

HUNTER SUBSTATION REPLACEMENT PROJECT RFP NO. 1850 DESIGN-BUILD AGREEMENT – WITH AUBREY SILVEY ENTERPRISE INC., WORK ORDER NO. 2420403 IN THE AMOUNT OF \$62,327,000

Public Utilities – Energy Delivery

City Council
April 16, 2024

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BACKGROUND

1. **Existing Hunter Substation Overview**
 - Services approximately 4,800 customers: residential and business
 - Located in Hunter Industrial Park and Northside communities
2. **Current State of Hunter Substation**
 - Built in early 1960s
 - Exceeded design lifespan
 - Equipment failures reported
 - Non-compliant with current seismic standards
3. **Capacity and space limitations of existing Substation**
 - Unable to meet 10-year projected load demand
 - Insufficient space for additional equipment
 - Infrastructure project in 2023 Local Hazard Mitigation Plan for City of Riverside and County of Riverside



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BACKGROUND CONT.

1. Staff conducted research on potential sites for a new replacement substation
2. Identified adjacent property to Hunter Substation as the most suitable
3. February 12, 2018, Board of Public Utilities recommended land purchase
4. February 27, 2018, City Council unanimously approved the purchase of 1.38 acres



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BACKGROUND CONT.

5. January 14, 2019, the Board of Public Utilities approved Work Order No. 1826767 in the amount of \$2,000,000 to develop the preliminary design, prepare California Environmental Quality Act (CEQA) documents
6. March 9, 2021, the City Council unanimously adopted a Mitigated Negative Declaration (MND) and Mitigation Monitoring and Reporting Program (MMRP), and approved the Hunter Substation Replacement Project
7. August 28, 2023, the Board recommend that the City Council conduct a public hearing and adopt a Resolution approving the electric utility five-year rate plan proposal for FY 2023/2024 – 2027/2028
8. September 19, 2023, City Council adopted a Resolution to set electric rates, which includes Capital Improvement Plan budgets FY 2023/2024 – 2027/2028
9. Electric Five-Year Plan's proposed projects such as the Hunter Substation Replacement, will be funded by carryovers and Substation Project Category from the 2023 5-Year Rate Plan
10. No additional capital improvement funds were identified in the 5-year Electric Rate plan



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DISCUSSION

1. A design-build project where the selected vendor will be responsible for the design, procurement, construction of the new substation and demolition of the existing substation
2. During construction, the existing substation will remain in service
3. After the cutover to the new substation, the existing substation will be demolished
4. The new substation will be built as a low-profile breaker and half substation to improve seismic, reliability and maintenance



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DISCUSSION CONT.

5. The new substation will have an added capacity to serve future loads and improve efficiency to handle loss of transformer scenarios
6. New substation will have additional capacity to serve load growth and new developments in the Northside Specific Plan and surrounding areas
7. The expected design life of the new substation is 50 years



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DISCUSSION CONT.

8. July 26, 2023, Request for Proposal No. 1850 was posted on the City's online bid system
9. August 24, 2023, mandatory pre-bid job walk was conducted
10. 46 prospective bidders were in attendance from design-build firms, equipment manufacturers, and subcontractors
11. November 15, 2023, RFP closed with two total responses



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DISCUSSION CONT.

RFP No. 1850 Bidding Notification Summary Table

Action	Number of Vendors
Vendors Notified	1346
Vendors Who Downloaded the RFP (include manufactures and sub-contractors)	112
Questions and Answers Received	65
Addenda Submitted	8
Proposals Received	2



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DISCUSSION CONT.

Evaluation Results Table

Selection Criteria	Max Score	Aubrey Silvey Enterprise Inc.	Energy Services West, LLC
Business History and Performance	150	123.75	116.25
Design and Management Outline, Qualification of Key Personnel	150	118.13	128.63
Technical Proposal & Equipment Documents, Warranty Service Proposal, Engineering Design Proposal	300	212.25	266.25
Cost Scores	400	400	322.25
Total Score	1000	854.13	833.38
Rank		1	2

Design-Build Entity	City Location	Proposal Amount	Rank
Aubrey Silvey Enterprise Inc.	Bremen, GA	\$54,434,074.23	1
Energy Services West, LLC	Spokane Valley, WA	\$67,567,455.67	2

Engineer's Estimate

\$59,000,000

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PROJECT LOCATION

- The project area is located in Ward 1, near the intersection of Chicago and Columbia Avenues
- Electric Service disruptions will be coordinated to minimize impact on customers



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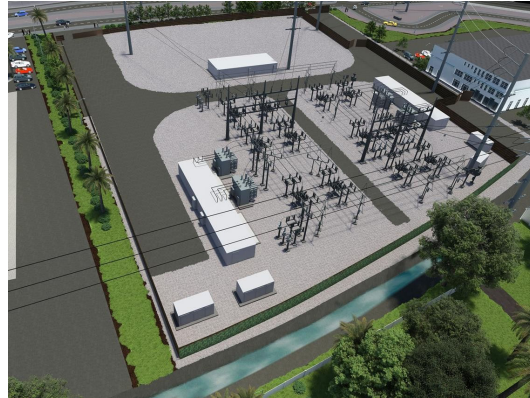
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SCOPE OF WORK

