

VILLAGE OF LOMBARD
REQUEST FOR BOARD OF TRUSTEES ACTION
For Inclusion on Board Agenda
BIDS AND PROPOSALS

TO: President and Village Board of Trustees
FROM: David A. Hulseberg, Village Manager
DATE: August 7, 2012 **Agenda Date:** August 23, 2012
TITLE: **Contract For Lighting Efficiency Upgrade Project**

SUBMITTED BY: William J. Heniff, Director of Community Development Department *WJH*

RESULTS:

Date Bids Were Published N/A Date Bidding Closed N/A
Total Number of Bids Received
Total Number of Bidders Meeting Specifications
Bid Security Required..... Yes No
Performance Bond Required Yes No
Were Any Bids Withdrawn Yes No
 Explanation:
Waiver of Bids Requested? Yes No
 If yes, explain:
Award Recommended to Lowest Responsible Bidder Yes No
 If no, explain:

FISCAL IMPACT:

Public Works 2713.756140 Police Dept. 2413.756140

BACKGROUND/RECOMMENDATION:

Request to award a contract to All Tech Energy in an amount not to exceed \$35,940 relative to upgrading to energy-efficient electrical and lighting solutions for selected Village owned buildings. Grant assistance will be received from the Illinois Department of Commerce and Economic Opportunity (DCEO) in the amount of \$19,889 and Illinois Clean Energy in the amount of \$13,518 for a total amount of \$33,407. The Village would be responsible for payment of \$2,533. The Village has previously used All Tech Energy for electrical upgrades at the Fire Station.

Has Recommended Bidder Worked for Village Previously X Yes X No
 If yes, was quality of work acceptable X Yes No
Was item bid in accordance with Public Act 85-1295? Yes X No
Waiver of bids - Public Act 85-1295 does not apply X Yes No

REVIEW (as needed):

Village Attorney XX _____ Date _____
Finance Director XX _____ Date _____
Village Manager XX _____ Date _____

NOTE: All materials must be submitted to and approved by the Village Manager's Office by 12:00 Noon, Wednesday, prior to the Board Agenda distribution.



MEMORANDUM

TO: David A. Hulseberg, AICP, ICMA-CM, Village Manager

FROM: William J. Heniff, AICP, Director of Community Development *WH*

DATE: August 23, 2012

SUBJECT: **Lighting Efficiency Upgrade Project**

As part of ongoing efforts to address lighting efficiencies for selected Village owned buildings (Police, Public Works Administration, Public Works Underground and the Public Works Vehicle Storage Buildings), the Village has undertaken a review of the facilities and has sought grant opportunities to contribute toward this effort. Staff has been successful in securing grant assistance from the Illinois Department of Commerce and Economic Opportunity (DCEO) and from Illinois Clean Energy. These grants would total \$33,407, of the overall total project costs of \$35,940 (93% of the total project costs). The Village would be responsible for payment of \$2,533.

Attached for reference purposes is the contract and project scope from the contractor doing the work and companion award correspondence. Also attached is a breakdown of the cost savings and efficiency summary, which represents the favorable return on the investment. Overall, this effort is consistent with our adopted sustainability initiatives as the energy used will be about half of what the Village currently uses in these buildings.

While the Village would only be responsible for \$2,533 of the project costs, as the overall project totals \$38,473, this project would require Village Board approval.

RECOMMENDATION:

Staff recommends that the Village Board authorize the acceptance of the DCEO and Illinois Clean Energy Grants in the cumulative amount of \$33,407 and authorize award of a contract to All Tech Energy in the amount not to exceed \$35,940.

ALL TECH ENERGY

7/18/2012

Keith Steiskal
Bldg Div Coordinator
Village of Lombard
255 E. Wilson Ave.
Lombard, IL 60148

Dear Keith

All Tech Energy is a DBE/WBE certified company providing lighting and electrical turn-key solutions in the commercial and industrial marketplace. We focus on new energy reduction opportunities and the latest technologies.

