



**Request for City Council Committee Action
From the Department of Finance and Property Services**

Date: October 11, 2012

To: Honorable Elizabeth Glidden, Regulatory, Energy, and Environment Committee

Referral: Honorable Betsy Hodges, Chair Ways & Means Committee

Subject: **Amendment No. 1 (Final) – Able Energy C-35062
Royalston Maintenance Facility 100kW PV Installation**

Recommendation:

That the proper City officers be authorized to amend Contract No. C-35062 with Able Energy for the 100kW PV installation at the Royalston Maintenance Facility. The amendment does not alter the dollar amount of the contract, but waives the three month system performance requirement before releasing the 5% contract retainer.

Previous Directives:

- August 5, 2011: City Council and Mayor granted approval of bids for OP #7449, low responsive bid of Able Energy. in the amount of \$415,650.85
- August 6, 2010: Agreement to accept the \$1.35 million grant from the Minnesota Office of Energy Security for solar installations.

Prepared by: Brian Millberg, Energy Manager 673-3024

Approved by:

Kevin Carpenter, Chief Financial Officer, Finance and Property Services

Paul Aasen, City Coordinator

Presenters: Brian Millberg, Energy Manager, Finance and Property Services

Reviews

Permanent Review Committee (PRC): Approval NA Date _____

Civil Rights Approval Approval YES Date _____

Policy Review Group (PRG): Approval NA Date _____

Financial Impact

No financial impact

Community Impact

Neighborhood Notification:

City Goals: Eco-Focused, Jobs and Economic Vitality

Comprehensive Plan:

Zoning Code:

Background/Supporting Information

In August of 2011, the City Council and Mayor awarded the bid for the installation of a solar photovoltaic system at the Royalston Maintenance Facility to Able Energy for the amount of \$415,650.85. The Construction project began in December of 2011 and was completed in June of 2012.

Change Order #1

The original contract with Able Energy contains a retainer clause that requires 5% of the contract amount be held for a minimum of three months to determine if the PV array is performing to the specification in the bid documents. The installation was completed in June, 2012, but has not been producing electricity due to postponements by Xcel Energy. The array at the Royalston Maintenance Facility is constructed with equipment that is identical to the array at the Currie Maintenance Facility which was installed by Able Energy (Contract C-35061) and has passed its three month performance test. Based on the results of the Currie installation, the amendment would allow all of contract C-35062 to be released for the Royalston installation.