

City of Las Cruces®

PEOPLE HELPING PEOPLE

Council Action and Executive Summary

Item # 9

Ordinance/Resolution# 11-12-392

For Meeting of _____
(Ordinance First Reading Date)

For Meeting of October 17, 2011
(Adoption Date)

TITLE: A RESOLUTION AUTHORIZING CHANGE ORDER NO. 2 IN THE AMOUNT OF \$28,779.87 TO THE CONTRACT BETWEEN THE CITY OF LAS CRUCES AND DPW SOLAR CORPORATION FOR THE CONSTRUCTION OF A SOLAR PHOTOVOLTAIC (PV) SYSTEM AT THE LAS CRUCES CONVENTION CENTER, AS ORIGINALLY APPROVED BY CITY COUNCIL VIA RESOLUTION NO. 10-11-448, AND AMENDING THE FISCAL YEAR 2011-2012 BUDGET.

PURPOSE(S) OF ACTION:

To authorize a change order to expand the PV Array systems at the Las Cruces Convention Center.

COUNCIL DISTRICT: 2		
<u>Drafter/Staff Contact:</u> Soo Gyu Lee	<u>Department/Section:</u> Public Works Facilities Management	<u>Phone:</u> 541-2905
<u>City Manager Signature:</u>		

BACKGROUND / KEY ISSUES / CONTRIBUTING FACTORS:

City Council authorized Resolution No. 10-11-448, which awarded a contract for the design and construction of a photovoltaic (PV) array at the Las Cruces Convention Center in the amount of \$440,859.38.

During the course of the project, the Grants Office contacted the New Mexico Energy, Minerals, and Natural Resources Department (EMNRD) to request an extension on time for expenditure and reallocation of the remaining funds for the expansion of the PV array in order to fully utilize the funds. This request was approved, and the funds are set to expire/revert as of November 30, 2011.

The proposed Change Order No. 2 includes additional solar panels, an extended warranty for the power inverter, and installation of wheel stops to protect the canopy supports. This increases the contract amount from the original \$440,859.38 to \$469,639.25, for a net change of \$28,779.87. DPW Solar Corporation is currently on-site finishing up the original scope of work. Given that the

vendor designed and installed the current system and is already mobilized, staff believes that it is in the City's best interest to proceed with this change order to prevent potential reversion of funds as well as to maximize the benefit of this project. As part of this Resolution, an amendment to the budget is requested.

SUPPORT INFORMATION:

1. Resolution.
2. Exhibit "A", Purchasing Manager's Request to Contract.
3. Exhibit "B", Budget Adjustment.
4. Attachment "A", Change Order No. 2.
5. Attachment "B", Change Order Proposal.

SOURCE OF FUNDING:

Is this action already budgeted?	Yes	<input checked="" type="checkbox"/>	See fund summary below
	No	<input type="checkbox"/>	If No, then check one below:
	<i>Budget Adjustment Attached</i>	<input type="checkbox"/>	Expense reallocated from: _____
		<input type="checkbox"/>	Proposed funding is from a new revenue source (i.e. grant; see details below)
		<input type="checkbox"/>	Proposed funding is from fund balance the _____ Fund.
Does this action create a revenue?	Yes	<input type="checkbox"/>	Funds will be deposited into this fund: in the amount of \$ _____ for FY _____.
	No	<input checked="" type="checkbox"/>	There is no new revenue generated by this action.

BUDGET NARRATIVE

N/A

FUND EXPENDITURE SUMMARY:

Fund Name(s)	Account Number(s)	Expenditure Proposed	Available Budgeted Funds in Current FY	Remaining Funds	Purpose for Remaining Funds
DOE Stimulus 4912	49805010-852100-20019	\$469,639.25	\$54,471.00	\$25,690.75	To monitor energy output for one year; required by grant.

OPTIONS / ALTERNATIVES:

1. Vote "Yes"; this will approve the Resolution, authorizing City staff to execute Change Order No. 2 and allow the project to proceed in a timely manner.
2. Vote "No"; this will not approve the Resolution. Therefore, staff would need to seek other options to use the remaining fund balance to prevent potential reversion of the funds to the state.
3. Vote to "Amend"; this will direct staff to proceed as amended by City Council.
4. Vote to "Table"; this will direct staff to review other options.

