



CITY COUNCIL ACTION REPORT

December 21, 2006

TO: Phillip L. Nelson, City Manager

FROM: John M. Lamerato, Assistant City Manager/Finance & Administration
Jeanette Bennett, Purchasing Director
Carol K. Anderson, Parks and Recreation Director

SUBJECT: Standard Purchasing Resolution 8: Best Value Award – Flynn Park Sports Lighting

Background

- On November 17, 2006, bids were received and opened for ITB-COT 06-48, to provide all material, labor, and equipment to install a new sport lighting system on four (4) ball diamonds at Flynn Park.
- 62 vendors were notified via the MITN system with two vendor walk-ins.
- Four (4) vendors responded, with one statement of no bid received. Vendors were required to submit a twenty-year life cycle cost for their lighting system showing the costs for operating and relamping their systems over the expected life of the system. This twenty-year life cycle cost is a major factor in determining the award.
- The lowest bid for the equipment was submitted by Custer Electric, Inc. and the second lowest was G&B Electrical Company at \$314,525.00 and \$385,000.00 respectively. Although the Qualite System proposed by Custer Electric has a lower initial cost to the City, it has a much higher life cycle cost. Therefore, the Musco SportsCluster Green™ system with its lower level of energy consumption and lower relamping costs presents a better value for the City of Troy.

G and B Electrical Co. – Musco SportsCluster Green™

Installation Cost	\$385,000.00
20-year Life Cycle Cost	<u>\$311,296.00</u>
TOTAL COST OVER SYSTEM LIFE (Estimated)	\$696,296.00

Custer Electric, Inc. – Qualite Sport Lighting

Installation Cost	\$314,525.00
20-year Life Cycle Cost	<u>\$481,061.00</u>
TOTAL COST OVER SYSTEM LIFE (Estimated)	\$795,586.00

- Sky Electric submitted an alternate bid, which proposed a \$10,000.00 deduction from their base bid, if the fixtures were purchased directly from the manufacturer, Musco.
- The alternate was analyzed but not in the City's best interest, due to acquiring additional risk and responsibility for the equipment.
- Replacement bulbs for the Musco system are readily available locally.

December 21, 2006

To: Phillip L. Nelson, City Manager
Re: Best Value Award – Flynn Park Sports Lighting

Financial Considerations

- Funds for this project are available in Parks capital Account #401770.7974.035

Legal Considerations

- ITB-COT 06-48 was competitively bid and vendors were given the opportunity to respond with their level of interest in supplying and installing a new sports lighting system at Flynn Park.
- The award is contingent upon the recommended bidder's submission of proper contract and bid documents, including bonds, insurance certificates and all other specified requirements.

Policy Considerations

- Replacing the existing 20-year old lighting system will address complaints of inadequate lighting on the fields as well as excess spill lighting reaching the surrounding residential areas. (Goal #6)
- Awarding the contract to the vendor whose lighting system saves energy and money over the life of the system is in the best interest of the City. (Goals #1 and #4)

Options

- City management and the Parks and Recreation Department recommend awarding the contract for installing a new sports lighting system at Flynn Park to the low bidder, G and B Electrical Co., of Bloomfield Hills, MI, as the result of a life cycle costing analysis for an estimated total cost of \$385,000.00, at unit prices contained in the bid tabulation opened 11/17/06. Staff also requests authorization to approve additional work, not to exceed 10% of the total project cost due to unforeseen circumstances.

VENDOR NAME:

**	G & B Electrical	Sky Electric Inc	Custer Electric Inc.
	Company		
CHECK #:	258028188	133701	11036
CHECK AMOUNT:	\$5,000.00	\$5,000.00	\$5,000.00

PROPOSAL: TO FURNISH ALL LABOR, MATERIALS, AND EQUIPMENT TO REMOVE EXISTING LIGHTING AND INSTALL A NEW SPORT LIGHTING SYSTEM ON FOUR BALL DIAMONDS AT FLYNN PARK

LIGHTING SYSTEM FOR FOUR BALL DIAMONDS

Quoting on Lighting Systems: Remote or Integral
Manufactured by:

Remote	Remote	Remote
Musco	Musco	Qualite Sports Lighting
\$ 385,000.00	\$ 387,381.00	\$ 314,525.00

