



CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Adopt Resolution Awarding the Professional Services Contract to Auriga Corporation of Milpitas, California to Perform Siting Work for the West 60kV Transmission Project and Appropriate Funds (not to exceed \$34,000) (EUD)

MEETING DATE: March 5, 2008

PREPARED BY: Electric Utility Director

RECOMMENDED ACTION: Adopt a resolution awarding the professional services contract to Auriga Corporation of Milpitas, California to perform siting work for the West 60kV Transmission Project and appropriate funds not to exceed \$34,000.

BACKGROUND INFORMATION: On June 20, 2007, the City Council awarded a contract to Auriga Corporation (Auriga) of Milpitas, California to provide conceptual routing and siting evaluation, alternative and right-of-way analyzes, issue identification, cost/benefit studies, and other related recommendations for a potential transmission line interconnection to the vicinity of Northern California Power Agency's (NCPA's) Steam Injected Combustion Turbine (STIG) Plant from western Lodi. Several alternative routes were analyzed by Auriga who submitted the final report in January 30, 2008.

Staff reviewed the final report and evaluated seven (7) transmission alternative routes as presented by Auriga. Both Auriga and the Electric Utility Department (EUD) recommended Alternative 7 as the preferred alternative because it improves reliability, increases capacity and cost/benefits. It also is expected to reduce capital costs and environmental impacts.

As depicted in Exhibit 1, Alternative 7 traverses south of the proposed Westside Substation to Harney Lane. The Line then proceeds west towards Devries Road then southerly on Devries Road and turning westward on Tredway Road. From there, the line traverses diagonally southwest until it crosses the I-5 Freeway and terminates at a proposed interconnection substation in the vicinity of NCPA's STIG Plant. The transmission project is proposed to be in a double circuit configuration using wood poles with steel poles where needed. Background on this project was presented to the City Council on February 5, 2008 during a Shirtsleeve Session Meeting.

The next steps will include communicating, negotiating and interfacing with property owners, other utilities, state and county agencies, permitting authorities and other interest groups. Considering these tasks and activities, staff recommends obtaining outside professional assistance to facilitate communications with impacted parties concerning the selected and preferred alternative transmission route which is Alternative 7.

Auriga Corporation submitted a detailed proposal documenting the scope of services related to activities that are appropriate for the next stage. In order to build upon the knowledge and connections that were established by Auriga Corporation during the transmission siting and evaluation phase, staff recommends the continued employment of this firm to perform the "next-step" transmission work.

The construction of new transmission lines encompasses activities requiring lengthy execution, adjustment, and repetitive negotiation and coordination in routing/siting activities including the need to secure rights-of-way and easements. Therefore, staff is recommending City Council approval awarding this professional services contract to

APPROVED: _____
Blair King, City Manager

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March 5, 2008

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Auriga Corporation of Milpitas, California for an amount not to exceed \$34,000. They are expected to complete the scope of services within 90 days from the date of 'Notice to Proceed'.

FISCAL IMPACT: The proposed project cost is not to exceed \$34,000.

FUNDING: Bond proceeds are allocated in Account No. 161.1082.

