

Exhibit to Agenda Item #1

Discuss authorization of the Chief Executive Officer and General Manager to negotiate and award contracts to **Hot Line Construction, Inc.** and **Mountain G Enterprises Inc.** for General Line Construction and Pole Replacement Services for a period of three years from November 1, 2024, to November 1, 2027, with two optional one-year extensions, for a total not-to-exceed aggregate amount of \$250 million.

Board Finance & Audit Committee and Special SMUD Board of Directors Meeting
Tuesday, October 15, 2024, scheduled to begin at 6:00 p.m.

SMUD Headquarters Building, Auditorium

Business need

Line Scope Categories

- Capacity Projects
- Local Agency Projects
- Fire Hardening
- Fiber Optic Installation
- Pole Replacements
- New Business Work
- Rule 15 (Distribution Lines)
- Rule 16 (Service Lines)



Contract Strategy

- Previously, SMUD held separate contracts for General Line Construction & Pole Replacement work.
- In combining the scopes, SMUD sought to drive pricing reductions by leveraging higher volume of expected spend with the contractors.
- Bid Schedule restructured to unitize high quantity, well-defined types of work.

Procurement strategy

- Proposals were solicited by RFP to allow SMUD to award contracts on a best value basis.
- Categories Evaluated
 - Pass/Fail for Technical Requirements
 - SEED Participation
 - Proposer's Safety
 - Customer Relations Approach
 - Environmental Sustainability
 - Proposer's Experience & References
 - Proposer's Personnel & Resources
 - Project Execution
 - Commercial Terms (Price) & Compliance with SMUD's Contractual Terms
- SMUD staff conducted market outreach and engaged with 89 contractors. 27 contractors registered interest in SMUD's Ariba platform. 15 contractors attended the Pre-Proposal Conference. 15 proposals were received

Procurement award outcome

Responsive Proposals	Pass/ Fail	SEED	Technical	Price	Total Score	Rank	Proposal Amount	SEED Credit	Evaluated Proposal Amount	Proposed Award Amount
		10	33	57	100					
Hot Line Construction Inc.	P	5.04	31.75	57.00	93.79	1	\$90,713,829	\$250,000	\$90,463,829	NTE \$250,000,000 Aggregate Amount of all Task Authorizations
Mountain G. Enterprises	P	5.30	30.25	53.75	89.30	2	\$96,187,667	\$250,000	\$95,937,667	
Sturgeon Electric California LLC	P	10.00	27.58	41.71	79.30	3	\$123,861,272	\$250,000	\$123,611,272	
PAR Western Line Contractors	P	0.33	29.25	45.90	75.48	4	\$112,366,475	\$37,080	\$112,329,394	
Summit Line Construction	P	7.00	22.25	45.60	74.85	5	\$113,320,941	\$250,000	\$113,070,941	
Asplundh Construction LLC	P	0.93	29.25	43.84	74.02	6	\$117,740,981	\$109,499	\$117,631,482	

Non-Responsive Proposal	Proposal Amount	Comments
Teichert Line Services	\$112,239,130	Proposer did not pass the Pass/Fail Requirements, Question 6.12.1H.

Recommendation

Authorize the Chief Executive Officer and General Manager to negotiate and award contracts to Hot Line Construction, Inc. and Mountain G Enterprises Inc. for General Line Construction and Pole Replacement Services for a period of three years from November 1, 2024, to November 1, 2027, with two optional one-year extensions, for a total not-to-exceed aggregate amount of \$250 million.