

REPORT TO COUNCIL

City of Sacramento

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915 I Street, Sacramento, CA 95814-2604
www.CityofSacramento.org

Consent
August 17, 2010

Honorable Mayor and
Members of the City Council

**Title: Contract: 35th Avenue DOU Building Solar Project
(Z14001900)**

Location/Council District: 1395 35th Avenue Department of Utility (DOU)
Building/Council District 4

Recommendation: Adopt a **Resolution** 1) approving the plans and specifications for the 35th Avenue DOU Building Solar project (Z14001900), and awarding the contract to Wenham Construction for an amount not to exceed \$493,270, and 2) authorizing the transfers of funds, from: the Base CIP Reserve - Drainage (W14000200) in the amount of \$38,000 (Fund 6011), Base CIP Reserve - Sewer (X14000500) in the amount of \$90,000 (Fund 6006) and the Base CIP Reserve - Water (Z14000700) in the amount of \$5,000 (Fund 6005).

Contact: David L. Brent, Engineering Manager, 808-1420; Dave Hansen, Supervising Engineer, 808-1421

Presenters: Not applicable

Department: Utilities

Division: Engineering Services

Organization No: 14001321

Description/Analysis

Issue: The 35th Avenue Department of Utility (DOU) Building Solar project consists of installing the solar photovoltaic panels, the power inverter, solar power meter and other electrical equipment. In addition to the normal Sacramento Municipal Utility District (SMUD) rebate, there are additional SMUD incentives for this project under an agreement between SMUD and the City approved on August 26th, 2008, in City Council Resolution No. 2008-598. The total estimated rebate for this project from SMUD will be \$316,000.

Policy Considerations: The requested action is in conformance with City Code Section 3.60, Articles I and III, which provide for the award of competitively bid contracts to the lowest responsible bidder. This report's recommendation is

consistent with the City's Strategic Plan goals of improving and expanding public safety and achieving sustainability and livability. Staff has verified or will verify prior to the Notice to Proceed, that the bonds and insurance required for this project are valid.

Environmental Considerations:

California Environmental Quality Act (CEQA): The Community Development Department, Environmental Planning Services Division, has reviewed the proposed project and determined that it is categorically exempt from the provisions of CEQA under Class 1, Section number 15301(b).

A project exempted under Class 1, Section number 15301(b), consists of the operation and minor alteration of existing structures, facilities, and equipment used to provide electrical power.

Sustainability Considerations: The project is consistent with the City's Sustainability Master Plan by reducing its carbon footprint, and using more cost effective environmentally clean green power which is one of the City's sustainability targets.

Other: Not applicable.

Commission/Committee Action: Not applicable.

Rationale for Recommendation: The project was formally advertised to solicit public bids, and two (2) bids were received and opened by the City Clerk on July 28, 2010. The engineer's construction estimate was \$535,000. The lowest responsive bid was submitted by Wenham Construction in the amount of \$493,270. Staff recommends that the contract be awarded to Wenham Construction.

Financial Considerations: The Wenham Construction bid is for an amount not to exceed \$493,270. The total estimated project cost including design, construction, inspection, and contingency is estimated to be \$588,000. The project ((Z14001900 (parent) and Z14001901 (child)) currently has an available balance of \$455,000. The following funding transfers are needed to award the contract and complete the project:

Base CIP Reserve - Drainage (W14000200) Fund 6011	\$38,000
Base CIP Reserve - Sewer (X14000500) Fund 6006	\$90,000
Base CIP Reserve - Water (Z14000700) Fund 6005	\$5,000
Total	<u>\$133,000</u>

There will be SMUD incentives estimated at \$316,000. The amount will be prorated back to the appropriate Base CIP Reserve Projects respectively upon the receipt of

these incentives from SMUD.

Emerging Small Business Development (ESBD): This project included a participation goal of 20% for emerging and small business enterprises (ESBEs) as required by Ordinance 99-007 and Resolution 99-055 relating to ESBD participation goals and policies, adopted by City Council on February 9, 1999. Wenham Construction exceeded the ESBE goals with a participation level of 20%.

Respectfully Submitted by: 
 David L. Brent
Engineering Manager

Approved by: 
Marty Hanneman
Director of Utilities

Recommendation Approved:

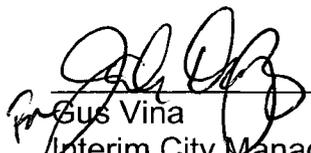

Gus Vina
Interim City Manager

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Attachment 1**Background**

As outlined in the Sacramento 2030 General Plan, this project supports an increased reliance on renewable energy to reduce Sacramento's dependence on nonrenewable energy sources. At the same time it reduces energy costs, the project reduces the City's carbon footprint, and uses more cost effective environmentally clean green power. In addition to the normal SMUD rebate, there are additional SMUD incentives for this project under the agreement between SMUD and the City approved by City Council Resolution No. 2008-598 on August 26, 2008. The total estimated rebate for this project from SMUD will be \$316,000.

This project consists of installing the solar array panels, the inverter, solar power meter, combiners and other electrical equipment.

