

Agenda Report

DATE: DECEMBER 7, 2009

TO: CITY COUNCIL

FROM: CITY MANAGER

SUBJECT: REJECTION OF ALL BIDS – FOR THE PURCHASE OF LIGHT EMITTING DIODE (LED) TUBE LIGHTS FOR VARIOUS CITY FACILITIES

RECOMMENDATION:

It is recommended that the City Council reject all bids received on November 4, 2009, in response to specifications for light emitting diode (LED) tube lights at various City facilities, and authorize the City Manager to call for new bids.

BACKGROUND:

In September 2009, the City of Pasadena was notified that it had been authorized up to \$1,507,800 in Energy Efficiency and Conservation Block Grant (EECBG) funds from the American Recovery and Reinvestment Act of 2009 (Federal Stimulus Funds). The Department of Energy (DOE) established guidelines for the use of the EECBG funds, which are intended to be used to reduce energy use and greenhouse gases and develop and retain jobs.

Over a three-year span, the Department of Public Works will use these funds to replace existing high wattage florescent/incandescent light bulbs with light emitting diode (LED) bulbs in city-owned facilities and street lights. The facility lighting retrofit consists of 26 facilities that are heavily used by the public such as libraries and community centers. For street lights, 100 street light lamps have been identified and will be retrofitted with LED bulbs. This entire project that encompasses both facilities and street lights is anticipated to reduce Pasadena's energy consumption by 1.3 million kilowatt hours and save an approximate \$200,000 in energy costs per year.

For the facility lighting retrofit at the Villa Parke Community Center and Public Works Building, the Department of Public Works prepared specifications for the LED tube lights to replace existing florescent tubes. This procurement opportunity was advertised and bids were opened on November 4, 2009, with the results as follows:

Bidder**Amount**

1. Green Edge Lighting, Mechanicsville, VA	\$179,818.79 \$71.00 per 4 ft. tube light \$50.00 per 2 ft. tube light
2. Global Industrial Supply, Pasadena, CA	*\$196,489.35 \$78.00 per 4 ft. tube light \$58.00 per 2 ft. tube light
3. Variant LED, Altadena, CA	\$198,285.33 \$80.00 per 4 ft. tube light \$42.00 per 2 ft. tube light
4. DataLED Technologies, Beaverton, OR	Non-Responsive
5. California Coastal Lighting, Huntington Beach, CA	Non-Responsive
6. ADG ECO Lighting Products, Agoura Hills, CA	Non-Responsive
7. Parker Lighting, Inglewood, CA	Non-Responsive
8. California Coastal Lighting, Huntington Beach, CA	Non-Responsive
9. Go Green Solutions, Pasadena, CA	Non-Responsive

** Includes 1% local bidder discount*

Based upon the bid results, none of the responsive bidders fell in line with the estimated price per unit (\$48.00 per four foot tube light) that was used to develop the project's budget for the grant award. The LED tube lights were required to be certified by the Underwriters Laboratories (UL). The UL listing ensures that the product meets the requirements for electrical safety, and also against spread of fire and mechanical hazards. Unfortunately, due to the process involved with obtaining UL certification, only three of the bidders were able to supply a UL listing for their submitted product.

To award this bid to the lowest, responsive bidder would adversely impact the project's overall budget as only \$450,000.00 is allocated for LED tube lights. If this bid is awarded to that bidder, only 60% of the materials budget would remain to retrofit the remaining 24 buildings as the bid prices are too high. Another bid opportunity will yield lower prices for these LED tube lights.

In order to maximize the benefit of the grant award for the facility lighting retrofit (\$753,900), staff recommends that the bid be re-advertised with a revised specification that allows for a Department of Energy-safety approved certification for interior LED tube lights. (i.e. MET Laboratories). This certification alternative will not compromise the safety and performance of the LED tube light. By re-advertising these specifications with an alternate safety certification, more manufacturers would be eligible to bid on this opportunity, and offer the tube lights at a lower price.

Consequently, it is recommended that the bids for the LED tube lights be rejected and authorize the City Manager to call for new bids. This bid will be re-advertised in January 2010, with installation beginning in March 2010.

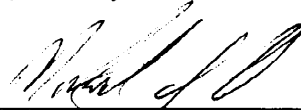
ENVIRONMENTAL IMPACT:

There is no environmental impact as a result of this action.

FISCAL IMPACT:

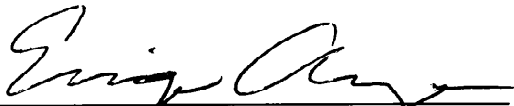
Rejecting bids and re-advertising will have no fiscal impact on this project and the City will still meet the progress guidelines that are established by the EECBG.

Respectfully submitted,



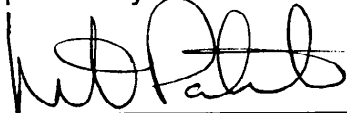
MICHAEL J. BECK
City Manager

Prepared by:



Enrique Arroyo, Management Analyst
Building Systems and Fleet Maintenance Division

Approved by:



Martin Pastucha, Director
Department of Public Works