



Legislation Text

File #: 20-0228, **Version:** 1

TO:

Honorable Mayor and Members of the City Council

THROUGH:

Bruce Moe, City Manager

FROM:

Stephanie Katsouleas, Public Works Director
Prem Kumar, City Engineer
Helen Shi, Senior Civil Engineer

SUBJECT:

Consider Adopting a Resolution Awarding a Construction Agreement to Express Energy Services, Inc. for the Citywide Street Light LED Retrofit Project for \$246,534 and Authorizing the City Manager to Approve Additional Work, if Necessary, for up to \$24,653 (Public Works Director Katsouleas).

ADOPT RESOLUTION NO. 20-0081

RECOMMENDATION:

Staff recommends the City Council adopt Resolution No. 20-0081 awarding a construction agreement to Express Energy Services, Inc. for \$246,534 for the City Wide Street Light LED Retrofit Project, authorizing the City Manager to execute the Agreement, and authorizing the City Manager to approve additional work, if necessary, for up to \$24,653.

FISCAL IMPLICATIONS:

The City Wide Street Light LED Retrofit Project is funded in the Fiscal Year (FY) 2020-2021 Capital Improvement Program (CIP) budget. There are sufficient funds available for the \$246,534 award and \$24,653 (10%) contingency, for a combined total of \$271,187.

BACKGROUND:

On January 17, 2017, City Council was given a comprehensive presentation on a host of citywide energy efficiency opportunities that had been evaluated. Many of the proposed measures had the potential to reduce electrical energy costs, reduce carbon emissions, generate revenue, improve cellular and other wireless communications, and enhance City maintenance operations. The measures included:

- Evaluating the purchase of up to 927 SCE-owned streetlight poles (completed);
- Retrofitting High Pressure Sodium Vapor (HPSV) lamps to Light Emitting Diode (LED) Lamps (50% completed);
- Leasing pole space for smart pole technologies (ongoing);
- Implementing building envelop improvements (HVAC, interior lighting, weatherproofing, etc.) (some completed, some underway); and

- Reducing electrical demand and thus carbon emissions (some measures implemented).

On February 21, 2017, City Council approved the Southern California Edison (SCE) Streetlight Acquisition and SCE-Owned Streetlight Retrofit Agreement and authorized the City Manager to enter into an agreement with SCE to retrofit utility-owned streetlights from high pressure sodium vapor to LED lamps. In late 2019, SCE completed its portion of the LED retrofit for approximately 1000 street lights, leaving only the City's remaining 825 streetlights still to be retrofit.

As estimated in the staff report for City Council on February 21, 2017, once the City's street lights are retrofitted to LED lamps they will be assigned SCE's lower LS-2 (customer owned) rate, thereby saving approximately \$87,500 annually, of which \$35,000 is being set aside annually for future maintenance and repairs. The retrofit is also estimated to reduce CO2 emissions by approximately 92 metric tons.

DISCUSSION:

On March 10, 2020, the project was publicly advertised with a bid scope of work that included installation of 942 City owned LED streetlight fixtures on 825 poles located on arterial and residential streets. The specifications also called for installing LED light fixtures with marine coating if they were located within one mile of the coast. All LED fixtures include photocell sensors to automatically manage lighting (dusk to dawn).

The project was advertised for bid in the City's publisher of record (Beach Reporter), and was listed on the City's website and BidSync (online service that connects vendors, suppliers and contractors to government procurement opportunities). In addition, an e-mail notification for the project was sent to the contractors listed on the City's database (over 60 contractors).

Seventeen bids were received on May 21, 2020, and the bids were opened on May 22, 2020, via a Zoom meeting after 24 hours of contactless document isolation. The bid results are as follows:

<u>Contractor</u>	<u>Calculated Total Bid Amount</u>
Express Energy Services Inc.	\$ 246,533.84
Sasco	\$ 294,996.00
Crosstown Electrical and Data Inc.	\$ 296,937.00
Star Engineering Management, Inc.	\$ 329,173.83
Tanko Lighting	\$ 343,962.14
Belco Elecnor Group	\$ 346,640.00
J. Kim Electric Inc.	\$ 361,686.00
Siemens	\$ 362,293.00
Asplundh Construction Corp	\$ 378,257.51
International Line Builders Inc.	\$ 382,199.00
Select Electric Inc.	\$ 387,388.00
Fluoresco Services	\$ 443,340.75
Advanced Lighting Services, Inc.	\$ 503,935.00
Alfaro Communication Construction Inc.	\$ 519,509.00
PTM General Engineering Services Inc.	\$ 526,026.00

RDM Electric Co. Inc.	\$ 611,949.00
Velluntini Corporation dba Royal Electric Company	\$ 777,777.00

Staff reviewed Express Energy Services Inc. (Express Energy) contractor's license and found it to be in order. Additionally, references indicate Express Energy has the knowledge and capability to complete the work in a timely and acceptable manner under the contract budget. Express Energy's bid proposal was reviewed by the Public Works Department and found to be responsive with a minor calculation error that did not affect the overall bid amount. Express Energy's bid proposal, acknowledged Bid Documents, Addendum No. 1 and Addendum No. 2, however, it missed Addendum No. 3., which changed the bid submittal time and address due to Covid-19 Pandemic. However, Express Energy was aware of Addendum No. 3, followed the instructions and submitted the bid at the right time and place. Lastly, Express Energy's bid proposal has indicated a Workers Comp Fraud Case in 2016, which was settled and released on May 9, 2017. Per the company's insurance broker, BBSI Insurance, all liens were concluded and the claim was closed. Staff contacted State Fund Insurance and BBSI Insurance, and no records were found to be against Express Energy.

Staff recommends that City Council authorize the City Manager to award a contract with Express Energy for \$246,534 and approve additional work, if necessary, for up to \$24,653. The construction work is anticipated to start in September 2020 and be completed by January 2021.

PUBLIC OUTREACH:

City Council held a study session on June 23, 2015, to discuss various energy efficient options with the community. Following the study session, several City Council meetings were held to approve participation in the SCE streetlight valuation process, award a professional service contract to NAM to conduct an energy audit of City facilities and to review the streetlight purchase and LED retrofit options. On January 17, 2017, staff brought forward to City Council a summary of energy efficiency opportunities, including the LED streetlight retrofit measure. On February 21, 2017, City Council acknowledged the financial and environmental benefit of LED streetlight retrofit measure. At each of these meetings, the community had the opportunity to provide input regarding the proposed measures and actions. The project was also included in the publicly reviewed and adopted CIP Budget annual approval process in Fiscal Years 2018-2019 through 2020-2021.

ENVIRONMENTAL REVIEW:

The City has reviewed the proposed project for compliance with the California Environmental Quality Act (CEQA) and has determined that the project qualifies for a Class 1(c) categorical exemption pursuant to Section 15301 (Existing Facilities) of the State CEQA Guidelines, since the project focuses on the LED retrofit of existing streetlight, involving no expansion of public facilities. Thus, no further environmental review is necessary. A Notice of Exemption was filed with the Los Angeles County Clerk's Office for the Project.

LEGAL REVIEW:

The City Attorney has reviewed this report and determined that no additional legal analysis is necessary.

ATTACHMENTS:

1. Resolution No. 20-0081
2. Agreement - Express Energy Services, Inc.

3. Bid Proposal