

# USAGE OF INTERNAL FORCES FOR THE CONSTRUCTION OF WATER AND ELECTRIC UTILITY PROJECTS

Public Utilities Department

City Council  
February 25, 2025

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## BACKGROUND

1. In response to public comments, the RPU Board requested staff to provide information regarding the usage of utility forces for construction projects.
2. December 9, 2024 – RPU Board Workshop
  - a. Three main topics:
    - i. What is the cost-effectiveness of utilizing in-house resources as opposed to external contractors?
    - ii. Considering City Charter Section 1109, what legal authority grants the City the power to employ its own forces for the construction of utility projects?
    - iii. Is Resolution No. 15507, which provides an exception to City Charter Section 1109 authorizing the use of internal forces to construct water and electric utility infrastructure, still valid?
3. The RPU Board recommended that the City Council approve an updated resolution reaffirming the current policy.



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## BACKGROUND (CONT.)

4. Riverside is a Charter City
5. Exceptions can be made subject to City Council approval
6. Evolution of the City's utility workforce



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## ADOPTED CITY POLICIES

### 7. Purchasing Resolution No. 24101

- a. Guides the purchase of products, services and Public Works construction contracts
- b. Undergoes revisions from time to time
- c. Separate from other City Council determinations regarding the City Charter

### 8. Resolution No. 15507

- a. Has not been amended or repealed since its adoption in 1984
- b. Continues to be in effect
- c. Includes the current allowance for the use of internal workforce for specified projects



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## EXAMPLES OF PIPELINE CONSTRUCTION

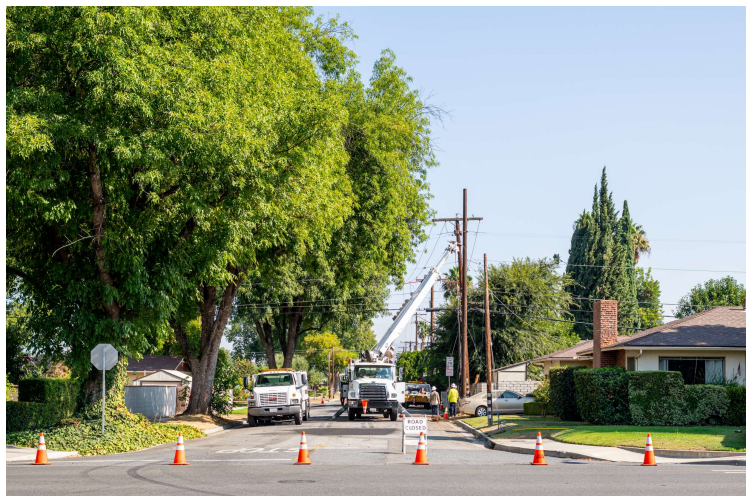


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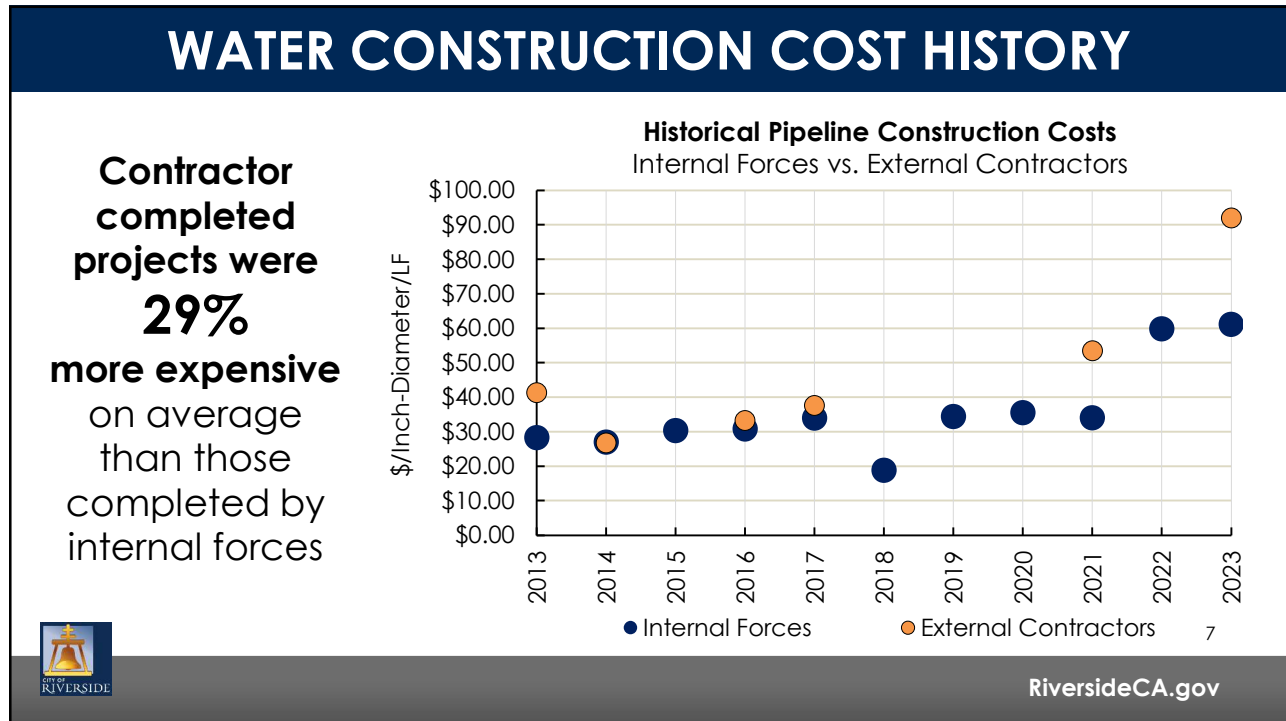
## EXAMPLES OF POLE REPLACEMENTS



