

Staff Report

TO: Board of Directors

FROM: Peter Wade, Director of Power Systems
Philip Nedved, Hydroelectric Maintenance Superintendent

DATE: March 12, 2025

SUBJECT: **Award of Sole-Source Contract for South Yuba Canal Outage
Maintenance Support (Consent)**

HYDROELECTRIC

RECOMMENDATION:

Approve a sole-sourced agreement with Pacific Gas and Electric Co. (PG&E) in the amount of NTE \$248,850 for maintenance support for the 2025 South Yuba Canal outage and authorize the General Manager to execute the appropriate documents.

BACKGROUND:

The District acquired the South Yuba Canal in late 2023. The annual maintenance outage is planned from March 23 to April 11, 2025. This vital water conveyance system delivers water from the Mountain Division to the Deer Creek System, including Scotts Flat Reservoir. District staff have identified several essential repairs to be completed this year. Due to the limited timeframe for the work, crews from the Hydroelectric Department need additional assistance to complete repairs on a section of the flume.

On January 9, 2024, NID signed the Deer Creek Development Products and Services Agreement, as approved by the Board of Directors, in conjunction with the Purchase and Sale Agreement with PG&E. This agreement enables PG&E to provide on-call products and services to the District, subject to the approval of a proposal for necessary work. Staff have been in communication with PG&E to request maintenance support for the annual outage, to be billed on a time and materials basis.

PG&E will be providing a skilled team, along with supervision and administrative support, to carry out complex repairs on elevated sections of wooden flume. District staff believe that using PG&E will continue to provide a unique advantage that other contractors are not readily able to provide, including staff training and continued transfer of knowledge. PG&E has the specialized tools and experience necessary to provide the needed services. PG&E will provide all of the tools and equipment necessary to safely complete the work.

This sole source award complies with the following District Procurement Policy Section:

3080.3.J.3 In order to obtain a necessary item that is only available from one source

BUDGETARY IMPACT:

The 2025 Hydroelectric Budget includes \$275,000 for canal maintenance that will be used to cover the cost of this contract. To date, none of the 2025 budget has been used.

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