



Commission Staff Report – *DRAFT*

Date: April 24, 2017

COMMISSION MEETING DATE: May 25, 2017

SUBJECT: Sage Engineers, Inc. – First Amendment to the Five Year Multi-Task Professional Services Agreement for Engineering Services; Applicable to the following projects: All NCPA Facility Locations, Members, SCPPA and SCPPA Members

AGENDA CATEGORY: Consent

FROM:	Ken Speer	METHOD OF SELECTION:
	Assistant General Manager	N/A
Division:	Generation Services	<i>If other, please describe:</i>
Department:	Hydroelectric	

IMPACTED MEMBERS:		
All Members	<input checked="" type="checkbox"/>	
Alameda Municipal Power	<input type="checkbox"/>	
Bay Area Rapid Transit	<input type="checkbox"/>	
City of Biggs	<input type="checkbox"/>	
City of Gridley	<input type="checkbox"/>	
City of Healdsburg	<input type="checkbox"/>	
City of Lodi	<input type="checkbox"/>	
City of Lompoc	<input type="checkbox"/>	
City of Palo Alto	<input type="checkbox"/>	
City of Redding	<input type="checkbox"/>	
City of Roseville	<input type="checkbox"/>	
City of Santa Clara	<input type="checkbox"/>	
City of Ukiah	<input type="checkbox"/>	
Plumas-Sierra REC	<input type="checkbox"/>	
Port of Oakland	<input type="checkbox"/>	
Truckee Donner PUD	<input type="checkbox"/>	
Other	<input type="checkbox"/>	
		<i>If other, please specify.</i>

RECOMMENDATION:

Approval of Resolution 17-XX authorizing the General Manager or his designee to enter into a First Amendment to the Multi-Task Professional Services Agreement with Sage Engineers Inc. for engineering consulting services related to project support and plant operations, with any non-substantial changes recommended and approved by the NCPA General Counsel. First amendment seeks to increase the contract value from \$225,000 to a not-to-exceed amount of \$1,000,000 over five years for use at all facilities owned and/or operated by NCPA, its Members, by the Southern California Public Power Authority (“SCPPA”), or by SCPPA Members.

BACKGROUND:

On September 9, 2016 NCPA entered into a five year Multi-Task Agreement for Engineering Services with Sage Engineers Inc. Sage Engineers subsequently absorbed California Electrical Services, Inc., another engineering firm with which NCPA had a five year Multiple Tasks General Services Agreement for not to exceed \$750,000. California Electrical Services has requested that we access their services through Sage Engineers. As a result, the NCPA Generation Services facilities (Hydro, Geothermal, and Combustion Turbines) have a need of significantly more of Sage’s engineering services than originally anticipated by the original contract of \$225,000 over five years. It has been determined that additional funds will be required in order for all facilities to utilize the contract.

FISCAL IMPACT:

Upon execution, the total cost of the agreement is not to exceed \$1,000,000 over five years to be used out of NCPA approved budgets as services are rendered. Purchase orders referencing the terms and conditions of the Agreement will be issued following NCPA procurement policies and procedures.

SELECTION PROCESS:

This enabling agreement does not commit NCPA to any expenditure of funds. At the time services are required NCPA will bid the specific scope of work consistent with NCPA procurement policies and procedures. NCPA currently has in place other agreements with GHD, Andritz, Kestrel, and Baskin Engineering for similar services and seeks bids from multiple qualified providers per NCPA’s procurement procedure. Bids are awarded to the best value provider. NCPA will issue purchase orders based on cost and availability of the services needed at the time the service is required

ENVIRONMENTAL ANALYSIS:

This activity would not result in a direct or reasonably foreseeable indirect change in the physical environment and is therefore not a “project” for purposes of Section 21065 of the California Environmental Quality Act. No environmental review is necessary.

COMMITTEE REVIEW:

Committee Review Pending.

Respectfully submitted,

RANDY S. HOWARD
General Manager

Attachments (2):

- Resolution
- First Amendment to Sage Engineers, Inc. MTPSA
- Multi-Task Professional Services Agreement with Sage Engineers, Inc.