REFERENCE INFORMATION:

The resolution(s) and/or ordinance(s) listed below are only for reference and are not included as attachments or exhibits.

1. Resolution No. 10-11-448

RESOLUTION NO. 11-12-392

A RESOLUTION AUTHORIZING CHANGE ORDER NO. 2 IN THE AMOUNT OF \$28,779.87 TO THE CONTRACT BETWEEN THE CITY OF LAS CRUCES AND DPW SOLAR CORPORATION FOR THE CONSTRUCTION OF A SOLAR PHOTOVOLTAIC (PV) SYSTEM AT THE LAS CRUCES CONVENTION CENTER, AS ORIGINALLY APPROVED BY CITY COUNCIL VIA RESOLUTION NO. 10-11-448, AND AMENDING THE FISCAL YEAR 2011-2012 BUDGET.

The City Council of the City of Las Cruces is informed that:

WHEREAS, City Council authorized Resolution No. 10-11-448, which awarded a contract for the design and construction of a photovoltaic (PV) array at the Las Cruces Convention Center in the amount of \$440,859.38; and

WHEREAS, the New Mexico Energy, Minerals, and Natural Resources Department (EMNRD) approved an extension on time for expenditure and reallocation of the remaining funds to the expansion of the PV array in order to fully utilize the funds. The funds are set to expire/revert as of November 30, 2011; and

WHEREAS, the proposed Change Order No. 2 increases the contract amount from the original \$440,859.38 to \$469,639.25, for a net change of \$28,779.87; and

WHEREAS, City staff believes that it is in the City's best interest to proceed with this change order to prevent reversion of funds as well as to maximize the benefit of this project.

NOW, THEREFORE, Be it resolved by the governing body of the City of Las Cruces:

(I)

THAT City staff is authorized to execute Change Order No. 2 to compensate DPW Solar, Corp., of Albuquerque, New Mexico for the expansion of a Solar PV System at the Las Cruces Convention Center in the amount of \$28,779.87.

(II)

THAT Purchasing Manager's Request to Contract Exhibit "A" is hereby attached hereto.

(III)

THAT City staff is hereby authorized to do all deeds as necessary in the accomplishment of the herein above.

DONE and APPROVED this ____ day of _____, 2011.

APPROVED:

Mayor

ATTEST:

City Clerk

(SEAL)

VOTE:

Mayor Miyagishima: _____

Councillor Silva: _____

Councillor Connor: _____

Councillor Pedroza: _____

Councillor Small: _____

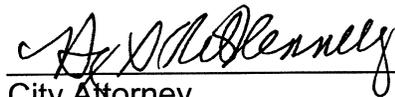
Councillor Sorg: _____

Councillor Thomas: _____

Moved by: _____

Seconded by: _____

APPROVED AS TO FORM:



City Attorney

CITY OF LAS CRUCES

PURCHASING MANAGER'S REQUEST FOR CHANGE ORDER

For Meeting of: October 17, 2011

Resolution No.: 11-12-392
(Refer to folder 10-11-448)

**Change Order to Existing Contract For
 Solar Photovoltaic (PV) System – Las Cruces Convention Center
 And to Amend the Fiscal Year 2011 – 2012 Budget**

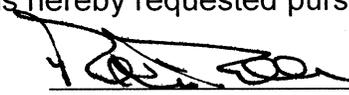
The Las Cruces City Council is provided the following information concerning this request:

BID/RFP SOLICITATION INFORMATION:

- 1. Original Bid/RFP & Due Date: **RFP #10-11-448 / November 10, 2010**
- 2. Description of Bid/RFP: **Solar Photovoltaic (PV) System**
- 3. Contract Award: **Resolution No.10-11-448 / January 3, 2011**
- 4. Contract Revision:
 - Previous Contract Award Amount: **\$440,859.38**
 - Change Order Amount: **\$28,779.87**
 - New Contract Amount: **\$469,639.25**
- 5. Contractor: **DPW Solar Corp., of Albuquerque, NM**
- 6. Using Department: **Public Works**
- 7. Contract Duration: **120 Consecutive Calendar Days from Notice to Proceed**

PROCUREMENT CODE COMPLIANCE:

The City of Las Cruces Procurement Code was administered in the conduct of this procurement and approval to change the above contract is hereby requested pursuant to **Section 24-228.**


