

**SECOND AMENDMENT TO  
PROFESSIONAL CONSULTANT SERVICES AGREEMENT**

**WUNDERLICH-MALEC ENGINEERING, INC.**

**(Remote and On-Site Control Systems Maintenance at the RERC and Spring Power Plants)**

THIS SECOND AMENDMENT TO PROFESSIONAL CONSULTANT SERVICES AGREEMENT ("Second Amendment") is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2019, by and between the CITY OF RIVERSIDE, a California charter city and municipal corporation ("City"), and WUNDERLICH-MALEC ENGINEERING, INC., a California corporation ("Consultant"), with respect to the following:

**RECITALS**

WHEREAS, the City and Consultant entered into that certain Professional Consultant Services Agreement dated September 7, 2017 ("Agreement"); and

WHEREAS, the parties then entered into a First Amendment to Professional Consultant Services Agreement dated October 29, 2018, extending the Agreement to July 1, 2019 and amending compensation for an agreement total of Ninety Thousand Dollars (\$90,000); and

WHEREAS, the City has been satisfied with Consultant's performance under the Agreement and desires to have Consultant continue providing the services referenced in Agreement, for an amount not to exceed Sixty Thousand Dollars (\$60,000) per year; and

WHEREAS, the current Agreement expires on July 1, 2019;

WHEREAS, City and Consultant desire to renew the Agreement an additional (3) Three years.

NOW, THEREFORE, in consideration of the foregoing recitals which are incorporated herein by this reference, City and Consultant agree as follows:

1. Section 1 of the Agreement is hereby amended by adding the additional Scope of Services as set forth in Exhibit "A-2," attached hereto and incorporated herein by this reference.
2. The rate schedule is hereby amended by replacing Exhibit "B" with Exhibit "B-2."
3. The term of the Agreement is hereby extended to July 1, 2022.
4. Section 3, "Compensation/Payment" is hereby amended for an amount not to exceed Sixty Thousand Dollars (\$60,000) per year, for a new total of Two Hundred Seventy Thousand Dollars (\$270,000).

3. All other terms and conditions of the Agreement between the parties which are not inconsistent with the terms of this Second Amendment shall remain in full force and effect as if fully set forth herein.

IN WITNESS WHEREOF, the parties hereto have caused this Second Amendment to Professional Consultant Services Agreement to be duly executed the day and year first above written.

CITY OF RIVERSIDE,  
a California charter city and municipal  
corporation

WUNDERLICH-MALEC  
ENGINEERING, INC.  
a California corporation

By: \_\_\_\_\_  
City Manager

By: Walter J. Malec  
Its: VICE-PRESIDENT

Attest: \_\_\_\_\_  
Colleen J. Nicol  
City Clerk

By: Kevin R. Paland  
Its: CFO

Certified as to Availability of Funds:

By: \_\_\_\_\_  
Chief Financial Officer

Approved as to Form:

By: \_\_\_\_\_  
Anthony L. Beaumon  
Deputy City Attorney

# **EXHIBIT A-2**

**Table of Contents**

<b>Section 1</b>	<b>Introduction</b>
<b>Section 2</b>	<b>Wunderlich-Malec and City of Riverside RERC</b>
<b>Section 3</b>	<b>Description of Project Design Methodology</b>
<b>Section 4</b>	<b>WM Rate Information</b>

## **Section 1 – Introduction**

Wunderlich-Malec Engineering/Systems (WM) sincerely expresses our thanks in your invitation to provide a proposal to provide engineering services for continued support for COR. WM is very excited to present this proposal and firmly believes its deliverable components respond to customer requirements.

WM is an established industrial systems integrator with central offices in Eden Prairie, (MN) and regional branch offices in Phoenix (AZ), Los Angeles (CA), Las Vegas (NV), Denver (CO), Portland (OR), Chicago (IL), San Francisco (CA), Minneapolis, (MN), Albuquerque, (NM), and Dallas (TX) to name a few. Because WM is an independent systems house, we can provide state-of-the-art solutions using the best technology and maintaining superior technical service and customer support.

Perhaps the most important WM resource is our highly motivated and trained engineering professionals. Encompassing every aspect of the controls and automation industry, these leaders can assure innovative and cost-effective solutions to your industrial information system application. At the moment WM employs over 400 men and women dedicated to the controls and automation industry, with over 275 engineers and programmers making up over 2/3's of the company staff.

WM has more than 36 years' experience implementing industrial control & automation systems. WM offers stable industry leadership, state-of-the-art technology and the personnel knowledge base and resources, to ensure timely, on-budget completion of your project.

The remainder of this proposal outlines the methodology that WM extends for consideration of providing engineering and support services for COR.

## **Section 2 – Wunderlich-Malec and City of Riverside RERC**

Wunderlich-Malec Engineering/Systems has provided the most recent control system upgrade (2012) for the City of Riverside facility. A description of the project efforts follow:

Design and implementation of a PLC/HMI system for monitor and control of four GE LM 6000 50MW combustion turbine generators as well as all balance of plant equipment. Procure, Construct, Program, Integrate, Startup and Document the BOP system. Included were system network ties in remote control site for System Control And Data Acquisition for unmanned automatic operation. In addition to the four GE Mark 6 Turbine control systems, the BOP integrates: four Continuous Emission Monitoring Systems (CEMS), four Selective Catalyst Reduction systems (SCR), an Ammonia Skid, a Fuel Gas Skid, Air Compressors, Evaporative Coolers, Switch Gear Status and Control, Black Start Generator, Preexisting ABB SCADA and RTUs, California CalISO Revenue Meters, Bitronics Meters, and a Hathaway DAS DPG.

WM Scope:

- Detail design of control system
- Procurement and Manufacture of PLC (GE RX3i, 90-30) and RIO Control Cabinets
- Procurement and Configuration of SCADA (Wonderware). Included Alarms, Graphics, Faceplates, Etc.
- System Architecture, Control Programming Philosophy, HMI Graphics, Alarm Handling, System Security, Historical Archiving, Documentation and Drawing Packages, Control Panel Construction.
- Implemented giga-bit Ethernet switches with layer 3 and VLANs
- Provided interfaces to electrical and OEM subsystems
- Implemented one button start to achieve under 10 minute start-up.
- Establishment of long-term maintenance support contract, which is currently active.

**Percentage of the cost of the work performed by our WM forces: 100%**

WM has been providing continued support for COR since the completion of this project. With the knowledge that WM has from the design and implementation of the complete project, WM is the best equipped system integration engineering team to work with the COR plant control systems. WM has done all of the changes/modifications to the system by request of COR since this project install. WM's support of the system that has been custom designed especially for this COR facility give us the most knowledge of anyone regarding the plant control systems.

### **Section 3 – Description of Project Design Methodology**

#### **Analysis**

For existing systems requiring upgrades or additions, the current SCADA system must be analyzed in terms of how the system is currently performing and what items require remediation. At a minimum, network communications; SCADA system hardware; software and configuration; cyber security; and monitoring and reporting of the system should be analyzed.

Deliverables generally include documentation reporting actionable recommendations and strategies with the goal of improving the performance of the current system and generating a specification for use in the design phase. Recommendations for the design phase could include replacement, augmentation, or a change of methodology of current equipment, software, or procedures.

For new system designs, a sequence of operations is generally created in cooperation with the engineer. During this phase, WM recommends customer involvement at appropriate intervals in order to direct the recommendations toward a customized design.

