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| AGENDA ITEM NO. <u>2A</u>                                 |
| COUNCIL MEETING: <u>04/11/2013</u>                        |
| APPROVED BY _____   |
| DEPARTMENT DIRECTOR _____                                 |
| CITY MANAGER <i>[Signature]</i><br><i>for M. Scott MS</i> |

April 11, 2013

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

**THROUGH:** KEITH BERGTHOLD, Assistant Director *[Signature]*  
Development and Resource Management Department

**BY:** JOSEPH W. OLDHAM, Sustainability Manager *[Signature]*  
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 OF \$140,000 FOR MARKETING SERVICES FOR THE CENTRAL VALLEY ENERGY TUNE-UP PROGRAM WITH JEFFREY SCOTT AGENCY OF FRESNO, CA-DEVELOPMENT AND RESOURCE MANAGEMENT DEPARTMENT**
  - ADOPT THE 48th AMENDMENT TO THE ANNUAL APPROPRIATION RESOLUTION NO. 2012-125 APPROPRIATING \$140,000 OF FUNDING FROM THE CALIFORNIA PUBLIC UTILITIES COMMISSION FOR MARKETING OF THE CENTRAL VALLEY ENERGY TUNE-UP PROGRAM IN FRESNO, MADERA, TULARE, KINGS, AND KERN COUNTIES**

**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 of \$140,000 for marketing services for the Central Valley Energy Tune-up Program with Jeffrey Scott Agency of Fresno, CA.
- Adopt the 48th Amendment to the Annual Appropriations Resolution No. 2012-125 appropriating \$140,000 of funding from the California Public Utilities Commission for marketing of the Central Valley Energy Tune-up Program in Fresno, Madera, Tulare, Kings, and Kern Counties.

**EXECUTIVE SUMMARY**

On November 1, 2012, the City Council authorized the Interim Director of the Development and Resource Management Department to extend the current Master Services Agreement No. 4400004295 between the City of Fresno and Pacific Gas and Electric Company (PG&E) until December 31, 2014 and receive \$5,600,000 in funding from the California Public Utilities Commission to implement and administer energy efficiency programs under the Local Government Partnership Program. Programs to be funded under the contract extension are regional residential and commercial energy efficiency services available to PG&E customers

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Authorize consulting contract for Marketing of Central Valley Energy Tune-up

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in Fresno, Madera, Tulare, Kings, and Kern Counties. To reflect the regional scope of the project, the overall program name, Central Valley Energy Tune-up Program, was chosen effective January 1, 2013.

In order to effectively inform and educate residential and commercial property owners about the services available to them through the Central Valley Energy Tune-up Program across the five (5) county program area, a contract for program marketing services was needed. The Sustainable Fresno Division of the Development and Resource Management Department developed specifications for the marketing services and issued an advertised, competitive Request for Proposal (RFP) for Marketing Services for the Central Valley Energy Tune-up Program. Nine (9) sets of specifications for the project were downloaded from Bids On-line with six (6) proposals submitted for review and evaluation on February 25, 2013. An evaluation committee made up of staff from the City of Fresno and representatives from PG&E and the San Joaquin Valley Air District was established to review the proposals. The committee determined the proposal from Jeffrey Scott Agency, of Fresno, CA offers the best value for the City of Fresno for this project.

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 of \$140,000 for marketing services for the Central Valley Energy Tune-up Program with Jeffrey Scott Agency of Fresno, CA. The term of the contract will be through December 31, 2014 to cover the full two-year funding cycle from the California Public Utilities Commission. Staff also recommends the City Council adopt the 48th Amendment to the Annual Appropriations Resolution No. 2012-125 appropriating \$140,000 of funding from the California Public Utilities Commission for marketing of the Central Valley Energy Tune-up Program in Fresno, Madera, Tulare, Kings, and Kern Counties.

### **BACKGROUND**

On November 1, 2012, the City Council authorized the Interim Director of the Development and Resource Management Department to extend the current Master Services Agreement No. 4400004295 between the City of Fresno and Pacific Gas and Electric Company (PG&E) until December 31, 2014 and receive \$5,600,000 in funding from the California Public Utilities Commission to implement and administer energy efficiency programs under the Local Government Partnership Program. Programs to be funded under the contract extension are regional residential and commercial energy efficiency services available to PG&E customers in Fresno, Madera, Tulare, Kings, and Kern Counties. To reflect the regional scope of the project, the overall program name, Central Valley Energy Tune-up Program, was chosen effective January 1, 2013.

