



City of Culver City

Staff Report Details (With Text)

File #: 16-985 **Version:** 1 **Name:** Agreement with Express Energy for Ince Parking Structure
Type: Minute Order **Status:** Consent Agenda
File created: 5/3/2017 **In control:** City Council Meeting Agenda
On agenda: 6/26/2017 **Final action:**
Title: CC - Approval of an Agreement with Express Energy Services, Inc. in an Amount Not-to-Exceed \$265,000 (\$244,745 Base Amount and \$20,255 in Contingency Authority) to Replace the Ince Parking Structure's Lighting Fixtures.

Sponsors:

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CC - Approval of an Agreement with Express Energy Services, Inc. in an Amount Not-to-Exceed \$265,000 (\$244,745 Base Amount and \$20,255 in Contingency Authority) to Replace the Ince Parking Structure's Lighting Fixtures.

Meeting Date: June 26, 2017

Contact Person/Dept: Joe Susca, Public Works Administration

Phone Number: 310-253-5636

Fiscal Impact: Yes No **General Fund:** Yes No

Public Hearing: **Action Item:** **Attachments:**

Commission Action Required: Yes No **Date:**

Public Notification: (E-Mail) Meetings and Agendas - City Council (06/21/17); Express Energy Services (06/21/17); The Energy Network (06/21/17)

Department Approval: Charles D. Herbertson, Director of Public Works/City Engineer (06/13/17)

RECOMMENDATION

Staff recommends the City Council approve an agreement with Express Energy Services, Inc. (Express) in an amount not-to-exceed \$265,000 (\$244,745 base amount and \$20,255 contingency authority) for the Ince Parking Structure Lighting Retrofit Project, CIP PA-003.

BACKGROUND

Over the past few years, the City has been working with The Energy Network (TEN) to implement turn-key energy efficiency projects citywide. TEN, administered by Los Angeles County, was created by the California Public Utilities Commission to aid public agencies in Southern California to implement projects that save energy, reduce operating costs and reduce greenhouse gas emissions.

In 2016, TEN conducted an energy audit at the City's Ince Parking Structure (Ince) that focused on lighting. After reviewing the audit, staff and TEN agreed that a lighting retrofit project that replaces the existing fluorescent fixtures with Light Emitting Diode (LED) equipment would improve energy efficiency and reduce operating costs. The project also qualifies for utility incentives and on-bill financing.

DISCUSSION

The Ince project scope of work includes:

1. Removal of 643 fluorescent fixtures and replacing them with Skyler brand, 4,000 kelvin LED fixtures with occupancy sensor and daylight harvesting capability.
2. Remove 4 U-lamp Canopy Fixtures and replace them with Deco LED Fixtures.
3. Remove 16 HPS Fixtures and replace them with new LED Fixtures.
4. Remove 21 MH Fixtures and replace them with new LED Fixtures.
5. Remove 3 CFL lamps and replace them with Lunera LED Pin lamps.

The 643 new LED fixtures that replace the fluorescent fixtures are equipped with "occupancy sensors" that allow them to operate in a dimmed fashion until motion triggers their full illumination. They are also equipped with "daylight harvesting" sensors that detect the presence of natural light and automatically adjust the amount of illumination they put out accordingly. In combination, these two features, coupled with LED technology will yield the greatest reduction in the amount of electricity used at Ince. The new LED fixtures also reduce the City's maintenance cost as they do not require bulb replacements.

Staff contacted UCLA and the City of Long Beach, two users of the Skyler brand LED fixture. They recommend their use as they are high in quality and operate as intended.

The services retained for this Project are exempt from the formal competitive bidding process, pursuant to Sections 3.07.045.G (see below) and 3.07.085.C.6 (repair and maintenance of City-owned real property and buildings) and of the Culver City Municipal Code (CCMC).

CCMC Section 3.07.045.G provides an exception to bidding "where competitive bid procedures have already been utilized by the City, another public agency, including, but not limited to, federal, state and county governments, including, state of California agencies, counties, cities, joint power agencies and special districts, or nonprofit agencies whose main purpose is to assist cities or other public entities...provided, the equipment, goods or supplies are supplied to the City at the same or better price, as was obtained through the competitive bid procedures of that entity."

Express is a contractor that has been pre-approved and selected by the National Joint Powers Alliance (NJPA), which is a public and transparent bidding process agency whose aim is to create a pool of pre-qualified contractors for such projects. The Gordian Group is the local administrator of the NJPA contracts and they reviewed the Express bid and confirmed that it adheres to the prices, terms and conditions of their NJPA agreement.

Last year, staff had a favorable experience with Express, who was selected to replace hundreds of lighting fixtures located at five of the City's largest facilities as part of the City's Energy Efficiency Project. If approved, staff anticipates it will take three months to manufacture, install and program the new lighting fixtures.

Completion of the Ince project will advance the City's position as a community leader in environmental sustainability and elevate the City's Energy Leader Partnership Platinum status with Southern California Edison. The Ince project (in combination with a streetlight project now underway) will increase the amount of energy savings the City has achieved from 26% to 37.5% when compared to 2006 (the baseline year). The City has also received a Beacon Award from the Institute of Local Government and a Cool Planet Award from The Climate Registry acknowledging its energy efficiency program successes and their accompanying greenhouse gas emission reductions.

FISCAL ANALYSIS

\$265,000 in General Funds are included within the Ince Parking Structure Lighting Retrofit Project, CIP PA-003. Sufficient funds exist to cover the \$244,745 contract with Express to complete the project.

The City will save 191,656 kWh in electricity annually (valued at \$26,508) by implementing the Ince project for a total savings of \$318,096 over the project's 12-year life. The Ince project is entirely funded by a zero-interest loan from SCE through their on-bill financing program that is paid back over 10 years by cost savings generated by the project. The City will receive \$33,380 in SCE incentives for a net cost of \$211,365 (\$244,745 - \$33,380). The project will realize a total net savings of \$106,731 (\$318,096 in reduced electricity cost - \$211,365 capital outlay), with a ROI of 6.7 years. The City will realize additional savings due to reduced maintenance costs, primarily as a result of no longer having to purchase and replace burned out bulbs.

MOTIONS

That the City Council:

1. Approve an agreement with Express Energy Services in an amount not-to-exceed \$265,000 (\$244,745 base amount and \$20,255 in contingency authority) to replace the lighting fixtures at the Ince Parking Structure; and
2. Authorize the City Attorney to review/prepare the necessary documents; and
3. Authorize the City Manager to execute such documents on behalf of the City.