



Agenda Report

19-1222

Agenda Date: 11/5/2019

REPORT TO COUNCIL

SUBJECT

Action on Amendment No. 1 to an Agreement for Services with Rosendin Electric, Inc. for Specialized Electrical Services to Support SVP's Generation Facilities.

BACKGROUND

The City of Santa Clara's Electric Utility, Silicon Valley Power (SVP), operates three power generation facilities within the city limits: the Donald Von Raesfeld Power Plant (DVR), the Cogeneration Plant (Cogen), and the Gianera Generating Station. The DVR facility is the main plant and is comprised of two gas turbines and one steam turbine with a total capacity of 147 Megawatts of electrical power. The steam turbine, a Mitsubishi Steam Turbine and Generator, is capable of producing up to 50 Megawatts of electrical power with steam produced from the gas turbines waste heat.

DVR's Steam Turbine requires both routine and major maintenance based on the original equipment manufacturer (OEM) time based frequencies and inspection condition criteria. DVR's Steam Turbine has been in commercial operation since March 2005 and is due for its 100,000 hour Major Overhaul and Internal Inspection, currently scheduled for November, 2019.

DISCUSSION

In September 2018, the City entered into a three-year agreement with Rosendin Electric to provide electrical maintenance and construction services to support the operation and maintenance of the City's power generation facilities. The agreement was the result of a competitive Request for Proposal (RFP) process and Rosendin was selected on the basis of lowest cost. The original agreement is attached and includes all City requirements including prevailing wage.

Because the scope of work for the overhaul is consistent with the scope for maintenance services, Staff is proposing to enter into Amendment No. 1 to add additional funding in the amount of \$200,000 for Electrical Maintenance Services to cover the additional cost for work performed by Rosendin for the Steam Turbine Major Overhaul.

ENVIRONMENTAL REVIEW

The action being considered does not constitute a "project" within the meaning of the California Environmental Quality Act ("CEQA") pursuant to CEQA guidelines section 15378(b)(5) in that it is a governmental organizational or administrative activity that will not result in direct or indirect changes in the environment.

FISCAL IMPACT

The total cost of Amendment No. 1 to the Agreement for Services with Rosendin Electric will not exceed \$329,764.89. Sufficient funds in FY 2019/2020 are available in the Electric Department Capital Project Generation Capital Maintenance and Betterments (Fund 591, Project No. 2119).

COORDINATION

This Report was 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>> 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 Rosendin Electric, Inc. to increase the not-to-exceed compensation amount by \$200,000 to \$329,764.89 to support the Donald Von Raesfeld Steam Turbine Major Overhaul Project.

Reviewed by: Manuel Pineda, Chief Electric Utility Officer

Approved by: Deanna J. Santana, City Manager

ATTACHMENTS

1. Amendment No. 1
2. Agreement