

RIVERSIDE PUBLIC UTILITIES

Board Memorandum

BOARD OF PUBLIC UTILITIES

DATE: JUNE 27, 2016

ITEM NO: 6

SUBJECT: FIRST AMENDMENT TO PROFESSIONAL VENDOR SERVICES AGREEMENT WITH OPEN SYSTEMS INTERNATIONAL INC. OF MEDINA, MINNEAPOLIS, FOR ADDITIONAL SERVICES NEEDED FOR THE ELECTRIC SUPERVISORY CONTROL AND DATA ACQUISITION SYSTEM, INCREASE OF \$101,500 FOR A TOTAL CONTRACT NOT TO EXCEED OF \$886,807 AND EXTEND THE TERMS TO NOVEMBER 30, 2022; INCREASE WORK ORDER NO. 1024305 IN THE AMOUNT OF \$50,000

ISSUES:

The issues for Board of Public Utilities consideration are to approve the First Amendment to the Professional Vendor Services Agreement with Open Systems International, Inc. of Medina, MN for additional services needed to complete the Electric Supervisory Control and Data Acquisition system, contract increase of \$101,500 for a total not to exceed amount of \$886,807, and extend the terms to November 30, 2022; and to approve the increase to Work Order No. 1024305 in the amount of \$50,000 for a total cost of \$2,938,307.

RECOMMENDATIONS:

That the Board of Public Utilities:

1. Approve the First Amendment to the Professional Vendor Services Agreement with Open Systems International, Inc. in the amount of \$101,500 to complete warranty services and extend the term of the contract to November 30, 2022; and
2. Approve an increase of Work Order No. 1024305 in the amount of \$50,000, for a total cost of \$2,938,307.

BACKGROUND:

On August 2, 2013, the Board of Public Utilities approved the Electric Supervisory Control and Data Acquisition (SCADA) system hardware, software and network upgrade project, Work Order No. 1024305, and award of a contract to Open Systems International Inc. (OSI) in the amount of \$785,307. At that time the Board authorized change order authority of 15%, or \$117,796, in the event that additional services beyond the scope of the agreement were needed.

The system upgrade was essentially complete in November 2015. During execution of the project, it became evident that limitations in Riverside's electrical network simulation limited the functionality of several advanced software modules in the system. Additional services from the vendor are required to update the electrical network simulation models to enable the full functionality of the modules that are part of the system.

With these software tools, system operators will be able to perform real-time power flow and contingency analysis studies to properly plan for potential system disturbances ensuring optimal reliability and resiliency

of the electric system. These tools will also provide a replica of the control system for training purposes which is essential for proper workforce development. System operators will train on a full range of potential events such as system blackouts, losses of major equipment, and the corresponding safe and timely restoration.

OSI is the only practical source of qualified services due to the proprietary nature of their system. OSI engineers have the necessary familiarity with the Riverside system to complete and optimize the network simulation model to produce the noted benefits. Riverside Public Utilities staff negotiated with OSI to provide the best possible pricing. Although only one change order was approved in the amount of \$10,110 for additional on-site training, and the additional services identified in this report fall within the remaining change order authority of \$107,686, Board approval is needed to extend the term of the agreement through November 30, 2022 to complete the warranty period.

| Breakdown of additional scopes of work: | | |
|--|---------------------------------|-------------------|
| 1 | Model Building & Tuning | \$ 67,500 |
| 2 | On-Site Training | \$ 24,000 |
| 3 | Travel Expenses (not to exceed) | \$ 10,000 |
| Total: | | \$ 101,500 |

The Purchasing Services Manager concurs that the recommended actions comply with the City of Riverside's Purchasing Resolution No. 22576.

FISCAL IMPACT:

The additional capital expenditure requested is estimate at \$101,500 for a total revised SCADA Upgrade Project cost of \$2,938,307. Sufficient funds are available in the Capital Improvement SCADA Account No. 6130000-470672.

Prepared by: Pat Hohl, Utilities Assistant General Manager/Energy Delivery
 Approved by: Girish Balachandran, Utilities General Manager
 Approved by: John A. Russo, City Manager
 Approved as to form: Gary G. Geuss, City Attorney

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

Attachment: First Amendment to the Professional Vendor Services Agreement with Open Systems International, Inc.