By upgrading to energy-efficient electrical and lighting solutions you will immediately recognize:

- ***A reduction in your energy costs*** – Newer technologies can greatly reduce energy consumption and lower energy bills, while maintaining lighting levels and quality by upgrading lighting components to more advanced and efficient systems. Upgrading technologies can also offer employees greater control over lighting, allowing for additional energy savings.
- ***Lower lighting maintenance costs*** – Improvements in lighting include components that result in fewer failures and reduced maintenance costs.
- ***Enhanced quality of light*** – New lighting systems offer better lighting quality, improved color, reduced flicker, and greater light output resulting in reduced eyestrain and greater productivity.

We appreciate the opportunity to provide you with our recommendation for your facility. We have analyzed your lighting systems, and the total project cost to retrofit your existing fixtures with new energy efficient components and replace high bay fixtures with fluorescent fixtures (please refer to retrofit overview dated 07/18/2012) is \$35,940.00.

Notes:

- This quote is based on using existing fixture feeds and fixture supports unless specifically noted above.
- Customer shall supply contractor with adequate secure space for staging of material and recycling supplies.
- Customer shall be responsible for relocating customer owned property in order to have adequate access to lighting fixtures.
- Quoted as 1st shift labor.

Excluded:

- Permit fees.
- Replacement and repair of existing damage lamp sockets or wiring to existing fixtures unless specifically noted above.

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1000 E. State Parkway • Suite C • Schaumburg, IL 60173 • 847/882-0500 • Fax: 847/882-0800
www.alltechenergy.com

Village of Lombard
RETROFIT OVERVIEW

| Item No. | Designated Area | Hours of Operation Per Year | Existing/ Proposed | FXTURES | | Watts | Total Watts Saved | Price Per Fixture | Total Price |
|----------|---------------------|-----------------------------|-----------------------|---------|--|-------|-------------------|-------------------|-------------|
| | | | | Qty. | Description | | | | |
| 1. | Police Station | | Existing: | 2 | 1x4x2 F40T12/CW with magnetic ballast. | 86 | | | |
| | | | Proposed Retrofit: | 2 | Retrofit existing 1x4 fixture with two F28T8/841 and one high efficiency instant start electronic ballast. | 48 | 76 | \$79.00 | \$158.00 |
| 2. | Police Station | | Existing: | 2 | 2x2x2 F40T12/CW/UJ8 with magnetic ballast. | 86 | | | |
| | | | Proposed Retrofit: | 2 | Retrofit existing 2x2 fixture with two F17T8/841, one high efficiency instant start electronic ballast and a white reflector kit including new sockets. | 30 | 112 | \$82.00 | \$184.00 |
| 3. | Police Station | | Existing: | 48 | 2x4x4 F40T12/CW with magnetic ballast. | 172 | | | |
| | | | Proposed Retrofit: | 48 | Retrofit existing 2x4 fixture with four F28T8/841 and one high efficiency instant start electronic ballast. | 95 | 3,542 | \$94.00 | \$4,324.00 |
| 4. | Admin Bldg | 8,760 | Existing: | 1 | 1x4x2 F40T12/CW with magnetic ballast. | 86 | | | |
| | | | Proposed Retrofit: | 1 | Retrofit existing 1x4 fixture with two F28T8/841 and one high efficiency instant start electronic ballast. | 48 | 38 | \$79.00 | \$79.00 |
| 5. | Admin Bldg | | Existing: | 23 | 400 watt Metal Halide Fixture | 458 | | | |
| | | | Proposed Retrofit: | 23 | Furnish and install a fluorescent fixture with six T8 - 32w lamps and two high ballast factor electronic ballasts. One for one replacement, no additional piping and wiring. | 222 | 5,428 | \$315.00 | \$7,245.00 |
| 6. | Underground Utility | | Existing: | 4 | 1x4x2 F40T12/CW with magnetic ballast. | 86 | | | |
| | | | Proposed Retrofit: | 4 | Retrofit existing 1x4 fixture with two F28T8/841 and one high efficiency instant start electronic ballast. | 48 | 152 | \$79.00 | \$316.00 |