The project was advertised and two (2) bids were received and opened on July 28, 2010. The bids are summarized below:

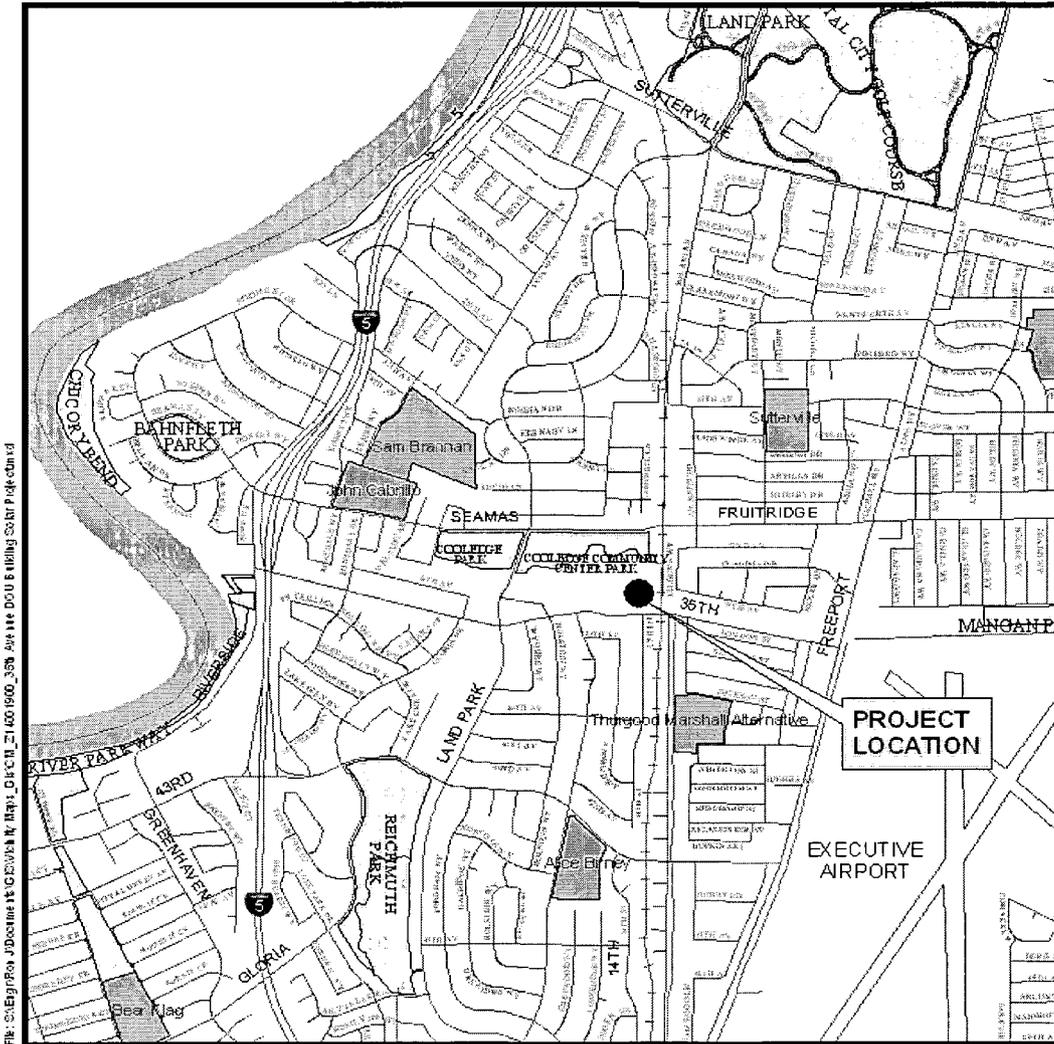
Contractor	Bid Amount
Wenham Construction	\$493,270.00
Solex Energies	\$571,438.00

The engineer's construction estimate was \$535,000. The transfers of funds are needed as listed in the *Financial Considerations* to award the construction contract and complete the project.

Attachment 2

Location Map

35th Avenue DOU
Building Solar Project
(PN: Z14001900)



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Map Prepared By
City of Sacramento
Department of Utilities



Attachment 3

RESOLUTION NO. 2010-

Adopted by the Sacramento City Council

August 17, 2010

**APPROVING 35TH AVENUE DOU BUILDING SOLAR PROJECT
(Z14001900)**

BACKGROUND

- A. The 35th Avenue Department of Utility (DOU) Building Solar project consists of installing the solar photovoltaic panels, the power inverter, solar power meter and other electrical equipment. This project is consistent with the City's policy to reduce its carbon footprint, and use more cost effective environmentally clean green power.
- B. City staff prepared the contract plans and specifications to install this solar project. The project was advertised and two (2) bids were received on July 28, 2010.
- C. City Code Chapter 3.60 identifies the general guidelines for completing contracts for public projects and procedures for bidding and issuing contracts over \$100,000.
- D. Wenham Construction was the lowest responsive and responsible bidder.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:

- Section 1. The plans and specifications for the 35th Avenue DOU Building Solar project (Z14001900) are approved, and the contract is awarded to Wenham Construction for an amount not to exceed \$493,270.
- Section 2. The City Manager is authorized to transfer the following expenditure budgets to Z14001900:

Base CIP Reserve - Drainage (W14000200) Fund 6011	\$38,000
Base CIP Reserve - Sewer (X14000500) Fund 6006	\$90,000
Base CIP Reserve - Water (Z14000700) Fund 6005	\$5,000
Total	<u>\$133,000</u>