

APPROVED

REPORT OF GENERAL MANAGER

NO. 15-112

MAY 20 2015

DATE May 20, 2015

BOARD OF RECREATION AND PARK COMMISSIONERS

C.D. ALL

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: AS-NEEDED ALTERNATIVE ENERGY EQUIPMENT AND INSTALLATION SERVICES – USE OF HOUSTON-GALVESTON AREA COUNCIL SELECTION PROCESS FOR PURCHASE FROM SOLARWORLD AMERICAS INC., FORMERLY SOLARWORLD LLC – AWARD OF CONTRACT

R. Adams \_\_\_\_\_  
R. Barajas \_\_\_\_\_  
H. Fujita \_\_\_\_\_  
V. Israel \_\_\_\_\_  
K. Regan \_\_\_\_\_  
\*N. Williams NDW

  
General Manager

Approved                      Disapproved \_\_\_\_\_ Withdrawn \_\_\_\_\_

RECOMMENDATIONS:

That the Board:

1. Approve the proposed contract, substantially in the form on file in the Board Office, between the City of Los Angeles (City) and SolarWorld Americas Inc., formerly SolarWorld Americas LLC, to provide alternative energy equipment (solar and wind) and installation services on an occasional and as-needed basis with the contract term expiring on January 31, 2017;
2. Find that SolarWorld Americas Inc. has been awarded a competitively bid contract, attached hereto and incorporated herein by reference as Attachment A, by Houston-Galveston Area Council (H-GAC), acting as the agent for participating governmental agencies, and that City is a participating agency for alternative energy equipment (solar and wind) and installation services offered by SolarWorld Americas Inc.;
3. Find that SolarWorld Americas Inc., by written communication dated March 10, 2014, attached hereto and incorporated herein by reference as Attachment B, authorized City to utilize the H-GAC's contract terms and conditions for alternative energy equipment (solar and wind) and installation services;
4. Find that SolarWorld Americas Inc. is experienced in providing energy equipment (solar and wind) and installation services, and it is in the best interest of the Department

REPORT OF GENERAL MANAGER

PG. 2

NO. 15-112

of Recreation and Parks (Department) to secure these services with SolarWorld Americas Inc.;

5. Find, as the contract awarding authority, in accordance with Charter Section 371 (e)(2), that the alternative energy equipment (solar and wind) and installation services to be provided by SolarWorld Americas Inc. are for the performance of professional, scientific, expert, technical or other special services of a temporary and occasional character for which competitive bidding is not practicable or advantageous;
6. Find, in accordance with Charter Section 371(e)(8), that the City may utilize the H-GAC Contract with SolarWorld Americas Inc. because contracts for cooperative arrangements with other governmental agencies for the utilization of purchasing contracts and professional, scientific, expert or technical services contracts of those agencies and any implementing agreements are an exception to the City's competitive bidding requirements;
7. Find, as the contract awarding authority, in accordance with Charter Section 371 (e)(10), that the alternative energy equipment (solar and wind) and installation services to be provided by SolarWorld Americas Inc., are for the performance of professional, scientific, expert or technical services and the use of competitive bidding would be undesirable, impractical or impossible or is otherwise excused by common law;
8. Find, as the contract awarding authority, in accordance with Charter Section 1022, that the Department does not have, available in its employ, personnel with the necessary expertise to undertake and accomplish the aforementioned specialized purchase of supplies and professional services sought in a timely manner and the work can be performed more economically or feasibly by an independent contractor;
9. Direct the Board Secretary to transmit forthwith the proposed Contract to the Mayor for approval and to the City Attorney for review and approval as to form; and,
10. Authorize the Board President and Secretary to execute the proposed Contract upon receipt of the necessary approvals.

SUMMARY:

On April 2, 2014, the Board approved a proposed contract in which the City would utilize H-GAC's competitively bid contract with SolarWorld Americas LLC, a California corporation (Report No. 14-050), to purchase as-needed alternative energy equipment and installation services. Under the H-GAC contract agreement, Article 6 "End User Agreement," H-GAC

## REPORT OF GENERAL MANAGER

PG. 3

NO. 15-112

allows other entities to enter into their own contract with SolarWorld Americas LLC, utilizing the same terms and conditions of H-GAC's contract (Attachment A). SolarWorld Americas LLC issued a letter dated March 10, 2014 to the City authorizing use of the contract with H-GAC (Attachment B).

SolarWorld Americas LLC filed Articles of Merger on September 29, 2014, reorganized, and relocated its corporate headquarters to Oregon, merging with SolarWorld Americas Inc., an Oregon corporation. The merger will not negatively affect SolarWorld Americas Inc.'s ability to perform under the contract, compared to its predecessor entity. The original H-GAC agreement required SolarWorld Americas LLC to provide notice of any changes in their status and for those changes to be approved. SolarWorld Americas Inc. notified H-GAC in their letter dated December 17, 2014, and H-GAC signed consent in reference to the City's Contract No. AE02-13 (Attachment C).

On January 16, 2015, H-GAC accepted and executed Amendment No. 1 to Contract No. AE02-13 with SolarWorld Americas Inc. extending the performance period through January 31, 2017 (Attachment D). The Board Office will issue a separate contract number and the Agreement will be executed between SolarWorld Americas Inc. and the City through the Board. The SolarWorld Americas Inc. contract with H-GAC will expire on January 31, 2017.

The contractor is recommended to the Board for a contract term coinciding with HGAC's current contract, expiring January 31, 2017, in an amount not-to-exceed One Million Dollars (\$1,000,000.00). The purchase and installation services that the Department is requesting shall be on an as-needed basis; the Department, in entering into an agreement, guarantees no minimum amount of business or compensation. Contracts awarded shall be subject to funding availability.

### FISCAL IMPACT STATEMENT:

This contract will enable the Department to purchase and provide various alternative energy equipment (solar and wind) and installation services on an occasional and as-needed basis to enhance the recreational experience of the public. There will be no direct fiscal impact to the Department's General Fund as funding will be identified on a per project basis.

This Report was prepared by Noel Williams, Chief Financial Officer, and Sharon Thomas, Management Analyst II, Finance Division.