| Item No. | Designated Area | Hours of Operation Per Year | Existing/ Proposed | FIXTURES | | Watts | Total Watts | Total Watts Saved | Price Per Fixture | Total Price |
|--------------------|---------------------|-----------------------------|-----------------------|----------|--|-------|-------------|-------------------|-------------------|--------------------|
| | | | | Qty. | Description | | | | | |
| 7 | Underground Utility | | Existing: | 8 | 2x2x2 F40T12/CW/U/B with magnetic ballast. | 86 | 688 | | | |
| | | | Proposed Retrofit: | 8 | Retrofit existing 2x2 fixture with two F17T8/841, one high efficiency instant start electronic ballast and a white reflector kit including new sockets. | 30 | 240 | 448 | \$92.00 | \$736.00 |
| 8 | Underground Utility | | Existing: | 2 | 2x4x4 F40T12/CW with magnetic ballast. | 172 | 344 | | | |
| | | | Proposed Retrofit: | 2 | Retrofit existing 2x4 fixture with two F28T8/841, one high efficiency instant start electronic ballast and a white reflector kit including new sockets. | 48 | 96 | 248 | \$109.00 | \$218.00 |
| 9 | Underground Utility | 8760 | Existing: | 23 | 400 watt Metal Halide Fixture | 458 | 10,534 | | | |
| | | | Proposed Retrofit: | 23 | Furnish and install a fluorescent fixture with six T8 - 32w lamps and two high ballast factor electronic ballasts. One for one replacement, no additional piping and wiring. | 222 | 5,106 | 5,428 | \$315.00 | \$7,245.00 |
| 10 | Vehicle Storage | | Existing: | 49 | 400 watt Metal Halide Fixture | 458 | 22,442 | | | |
| | | | Proposed Retrofit: | 49 | Furnish and install a fluorescent fixture with six T8 - 32w lamps and two high ballast factor electronic ballasts. One for one replacement, no additional piping and wiring. | 222 | 10,878 | 11,564 | \$315.00 | \$15,435.00 |
| Total Price | | | | | | | | | | \$35,940.00 |

Note: Permit fees are not included in this proposal. Proposal includes DCEO required materials, 1st shift labor, project mgmt, recycling of old lamps and pcb ballasts and assistance with the ICEF and DCEO rebates.

Adder: \$12.00 per ballast for sensorless fixtures. A program start ballast is recommended.

Village of Lombard
SAVINGS SUMMARY

These calculations are based upon a .09 electric rate.

| | MONTH | 1 YEAR | 5 YEARS |
|------------------------------|-------------------|--------------------|---------------------|
| Current operating expense: | \$3,500.50 | \$42,006.00 | \$210,030.00 |
| New operating expense: | \$1,723.97 | \$20,687.60 | \$103,438.00 |
| Energy Savings | \$1,776.53 | \$21,318.40 | \$106,592.00 |
| Cost for Retrofit: | | | \$2,533.00 |
| Pay Back Period: | | | 0.2 Years |
| Return on Investment: | | | 842% |

Cost to Retrofit \$35,940.00
 Potential DCEO Rebate \$19,889.00
 Potential ICEF Rebate \$13,518.00
 Total \$2,533.00

If this proposal meets with your approval, please sign and return it to my attention. I look forward to working with you on this energy cost saving project that will provide a brighter, more energy efficient environment for you and your associates.

Sincerely,

ALL TECH ENERGY, INC.

Jackie Sherman
Energy Management Specialist

Terms and Conditions

"Terms and Conditions. By signing the acceptance below, your company agrees to the terms and conditions of the proposal as well as to the terms stated below. Permit costs are not included in the proposal amount. The installation provided by All Tech Energy has a one year guarantee as to workmanship (excludes lamp and ballast replacement) and a manufacturer's warranty will be provided to you on the installed materials and equipment upon final payment. Warranty and warranty packet on the equipment and materials installed will be provided upon final payment. The quotation is based upon the initial survey of the scope of work which may require a deposit. When this proposal becomes accepted a more detailed survey may be required as to the scope of the project. Any adjustment to the proposal and scope of the project shall be made in writing and signed and approved by both parties. A final payment is due to All Tech Energy upon job completion. There is a service charge on unpaid balances of 1.5% per month (18% per annum) if the outstanding balance is not paid pursuant to the agreed upon terms. In the further event that action must be taken by All Tech Energy to collect any outstanding balance, the company agrees to pay All Tech all of All Tech's reasonable attorney's fees, litigation and court costs including sheriff's fees."

