



## Agenda Report

20-854

Agenda Date: 10/13/2020

### REPORT TO COUNCIL

#### SUBJECT

Action on Master Agreements for Silicon Valley Power on System Capacity Expansion Planning including Delegation of Authority for Capital Project Implementation and General Engineering Support [Council Pillar: Deliver and Enhance High Quality Efficient Services and Infrastructure]

#### BACKGROUND

As discussed as part of Silicon Valley Power's (SVP) quarterly Council update, electrical demand in the City is expected to increase over the next decade. To meet the electrical demand from future growth requires additional support from consultants for a variety of services including:

- Creating a detailed System Expansion Plan
- Design of Transmission line and Substation installations and upgrades
- Implementation management for Capital Improvement Projects
- General engineering support for maintenance of existing assets

#### DISCUSSION

SVP is looking for engineering support in three (3) areas: System Expansion Planning, General Consulting, and Plan Implementation.

##### System Expansion Plan

SVP's electric load has increased by more than 20% over the last decade and based on executed agreements and upcoming development, SVP's current system will need major upgrades to accommodate the increase of demand over the five to ten years.

A System Expansion Plan will consist of a short term and long-term capital improvement plan to accommodate the additional electric load growth due to new development in Santa Clara (Data Centers and Residential Projects). The consultant will also review and provide the basis for updating the Load Development Fee to ensure the recovery of costs incurred by the City in modifying its electrical infrastructure to support load growth due to the new development.

##### General Consulting Services

Based on newly executed agreements and current developer negotiations, SVP could add seven new substations over the next five years to its electrical system. Utilities the size of SVP do not have sufficient internal staff for such a large engineering project and requires the aid of consultants to engineer plans to meet the projected electric load growth. In addition to the existing projects, the consulting services will be utilized to create detailed engineering design plans based on the System Expansion Plan's guidance.

### Plan Implementation Services

With the increase in capital projects comes the need for additional implementation services workforce which will support the design, plan implementation and project management of the Transmission and Substation construction.

On December 5, 2019, staff requested Statement of Qualification (SOQ) to solicit proposals from qualified firms for consulting services associated with SVP System Expansion Plan. The SOQ was published on BidSync, the City's e-procurement system. Eleven proposals were received from the following firms:

- 1898 & Co. (Kansas City, MO)
- Advisian Worley Group (Folsom, CA)
- AECOM (Oakland, CA)
- Electrical Consultants, Inc. (Billings, MT)
- EN Engineering LLC (Warrenville, IL)
- Flynn Resource Consultants Inc. (Discovery Bay, CA)
- Leidos Engineering, LLC (Hendersonville, TN)
- Power Engineers (Anaheim, CA)
- Stantec Consulting Services Inc. (Walnut Creek, CA)
- TRC Solutions, Inc. (Mountain View, CA)
- ZGlobal, Inc. (Folsom, CA)

Evaluation Process: Proposals were evaluated and scored independently by a five-member evaluation team against the criteria and weights published in the SOQ. Follow-up oral interviews were conducted with the companies submitting the highest scoring proposals for each of the three areas.

Award Recommendation: Staff recommends award of the System Expansion Plan contract to Electrical Consultants, Inc. (ECI) as the most qualified firm per the evaluation criteria set forth in the SOQ.

Staff recommends award of General Consulting Services contracts to Advisian Worley Group, TRC Solutions, Inc., Leidos Engineering, LLC, Flynn Resource Consultants, Inc. and EN Engineering LLC.

Staff recommends award of Plan Implementation Services contracts to 1898 & Co., TRC Solutions, Inc., Electrical Consultants, Inc., AECOM Technical Services, Inc., and Stantec Consulting Services Inc.

Notice of Intended Award: Notice of Intended Award (NOIA) announcing the City's recommended vendors for each service area were issued on August 28, 2020 and August 31, 2020.

Term of Agreements: The term of the proposed System Expansion Plan Agreement will be fourteen (14) months to deliver the System Expansion Plan. The term of the General Consulting Services and Plan Implementation Services Master Agreements will be five (5) years each.

