



CITY OF GLENDALE, CALIFORNIA REPORT TO THE CITY COUNCIL

AGENDA ITEM

Report: Amendment No. 1 to Contract No. 8000832 with Ethos Energy Field Services, LLC for the Grayson Power Plant

1. Motion Authorizing the City Manager, or his designee, to execute Amendment 1 to Contract No. 8000832 with Ethos Energy Field Services, LLC to increase contract by \$150,000 for "as needed" field and shop services for the Grayson Power Plant, and GWP offsite pumping facilities for a new contract amount not-to-exceed \$500,000.

COUNCIL ACTION

Item Type: Consent Calendar

Approved for April 27, 2021 **calendar**

ADMINISTRATIVE ACTION

Submitted by:

Craig Kuennen, Interim General Manager, Glendale Water and Power

Prepared by:

Mark Young, Assistant General Manager/Power Management

Reviewed by:

Michele Flynn, Director of Finance

Michael J. Garcia, City Attorney

Approved by:

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

RECOMMENDATION

Glendale Water & Power (GWP) respectfully recommends that the City Council authorize the City Manager, or his designee, to execute Amendment No. 1 to Contract No. 8000832 with Ethos Energy Field Services, LLC. The Amendment would increase the not-to-exceed contract amount by \$150,000, for a contract total of \$500,000.

BACKGROUND/ANALYSIS

On December 10, 2019, the City Council approved a resolution to dispense with competitive bidding, and to authorize the General Manager of GWP to negotiate with bidders and the City Manager to execute a contract in an amount not-to-exceed \$350,000 for a two-year term for “as needed” field and shop services for the Grayson Power Plant (GPP) and GWP offsite pumping facilities.

As a result, the contract was awarded to Ethos Energy Field Services, LLC. The contract was executed on February 21, 2020 and will expire on February 20, 2022.

The work of inspecting, maintaining, and overhauling of the rotating equipment at the Grayson Power Plant and GWP offsite pumping facilities is highly specialized and very few companies are qualified to do the work. Ethos is well-qualified and capable of performing the subject work, and GWP is satisfied with the work that has been provided.

GWP has essential repairs that need to be done to maintain the equipment in service. In the past year, the bulk of the contract was used on the Unit 9 Generator Bearing Inspection and Repair as well as the Unit 9 Gas Compressor Overhaul. The Unit 9 repairs are essential and of high importance as GWP anticipates for it to be the only unit that would be available during the proposed repowering. There are other pump repairs that are smaller in scope and cost but together has caused the contract amount to be exhausted. We anticipate that additional services will be required prior to the contract’s expiration date, such as Units 8A, 8BC, 1 & 2 preventative maintenance and repair prior to summer peak demand.

The services that would be provided under this Amendment would be provided at the unit rates specified in the contract.

FISCAL IMPACT

Amendment No. 1 to Contract No. 8000832 will increase the contract amount by \$150,000 for a new not-to-exceed amount of \$500,000. The additional funding request is for “as needed” field and shop services for the GPP, and GWP offsite pumping facilities to be utilized partially in Fiscal Year 2020-21 and future fiscal years. Staff anticipated expenses by June 30, 2021 to be \$75,000. Sufficient funds are available in the Fiscal Year 2020-21 budget in the following amounts:

Account Description	Account No.	Estimated Amount
Contractual Services Account, Electric Works Revenue Fund,	43110-5820-GWP-4690-P0000-T1792-F1500	\$50,000

GWP, Power Plant Cost Center, BOP & Auxiliaries Maintenance, Power Production Expense FERC		
Contractual Services Account, Water Works Revenue Fund, GWP, Water Operation, Water Production Expense FERC	43110-5920-GWP-4720- P0000-T0000-F1600	\$25,000
	Total for Fiscal Year 2020-21	\$75,000

Funding for Fiscal Year 2021-22 has been incorporated in the proposed budget in the accounts mentioned above.

ALTERNATIVES

Alternative 1: The City Council may choose to authorize the City Manager, or his designee, to execute Amendment 1 to Contract No. 8000832 with Ethos Energy Field Services, LLC as recommended herein.

Alternative 2: The City Council may choose to not authorize Amendment 1 as recommended herein, which may mean that possible delay in maintenance and repair work at the Grayson Power Plant and GWP offsite pumping facilities, and may result in unit unavailability during the peak energy demand period particularly summer of 2021.

Alternative 3: The City Council may consider any other alternative not proposed by staff.

CAMPAIGN DISCLOSURE

In accordance with the City Campaign Finance Ordinance No. 5744, the completed Campaign Disclosure for Ethos Energy Field Services, LLC is attached hereto as Exhibit 1.

EXHIBIT(S)

Exhibit 1: Campaign Disclosure for Ethos Energy Field Services, LLC