Kirk Evans, Budget Manager

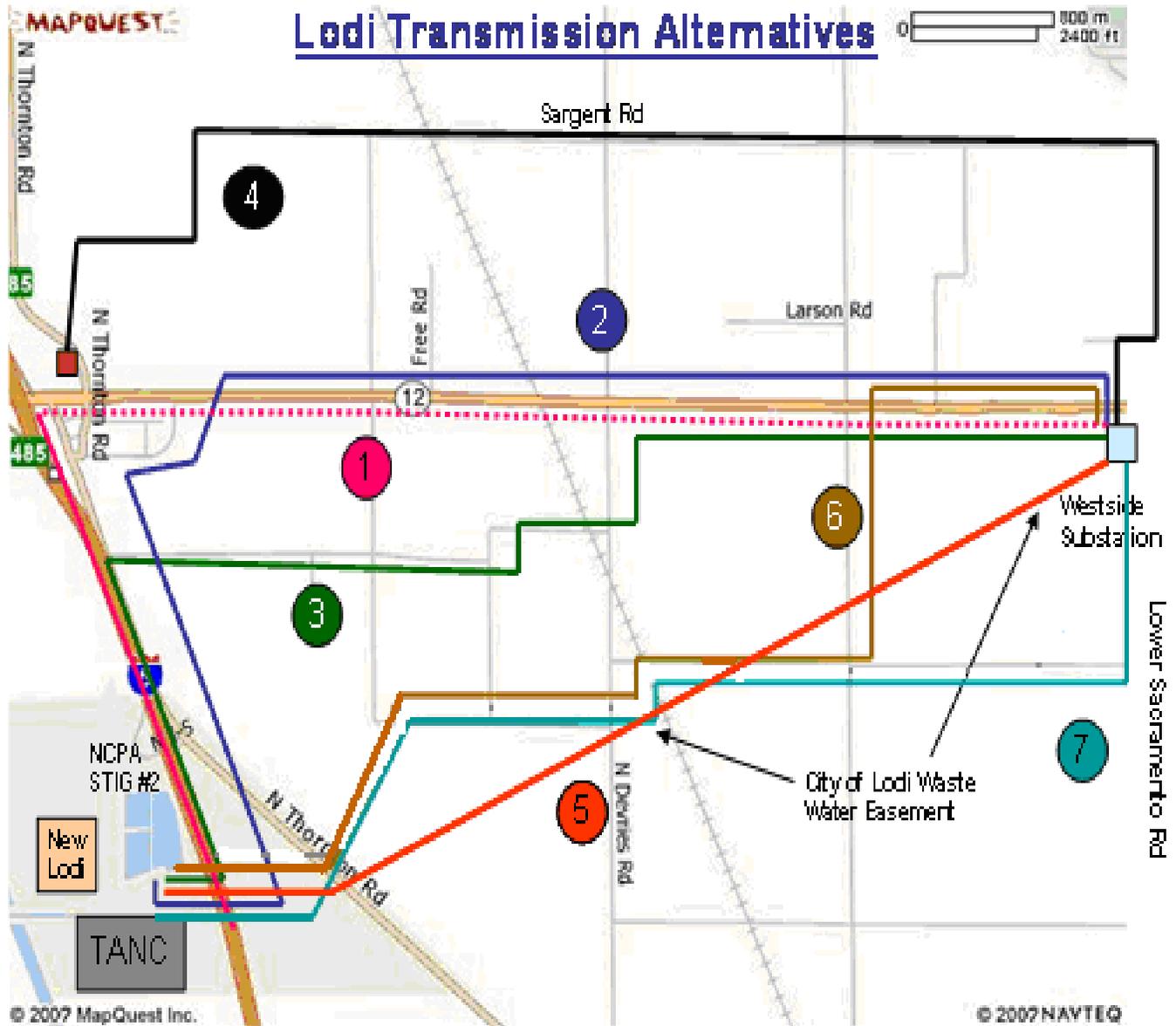
George F. Morrow
Electric Utility Director

PREPARED BY: Demy Bucaneg, Jr., P.E., Manager, Engineering & Operations
Weldat Haile, Senior Power Engineer

GFM/DB/lst

Attachments

Exhibit 1: Lodi Transmission Alternatives



Proposal To
City of Lodi
Electric Utility Department

Professional Consulting Services

For

Westside 60 KV Transmission Project

**Present Project Plans to Property Owners
and Agencies**

Submitted by



890 Hillview Court, Suite 130
Milpitas, California 95035

February 28, 2008

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1. INTRODUCTION

Auriga Corporation is pleased to submit this proposal to the City of Lodi Electric Utility Department to provide professional consulting services for the 60 kV Transmission Line from Westside Substation to the White Slough Plant.

2. OVERVIEW

The City of Lodi Electric Utility (The City) recently completed a study to evaluate transmission routing options, potential impacts, and the mitigation needed to permit and construct a 60kV transmission line from White Slough to Westside Substation.

The City presented the results of that study to the City of Lodi City Council at a Shirtsleeve Session on February 5, 2008, which included sharing various route alternatives and the recommended next steps.

This proposal is to provide consulting services to support The City to lead the discussions with the community, impacted property owners, and external agencies for the purpose of acquiring land rights, permits, and agreements required to construct the transmission line.

3. OBJECTIVES

The primary objective of this project is to determine the preferred alternative for the 60 kV transmission line for which for The City can acquire environmental approval, permits, and land rights from the four to five impacted property owners.

Auriga Consultant will meet with all of the impacted property owners, explain the project goals, describe the land rights needed, and negotiate the acquisition of the right of way.

Auriga Consultant will also meet with external agencies, such as the San Joaquin County Airport Commission, Pacific Gas & Electric Company (PG&E), CalTrans, and the San Joaquin County Permit Center, to describe the project and acquire written agreements from each agency on their requirements related specifically to the preferred alternative, and what their role in the project will be.

To the extent possible, we will provide these consulting services so as to minimize the impact on the City's day to day operation of the electric utility.

