



Agenda Item Staff Report

To: Honorable Mayor and Members of City Council
For the Meeting of September 10, 2024

From: Chris Constantin, City Manager

Prepared by: Brandon Slater, Associate Engineer

Subject: Approve the Purchase of Street Lights and Fixtures for the Wooden Street Light and Red Street Light Replacement Project; Relieve ESB Light LLC from their Bid Due to a Clerical Error; Waive Requirement to Publicly Open Bids, Award the Purchase of Decorative City Lighting Equipment to United Electric Supply as the Lowest Responsible Bidder for the Bid Amount of \$152,795.59; Authorize a Budget of \$152,795.59 for Copenhagen Lights (CS-7767-REV1) Provided by Sun Valley Lighting; and Authorize City Manager to Execute a Purchasing Agreement with United Electric Supply on a Form Approved by the City Attorney.

SUMMARY

The Wooden Copenhagen and Red Steel Pole (6.6 KV) Street Light Replacement Project will replace existing streetlights near the Civic Center and on Bonita Avenue from San Dimas Avenue to Walnut Avenue, including Iglesia and Walnut as detailed in Attachment 1. This project encompasses replacing the existing streetlights, the dilapidated conduit, and providing two new meter pedestals. The current street light poles and systems show significant deterioration and require replacement.

Due to anticipated long lead times, the purchase of Copenhagen Lights (CS-7767-REV1) was bid separate from the construction contract. Nostalgia Series Street Lights that form part of this project were approved for purchase at the July 9th, 2024, Council Meeting. A future staff report will address the award of a construction contract for installing the conduits and foundations. The entire street lighting project is estimated at \$1.3 million. This report covers a portion of the material procurement totaling \$152,795.59 for the purchase of Copenhagen Street Lights.

RECOMMENDATION

Staff recommends that the City Council approve the following:

1. Relieve ESB Light LLC from their bid due to a clerical error.

2. Waive requirement to publicly open bids.
3. Award the Purchase of Decorative City Lighting Equipment to United Electric Supply as the lowest responsible bidder for the bid amount of \$152,795.59.
4. Authorize a budget of \$152,795.59 for Copenhagen Lights (CS-7767-REV1) provided by Sun Valley Lighting.
5. Authorize City Manager to execute a purchasing agreement with United Electric Supply on a form approved by the City Attorney.

FISCAL IMPACT

This report includes the material purchase of the Copenhagen Lights, forming part of a larger project. Staff requests Council's approval of \$152,795.59, which was allocated in the FY 2023-2024 budget.

These poles are part of the larger project to replace the existing Wooden Copenhagen and Red Steel Pole (6.6 KV) streetlights, as shown in Attachment 1 including the replacement of conduits and foundations. The engineer's estimate for the entire project is approximately \$1,300,000, allocated across FY 2023-2024 and FY 2024-2025 budgets in the Citywide Lighting District Fund. A more detailed estimate will be provided in a future staff report for the award of the construction cost.

Overall Project Budget

<i>Nostalgia Series Street Lights and Pedestals</i>	<i>\$121,447.00</i>	<i>Approved July 09, 2024</i>
Copenhagen Street Lights (estimated)	\$152,795.59	This Staff Report
<i>Construction Cost (estimated)</i>	<i>\$1,025,757.41</i>	<i>Future</i>
<i>Overall Project Budget (estimated)</i>	<i>\$1,300,000</i>	

Staff requested bids for the procurement of Copenhagen style streetlights. The poles and luminaires are manufactured by Sun Valley Lighting to match existing lights already in use by the City. Equipment cost are as follows:

Copenhagen Street Lights manufactured by Sun Valley Lighting (Quantity of 31) for \$152,795.59.

BACKGROUND

On August 14, 2024, the City received four (4) bids for the Purchase of Decorative Lighting Equipment. The preliminary bid results are as follows:

	Contractor	Base Bid
1	ESB Light LLC	\$ 45,849.00
2	United Electric Supply	\$ 152,795.59
3	Walters Wholesale Electric	\$ 162,099.00
4	Rexel USA	\$ 231,674.78

Upon receipt of the Lowest Bidder's request for relief, Staff consulted with the City Attorney. The grounds for such relief are provided in Public Contract Code (PCC) Section 5103. The code section is presented below in bold with the analysis included in italics below each section:

Public Contract Code Section 5103 the bidder is required to establish to the satisfaction of the [City] that:

a) a mistake was made

ESB Light LLC Letter received 8/19/24 notified the City that an error was made in the bid proposal for the Purchase of Decorative City Lighting Equipment.

b) .. [the contractor] gave the public entity written notice within five working days...after the opening of the bids of the mistake specifying in the notice in detail how the mistake occurred.

ESB Light LLC provided written notification of the error on 8/19/2024. The bid opening was on 8/14/2024. The notice was provided within 5 working days as required.

c) The mistake made the bid materially different than [the contractor] intended it to be.

