

CITY OF SANTA ROSA
CITY COUNCIL

TO: MAYOR AND CITY COUNCIL
FROM: DOUGLAS WILLIAMS, FACILITIES MAINTENANCE AND
OPERATIONS COORDINATOR
SUBJECT: TRANSPORTATION AND PUBLIC WORKS DEPARTMENT
FIRST AMENDMENT TO PROFESSIONAL SERVICE
AGREEMENT NUMBER F002238 FOR A CITY MSCN BUSINESS
PLAN ANALYSIS AND SOLAR PV FEASIBILITY STUDY WITH
AECOM TECHNICAL SERVICES, INC.

AGENDA ACTION: RESOLUTION

RECOMMENDATION

It is recommended by the Transportation & Public Works Department and Santa Rosa Water that the Council, by resolution: 1) approve the First Amendment to the Professional Services Agreement Number F002238 with AECOM Technical Services, Inc. of Los Angeles, California, increasing compensation in the amount of \$93,225.00, for a total contract amount to \$347,315.00 for the purpose of providing professional technical services to evaluate Solar Photovoltaic Systems at identified City facilities; and 2) appropriate \$35,157.00 from the General Fund unassigned reserves.

EXECUTIVE SUMMARY

The Transportation and Public Works Department and Santa Rosa Water have been delegated the responsibility of maintaining the City's buildings and public structures. To improve the Department's ability to properly deploy staff resources, develop a long-term maintenance program, and to assist City Council with Climate Action goals, staff is recommending amending contract F002238 to further develop AECOM's recommendations as a business plan portion and for the solar photovoltaic (PV) study, which will incorporate preliminary site layouts, recommended install capacities and high-level cost estimates for the installation. The proposed evaluation to be completed by AECOM is specific to previously identified opportunities to install PV facilities at the Transportation and Public Works Department's Municipal Services Center North (MSCN), and Santa Rosa Water's Laguna Treatment Plant (LTP) and Utility Field Office (UFO).

BACKGROUND

In 2021 AECOM prepared a feasibility study for the City of Santa Rosa to help the city identify cost-effective opportunities for reducing Greenhouse Gas (GHG) emissions and

improving the resiliency of the City's operations. Under this scope, AECOM performed an investigation to analyze the feasibility of deploying microgrids at two City building clusters as well as identify opportunities for installation of solar photovoltaics and energy efficiency measures at all City facilities and parks.

A total of 47 city facilities and 63 parks were included in the scope, of which 9 buildings were investigated for microgrid deployment. Utilizing the data obtained during our site visits and the information provided by Santa Rosa, AECOM has developed a suite of solutions across the three main aspects of the scope.

The City has decided on the following next steps to further enhance the feasibility study work:

- Further develop a business plan analysis for the Maintenance Service Center North (MSCN) to consider a selection of solutions in more detail.

In 2019, Kennedy/Jenks Consultants (K/J) with assistance from City staff, completed the Water Department's Energy Optimization Plans (EOPs). The plans serve as a roadmap for strategically and systematically optimizing energy use in Santa Rosa Water's (SRW's) Regional Water Reuse and Water Operations. The EOPs identified various practices and projects for the two system's operations that would facilitate the reduction of energy usage, energy costs, and greenhouse gas (GHG) emissions. In the EOPs, K/J recommended further analysis be done on several potential solar PV systems. Staff has prioritized completing the solar PV investigation to better understand if the measures should be implemented. AECOM's proposed deliverables would include a thorough analysis of the solar projects, provide SRW with a report that includes refined and updated calculations of potential capital costs, energy cost savings, and GHG savings. PV systems that are identified as beneficial and cost-effective would be able to be pursued for recommended inclusion in Capital Improvement Planning for SRW.

PRIOR CITY COUNCIL REVIEW

On December 1, 2020, during the consent item (12.1), City Council authorized the Transportation and Public Works Department to enter into contract with AECOM to perform an analysis to identify cost-effective opportunities for reducing Greenhouse Gas (GHG) emissions and improving the resiliency of the City's operations . The original amount of the contract is \$254,090.00

ANALYSIS

The proposed Transportation and Public Works Department scope of work includes the following:

Further development of a business plan to analyze the following pathways:

1. Power Purchase Agreement (PPA).

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2. Energy Savings Performance Contract (ESPC).
3. City Ownership of the systems and equipment.

