

# RIVERSIDE PUBLIC UTILITIES

## Board Memorandum

**BOARD OF PUBLIC UTILITIES**

**DATE:** JUNE 12, 2017

**ITEM NO:** 5

**SUBJECT:**     **AWARD OF A PURCHASE ORDER TO CROWN TECHNICAL SYSTEMS OF FONTANA, CALIFORNIA FOR THE MOUNTAIN VIEW SUBSTATION AUTOMATION SYSTEM PROJECT IN THE AMOUNT OF \$71,259 - APPROVE WORK ORDER NO. 1709828 FOR \$180,000**

**ISSUES:**

Award of a purchase order to Crown Technical Systems, Fontana California, for substation automation system equipment at Mountain View Substation, in the amount of \$71,259; and approve the capital expenditure of \$180,000 for Work Order No. 1709828.

**RECOMMENDATIONS:**

That the Board of Public Utilities:

1. Approve the award of purchase order for \$71,259 to Crown Technical Systems Fontana, California, for substation automation equipment and additional miscellaneous material for the Substation Automation System (SAS) Upgrade Project at Mountain View Substation; and
2. Approve Work Order No. 1709828 in the amount of \$180,000.

**BACKGROUND:**

The existing substation automation system equipment at Mountain View Substation is outdated, challenging to maintain, and it has limited functionality. It is a one-of-a kind SAS in RPU's electrical system. There are limited RPU expertise and tools to properly support and maintain the existing automation equipment. Therefore, staff recommends replacing it with modern automation equipment to improve efficiency and enhance the protection and control system. The new equipment will be based on RPU's standard SAS that will allow equipment to be properly maintained by RPU staff.

**DISCUSSION:**

The scope of the work for the project includes replacing the outdated SAS equipment with the current RPU's standard equipment. Replacement of aging assets is a vital element of the Utility 2.0 Electric Infrastructure Road Map and will improve the automation capabilities. The procurement considered in this Board action includes the purchase of automation equipment and spare parts for Mountain View Substation.

The purchase of the equipment and material is covered under Section 602 of Purchasing Resolution No. 22576. Section 602 specifies specialized equipment that is particular to the needs of RPU and provides for acquisition by Open Market Procurement or Negotiation if it appears to the Purchasing Services Manager to be in the best interest of the City.

Four proposals were received through Request for Proposals procurement process run by RPU. Staff evaluated the proposals (Specification No. SUB-797) and deemed Crown Technical Systems to be the lowest qualified proposer.

The proposal results are summarized in the table below:

<b>Vendors:</b>	<b>Bid Amount</b>	<b>Ranking</b>
1. Crown Technical Systems, Fontana, CA	\$71,259	Lowest Responsive and Responsible Bidder
2. Keystone Electrical Manufacturing Co., Des Moines, Iowa	\$72,430	2 <sup>nd</sup>
3. Electrical Power Products, Inc. Des Moines, Iowa	\$75,580	3 <sup>rd</sup>
4. Control Panel USA, Inc., Austin, Texas	\$76,507	4 <sup>th</sup>
Engineer's Estimate \$75,000		

Staff verified that the prices offered are fair and reasonable and the proposal was below the engineer's estimate. Staff concluded the Crown Technical System's bid to be in the best interest to the City and met all necessary technical qualifications.

The Purchasing Services Manager concurs that these recommendations comply with Purchasing Resolution No. 22576.

The project and work order include engineering design, equipment procurement, construction, testing and commissioning to replace the substation automation system equipment. Project management, engineering design, construction, testing and commissioning will be performed by RPU staff.

The project breakdown is proposed as follows:

<b>Project Breakdown</b>	
Engineering Performed By:	RPU Engineering Staff
Construction Performed By:	RPU Construction Crew
Anticipated Start Date:	August 2017
Anticipated Duration:	4 Months

### **FISCAL IMPACT:**

The total capital expenditure for Work Order No. 1709828 is estimated to be \$180,000 as summarized in the following table:

<b>Description</b>	<b>Amount (\$)</b>	<b>Percent of Total</b>
Equipment and Material Purchases	\$ 71,259	40%
RPU Construction	\$ 68,741	38%
RPU Engineering	\$ 40,000	22%
<b>Total</b>	<b>\$ 180,000</b>	<b>100%</b>

Sufficient funds are available in the Public Utilities' Substation Bus Upgrade Account No. 6130000 - 470616.

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 Approved by: John A. Russo, City Manager  
 Approved as to form: Gary G. Geuss, City Attorney

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

