

FINANCE AND CIVIC DEVELOPMENT COMMITTEE

*HIS WORSHIP, THE MAYOR
AND COUNCILLORS*

SUBJECT: STREET LIGHT DIMMING PROGRAM

RECOMMENDATIONS:

1. THAT Council award a purchase order to Pacific Green Energy Initiative (PGEI) for the supply and delivery of street light dimmers including associated equipment, software and services for a full purchase price of \$335,260.00 less ICE Program funding of \$170,000.00 for a net City cost of \$185,091.20 (including HST of \$19,831.20).
2. THAT Council authorize staff to enter into an agreement with BC Hydro to apply for a Power Smart rebate of \$137,000.

REPORT

The Finance and Civic Development Committee, at its meeting held on 2011 March 16, received and adopted the *attached* report seeking approval to award a purchase order to Pacific Green Energy Initiative (PGEI) for the supply and delivery of equipment and software for the Street Light Dimming Pilot Program, and authorization to enter into an agreement with BC Hydro. This project will be included in the 2011 Annual 5 Year Capital Plan under the “Energy Conservation Program”.

Respectfully submitted,

Councillor D. Johnston
Chair

Councillor N. Volkow
Vice Chair

Councillor C. Jordan
Member

Copied to:	City Manager Director Engineering Director Finance
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Item
Meeting..... 2011 March 21

COMMITTEE REPORT

TO: CHAIR AND MEMBERS
FINANCE AND CIVIC DEVELOPMENT
COMMITTEE

DATE: 2011 March 16

FROM: DIRECTOR FINANCE

FILE: 37500-18
39-03/11

SUBJECT: STREET LIGHT DIMMING PROGRAM

PURPOSE: To obtain approval to award a purchase order to Pacific Green Energy Initiative for the supply and delivery of equipment and software for the Street Light Dimming Pilot Program.

RECOMMENDATION:

1. **THAT** a purchase order be awarded to Pacific Green Energy Initiative (PGEI) for the supply and delivery of street light dimmers including associated equipment, software and services for a full purchase price of \$335,260.00 less ICE Program funding of \$170,000.00 for a net City cost of \$185,091.20 (including HST of \$19,831.20).
2. **THAT** staff be authorized to enter into an agreement with BC Hydro to apply for a Power Smart rebate of \$137,000.

REPORT

1.0 BACKGROUND

The Engineering Street Light Dimming Pilot Program (Item 6 of the 2011 March 7 Council agenda) qualifies for \$170,000 of Province of BC's funding under the Innovative Clean Energy (ICE) Program.

2.0 DISCUSSION

To obtaining this funding the City must issue a purchase order prior to March 31, 2011 to Pacific Green Energy Initiative a company contracted to administer this program by the Province of BC. The purchase order must be for the full purchase price of \$335,260.00 less the ICE Program funding amount of \$170,000.00. PGEI will in turn issue a purchase order to Street Light Intelligence (SLQ) the manufacturer of the equipment and software for delivery of the order to the City of Burnaby. The terms of payment require the City to make a down payment of 50% of the full purchase price (\$167,630.00). The City will supply a cash equivalent security instrument which upon receipt of the equipment from SLQ will be made payable to PGEI. PGEI is responsible for drawing the \$170,000.00 from the ICE Fund and remitting full payment of \$335,260 to SLQ. Council is also requested to approve staff enter into an

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From: Director Finance
Re: Street Light Dimming Pilot Program
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agreement (approximate cost is \$1,160 per year) with SLQ for maintenance of the system. The term of this agreement will be seven years to match the estimated seven year pay back period.

SLQ is a small vendor that the City has not done business with in the past. This contract is unusual as it uses an intermediary to manage the contract and payment process. If council approves this purchase order, Purchasing staff will take the necessary steps to ensure a secure contract procurement process is in place.

3.0 CONCLUSION

The Director Engineering recommends the awarding of a purchase order to PGEI and that Council authorizes staff to enter into an agreement with BC Hydro. Appearing elsewhere on the Council agenda for reconsideration and final adoption is a Capital Reserve Expenditure Bylaw report seeking final funding approval for this project. The project will be included in the 2011 Annual 5 Year Capital Plan under the "Energy Conservation Program".



Denise Jorgenson
DIRECTOR FINANCE

DJ/JM
cc. Director Engineering
City Manager