#### **Design**

Once a thorough analysis has been completed, the design process can begin using the deliverables from the analysis as a guide. The design should include a sequence of operations, plans, reports, and specifications that may address at a minimum: standardization of equipment, technical specifications, design standards, guidelines, and documentation; data collection functionality between enterprise reporting and business management; and network security improvements. It is recommended that the customer participate in design reviews in order to maintain compliance with customer requests. WM will maintain the standards that currently exist and those that are created during this project if revisions or acceptable changes have occurred during the design review process.

WM has experienced that beyond functionality, many clients express needs regarding four other major areas of integration. The first concern is the integration of the SCADA system with the information technology department. Another concern is that the system is up to date with the latest in industry cyber security standards. Third, appropriate communication elements should be selected such as fiber optics, wireless technology and public network technology. Decisions regarding this concern are generally made during the design review process. Finally, clients often need the data and reporting system from SCADA to be integrated into a business network. WM's approach is to satisfy client needs, while investigating options with respect to performance issues, functionality tradeoffs, cost, and security vulnerabilities.

WM has extensive design experience and is perfectly suited to provide solutions in these areas. WM recommends that designs proceed with the intent of providing a system that has a network architecture that meets a set of benchmarks established by WM and the client, which can be developed in the early phases of the project.

#### **Construction and Installation**

This includes wiring, programming, SCADA software and hardware installation and/or updating computer internals associated with the SCADA system. These tasks will be conducted in accordance with the approved design. If necessitated by the design, WM operates a full service control panel assembly shop that is certified for UL508 and has the ability to provide panel design and build in accordance with industry standards.

### Commissioning

Once installation and programming is complete, the system can be commissioned. This phase will include verification that the construction meets the design. Loop verification should be conducted in order to simulate the field instrument signals back to the SCADA system. For example, a field technician may simulate a 4-20mA signal while another member of the commissioning team verifies that the operator interface screen displays the corresponding data, such as tank level or flow rate. As part of this phase, it is recommended that a documentation system is followed. A database can be populated with applicable data including but not limited to the manufacturer information, tag name, signal type, and methods of testing. Commissioning may also consist of providing assistance on computer control strategy checkout, tuning of control loops, and troubleshooting. A recommended deliverable for this phase is a printed and electronic copy of the testing database.

### Training and Operations and Maintenance Manuals

Many clients require detailed operations and maintenance (O&M) manuals as a final deliverable as well as classroom and hands on training for onsite staff. WM has had extensive experience with this task for clients such as the City of Phoenix and Intel Corporation. In most cases, a specification for formatting and content is available or created to follow. The manufacturer data sheets, drawings, factory acceptance testing or commissioning documentation can be found in the O&M manual. WM can provide both classroom and field training as required by the City. For the classroom, media such as PowerPoint presentations and hand-outs may be used to supplement the training material. For field training, it is recommended to find a suitable field location that has both hardware and an operator interface terminal (OIT) in close proximity in order to best demonstrate the new systems.

### Recommendations for Future Projects

Finally, many clients request that WM provide a report of recommendations for hardware and software upgrades for any necessary future work. This could be incorporated into SCADA specifications that are existing or developed in the analysis phase, which is an input for the design phase. This would provide a guide for the designer as well as a means for instituting an instrumentation and controls inspection program for the purpose of ensuring proper quality assurance and control of future projects.



# **EXHIBIT B-2**

**Section 4 – WM Rate Information**

Below is the current rate schedule for WM Services.

**ENGINEERING RATE SCHEDULE**

<u>Classification</u>	<u>Rate</u>
<u>P1 Principal</u>	<u>\$200.00</u>
<u>E10 Engineer 10</u>	<u>\$175.00</u>
<u>E9 Engineer 9</u>	<u>\$165.00</u>
<u>E8 Engineer 8</u>	<u>\$155.00</u>
<u>E7 Engineer 7</u>	<u>\$145.00</u>
<u>E6 Engineer 6</u>	<u>\$135.00</u>
<u>E5 Engineer 5</u>	<u>\$125.00</u>
<u>E4 Engineer 4</u>	<u>\$115.00</u>
<u>E3 Engineer 3</u>	<u>\$105.00</u>
<u>E2 Engineer 2</u>	<u>\$ 95.00</u>
<u>E1 Engineer 1</u>	<u>\$ 85.00</u>
<u>D5 Designer 5</u>	<u>\$ 90.00</u>
<u>D4 Designer 4</u>	<u>\$ 80.00</u>
<u>A2 Administrative/Purchasing</u>	<u>\$ 65.00</u>
<u>A1 Administrative/Clerical</u>	<u>\$ 55.00</u>

1. Typical engineering categories that are used for COR:

<b>Staff Category</b>	<b>Rate Class</b>
Administrative	A2
CAD/Technician	D4/5
Associate Engineer	E3/4
Senior Engineer	E5/6
Project Manager	E7/8

2. For one locked-in rate over the next three years (thru 2021), we would use \$153.83/hour for the all services and remote support.
3. Typical travel and related expense charges between Riverside and consultant office:  
  
Travel and living costs will be billed at cost. Mileage rates (currently \$0.56/mi) and per diem rates will be per the published GSA rates.
4. We propose to use the same terms as on our existing agreement.

**FIRST AMENDMENT TO  
PROFESSIONAL CONSULTANT SERVICES AGREEMENT**

**WUNDERLICH-MALEC ENGINEERING, INC.**

**(Remote and On-Site Control Systems Maintenance at the RERC and Spring Power Plants)**

THIS FIRST AMENDMENT TO PROFESSIONAL CONSULTANT SERVICES AGREEMENT ("First Amendment") is made and entered into this 29<sup>th</sup> day of October, 2018, by and between the CITY OF RIVERSIDE, a California charter city and municipal corporation ("City"), and WUNDERLICH-MALEC ENGINEERING, INC., a California corporation ("Consultant"), with respect to the following:

**RECITALS**

WHEREAS, the City and Consultant entered into that certain Professional Consultant Services Agreement dated September 7, 2017 ("Agreement"); and

WHEREAS, the City has been satisfied with Consultant's performance under the Agreement and desires to have Consultant continue providing the services referenced in that Agreement, and to increase the amount of the agreement from \$45,000 to \$90,000; and

WHEREAS, the current Agreement expires on September 7, 2018;

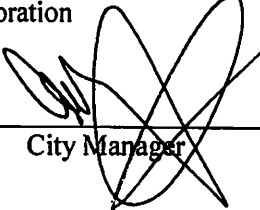
WHEREAS, City and Consultant desire to renew the Agreement in July to better align with the fiscal year cycle; and

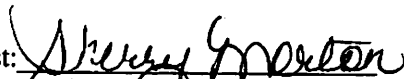
NOW, THEREFORE, in consideration of the foregoing recitals which are incorporated herein by this reference, City and Consultant agree as follows:

1. The term of the Agreement is hereby extended to July 1, 2019.
2. Section 3, "Compensation/Payment" is hereby amended by increasing the amount of compensation by Forty-Five Thousand Dollars (\$45,000) for a new total of Ninety Thousand Dollars (\$90,000).
3. All other terms and conditions of the Agreement between the parties which are not inconsistent with the terms of this First Amendment shall remain in full force and effect as if fully set forth herein.