Work includes:

1. Installation of new substation with state-of-the-art power automation and protection technology
2. Transmission and distribution connections to RPU Electrical System
3. Demolition of existing facility



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BENEFITS

1. Addresses the aging infrastructure and vulnerability of the Hunter Substation
2. Increases electric system reliability and safety
3. Improves electric services and power quality to customers
4. Adds capacity to serve future loads and new business development projects, such as The Exchange Development, Transwestern Project, Trujillo Adobe Project, Northside Agricultural Innovation Center, UCR/RUSD STEM Education Center



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PROJECT BREAKDOWN

Work Type	Performed By:	Amount (\$)	Percent of Total
Design-Build Services per RFP No. 1850	Aubrey Silvey Enterprise Inc.	\$54,434,075	87.3%
Inspection Services during Construction	Consultant Panel/Others (at later time)	\$550,000	0.9%
Drafting Services Utilizing Intelligent Software	Consultant Panel/Others (at later time)	\$700,000	1.1%
Project Management and Engineering	RPU - Engineering Labor	\$299,518	0.5%
Inspection, Factory Testing, Field Testing and Commissioning	RPU - Crews Labor	\$500,000	0.8%
Material for 15 kV Distribution Conductors	RPU - Central Store Materials	\$400,000	0.6%
Contract Contingency (10%)	Aubrey Silvey Enterprise	\$5,443,407	8.7%
Work Order Total:		\$62,327,000	100%
Reimbursements			None
Anticipated Start Date:			July 2024
Anticipated Duration:			40 months (January 2028)



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FISCAL IMPACT

The total project fiscal impact is \$62,327,000. Budget transfers are required from the listed below Public Utilities' Electrical Capital accounts to the Public Utilities' Hunter Substation Replacement Capital Account No. 6130100-470699.



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FISCAL IMPACT CONT.

Project Category	Transfer From Capital Account	To New Hunter Substation Account	Budget Transfer Amount (\$)
Recurring	6130000 470601 – Distribution Line Extensions	6130100-470699	\$1,105,000
Recurring	6130000 470603 – Line Rebuilds	6130100-470699	\$850,000
Recurring	6130000 470620 – Major Transmission Line	6130100-470699	\$527,000
Recurring	6130000 470633 – Major Feeders	6130100-470699	\$880,000
Recurring	6130000 470657 – Biogas to Energy	6130100-470699	\$6,900,000
Recurring	6130000 470672 – SCADA	6130100-470699	\$2,250,000
Overhead	6130100 470623 – GO 165 Upgrades	6130100-470699	\$5,850,000
Overhead	6130100 470644 – 4/12 kV Conversions	6130100-470699	\$9,200,000
Overhead	6130100 470638 – Neighborhood Street Lights	6130100-470699	\$765,000
Underground	6130100 470603 – Line Rebuilds	6130100-470699	\$3,940,000
Underground	6130100 470624 – GO 165 Upgrades	6130100-470699	\$6,540,000
Underground	6130100 470635 – Cable Replacement	6130100-470699	\$12,870,000
Substation	6130100 470608 – System Substation Modifications	6130100-470699	\$340,000
Substation	6130100 470616 – Substation Bus and Upgrades	6130100-470699	\$1,170,000
Substation	6130100 470632 – Substation Transformer	6130100-470699	\$9,140,000
New Hunter Substation Account Total:			\$62,327,000



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STRATEGIC PLAN ALIGNMENT



Strategic Priority 6 – Infrastructure, Mobility and Connectivity

Goal 6.2 – Maintain, protect, and improve assets and infrastructure within the City's built environment to ensure and enhance reliability, resiliency, sustainability, and facilitate connectivity.

Cross-Cutting Threads



Community Trust



Fiscal Responsibility



Sustainability & Resiliency



Equity



Innovation



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RECOMMENDATIONS

That the City Council:

1. Award a Design-Build Agreement for Request for Proposal No. 1850 for the Hunter Substation Replacement Project with Aubrey Silvey Enterprise Inc. of Bremen, Georgia, for a term of 40 months from date specified in the Notice to Proceed once issued by City, in the amount of \$54,434,074.23;
2. Authorize a 10%, or \$5,443,407, change order authority for the contract with Aubrey Silvey Enterprise Inc., for Request for Proposal No. 1850 Hunter Substation Replacement Project;



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RECOMMENDATIONS CONT.

3. Authorize a budget transfer of \$12,512,000 from Public Utilities' Electric Recurring projects, \$15,815,000 from Public Utilities' Electric Overhead projects, \$23,350,000 from Public Utilities' Electric Underground projects, and \$10,650,000 from Public Utilities' Electric Substation Account No. 6130000-470601 to Public Utilities' Hunter Substation Replacement Account No. 6130100-470699; and
4. Authorize the City Manager, or his designee, to execute any documents necessary to effectuate the contract described herein, as well as the ability to make minor and non-substantive changes in alignment with all purchasing policies.



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