RESOLUTION 17-XX

**RESOLUTION OF THE NORTHERN CALIFORNIA POWER AGENCY
APPROVING A FIRST AMENDMENT TO MULTI-TASK PROFESSIONAL SERVICES
AGREEMENT WITH SAGE ENGINEERS INC**

(reference Staff Report #XXX:17)

WHEREAS, professional and engineering services related to project support and plant operations are periodically required at the facilities owned and/or operated by Northern California Power Agency (NCPA), its Members, the Southern California Public Power Authority (SCPPA), and SCPPA Members; and

WHEREAS, on September 9, 2016 NCPA entered into a five year Multi-Task Agreement for Engineering Services with Sage Engineers, Inc.; and

WHEREAS, on _____, the LEC Project Participant Committee approved the first amendment to the agreement with Sage Engineers, increasing the contract to an amount not-to-exceed \$1,000,000 over five years; and

WHEREAS, this activity would not result in a direct or reasonably foreseeable indirect change in the physical environment and is therefore not a "project" for purposes of Section 21065 the California Environmental Quality Act. No environmental review is necessary;

NOW, THEREFORE BE IT RESOLVED, that the Commission of the Northern California Power Agency authorizes the General Manager or his designee to enter into a First Amendment to the Multi-Task Professional Services Agreement with Sage Engineers, Inc. with any non-substantial changes as approved by the NCPA General Counsel, which shall increase the not-to-exceed amount from \$225,000 to \$1,000,000 over five years for engineering consulting services related to project support and plant operations for use at all facilities owned and/or operated by NCPA, its Members, by the Southern California Public Power Authority (SCPPA), or by SCPPA Members.

PASSED, ADOPTED and APPROVED this ___ day of _____, 2017 by the following vote on roll call:

	<u>Vote</u>	<u>Abstained</u>	<u>Absent</u>
Alameda	_____	_____	_____
BART	_____	_____	_____
Biggs	_____	_____	_____
Gridley	_____	_____	_____
Healdsburg	_____	_____	_____
Lodi	_____	_____	_____
Lompoc	_____	_____	_____
Palo Alto	_____	_____	_____
Port of Oakland	_____	_____	_____
Redding	_____	_____	_____
Roseville	_____	_____	_____
Santa Clara	_____	_____	_____
Truckee Donner	_____	_____	_____
Ukiah	_____	_____	_____
Plumas-Sierra	_____	_____	_____

BOB LINGL
COMMISSION CHAIR

ATTEST: _____
CARY A. PADGETT
ASSISTANT SECRETARY



**FIRST AMENDMENT TO MULTI-TASK PROFESSIONAL SERVICES AGREEMENT BETWEEN
THE NORTHERN CALIFORNIA POWER AGENCY AND SAGE ENGINEERS, INC.**

This First Amendment ("Amendment") to Multi-task Professional Services Agreement is entered into by and between the Northern California Power Agency ("Agency") and Sage Engineers, Inc. ("Consultant") (collectively referred to as "the Parties") as of _____, 201_.

WHEREAS, the Parties entered into a Multi-task Professional Services Agreement dated effective September 9, 2016, (the "Agreement") for Sage Engineers, Inc. to provide dam safety engineering and other engineering consulting services for the Agency, Agency Members, the Southern California Public Power Authority (SCPPA), or SCPPA members; and

WHEREAS, the Agency now desires to amend the Agreement to increase the total compensation authorized by the Agreement from a "NOT TO EXCEED" amount of \$225,000 to a 'NOT TO EXCEED amount of \$1,000,000; and

WHEREAS, the Parties have agreed to modify the Agreement as set forth above; and

WHEREAS, in accordance with Section 8.2 all changes to the Agreement must be in writing and signed by all the Parties; and

NOW, THEREFORE, the Parties agree as follows:

1. **Section 2—Compensation** of the Agreement is amended and restated to read as follows:

Agency hereby agrees to pay Consultant an amount **NOT TO EXCEED** one million dollars (\$1,000,000) for the Services, which shall include all fees, costs, expenses and other reimbursables, as set forth in Consultant's fee schedule, attached hereto and incorporated herein as Exhibit B. This dollar amount is not a guarantee that Agency will pay that full amount to the Consultant, but is merely a limit of potential Agency expenditures under this Agreement.

