



City of Denton

City Hall
215 E. McKinney Street
Denton, Texas
www.cityofdenton.com

AGENDA INFORMATION SHEET

DEPARTMENT: Procurement
ACM: Cassey Ogden
DATE: May 16, 2023

SUBJECT

Consider adoption of an ordinance of the City of Denton, a Texas home-rule municipal corporation, authorizing the City Manager to execute a Professional Services Agreement with Black & Veatch Corporation, for substation design and capital improvement projects requiring professional engineering services for Denton Municipal Electric; providing for the expenditure of funds therefor; and providing an effective date (RFQ 8031-001 – professional services agreement for engineering services awarded to Black & Veatch Corporation, in the not-to-exceed amount of \$4,244,870.84). [The Public Utilities Board recommends approval \(4 - 0\).](#)

STRATEGIC ALIGNMENT

This action supports Key Focus Area: Enhance Infrastructure and Mobility.

INFORMATION/BACKGROUND

Denton Municipal Electric (DME) requires the services of consultants for professional engineering services to aid in the development and design of approved CIP electric substation projects, to provide technical support, to prepare documentation to satisfy NERC/TRE/ERCOT requirements related to system protection, and to provide general technical consulting for other operations and system protection needs. Over time, there will not be sufficient work to justify having structural, and other specialized engineers on staff that possess the specialized expertise necessary to perform these functions. Using outside engineering resources is an efficient and reasonable method for obtaining the temporary and specialized services needed.

The amount proposed for this contract was calculated by estimating the man-hours required for the completion of substation design work for all DME substation capital projects for the next five years. Below are summaries of the estimated cost breakdown of the proposed contract.

Changes in schedules, changes in priorities, unforeseen requirements, or the addition of new projects could alter which projects are undertaken within a given time. The contract is structured to be billed on an hourly basis for work performed so that, should needs arise that are not related to the specific projects that were used to construct the estimate for this amendment, Black & Veatch can be used as a resource for DME to obtain necessary professional engineering services to meet the requirements. It should also be noted that the contract does not obligate DME to provide work up to the contract amount or to make any minimum expenditure.

Capital Project Task Cost Breakdown:

THE FOLLOWING TABLE IS AN ESTIMATE OF MAN-HOURS AND COSTS TO SUPPORT DME IN THE TASKS MENTIONED PREVIOUSLY. TASK	MAN-HOURS	TOTAL COST
Brinker Substation Battery Storage	2950	\$435,028.01
Bonnie Brae Substation	1160	\$164,096.04
Brinker Substation Battery Storage	990	\$151,952.33
Brinker Substation Phase 2	1395	\$206,819.00
Denton West Breaker Replacement	1140	\$164,394.21
Miscellaneous Substation Design and Analysis	2100	\$310,810.19
NERC/ERCOT/TRE Compliance Support	3070	\$441,292.30
RD Wells 4000A Upgrade	2115	\$305,609.15
RTU Replacement Upgrade	1240	\$178,489.94
Spencer Switch Retirement	1580	\$230,713.03
Underwood Substation Design Project	6471	\$946,740.35
HMI Integration	920	\$134,356.87
61850 Integration	1020	\$164,927.52
Relay Settings Consultation	690	\$103,458.65
Relay Replacement/Upgrade at Various Sites	2200	\$306,183.26
Total	29,041	\$4,244,870.84

Request for Qualifications for state certified engineers for substation and transmission line engineering for various projects for Denton Municipal Electric was solicited using the City's formal solicitation process. City Council approved a pre-qualified list of professional service firms on December 13, 2022 (Ordinance 22-2483).

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On December 13, 2022, Council approved RFQ 8031-1 for a prequalified list of state certified engineers for substation and transmission line engineering for various projects for Denton Municipal Electric (Ordinance 22-2483).

On May 8, 2023, the Public Utilities Board (PUB) recommended this item to the City Council for consideration.

RECOMMENDATION

Award a contract with Black & Veatch Corporation, for substation design and capital improvement projects requiring professional engineering services for Denton Municipal Electric, in a not-to-exceed amount of \$4,244,870.84.

PRINCIPAL PLACE OF BUSINESS

Black & Veatch Corporation
Overland Park, KS

ESTIMATED SCHEDULE OF PROJECT

Each project will have its own schedule. These projects are estimated to be completed in a five (5) year timeframe.

FISCAL INFORMATION

These services will be funded by bond funds. Requisitions will be entered for each project on an as-needed basis.

EXHIBITS

Exhibit 1: Agenda Information Sheet

Exhibit 2: Presentation

Exhibit 3: Ordinance and Contract

Respectfully submitted:
Lori Hewell, 940-349-7100
Purchasing Manager

For information concerning this acquisition, contact: Mark Zimmerer, 940-349-7169.

Legal point of contact: Marcella Lunn at 940-349-8333.