

Agenda Report

TO: CITY COUNCIL
THROUGH: Finance Committee

Date: July 9, 2001

FROM: City Manager

SUBJECT: Contract Awards to Southern Pacific Coatings and Progressive Energy Management for Lighting Upgrades to the Paseo Colorado Parking Facilities.

RECOMMENDATION:

It is recommended that the City Council:

1. Authorize the City Manager to enter into a contract with Southern Pacific Coatings in the amount of \$115,546.00 to paint the ceiling area between the columns and beams on the various levels of the two satellite parking facilities of the Paseo Colorado Development;
2. Authorize the City Manager to enter into a contract with Progressive Energy Management (PEM) in the amount of \$227,897.45 to reconfigure the existing light fixtures in all three parking facilities with more energy efficient ballasts and lamps;
3. Appropriate \$343,443.45 to the following accounts: 8114-409-763229 (\$70,483.00), 8504-409-763229 (\$45,030.37), 8114-409-763230 (\$45,063.00), 8504-409-763230 (\$36,937.87), and 8504-409-763231 (\$145,929.21).
4. Find that, the proposed contracts are exempt from the competitive bidding process on the basis of impracticality; and
5. Grant the proposed contracts exemption from the competitive selection process of the Affirmative Action in Contracting Ordinance, pursuant to section 4.09.060, contracts for which the City's best interests are served.

BACKGROUND:

In October 1999, the City Council approved the Paseo Colorado Development, inclusive of all related agreements that outlined the extent of the improvements to the project site, including the three parking facilities: Marengo Garage at 155 East Green Street (northwest corner of Marengo and Green), Subterranean Garage at 300 East Colorado Boulevard (between Marengo and Los Robles), and the Los Robles Garage at 400 East Green Street (southwest corner of Los Robles and Green).

The Developer, TrizecHahn, is responsible for painting special areas of the three parking facilities. The painting does not include the ceiling area between the columns and beams throughout all the levels of

the Los Robles and Marengo Garages. After a site review by staff, it was determined that painting this ceiling area would allow greater reflection and dispersion of light, thus brightening up the interior of both garages. This increased lighting effect would create a greater sense of safety and security, and be consistent with the improvements in the Subterranean Garage. Total City cost for the additional work is \$115,546.

Similarly, the current lighting in all three parking facilities is to be refurbished as part of the improvements by TrizecHahn. They were scheduled to replace all lamps and non-functioning ballasts with similar style and lighting output. However, after a site review, and a review of the existing light fixtures and lamp specifications, it was determined that more energy efficient lighting would provide several benefits over the existing conventional lighting.

The majority of these energy efficient fixtures will generate anywhere from 10% to 35% more light, thus, again increasing the safety and security in all three facilities. Since the City will pay the energy costs used to operate the three facilities, these new fixtures are projected to save approximately \$6,800 per month. They will pay for themselves in less than two years and provide approximately a fifty percent return on investment over three years.

The City will pay the difference between the upgraded lighting costs and the original costs agreed to by TrizecHahn. However, TrizecHahn has agreed to reimburse the City an additional \$25,000 towards the cost of reconfiguring the light fixtures. There is also a Pasadena rebate of approximately 25% off the total cost of reconfiguring the existing light fixtures, amounting to \$56,974. Although the total cost of the contract is for \$227,897, the rebate and the additional funding from TrizecHahn will reduce the City's net costs to \$145,923.

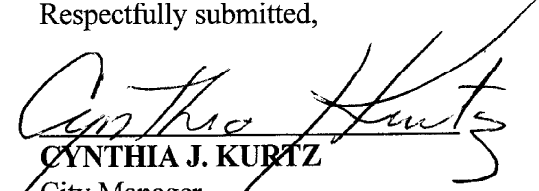
The total net cost to the City for lighting and painting upgrades is \$261,469, which will eventually pay for itself over the course of approximately three and a half years.

Given the progress of the Paseo Colorado Development, and its anticipated opening in the fall of this year, it would not be possible, nor in the public interest, for the City to undertake a competitive bidding process to select contractors to perform the aforementioned lighting upgrades. There are already two contractors, Southern Pacific Coatings and Progressive Energy Management, mobilized on the project for the interior painting and lighting for the parking facilities. These upgrades may be viewed as integral, as well as a natural extension of this work. Further, this work would be integrated and coordinated into the existing project schedule. Timing is also crucial in preventing any delays in getting the parking facilities operational by the opening of the project.


FISCAL IMPACT:

The costs for these upgrades will be financed along with the parking access and revenue control system and will be repaid with operating revenues from the three parking garages. Staff will return to the City Council within one month to authorize the procurement of the remaining equipment and approve the specific financing plan.

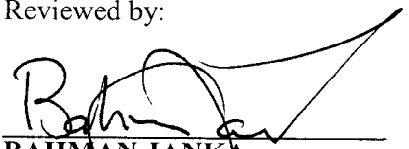
Respectfully submitted,


CYNTHIA J. KURTZ
City Manager

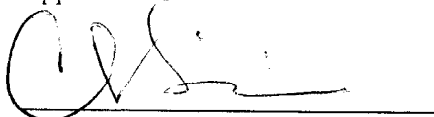
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