



RIVERSIDE PUBLIC UTILITIES

Board Memorandum

BOARD OF PUBLIC UTILITIES

DATE: NOVEMBER 18, 2024

SUBJECT: APPROVE THE INCREASE TO PURCHASE ORDER 252027 TO HERMAN WEISSKER INC, OF RIVERSIDE, CALIFORNIA, FOR THE TOTAL AMOUNT OF \$44,866, AND INCREASE TO WORK ORDER NO. 2501500 FOR CABLE REPLACEMENT ON ARROYO DRIVE IN THE AMOUNT OF \$31,953 FOR A TOTAL CAPITAL EXPENDITURE OF \$60,000

ISSUE:

Consider approving an increase to Purchase Order 252027 to Herman Weissker, Inc, of Riverside, California, for the total amount of \$44,866, and Work Order No. 2501500 for cable replacement on Arroyo Drive in the amount of \$31,953 for a total capital expenditure of \$60,000.

RECOMMENDATION:

That the Board of Public Utilities approve an increase to Purchase Order 252027 for Herman Weissker, Inc, of Riverside, California, for the total amount of \$44,866, and Work Order No. 2501500 for cable replacement on Arroyo Drive in the amount of \$31,953 for a total capital expenditure of \$60,000.

BACKGROUND:

On Friday, July 5th, 2024, a section of 12kV Primary Cable in Conduit (CIC) faulted on Arroyo Drive interrupting service to three customers; as a result, City crews made temporary repairs to restore power. The installation of CIC was a common industry practice developed in the late 1960's. As part of the manufacturing process for CIC, cable was preinstalled in the conduit before the CIC was installed in the trenches below ground. This type of installation makes it very difficult to remove faulted cables from the conduit. Consequently, sections of circuits must be replaced in their entirety to address faulted sections of CIC.

DISCUSSION:

On July 5th, Riverside Public Utility (RPU) Field forces mobilized City crews to restore power to customers on Arroyo Drive. After further investigation, it was determined that the cause of the outage was a faulted primary cable in CIC. Due to the difficulty of replacing the cable and the absence of an alternate source to facilitate restoration and repairs, the crews installed a generator to maintain service while the permanent installation was being constructed. The use of generators is commonly used in such outage situations.

The faulted primary underground run consisted of 525 feet of CIC between a transformer on private property and a riser pole on Arroyo Drive. Based on preliminary cable testing to determine the fault location, the project restoration originally consisted of digging at three different locations in the parkway. As work progressed and the contractor potholed, sections of CIC remained stuck at different locations requiring more trenching and conduit installation than initially anticipated. The additional work included the restoration of a private driveway and additional street restoration at an increased cost of \$35,039, however this is slightly offset by a reduction of RPU staff costs of \$3,086 as shown in the table below. This increase in the project costs brings the project total cost to \$60,000 which requires approval by the Board of Public Utilities.

Based on the initial engineer’s evaluation and cost estimate, staff elected to utilize the Informal Procurement Procedure provided in the City’s Purchasing Resolution No. 24101. On July 9, 2024, eight pre-approved vendors from RPU’s contractor’s panel were invited to submit bid proposals, on the original scope of work, through a Request for Bid using the Informal procurement procedure. The process also allowed the bids to close the same day. Four vendors submitted bids to replace the failed primary cable. Staff evaluated the bids and deemed Herman Weissker Inc., Riverside, California to be the lowest responsive and responsible bidder. The bid was within the engineer’s estimated amount of \$20,000 as summarized below:

Vendors	City Location	Bid Amount	Rank
Herman Weissker Inc.	Riverside, CA	\$9,827.00	1
W.A. Rasic Construction, Inc.	Long Beach, CA	\$10,480.00	2
VCI Construction LLC	Upland, CA	\$10,978.00	3
Asplundh Construction LLC	Anaheim, CA	\$18,400.00	4
➤ <i>Engineer's Estimate</i>		\$20,000.00	

Due to unanticipated field conditions that required additional trenching and conduit installation by the contractor, RPU engineering staff performed additional design work to eliminate any negative visual impacts to the project and surrounding area, with sensitivity to the existing neighborhood, and within City Planning guidelines for the designated area of the project. This additional work has increased the overall cost of the project.

