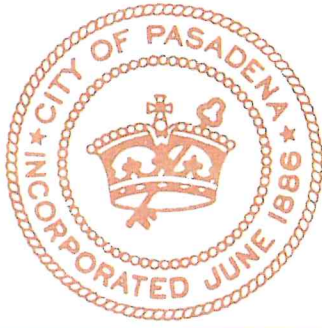




Agenda Report

July 20, 2026

TO: Honorable Mayor and City Council

FROM: Water and Power Department

SUBJECT: AUTHORIZE THE TRANSITION FROM PROGRESSIVE DESIGN-BUILD APPROACH TO DESIGN-BUILD APPROACH FOR THE MUNICIPALLY OWNED SOLAR AND ENERGY STORAGE PROGRAM AND AUTHORIZE THE USE OF DESIGN-BUILD FOR ALL PROGRAM SITES

RECOMMENDATION:

It is recommended that the City Council:

1. Find that the proposed action is not a "project" subject to the California Environmental Quality Act ("CEQA") pursuant to Public Resources Code Section 21065 and within the meaning of State CEQA Guidelines Sections 15378(b);
2. Authorize the transition of the municipally owned solar and energy storage program from the Progressive Design-Build approach to the Design-Build approach, while continuing to utilize the Alternative Project Delivery method previously approved by the City Council; and
3. Authorize the City Manager to utilize the Alternative Project Delivery method, Design-Build, for all sites of the municipally owned solar and energy storage program, subject to applicable Pasadena Municipal Code ("PMC") requirements and future contract approvals as required.

BACKGROUND:

Pasadena Water and Power ("PWP") is advancing a municipally owned solar and energy storage program to support the City's carbon-free electricity objectives, improve local energy resilience, and optimize the use of City-owned properties for clean energy development.

On February 2, 2026, the City Council authorized the City Manager to utilize the Alternative Project Delivery method, Progressive Design-Build, for installation of solar energy systems at five municipal facility sites, including Lamanda Park Branch Library, San Rafael Branch Library, Allendale Branch Library, Linda Vista Branch Library, and

the City Maintenance Yards Visitor Parking Lot and Utility Vehicle Parking Lot, in accordance with PMC Section 4.08.136 (Alternative Project Delivery).

Since then, PWP has continued project development, refined its technical and procurement strategy, coordinated with City departments to identify additional candidate sites, and gathered additional industry input. Based on this additional development, PWP has determined that the Design-Build approach is the more appropriate project delivery method for the current phase of the municipally owned solar and energy storage program.

REVISED PROJECT DELIVERY APPROACH:

The initial Progressive Design-Build concept was developed when the project portfolio was smaller and the City expected a higher degree of early collaborative validation before meaningful site-specific pricing could be obtained. Since that time, PWP has refined the project scope, expanded the number of potential implementation sites, developed more detailed technical and procurement requirements, and obtained additional industry input through the Request for Information (“RFI”) process. As project definition improved, PWP determined the City had sufficient information to support meaningful site-specific competition through a traditional Design-Build solicitation.

PWP’s current objective is to obtain site-specific technical proposals, conceptual design information, implementation schedules, and pricing through the solicitation itself. A traditional Design-Build procurement better aligns with this objective because it places greater emphasis on competitive proposal development at the front end of the process, while still allowing the City to evaluate proposer approach, assumptions, sequencing, and implementation strategy across multiple sites.

In PWP’s assessment, this revised traditional Design-Build structure provides better balance of competition, pricing transparency, and implementation flexibility, while enabling the City to advance near-term priority sites and maintain future deployment options for the broader municipal site portfolio.

PROCUREMENT STATUS:

PWP has continued refining the procurement documents through internal review, Procurement Oversight Committee review, and industry outreach. As part of that effort, PWP issued an RFI and received 12 responses by the June 8, 2026, deadline. PWP will use relevant information received through this process to further refine the procurement documents, including technical requirements, procurement structure, implementation assumptions, and other solicitation provisions.

PWP will be issuing separate procurement solicitations during July/August 2026, separated out into two categories. The solicitations are expected to request site-specific technical proposals, conceptual design information, pricing, and implementation schedules, along with supporting assumptions and qualifications. Each solicitation is

expected to include a best-value structure intended to allow the City to evaluate proposer qualifications, technical approach, pricing, schedule, and related factors.

COUNCIL POLICY CONSIDERATION:

This action is consistent with the City Council's goals to maintain fiscal responsibility and stability, while supporting sustainable energy and infrastructure policies that prioritize the design, construction, and improvement of City facilities to reduce environmental impact. Additionally, the proposed action supports the 2030 carbon-free goal set by Resolution 9977, which has been incorporated in PWP's 2023 Power IRP, and contributes to the overall greenhouse gas reduction efforts of the City's Climate Action Plan.

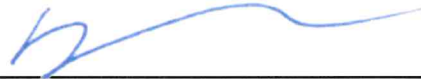
ENVIRONMENTAL ANALYSIS:

CEQA excludes from environmental review actions that are not "projects" as defined by Public Resource Code Section 21065 and within the meaning of State CEQA Guideline Section 15378(b). Sections 21065 and 15378(b) define a project as an action which may cause either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment. Section 15378 excludes from the definition of "project" organizational or administrative governmental activities that do not result in physical changes to the environment.

FISCAL IMPACT:

There is no fiscal impact as a result of this action and no impact to the General Fund. Upon the successful selection of qualified contractors, staff will return to City Council for award of the Design-Build contracts.

Respectfully submitted,



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