4. APPROACH

Auriga Corporation will enter into a Professional Consulting Services Agreement with the City of Lodi to perform the scope of services described in this proposal. Fees will be charged for the actual hours of consulting services worked and the actual cost for meals and lodging, if required.

5. WORK PLAN AND BUDGET

We propose to perform the following services.

Item	Description	Estimated Hours	Notes
1	Prepare presentations and supporting documents that will be used to communicate the project description	30 hours	Customized presentations that will fit the specific agency or property owner
2	Meet with the 4-5 property owners on Alternative 7 that land rights are needed. Share the placement of facilities and the range of value for the right of way	32 hours	Includes scheduling, presenting, and discussion of terms for the acquisition of a right of way
3	Present the City's project plans to PG&E. Negotiate the role each will play and their scope of work on the transmission project	48 hours	Acquire a written agreement or MOU of the role and scope of work
4	Present the City's project plans to the Airport Commission. Reach agreement on a cost effective placement of the project's overhead facilities that are in the Airport's jurisdiction	24 hours	Acquire a written agreement of the permit terms and requirements.
5	Present the City's project plans to the San Joaquin County Permit Center.	48 hours	Acquire a written agreement of the permit terms and requirements
6	Present the City's project plans to CalTrans for the Interstate 5 line crossing.	24 hours	Submit Encroachment Permit along with plans.
7	Miscellaneous Expenses	\$2,000	Meals & Lodging
	TOTAL BUDGET = Not to Exceed	\$34,000	Billed for actual hours, plus expenses.

6. SCHEDULE

We will complete the scope of services described above within 90 days from the time of receiving the "Notice to Proceed".

If additional time is needed, a request for a time extension will be submitted with an explanation.

7. PROPOSED STAFF

We propose to assign Mr. Robert Streich to provide professional consulting services to the City for the 60 kV Transmission Project.

8. FEE AND PAYMENT TERMS

The Total Fees for consulting services and expenses is “Not to Exceed” \$34,000.

We will submit an invoice for 5th of each month for the actual hours spent for the service performed and actual expenses from the prior month. We anticipate that the City will make a payment of the approved invoices within 30 days of submission of the invoice.

FEE SCHEDULE - 2008

HOURLY BILLING RATE

◆ Principle Consultant----- \$175/hour

EXPENSES

◆ Auto Mileage ----- \$0.45/mile

◆ Meals & Lodging ----- \$150/day

◆ Miscellaneous Expenses ----- At Cost

NOTES

Invoices will be submitted to the City on a monthly for the services and expenses incurred during the previous month. Payment is due within 30 days of receipt of the invoice.

A RESOLUTION OF THE LODI CITY COUNCIL AWARDED
PROFESSIONAL SERVICES CONTRACT FOR PERFORMANCE OF
SITING WORK FOR THE WEST 60KV TRANSMISSION PROJECT AND
AUTHORIZING THE CITY MANAGER TO APPROPRIATE FUNDS

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WHEREAS, the Lodi Electric Utility Department (EUD) believes it is beneficial to construct a second electrical "feed" into the City of Lodi from the west; and

WHEREAS, a study was recently completed for EUD, which highlighted a number of possible routes for this electrical feed including a preferred route extending to the west and southwest from a planned Westside Substation; and

WHEREAS, EUD desires to obtain outside expertise to assist it in meeting with involved agencies, organizations, and property owners along the preferred route in order to obtain needed permissions to build the West 60kV Transmission Project; and

WHEREAS, Auriga Corporation, of Milpitas, California, provided siting expertise during the recently completed study for the project and has offered to continue to assist EUD in accordance with its February 8, 2008, proposal.

NOW, THEREFORE, BE IT RESOLVED that the City Council does hereby award Professional Services Contract to Auriga Corporation, of Milpitas, California, to assist EUD in undertaking the next steps for siting of the West 60kV Transmission Project in an amount not to exceed \$34,000; and

BE IT FURTHER RESOLVED that the City Manager is hereby authorized to appropriate funds up to \$34,000 for the siting work for the 60kV Transmission Project for EUD.

Dated: March 5, 2008

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I hereby certify that Resolution No. 2008-____ was passed and adopted by the City Council of the City of Lodi in a regular meeting held March 5, 2008, by the following vote:

- AYES: COUNCIL MEMBERS –
- NOES: COUNCIL MEMBERS –
- ABSENT: COUNCIL MEMBERS –
- ABSTAIN: COUNCIL MEMBERS –

RANDI JOHL
City Clerk