

City Attorney

OAKLAND CITY COUNCIL

FILED
OFFICE OF THE CITY CLERK
OAKLAND

RESOLUTION No. 84186 C.M.S.

2012 NOV 15 PM 3:03

Introduced by Councilmember _____

RESOLUTION:

- (1) WAIVING ADVERTISING AND BIDDING AND AUTHORIZING THE CITY ADMINISTRATOR TO AWARD CONTRACTS TO SUPPLIERS AND CONTRACTORS THROUGH AN ADVERTISED REQUEST FOR PROPOSALS ("RFP") SELECTION PROCESS FOR THE REPLACEMENT OF EXISTING HPS COBRA HEAD STREET LIGHTS WITH LED STREET LIGHTS CITYWIDE, WITHOUT RETURN TO COUNCIL;
- (2) AWARDING CONTRACTS TO:
 - (A) AMLAND CORPORATION FOR THREE MILLION, NINE HUNDRED, NINETY THOUSAND DOLLARS (\$3,990,000.00) FOR THE INSTALLATION OF THE LED STREET LIGHTS, FOR LIGHTING AND ELECTRICAL ENGINEERING SERVICES AND FOR DOCUMENTATION SERVICES FOR THIS PROJECT, AND
 - (B) GRAYBAR FOR TEN MILLION, EIGHT HUNDRED AND FIFTY TWO THOUSAND, SIX HUNDRED AND FIFTY DOLLARS (\$10,852,650.00) FOR THE SUPPLY OF LED STREET LIGHTS, AND
 - (C) AUTHORIZING THE CITY ADMINISTRATOR TO INCREASE SAID CONTRACTS BY UP TO AN AMOUNT NOT TO EXCEED SEVEN AND ONE HALF PERCENT (7.5%) OF THE ORIGINAL CONTRACT PRICE, WITHOUT RETURNING TO COUNCIL; AND
- (3) AUTHORIZING THE CITY ADMINISTRATOR TO WAIVE ADVERTISING AND REQUEST FOR PROPOSAL/QUALIFICATION PROCESS REQUIREMENTS AND AWARD A PROJECT LOAN CONTRACT FOR FINANCING, FOR AN AMOUNT OF \$16,000,000.00, AT AN INTEREST RATE NOT-TO-EXCEED FOUR AND ONE-TENTH PERCENT (4.10%) FOR A TERM OF NOT MORE THAN TWELVE (12) YEARS, TO BE REPAID BY ENERGY SAVINGS FROM LANDSCAPE AND LIGHTING ASSESSMENT DISTRICT (LLAD) FUNDS, WITHOUT RETURN TO COUNCIL TO AMLAND CORPORATION, OR TO A LENDER SELECTED BY THE CITY ADMINISTRATOR THROUGH A REQUEST FOR PROPOSAL/QUALIFICATIONS PROCESS, WITHOUT RETURN TO COUNCIL; AND
- (4) ACCEPTING, APPROPRIATING AND DIRECTING REBATES FROM THE UTILITY COMPANY ESTIMATED AT TWO MILLION, NINE HUNDRED AND TWENTY-FIVE THOUSAND DOLLARS (\$2,925,000.00) TO BE DEPOSITED IN THE LANDSCAPE AND LIGHTING ASSESSMENT DISTRICT FUNDS (LLAD)

WHEREAS, the City Council has determined that enhanced street lighting may help mitigate crime hot spots in Oakland; and

WHEREAS, Public Works staff and Oakland Police Department staff have identified and evaluated locations along City streets which would benefit from lighting enhancement; and

WHEREAS, Request for Proposal (RFP) for the Oakland Street Lighting Conversion Project, Project Number C456410, was issued in May 2012 for the purchase of products and technical implementation services to convert all cobra head street lights, estimated at 30,000 units, to low energy use and low maintenance Light-Emitting Diode (LED) street lights; and

WHEREAS, staff selected Amland and Graybar and negotiated contracts because the Amland Corporation team has verified experience in LED conversion projects, comes highly recommended for projects completed in the City of Oakland, demonstrated cohesion among its team members, has the product that meets the technical specifications in the RFP, proposed excellent plans for the execution of the project, agreed to the RFP requirements of performing the work without change order and let staff attend to any item that would precipitate a change order, and provided a firm proposal price for the duration of the project, and these proposal prices are the lowest among the teams that submitted; and

WHEREAS, energy cost savings for City street lighting is approximately \$1,437,000.00 annually; and these energy savings are calculated from PG&E tariff posted in their web site; and the energy savings can be used to pay for the work, but these funds are not available until after one month after the installation complete of the lights; and

WHEREAS, energy rebates the cobra head lights conversion are projected to be approximately Two Million, Nine Hundred and Twenty-five Thousand Dollars (\$2,925,000.00), can be deposited in the LLAD funds and used to pay for the work, but these funds are available until December 31, 2013; and

WHEREAS, to begin the work, staff recommends that the City conduct a request for proposal/qualification process for a financing contract (Loan) and use the energy savings to pay back the long term loan without an increase to existing funds budgeted in the Lighting and Landscape Assessment District (LLAD) Funds; and

WHEREAS, staff will deposit PG&E future energy rebates, estimated in the amount of \$2,925,000.00 from the conversion of High Pressure Sodium (HPS) cobra head street lights to LED street lights, into the LLAD Funds; and

