



**TOWN OF LOS GATOS
COUNCIL AGENDA REPORT**

MEETING DATE: 05/20/2025

ITEM NO: 8

DATE: May 15, 2025
TO: Mayor and Town Council
FROM: Chris Constantin, Town Manager
SUBJECT: Authorize the Town Manager to Execute a Third Amendment to the Agreement for Consultant Services with AMS Electric LLC (dba Prime Electric LLC) for the Library Battery Power Supply Project (CIP 821-2505)

RECOMMENDATION:

Staff recommends that the Town Council authorize the Town Manager to execute a Third Amendment to the Agreement for Consultant Services (Attachment 1) with AMS Electric LLC (dba Prime Electric LLC) to extend the term and time of performance through June 30, 2026 for a design-build project to install a battery storage system at the Library (CIP 821-2505).

STRATEGIC PRIORITIES:

This extension of the term of performance pertains to the Town Council's Priority of **Quality Public Infrastructure**. This is a resiliency project and supports a critical facility that will provide community services during power outages.

FISCAL IMPACT:

There is no fiscal impact related to this action. The amendment is to extend the performance period only.

BACKGROUND:

The Library Battery Storage Project (CIP 821-2505) included the development of design plans and installation of a battery energy storage tied to the solar photovoltaic (PV) system at the Library. In FY 2020/21, Parks and Public Works staff issued a Request for Proposals (RFP), and AMS Electric LLC was selected. An Agreement for Services was executed on December 7, 2021.

PREPARED BY: Dan Keller
Fleet & Facilities Operations Manager

Reviewed by: Town Manager, Assistant Town Manager, Town Attorney, Finance Director, and Parks and Public Works Director

SUBJECT: Third Amendment to a Consultant Services Agreement with AMS Electric LLC
(dba Prime Electric LLC) Installation a Battery Storage System at the Library
DATE: May 15, 2025

On June 6, 2023, a First Amendment to the Agreement for Services was executed to extend the agreement term to June 30, 2024, to allow for installation and completion of the project which was delayed due to extended plan review time with Santa Clara County Fire and delays in the manufacturing and delivery of equipment.

On May 7, 2024, a Second Amendment to the Agreement for Services was executed to extend the agreement term to June 30, 2025, to allow time for welded anchoring inspection of the battery cabinet and time for the battery manufacturer to test, operate, and run the internal HVAC system.

DISCUSSION:

Since its inception, this project has undergone significant design changes. These changes were partially due to the advancing technology and discontinuation of the originally specified equipment. This includes the battery itself and components that allow better regeneration of power through the PV system.

During their recent inspection, PG&E required the contractor to replace the meter that was originally installed with an updated meter that adds additional protection during a grid outage. Acquiring this meter from Germany will take time to receive and program. An extension of the agreement term is needed to accommodate the new requirement from PG&E. Although these changes present a delay, they will provide a more operationally efficient product in the long term. Prior to the last PG&E inspection, while remote and online access is still being finalized, Town staff and the contractor made significant advancements in the critical infrastructure of the project. This included operation and testing of the battery, exercising the internal cooling system, and installation of components required for operation.

CONCLUSION:

The extension of this agreement will Authorize the Town Manager to execute a Third Amendment to the Agreement for Consultant Services with AMS Electric LLC (dba Prime Electric LLC) for a design-build project to install a battery storage system at the Library (CIP 821-2502) to extend the term and time of performance through June 30, 2026.

ENVIRONMENTAL ASSESSMENT:

In accordance with CEQA Guidelines Section 15378(b)(5), approval of this amendment is not a project subject to CEQA because it is an administrative activity that will not impact the environment.

PAGE 3 OF 3

SUBJECT: Third Amendment to a Consultant Services Agreement with AMS Electric LLC
(dba Prime Electric LLC) Installation a Battery Storage System at the Library

DATE: May 15, 2025

Attachment:

1. Third Amendment to Agreement for Consultant Services with Exhibit A