

REPORT

To the Honorable Mayor and City Council
From the City Manager

July 13, 2009

SUBJECT

Final Acceptance – Energy Lighting Retrofit Project

RECOMMENDATION

Accept, by motion, the Energy Lighting Retrofit Project and authorize the release of bonds and the retention according to city procedures.

BACKGROUND

On October 13, 2008, Council authorized a budget appropriation of \$250,000.00 and an energy services contract with RC Construction of San Francisco for the Energy Lighting Retrofit Project in the amount of \$148,072.00. With coordinated effort by both Parks, Recreation & Community Services and Engineering & Construction, construction began in January of 2009. The project is successfully completed in accordance with the plans and specifications. One (1) change order for \$17,007.00 was issued and the final contract amount is \$165,079.00 which is 11.48% more than the original contract amount.

Change order activity was anticipated and results from quantity adjustments. During the course of this work, a greater number of existing fixtures had to be replaced before they could be retrofitted for energy savings. As well, the number of fixtures retrofitted increased as work progressed to include fixtures in structures that were auxiliary to the 16 facilities originally identified for energy lighting retrofits. Council authorized funds up to 15% more than the contract amount when authorizing this contract.


The work of this contract retrofitted lighting fixtures in 16 city owned facilities and auxiliary locations. Ballasts, reflectors, and tubes were replaced to improve the overall efficiency of the lighting fixture. Retrofitting conserves energy resources and achieves cost savings through reduced electrical consumption. The annual utility savings to the city has been estimated as \$48,222 and the payback period for the cost of the project as 3.4 years. A \$63,889.00 rebate by PG&E and the Association of Bay Area Governments was directed to the contractor and the original contract amount was discounted to reflect the amount of the rebate.

ALTERNATIVES

Council may choose not to accept the project or not to authorize the release of bonds and retention which would be contrary to the terms of the contract and prior Council action.

FISCAL IMPACT


The project fund balance of \$84,921.00 (*Capital Projects Fund – Energy Lighting Retrofit Project*) as of May 31, 2009 is sufficient to satisfy the expense generated by the change order activity.



S. Peter Vorametsanti, P.E.
City Engineer



Chu Chang, P.E.
Community Development Services Director



Peter Ingram
City Manager

ATTACHMENTS

None

RELATED DOCUMENTS IN CITY CLERK'S OFFICE

None