



Memorandum

TO: HONORABLE MAYOR AND CITY COUNCIL

FROM: David Sykes

SUBJECT: SOUTH SAN JOSE POLICE SUBSTATION UTILITY COSTS

DATE: May 17, 2012

Approved

Date

5/18/12

The purpose of this memorandum is to address questions posed by Councilmember Liccardo at the 2012-13 Budget Study Session regarding the cost of utilities at the South San José Police Substation.

ANALYSIS

Utilities for the Substation are budgeted at \$120,000 for fiscal year 2012-13, or approximately \$1 per square foot. Expenses as of April 2012 in the amount of \$112,066 and projected for the remainder of the fiscal year align with this proposed amount. This projected expense is less than half the cost experienced at similar scale facilities that are occupied (facilities are typically funded at \$2.75/sf for utilities). In order to prepare for the opening in September 2013, the facility is also expected to incur higher usage towards the end of 2012-2013.

Several elements within the substation contribute to the costs we are experiencing.

- The infrastructure is complex and keeping it running on low settings is essential to ensuring the systems will operate when needed. This is especially relevant to the Heating, Ventilating, and Air Conditioning (HVAC) systems.
- There are costs associated with the security of the facility, such as lighting and alarm systems that are necessary even in an unoccupied facility.
- Public Works will continue to fine-tune and test the systems through the warranty period. This is work that would normally be done after a facility is occupied, but it is necessary to ensure the City receives the functional systems that were purchased.

Staff will continue to look for opportunities to lessen the energy usage at this facility throughout 2012-2013.

/s/
DAVID SYKES
Director of Public Works

For questions please contact Matt Morley, Deputy Director of Public Works at 535-1298.