

Staff Report

TO: Board of Directors

FROM: Keane Sommers, P.E., Director of Power Systems
Philip Nedved, Hydroelectric Maintenance Superintendent

DATE: February 14, 2024

SUBJECT: Award of Sole-Source Contract for South Yuba Canal Outage
Maintenance Support (Consent)

HYDROELECTRIC

RECOMMENDATION:

Approve a sole-sourced agreement with Pacific Gas and Electric Co. (PG&E) in the amount of NTE \$190,400 for maintenance support for the 2024 South Yuba Canal outage and authorize the General Manager to execute the appropriate documents.

BACKGROUND:

The South Yuba Canal was acquired by the District in late 2023. The first annual maintenance outage for the District to perform is scheduled between March 18th through April 8th 2024. This is a critical water conveyance system that transports water from the Mountain Division to the Deer Creek System including Scotts Flat Reservoir. District staff and consultants have gathered a list of necessary repairs that need to be completed this year. With the limited time to complete the work, crews from the Hydroelectric Department and Water Maintenance Department in Grass Valley will need additional assistance to complete repairs to a portion of the known defects.

On January 9, 2024, NID entered into the Deer Creek Development Products and Services Agreement as approved by the Board of Directors as part of the Purchase and Sale Agreement with PG&E. The agreement allows PG&E to provide on-call products and services to the District upon approval of a proposal for necessary work. Staff have been in contact with PG&E to request maintenance support for the annual outage on a time and materials basis.

PG&E will be providing a skilled crew with supervision and administrative support to perform difficult repairs to highly elevated sections of wooden flume. District staff believe that using PG&E will continue to provide a unique benefit that other contractors are not readily able to provide, including staff training and continued transfer of knowledge. PG&E has the specialized tools and experience necessary to provide the needed services. PG&E will provide all of the tools and equipment necessary to safely complete the work. NID will provide lumber and other materials.

Deferral of maintenance could lead to potential failures due to rotten flume timbers and lumber which would have detrimental effects to the water supply downstream. Extensive maintenance will continue to be required annually, along with unforeseen emergency repairs.

This sole source award complies with the following District Procurement Policy Section:

3080.3.J.3 In order to obtain a necessary item that is only available from one source

BUDGETARY IMPACT:

The 2024 Hydroelectric Budget includes \$200,000 for canal maintenance that will be used to cover the cost of this contract. To date, none of the 2024 budget has been used.

PN