

ORDINANCE No. 185929

*Authorize two competitive solicitations one for equipment and one for installation of equipment for the lighting efficiency program. (Ordinance)

The City of Portland ordains:

Section 1: The Council finds:

1. The Portland Bureau of Transportation (PBOT) has planned the conversion of 46,700 street lights from high pressure sodium to energy efficient Light-Emitting Diodes (LED) over the next three to five years. The bureau anticipates achieving savings due to lower energy use and lower maintenance and operations costs.
2. Ordinance #185837 passed by Council on December 19, 2012 authorized the issuance of revenue bonds in a amount sufficient to provide up to \$18.5 million for costs related to the Project, plus additional amounts sufficient to pay capitalized interest, accrued interest on any interim financing and estimated costs related to the revenue bonds authorized.
3. In accordance with Ordinance #185838, beginning in FY 2016-17, or in an earlier fiscal year when annual street light savings after payment of debt service is sufficient to support such costs, PBOT is directed to purchase 100% renewable energy for the street light system. These prices have varied in recent years, but at current renewable energy prices, the cost increase of this purchase is estimated to be \$84,000 per year.
4. Once annual street light savings have reached an amount sufficient for debt service payments plus renewable energy purchase, PBOT is directed to reserve savings sufficient to replace the street light assets at the end of their useful life. At this time, replacement costs are estimated to be \$17.5 million or an accumulated savings of \$875,000 annually over 20 years.
5. Phase I of the lighting efficiency program was approved in the fall BMP. PBOT is planning a \$6.5 million bond sale to begin Phase I of the Project in FY 2012-13. OMF has issued the Letter of Interest and the sale of the bonds is expected to close April 3, 2013.
6. PBOT seeks Council authorization for Procurement Services to issue two solicitations, one Invitation to Bid (ITB) for purchase of the LED equipment and a Request for Proposal (RFP) for installation and maintenance of the equipment for the lighting efficiency program, resulting in total awards not-to-exceed \$6,500,000, over a 3-year period.
7. Energy Trust of Oregon has identified \$500,000 for energy incentives for the lighting efficiency program. Lights must be installed within the calendar year to ensure that the City will obtain these energy incentives.

NOW, THEREFORE, the Council directs:

- a. The Chief Procurement Officer is authorized to facilitate the use of the competitive solicitation process in accordance with PCC 5.33 in order to obtain the most responsible and responsive offers providing contracts for the purchase of LED equipment and installation of the equipment for the lighting efficiency program.
- b. Upon Council acceptance of the Chief Procurement Officer's Report, Procurement Services is authorized to negotiate and execute contracts, provided the contracts have been approved as to form by the City Attorney's office.

Section 2: The Council declares that an emergency exists in order to be eligible for energy incentives from the Energy Trust of Oregon and a delay could potentially reduce the amount of incentives the City could receive; therefore, this ordinance shall be in full force and effect from and after its passage by the Council.

Passed by the Council, MAR 20 2013

Mayor Charlie Hales
Prepared by: Tod Rosinbum:slg
Date Prepared: February 27, 2013

LaVonne Griffin-Valade

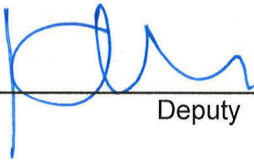
Auditor of the City of Portland
By


Deputy

850281

Agenda No. **185929**
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<p>INTRODUCED BY Commissioner/Auditor: MAYOR CHARLIE HALES</p>	<p>CLERK USE: DATE FILED <u>MAR 15 2013</u></p>
<p>COMMISSIONER APPROVAL</p> <p>Mayor—Finance and Administration <i>SAA</i></p> <p>Position 1/Utilities - Fritz</p> <p>Position 2/Works - Fish</p> <p>Position 3/Affairs - Saltzman</p> <p>Position 4/Safety - Novick</p>	<p style="text-align: right;">LaVonne Griffin-Valade Auditor of the City of Portland</p> <p>By:  Deputy</p>
<p>BUREAU APPROVAL</p> <p>Bureau: Bureau of Transportation Engineering & Technical Services</p> <p>Bureau Head: Steve Townsen <i>SA</i></p> <p>Prepared by: Tod Rosinbum:slg <i>PK</i></p> <p>Date Prepared: February 27, 2013</p>	<p>ACTION TAKEN:</p>
<p>Financial Impact & Public Involvement Statement</p> <p>Completed <input checked="" type="checkbox"/> Amends Budget <input type="checkbox"/></p>	
<p>Portland Policy Document</p> <p>If "Yes" requires City Policy paragraph stated in document.</p> <p>Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p>	
<p>Council Meeting Date MARCH 20, 2013</p>	
<p>City Attorney Approval: required for contract, code, easement, franchise, comp plan, charter</p>	

AGENDA
<p>TIME CERTAIN <input type="checkbox"/></p> <p>Start time: _____</p> <p>Total amount of time needed: _____ (for presentation, testimony and discussion)</p>
<p>CONSENT <input checked="" type="checkbox"/></p>
<p>REGULAR <input type="checkbox"/></p> <p>Total amount of time needed: _____ (for presentation, testimony and discussion)</p>

FOUR-FIFTHS AGENDA	COMMISSIONERS VOTED AS FOLLOWS:		
		YEAS	NAYS
1. Fritz	1. Fritz	✓	
2. Fish	2. Fish	✓	
3. Saltzman	3. Saltzman	✓	
4. Novick	4. Novick	✓	
Hales	Hales	✓	