City of Calistoga Staff Report

TO:

Honorable Mayor and City Council

FROM:

Dan Takasugi, Public Works Director/City Engineer

DATE:

December 21, 2010

SUBJECT:

Consideration of a Resolution Authorizing Awarding a Contract in an amount not to exceed \$34,000 to Reyff Electric, Inc. for the City Buildings Lighting Retrofit Project and Authorizing the City Manager

to Execute the Agreement

APPROVAL FOR FORWARDING:

Richard Spitler, City Manager

ISSUE:

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Consideration of a Resolution Authorizing Awarding a Contract in an amount not to exceed \$34,000 to Reyff Electric, Inc. for the City Buildings Lighting Retrofit Project and Authorizing the City Manager to Execute the Agreement

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RECOMMENDATION:

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Adopt the Resolution.

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BACKGROUND/DISCUSSION:

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In February 2010, Council authorized Staff to apply for an American Recovery and Reinvestment Act (ARRA) Energy Efficiency Conservation Block Grant (EECGB) to perform a lighting retrofit project. In June 2010, the California Energy Commission approved a formula-based grant of \$28,114 to the City for energy retrofits.

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During May 2010, the Public Works Department obtained a Energy Efficiency
Audit at no cost, working with PG&E and Sustainable Napa County. This energy
audit identified the best opportunities for energy conservation. Lighting retrofits
clearly provided the best return on investment amongst many energy conservation
options.

Consideration of a Resolution Authorizing Awarding a Contract in an amount not to exceed \$34,000 to Reyff Electric, Inc. for the City Buildings Lighting Retrofit Project and Authorizing the City Manager to Execute the Agreement December 21, 2010 Page 2 of 3

This lighting retrofit project was initially bid on October 15, 2010, and the bids came in well over budget. The bid sheet was revised, and the project was bid again on November 10, 2010 including other electrical contractors. Informal bids were received on November 22, 2010 with Reyff Electric being the low bidder at \$41,986, not including an additive bid item for Monhoff Recreation Center's lighting retrofit. This new low bid from Reyff Electric is still over the amount of available funding. Under informal contracting guidelines, Staff will seek to reduce the scope of the project so that the project can be awarded within available funds.

Staff anticipates having an awardable project scope within the next couple weeks. Without a Council meeting in early January 2011, this issue is being presented to request contract award authority, so that it does not need to be delayed to January 18, 2011. If a contract can be awarded in January 2011, we anticipate the work to be complete in March 2011.

FISCAL IMPACT:

Reimbursable grant funding of \$28,114 has been programmed into the Fiscal Year 2010/11 budget. Added project funding of approximately \$7,000 from PG&E energy incentives would be applied to the project award, but PG&E would be billed directly for the incentive funding from the Contractor.

Staff anticipates that the City will see annual electric savings of approximately \$7,500 due to the energy efficient lighting retrofits.

ATTACHMENTS:

1. Resolution

RESOLUTION NO. 2010-

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CALISTOGA,
COUNTY OF NAPA, STATE OF CALIFORNIA,
AUTHORIZING AWARDING A CONTRACT TO
REYFF ELECTRIC, INC IN AN
AMOUNT NOT TO EXCEED \$34,000
FOR THE CITY BUILDING LIGHTING RETROFIT PROJECT AND
AUTHORIZING THE CITY MANAGER TO EXECUTE THE CONTRACT

WHEREAS, proposals were received for the City Building Lighting Refrofit Project on November 22, 2010 in accordance with Calistoga Municipal Code; and

WHEREAS, two proposals were received by the City, with the low proposer being Reyff Electric, Inc. in the amount of \$41,986; and

WHEREAS, this low bid from Reyff Electric is still over the amount of available funding, and

WHEREAS, under informal contracting guidelines, Staff will seek to reduce the scope of the project so that the project can be awarded within available funds, and

WHEREAS, due to the cancellation of the January 4, 2011 Council meeting, this issue is being presented to request contract award authority, so that it does not need to be delayed to January 18, 2011, and

WHEREAS, project funds in the form of a grant in the amount of \$28,114 were budgeted in the 2010\11 Capital Improvement Project Budget (Account 01-5501) and additional project funds in the form of PG&E incentives of approximately \$7,000 are available for contract award; and

NOW, THEREFORE BE IT RESOLVED by the City Council of the City of Calistoga as follows:

- 1. The above recitals are true and correct and are hereby incorporated into this Resolution as findings of the City Council of the City of Calistoga.
- In accordance with the Calistoga Municipal Code and other applicable law, the City Council of the City of Calistoga hereby finds the proposal of Reyff Electric, Inc., for the City Buildings Lighting Retrofit Project to be the lowest, responsive proposal.
- 3. The City Manager is hereby authorized and directed to execute a contract with Reyff Electric, Inc. in an amount not to exceed \$34,000, for performance of the Project in accordance with the proposal documents and applicable law upon

48	submission by Reyff Electric, Inc. of all documents required pursuant to the
49	Project solicitation documents, contingent upon approval by the City Attorney.
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51	PASSED, APPROVED, AND ADOPTED by the City Council of the City of Calistog
52	at a regular meeting held this 21st day of December 2010, by the following vote:
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54	AYES:
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56	NOES:
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58	ABSTAIN/ABSENT:
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61	JACK GINGLES, Mayor
62	ATTEST:
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66	SUSAN SNEDDON. City Clerk