The mistake amount was \$229,223 which is more than 25% of the bid constituting a material cost difference.

d) The mistake was made in filling out the bid and not due to error in judgment or to carelessness in inspecting the site of the work, or in reading the plans or specifications.

The distributor reports the mistake was made from a communication error and not from error in judgment or carelessness in inspecting the site of work.

The contractor's request for relief from the bid meets the criteria for PCC 5103.

The Wooden Copenhagen and Red Steel Pole (6.6 KV) Street Light Replacement Project will replace 28 existing wooden Copenhagen and Red Steel Pole (6.6 KV) streetlights near civic center as shown in attachment 1. The project will replace the existing street lighting on Bonita Ave. between Walnut Ave. and San Dimas Ave., Walnut Ave. between Bonita Ave. and 2nd St., Iglesia Street between Bonita Avenue and 1st Street and San Dimas Avenue between Bonita Ave. and 1st St.

The Wooden Copenhagen street light poles at Civic Center are showing signs of deterioration and need to be replaced. At the May 11, 2021, council meeting, Staff presented the proposed layout. After further investigation, a redesign of the project was required due to the condition of the existing conduit, necessitating replacement and the addition of two new pedestals. Electrical outlets were also added to the new Copenhagen street light poles. During the redesign, the Red Street Lights (6.6 KV) system failed, leading to the combination of both projects into one comprehensive replacement project. The combined design is now finished. As the lead time on the poles is 4 to 6 months, the poles are proposed to be ordered first. The construction contract will be publicly bid and brought for Council consideration also in the near future. Construction is anticipated to start in January of 2025.

DISCUSSION/ANALYSIS

The City utilizes one supplier in order to match the City's Standard Copenhagen Street Lights and provide a uniform product for residents throughout the City. All Copenhagen streetlights installed within the city are provided by Sun Valley Lighting and are purchased through their distributors. The street light pole is designed specifically for the City with structural calculations stamped by a licensed engineer.

Purchase of equipment is required to comply with **Municipal Code Section 3.28.110. Formal bid procedures for purchase of supplies, services, professional service....** This section was followed with one exception. The "Notice Inviting Bids" was published on public bid boards as well as sent to specific vendors and a time was set for receipt of the bids. However, the bids were not publicly opened as required by the code section. This Code is a City standard intended to prevent collusion and provide public transparency on bids.

Staff consulted with the City Attorney regarding this error and is including the bids received in Attachment 4 for public transparency. The City Attorney indicated the error does not violate State Law and risk of collusion is minimal as there is only one manufacturer of this item, so the cost differential is minor.

Additionally, this is the second time the Copenhagen lights were out to bid with three of the same bidders. The first round of bids was discarded due to language missing in the Notice Inviting Bids that did not specify why the sole manufacturer was required. The Copenhagen Street lights are designed by a licensed engineer for the City. The poles must match existing fixtures used in the City to include aluminum mill thickness, electric outlets, decoration holders, etc.

With the above considerations, Staff recommends that Council waive the requirement for public opening of the bids.

There are thirty Copenhagen street lights required for the Wooden Street light/Red Steel Pole replacement project. One Pole was added to the bid quantity to be installed on San Dimas Avenue just South of the Metro Gold Line Tracks as part of the Gold Line Project. This increases the total quantity to 31 Copenhagen streetlights provided by Sun Valley Lighting.

Ameron poles, Spring City luminaires, Sun Valley Lighting Copenhagen lights and Tesco meter pedestals will be furnished by the City prior to the construction project due to long lead times. This provides a cost savings to the City and shortens the overall construction schedule.

There are a total of 43 street light poles required for the project. On July 09, 2024, Council approved the purchase of the nostalgic streetlights and pedestal equipment that form part of the project. With the 30 Copenhagen poles, all street light poles and equipment to be furnished by the City for this project will be ordered.

ALTERNATIVES

The City Council may choose to not approve or authorize the equipment/material cost for the Wooden Copenhagen and 6.6 kv (Red Steel Pole) Street Light Replacement Project. The funding allocated for the construction could be used to complete other future lighting replacement or repair projects. Delaying the purchase of the materials/equipment may result in increased construction time and delays due to the long lead times required for procurement.

ENVIRONMENTAL REVIEW

The proposed project is Categorically Exempt under CEQA guidelines, Title 14, Article 19
Categorical Exemptions, Section 15302. Replacement or Reconstruction Class 2.

Respectfully submitted,



Brandon Slater
Associate Engineer

Attachments:

1. Wooden Copenhagen and 6.6 kv (Red Steel Pole) Street Light Replacement Project -
Location Map and Image
2. Purchase of Decorative Lighting Equipment Bid Specifications
3. Letter to Withdraw Bid due to a Clerical Error for ESB Light LLC
4. Bids Received.