IN WITNESS WHEREOF, the parties hereto have caused this First Amendment to Professional Consultant Services Agreement to be duly executed the day and year first above written.


CITY OF RIVERSIDE,  
a California charter city and municipal  
corporation

By:  \_\_\_\_\_  
City Manager

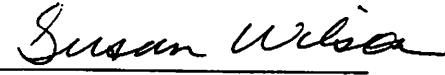
Attest:  \_\_\_\_\_  
Colleen J. Nibol  
City Clerk

WUNDERLICH-MALEC  
ENGINEERING, INC.  
a California corporation

By:  \_\_\_\_\_  
Its: PRESIDENT

By:  \_\_\_\_\_  
Its: CEO

Approved as to Form:

By:  \_\_\_\_\_  
Susan Wilson  
Assistant City Attorney

CERTIFIED AS TO FUNDS AVAILABILITY:

BY:  \_\_\_\_\_  
Chief Financial Officer/City Treasurer

PROFESSIONAL CONSULTANT SERVICES AGREEMENT

WUNDERLICH-MALEC ENGINEERING, INC.

Remote and On-Site Control Systems Maintenance at the RERC and Spring Power Plants

THIS PROFESSIONAL CONSULTANT SERVICES AGREEMENT ("Agreement") is made and entered into this 1st day of July, 2017 ("Effective Date"), by and between the CITY OF RIVERSIDE ("City"), a California charter city and municipal corporation and WUNDERLICH-MALEC ENGINEERING, INC., a California corporation ("Consultant").

1. **Scope of Services.** City agrees to retain and does hereby retain Consultant and Consultant agrees to provide the services more particularly described in Exhibit "A," "Scope of Services" ("Services"), attached hereto and incorporated herein by reference, in conjunction with Remote and On-Site Control Systems Maintenance at the RERC and Spring Power Plants ("Project").

2. **Term.** This Agreement shall be effective on the date first written above and shall remain in effect for one year, unless otherwise terminated pursuant to the provisions herein.

3. **Compensation/Payment.** Consultant shall perform the Services under this Agreement for the total sum not to exceed Forty-Five Thousand Dollars (\$45,000), payable in accordance with the terms set forth in Exhibit "B." Said payment shall be made in accordance with City's usual accounting procedures upon receipt and approval of an itemized invoice setting forth the services performed. The invoices shall be delivered to City at the address set forth in Section 4 hereof.

4. **Notices.** Any notices required to be given, hereunder shall be in writing and shall be personally served or given by mail. Any notice given by mail shall be deemed given when deposited in the United States Mail, certified and postage prepaid, addressed to the party to be served as follows:

To City

Public Utilities Department  
City of Riverside  
Attn: James Perez  
5901 Payton Avenue  
Riverside, CA 92508

To Consultant

Wunderlich-Malac Engineering, Inc.  
Attn: Neal Wunderlich, President  
6101 Blue Circle Drive  
Eden Prairie, MN 55343

Copy to:  
Wunderlich-Malac Engineering, Inc.  
Attn: Steve Garcia  
1580 North Fiesta Blvd., Suite 102  
Gilbert, AZ 85233

5. **Prevailing Wage.** If applicable, Consultant and all subcontractors are required to pay the general prevailing wage rates of per diem wages and overtime and holiday wages determined by the Director of the Department of Industrial Relations under Section 1720 et seq. of the California Labor Code and implemented by Resolution No. 13346 of the City Council of the City of Riverside. The Director's determination is available on-line at [www.dir.ca.gov/dlsr/DPreWageDetermination.htm](http://www.dir.ca.gov/dlsr/DPreWageDetermination.htm) and is referred to and made a part hereof; the wage rates therein ascertained, determined, and specified are referred to and made a part hereof as though fully set forth herein.

6. **Contract Administration.** A designee of the City will be appointed in writing by the City Manager or Department Director to administer this Agreement on behalf of City and shall be referred to herein as Contract Administrator.

7. **Standard of Performance.** While performing the Services, Consultant shall exercise the reasonable professional care and skill customarily exercised by reputable members of Consultant's profession practicing in the Metropolitan Southern California Area, and shall use reasonable diligence and best judgment while exercising its professional skill and expertise.

8. **Personnel.** Consultant shall furnish all personnel necessary to perform the Services and shall be responsible for their performance and compensation. Consultant recognizes that the qualifications and experience of the personnel to be used are vital to professional and timely completion of the Services. The key personnel listed in Exhibit "C" attached hereto and incorporated herein by this reference and assigned to perform portions of the Services shall remain assigned through completion of the Services, unless otherwise mutually agreed by the parties in writing, or caused by hardship or resignation in which case substitutes shall be subject to City approval.

9. **Assignment and Subcontracting.** Neither party shall assign any right, interest, or obligation in or under this Agreement to any other entity without prior written consent of the other party. In any event, no assignment shall be made unless the assignee expressly assumes the obligations of assignor under this Agreement, in a writing satisfactory to the parties. Consultant acknowledges that any assignment may, at the City's sole discretion, require City Manager and/or City Council approval. Consultant shall not subcontract any portion of the work required by this Agreement without prior written approval by the responsible City Contract Administrator. Subcontracts, if any, shall contain a provision making them subject to all provisions stipulated in this Agreement, including without limitation, the insurance obligations set forth in Section 12. The Consultant acknowledges and agrees that the City is an intended beneficiary of any work performed by any subcontractor for purposes of establishing a duty of care between any subcontractor and the City.

10. **Independent Contractor.** In the performance of this Agreement, Consultant, and Consultant's employees, subcontractors and agents, shall act in an independent capacity as independent contractors, and not as officers or employees of the City of Riverside. Consultant acknowledges and agrees that the City has no obligation to pay or withhold state or federal taxes or to provide workers' compensation or unemployment insurance to Consultant, or to Consultant's employees, subcontractors and agents. Consultant, as an independent contractor, shall be responsible for any and all taxes that apply to Consultant as an employer.

**11. Indemnification.**

**11.1 Design Professional Defined.** For purposes of this Agreement, "Design Professional" includes the following:

- A. An individual licensed as an architect pursuant to Chapter 3 (commencing with Section 5500) of Division 3 of the Business and Professions Code, and a business entity offering architectural services in accordance with that chapter.
- B. An individual licensed as a landscape architect pursuant to Chapter 3.5 (commencing with Section 5615) of Division 3 of the Business and Professions Code, and a business entity offering landscape architectural services in accordance with that chapter.
- C. An individual registered as a professional engineer pursuant to Chapter 7 (commencing with Section 6700) of Division 3 of the Business and Professions Code, and a business entity offering professional engineering services in accordance with that chapter.
- D. An individual licensed as a professional land surveyor pursuant to Chapter 15 (commencing with Section 8700) of Division 3 of the Business and Professions Code, and a business entity offering professional land surveying services in accordance with that chapter.

**11.2 Defense Obligation For Design Professional Liability.** Consultant agrees, at its cost and expense, to promptly defend the City, and the City's employees, officers, managers, agents and council members (collectively the "Parties to be Defended") from and against any and all claims, allegations, lawsuits, arbitration proceedings, administrative proceedings, regulatory proceedings, or other legal proceedings to the extent the same arise out of, pertain to, or relate to the negligence, recklessness or willful misconduct of Consultant, or anyone employed by or working under the Consultant or for services rendered to the Consultant in the performance of the Agreement, notwithstanding that the City may have benefited from its work or services and whether or not caused in part by the negligence of an Indemnified Party. Consultant agrees to provide this defense immediately upon written notice from the City, and with well qualified, adequately insured and experienced legal counsel acceptable to City. This obligation to defend as set forth herein is binding on the successors, assigns and heirs of Consultant and shall survive the termination of Consultant's Services under this Agreement.

