

Staff Report City of Manhattan Beach

TO:

Honorable Mayor Tell and Members of the City Council

THROUGH: David N. Carmany, City Manager

FROM:

Jim Arndt, Public Works Director

Bruce Moe, Finance Director

Gwen Eng, General Services Manager &

Sona Kalapura, Environmental Programs Manager

Juan Price, Maintenance Superintendent

DATE:

December 6, 2011

SUBJECT:

Grant Funded Purchase of Energy Efficient Walk Street Replacement Lights from Walters Wholesale Electric in the Amount of \$39,737.25 and Appropriation of \$137,212.34 from Unreserved General Fund Monies for Completion of the Walk Street Project and Additional Energy Efficient Grant Funded Lighting Replacement

Projects

RECOMMENDATION:

Staff recommends that the City Council: a) award bid #844-12 to Walters Wholesale Electric in the amount of \$39,737.25 for energy efficient replacement lights for the Walk Streets; and b) appropriate \$137,212.34 from the unreserved General Fund balance for this project as well as other planned energy efficient lighting projects which will be fully reimbursed at a later date by funding from the Department of Energy.

FISCAL IMPLICATION:

In September 2009, the City was awarded a federal stimulus grant under the Energy Efficiency and Community Block Grant (EECBG) program from the Department of Energy in the amount of \$186,000, consisting of \$155,800 of reimbursable costs and approximately \$30,000 of City project management in-kind match. The purpose of the grant is to replace inefficient lighting with better technology products that reduce greenhouse gas emissions. The first major project, retrofitting of Strand lighting, was completed in the amount of \$18,587.66 using FY 2010-2011 appropriated funds. The Walk Street project and additional lighting replacement projects are not budgeted items in FY 2011-2012 and an appropriation of \$137,212.34 is required from the General Fund for the balance of the grant, which will be completed by the end of fiscal 2011-2012 and fully reimbursed by the Department of Energy.

DISCUSSION:

The Walk Street lights have reached end of life due to internal corrosion problems and lack of available replacement parts. The existing walk street lights vary by street and replacement fixtures

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are not available on 16th Street, 17th Street, 18th Street, and 20th Street. The existing fixtures are internally corroded and difficult and costly to rebuild. Because replacement fixtures are not available, there are already mismatched internal parts in a few instances including high and low pressure sodium.

In order to more efficiently manage maintenance, staff is standardizing on one LED fixture specifically chosen to withstand the coastal environment and allow maximum flexibility in brightness and perceived "warmth". Standardizing on fixture types will ensure there are repair parts into the foreseeable future and reduced inventory as well. Staff received feedback from one resident upon completion of the Strand lighting retrofit regarding brightness. Light levels of the originally installed high pressure sodium lamps were measured and were identical to the newly installed induction lamps.

Calculated annual kilowatt usage for the existing installation equals 10,687 kWh annually. Upon completion of the project, staff calculations indicate an annual 2900 kWh or 73% energy savings for equivalent or better light output.

In order to more efficiently manage maintenance, the fixture will be an energy efficient lantern style LED (light emitting diode) "dark-sky" compliant light specified to withstand the coastal environmental. Benefits include an ability to cast light downwards rather than in an omnidirectional pattern, and a warm white output.

Bid Recaps

The bid request specified two lanterns (lamps) and allowed vendors to bid alternative product(s). A total of ten responses were received including multiple bids from three vendors. The comparison below shows the aggregate price, including sales tax and shipping:

| <u>Vendor</u> | Total Bid (Incl. Tax) |
|----------------------------------|-----------------------|
| 1. Starled, Inc. | \$26,426.25 |
| 2. Walters Wholesale Electric | \$39,737.25 |
| 3. Walters Wholesale Electric | \$43,717.50 |
| 4. West-Lite Supply Co., Inc. | \$43,810.81 |
| 5. West-Lite Supply Co., Inc. | \$44,576.19 |
| 6. Walters Wholesale Electric | \$44,989.88 |
| 7. Inglewood Wholesale Electric | \$47,045.25 |
| 8. ISBS Group | \$49,860.64 |
| 9. Nularis LED | \$54,080.88 |
| 10. Inglewood Wholesale Electric | \$58,421.59 |

The lowest bidder, Starled, Inc., could not provide verification that their product is dark-sky compliant and provided a shorter warranty period than specified. As a result, Starled was bypassed as being non-responsive.

The next lowest bidder, Walters Wholesale Electric, offered an alternative product which does meet specifications. As a result, staff recommends awarding the bid to Walters Wholesale Electric as the lowest responsible bidder for the purchase of LED lantern lights in the amount of \$39.737.25. These lights will be installed by City staff and the project will be completed within 3-

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4 months. Based on staff's field measurements, the current annual electricity consumption is 10,687 kilowatt hours (kWh). With the new lights, the estimated consumption is approximately 2,900 kWh, which equates to a 73 percent energy savings. Staff expects to realize a savings of over \$1000 per year in energy costs alone, with the annual energy costs dropping from \$1500 to approximately \$400 per year.

After the completion of the Walk Street project, energy efficient replacement lighting in several municipal parking lots is planned utilizing using the same Department of Energy grant funds until the grant is fully expended. These projects will be accomplished through a competitive bid process and any project that exceeds the City's formal bid limit of \$20,000 will be submitted to City Council for recommendation of award.

Attachment: Picture of proposed fixture

