



CITY OF GLENDALE, CALIFORNIA REPORT TO THE CITY COUNCIL

AGENDA ITEM

Report: City Owned Solar Development Program – Phase 1 Award of Contracts

1. Motion authorizing the City Manager, or his designee, to execute a construction contract with Solar Optimum, Inc., using the Alternative Project Delivery Method for the Engineer-Procure-Construct (EPC) of Solar PV Systems for a not-to-exceed amount of \$9,953,000 with a 15% contingency of \$1,492,950 at the following project sites: 1) Sports Complex, 2) Glendale Community College Lot 34, 3) Utility Operations Center, 4) Central Library, and 5) GWP Perkins Building.
2. Motion authorizing the City Manager, or his designee, to execute a contract with Motive Energy Storage Systems, Inc., using the Alternative Project Delivery Method for the EPC of Solar PV Systems for a not to exceed amount of \$151,274 with a 15% contingency of \$22,691 for project design and engineering, and environmental analysis under California Environmental Quality Act (CEQA) at the following project site: 1) Brand Landfill.
3. Resolution amending Resolution 23-24, authorizing the General Manager of Glendale Water & Power Department, or his designee, to utilize the Engineer, Procure, Construct (EPC) Project Delivery Method for the Solar Photovoltaic System at Six Proposed Sites.

COUNCIL ACTION

Item Type: Action Item

Approved for November 14, 2023 **calendar**

EXECUTIVE SUMMARY

On March 7, 2023, City Council authorized the General Manager of Glendale Water & Power (GWP) to issue a Request for Proposals (RFP) for the Alternative Project Delivery Method of Delivery for the Engineer-Procure-Construct of solar PV systems for the eight sites included in Phase 1 of the City Owned Solar Development Program.

These eight sites were estimated to deliver 4.4 MW of solar PV energy at an estimated cost of \$14,650,000. However, two sites were removed from the RFP due to certain constraints and were replaced with one new site. These seven sites were estimated to deliver 3.9 MW of solar PV energy at a cost of \$12,850,000. Later, Fire Station 21 from the RFP as requested by the department. This adjustment resulted in the RFP including

six sites for an estimated 3.7 MW of solar PV energy at an estimated cost of \$12,050,000.

The RFP submittal period closed on August 11, 2023. Based on the results of a competitive selection process, staff has prepared its recommendation herein this report.

RECOMMENDATION

Authorize the City Manager to execute two separate Engineer-Procure-Construct (EPC) Contracts as follows:

With Solar Optimum, Inc. in the not-to-exceed amount of \$9,953,000 with a 15% contingency of 1,492,950 for a total of \$11,445,950 for the following sites:

- Sports Complex Parking Lot
- Community College Lot 34
- Utility Operations Center Parking Lot
- Central Library
- GWP Perkins Building

With Motive Energy Storage Systems, Inc., in the not-to-exceed amount of \$151,274 with a 15% contingency of \$22,691 for a total of \$173,965 for project design and engineering, and environmental analysis under California Environmental Quality Act (CEQA) for the Brand Landfill site.

Authorize Motive Energy Storage Systems, Inc. to conduct the engineering and CEQA review of the Brand Landfill PV Project (Brand Landfill Project), and once completed to return to Council for appropriate action pertaining to the required CEQA analysis and at that time to authorize a contract for the construction phase of the project.

ANALYSIS

On August 16, 2022, City Council adopted Resolution No. 22-125 which, among other things, declared the City of Glendale's intent to adopt policies and practices designed to ensure future investments in equipment and infrastructure to produce electricity to serve the needs of the City and utility customers will to the maximum extent possible be clean, renewable, or non-carbon emitting, and to achieve 100% clean, renewable, or non-carbon emitting energy no later than 2035. In support of said goals, City Council directed staff to issue an RFP to solicit proposals for Phase 1 of the City Owned Solar Development Program

On March 7, 2023, City Council adopted Resolution No. 23-24 authorizing the General Manager of GWP to issue an RFP for Phase 1 of the City Owned Solar Development Program. The original eight sites were estimated to deliver 4.4 MW of solar PV energy at a cost of \$14,650,000.

Prior to advertising the RFP, staff identified constraints with Montrose Lot 3 and

Dunsmore Park sites that required removal from the RFP and to be considered for future phases of solar PV development. However, Glendale Community College Lot 34 site was added as a replacement and the RFP was subsequently issued on May 22, 2023, for seven sites. These seven sites were estimated to deliver 3.9 MW of solar PV energy at a cost of \$12,850,000.

Three addenda were issued during the RFP submittal period. Addendum No. 1 removed Fire Station 21 from the RFP as requested by the department. This adjustment resulted in the RFP including six sites for an estimated 3.7 MW of solar PV energy at an estimated cost of \$12,050,000.

