

Staff Report

TO: Board of Directors

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

DATE: June 12, 2024

SUBJECT: Award of Contracts for the Rollins Powerhouse Governor Replacement Project No. 2392 (Consent)

ENGINEERING

RECOMMENDATION:

Award a Consultant Services Agreement and a Construction Contract to L&S Electric, Inc. (L&S) in the amount of \$262,295, including a 10% contingency (for a total of \$288,525) for design engineering, material procurement, and construction services for the Rollins Powerhouse Governor Replacement Project (Project), and authorize the General Manager to execute the necessary documents and any contract change orders within the contingency amount.

BACKGROUND:

The generating unit for Rollins Powerhouse (RPH) was originally constructed in 1923 and commissioned as one of two units in the Old Melones Powerhouse. One unit was relocated to the RPH and commissioned by NID in 1980. The existing governor has been in use since this commissioning. The governor has surpassed its useful life and in order to ensure and improve reliability and controllability during unit operation, and to avoid disruption of downstream discharge as required by regulators and NID's contractual obligations, staff have determined that the existing governor should be replaced with a new digital governor.

In 2021, a governor failure was observed which resulted in full closure of the wicket gates for unknown reasons, but no unit trip occurred. Because of the failure to trip, the low-level bypass valve was not opened which resulted in downstream flow violations for minimum flow not being met and for conducting operations with a non-compliant ramp rate. Additional programming was added to the balance of plant programmable logic controller after this failure to allow the bypass valve to open without the unit tripping beforehand, however, the governor failure remains unexplained.

A request for proposals (RFP) for design engineering, material procurement, and construction services was sent to nine prospective firms on February 26, 2024. Four proposals were received by the due date of April 17, 2024. Seven of the proposing firms formed teams which reduced the number of submitted proposals, while two firms declined to submit a proposal for the Project. Staff from the Hydroelectric and Engineering Departments reviewed the proposals. L&S was selected for the award based on the criteria stated in the RFP. Table 1 below summarizes the cost of services proposed by each team/firm and the Staff rankings for each proposal:

Table 1 – Cost of Services from Proposing Firms and Staff Rankings

Firm(s)	Base Price	Price with Optional Upgrades/Services	Staff Ranking
L&S Electric	\$203,035.00	\$262,295.00	1
Basler Services/Power Pros	\$347,349.28	\$518,757.35	2
Emerson Automation Solutions/Mercury Governor Group/KGS Group	\$579,471.00	\$579,471.00	3
General Electric Company (GE Vernova)	\$269,801.00	\$304,066.00	4

The base prices provided above include the cost of materials needed to complete the Project in addition to the provided services from each firm. The installation of the governor system will be completed by Hydroelectric Department Staff (to be overseen and directed by the L&S commissioning engineer).

Several of the firms also included recommended optional upgrades/services. It was determined that the approach described in the L&S proposal with all of the suggested options included would provide the most advanced governor system for RPH while remaining a cost-effective solution for the Project.

Staff contacted listed references provided by L&S from neighboring agencies and confirmed that they were satisfied with L&S's performance as a design engineer and integrator on similar projects. This included a governor upgrade project for Sly Creek Powerhouse (owned and operated by South Feather Water & Power Agency) which is the sister unit to RPH and was also once used in the Old Melones Powerhouse before its decommissioning.

Staff recommends awarding a multi-year Consulting Service Agreement and Construction Contract to L&S for design engineering, material procurement, and construction services.

BUDGETARY IMPACT:

The 2024 Hydroelectric Capital Budget (Fund 55) includes \$400,000 for this project. The cost for the design engineering, material procurement, and construction services, including a 10% contingency is \$288,525.

Construction is scheduled to occur in 2025 depending on the availability of water needed for commissioning testing, and the availability of project materials. Therefore, work under the Construction Contract is not expected to be billed against the available 2024 Project budget. Funding for this project will be included in the next annual budget cycle.

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