

RESOLUTION NO. 2019-XXX

RESOLUTION ADOPTING JUSTIFICATION FOR SOLE SOURCE PROCUREMENT FOR TECHNICAL SERVICES ASSOCIATED WITH THE JONES PUMPING PLANT UNIT NO. 2 MOTOR REWIND PROJECT, AUTHORIZING EXECUTION OF TECHNICAL SERVICES CONTRACT AND AUTHORIZING RELATED ACTIONS

WHEREAS, the United States owns the C.W. "Bill" Jones Pumping Plant ("JPP").

WHEREAS, through its contract with the United States Department of the Interior, Bureau of Reclamation ("Reclamation"), Contract No. 8-07-20-X0354, as amended, the San Luis & Delta-Mendota Water Authority ("Water Authority") operates and maintains the JPP, including the performance of capital maintenance projects.

WHEREAS, the Water Authority desires to enter into a procurement contract for technical engineering services ("Engineering Services") for design, preparation of plans and specifications, contractor solicitation process and construction contract management services through contract completion for the JPP Unit No. 2 Motor Rewind Project ("PROJECT").

WHEREAS, the cost for the Engineering Services is estimated to be FIVE HUNDRED SIXTY-SIX THOUSAND FOUR HUNDRED THIRTY-FIVE AND 00/100ths DOLLARS (\$566,435.00). The performance period for these services is 13 months, beginning on March 1, 2019 and ending on or about March 31, 2020.

WHEREAS, the cost for these Engineering Services are included in the project costs for the Jones Pumping Plant Unit No. 2 Motor Rewind Project that are identified in the approved Fiscal Year 2020 O&M Budget.

WHEREAS, Article III of Resolution 2009-317, adopted December 10, 2009, requires that a sole source justification be adopted by the Board of Directors under circumstances when a request for proposal is sought from a single contractor under circumstances that might otherwise require competitive bidding under said Resolution.

WHEREAS, Water Authority staff recommends that DHR HYDRO SERVICES be selected as a sole source contractor for the Engineering Services for the PROJECT.

WHEREAS, Water Authority staff has presented to the Board of Directors of the Water Authority (the "Board") its justification for use of DHR HYDRO SERVICES, a copy of which is attached hereto as Attachment 1 and by this reference incorporated herein.

WHEREAS, Water Authority staff has conducted a Preliminary Assessment of the PROJECT under the California Environmental Quality Act, which concluded that the Project is within a Class 2 Exemption from further compliance with CEQA as an activity to rehabilitate or replace existing facilities in the same site as the facilities replaced with negligible or no expansion of capacity.

NOW, THEREFORE, BE IT RESOLVED, AS FOLLOWS:

Section 1. The facts stated in the recitals above are true and correct, and the Board so finds and determines.

Section 2. The sole source justification for selecting DHR HYDRO SERVICES, attached hereto as Attachment 1 for the PROJECT is hereby adopted.

Section 3. The Assistant Executive Director, for and on behalf of the Water Authority, to negotiate and execute an agreement with DHR HYDRO SERVICES for Engineering Services, as well as to take such other actions including enter into additional and amendatory contracts with DHR HYDRO SERVICES as may be required for Engineering Services.

PASSED AND ADOPTED this 7th day of February, 2019.

Cannon Michael, Chairman

Attest:

Federico Barajas, Secretary

I hereby certify that the foregoing Resolution was duly and regularly adopted by the Board of Directors of the San Luis & Delta-Mendota Water Authority at a regular meeting thereof held on the 7th day of February, 2019.

Federico Barajas, Secretary

***Jones Pumping Plant
Unit No. 2 Motor Rewind Project
Engineering Consultant Services Single Source Justification***

ACTION REQUESTED:

The San Luis & Delta–Mendota Water Authority’s (Water Authority) policy governing Purchases of Supplies, Equipment and Services (Resolution No. 2009-317) for Single Source Procedures requires a written justification be submitted to and adopted by a majority vote of the Water Authority Board of Directors. Article III of Resolution 2009-317 sets forth four bases for sole source contracting. They are:

1. Unsolicited Proposal
2. Continuation
3. Legislative Intent
4. Unique Qualifications

Staff is submitting this written justification and is seeking approval for a Single Source Procurement for technical engineering services for the Jones Pumping Plant Unit No. 2 Motor Rewind Project (PROJECT) based on the unique qualification of DHR HYDRO SERVICES (DHR). The unit rewind technical engineering services include: design, preparation of plans and specifications, contractor solicitation, proposal evaluation, contractor selection and contract administration activities up to and including award, and all construction contract/project management activities (referred to herein at “Engineering Services”). DHR, of Sacramento, CA has submitted their Technical Services Proposal for the Engineering Services. The contract cost for the Engineering Services associated with the PROJECT is \$566,435.

BACKGROUND:

The Jones Pumping Plant (JPP) has a total of six (6) 22,500 horsepower motors that were commissioned in 1951. Each of these units were refurbished by the US Bureau of Reclamation in the 1980’s. The December 2015 JPP Condition Assessment Report stated that all the JPP units are nearing the end of their service life and need to be refurbished.

