



STAFF REPORT TO THE CITY COUNCIL

DATE: Regular Meeting of January 9, 2018

TO: Members of the City Council

SUBMITTED BY: Michael Roberts, Public Works Director/City Engineer

SUBJECT: Funding Appropriation and Approval of Sole Source Purchase from Holophane for Streetlights for the Pilot Replacement Project

RECOMMENDED ACTION:

Adopt a resolution:

- 1) Appropriating \$140,066 in Landscaping & Lighting District (LLAD) funding to purchase streetlights for the Pilot Streetlight Replacement Project; and
- 2) Authorizing the City Manager to execute a sole source purchase with Holophane in the amount of \$141,026, totaling \$153,366 with sales tax, for 74 LED streetlights.

FISCAL IMPACT OF RECOMMENDATION:

The proposed budget for the streetlight purchase from Landscaping & Lighting District (LLAD) No. 83-2 by Zone is as follows:

Revenues (Including Capital Reserves Appropriations – This Request):

| | |
|--|----------------|
| Foxboro – Zone 2 (Included in FY 17-18 Budget) | \$13,300 |
| Foxboro – Zone 2 (Appropriation) | \$78,837 |
| Commercial – Zone 5B (Appropriation) | \$6,468 |
| Development Parcels – Zone 5C (Appropriation) | \$1,953 |
| Heights – Zone 7 (Appropriation) | \$46,868 |
| Citywide Parks – Zone 10 (Appropriation) | <u>\$5,940</u> |
| Total Revenue | \$153,366 |

Expenditures (with Description of Purchase):

| | |
|---|----------------|
| Foxboro – Zone 2 (40 Single Bulb Streetlights ¹ , 4 Double Bulb Streetlights ²) ³ | \$92,137 |
| Commercial – Zone 5B (2 Double Bulb Streetlights) | \$6,468 |
| Development Parcels – Zone 5C (1 Single Bulb Streetlight ⁴) | \$1,953 |
| Heights – Zone 7 (24 Single Bulb Streetlights ⁴) | \$46,868 |
| Citywide Parks – Zone 10 (3 Single Bulb Streetlights in Foxboro Park) | <u>\$5,940</u> |
| Total Expenditures | \$153,366 |

Notes

1. Single bulb streetlights in Foxboro cost \$1,820 each, \$1,979 with tax.

2. Double bulb streetlights cost \$2,974 each, \$3,234 with tax.
3. Foxboro includes 1 spare single streetlight and 1 spare double bulb streetlight.
4. Single bulb streetlights in the Heights and Development Parcels cost \$1,796 each, \$1,953 with tax, which is slightly less than Foxboro because the LED lights are 70 Watt equivalents (i.e. less bright) versus 150 Watt equivalents.

There are sufficient capital reserves for the appropriations in Commercial Zone 5B, Heights Zone 7, Citywide Parks Zone 10, and \$45,000 of Foxboro Zone 2 based upon the adopted FY 17-18 Engineers Report for LLAD No. 83-2. There are insufficient capital reserves for the remaining appropriation amount of \$33,837 for Foxboro Zone 2 and the full amount of \$1,953 for Development Parcels Zone 5C; however, both of these Zones have positive annual operating budgets and can repay their respective deficits over time, such as the 10 year period that was previously discussed. There is adequate overall funding in the LLAD No. 83-2 Capital Reserve Fund due to the positive balance in Zone 10 to cover the cost of the deficits in these two individual Zones as an inter-zone loan until they are repaid, including not only this purchase but also the future installation.

DISCUSSION:

Holophane has provided a proposal (attached) as requested by staff for the Pilot Streetlight Replacement Project discussed at the last Council meeting on December 12, 2017. Their proposal includes a total of 74 streetlights with energy efficient LED, acorn style light fixtures and black aluminum poles (specifications attached) at a cost of \$141,026, for a total of \$153,366 including sales tax (proposal attached).

These are the same make and model streetlights PG&E installed approximately 4 years ago when they replaced their wood hollow core streetlights that are interspersed with City owned streetlights in neighborhoods. Utilizing the same model for the City owned streetlights will ensure uniformity in appearance. Additionally, PG&E and Holophane originally collaborated to create a self-anchoring, direct burial foundation versus a concrete foundation, which results in significant savings during installation. Holophane's streetlights also have LED light fixtures that come with a 10 year warranty, which is anticipated to save up to 50% in electricity and also maintenance costs. Staff has reviewed Holophane's proposal and determined that it is competitive. Purchasing directly from Holophane will save a distributor markup of approximately 10% and storing the lights at the Maintenance Yard as previously discussed will save a contractor's markup of approximately an additional 10%. Lastly, staff has worked with Holophane over the years and found they are very responsive and a good company to partner with moving forward in serving the community.

Holophane's 74 streetlights would provide replacements for all the public streets in Foxoboro and Foxboro Park; the remaining 2 wood poles in Commercial Zone 5B located in the median of Turquoise approaching Crystal Avenue; the remaining 1 wood pole in Development Parcels Zone 5C located on the asphalt pathway off Sycamore Avenue just west of the I-80 overcrossing; and on Coronado Street and Carson Street in the Heights Zone 7 (location map attached).

Given the benefits of utilizing Holophane's streetlights and desire to advance the Pilot Streetlight Replacement Project, staff is recommending award of the purchase. Staff intends to advertise for bids for the installation in several weeks, with that work occurring in March/April, in coordination with the delivery of the streetlights.

ATTACHMENTS:

1. Resolution
2. Holophane Proposal
3. Location Map
4. Holophane Specifications
5. Sole Source Form

Financial Impact**Description:** Expenditure amount not to exceed \$153,366.**Funding Source:**Revenues (Including Appropriations – This Request):

| | |
|---|-----------------|
| Foxboro – Zone 2 (Included in FY 17-18 Budget) | \$13,300 |
| Foxboro – Zone 2 (Zone Capital Reserves Appropriation) | \$78,837 |
| Commercial – Zone 5B (Zone Capital Reserves Appropriation) | \$6,468 |
| Development Parcels – Zone 5C (Zone Capital Reserves Appropriation) | \$1,953 |
| Heights – Zone 7 (Zone Capital Reserves Appropriation) | \$46,868 |
| Citywide Parks – Zone 10 (Zone Capital Reserves Appropriation) | \$5,940 |
| Total Revenue | <hr/> \$153,366 |

Expenditures:

| | |
|-------------------------------|-----------------|
| Foxboro – Zone 2 | \$92,137 |
| Commercial – Zone 5B | \$6,468 |
| Development Parcels – Zone 5C | \$1,953 |
| Heights – Zone 7 | \$46,868 |
| Citywide Parks – Zone 10 | \$5,940 |
| Total Expenditures | <hr/> \$153,366 |

Budget Recap:

| | | | |
|------------------------|---|----------------|----|
| Total Estimated cost: | \$153,366 | New Revenue: | \$ |
| Amount Budgeted: | \$13,300 | Lost Revenue: | \$ |
| New funding required: | \$140,066 | New Personnel: | \$ |
| Council Policy Change: | Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> | | |