**11.3 Indemnity For Design Professional Liability.** When the law establishes a professional standard of care for Consultant's services, to the fullest extent permitted by law, Consultant shall indemnify, protect and hold harmless the City and the City's employees, officers, managers, agents, and Council Members ("Indemnified Parties") from and against any and all claim for damage, charge, lawsuit, action, judicial, administrative, regulatory or arbitration proceeding, damage, cost, expense (including counsel and expert fees), judgment, civil fines and penalties, liabilities or losses of any kind or nature whatsoever to the extent the same arise out of, pertain to, or relate to the negligence, recklessness or willful misconduct of

Consultant, or anyone employed by or working under the Consultant or for services rendered to the Consultant in the performance of the Agreement, notwithstanding that the City may have benefited from its work or services and whether or not caused in part by the negligence of an Indemnified Party.

**11.4 Defense Obligation For Other Than Design Professional Liability.**

Consultant agrees, at its cost and expense, to promptly defend the City, and the City's employees, officers, managers, agents and council members (collectively the "Parties to be Defended") from and against any and all claims, allegations, lawsuits, arbitration proceedings, administrative proceedings, regulatory proceedings, or other legal proceedings which arise out of, or relate to, or are in any way connected with: 1) the Services, work, activities, operations, or duties of the Consultant, or of anyone employed by or working under the Consultant, or 2) any breach of the Agreement by the Consultant. This duty to defend shall apply whether or not such claims, allegations, lawsuits or proceedings have merit or are meritless, or which involve claims or allegations that any or all of the Parties to be Defended were actively, passively, or concurrently negligent, or which otherwise assert that the Parties to be Defended are responsible, in whole or in part, for any loss, damage or injury. Consultant agrees to provide this defense immediately upon written notice from the City, and with well qualified, adequately insured and experienced legal counsel acceptable to City. This obligation to defend as set forth herein is binding on the successors, assigns and heirs of Consultant and shall survive the termination of Consultant's Services under this Agreement.

**11.5 Indemnity For Other Than Design Professional Liability.**

Except as to the solenegligence or willful misconduct of the City, Consultant agrees to indemnify, protect and hold harmless the Indemnified Parties from and against any claim for damage, charge, lawsuit, action, judicial, administrative, regulatory or arbitration proceeding, damage, cost, expense (including counsel and expert fees), judgment, civil fine and penalties, liabilities or losses of any kind or nature whatsoever whether actual, threatened or alleged, which arise out of, pertain to, or relate to, or are a consequence of, or are attributable to, or are in any manner connected with the performance of the Services, work, activities, operations or duties of the Consultant, or anyone employed by or working under the Consultant or for services rendered to Consultant in the performance of this Agreement, notwithstanding that the City may have benefited from its work or services. This indemnification provision shall apply to any acts, omissions, negligence, recklessness, or willful misconduct, whether active or passive, on the part of the Consultant or anyone employed or working under the Consultant.

**12. Insurance.**

**12.1 General Provisions.**

Prior to the City's execution of this Agreement, Consultant shall provide satisfactory evidence of, and shall thereafter maintain during the term of this Agreement, such insurance policies and coverages in the types, limits, forms and ratings required herein. The rating and required insurance policies and coverages may be modified in writing by the City's Risk Manager or City Attorney, or a designee, unless such modification is prohibited by law.



12.1.1 **Limitations.** These minimum amounts of coverage shall not constitute any limitation or cap on Consultant's indemnification obligations under Section 11 hereof.

12.1.2 **Ratings.** Any insurance policy or coverage provided by Consultant or subcontractors as required by this Agreement shall be deemed inadequate and a material breach of this Agreement, unless such policy or coverage is issued by insurance companies authorized to transact insurance business in the State of California with a policy holder's rating of A or higher and a Financial Class of VII or higher.

12.1.3 **Cancellation.** The policies shall not be canceled unless thirty (30) days prior written notification of intended cancellation has been given to City by certified or registered mail, postage prepaid.

12.1.4 **Adequacy.** The City, its officers, employees and agents make no representation that the types or limits of insurance specified to be carried by Consultant pursuant to this Agreement are adequate to protect Consultant. If Consultant believes that any required insurance coverage is inadequate, Consultant will obtain such additional insurance coverage as Consultant deems adequate, at Consultant's sole expense.

12.2 **Workers' Compensation Insurance.** By executing this Agreement, Consultant certifies that Consultant is aware of and will comply with Section 3700 of the Labor Code of the State of California requiring every employer to be insured against liability for workers' compensation, or to undertake self-insurance before commencing any of the work. Consultant shall carry the insurance or provide for self-insurance required by California law to protect said Consultant from claims under the Workers' Compensation Act. Prior to City's execution of this Agreement, Consultant shall file with City either 1) a certificate of insurance showing that such insurance is in effect, or that Consultant is self-insured for such coverage, or 2) a certified statement that Consultant has no employees, and acknowledging that if Consultant does employ any person, the necessary certificate of insurance will immediately be filed with City. Any certificate filed with City shall provide that City will be given ten (10) days prior written notice before modification or cancellation thereof.

12.3 **Commercial General Liability and Automobile Insurance.** Prior to City's execution of this Agreement, Consultant shall obtain, and shall thereafter maintain during the term of this Agreement, commercial general liability insurance and automobile liability insurance as required to insure Consultant against damages for personal injury, including accidental death, as well as from claims for property damage, which may arise from or which may concern operations by anyone directly or indirectly employed by, connected with, or acting for or on behalf of Consultant. The City, and its officers, employees and agents, shall be named as additional insureds under the Consultant's insurance policies.

12.3.1 Consultant's commercial general liability insurance policy shall cover both bodily injury (including death) and property damage (including, but not limited to, premises operations liability, products-completed operations liability, independent contractor's liability, personal injury liability, and contractual liability) in an amount not less than \$1,000,000 per occurrence and a general aggregate limit in the amount of not less than \$2,000,000.

12.3.2 Consultant's automobile liability policy shall cover both bodily injury and property damage in an amount not less than \$1,000,000 per occurrence and an aggregate limit of not less than \$1,000,000. All of Consultant's automobile and/or commercial general liability insurance policies shall cover all vehicles used in connection with Consultant's performance of this Agreement, which vehicles shall include, but are not limited to, Consultant owned vehicles, Consultant leased vehicles, Consultant's employee vehicles, non-Consultant owned vehicles and hired vehicles.

12.3.3 Prior to City's execution of this Agreement, copies of insurance policies or original certificates along with additional insured endorsements acceptable to the City evidencing the coverage required by this Agreement, for both commercial general and automobile liability insurance, shall be filed with City and shall include the City and its officers, employees and agents, as additional insureds. Said policies shall be in the usual form of commercial general and automobile liability insurance policies, but shall include the following provisions:

It is agreed that the City of Riverside, and its officers, employees and agents, are added as additional insureds under this policy, solely for work done by and on behalf of the named insured for the City of Riverside.

