Silicon Valley Clean Water Commission Meeting

MAY 18, 2020
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Agenda Item 8A
Energy Storage Project Agreement with Enel X
Energy Management Services

- Battery Storage will:
  - Reduce power demand during peak periods
  - Minimize demand charges
Energy Management Services

Services Include:

- Installation of Energy Management Software and Hardware
- Tracking Energy Usage and Optimizing for Maximum Savings
- Battery Maintenance
- 10-Year Agreement
- Annual Cost based on Energy Savings
Recommendation

i. Open Public Hearing

ii. Close Public Hearing and Approve Energy Management Services Agreement with Enel X
Agenda Item 8B

Owner Controlled Insurance for Pump Stations Improvements
Owner Controlled Insurance Program (OCIP)

Advantages

- Manages risk by ensuring appropriate insurance layers
- Provides transparency of administrative activities re claims
- Avoids contractor markup to offer potential savings to SVCW
Recommended Coverage

- **Workers’ Compensation**: Statutory benefits on work injury or illness
- **General Liability**: Third-party injury or damage with a 10-year tail
- **Excess Liability**: Additional $100 million coverage
- **Contractor’s Pollution Liability**: Covers cleanups, with a 10-year tail
- **Builder’s Risk**: Covers property and work under construction
- **Owner’s Protective Professional Indemnity**: Covers design errors and omissions in excess of designers’ coverage
Finances

- $2.18 million: Total premiums and fees for all coverage
- $3.2 million: CIP budget for PSIP OCIP
- $282 thousand to $498 thousand: Anticipated Workers' Compensation savings versus contractor-managed insurance structure (assuming typical losses)
  - $1.97 million*: Savings to date on first OCIP for GP & FoP
    * Includes all known claims through May 2020 (construction 50% complete)
RESCU OCIP Finances

- $7.5 million: Total premiums and fees – FoP and GP
- $2.18 million: Total premiums and fees – PSIP
  - $9.68 million: Total RESCU Program Insurance Costs
- 2.7% on $360M Hard Costs
- Compared w/Industry Standard of 3% to 5%
Recommendation

Approve Procurement of OCIP Insurance Coverage for RESCU Program’s Pump Stations Improvements Project
Thank You