



**CITY OF SALINAS
COUNCIL STAFF REPORT**

DATE: OCTOBER 18, 2022
DEPARTMENT: PUBLIC WORKS
FROM: DAVID JACOBS, DIRECTOR
BY: BRIAN FRUS, SENIOR ENGINEER
TITLE: AGREEMENT FOR SERVICES BETWEEN THE CITY OF SALINAS AND ENGIE FOR MAINTENANCE SERVICES FOR THE CITY OF SALINAS SOLAR PHOTOVOLTAIC SYSTEMS

RECOMMENDED MOTION:

A motion to approve a resolution approving an Agreement for Services in the amount of \$643,088 between the City of Salinas and Engie Services US, Inc. for the Maintenance Services for the City of Salinas Solar Photovoltaic Systems.

RECOMMENDATION:

It is recommended that the City Council approve a resolution approving an Agreement for Services in the amount of \$643,088 between the City of Salinas and Engie Services US, Inc. for the Maintenance Services for the City of Salinas Solar Photovoltaic Systems.

BACKGROUND:

The City of Salinas owns and operates seven photovoltaic (PV) systems, located at five different locations totaling 3.6 megawatts (MW) in peak capacity. All systems were put into service between March and June of 2016. Since that time, regular routine and preventative maintenance and detailed performance monitoring has been performed on the systems by Engie Services US, Inc. (Engie). The maintenance agreement along with the installation of the PV systems and other energy improvements was approved by Council on October 21, 2014 (Resolution No. 20664) with an Amendment 1 to the agreement approved August 30, 2016 (Resolution No. 21032). The maintenance agreement has now expired and thus requires renewal.

Given the duration of the contract staff prepared a Request for Proposals to solicit offers from prospective firms.

In general, the maintenance work to be performed consists of providing inspection, preventive and routine PV system maintenance, responsive maintenance, and emergency repair services for the City's PV Systems at the various locations.

Equipment and components covered under this agreement that will require maintenance, repair and inspection services include inverters, transformers, panels, combiner boxes, array structures and mounting hardware, internet connections and communications, cables and conductors, switch gear and data acquisition systems.

A request for proposals (RFP) for interested consulting firms was advertised on the “PlanetBids” website April 22, 2022 for the Maintenance Services for the City of Salinas Solar Photovoltaic Systems as described above, and submittals were received from three firms on May 20, 2022. The firms submitting qualification/proposal statements were:

- Engie Services US, Inc
- Sandbar Solar and Electric
- Bright Future Solar Energy

The submittals were reviewed based on the following selection criteria listed in the RFP document:

- 1) Understanding of Scope of Work to be Done
- 2) Experience with Similar Kinds of Work
- 3) Quality of Staff Designated to Project
- 4) Capability of Developing Innovative or Advanced Techniques
- 5) Demonstrated Technical Ability

Based on these criteria, the review panel comprising of City staff selected Engie as the top firm. Engie’s proposed total compensation for these services is \$124,604 for Year-1 with Inspection Preventative and Routine Maintenance and the Monitoring Services escalating 3-percent per year bringing the sum to \$643,088 for the 5-year term. The table below summarizes the costs over the 5-year term.

Year	Inspection Preventative and Routine Maintenance Services*	Monitoring Service*	Responsive Maintenance and Emergency Repair Services	Annual Total
Year 1	\$ 61,714	\$ 3,202	\$ 59,688	\$ 124,604
Year 2	\$ 63,565	\$ 3,298	\$ 59,688	\$ 126,551
Year 3	\$ 65,472	\$ 3,397	\$ 59,688	\$ 128,557
Year 4	\$ 67,437	\$ 3,499	\$ 59,688	\$ 130,623
Year 5	\$ 69,460	\$ 3,604	\$ 59,688	\$ 132,752
Total Contract 5-Year Term				\$ 643,088

* Includes 3% annual escalator

CEQA CONSIDERATION:

Not a Project. The City of Salinas has determined that the proposed action is not a project as defined by the California Environmental Quality Act (CEQA) (CEQA Guidelines Section 15378).

STRATEGIC PLAN INITIATIVE:

The proposed project and agreement meet the City Council's Strategic Plan Initiatives of Infrastructure and Environmental Sustainability and Effective and Culturally Responsive Government.

DEPARTMENTAL COORDINATION:

This project will rely on coordination between Wastewater and Water, Waste and Energy (WWE) divisions in Public Works. WWE will coordinate the execution of the maintenance services, with Wastewater Division providing additional maintenance services not performed under this agreement.

FISCAL AND SUSTAINABILITY IMPACT:

The total estimated Year-1 annual cost for the scope of work contained in the Agreement is \$124,604 or \$643,088 for the 5-year term.

A total of \$1,046,000 have been reserved in CIP 9184, Energy Related Improvements to City Facilities of which \$905,000 are allocated in 5800.50.9184-63.6010 (Other Outside Services) over the 5-year term. These allocations were approved by Council on June 14, 2022 (Resolution No. 22380) under the Capital Improvement Budget and Program for Fiscal Year 2023 – 2028.

Thus, no addition funds or allocations are required for this action.

ATTACHMENTS:

Resolution

Agreement for Services Between the City of Salinas and Engie Maintenance Services for City of Salinas Solar Photovoltaic Systems.