



City of Grand Island

Tuesday, January 10, 2023

Council Session

Item I-1

#2023-14 - Consideration of Approving Proposal for the Inflation Reduction Act Generation Evaluation and Advisory

Staff Contact: Tim Luchsinger, Stacy Nonhof

Council Agenda Memo

From: Timothy G. Luchsinger, Utilities Director
Stacy Nonhof, Assistant City Attorney

Meeting: January 10, 2023

Subject: Inflation Reduction Act – Generation Evaluation and Advisory

Presenter(s): Timothy G. Luchsinger, Utilities Director

Background

The Utilities Department provides our retail customers electric service through distribution and transmission infrastructure, with generation using coal, natural gas, oil, wind, hydro, and solar resources. An engineering study in 2022 recommended that additional solar generation would benefit our current asset mix. On August 7th, 2022, the federal Inflation Reduction Act was passed, which included provisions for public utilities to receive payments through tax credits for developing zero emissions generation. The Department sought the services of a firm to provide financial consultation of options to utilize the opportunities of this legislation and optimize an eligible project for the highest economic return on investment.

Discussion

The request for proposal for financial evaluation and advisory services for power generation provisions of the Inflation Reduction Act was publicly advertised in accordance with the City Purchasing Code. Proposals were received from the following consultants:

Baker Tilly St. Paul, MN
Larsen & Toubro Limited Inc. Fairfield, CA

Using a matrix of the Utility Department’s established evaluation criteria, which included pricing and commercial terms, fees, company and personnel experience, contract forms, and proposal responsiveness, these proposals were reviewed by Department and Finance management staff. A tabulation of the evaluation factors indicated a consensus for Baker Tilly. This firm’s proposal was ranked the highest by each evaluator.

Alternatives

It appears that the Council has the following alternatives concerning the issue at hand. The Council may:

1. Move to approve
2. Refer the issue to a Committee.
3. Postpone the issue to future date.
4. Take no action on the issue presented in this motion.

Recommendation

City Administration recommends that the Council award the Proposal for the Inflation Reduction Act Generation Evaluation and Advisory to Baker Tilly of St. Paul, Minnesota as the best evaluated proposal, with a proposal price not to exceed \$130,500.00.

Sample Motion

Move to approve the resolution authorizing the Mayor to accept the proposal from Baker Tilly of St. Paul, Minnesota, for the Inflation Reduction Act Generation Evaluation and Advisory for a price not to exceed \$130,500.00 as submitted.



Stacy Nonhof, Purchasing Agent

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Better Tomorrow, Today*

**REQUEST FOR PROPOSAL
FOR
INFLATION REDUCTION ACT GENERATION EVALUATION AND ADVISORY**

RFP DUE DATE: December 20, 2022 at 4:00 p.m.
DEPARTMENT: Utilities
PUBLICATION DATE: November 17, 2022
NO. POTENTIAL BIDDERS: 3

PROPOSALS RECEIVED

Baker Tilley US, LLP
St. Paul, MN

Larsen & Toubro Limited Inc.
Fairfield, CA

cc: Tim Luchsinger, Utilities Director
Patrick Brown, Finance Director
Lynn Mayhew, Assist. Utilities Director

Karen Nagel, Utilities Secretary
Stacy Nonhof, Purchasing Agent

P2410

RESOLUTION 2023-14

WHEREAS, the City of Grand Island solicited proposals for financial evaluations of the Inflation Reduction Act, according to plans and specifications on file with the Utilities Department; and

WHEREAS, on December 20, 2022 proposals were received, opened and reviewed; and

WHEREAS, Baker Tilly of St. Paul, Minnesota, submitted a proposal in accordance with the terms of the advertisement and plans and specifications and all other statutory requirements contained therein, such proposal not to exceed the amount of \$130,500.00.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that proposal from Baker Tilly for financial evaluations of the Inflation Reduction Act for the Utilities Department is hereby approved.

BE IT FURTHER RESOLVED, that the Mayor is hereby authorized to execute the contract with Baker Tilly for financial evaluations of the Inflation Reduction Act, and to take all other actions necessary to effect the purpose of this resolution.

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Adopted by the City Council of the City of Grand Island, Nebraska, January 10, 2023.

Roger G. Steele, Mayor

Attest:

RaNae Edwards, City Clerk

Approved as to Form	☐ _____
January 5, 2023	☐ City Attorney