The following aspects for each of the pathways listed above will be analyzed in more detail:

- Life cycle cost analysis: AECOM will estimate the cost associated with the listed solutions to purchase, implement, own, operate, maintain, and decommission the systems. The cost will be reported in net present value.
- Return on Investment (ROI) analysis: AECOM will calculate the ROI based on the overall cost and net return of each project pathway.
- Project funding solutions: In addition to investigating different funding solutions, AECOM will identify the available incentives, rebates, tax incentives, and grant options for the project.
- Risk analysis and mitigation strategies: AECOM will conduct a risk analysis for the different project pathways such as risk of ownership and identify risk mitigation strategies, as appropriate.
- Implementation plan: AECOM will create a high-level project implementation plan for the different project pathways.
- Operations and Maintenance forecasting: AECOM will estimate the required cost, staffing, and resources required for operation and maintenance of the solutions.

The proposed Santa Rosa Water scope of work includes the following:

Further development of a business plan to analyze the following pathways for pursuing PV projects at strategically identified city facilities:

1. PPA
2. ESPC
3. City Ownership of the systems and equipment

- Initiate kick-off meeting to discuss the sites, any constraints, and data needs.
- Review the analysis completed by Kennedy-Jenks in the 2019 Energy Optimization Plan.
- Collect data, perform due diligence, and analyze the sites.
- Conduct site visits.
- Structure analysis for the roof of the West Transfer Station.
- Develop and finalize preliminary layouts of the solar PV.
- Evaluate options for the site (Behind the Meter, PPA, City Ownership, lease, or combination)
 - Life cycle cost analysis: AECOM will estimate the cost associated with the listed solutions to purchase, implement, own, operate, maintain, and decommission the systems. The cost will be reported in net present value.
 - ROI analysis: AECOM will calculate the ROI based on the overall cost and net return of each project pathway.

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- Project funding solutions: In addition to investigating different funding solutions, AECOM will identify the available incentives, rebates, tax incentives, and grants options for the project.
- Develop the final report and presentation.

For the analysis related to Floating solar PV at the LTP, AECOM's recommendations would be based on a site visit and available data. This would result in a high-level preliminary layout.

The ultimate goal of the more detailed analysis will be to provide enough information for the city to determine how much funding should be set aside for PV funding, meeting overall City fiscal sustainability goals, and reach climate action goals. Staff is recommending a contract amendment to AECOM Technical Services, Inc. in the amount of \$93,225.00, with \$35,157.00 in funding for the contract from the General Fund unassigned reserves and the balance from Santa Rosa Water enterprise funds.

With respect to the scope of work for Transportation and Public Works and for Santa Rosa Water, staff has also provided that the City may incorporate optional, additional Project Implementation and On-Call Consulting services into the scope of services as the project proceeds through all phases. The City would be under no obligation to proceed with Plan Implementation or On-Call Consulting. Such additional services, if any, would be at the sole discretion of the City.

FISCAL IMPACT

The funding for this project needs to be appropriated from the General Fund reserves in the amount of \$35,157.00 into JL 17566. Other funding amounts will be allocated to existing Water and Sewer Enterprise charge codes.

ENVIRONMENTAL IMPACT

This action is exempt from the California Environmental Quality Act (CEQA) because it is not a project which has a potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment, pursuant to CEQA Guidelines Section 15378.

BOARD/COMMISSION/COMMITTEE REVIEW AND RECOMMENDATIONS

On September 22, 2020, the Transportation and Public Works Department briefed the Climate Action Subcommittee on the status and details of the proposed study. The Subcommittee provided comments and supported the Transportation and Public Works Department in bringing this proposal to Council.

NOTIFICATION

Not applicable.

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ATTACHMENTS

- Resolution / Exhibit A (First Amendment to PSA No. F002238 and Scope of Work)

CONTACT

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