Addendum No. 2 provided answers to questions submitted by interested proposers, disclosed a list of interested proposers to encourage vendor collaboration, established a schedule for site walks, and extended the proposal submittal deadline from July 28, 2023, to August 11, 2023. The proposal deadline was extended at the request of interested proposers to allow for additional time for proposal submittals.

Addendum No. 3 included language in the General Conditions outlining the addition of a roof warranty and coordination with the Glendale Central Library roofing contractor to ensure the roof warranty is preserved during and after all phases of the solar array construction activities are completed.

Proposers could submit proposals for one, multiple, or all sites included in the RFP. This criterion was intended to attract vendors with varying expertise and to maximize proposal submissions.

Proposal Evaluation and Selection

GWP received proposals from the following five firms:

- California Solar Group (proposed for two sites)
- Enerlogics West, LLC
- HOLT Renewables, LLC
- Motive Energy Storage Systems, Inc.
- Solar Optimum, Inc.

GWP staff conducted proposal evaluations based on the following criteria:

Weight	Evaluation Criteria
40%	Price and fees.
25%	Description of project approach and schedule. Demonstrated understanding of the project’s nature including the necessary environmental and permitting analysis as required for each project. Detailed plans on how to deliver the project timely and efficiently.

25%	Demonstrated EPC Contractor experience on similar solar photovoltaic projects.
10%	Completeness and quality of the response.

The evaluation methodology for pricing focused on each vendor’s total cost per watt for each of the six sites. This approach allowed evaluators to equally compare pricing for each site individually despite the range of proposed solar PV system sizes. Below is an example of two pricing proposals for the Brand Landfill site where the total amount for one is higher than the other, yet the proposal with the higher overall cost has a lower cost per watt due to its larger solar PV system size compared to the other proposal.

Brand Landfill Proposal Example:

Proposal Amount	PV System Size (kW)	Cost per Watt
\$3,439,189	1,273	\$2.70
\$3,942,071	1,811	\$2.18

A range of proposed system sizes for each individual site was expected due to the RFP explicitly encouraging proposers to identify and propose refinements to the conceptual designs including the prioritization of maximizing solar PV output. This aspect of the evaluations was a key deciding factor that shaped staff’s recommendation for contract award as one of the top priorities of the project is to maximize the City’s solar PV output.

The evaluation of each proposer’s project approach identified proposals that included PV system sizes that exceeded were equal to or less than the estimated sizes included in each conceptual design. Interestingly, the two proposals that included PV system sizes exceeding the City’s estimates also had the lowest cost per watt. The three additional proposals included two proposals with PV system sizes less than the City’s estimates and one proposal that exactly matched the City’s estimates. These factors among others demonstrated each proposer’s understanding of the City’s desire to maximize solar PV output on its facilities.

The evaluation of each proposer’s experience revealed an impressive collection of projects similar in scope to the sites included in the RFP including projects in Southern California and California in general. The largest differentiating factor in project experience between the proposers was whether the experience was in-house or subcontracted. The proposers with in-house experience demonstrated an attractive balance of value engineering to reduce costs and maximize system efficiency. The proposers relying heavily on subcontractors also provided impressive project references. However, the overall project approach, understanding of the City’s priorities, and project costs aligned more with the proposers with a greater concentration of an in-house workforce.

Description of the proposed Solar Project to be located at five sites:

- Sports Complex Parking Lot
 - This site is located at 2200 Fern Lane and covers an area of approximately 2.4 acres. The proposed carport solar array would cover approximately 1.4 acres of the total parking lot area allowing for open air travel aisles.
- Community College Lot 34
 - This site is located at 1648 Cañada Blvd. and covers an area of approximately 1.8 acres. The proposed carport solar array would cover approximately 0.8 acres and would include one large span carport solar array section at the northeastern section of the parking lot and five additional sections covering just the parking spaces allowing for open air travel aisles.
- Utility Operations Center Parking Lot
 - This site is located at the Grayson Power Plant, 901 Fairmont Ave. The parking lot covers an area of approximately 1.2 acres and the proposed carport solar array would cover approximately 0.4 acres allowing for open air travel aisles.
- Central Library
 - This site is located at 222 E Harvard Street, and the proposed installation is a rooftop solar array. The rooftop footprint covers an area of approximately 1 acre and the proposed solar array would cover most of the available rooftop space while providing adequate access to the existing HVAC equipment, electrical conduit, and drains.
- GWP Perkins Building
 - This site is located at 141 N Glendale Ave., and the proposed installation is a rooftop solar array. The rooftop footprint covers an area of approximately 0.75 acre and the proposed solar array would cover approximately half of the total area due to the large open atrium and existing HVAC equipment, electrical conduit, and drains.

