



# RIVERSIDE PUBLIC UTILITIES

## Board Memorandum

**BOARD OF PUBLIC UTILITIES**

**DATE:** AUGUST 26, 2019

**ITEM NO:** 10

**SUBJECT:** INCREASE IN TOTAL AMOUNT OF APPROVED WORK ORDER NO. 1810532 FOR FREEMAN SWITCHGEAR AND TRANSFORMER UPGRADE PROJECT FROM \$3,638,268 TO ORIGINALLY APPROVED AMOUNT OF \$5,463,000 FOR CONSTRUCTION, TESTING AND COMMISSIONING PHASES OF PROJECT

**ISSUE:**

Approve an increase in the total amount of approved Work Order No. 1810532 for the Freeman Switchgear and Transformer Upgrade Project from \$3,638,268 to the originally approved amount of \$5,463,000 for the construction, testing and commissioning phases of the project.

**RECOMMENDATION:**

That the Board of Public Utilities approve an increase in the total amount of approved Work Order No. 1810532 for the Freeman Switchgear and Transformer Upgrade Project from \$3,638,268 to the originally approved amount of \$5,463,000 for the construction, testing and commissioning phases of the project.

**BACKGROUND:**

On November 5, 2018, the Board of Public Utilities (Board) approved Work Order No. 1810532 in the amount of \$5,463,000 for the Freeman Switchgear and Transformer Upgrade Project.

Subsequently, on March 25, 2019, the Board approved a reduction of funds in the amount \$1,824,732 of approved Work Order No. 1810532 to fund other immediate and critical infrastructure replacement projects related to Canyon Crest cable replacement and recent substation 66kV breaker failures for Fiscal Year 2018/19.

During the March 25, 2019 Board meeting, it was discussed that when funds became available, staff would return to the Board in Fiscal Year 2019/20 to request approval to reinstate \$1,824,732 and restore Work Order No. 1810532 to the original approved amount of \$5,463,000.

**DISCUSSION:**

Staff is requesting that the Board of Public Utilities approve an increase of \$1,824,732 to Work Order 1810532 in order to restore the Work Order to the original approved amount of \$5,463,000 for the construction, testing and commissioning phases of the project. There are no other costs associated with the restoring of the originally approved work order amount. The total capital expenditure of \$5,463,000 for approved Work Order No. 1810532 will remain the same as originally approved.

<b>Project Breakdown</b>	
Engineering Performed By:	RPU Engineering Staff and Consultant Panel
Civil Construction Performed By:	RPU Field Forces and Contractor
Electrical Work Performed By:	RPU Field Forces and Contractor
Electrical Testing and Commissioning	RPU Field Forces
<b>Anticipated Construction Start Date:</b>	<b>August 2019</b>
<b>Anticipated Duration:</b>	<b>10 months</b>

The breakdown for the total capital expenditure, previously presented to Board on November 5, 2018:

<b>Description</b>	<b>Amount (\$)</b>
Switchgear - Crown Technical Systems SUB-806	\$1,343,878.13
Relay Panel – Keystone SUB-793	\$53,576.17
Transformer (Estimated)	\$1,400,000.00
Misc. Parts and Material, and Equipment Rentals	\$240,000.00
Project Management and Engineering Design	\$600,813.00
Construction, Factory Testing, Field Testing and Commissioning	\$1,295,121.00
Contingency (10%)	\$529,611.70
<b>Work Order Total</b>	<b>\$5,463,000.00</b>

**FISCAL IMPACT:**

The fiscal impact of the recommended action is \$1,824,732 for Fiscal Year 2019/20. Sufficient funds are available in Public Utilities Substation Transformer Addition Capital Account No. 6130100-470632.

The total Fiscal Impact of the project is \$5,463,000 for Fiscal Years 2018/19 and 2019/20.

Prepared by: George R. Hanson, Utilities Assistant General Manager/Energy Delivery  
 Approved by: Todd M. Corbin, Utilities General Manager  
 Approved by: Al Zelinka, FAICP, City Manager  
 Approved as to form: Gary G. Geuss, City Attorney

Certifies availability of funds: Brian Seinturier, Utilities Fiscal Manager

**Attachments:**

1. Board Memo, November 5, 2018 (Approval of funds)
2. Board Memo, March 25, 2019 (Reduction of originally approved funds)