J.D. Smiser and others – who said they planned to repair the building and put it to use. We have allowed the owners lots of time to do this. Last week, contractors for the owner have finally started boarding and blocking the many broken windows. Roof repairs are also needed soon. The immediate need is the broken windows. Once they are boarded up or broken panes replaced, and the roof is repaired, I would lift the condemnation/demolition order as long as the property appears from the outside to be maintained. The building could not be used for any purpose if this happens, it could only be entered for repairs or maintenance purposes.

KIRKSVILLE CITY COUNCIL STUDY SESSION ATTACHMENT

SUBJECT: Insurance Services Office (ISO) Classification 3/9

STUDY SESSION MEETING DATE: October 1, 2012

CITY DEPARTMENT: Fire Department

PREPARED BY: Randy Behrens

The ISO (Insurance Services Office) is a nationwide non-profit service organization that provides services to the property and casualty insurance industries; utilizing a fire suppression rating schedule, they identify varying levels of fire suppression capabilities. These are rated from 1 to 10, Class 1 areas receive the lowest insurance rates and Class 10 areas, the highest (or no recognition).

The insurance industry has been evaluating the fire service for over a century. These evaluations have provided the insurance industry with information and facts as to the fire departments capabilities in combating fire loss and to establish the local communities fire insurance ratings. This in turn has a significant impact on the local economy.

The fire suppression rating schedule is divided into two sections. Section 1 is a Public Protection Classification which is an indication of an entity's ability to handle fires in small-to-moderate-size buildings. Buildings which require a needed fire flow of 3,500 GPM (gallons per minute) or less. Section II of the fire suppression rating schedule consists of individual public protection classification numbers for larger properties that have needed fire flows greater than 3,500 GPM (gallons per minute).

The basic objective of the Insurance Service Office/Commercial Risk Services Inc., (ISO/CRS), Fire Suppression Rating Schedule, is to provide a tool to the insurance industry to measure quantitatively the major elements of a city's fire suppression system. Currently there are three basic areas considered within the Grading Schedule, all of which directly affect the measurement of fire suppression for the City;

- ***Receiving and Handling Fire Alarms*** **Pts.**
 - o *Emergency Telephone Lines* 2
 - o *Emergency Operators* 1.71
 - o *Dispatching* 4.85
 - **Total** **8.56 points of 10**

- ***The Fire Department*** **Pts.**
 - o *Engine companies* 9.94
 - o *Reserve Engine Companies* .66
 - o *Pumping Capacity* 5
 - o *Ladder/Service Companies* 4.85
 - o *Reserve lad/service comp.* .26
 - o *Distribution of companies* 2.77
 - o *Personnel Response* 4.16

○ Training	<u>7.94</u>
▪ Total	35.58 points of 50
- Water Supply	Pts.
○ Water supply	33.91
○ Type of hydrants	1.70
○ Hydrant Inspection	<u>2.10</u>
○ Total	37.71 points of 40
- Divergence	-4.62 Pts.
▪ Total	77.23 points of 100

An evaluation and a measurement of these elements are then developed into a Public Protection Classification number on a relative scale of 1 to 10, with 10 being the less than the minimum recognized protection. The Public Protection Class number is important to the insurance industry to determine fire insurance premiums for both commercial and residential property. Therefore citizens can generally expect to pay lower property insurance premiums when their city's Public Protection Classification is improved. However, other factors, such as building construction, occupancy, exposure conditions, and special hazards, may also affect insurance rates.

The following provides an overview of the grading sheet utilized in determining a city's Public Protection Classification.

The Public Protection Class is based on the total percentage of credit as follows:

Class	Percentage
1	90.00 or more
2	80.00 to 89.99
3	70.00 to 79.99
4	60.00 to 69.99
5	50.00 to 59.99
6	40.00 to 49.99
7	30.00 to 39.00
8	20.00 to 29.99
9	10.00 to 19.99
10	00.00 to 09.99

The above classification has been developed for use in property insurance premium calculations only.

The City will possess a classification of three/nine (3/9) within the Insurance Services Office (ISO) Public Fire Suppression Rating System, on November 1, 2012.

The first number 3 applies to properties within 5 road miles of a recognized fire station and within 1,000 feet of a fire hydrant or alternate water supply.

The second number 9 applies to properties beyond 1,000 feet of a fire hydrant but within 5 road miles of a recognized fire station.