The project/fiscal breakdown is as follows:

Project and Fiscal Breakdown

Work Performed by	Original Amount (\$)		Increased Amount (\$)	Final Amount (\$)			
Project Management and Inspection							
RPU Engineering & Operations	\$4,839		(\$1,793)	\$3,046			
Electrical Work							
RPU Field Forces	Labor	\$6,570	\$13,381	(\$1,293)	Labor	\$7,284	\$12,088
	Equipment	\$1,025			Equipment	\$1,330	
	Material	\$5,786			Material	\$3,475	
Civil Construction							
Contractor	\$9,827		\$35,039	\$44,866			
Work Order Total:	\$28,047		\$31,953	\$60,000			

Purchasing Resolution 24101, Section 1104 Change Orders states “Modifications to a Purchase Order shall be made only by Change Order, except that minor variances of \$200 or less, where the variance is due to sales tax or freight charges may be processed without a Change Order. Subject to the availability of funds, Change Orders may be utilized for purposes of (2) modifying unit prices, (3) modifying scope of work/services being provided, where the modification is reasonably related to the original scope of work/services. Unless otherwise specifically authorized by the Awarding Entity, Change Orders which cumulatively exceed the following will require Awarding Entity approval: a) 10% of the original contract price for Contracts and/or Purchase Orders for Goods Services and Professional Services up to \$100,000 or for Contracts and/or Purchase Orders of Construction or Design-Build Services up to \$50,000; additional percentage authority may be authorized by the Manager up to \$100,000 or as otherwise specified for in the City Charter”.

The Purchasing Manager concurs that the recommended actions are in compliance with Purchasing Resolution No. 24101, Section 1104 (2)(3)(a), change order modifications of work being provided.

STRATEGIC PLAN ALIGNMENT:

This item contributes to Strategic Priority No. 6 Infrastructure, Mobility and Connectivity and 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.

This item aligns with EACH of the five Cross-Cutting Threads as follows:

1. **Community Trust** – Energy Delivery projects are vital functions of RPU. By using pre-qualified contractors, RPU ensures timely delivery of electric projects throughout the city and makes sure that Riverside’s infrastructure continues to be safely maintained and operated to provide reliable electric service to the City’s territory and the City’s diverse populations.
2. **Equity** – RPU endeavors to provide safe and reliable electric service to all its customers. The work performed through the Contractors Panel is based on engineering planning and operational criteria, with equitable distribution of services to ensure every member of the community has equal access to share the benefits of community progress.
3. **Fiscal Responsibility** – RPU is a prudent steward of public funds and ensures responsible management of the City’s financial resources while providing quality public services to all. By using pre-qualifying contractors RPU ensures the best prices and services for projects while efficiently using RPU’s internal resources.
4. **Innovation** – RPU is committed to identifying creative solutions to meet the needs of our community members. By using the Contractors Panel, RPU effectively and efficiently prepares for current and future increasing work demand through collaborative partnerships with contractors and adaptive processes.
5. **Sustainability & Resiliency** – The Contractors Panel helps RPU prepare for the goals set by the City, meet the community’s changing needs, and ensure that system upgrades provide both the safety and reliability of the electric grid to ensure the City’s capacity to preserve, adapt and grow during good and difficult times.

FISCAL IMPACT:

The total fiscal impact is \$60,000. Sufficient funds are available in Public Utilities Electric Capital Account No. 6130100-470635.

Prepared by: Daniel Honeyfield, Utilities Assistant General Manager/Energy Delivery
Approved by: David A. Garcia, Utilities General Manager
Certified as to
availability of funds: Kristie Thomas, Finance Director/Assistant Chief Financial Officer
Approved by: Rafael Guzman, Assistant City Manager
Approved as to form: Jack Liu, Interim City Attorney

Attachments:
1. Project Site Map
2. Presentation