

SUBJECT: AUTHORIZATION TO NEGOTIATE A CONSULTANT SERVICE AGREEMENT - ANALYSIS OF ALTERNATIVE ENERGY PRODUCTION

SOURCE: Public Works Department - Engineering Division

COMMENT: AECOM is completing plans and specifications for the design of a sludge de-watering system and electric air blower engines to replace the 20+ year old methane gas driven air blower engines.

Once the electric air blowers come online, there will be a significant increase in electrical power cost at the treatment plant. To counter this large increase in power consumption, staff solicited Statement of Qualifications (SOQ's) from qualified engineering firms to perform a comprehensive analysis on different energy producing technologies that will offset the anticipated increase in electrical costs.

The City received SOQ's from Carollo Engineers of Fresno and 4 Creeks Engineering of Porterville. Staff's evaluation of the two firms indicate that Carollo Engineers is the more qualified firm to complete Phase I of the project which is the preparation of a power analysis matrix. The matrix will consider various parameters leading to the best power producing option. Once the appropriate option has been selected, staff will negotiate a fee for Carollo Engineers to proceed with Phase II, which includes the preparation of plans and specifications.

Alternatives considered by the City for analysis include 1) converting an existing methane driven engine into an electric generator, 2) purchase of a new engine-generator, 3) enter into a turn-key "power purchase" agreement, 4) solar power, and 5) combination solar power and bio-gas.

Staff respectfully requests that the City Council authorize the Public Works Director to negotiate a "Not to Exceed" \$50,000 Consultant Service Agreement with Carollo Engineers to complete Phase I of the Alternative Energy Project.

When Phase I work has been completed, staff will present the complete analysis to Council and will request authorization to move forward with Phase II work. Funds for the project will come from the Wastewater Treatment Facility Capital Reserve. This project is included in the FY 2013/2014 and proposed FY 2014/2015 Annual Budget.

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Item No. 6

RECOMMENDATION: That the City Council:

1. Authorize the Public Works Director to negotiate a "Not to Exceed" \$50,000 consultant Service Agreement with Carollo Engineers;
2. Authorize the Mayor to execute the Consultant Service Agreement with Carollo Engineers for the services described herein;
3. Direct the Public Works Director to present the findings of Phase I work to the City Council and secure Council's authorization to proceed with Phase II work; and
4. Authorize progress payments up to 100% of the fee amount.