 Purchasing Manager

/ 9/30/2011
 Date

CONFIRMATION OF FUND ENCUMBRANCE:

REQUISITION OR PURCHASE ORDER NUMBER:	TBD
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**CITY OF LAS CRUCES
ADOPTED BUDGET FY 2011/2012**

FUND	DIVISION		FUND TYPE	
State Stimulus Capital Projects Fund 4912	Various		Capital Project	
	FY 2010/11 Projected*	FY 2011/12 Adopted	FY 2011/12 Adjustment	FY 2011/12 Adjusted
RESOURCES				
Beginning Balance	\$ 0	0		0
REVENUES				
70K04 Del Rey Blvd Reconstruction	1,337,027	63,217		63,217
20019 Las Cruces Convention Center	164,131	54,471	276,729	331,200
Total Revenues	\$ 1,501,158	117,688	276,729	394,417
Total Resources	\$ 1,501,158	117,688	276,729	394,417
EXPENDITURES				
70K04 Del Rey Blvd Reconstruction	\$ 1,337,027	63,217		63,217
20019 Las Cruces Convention Center	164,131	54,471	276,729	331,200
Total Expenditures	\$ 1,501,158	117,688	276,729	394,417
ENDING BALANCE	\$ 0	0	0	0

*Projected based on 8 months actual through February 28, 2011 and 4 months projected.

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CHANGE ORDER

OWNER x
 ARCHITECT —
 CONTRACTOR x
 FIELD —
 OTHER —

PROJECT:	Solar Photovoltaic (PV) System. Renewable Energy Project 680 E. University Ave. Las Cruces, NM 88001	CHANGE ORDER NUMBER Two (2) DATE: September 28, 2011
TO CONTRACTOR:	DPW Solar 4000 B Vassar NE Albuquerque, NM 87107	PROJECT NO. : N/A CONTRACT DATE: January 31, 2011 CONTRACT FOR: Design-Build

The Contract is changed as follows:

1. Additional PV Arrays, SolarWorld 245
2. PV Powered 75kW 10 Years Extended Warranty
3. Installation of (N) Wheel Stops

TOTAL CHANGE ORDER COST \$ 28,779.87

Original Contract Sum was for.....	\$ 375,000.00
Net change by previously authorized Change Orders,	\$ 65,859.38
The Contract Sum prior to this Change Order was	\$ 440,859.38
The Contract Sum will be (increased) (decreased) (unchanged) by this Change Order in the amount of	\$ 28,779.87
The new Contract including this Change Order will be	\$ 469,639.25
The Contract Time will be (increased) (decreased) (unchanged) by	(0)days
The date of Substantial Completion as of the date of this Change Order therefore is:	November 30, 2011

NOTE: This summary does not reflect changes in the Contract Sum, Contract Time, or Guaranteed Maximum Price which have been authorized by Construction Change Directive.

Not valid until signed by the Project Manager, Contractor/Vendor, and Owner

PROJECT MANAGER	CONTRACTOR/VENDOR	OWNER
Soo Gyu Lee- Project Manager	DPW Solar	City of Las Cruces
Address	Address	Address
700 N. Main Street Suite 2300D	4000 B Vassar NE	P.O. Box 20000
Las Cruces, NM 88001	Albuquerque, NM 87107	Las Cruces, NM 88004

BY _____	BY _____	BY _____
DATE _____	DATE _____	DATE _____



Date: September 23, 2011

Title: City of Las Cruces PV expansion

Project Description: Photovoltaic Energy Equipment

Purpose:

This document presents options to the City of Las Cruces for a PV solar electrical system expansion. This proposal takes into consideration the PV Powered extended warranty and tire stops. The prices in this proposal are good for 3 weeks. Each price will be within +/- 5% of total awarded price.

Small Parking Canopy:

The small canopy expansion will incorporate a similar design to that of the larger array. This structure will consist of 52 SolarWorld 245Watt modules (12.74KW DC). The canopy will be located directly north-east of the existing solar canopy. We will be able to utilize the existing homerun DC conductors from the larger array to tie into the inverter. No additional trenching across the parking lot is necessary. This system will generate roughly 24,703kWh/year.

System Price:

Phase II

- Concrete Wheel Stop
- Extended Inverter Warranty
- Paint
- Misc Electrical

\$28,779.87

"Dpw Solar, saving our planet one PV system at a time"