



City Council Staff Report

From: City Manager

Report Type: CONSENT CALENDAR

Lead Department: Utilities

Meeting Date: September 9, 2024

Report #:2405-3100

TITLE

Approval of Purchase Order with West Coast Energy Systems LLC (PO 4525000045) for a Total Not-to-Exceed Amount of \$478,041 to Purchase two (2) Portable Power Generators for Water Pump Stations in the Amount of \$458,031; and Authorize the City Manager or Their Designee to Negotiate and Execute Change Orders in the Amount of \$20,000 for Related Additional but Unforeseen Work. CEQA Status: Exempt Under CEQA Guidelines Section 15301 (Minor Alteration of Existing Facilities)

RECOMMENDATION

Staff recommends that the City Council:

1. Approve and authorize the City Manager or their designee to execute purchase order 4525000045 with West Coast Energy Systems LLC (WCES) in the amount of \$458,041 for the purchase of two (2) portable power generators for the foothills area water pump stations, utilizing a cooperative purchase agreement via Sourcewell, a cooperative purchasing agency serving government and not-for-profit organizations and
2. Authorize the City Manager or their designee to negotiate and execute one or more changes to purchase order 452500045 with WCES for related unforeseen permitting, start-up, and commissioning work, which may develop during the project. The total value of which shall not exceed \$20,000 or 4.7% of the contract amount for a total not-to-exceed amount of \$478,041.

BACKGROUND

The City's 2020 Wildfire Mitigation Plan identified the need for an assessment of diesel-powered back-up generators for the water utility system. Water utility staff assessed the need in 2021 and identified specific sites to ensure proactive pumping of water to pressure zones susceptible to fire threat and power supply interruption events. Staff completed generator sizing and load calculations for the generators at two specific water facility sites located along Page Mill Road south of Highway 280: Dahl Reservoir Pump Station and Park Reservoir Pump

Station. Back-up generator receptacles and transfer switches have been installed at these two pump station facilities, and the generators can be deployed to the sites upon delivery of the units from the material supplier.

ANALYSIS

Staff evaluated the back-up power generation needs for all the water facility sites, and as identified in the Utility Wildfire Mitigation Plan, two pump station facility sites in the upper pressure zones south of Highway 280 needed a power generator as a mitigation activity to restore power after a wildfire or a power grid de-energization event. Placing generators at critical pump station facilities is an established industry practice, referenced in the American Water Works Association Manual of Practice M31: Distribution System Requirements for Fire Protection and Manual of Practice M19: Emergency Planning for Water Utility Management from. The Park and Dahl pump station sites are the only remaining pump station facilities in the City's water utility distribution without standby power generators. Both facilities are in higher risk fire areas and have a need for back-up power generation. The City currently has back-up generators at the other pumping facilities which have greater operational uses. This recommendation aligns the City with industry best practices and proactively responds to hazards and threats to the water distribution system's reliability.

Staff calculated power loads and generator sizing for the Dahl Reservoir Pump Station and Park Reservoir Pump Station, and prepared technical specifications for generator performance and maintenance requirements for the two power generation units.

Procurement Process

A comprehensive scope of work was prepared and a request for proposals was published on December 14, 2023, on the City of Palo Alto's e-procurement website (OpenGov), with a bid opening date of January 19, 2024. The City received one (1) bid, which staff rejected as non-responsive. When competitive bids have been solicited and no bids meeting the requirements have been received, the project is not otherwise required to be formally bid under PAMC Section 2.30.360(c).

The City is a member of Sourcewell, a cooperative purchasing program for government agencies. Cooperative purchases are permitted under section 2.30.360(j) provided the Procurement Officer determines that the solicitation methods are substantially similar to the City's, and the contract – here, the City's standard purchase order - is consistent with the City's requirements. A quote was received February 21, 2024, from WCES. Staff evaluated WCES and found the firm to be well qualified to procure, furnish to site, and maintain the two generator units. WCES has sufficient capacity and proper certifications to be a qualified vendor and maintenance technician, and their cost quote for the generator units was approximately 15% lower than the original engineer's estimated cost. WCES is a qualified supplier under the

Sourcewell program and will be procuring the generators through the Sourcewell program for a reduced market cost. Staff recommends award to WCES.

Below is the procurement summary table, from the December 14, 2023, solicitation:

TABLE 1: Summary of Bid Responses	
<i>Project Bid Name/Number</i>	RFP189734 Purchase of Portable Generators
<i>Proposed Length of Project</i>	3 years
<i>Number of Bid Packages Downloaded</i>	N/A
<i>Total Days to Respond to Bid</i>	33
<i>Mandatory Pre-Bid Meeting</i>	No
<i>Number of Company Attendees at Pre-bid Meeting</i>	N/A
<i>Number of Bids Received</i>	1
<i>Base Bid Price Range</i>	N/A
<i>Public Link to Solicitation</i>	https://procurement.opengov.com/portal/palo-alto-ca/projects/72555

FISCAL/RESOURCE IMPACT

Funding of \$428,740 to purchase the power generators and funding of \$20,000 contingency are available in the FY 2025 Water System Supply Improvements CIP Budget WS-11004.

STAKEHOLDER ENGAGEMENT

Procurement of new power generators for City's water system does not involve or impact any stakeholders.

ENVIRONMENTAL REVIEW

This project is categorically exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines 15301 (repair, maintenance, or minor alteration of existing facilities) because the backup generators involve no expansion of the existing use and the pump facilities have pre-existing receptacles and switch gears to receive emergency generator power.

ATTACHMENT

Attachment A: West Coast Energy Systems LLC PO-4525000045

APPROVED BY:

Dean Batchelor, Director of Utilities

Staff: Patrick LaBruzzo, Principal Engineer