



ASSOCIATION
OF BAY AREA
GOVERNMENTS

Bay Area Metro Center
375 Beale Street, Suite 700
San Francisco, CA 94105
415.820.7900
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TO: Executive Director
FR: Karen Kristiansson
RE: Sole Source Amendment Justification: BayREN CodeCycle Demonstration Project with CodeCycle LLC

DATE: October 10, 2022

The purpose of this memorandum is to amend the sole source justification based on compelling business reasons to increase the Maximum Payment by two hundred twenty thousand dollars (\$220,000) for an overall Maximum Payment amount of \$830,000 for CodeCycle, and to extend the contract to December 31, 2023. If approved, the contract amendment would also be updated to reflect CodeCycle's updated legal operating name and potentially a revised billing basis.

Justification

On April 15, 2019, authority for a sole source contract with CodeCycle was provided in order to continue the CodeCycle Demonstration Project and to collect additional data for evaluation. The contract was for an amount not to exceed \$210,000 and was for services from July 2019 through December 2020. On September 17, 2020, the contract was amended to increase the total budget to \$610,000 and to extend the contract for two additional years, through December 2022. The CodeCycle Demonstration Project had been originally started in response to a competitive procurement in 2015 and funded as a subcontractor to another service provider.

CodeCycle is an electronic tool that can be used by local governments as well as project designers to ensure that projects comply with the California Energy Code. Compliance is essential for the state to meet its greenhouse gas reduction goals. BayREN's CodeCycle Demonstration Project provides funding to allow testing of the tool in the Bay Area, including support for Bay Area local governments.

The Demonstration Project is intended to determine whether the tool is a viable, scalable approach to improving Energy Code compliance. CodeCycle has developed a new approach to make it easier for local governments to access the tool which just became available during the

past year. Additional time is needed in order to allow testing of this approach, development of other planned improvements, and collection of additional data.

For these reasons, we recommend authorization to increase the Maximum Payment and extend the contract. In addition, at the same time the contract amendment would be updated to reflect CodeCycle's updated operating name and a revised billing basis. The operating name effectively changed when all ownership interests in CodeCycle LLC were donated to CodeCycle.org in December of 2020. Staff is also discussing the billing basis of the contract so that monthly invoice amounts would be determined based on a combination of the number of jurisdictions served and the square footage of projects reviewed, rather than solely on the square footage of projects. This will more appropriately reflect the level of effort involved and will also help to even out monthly payments. This revision would be incorporated assuming terms are agreed on in time; otherwise, the billing basis will remain the same as in the existing contract.

Recommendation

Staff requests approval for an increase in the Maximum Payment by two hundred twenty thousand dollars (\$220,000) for an overall Maximum Payment amount of \$830,000 for CodeCycle and to extend the contract to December 31, 2023.

APPROVAL OF SOLE SOURCE REQUEST:

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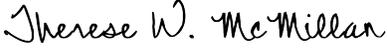
Jennifer Berg
Assistant Director, Energy Program

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Brad Paul
Deputy Executive Director,
Local Government Services

CONCUR:

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Therese W. McMillan,
Metropolitan Transportation Commission Executive Director
Acting Pursuant to the Contract for Services dated May 30, 2017