Acceptance by:

(company)

Proposal No.

\$ 35,940.00 *
(amount)

* ALL COSTS
COVERED BY
GRANTS EXCEPT
\$ 2,533.00

By: _____
(name)

(purchase order no.)

(title)

(date)

PRICES IN THIS PROPOSAL ARE IN EFFECT FOR 30 DAYS FROM THE DATE OF THIS LETTER

**DUE TO THE PRICING VOLATILITY OF RARE EARTH METALS USED IN THE
MANUFACTURING OF FLUORESCENT LAMPS,
LAMP PRICING CANNOT BE GUARANTEED.**



Illinois Department of Commerce & Economic Opportunity

Pat Quinn, Governor • David Vaught, Acting Director

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Notice to Proceed

July 17, 2012

Mr. Keith Steiskal, Building Official
Village of Lombard
255 E WILSON AVE
LOMBARD, IL 60148-3926

RE: Application 4754 Village of Lombard

Dear Mr. Steiskal:

The Department is in receipt of your Public Sector Energy Efficiency Pre-Approval application to improve energy efficiency. Your application has been reviewed and was found to meet all the necessary requirements to proceed with the proposed project. Please refer to Application #4754 for all correspondence regarding this project.

This letter will serve as your formal **Notice to Proceed** for this project. We have reserved funds for your project, estimated to be **\$19,889.00** and they will be held until May 15, 2013. Equipment installation must be completed and all documentation must be submitted to the Department for final review and approval. It is your responsibility to verify that all equipment meets the required specifications.

Please be advised that final documentation must include required 2012-2013 Year 5 documents (see www.ilenergynow.org for the latest version). Final documentation must include all required forms as listed in Application Checklist located in Public Sector Energy Efficiency Program 2012-2013 Guidelines, Appendix A, page A-2. Your facility may be selected for a verification site visit.

Upon project completion, please indicate your agreement with these terms by completing the appropriate forms included in the attached Rebate Agreement and return to my attention at Illinois Department of Commerce and Economic Opportunity, Illinois Energy Office, 500 E. Monroe Street, Springfield, IL 62701.

If you have any questions or require any additional information, please feel free to contact me by telephone at (217)785-2638 or by email at rajiv.narielwala@illinois.gov

Sincerely,

Rajiv Narielwala
Public Sector Energy Efficiency Program

www.idceo.net

500 East Monroe
Springfield, Illinois 62701-1643
217/782-7500 • TDD: 800/785-6055

James R. Thompson Center
100 West Randolph Street, Suite 3-400
Chicago, Illinois 60601-3219
312/814-7179 • TDD: 800/785-6055

2309 West Main, Suite 118
Marion, Illinois 62959-1180
618/997-4394 • TDD: 800/785-6055

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Illinois Clean Energy
community foundation

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April 30, 2012

Mr. Keith Steiskal
Plan Reviewer/Inspector II/Facilities
Village of Lombard
255 E. Wilson Ave
Lombard, IL 60148

Dear Mr. Steiskal:

We are very pleased to inform you that the Illinois Clean Energy Community Foundation has approved a grant of \$13,518 to the Village of Lombard for energy efficient upgrades to indoor lighting systems in your facilities.

Thank you for your leadership in demonstrating the value of investing in energy efficiency for your community: enhancing lighting quality, saving money, and improving the environment.

The enclosed grant agreement defines the terms and conditions of the grant. Two copies are provided.

To accept the grant, please review, sign and return one complete copy of the grant agreement to the Foundation as soon as possible, and no later than one month from today.

On behalf of the Foundation's Board of Trustees and staff, we would like to extend our best wishes for the success of this project.

Sincerely,

Dennis F. O'Brien
Executive Director

Enclosure