The remainder of Section 2 of the Agreement is unchanged.

2. This Amendment in no way alters the terms and conditions of the Agreement except as specifically set forth herein.

Date: _____

NORTHERN CALIFORNIA POWER AGENCY

RANDY S. HOWARD, General Manager

Date: _____

SAGE ENGINEERS, INC.

STEVE H. SANDERS, President

Attest:

Assistant Secretary of the Commission

Approved as to Form:

Assistant General Counsel

EXHIBIT B

COMPENSATION SCHEDULE AND HOURLY FEES

Compensation for all tasks, including hourly fees and expenses, shall not exceed \$1,000,000 subject to Section 2 of the Agreement. The hourly rates and or compensation break down and an estimated amount of expenses is as follows:



SCHEDULE OF CHARGES

NCPA

16-103.00 – 2017 NCPA FERC Part 12D Safety Reports

June 24, 2016

The Schedule of Charges applies to all services provided by and/or through SAGE Engineers, Inc. (SAGE). Charges for our services are divided into three categories: Personnel, Travel/Reimbursables and Outside Services.

PERSONNEL

Personnel charges are for technical work, including technical typing, editing, graphics and support services involved in the preparation of reports and correspondence, and for the time associated with production of such documents. Personnel category per-hour charge rates are as follows:

<u>Personnel Category</u>	<u>Hourly Rate</u>
Senior Principal Engineer/Geologist	\$ 275.00
Principal Electrical Engineer	265.00
Principal Engineer/Geologist	265.00
Senior Associate Engineer/Geologist	220.00
Senior Consultant	210.00
Associate Engineer/Geologist	200.00
Senior Electrical Engineer	200.00
Senior Engineer/Geologist	185.00
Senior Project Engineer/Geologist	165.00
Project Engineer/Geologist	150.00
Senior Staff Engineer/Geologist	135.00
Staff Engineer/Geologist	125.00
Senior CADD/GIS Technician	145.00
CADD/GIS Technician	105.00
Contract Administration/Support Services	105.00

The charge for expert witness services, depositions (4-hour minimum) and court (8-hour minimum) is \$375 per hour.

TRAVEL / REIMBURSABLES

Time spent in travel in the interest of the Client will be charged at the above hourly rates plus mileage at the current IRS rate, except that no more than eight (8) hours of travel time will be charged in any day. When

it is necessary for an employee to be away from the office overnight, all actual costs including out-of-pocket expenses will be charged. Meals will be charged on a per diem basis at \$61.00. Reimbursable items (e.g., airfare, hotel, automobile/equipment rental, supplies etc.) will be charged at cost plus fifteen percent (15%). Specialty design software will be charged at an hourly rate on a per use basis, as follows: I- Site (\$40/hr); Arc GIS, GeoStudios (SEEP/W, SLOPE/W, SIGMA/W), RISA-3D, and SAFE (\$35/hr), SAP 2000 and RockWorks (\$25/hr); Dips, Swedge, RocPlane, and RocFall (\$15/hr). Specialty field equipment will be charged at a daily rate on a per use basis: Trimble GPS Unit+Antenna (\$130/day); Rope Access (\$200/day).

OUTSIDE SERVICES

Outside services will be charged at cost plus fifteen percent (15%). Common outside items to which this 1.15 multiplier applies include, but are not limited to drilling services, laboratory testing, printing and photographic work, special insurance and outside consultants.

2251 Douglas Blvd., Ste. 200, Roseville, CA 95661, (916) 677-4800
1999 Harrison St., Ste. 1800, Oakland, CA 94612, (510) 701-2266
SAGEengineers.com

The rates set forth above are valid from June 24, 2016 and may be subject to an annual escalation of up to 5% per year, effective upon 30 days' prior written notice to NCPA.

NOTE: As a public agency, NCPA shall not reimburse Consultant for travel, food and related costs in excess of those permitted by the Internal Revenue Service.