12.3.4 The insurance policy or policies shall also comply with the following provisions:

- a. The policy shall be endorsed to waive any right of subrogation against the City and its sub-consultants, employees, officers and agents for services performed under this Agreement.
- b. If the policy is written on a claims made basis, the certificate should so specify and the policy must continue in force for one year after completion of the services. The retroactive date of coverage must also be listed.
- c. The policy shall specify that the insurance provided by Consultant will be considered primary and not contributory to any other insurance available to the City and Endorsement No. CG 20010413 shall be provided to the City.

**12.4 Errors and Omissions Insurance.** Prior to City's execution of this Agreement, Consultant shall obtain, and shall thereafter maintain during the term of this Agreement, errors and omissions professional liability insurance in the minimum amount of \$1,000,000 to protect the City from claims resulting from the Consultant's activities.

**12.5 Subcontractors' Insurance.** Consultant shall require all of its subcontractors to carry insurance, in an amount sufficient to cover the risk of injury, damage or loss that may be caused by the subcontractors' scope of work and activities provided in furtherance of this Agreement, including, but without limitation, the following coverages:

Workers Compensation, Commercial General Liability, Errors and Omissions, and Automobile liability. Upon City's request, Consultant shall provide City with satisfactory evidence that Subcontractors have obtained insurance policies and coverages required by this section.

13. **Business Tax.** Consultant understands that the Services performed under this Agreement constitutes doing business in the City of Riverside, and Consultant agrees that Consultant will register for and pay a business tax pursuant to Chapter 5.04 of the Riverside Municipal Code and keep such tax certificate current during the term of this Agreement.

14. **Time of Essence.** Time is of the essence for each and every provision of this Agreement.

15. **City's Right to Employ Other Consultants.** City reserves the right to employ other Consultants in connection with the Project. If the City is required to employ another consultant to complete Consultant's work, due to the failure of the Consultant to perform, or due to the breach of any of the provisions of this Agreement, the City reserves the right to seek reimbursement from Consultant.

16. **Accounting Records.** Consultant shall maintain complete and accurate records with respect to costs incurred under this Agreement. All such records shall be clearly identifiable. Consultant shall allow a representative of City during normal business hours to examine, audit, and make transcripts or copies of such records and any other documents created pursuant to this Agreement. Consultant shall allow inspection of all work, data, documents, proceedings, and activities related to the Agreement for a period of three (3) years from the date of final payment under this Agreement.

17. **Confidentiality.** All ideas, memoranda, specifications, plans, procedures, drawings, descriptions, computer program data, input record data, written information, and other materials either created by or provided to Consultant in connection with the performance of this Agreement shall be held confidential by Consultant, except as otherwise directed by City's Contract Administrator. Nothing furnished to Consultant which is otherwise known to the Consultant or is generally known, or has become known, to the related industry shall be deemed confidential. Consultant shall not use City's name or insignia, photographs of the Project, or any publicity pertaining to the Services or the Project in any magazine, trade paper, newspaper, television or radio production, website, or other similar medium without the prior written consent of the City.

18. **Ownership of Documents.** All reports, maps, drawings and other contract deliverables prepared under this Agreement by Consultant shall be and remain the property of City. Consultant shall not release to others information furnished by City without prior express written approval of City.

19. **Copyrights.** Consultant agrees that any work prepared for City which is eligible for copyright protection in the United States or elsewhere shall be a work made for hire. If any such work is deemed for any reason not to be a work made for hire, Consultant assigns all right, title and interest in the copyright in such work, and all extensions and renewals thereof, to City, and agrees to provide all assistance reasonably requested by City in the establishment,

preservation and enforcement of its copyright in such work, such assistance to be provided at City's expense but without any additional compensation to Consultant. Consultant agrees to waive all moral rights relating to the work developed or produced, including without limitation any and all rights of identification of authorship and any and all rights of approval, restriction or limitation on use or subsequent modifications.

20. **Conflict of Interest.** Consultant, for itself and on behalf of the individuals listed in Exhibit "C", represents and warrants that by the execution of this Agreement, they have no interest, present or contemplated, in the Project affected by the above-described Services. Consultant further warrants that neither Consultant, nor the individuals listed in Exhibit "C" have any real property, business interests or income interests that will be affected by this project or, alternatively, that Consultant will file with the City an affidavit disclosing any such interest.

21. **Solicitation.** Consultant warrants that Consultant has not employed or retained any person or agency to solicit or secure this Agreement, nor has it entered into any agreement or understanding for a commission, percentage, brokerage, or contingent fee to be paid to secure this Agreement. For breach of this warranty, City shall have the right to terminate this Agreement without liability and pay Consultant only for the value of work Consultant has actually performed, or, in its sole discretion, to deduct from the Agreement price or otherwise recover from Consultant the full amount of such commission, percentage, brokerage or commission fee. The remedies specified in this section shall be in addition to and not in lieu of those remedies otherwise specified in this Agreement.

22. **General Compliance With Laws.** Consultant shall keep fully informed of federal, state and local laws and ordinances and regulations which in any manner affect those employed by Consultant, or in any way affect the performance of services by Consultant pursuant to this Agreement. Consultant shall at all times observe and comply with all such laws, ordinances and regulations, and shall be solely responsible for any failure to comply with all applicable laws, ordinances and regulations. Consultant represents and warrants that Consultant has obtained all necessary licenses to perform the Scope of Services and that such licenses are in good standing. Consultant further represents and warrants that the services provided herein shall conform to all ordinances, policies and practices of the City of Riverside.

23. **Waiver.** No action or failure to act by the City shall constitute a waiver of any right or duty afforded City under this Agreement, nor shall any such action or failure to act constitute approval of or acquiescence in any breach thereunder, except as may be specifically, provided in this Agreement or as may be otherwise agreed in writing.

24. **Amendments.** This Agreement may be modified or amended only by a written agreement and/or change order executed by the Consultant and City.

25. **Termination.** City, by notifying Consultant in writing, shall have the right to terminate any or all of Consultant's services and work covered by this Agreement at any time. In the event of such termination, Consultant may submit Consultant's final written statement of the amount of Consultant's services as of the date of such termination based upon the ratio that the work completed bears to the total work required to make the report complete, subject to the City's rights under Sections 15 and 26 hereof. In ascertaining the work actually rendered

through the termination date, City shall consider completed work, work in progress and complete and incomplete reports and other documents only after delivered to City.

25.1 Other than as stated below, City shall give Consultant thirty (30) days prior written notice prior to termination.

25.2 City may terminate this Agreement upon fifteen (15) days written notice to Consultant, in the event:

25.2.1 Consultant substantially fails to perform or materially breaches the Agreement; or

25.2.2 City decides to abandon or postpone the Project.

26. **Offsets.** Consultant acknowledges and agrees that with respect to any business tax or penalties thereon, utility charges, invoiced fee or other debt which Consultant owes or may owe to the City, City reserves the right to withhold and offset said amounts from payments or refunds or reimbursements owed by City to Consultant. Notice of such withholding and offset, shall promptly be given to Consultant by City in writing. In the event of a dispute as to the amount owed or whether such amount is owed to the City, City will hold such disputed amount until either the appropriate appeal process has been completed or until the dispute has been resolved.

27. **Successors and Assigns.** This Agreement shall be binding upon City and its successors and assigns, and upon Consultant and its permitted successors and assigns, and shall not be assigned by Consultant, either in whole or in part, except as otherwise provided in paragraph 9 of this Agreement.

