

COUNCIL ACTION FORM

**SUBJECT: LED LUMINAIRES FOR THE ELECTRIC SERVICES DEPARTMENT –
CHANGE ORDER NO. 1**

BACKGROUND:

The purchase of LED luminaires is to replenish inventory for the Electric Services Department. LED luminaires of this type are kept on hand in order to ensure availability for the needs of the department. Typically, these LED luminaires are used to provide lighting service for both roadway and security light applications in residential and commercial areas and are necessary to meet the anticipated needs of the Electric Services Department for new construction and maintenance projects.

On January 24, 2017, City Council awarded a contract to Kriz Davis, Ames, Iowa, for the purchase of Electric Services LED Luminaires in accordance with bid in the amount of \$128,796 (inclusive of Iowa sales tax).

This proposed Change Order No. 1 in the amount of \$96,621 (inclusive of Iowa sales tax) is for the purchase of approximately 600 additional fixtures at the same unit prices the vendor offered in its bid. Electric Services has run out of LED fixtures on two prior occasions, which has hindered their ability to change out as many fixtures to LED style as planned under the CIP for LED Street Lights-Maintenance Retrofits. In order to advance the LED-retrofit plan and take advantage of the very-good competitive pricing the City has received on this particular bid, staff is requesting this change order. There are three different sizes of fixtures covered by this purchase order and Lumec, who is the manufacturer, will permit the City to adjust actual item quantities as-needed, provided the minimum order quantity of 400 is met. **The total amount with this change order will be \$225,417 (inclusive of Iowa sales tax).**

These will be initially purchased to the Inventory Account. However, the fixtures are charged out to LED Street Lights--Maintenance Retrofits under the FY2016/17 CIP as they are used. There is currently \$250,000 budgeted under this account for FY2016/17 and \$300,000 budgeted for 2017/18.

ALTERNATIVES:

1. Approve contract Change Order No.1 with Kriz Davis, Ames, Iowa, for the purchase of Electric Services LED Luminaires in the amount of \$96,621 (inclusive of Iowa sales tax). This will bring the total amount to \$225,417 (inclusive of Iowa sales tax).
2. Do not approve the change order.

MANAGER'S RECOMMENDED ACTION:

It is important to have LED luminaires available to meet department's needs for roadway and security light applications in residential and commercial areas and will facilitate the implementation of the CIP project approved for the retrofit of existing higher-wattage fixtures to more-efficient LED fixtures. **This change order will ensure a continuous supply of LED fixtures through the end of 2017 at competitive pricing.**

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1 as stated above.