

Staff Report

TO: Board of Directors

FROM: Doug Roderick, P.E., Director of Engineering
Nathan Droivold, P.M.P., Project Manager

DATE: August 28, 2024

SUBJECT: Approval of Contract and Budget Amendment for the Deer Creek Powerhouse Excitation Upgrade Project No. 2395

ENGINEERING

RECOMMENDATION:

Adopt a Resolution:

- Approving a Budget Amendment to add the Deer Creek Powerhouse Excitation Upgrade Project (Project) in the amount of \$150,000 to the 2024 Capital Improvement Program to be funded by Fund 55
- Reducing the 2024 Budget for the Chicago Park Refurbishment Project No. 2655 in the amount of \$150,000
- Awarding a Consulting Agreement to GS Engineering LLC (GSE) in the amount of \$82,200 and include a 10% contingency (for a total of \$90,420) and authorize the General Manager to execute the necessary documents.

BACKGROUND:

In 2023, the District acquired the Deer Creek Powerhouse (DCPH) from Pacific Gas & Electric Company (PG&E). The DCPH was commissioned in 1908 by PG&E and remains operational and capable of delivering power to the grid. NID owns and operates the DCPH under conditions of a Small Generator Interconnection Agreement with PG&E and the California Independent System Operator.

The existing excitation system at DCPH is obsolete and unsupported by the manufacturer. The system is 1970's vintage and spare parts are unavailable. Issues with the excitation system have been observed at DCPH since NID took over the facility, and these issues have caused unplanned outages at DCPH as recently as August 2024. In order to maintain the reliable operation of the DCPH and to resolve the issues with the existing exciter, Staff recommend funding a new capital project to replace the old system with a new digital exciter as soon as possible.

A request for proposals (RFP) for engineering design and integration services for the purpose of installing a new exciter at DCPH was sent to eight prospective vendors on June 18, 2024. Seven proposals were received by the due date of July 24, 2024, while one vendor declined to submit a proposal. Staff reviewed the proposals, and selected GSE for award based on the criteria stated in the RFP. Table 1 below summarizes the cost of services provided by each vendor and the Staff rankings for each proposal:

Table 1 – Cost of Services from Vendors and Staff Rankings

Firm	Cost of Services	Staff Ranking
GSE	\$82,200.00	1
Basler Services	\$92,855.00	2
Power Pros	\$133,437.50	3
L&S Electric	\$123,785.00	4
KGS Group	\$119,132.00	5
Mesa Associates	\$203,128.00	6
Gannett Fleming	\$310,204.44	7

Staff determined that GSE provided a responsive proposal that met the RFP requirements with the most competitive cost of services. The District has worked with GSE on past projects, and Staff believes the firm is qualified to complete the requested scope of work.

Staff recommends adopting a Resolution amending the Fund 55 budget by reducing funding for the Chicago Park Powerhouse Refurbishment Project (PN 2665) in the amount of \$150,000 and adding it to the Deer Creek Powerhouse Excitation Upgrade Project (PN 2395) to fund the new capital improvement project in the 2024 Annual Budget. The change to Fund 55 in the 2024 Annual Budget will be net zero.

Staff recommends awarding a Consulting Agreement to GSE (included in the Resolution) in the amount of \$82,200 with a 10% contingency for a total authorization of \$90,420.00.

BUDGETARY IMPACT:

The proposed amendment to the 2024 Annual Budget to fund the project will result in a net zero change to Fund 55. If approved, the cost of services for a Consulting Agreement with GSE in the amount of \$82,200.00 (plus a 10% contract contingency) and the downpayment cost for the equipment to be in paid in 2024 would be covered by a decrease in the previously approved budget for the Chicago Park Powerhouse Refurbishment Project.

Project	Available Budget	Amendment Request	Amended Budget Balance	Account No.
Deer Creek Powerhouse Exciter	0	150,000	150,000	55121-52950-2395
Chicago Park Powerhouse Refurbishment	\$500,000	(\$150,000)	\$350,000	55121-52952-2655

Project design is expected to begin in September 2024 and will continue into 2025. An equipment purchase will be made in 2024 that will require Board approval and a downpayment, however, it is not expected to arrive until 2025. Funding for this project will be included in the 2025 annual budget cycle.

ND

Attachments (1):

- Draft resolution amending the 2024 Annual Budget, approving the authorization of a Consulting Agreement with GSE, and authorizing the General Manager to execute the necessary documents.



RESOLUTION NO. 2024-33
OF THE BOARD OF DIRECTORS OF THE NEVADA IRRIGATION DISTRICT
APPROVAL OF 2024 FUND 55 CAPITAL BUDGET AMENDMENT TO FUND A NEW
CAPITAL PROJECT: DEER CREEK POWERHOUSE EXCITATION UPGRADE
PROJECT NO. 2395

WHEREAS, the Nevada Irrigation District (District) budget for the 2024 fiscal year reflects resources to meet the essential needs of the District and the District's customers; and

WHEREAS, the Board of Directors adopted the 2024 Annual Budget on November 8, 2023; and

WHEREAS, the District took over ownership of the Deer Creek Development, including the Deer Creek Powerhouse, on November 9, 2023; and

WHEREAS, the existing excitation system at the Deer Creek Powerhouse has been unreliable and the 40-year-old system has become obsolete and in need of replacement; and

WHEREAS, on June 18, 2024, the District requested proposals from eight vendors to provide engineering design and integration services to replace the failing exciter at Deer Creek Powerhouse; and

WHEREAS, prior to the due date of July 24, 2024, the District received proposals from seven vendors to complete the requested scope of work; and

WHEREAS, following a review of proposals, staff identified GS Engineering LLC as the most qualified consultant to provide the required services at a competitive price.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of Nevada Irrigation District:

1. The Board of Directors hereby approves a Budget Amendment to reduce funding for the Chicago Park Powerhouse Refurbishment Project (PN 2665) in Fund 55 in the amount of \$150,000 and fund a new capital project: Deer Creek Powerhouse Excitation System Upgrade Project (PN 2395) to provide budget to start work in 2024. The change to Fund 55 in the 2024 Annual Budget will be net zero.
2. The Board of Directors hereby approves a Consulting Agreement with GS Engineering LLC for engineering design and integration services for a total amount of \$82,200.00 and include a 10% contingency up to a total contract price of \$90,420.00.
3. The Board of Directors hereby authorizes the General Manager to execute the documents necessary to cause the actions contemplated by this resolution.

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PASSED AND ADOPTED by the Board of Directors of the Nevada Irrigation District at a regular meeting held on the 28th day of August 2024, by the following vote:

AYES:	Directors:
NOES:	Directors:
ABSENT:	Directors:
ABSTAINS:	Directors:

President of the Board of Directors

Attest:

Secretary to the Board of Directors