28. **Venue.** Any action at law or in equity brought by either of the parties hereto for the purpose of enforcing a right or rights provided for by this Agreement shall be tried in a court of competent jurisdiction in the County of Riverside, State of California, and the parties hereby waive all provisions of law providing for a change of venue in such proceedings to any other county. This agreement shall be governed, construed, and enforced in accordance with the laws of the State of California, without regard to its conflict of laws rules.

29. **Attorneys' Fees.** In the event either party hereto shall bring suit to enforce any term of this Agreement or to recover any damages for and on account of the breach of any term or condition of this Agreement, it is mutually agreed that each party will bear their own attorney's fees and costs.

30. **Nondiscrimination.** During Consultant's performance of this Agreement, Consultant shall not discriminate on the grounds of race, religious creed, color, national origin, ancestry, age, physical disability, mental disability, medical condition, including the medical condition of Acquired Immune Deficiency Syndrome (AIDS) or any condition related thereto, marital status, sex, genetic information, gender, gender identity, gender expression, or sexual orientation, in the selection and retention of employees and subcontractors and the procurement of materials and equipment, except as provided in Section 12940 of the California Government

Code. Further, Consultant agrees to conform to the requirements of the Americans with Disabilities Act in the performance of this Agreement.

31. **Severability.** Each provision, term, condition, covenant and/or restriction, in whole and in part, of this Agreement shall be considered severable. In the event any provision, term, condition, covenant and/or restriction, in whole and/or in part, of this Agreement is declared invalid, unconstitutional, or void for any reason, such provision or part thereof shall be severed from this Agreement and shall not affect any other provision, term, condition, covenant and/or restriction of this Agreement, and the remainder of the Agreement shall continue in full force and effect.

32. **Authority.** The individuals executing this Agreement and the instruments referenced herein on behalf of Consultant each represent and warrant that they have the legal power, right and actual authority to bind Consultant to the terms and conditions hereof and thereof.

33. **Entire Agreement.** This Agreement constitutes the final, complete, and exclusive statement of the terms of the agreement between the parties pertaining to the subject matter of this Agreement, and supersedes all prior and contemporaneous understandings or agreements of the parties. Neither party has been induced to enter into this Agreement by and neither party is relying on, any representation or warranty outside those expressly set forth in this Agreement.

34. **Interpretation.** City and Consultant acknowledge and agree that this Agreement is the product of mutual arms-length negotiations and accordingly, the rule of construction, which provides that the ambiguities in a document shall be construed against the drafter of that document, shall have no application to the interpretation and enforcement of this Agreement.

34.1 Titles and captions are for convenience of reference only and do not define, describe or limit the scope or the intent of the Agreement or any of its terms. Reference to section numbers, are to sections in the Agreement unless expressly stated otherwise.

34.2 This Agreement shall be governed by and construed in accordance with the laws of the State of California in effect at the time of the execution of this Agreement.

34.3 In the event of a conflict between the body of this Agreement and Exhibit "A" - Scope of Services hereto, the terms contained in Exhibit "A" shall be controlling.

35. This AGREEMENT may be executed in one or more counterparts, each of which shall constitute an original and all of which shall be one and the same agreement.

36. **Exhibits.** The following exhibits attached hereto are incorporated herein to this Agreement by this reference:

Exhibit "A" - Scope of Services  
Exhibit "B" - Compensation  
Exhibit "C" - Key Personnel

IN WITNESS WHEREOF, City and Consultant have caused this Agreement to be duly executed the day and year first above written.

CITY OF RIVERSIDE, a California charter city and municipal corporation

WUNDERLICH-MALEC ENGINEERING, INC., a California corporation

By: \_\_\_\_\_  
City Manager

By: Neal K. Wunderlich  
NEAL K. WUNDERLICH  
[Printed Name]  
PRESIDENT  
[Title]

Attest: \_\_\_\_\_  
City Clerk

Certified as to Availability of Funds:

By: Karen R. Roiland  
Karen R. Roiland  
[Printed Name]  
Chief Financial Officer  
[Title]

By: \_\_\_\_\_  
Finance Director

Approved as to Form:

By: \_\_\_\_\_  
Assistant City Attorney

## **EXHIBIT "A"**

### **SCOPE OF SERVICES**

**Remote and On-Site Balance of Control Support Scope of Work(on an as needed basis):**

- **Springs and RERC sites BOP Support (below items unless single site specified).**
- **Procurement and Manufacture of PLC (GE RX3i, 90-30) and RIO Control Cabinets**
- **Procurement and Configuration of SCADA (Wonderware)**
- o **Alarms**
- o **HMI Graphics**
- o **Faceplates**
- o **Historical Archiving**
- o **Alarm Handling**
- o **System Security**
  - **System Architecture**
  - **Control Programming Philosophy**
  - **Documentation and Drawing Packages**
  - **Control Panel Construction**
  - **Balance of Plant (BOP) PLC modifications and troubleshooting tie to the**
- o **Ammonia**
- o **Water Systems (Raw, Demineralized, Cooling, Chilled)**
- o **Chemical Systems**
- o **Electrical Metering**
- o **Plant Breaker Controls**
- o **Weather Stations**
- o **Black Start Generator**
  - **Balance of Plant (BOP) DCS System Screen modifications and troubleshooting.**
  - **Balance of Plant (BOP) Historian support.**
  - **General site/device network support (Ethernet, Modbus)**
  - **RERC site Fuel Gas System PLC/HMI support**
  - **RERC site Air Compressor PLC/HMI support**
  - **RERC chiller PLC/HMI support**
  - **SCR PLC/HMI support**
  - **BOP tie into CALISO.**
  - **Coordination with CEMS systems**
  - **CTG support (Springs PLC/HMI, RERC HMI)**



**EXHIBIT "B"**  
**COMPENSATION**

**Section 4 – WM Rate Information**

Below is the rate schedule for WM Services.

**ENGINEERING RATE SCHEDULE**

<b>Classification</b>	<b>Rate</b>
<b>P1 Principal</b>	<b>\$200.00</b>
<b>E10 Engineer 10</b>	<b>\$175.00</b>
<b>E9 Engineer 9</b>	<b>\$165.00</b>
<b>E8 Engineer 8</b>	<b>\$155.00</b>
<b>E7 Engineer 7</b>	<b>\$145.00</b>
<b>E6 Engineer 6</b>	<b>\$135.00</b>
<b>E5 Engineer 5</b>	<b>\$125.00</b>
<b>E4 Engineer 4</b>	<b>\$115.00</b>
<b>E3 Engineer 3</b>	<b>\$105.00</b>
<b>E2 Engineer 2</b>	<b>\$ 95.00</b>
<b>E1 Engineer 1</b>	<b>\$ 85.00</b>
<b>D5 Designer 5</b>	<b>\$ 90.00</b>
<b>D4 Designer 4</b>	<b>\$ 80.00</b>

**A2 Administrative/Purchasing \$ 65.00**  
**A1 Administrative/Clerical \$ 55.00**

**1. Typical engineering categories that are used for COR:**

<b>Staff Category</b>	<b>Rate Class</b>
<b>Administrative</b>	<b>A2</b>
<b>CAD/Technician</b>	<b>D4/5</b>
<b>Associate Engineer</b>	<b>E3/4</b>
<b>Senior Engineer</b>	<b>E5/6</b>
<b>Project Manager</b>	<b>E7/8</b>

