



Single Source Justification Form

Complete and submit this form to the Purchasing Division when requesting exception to the competitive procurement process.

Sole source procurement refers to those purchases where there is only one supplier that can provide the product/service to the City. Please be as thorough and detailed with explanations to assist in the evaluation process.

Date:	<u>04/01/2022</u>	Division:	<u>Power Resources/Generati</u>
Department:	<u>Public Utilities</u>	Title:	<u>Util. Sr. Resource Analyst</u>
Name:	<u>James Perez</u>	Vendor ID:	<u>0010869</u>
Requisition No:	<u>TBD</u>		
Vendor Name:	<u>Wunderlich-Malec Engineering, Inc</u>		

Item Description/ Scope of Work:	Balance of Plant Controls System support at Riverside Energy Resource Center and Springs Power Plant.
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1. Why is the acquisition restricted to this good/service/supplier? (Explain why the acquisition cannot be competitively bid, and Include consequences that would occur from not contracting with this supplier.)

Wunderlich-Malec designed, installed, and integrated the original balance of plant control systems at the Riverside Energy Resource Center (RERC) and Springs Generating Station. The balance of plant controls system is customized and specific to the plant operations at RERC and Springs. These systems were part of the original installation and require periodic maintenance and updates. Wunderlich-Malec is the the only contractor that readily meets our demands with control system maintenance and best suited to provide efficient and reliable support.

The balance of the plant control system is critical to overall gas turbine operations because it provides automated control of essential equipment. In addition, it relays the status of critical equipment and stores plant data vital to plant performance.

2. How was the price offered determined to be fair and reasonable? Explain what the basis was for comparison and include cost analyses as applicable. (Compare to vendor's previous or current offer to the City or to another agency/company, market research – or any other method of comparison that will substantiate fair and reasonable pricing in the absence of competition). Attach back-up documentation for reference.

Wunderlich-Malec is the most proficient and lowest cost option since they design and customize the balance of plant control systems at RERC and Springs. There would be very costly setbacks when switching to a vendor that does not have the proprietary knowledge of the logic and experience used in the specific control systems at RERC and Springs. A working balance of control system is essential to operations. Working on the control system requires the unit to be taken out of service. Extending the outage can lead to an inability to provide power to our customers. The Balance of Control system is a complex integration of equipment needed to operate the plant. An error in that process could lead to equipment damage, environmental violations and costly repairs.

Wunderlich-Malec's hourly rates are reasonable and lower than other vendors who provide support for their respective control systems. Below is a comparison of hourly rates from other vendors to Wunderlich-Malec who provide similar services:

3. Describe any cost savings realized or costs avoided by acquiring the goods/services from this supplier. Include consequences that would occur from not contracting with this supplier.

Using an alternative contractor will result in extended outages and a less reliable operating plant. Maintenance expenses will increase since the alternative option will not have the extensive experience and programming knowledge with the specific control systems installed at RERC and Springs.

Wunderlich-Malec provided a reduction in the hourly rate for a three year term. The hourly rate reduced from \$175/hour to \$164.44/hour flat rate for all services.

Certification of Responsibility:

I am aware of the City of Riverside requirements for competitive bidding and the established criteria for justification of single source purchasing. As an authorized Department representative, I have gathered the required technical information and have made a concentrated effort to review comparable/equal vendors or equipment. I hereby certify the validity of the information and feel confident this justification of single source meets the City's criteria and would withstand audit or vendor protest.

Charles R Casey
Charles R Casey (Apr 4, 2022 07:31 PDT)

Signature
alr
Daniel Garcia (Apr 11, 2022 14:13 PDT)

Department Head

Jennifer McCoy
Purchasing Manager (Up to \$50,000)

Over \$50,000 - Must be submitted for City Council Approval with Purchasing Manager concurrence.

Apr 4, 2022

Date

Apr 11, 2022

Date

05/02/2022

Date

1. Why is the acquisition restricted to this good/service/supplier? (Explain why the acquisition cannot be competitively bid, and include consequences that would occur from not contracting with this supplier.)

Response: Wunderlich-Malec designed, installed, and integrated the original balance of plant control systems at the Riverside Energy Resource Center (RERC) and Springs Generating Station. The balance of plant controls system is customized and specific to the plant operations at RERC and Springs. These systems were part of the original installation and require periodic maintenance and updates. Wunderlich-Malec is the only contractor that readily meets our demands with control system maintenance and best suited to provide efficient and reliable support.

The balance of the plant control system is critical to overall gas turbine operations because it provides automated control of essential equipment. In addition, it relays the status of critical equipment and stores plant data vital to plant performance.

2. How was the price offered determined to be fair and reasonable? Explain what the basis was for comparison and include cost analyses as applicable. (Compare to vendor's previous or current offer to the City or to another agency/company, market research – or any other method of comparison that will substantiate fair and reasonable pricing in the absence of competition). Attach back-up documentation for reference.

Response: Wunderlich-Malec is the most proficient and lowest cost option since they design and customize the balance of plant control systems at RERC and Springs. There would be very costly setbacks when switching to a vendor that does not have the proprietary knowledge of the logic and experience used in the specific control systems at RERC and Springs. A working balance of control system is essential to operations. Working on the control system requires the unit to be taken out of service. Extending the outage can lead to an inability to provide power to our customers. The Balance of Control system is a complex integration of equipment needed to operate the plant. An error in that process could lead to equipment damage, environmental violations and costly repairs.

Wunderlich-Malec's hourly rates are reasonable and lower than other vendors who provide support for their respective control systems. Below is a comparison of hourly rates from other vendors to Wunderlich-Malec who provide similar services:

1. Wunderlich Malec- \$175/hour
2. ABB-\$277/hour
3. General Electric- \$244/hour

3. Describe any cost savings realized or costs avoided by acquiring the goods/services from this supplier. Include consequences that would occur from not contracting with this supplier.

Response: Using an alternative contractor will result in extended outages and a less reliable operating plant. Maintenance expenses will increase since the alternative option will not have the extensive experience and programming knowledge with the specific control systems installed at RERC and Springs. Wunderlich-Malec provided a reduction in the hourly rate for a three year term. The hourly rate reduced from \$175/hour to \$164.44/hour flat rate for all services.