

Exhibit to Agenda Item #3

Discuss authorizing the Chief Executive Officer and General Manager to negotiate and award contracts to **Sierra National Construction Inc.** and **Doug Veerkamp General Engineering Inc.** (collectively, the **Contracts**) for Civil Annual Construction Services for the three-year period from September 1, 2026, to September 1, 2029, with two optional one-year extensions, for an aggregate not to exceed amount of \$250 million across the **Contracts**.

Board Finance & Audit Committee and Special SMUD Board of Directors Meeting
Tuesday, August 18, 2026, scheduled to begin at 6:00 p.m.

SMUD Headquarters Building, Auditorium

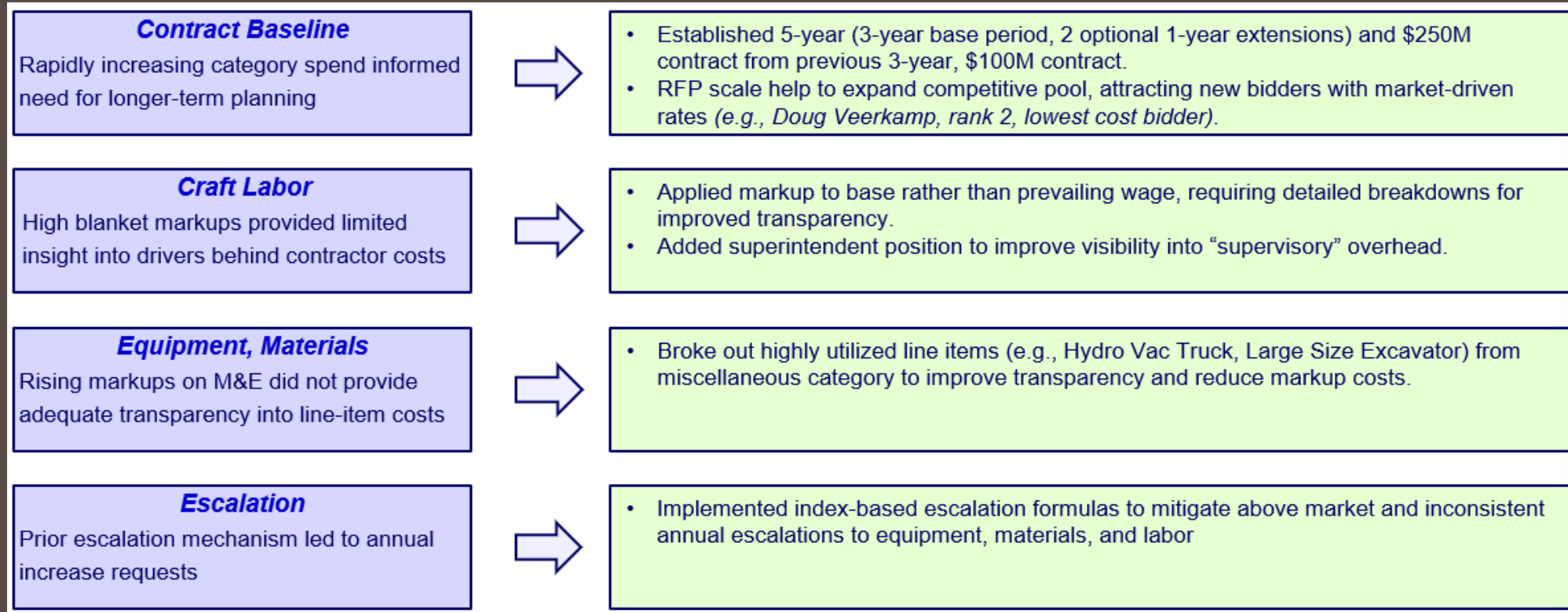
Business Need

- Distribution and bulk substation civil construction and modifications
- General civil maintenance and new construction
- Construct new reinforced concrete foundations
- Install conduit duct banks
- Perform structural repairs
- Install or modify:
 - Electrical grounding systems
 - Fencing
 - Manhole access grates
- Grading and paving



Procurement Strategy

- Procurement implemented strategic changes to the Civil Annual Construction solicitation to address identified problems and reduce costs across labor, materials, and equipment categories:



Procurement Strategy

- Proposals were solicited by an RFP to allow SMUD to award contracts on a best value basis.
- Criteria evaluated (commercial & technical):
 - Mandatory Pass/Fail Requirements
 - SEED
 - Company Experience and Qualifications
 - Personnel Experience and Qualifications
 - Safety
 - Environmental Sustainability
 - Commercial Terms (Price) and Compliance with SMUD's contractual terms
- SMUD staff conducted market outreach and engaged with contractors to notify them of the solicitation and confirm interest. 73 contractors were notified of the opportunity via SMUD's solicitation platform, Planet Bids. 20 contractors attended the Pre-Proposal Conference. 11 Proposals were received.

Procurement Award Outcome

Responsive Proposals Received	P/F	SEED Points	Technical Points	Price Points	Total Score	Rank	Proposal Amount	SEED Credit	Evaluated Proposal Amount	Proposed Award Amount
		10	50	40	100					
Sierra National Construction, Inc.	P	10	44.25	37.54	91.79	1	\$262,987,910	\$250,000	\$262,737,910	Not-to-Exceed \$250 million Aggregate Amount of all Task Authorizations
Doug Veerkamp General Engineering, Inc.	P	10	41.88	38.00	89.88	2	\$244,543,744	\$250,000	\$244,293,744	
Arrow Construction	P	10	45.00	34.24	89.24	3	\$287,706,855	\$250,000	\$287,456,855	
Mountain G Enterprises, Inc.	P	10	41.88	35.16	87.03	4	\$279,152,820	\$250,000	\$278,902,820	
Syblon Reid Contractors	P	10	40.38	35.50	85.88	5	\$271,666,010	\$250,000	\$271,416,010	
Shimmick Construction Company, Inc.	P	10	37.00	32.15	79.15	6	\$288,626,584	\$250,000	\$288,376,584	
Outback Contractors, Inc.	P	0.59	40.88	35.99	77.45	7	\$255,423,639	\$250,000	\$255,274,216	
Lund Construction Co.	P	2.90	38.75	33.49	75.13	8	\$271,794,143	\$250,000	\$271,544,143	
SR Diversified, LLC	P	-	30.00	38.68	68.68	9	\$253,849,652		\$253,849,652	
Underground Electric Construction Company, LLC	P	-	28.88	33.14	62.02	10	\$257,996,241		\$257,996,241	

Non-responsive Proposals Received	Comments
Wampler Solutions, LLC	Incomplete proposal.

Recommendation

Authorize the Chief Executive Officer and General Manager to negotiate and award contracts to Sierra National Construction Inc. and Doug Veerkamp General Engineering Inc. (collectively, the Contracts) for Civil Annual Construction Services for the three-year period from September 1, 2026, to September 1, 2029, with two optional one-year extensions, for an aggregate not to exceed amount of \$250 million across the Contracts.