On February 9, 2017, Water Authority Board of Directors’ executed Resolution No. 2017-414, authorizing the sole source procurement for Technical Services Associated with the Jones Pumping Plant Unit No. 6 Motor Rewind Project to Pacific Power Engineers, Inc. (PPE) based on their staff’s technical expertise in large motor refurbishment. PPE project engineer, David H. Roose, a retired Department of Water Resources electrical engineer, with over twenty (20) years of “on-site” hydro generator/motor refurbishment expertise, performed the design and developed the contract documents for the JPP Unit No. 6 Rewind project. Mr. Roose, managed the contractor solicitation process up to and including award of the construction contract on February 14, 2018 to National Electric Coil Company (NEC). In addition, Mr. Roose managed all the day-to-day field and office engineering duties associated with the construction contract. Mr. Roose’s impressive project management skills and technical expertise in motor rewinds are unmatched in the industry. The JPP Unit No. 6 Rewind Project was completed on time and under budget. This is a testament to the sound contract documents that were developed for the Unit 6 Rewind project and to the excellent project management skills that were demonstrated throughout the construction project.

The contractor’s refurbishment work for the Unit 6 Rewind is now completed, and the Water Authority crews are in final unit reassembly and preparing to return the unit to service. Unit No. 6 final performance testing is scheduled for the week of February 11, 2019.

NEED FOR THIS CONTRACT:

The design and refurbishment of large horsepower motors is very complex and highly technical in nature and the Water Authority does not have the electrical engineering expertise, nor, the project management resources in-house to perform the Engineering Services necessary for this type of PROJECT. The estimated cost of these services is over \$100,000 and the Water Authority’s Regulations Governing Purchases of Supplies, Equipment and Services (Resolution No. 2009-317) requires the service contract/procurement procedures to follow the Formal Bidding Procedures, Request for Proposal or the Single Source Procedures.

In order to keep the PROJECT on its aggressive and necessary schedule, the Water Authority requested DHR to submit a proposal for the Engineering Services for the PROJECT. NOTE: DHR HYDRO SERVICES is owned and managed by Mr. David H. Roose, PE.

Mr. David Roose, DHR, performed the identical services for the JPP Unit No. 6 Rewind Project recently completed. DHR is fully knowledgeable of the scope and the schedule of the PROJECT and has the unique qualifications, technical expertise and available resources to perform all the Engineering Services required for the PROJECT.

Due to the amount of time it will take to develop the contract scope, specification and deliverable requirements for the Formal Bidding Procedures and Request for Proposal options, the Single Source option best fits the PROJECT's aggressive timeline. This approach allows the design to begin immediately following the approval of the Sole Source request. The planned start date for the design and specification preparation is March 1, 2019.

QUALIFICATIONS:

DHR HYDRO SERVICES (DHR) provides electrical engineering consulting services that specialize in power system design, retrofit/refurbishment projects and project management. DHR's owner, Mr. David Roose, will be the project design engineer and the project construction manager on this PROJECT. Mr. Roose is a well-known technical expert in large hydro-electric motor/generator refurbishment. His expertise includes utility project management of major programs with multi-disciplinary staff related to operation and maintenance and refurbishment of hydro-electric plants, principles of program/project management, planning, strategic goals, water conveyance management, energy delivery, budget and schedule management, customer relations, and asset management/performance. Mr. Roose's 30-plus year hydro-electric career is founded on over twenty years of "on-site" hydro generator/motor refurbishment expertise complimented with factory and hydro-plant inspections and assessments while overseeing the California State Water Project motor/generator rewind program.

His extensive motor/generator experience includes specification development, contract award negotiations, contractor submittal review and approval, on-site project engineer of motor/generator refurbishments/rewinds, re-wedge, stator iron unstacking, stator iron unstacks and restacks, stator iron repair, coil repair, partial discharge repair, calculating and performing stator loop tests, and performing and evaluating high voltage motor/generator winding acceptance testing. Additionally, Mr. Roose has extensive experience in rotor field pole removal, repair, re-insulation, and testing, all of which are part of the scope of the PROJECT.

In addition to Mr. Roose managing the JPP Unit No. 6 Rewind Project in 2018, in 2017, he developed the plans and specifications for a complete rewind of four (4) - 60,000 HP units for the Tennessee Valley Authority (TVA). This specification was for replacing the stator iron, manufacturing replacement stator windings and re-insulation of the rotor field poles, is very similar to the refurbishment work at the JPP.

Mr. Roose is a registered electrical engineer in the State of California and he received his Bachelor of Science and Master of Science degrees in Electrical Engineering (Power Systems) from California State University, Sacramento.

CONCLUSION AND RECOMMENDATION:

As these 5 units approach the end of their service life, it is imperative to keep the JPP Unit Motor Rewind Project on schedule. The technical expertise and experience of DHR associated with the refurbishment of large horsepower motors is unmatched in the industry and his recent successful completion of the identical services on the JPP Unit No. 6 Rewind Project, will give the Water Authority the ability to confidently manage the design effort and construction contract for JPP Unit No. 2. Most importantly, DHR will ensure the JPP Unit Motor Rewind Project will be kept on schedule.

On the bases of Unique Qualification, the Water Authority staff recommends awarding a contract with DHR HYDRO SERVICES, to perform the following: design, preparation of plans and specifications, contractor solicitation, evaluation/selection and construction contract/project management activities for the PROJECT.