



CITY OF LODI
COUNCIL COMMUNICATION

AGENDA TITLE: Approve Specifications and Authorize Advertisement for Bids for the LED Street Light Retrofit Project
MEETING DATE: March 19, 2014
PREPARED BY: Electric Utility Director

RECOMMENDED ACTION: Approve specifications and authorize advertisement for bids for the LED street light retrofit project.

BACKGROUND INFORMATION: On December 19, 2012, the City Council authorized the City Manager to submit an application to participate in a California Energy Commission (CEC) low-interest loan of up to \$3 million for an LED street light retrofit project. This loan was to be paid back over the course of 10 years with Public Benefits funds. There are several entities competing for these loans, and the City's application was not selected. Staff plans to submit another loan application to the CEC, and the information gained from bidders will provide additional project details resulting in a more complete loan application.

Based on engineering estimates, this retrofit will result in a 40-percent reduction in energy consumption for street lights and, depending on retrofit costs, could result in a positive cash flow after 10 years in excess of \$300,000. The City currently has 5,794 cobra head style street lights which will cost approximately \$1,840,000 to upgrade including labor and materials. The City currently has 1,497 decorative post top street lights which will cost approximately \$820,000 to upgrade including labor and materials.

Staff is recommending issuing a Request for Proposals (RFP) for an LED street lights project that includes financing by the contractor should the City not prevail with obtaining the CEC low-interest loan.

The RFP is a turn-key solution including:

- A. Sourcing the street light luminaries consistent with Lodi Electric Utility Standards.
- B. Installation including labor, materials and equipment.
- C. Financing over a 10-year period.

Proposals will consider the retrofit of cobra head street lights and the post top decorative street lights separately with the vendors providing a return on investment and simple payback analysis for both cases. It would be the council's prerogative to proceed with one, both or none of these options.

FISCAL IMPACT: None at this time.

FUNDING AVAILABLE: Not Applicable.


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