The scope of work for the five-county program includes providing homeowners within PG&E service territory in Fresno, Madera, Tulare, Kings, and Kern Counties with no-cost in-home energy audit testing and commercial property owners in Fresno County with commercial energy audit testing. The testing and subsequent report is designed to provide homeowners and businesses with comprehensive data on their building 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 reduce electricity consumption by over 21,000,000 kWh and 3,300 KW by December, 2014. Additional program services include contractor and building official training in new State energy codes and standards, expansion of commercial Property Assessed Clean Energy (PACE) financing, building energy use benchmarking, and development of residential PACE financing.

In order to effectively educate and inform residential and commercial property owners about the program services available to them, a robust marketing and outreach plan must be developed and implemented for the program using a qualified marketing firm. The Sustainable Fresno Division of the Development and Resource

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Management Department developed specifications for the program marketing services and issued an advertised, competitive Request for Proposal (RFP) for Marketing Services for the Central Valley Energy Tune-up Program. The RFP was advertised in the Fresno Business Journal on February 8, 2013. Nine (9) sets of specifications for the project were downloaded from Bids On-line with six (6) proposals submitted for review and evaluation on February 25, 2013. An evaluation committee made up of staff from the City of Fresno and representatives from PG&E and the San Joaquin Valley Air District was established to review the proposals. The committee determined the proposal from Jeffrey Scott Agency of Fresno, CA offers the best value for the City of Fresno.

**FISCAL IMPACT**

All costs for the proposed consulting services contract for Marketing Services for the Central Valley Energy Tune-up Program are paid for through funding from the California Public Utilities Commission. There is no impact to the General Fund from this project.

**ATTACHMENTS**

Report from Evaluation Committee for Marketing Services for the Central Valley Energy Tune-up Program  
48th Amendment to the Annual Appropriations Resolution No. 2012-125

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**REPORT FROM EVALUATION COMMITTEE  
REQUEST FOR PROPOSAL FOR  
MARKETING SERVICES: CENTRAL VALLEY ENERGY TUNE-UP PROGRAM**

**COMMITTEE MEMBERS:**

Ann Kloose, Government Relations Representative, Pacific Gas and Electric Company  
Nora Laikam, Water Conservation Supervisor, Department of Public Utilities  
Heather Heinks, Outreach and Communications Supervisor, San Joaquin Valley Air Pollution Control District  
Bob Riding, Community Energy Manager, Pacific Gas and Electric Company  
Joseph Oldham, Sustainability Manager, Development and Resource Management Department

**BACKGROUND:**

The City of Fresno is soliciting proposals from full service, qualified, and experienced Marketing Service firms with recent and extensive experience providing local governments with comprehensive marketing services in support of large regional scale residential and commercial energy efficiency retrofit programs. The Central Valley Energy Tune-up program has a goal of saving 21,898,568 kWh and 3,308 kW of electricity over two years within PG&E service territory in Madera, Fresno, Tulare, Kings, and Kern Counties.

**Scope of Work**

The selected qualified Marketing Service firm is expected to provide marketing expertise to promote residential and commercial energy retrofits through use of the no-cost energy audit services in collaboration with PG&E rebate / financing programs and private sector financing programs. As such, the City will expect the qualified firm(s) to provide the following:

**Scope of Roles & Responsibilities**

- Provide consultation and program adjustment over the life of the contract to best meet the needs of the Central Valley Energy Tune-up Program.
- Analyze the program's past messaging and tactics, its potential community of participants and the competing market in order to identify opportunities to realize the CVET program's goals (both residential and commercial participants).
- Provide focus group testing services as required to inform the program messaging to various market segments.
- Develop a comprehensive program to educate and motivate homeowners and commercial business owners to achieve the goals of the program.
- Identify effective means to measure and analyze results from proposed tactics to provide usable data for regular program progress reports and updates as needed
- Provide focus group testing services as required to inform the program messaging to various market segments.
- Produce educational materials aimed at homeowners and commercial business owners on the value of energy efficiency and renewable energy.
- Produce informational material on the value of home and business energy audits, the HERS home index rating system, and commercial energy benchmarking.
- Produce informational and educational materials to reach the diverse multilingual and multi-cultural populations within PG&E service territory in Madera, Fresno, Tulare, Kings, and Kern counties.

Report from Evaluation Committee

RFP for **MARKETING SERVICES: CENTRAL VALLEY ENERGY TUNE-UP PROGRAM**

- Provide multi-lingual staff when needed to promote the program at home shows, the Fresno County fair, and other regional events.
- Provide a Spanish language spokesperson for appearances on Spanish-language television and radio shows.
- Assist in updates to the Central Valley Energy Tune-up web site.

