

City Council Report

Date: May 20, 2024

To: City Council

Through: Marc Heirshberg, Deputy City Manager

From: Beth Huning, City Engineer

Marc Ahlstrom, Assistant City Engineer

Subject: Public Safety Campus Microgrid

City Project No. CP1032 Council District(s) 4

Purpose and Recommendation

The purpose of this report is to provide information to Council concerning the selection of a Construction Manager at Risk (CMAR) for the proposed Public Safety Campus Microgrid project (Refer to Exhibit "A" for the project location).

Staff recommends that Council approve the selection of Ameresco, Inc. as the CMAR for this project and award a Pre-Construction Services contract in the amount of \$195,324.

Background

The Public Safety Campus Microgrid project will include the installation of three (3) natural gas generators to provide backup power supporting the Police Headquarters, Forensics, Mesa Center for Higher Education, Central Police, and PD Evidence buildings during extended power outages. Additionally, the microgrid will provide the City of Mesa Electric Utility the ability to avoid premium costs associated with purchasing power during peak periods.

Discussion

In February 2022, Staff received 2 "Statements of Qualifications" (SOQ) from contractors proposing to act as the CMAR for this project. Based on an evaluation of these SOQ's, Ameresco was recommended as the most qualified CMAR. Staff has prepared a contract and negotiated the fee for the Pre-Construction Services effort. During the Pre-Construction Phase, the CMAR will work closely with the project team to develop the project design, review the design for constructability, prepare cost estimates, and develop

the project schedule and project phasing plan.

The last item developed during the Pre-Construction Phase will be the "Guaranteed Maximum Price" (GMP) for the project. The GMP will be brought to Council for review and approval.

<u>Community Impact</u> – The Public Safety Campus Microgrid is a noise and emissions source. Measures are being taken to limit the noise outside the microgrid enclosure to acceptable levels and minimize the emissions while maintaining generator benefits to the City of Mesa Electric Utility.

During construction, new and existing pathways will be established to connect Public Safety Campus utility transformers and the City of Mesa Electric Utility grid to the microgrid. This will limit access to the Public Safety Campus while construction activities are underway on Morris, 2nd Street, and Robson. All efforts will be made to coordinate and minimize the disruptions to campus access.

Once underway, construction of this project is anticipated to last no more than 9 months.

Alternatives

An alternative to the approval of this Pre-Construction Services contract for the selected CMAR would be to construct this project using the traditional Design/Bid/Build method. This is not recommended due to the need for the additional services provided by a CMAR contractor during the design phase. The project will require extensive on-site investigation, construction sequencing, constructability analysis, and utility coordination by the contractor throughout the design phase.

Another alternative is to not perform the work. This is not recommended because Public Safety Campus Microgrid will provide the City of Mesa Electric Utility the ability to manage ever increasing electrical demand by dispatching power generated by the microgrid, provide backup power for the Public Safety campus, and directly supports initiatives in the Climate Action Plan.

Fiscal Impact

This pre-construction services contract is in the amount of \$195,324.00.

This project is funded by Utility Systems Revenue Obligations.

Coordinated With

The Energy Resources Department concurs with this recommendation.