STAKEHOLDERS/OUTREACH

GWP will conduct outreach as each of the projects are designed and ready to be built.

FISCAL IMPACT

The construction of the City Owned Solar Development Program – Phase 1 Projects (five project sites) will cost \$9,953,000 plus a 15% contingency of \$1,492,950 for a total of \$11,445,950, and Brand Landfill project will cost \$151,274 plus a 15% contingency of \$22,691 for a total of \$173,965.

The total amount for the construction of five sites and the design, engineering, and environmental review for one site, including the 15% contingency is \$11,619,915, which is available in the current FY 23-24 budget.

Existing Appropriation		
Amount	Account String	Funding Source
\$11,619,915	GL: 43110-5830-GWP-0020-P0000- PL: GWP00660AA	Electric Depreciation Fund

ENVIRONMENTAL REVIEW

Project to be undertaken by Solar Optimum, Inc.:

The Project would involve installation of solar PV systems at three existing City-owned parking lots and on two rooftops of existing City-owned buildings. The Project is categorically exempt from the California Environmental Quality Act (CEQA) under CEQA Guidelines Section 15301: Class 1 Existing Facilities because the Project would involve negligible or no expansion of use. The solar arrays would be located in an area that is already physically built out with parking lots and a building roof top where no environmentally sensitive habitats exist. The project is categorically exempt under CEQA Guidelines 15303 - Class 3 New construction or conversion of small structures. This project involves the construction of accessory structures such as solar carports on existing parking lots and an existing roof top with associated equipment infrastructure, and minor excavation for carport footings and power lines.

The Project is categorically exempt under CEQA Guidelines Section 15311 – Class 11 Accessory Structures. Class 11 consists of construction, or placement of minor structures accessory to (appurtenant to) existing commercial, industrial, or institutional facilities, which is applicable to this project because this project includes placement of PV systems on an existing roof top and on existing parking lots. CEQA Guidelines Section 15300.2 includes several exceptions to categorical exemptions, which include the following: location; cumulative impact; significant effect; scenic highways; hazardous waste sites; and historical resources. These exceptions have been determined not to apply to the Project because none of these project sites are located in or near a sensitive ecological area, a hazardous waste, historic resources; the project does involve unusual circumstances, does not create a cumulatively significant effect, and does not impact scenic highways.

Project to be undertaken by Motive Energy Storage Systems, Inc.

The Project would involve the design and installation of PV System at the Brand Landfill. Motive Energy Storage Systems, Inc. will first undertake the design and CEQA analysis of the proposed Project. Once that is completed, the appropriate CEQA documentation and Project will be presented to the City Council and authorization will be obtained at that time to commence with the construction phase of the Project.

CAMPAIGN DISCLOSURE

In accordance with the City Campaign Finance Ordinance No. 5744, the Campaign Disclosures including the names and business addresses of the members of the board of directors, the chairperson, CEO, COO, CFO, subcontractors, and any person or entity with more than ten percent interest in the company are attached as follows:

- Exhibit 2: Solar Optimum, Inc.
- Exhibit 3: Motive Energy Storage Systems, Inc.
- Exhibit 4: HOLT Renewables, LLC
- Exhibit 5: Enerlogics West, LLC
- Exhibit 6: California Solar Group

ALTERNATIVES

Alternative 1: Approve the two Motions to proceed with the award of contracts for the EPC Alternative Project Delivery Method for the City Owned Solar Development Program – Phase 1 as stated in this report, as well as the Resolution amending Resolution 23-24.

Alternative 2: Not approve the two Motions to proceed with the award of contracts for the EPC Alternative Project Delivery Method for the City Owned Solar Development Program – Phase 1 and approve any other alternatives identified in this report.

Alternative 3: Consider any other alternatives not proposed by staff.

ADMINISTRATIVE ACTION

Prepared by:

Daniel Scorza, P.E., Chief Assistant General Manager – Electric

Approved by:

Roubik R. Golanian, P.E., City Manager

EXHIBITS / ATTACHMENTS

- Exhibit 1: Resolution No. 23-24
- Exhibit 2: Campaign Finance Disclosure for Solar Optimum, Inc.
- Exhibit 3: Campaign Finance Disclosure for Motive Energy Storage Systems, Inc.
- Exhibit 4: Campaign Finance Disclosure for HOLT Renewables, LLC
- Exhibit 5: Campaign Finance Disclosure for Enerlogics West, LLC
- Exhibit 6: Campaign Finance Disclosure for California Solar Group