

Exhibit to Agenda Item #3

Discuss authorizing the Chief Executive Officer and General Manager to negotiate and award contracts to **ARB, Inc., Michels Pacific Energy, Inc., and Snelson Companies, Inc.** (collectively, the **Contracts**) to provide Gas Pipeline Operations Construction Projects and Services Support for a five-year term from July 1, 2025, to July 1, 2030, for a total aggregate not-to-exceed amount of \$20 million across the three **Contracts**.

Board Finance & Audit Committee and Special SMUD Board of Directors Meeting
Tuesday, June 17, 2025, scheduled to begin at 6:00 p.m.
SMUD Headquarters Building, Auditorium

Gas Pipeline Operations – Overview

- Supports 50% of SMUD's energy portfolio
- 1000 MW capacity
- 76 miles, 3 lines
- 12 Valve Stations
- 2 counties
- Delivers natural gas to four thermal plants.



Gas Pipeline Operations Construction Projects & Services

- Placing Multiple Awards to increase resource availability
 - Ability to issue Request for Task Proposals (RFTP) for large projects
- \$20 million in projected Repairs/Maintenance over the next 5 years
- Regulatory Compliance demand continues to increase
- Maintains Gas Pipeline Integrity, Reliability, and Safety

Photos



Procurement Strategy

- Proposals were solicited by an RFP to allow SMUD to award contracts on a best value basis.
- Themes evaluated
 - SEED Participation
 - Environmental Sustainability
 - Proposer's Safety
 - Proposer's Experience and Qualifications
 - Experience and Qualifications of Key Project Personnel
 - Proposer's Ability to Respond to SMUD's Needs
 - Technical Approach
 - Commercial Terms (Price) and Compliance with SMUD's Contractual Terms

Award outcome

Responsive Proposals Received	Pass/Fail	SEED	Technical	Price	Total Score	Rank	Proposal Amount	SEED Credit	Evaluated Proposal Amount	Proposed Award Amount
		10	50	40	100					
Michels Pacific Energy, Inc.	P	0	47.45	40.00	87.45	1	\$24,133,747	\$0	\$24,133,747	NTE \$20,000,000*
ARB, Inc.	P	0	45.03	38.92	83.95	2	\$24,802,739	\$0	\$24,802,739	
Snelson Companies, Inc.	P	0	45.38	37.03	82.41	3	\$26,072,433	\$0	\$26,072,433	

Non-Responsive Proposals Received	Proposal Amount	Comments
N/A	N/A	N/A

Proposers Notified: 8
 Proposers Downloaded: 10
 Pre-Proposal Conference Attendance: 6
 Proposals Received: 3