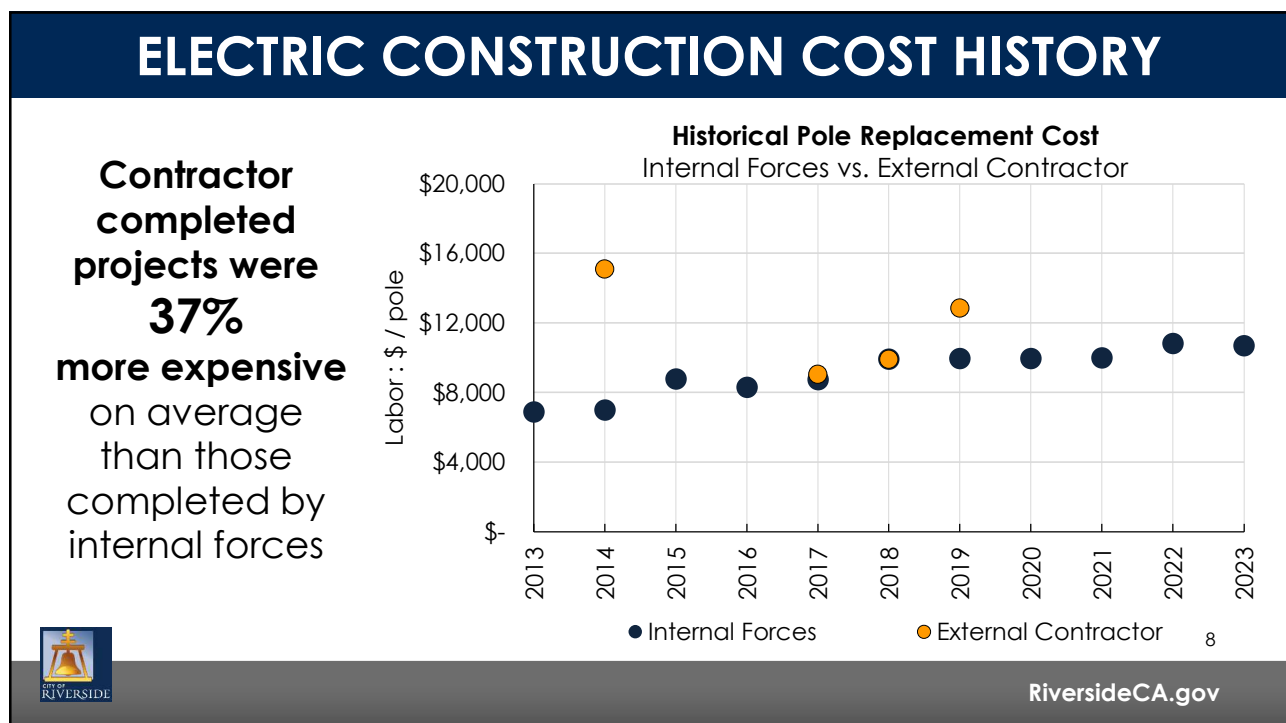
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## INTANGIBLE ADVANTAGE OF USING INTERNAL FORCES

1. **Best quality assurance & quality control** of new facilities to ensure longer project lifespans
2. **Deep familiarity** with RPU's water and electric infrastructure and systems
3. **Facilitates better emergency preparedness** when external contractors may be in high demand
4. **Reduced need for extensive project coordination**
5. **Faster response times**
  1. Ability to quickly address customer or City Council concerns
  2. Comprehensive training in customer service
6. **Pride and ownership in the quality of work performed**



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## DISCUSSION

1. All expenditures with RPU funding greater than \$50,000 are brought to the RPU Board for consideration and approval –  
**No change suggested**
2. Clarify and reinforce the use of internal forces for the construction of water and electric utility projects
3. The revised City Council resolution, if adopted, would reaffirm and update the policy on the use of internal forces for the construction of water and electric utility facilities



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## STRATEGIC PLAN ALIGNMENT



### Strategic Priority 6 – Infrastructure, Mobility and Connectivity

**Goal 6.2** – Maintain, protect, and improve assets and infrastructure within the City's built environment to ensure and enhance reliability, resiliency, sustainability, and facilitate connectivity.

#### Cross-Cutting Threads



Community Trust



Equity



Fiscal Responsibility



Innovation



Sustainability & Resiliency



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## RECOMMENDATION

That the City Council adopt a resolution, by at least five affirmative votes, reaffirming the policy excepting certain types of projects from Section 1109 of the Riverside City Charter and repealing Resolution No. 15507.



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