Cost Summary: Staff is requesting that the Council 1) authorize the City Manager or their designee to execute the Agreement with ECI for a total amount not to exceed \$850,000 which will allow for the development of a System Expansion Plan, 2) delegate authority to the City Manager or their

designee to negotiate and execute Master Service Agreements with Advisian Worley Group, TRC Solutions, Inc., Leidos Engineering, LLC, Flynn Resource Consultants, Inc. and EN Engineering LLC for General Consulting Services in an amount not to exceed \$2,000,000 per agreement and 3) delegate authority to the City Manager or their designee to negotiate and execute Master Service Agreements with 1898 & Co., TRC Solutions, Inc., Electrical Consultants, Inc., AECOM Technical Services, Inc., and Stantec Consulting Services Inc. for Plan Implementation Services in an amount not to exceed \$3,000,000 per agreement.

### **ENVIRONMENTAL REVIEW**

The actions being considered do not constitute a “project” within the meaning of the California Environmental Quality Act (“CEQA”) pursuant to CEQA Guidelines section 15378 (b)(4) in that it is a fiscal activity that does not involve commitment to a specific project which may result in potential significant impact on the environment.

### **FISCAL IMPACT**

The total cost of the proposed agreement with Electrical Consultants, Inc. (ECI) to perform work on the System Expansion Plan shall not exceed \$850,000. Funding for this agreement was included as part of the Adopted Biennial FY 2020/21 and 2021/22 Capital Improvement Program Budget in the New Business Estimate Work CIP project.

For general consulting services, compensation for the five Master Agreements shall not exceed \$2,000,000 per agreement over the period of five years. Funding for years one and two of the agreements is available in the Adopted Biennial FY 2020/21 and 2021/22 Capital Improvement Program Budget in various Electric Utility Capital Improvement Projects:

- System Capacity Expansion
- New Business Estimate Work
- Operations and Planning Technology
- Clean Energy and Carbon Reduction
- Renewable Energy Microgrid

For plan implementation services, compensation for the five Master Agreements shall not exceed \$3,000,000 per agreement over the period of five years. Funding for years one and two of the agreements is available in the Adopted Biennial FY 2020/21 and 2021/22 Capital Improvement Program Budget in various Electric Utility Capital Improvement Projects:

- Esperanca Substation
- Homestead Substation Rebuild
- Oaks Junction
- San Tomas Junction
- Laurelwood Substation
- System Capacity Expansion
- NRS Breaker 382 Addition

Funds required for these agreements in future years are subject to budget appropriations and will be incorporated into the budget development process for those years.

**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 any agenda report may be requested by contacting the City Clerk's Office at (408) 615-2220, email [clerk@santaclaraca.gov](mailto:clerk@santaclaraca.gov) <<mailto:clerk@santaclaraca.gov>>.

**RECOMMENDATION**

1. Authorize the City Manager to execute the System Expansion Plan Agreement with Electrical Consultants, Inc. in an amount not to exceed \$850,000;
2. Delegate Authority to the City Manager to negotiate and execute Master Service Agreements with Advisian Worley Group, TRC Solutions, Inc., Leidos Engineering, LLC, Flynn Resource Consultants, Inc. and EN Engineering LLC for General Consulting Services in an amount not to exceed \$2,000,000 per agreement over the five year terms of the agreements, subject to the appropriations of funds;
3. Delegate Authority to the City Manager to negotiate and execute Master Service Agreements with 1898 & Co., TRC Solutions, Inc., Electrical Consultants, Inc., AECOM Technical Services, Inc., and Stantec Consulting Services Inc. for Plan Implementation Services in an amount not to exceed \$3,000,000 per agreement over the five-year terms of the agreements, subject to the appropriation of funds; and
4. Authorize the City Manager or their designee, to add or delete services consistent with the scope of the agreements, and allow future rate adjustments subject to request and justification by contractor, approval by the City, and the appropriation of funds.

Reviewed by: Manuel Pineda, Chief Electric Utility Officer

Approved by: Deanna J. Santana, City Manager

**ATTACHMENT**

1. Agreement for Design Professional Services