



# COUNTY OF SONOMA

575 ADMINISTRATION  
DRIVE, ROOM 102A  
SANTA ROSA, CA 95403

## SUMMARY REPORT

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**Agenda Date:** 8/17/2021

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**To:** Board of Directors, Sonoma County Water Agency  
**Department or Agency Name(s):** Sonoma County Water Agency  
**Staff Name and Phone Number:** Hannah Camp: 707-524-6435  
**Vote Requirement:** Majority  
**Supervisory District(s):** Countywide

**Title:**  
Warm Springs Dam Hydropower Retrofit - Rejection of All Bids

**Recommended Action:**  
Reject all bids received for the Warm Springs Dam Hydropower Retrofit Project.

**Executive Summary:**  
This item requests the Board of Directors reject all bids for construction of the Warm Springs Hydropower Retrofit Project.

**Discussion:**  
**HISTORY OF ITEM/BACKGROUND:**  
The Warm Springs Hydropower facility was constructed in 1989. The hydropower facility generates renewable, carbon-free electricity that is sold to the Power and Water Resources Pooling Authority (Pooling Authority). The revenue generated by the power sales goes into the water transmission fund.

In 2016, a Condition Assessment was performed at the hydropower facility. The Condition Assessment determined that the hydropower facility is reaching the end of its useful life and needs retrofitting to modernize the outdated electrical, mechanical, and control systems to extend the useful life of the facility and improve system efficiency.

In 2018, Sonoma County Water Agency (Sonoma Water) entered a design engineering agreement with Integrated Engineers & Consultant Corporation to design a retrofit project that would replace the dated electrical, mechanical, and control components (Project).

The Project was advertised for bids: 02/16/2021

Bids were opened: 05/25/2021

Bids for construction of said Project were received on Tuesday, May 25, 2021, as follows:

Olsson Industrial Electric, Inc., Springfield, OR \$2,734,807.00

Gracon LLC, Lafayette, CO

\$2,836,472.00

The Engineer's Estimate was \$2,255,000.00.

The difference in bids may attributed to limited electrical equipment options that can fit into the relatively confined space requirements within the Warm Springs Dam control structure, while still maintaining current National Electric Code requirements and California Division of Occupational Safety and Health (Cal/OSHA) requirements that were not in effect when the original hydroelectric facility was constructed in 1988/1989. The newer requirements necessitate customization of the electrical components to allow for a safe and functional system with adequate spacing for safety. Sonoma Water staff recommend redesigning the system to accommodate flexibility in customization from each potential manufacturer of electrical components. This should result in a more cost-effective construction project with less risk of costly change orders.

Document 00 21 13 - provides that "Owner also reserves the right, in its discretion, to reject any or all Bids and to re-bid the Project." The bids received exceed Sonoma Water's cost estimate which is currently not in its budget at this time. For these reasons, Sonoma Water staff recommend rejecting all bids. Staff plans to re-bid the Project next year and will seek to attract multiple configuration options for electrical components to ensure competitive bid pricing.

Sonoma County Water Agency recommends the Board take the following action:  
Reject all bids received for the Warm Springs Dam Hydropower Retrofit Project.

**Prior Board Actions:**

09/10/2019: Authorized General Manager to execute the First Amended Agreement for Engineering and Design Services for Warm Springs Dam Hydropower Retrofit Project

07/10/2018: Authorized General Manager to execute the Agreement for Engineering and Design Services for Warm Springs Dam Hydropower Retrofit Project

**FISCAL SUMMARY**

| <b>Expenditures</b>                | <b>FY 21-22<br/>Adopted</b> | <b>FY22-23<br/>Projected</b> | <b>FY 23-24<br/>Projected</b> |
|------------------------------------|-----------------------------|------------------------------|-------------------------------|
| Budgeted Expenses                  |                             |                              |                               |
| Additional Appropriation Requested |                             |                              |                               |
| <b>Total Expenditures</b>          |                             |                              |                               |
| <b>Funding Sources</b>             |                             |                              |                               |
| General Fund/WA GF                 |                             |                              |                               |
| State/Federal                      |                             |                              |                               |
| Fees/Other                         |                             |                              |                               |
| Use of Fund Balance                |                             |                              |                               |
| Contingencies                      |                             |                              |                               |
| <b>Total Sources</b>               |                             |                              |                               |

**Narrative Explanation of Fiscal Impacts:**

No fiscal impact at this time.

| <b>Staffing Impacts:</b>                       |  |                           |                           |
|--|--|---------------------------|---------------------------|
| <b>Position Title (Payroll Classification)</b> | <b>Monthly Salary Range (A-I Step)</b> | <b>Additions (Number)</b> | <b>Deletions (Number)</b> |
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|  |  |                           |                           |

**Narrative Explanation of Staffing Impacts (If Required):**

N/A

**Attachments:**

None.

**Related Items "On File" with the Clerk of the Board:**

Project Manual and Drawings