



Agenda Report

20-1429

Agenda Date: 1/14/2020

REPORT TO COUNCIL

SUBJECT

Action on Amendment No. 1 to an Agreement for Services with Hulberg and Associates, Inc. dba Valbridge Property Advisors for Easement and Parcel Assessment Services
[Council Pillar: Deliver and Enhance High Quality Efficient Services and Infrastructure]

BACKGROUND

The City of Santa Clara's Electric Utility, Silicon Valley Power (SVP), requires appraisal services for the acquisition of easements to facilitate construction of new electrical facilities. SVP must know the Fair Market Value of a property when an easement is necessary in order to negotiate a fair price for the land rights.

SVP has contracted with Valbridge Property Advisors (Valbridge) to perform property appraisals associated with easements, rent determination, and property acquisitions for various projects.

SVP currently has a Capital Improvement Project entitled "Transmission System Reinforcements" that involves the construction of approximately three and one-half miles of overhead transmission lines, which will increase system capacity and improve system reliability. Then project will require acquisition of over 40 easements.

DISCUSSION

In October 2018, the City entered into a three-year agreement with Valbridge to provide easement and parcel assessments services for City and non-City property within and outside the City limits. This agreement was the result of a competitive Request for Proposal (RFP) process and Valbridge was selected based on experience and because it bid the lowest cost.

Because the scope of work for the Transmission System Reinforcement project's easement appraisals are consistent with the scope of work that Valbridge is performing under their current three-year agreement, Staff is proposing to enter into Amendment No. 1 to add additional funding in the amount of \$200,000 for appraisal services for the Transmission System Reinforcements project. Valbridge will perform property evaluations as part of the acquisition of over 40 easements.

ENVIRONMENTAL REVIEW

This action being considered does not constitute a "project" within the meaning of the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines section 15378(a) as it has no potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment.

FISCAL IMPACT

The total cost of Amendment No. 1 to the Agreement for Services with Hulberg and Associates, Inc. dba Valbridge Property Advisors will not exceed \$300,000. Sufficient funds in fiscal year 2019-2020

are available in the Electric Utility Capital Fund in the Transmission System Reinforcements project.

COORDINATION

This report has been coordinated with the Finance Department and City Attorney's office.

PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall Council Chambers. A complete agenda packet is available on the City's website and in the City Clerk's Office at least 72 hours prior to a Regular Meeting and 24 hours prior to a Special Meeting. A hard copy of the agenda report may be requested by contacting the City Clerk's Office at (408) 615-2220, email clerk@santaclaraca.gov <<mailto:clerk@santaclaraca.gov>> or at the public information desk at any City of Santa Clara public library.

RECOMMENDATION

Authorize the City Manager to execute Amendment No. 1 to an Agreement for Services with Hulberg and Associates, Inc. dba Valbridge Property Advisors to increase the not-to-exceed compensation by \$200,000 to \$300,000 for easement and parcel assessment services.

Reviewed by: Manuel Pineda, Chief Electric Utility Officer

Approved by: Deanna J. Santana, City Manager

ATTACHMENTS

1. Amendment No. 1