WHEREAS, Oakland Municipal Code (“OMC”) Section 2.04.050.A requires advertising and bidding for the purchase of supplies, construction and services of licensed electrical and lighting engineers and the award to the lowest responsible, responsive bidder if award is made; and

WHEREAS, Section 2.04.050.I. 5 provides an exception to said advertising, bidding and lowest bid award requirements upon a finding and determination by the Council that it is in the best interests of the City to do so; and

WHEREAS, staff recommends that it is in the city’s best interests to waive the customary low bid award process for the construction contracts for this innovative LED street lighting energy-efficient conversion because the project is best suited to a turnkey process that provides the City flexibility to consider and negotiate multiple elements of the project such as financing in addition

to design, price, shared performance of certain aspects of the project, and because the City must expedite the contract award and construction to take advantage of PG&E energy rebates, which expire on December 31, 2013; now, therefore, be it

RESOLVED: That the City Council hereby finds and determines that pursuant to Oakland Municipal Code Section 2.04.050.I. 5 it is in the best interests of the City to waive advertising and bidding for the contract award to Amland Corporation and for the contract award to Graybar, based on the reasons and circumstances set forth above and in the Council Report that accompanies this Resolution; and be it

FURTHER RESOLVED: That the City Administrator, or her designee, is authorized to conduct all negotiations, execute and submit all documents, including but not limited to applications, agreements, amendments, modifications, payment requests and related action which may be necessary, to enter into a contract with Amland Corporation in the amount of Three Million Nine Hundred Ninety Thousand (\$3,990,000.00) and with Graybar in the amount of Ten Million Eight Hundred Fifty Two Thousand, Six Hundred and Fifty Dollars (\$10,852,650.00) for materials, construction and documentation and application for energy savings and energy rebates; and be it

FURTHER RESOLVED: That a seven and one half (7.5%) percent contingency is authorized and the City Administrator or her designee is authorized to increase either of these contracts for materials, construction and documentation and application for energy savings and energy rebates up to an amount not to exceed seven and one half (7.5%) percent over the original contract price, without returning to Council; and be it

FURTHER RESOLVED: That pursuant to Oakland Municipal Code Section 2.04.050.I. 5 it is in the best interests of the City to waive advertising and bidding for a contract award to Amland Corporation in order to expedite financing for the project; and be it

FURTHER RESOLVED: That if the City Administrator negotiates acceptable terms for financing with Amland Corporation at an interest rate not-to-exceed four and one-tenth percent (4.10%) for a term of not more than twelve (12) years, the City Administrator is authorized to amend the Amland Corporation contract to include a financing component which would constitute a single contract of Fourteen Million, Eight Hundred and Forty Two Thousand, Six Hundred and Fifty Dollars (\$14,842,650.00) – \$3,990,000.00 for installation and \$10,852,650.00 for materials; and be it

FURTHER RESOLVED: That the seven and one half (7.5%) percent contingency authorization would not apply to any portion of Amland's contract for financing; and be it

FURTHER RESOLVED: That if the City does not negotiate acceptable financing terms with Amland, the City Administrator, or her designee, is authorized to award a contract for project loan financing to a lender selected through a request for proposal/qualifications process, at an interest rate not-to-exceed four and one-tenth percent (4.10%) for a term of not more than twelve (12) years, to be repaid by energy savings from Landscape Lighting and Assessment District funds, without return to council; and be it

FURTHER RESOLVED: That services provided through Amland Corporation are temporary and of a professional, scientific, or technical nature, and the contract will not result in the loss of employment or salary by any person having permanent status in the competitive service; and be it

FURTHER RESOLVED: The City Council authorizes the City Administrator, or her designee, to set up a revenue account in the LLAD Funds for the Oakland Street Lighting Conversion Project, and to make payments for the long term loan from the LLAD Funds; and be it

FURTHER RESOLVED: The City Council authorizes the City Administrator, or her designee, to set up an escrow account to make payments to principal and interest on the project Loan from LLAD Funds, and to use any excess funds to cover staff costs and for the LED conversion of the specialty street lights in roadways, underpasses, tunnels, etc.; and be it

FURTHER RESOLVED: The City Council authorizes the City Administrator, or her designee, to appropriate energy rebates associated with the conversion of cobra head street lights and specialty street lights into LLAD Fund accounts; and be it

FURTHER RESOLVED: That the contracts will be reviewed and approved by the City Attorney for form and legality and placed on file in the Office of the City Clerk

IN COUNCIL, OAKLAND, CALIFORNIA, JAN 22 2013

PASSED BY THE FOLLOWING VOTE:

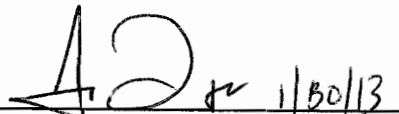
AYES - BROOKS, GALLO, KALB, KAPLAN, GIBSON MCELHANEY, REID, SCHAAF AND PRESIDENT

NOES - ~~██████~~ - 8

ABSENT - 0

ABSTENTION - 0

ABSTENTION - Kernighan - 1

ATTEST:  1/30/13
LaTonda Simmons
City Clerk and Clerk of the Council
of the City of Oakland, California