**2. Typical travel and related expense charges between Riverside and consultant office**

Travel and living costs will be billed at cost. Mileage rates (currently \$0.54/mi) and per diem rates will be per the published GSA rates

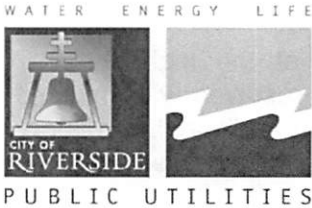
**EXHIBIT "C"**

**KEY PERSONNEL**

**MATT STANDKE  
SENIOR CONTROLS ENGINEER**

**STEVE GARCIA  
BUSINESS UNIT MANAGER**

**BRIAN PHILBIN  
SENIOR CONTROLS ENGINEER**



# RIVERSIDE PUBLIC UTILITIES

## Board Memorandum

**BOARD OF PUBLIC UTILITIES**

**DATE:** June 24, 2019

**ITEM NO:**

**SUBJECT:** SECOND AMENDMENT TO PROFESSIONAL CONSULTANT SERVICES AGREEMENT WITH WUNDERLICH-MALEC ENGINEERING, INC. OF GILBERT, ARIZONA FOR POWER PLANT CONTROL SYSTEM ENGINEERING AND CONSULTING SERVICES AT THE RIVERSIDE ENERGY RESOURCE CENTER AND SPRINGS POWER PLANT FOR A TERM ENDING JULY 1, 2022 IN THE AMOUNT OF \$240,000

**ISSUE:**

Approve the Second Amendment to Professional Consultant Services Agreement with Wunderlich-Malec Engineering, Inc. of Gilbert, Arizona for power plant control system engineering and consulting services at the Riverside Energy Resource Center and Springs Power Plant for a term ending July 1, 2022 in the amount of \$240,000.

**RECOMMENDATIONS:**

That the Board of Public Utilities:

1. Approve the Second Amendment to Professional Consultant Services Agreement in the amount of \$240,000 with Wunderlich-Malec Engineering, Inc. of Gilbert, Arizona for power plant control system engineering and consulting services at the Riverside Energy Resource Center and Springs Power Plant for a term ending July 1, 2022; and
2. Authorize the City Manager, or his designee, to execute the Professional Consultant Services Agreement with Wunderlich-Malec Engineering, Inc.

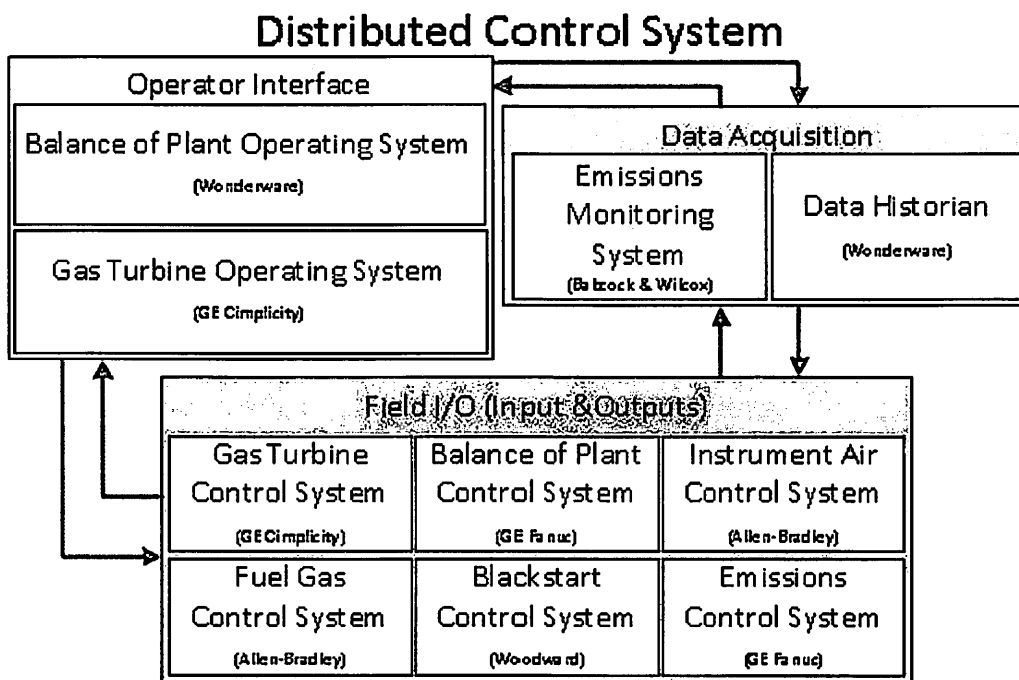
**BACKGROUND:**

Wunderlich-Malec Engineering, Inc. (Wunderlich-Malec) designed and commissioned the Distributed Control Systems (DCS) utilized at the Riverside Energy Resource Center (RERC) and Springs Power Plant (Springs). The DCS is the central computerized control system that integrates numerous plant equipment and supervisory controls for power generation technicians. During normal power plant operations, technicians interact with a number of systems vital to the proper functioning of the plant, including turbine and emissions controls and the Supervisory Control and Data Acquisition system.

Maintaining and troubleshooting this complex control structure requires engineering support from an entity possessing the technical expertise of the customized control systems. Additionally, changes in plant operations resulting from regulatory mandates or performance improvements require in-depth engineering evaluations prior to implementation.

Partnering with Wunderlich-Malec is essential in maintaining plant reliability at the highest level. Recently, staff experienced unexpected control system issues that were quickly resolved with minimal downtime. Next year, staff anticipates more required operational changes due to additional regulatory mandates and industry performance standards. Wunderlich-Malec’s engineering assistance ensures the successful implementation of these operational changes.

The following illustration outlines the intricate components of the operating system.



**DISCUSSION:**

In September 2017, staff received sole source procurement approval for the DCS engineering services with Wunderlich-Malec. As a result, staff obtained a fully executed professional consultant services agreement and an open purchase order in the amount of \$45,000.

The agreement expired on September 7, 2018 with no revisions. The first amendment was approved in October 2018, which extended the agreement through July 1, 2019, and increased the authorized expenditure to \$90,000 for as-needed engineering services.

Staff evaluated a multi-year agreement option and negotiated fixed hourly rates for the next three years. The second amendment will extend the agreement through July 1, 2022 and increase the total authorized expenditure under the agreement to \$240,000

For the next three fiscal years, staff will seek Board approval through the annual purchase order process and obtain an open purchase order in the amount of \$50,000 for as-needed engineering services.

Fiscal Years	Annual Amount	Agreement Revisions
Fiscal Year 2017-18	\$45,000	Original
Fiscal Year 2018-19	\$45,000	First Amendment
<i>Fiscal Year 2019-20</i>	<i>\$50,000</i>	<i>Second Amendment</i>
<i>Fiscal Year 2020-21</i>	<i>\$50,000</i>	<i>Second Amendment</i>
<i>Fiscal Year 2021-22</i>	<i>\$50,000</i>	<i>Second Amendment</i>
	\$240,000	

This is a sole source procurement for goods, because of the specialized engineering services provided by Wunderlich-Malec. Under Section 702(c) of Purchasing Resolution No. 23256, formal and informal competitive procurement is not required if the procurement can only be obtained from a sole source or timely from a single source and the Purchasing Manager is satisfied that the best price, terms and conditions for the procurement have been negotiated. In this case, the procurement can only be obtained from a sole source, for the reasons noted above, and it complies with all the requirements under this section

The Purchasing Services Manager concurs that the recommended actions comply with Purchasing Resolution No. 23256.