Nine (9) sets of specifications for the project were downloaded from Bids On-line with six (6) proposals submitted for review and evaluation on Feb. 25, 2013.

**EVALUATION BY COMMITTEE:**

Jeffrey Scott Agency:

This proposer conformed to all the RFP requirements and offered a proposal that was considered to be the best suited to the goals and objectives of the Central Valley Energy Tune-up Program by the committee. The proposer is a local firm that has demonstrated capacity and expertise in understanding the local and regional market. This expertise combined with their work with local stakeholders providing energy and water efficiency services makes them the best choice for this project. The proposal by Jeffrey Scott Agency of Fresno, CA was determined by the review committee to offer the best value to the City of Fresno for this project.

Staples & Associates:

The proposal from Staples & Associates met all the requirements of the RFP, but lacked capacity compared to the proposal from Jeffrey Scott Agency and therefore is not recommended for award.

Yadari:

This proposer conformed to the basic RFP requirements, but failed to articulate well how they would market the Central Valley Energy Tune-up program across the five-county service territory of the program. Yadari was also deemed to lack capacity compared with Jeffrey Scott Agency and Staples & Associates. Yadari is not recommended for award by the review committee.

Green Media Creations, NetComm California, KBIF Radio

The proposals submitted by these companies were determined to be non-responsive to the requirements of the RFP by the review committee.

**RECOMMENDATION**

1. The Committee recommends entering into a contract for Marketing Services for the Central Valley Energy Tune-up Program with Jeffrey Scott Agency of Fresno, California.

RESOLUTION NO. \_\_\_\_\_

A RESOLUTION OF THE COUNCIL OF THE CITY OF FRESNO ADOPTING THE 48th AMENDMENT TO THE ANNUAL APPROPRIATION RESOLUTION NO. 2012-125 APPROPRIATING \$140,000 OF FUNDING FROM THE CALIFORNIA PUBLIC UTILITIES COMMISSION FOR MARKETING OF THE CENTRAL VALLEY ENERGY TUNE-UP PROGRAM IN FRESNO, MADERA, TULARE, KINGS AND KERN COUNTIES

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF FRESNO:

THAT PART III of the Annual Appropriation Resolution No. 2012-125 be and is hereby amended as follows:

|  | <u>Increase/(Decrease)</u> |
|--|----------------------------|
| TO: DEVELOPMENT AND RESOURCE MANAGEMENT DEPARTMENT |                            |
| Planning & Dev Grant Programs                      | \$ 140,000                 |

THAT account titles and numbers requiring adjustment by this Resolution are as follows:

Planning & Dev Grant Programs

Revenues:

|   |                   |
|---|-------------------|
| Account: <b>39015</b> Miscellaneous-Other Revenue | <u>\$ 140,000</u> |
| Fund: <b>20532</b>                                |                   |
| Org Unit: <b>400801</b>                           |                   |
|   |                   |
| Total Revenues                                    | <u>\$ 140,000</u> |

Appropriations:

|  |                   |
|--|-------------------|
| Account: <b>53302</b> Prof Svcs/Consulting - Outside | <u>\$ 140,000</u> |
| Fund: <b>20532</b>                                   |                   |
| Org Unit: <b>400801</b>                              |                   |
|  |                   |
| Total Appropriations                                 | <u>\$ 140,000</u> |

THAT the purpose is to appropriate \$140,000 for the marketing of the Central Valley Energy Tune-up Program in Fresno, Madera, Tulare, Kings and Kern Counties.

Date Adopted:  
Date Approved:  
Effective Date:

Resolution No.

**CLERK'S CERTIFICATION**

STATE OF CALIFORNIA }  
COUNTY OF FRESNO } ss.  
CITY OF FRESNO }

I, YVONNE SPENCE, City Clerk of the City of Fresno, certify that the foregoing Resolution was adopted by the Council of the City of Fresno, California, at a regular meeting thereof, held on the \_\_\_\_\_ Day of \_\_\_\_\_, 2013

AYES:  
NOES:  
ABSENT:  
ABSTAIN:

Mayor Approval: \_\_\_\_\_, 2013  
Mayor Approval/No Return: \_\_\_\_\_, 2013  
Mayor Veto: \_\_\_\_\_, 2013  
Council Override Veto: \_\_\_\_\_, 2013

\_\_\_\_\_  
YVONNE SPENCE, CMC  
City Clerk

Date Adopted:  
Date Approved:  
Effective Date:

Resolution No.