COMPLETE FOR THE SUM OF:

LIFE CYCLE COSTING MODEL: Assumptions: (Average # of Hrs per year - 625) (Electric cost per Kilowatt Hr \$.089)

Number of light fixtures
Number of Lamps per fixture
Watts
Cost per lamp
Lamp Life in hours
Cost of Labor to remplace Lamp

152	152	232
a) 5 b) 6 c/d) 4	1	1
1.56 Kw's	1560	1500
\$ 60.00	\$ 60.00	\$ 70.00
5000	5000	3000
\$ 65.00	\$ 75.00	No Cost-Warranty
\$ 311,296.00	\$ 315,096.00	\$ 481,061.00

ESTIMATED GRAND TOTAL:

**	\$ 696,296.00	\$ 702,477.00	\$ 795,586.00
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(Includes Life Cycle Model)

SCHEDULE OF VALUES: MARKED AS

See Exceptions	AIA Doc. G703	Documation Summary letter
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CONTACT INFORMATION: HOURS
PHONE

7am to 6pm	7am to 8pm	7am to 5pm
248-792-2279	810-664-0460	800-428-6568

COMPETION DATE: Shall Commence
Completion

10 Days	5 Days	20 Days
March 1, 2007		

SITE INSPECTION: Y/N
Date

Yes	Yes	Yes
11/16/2006	11/8/2006	1/12/2005

INSURANCE CAN MEET
CANNOT MEET

XX	XX - +\$250.00	XX
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PROGRESS PAYMENTS:

Percentage/30 days 10% Retention - then 5%	Percent of work Completed with 30 days	14 Days
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TERMS:

Per Specs	30 Days	14 Days
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WARRANTY:

AS SPECIFIED		
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EXCEPTIONS:

1) Schedule of values requires parameters 2) Completion date unrealistic given weather	Clarification Attached to bid (Wiring methods Design, Asphalt repair, direct purchase of lights from Musco (deduct \$10M))	See Bid-if disconnects are needed at each pole Please add \$7,500.00 to bid amount
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ACKNOWLEDGEMENT: Y/N

Yes	Yes	Yes
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ATTEST:

Jeff Biegler
Charlene McComb
Linda Bockstanz

** DENOTES BEST VALUE PROPOSAL

Jeanette Bennett
Purchasing Director

VENDOR NAME:

McNulty Electric Inc.		
CHECK #:	4438543922	
CHECK AMOUNT:	\$5,000.00	

PROPOSAL: TO FURNISH ALL LABOR, MATERIALS, AND EQUIPMENT TO REMOVE EXISTING LIGHTING AND INSTALL A NEW SPORT LIGHTING SYSTEM ON FOUR BALL DIAMONDS AT FLYNN PARK

LIGHTING SYSTEM FOR FOUR BALL DIAMONDS

Quoting on Lighting Systems: Remote or Integral

Blank

Manufactured by:

GE/CHMS

COMPLETE FOR THE SUM OF:

\$ 465,700.00

Includes bonding costs

LIFE CYCLE COSTING MODEL: Assumptions: (Average # of Hrs per year - 625) (Electric cost per Kilowatt Hr \$.089)

Number of light fixtures

272/8

Number of Lamps per fixture

1

Watts

1500

Cost per lamp

\$ 75.00

Lamp Life in hours

12,000/2,000

Cost of Labor to replace Lamp

\$ 85.00

\$ 516,833.00

ESTIMATED GRAND TOTAL:

\$ 982,533.00

(Includes Life Cycle Model)

SCHEDULE OF VALUES: MARKED AS

Flynn Park Unit Costs

CONTACT INFORMATION: HOURS

24 Hours

PHONE

810-359-5451

COMPETION DATE: Shall Commence
Completion

5 Days

March 1, 2007

SITE INSPECTION: Y/N
Date

Yes

11/9/2006

INSURANCE CAN MEET
CANNOT MEET

XX

PROGRESS PAYMENTS:

Per Month

TERMS:

Blank

WARRANTY:

AS SPECIFIED

EXCEPTIONS:

None

ACKNOWLEDGEMENT: Y/N

Yes

NO BIDS:

Harlan Electric Company