**FISCAL IMPACT:**

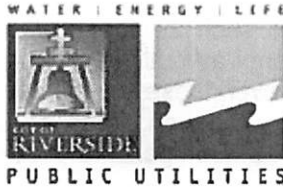
The total fiscal impact is \$50,000. Sufficient funds are available in the Public Utilities Professional Services Account No. 6120130-421000.

Prepared by: Daniel E. Garcia, Utilities Assistant General Manager/Resources  
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: Aileen Ma, Interim Utilities Assistant General Manager/Finance & Administration

**Attachments:**

1. Professional Consultant Services Agreement with Wunderlich-Malec Engineering, Inc.
2. Second Amendment to Professional Consultant Services Agreement with Wunderlich-Malec Engineering, Inc.
3. Presentation



# RIVERSIDE PUBLIC UTILITIES

## Board Memorandum

**BOARD OF PUBLIC UTILITIES**

**DATE:** JUNE 6, 2016

**ITEM NO:** 9

File ID – 16-1727 – Consent

**SUBJECT:** APPROVAL OF ANNUAL PURCHASE ORDER REQUIREMENTS FOR FISCAL YEAR 2016-17 TOTALING \$3,673,000

**ISSUE:**

The issue for Board of Public Utilities consideration is approval of certain expenditures over \$50,000 as required by the City of Riverside Charter.

**RECOMMENDATION:**

That the Board of Public Utilities (Board) approve nineteen (19) annual purchase orders for Fiscal Year 2016-17 with an estimated total amount of \$3,673,000, contingent upon final budget adoption by the City Council.

**BACKGROUND:**

Riverside City Charter Section 1202(b) requires that the Board of Public Utilities approve all expenditures in excess of \$50,000. Section 602 of the City's Purchasing Resolution (Resolution No. 22576) entitled "Utilities Exception" recognizes that there are certain supplies and materials which are "peculiar to the needs" of the City's Public Utilities Department (RPU) and may be acquired through an open market procurement process, so long as the expenditures have been approved by the Board of Public Utilities. Categories for such supplies and materials are listed in that resolution.

In accord with this authorization, RPU issues annual purchase orders for such goods and materials that are routinely used by the department during the fiscal year for its daily utility operations. The City's Purchasing Division selects vendors via a competitive bid process which can be informal or formal:

- Informal bids (referred to in the City's Purchasing Resolution as "Open Market Procurement") apply to either purchases of goods and services of \$50,000 or less and purchases falling under the Purchasing Resolution Section 602 for Utilities Exception. Informal bids means that the City's Purchasing Division issues request for proposals and may negotiate terms, conditions and pricing with the vendors.
- Formal bids (referred to in the City's Purchasing Resolution as a written notice for bids) apply to all other purchases over \$50,000.
- The competitive bid process for goods and services may be waived for various reasons, and including availability from a sole source, "piggybacking" off of another governmental contract, when it is in the best interest of the City to do so or for other reasons as set forth in the City's purchasing rules.

Informal bids for purchases falling under Purchasing Resolution Section 602, as noted above, are those that require annual purchase orders. The utilities exception relate to supplies, equipment and materials

that are peculiar (i.e. specific) to the needs of RPU for daily routine operations such as chemicals, meters, utility poles, road and backfill materials, transformers and other similar items as outlined in the resolution. Formal bidding requirements are waived regardless of amount, however these items are normally approved by the Board through capital work orders over \$50,000 and all expenditures are incorporated into the proposed FY 2016-17 operating budget approved by the Board, pending final budget adoption by the City Council.

Annual Purchase Orders for Fiscal Year 2016-17 are listed on the Attachment totaling an estimated amount of \$3,673,000. The vendors listed are the current vendors for each of the goods and materials. Bids will be evaluated and awarded in compliance with the City's purchasing policy and procedures. Items that require formal bidding and that are not exempt under the utilities exception will be brought to the Board for individual action throughout the fiscal year.

**FISCAL IMPACT:**

The annual purchase order requirements for Fiscal Year 2016-17 are estimated at \$3,673,000 for a total of nineteen (19) annual purchase orders. Sufficient funds are included in the Fiscal Year 2016-17 budget, approved by the Board of Public Utilities on March 14, 2016, and pending City Council approval.

Prepared by: Laura Chavez-Nomura, Public Utilities Assistant General Manager/Finance  
Approved by: Girish Balachandran, Public Utilities General Manager  
Approved by: John A. Russo, City Manager  
Approved as to form: Gary G. Geuss, City Attorney

Concurs with: Art Torres, Purchasing Services Manager

Certifies availability of funds: Laura Chavez-Nomura, Public Utilities Assistant General Manager/Finance

**Attachments:**

1. Fiscal Year 2016-17 Annual Purchase Orders
2. Presentation

**Riverside Public Utilities  
Fiscal Year 2016-17 Annual Purchase Orders**

Current Vendors	FY 16-17 Estimated Amount	Summary Description	Description of Supplies and Materials
Vulcan Materials Company	\$ 275,000	Materials	Cold mix materials used for patching of pavement
Chandler Aggregates	75,000	Materials	Crushed rock and fill/plaster sand used for sidewalk and driveway repairs
Engelauf Construction	122,000	Materials	Class II Base rock materials used for sidewalk and driveway repairs
CG Power Systems	871,000	Transformers	Substation transformer installation and replacement
Central Moloney Inc.	734,000	Transformers	Substation transformer installation and replacement
McAvoy & Markman	302,000	Electric Meters	Electric production meters, repairs and parts
UNIVAR	105,000	Chemicals	Sodium hypochlorite solution for drinking water
McCall's Meter Sales & Service	150,000	Water Meters	Water production meters, repairs, and parts
NALCO Company	120,000	Water Chemistry	Specialized water chemistry materials and services for RERC and Clearwater
Osterbauer Compressor Service Inc.	70,000	Air compressor service	Air compressor service and parts for RERC, Springs, & Clearwater
Layne Christensen Company, Inc.	69,000	Well rehabs	Well rehabilitation, engineering, drilling, and installation of pumps
Airgas West Inc.	100,000	Specialty gas provider	Supply and deliver Continuous Emissions Monitoring System calibration and other industrial gas for RERC, Springs, and Clearwater
Wunderlich Malec Systems Inc.	80,000	Servicing control systems	Technical support services for servicing power plant control systems for RERC and Springs
Royal Wholesale Electric	60,000	Parts and Materials	Emergency electrical materials and parts used for substation maintenance and repairs
South West Pump & Drilling Inc.	100,000	Pumps and boosters	Pumps and boosters related purchases and rehabilitation
Tri County Pump Company	90,000	Pumps and boosters	Pumps and boosters related purchases and rehabilitation
Brithinee Electric	180,000	Emergency repairs	Repair/purchase of electric motors for pumping equipment
C Wells Pipeline Materials Inc.	70,000	Plumbing materials	Emergency plumbing materials used for pumping equipment repairs and maintenance
GE Packaged Power Inc.	100,000	Parts and Services	Parts and services for RERC and Clearwater power plants
<b>TOTAL ESTIMATED ANNUAL PURCHASE ORDERS</b>	<b><u>\$ 3,673,000</u></b>		