

Staff Report

TO: Board of Directors

FROM: Peter Wade, P.E., Director of Power Systems
Lacy Cannon, P.E., Senior Engineer – Dam Safety

DATE: October 23, 2024

SUBJECT: Award of Sole-Source Contract for System-Wide Site-Specific
Seismic Hazard Assessment (Project #2705) (Consent)

HYDROELECTRIC

RECOMMENDATION:

Approve a sole-source agreement with Gannett Fleming, Inc. in the amount of \$306,820.00, and authorize the General Manager to execute the appropriate documents.

BACKGROUND:

The District has twelve FERC regulated dams subject to the Federal Energy Regulatory Commission (FERC) Part 12D Independent Consultant Inspection Program, required in Title 18 Code of Federal Regulation (CFR) Part 12, Subpart D (Part 12D) and FERC's Engineering Guidelines for the Evaluation of Hydropower Projects Chapter 16. On December 16, 2021, FERC Order 880 changed the Part 12D process from 5-year inspections to alternating Comprehensive Assessments (CA) and Periodic Inspections (PI). CAs include Potential Failure Mode Analysis (PFMA) and a Level 2 Risk Assessment (L2RA).

Loading frequency curves for the reservoir elevation, hydrologic loading, and seismic loading are required for each facility and will be utilized during the PFMA and L2RA processes. Potential Failure Modes (PFMs) that are determined to be significant are considered in the L2RA. The loading frequency curves are required to determine the critical load case, estimate failure likelihoods, and to estimate failure likelihood categories. The end result is to plot each significant PFM on a Risk Matrix, also considering confidence and uncertainty in the estimates, risk reduction measures and management actions.

FERC has issued a schedule for the District's twelve dams subject to the Part 12D requirements from 2026 through 2038, broken into 3-year cycles with 2-year breaks in between. Each year within the schedule will have one to two CAs and two to three PIs. This contract covers the Seismic Hazard Assessments required for ten dams, on nine reservoir sites (two dams have their first CA in the third cycle 2036-2038 and will be added at a later date). The work is planned to be completed within one year or less from the Notice to Proceed.

Staff is recommending award of a sole source contract to Gannett Fleming, which is a well-established consulting firm with significant experience conducting site-specific seismic hazard evaluations of FERC-regulated facilities. Gannett Fleming has a team of highly sought after industry subject matter experts in the field of seismic hazard engineering who will be leading this work. Gannett Fleming's prior knowledge of the District's facilities and subject matter expertise will result in a cost and time savings compared to other potential consultants. Their proposal demonstrates an efficient work breakdown structure that will allow for additional facilities to be added to the assessment in the future.

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

3080.8.E Sole source contracts may also be awarded to consultants that have a high level of knowledge of the District's infrastructure, operations, or regulatory requirements or experience working with the District.

BUDGETARY IMPACT:

The Hydroelectric operating budget currently has funds available in the consulting budget (50112-52603). Staff estimates that approximately \$75,000 will be spent this year.

Work performed under this contract will occur through 2025 due to various regulatory requirements and schedules and will be budgeted annually through the duration of the contract.

PW
LC