

# RIVERSIDE PUBLIC UTILITIES

## Board Memorandum

**BOARD OF PUBLIC UTILITIES**

**DATE:** OCTOBER 22, 2018

**ITEM NO:** 8

**SUBJECT:** FIRST AMENDMENT TO PROFESSIONAL CONSULTANT SERVICES AGREEMENT WITH WUNDERLICH-MALEC ENGINEERING, INC. OF GILBERT, ARIZONA FOR POWER PLANT CONTROL SYSTEM ENGINEERING AND CONSULTING SERVICES AT THE RIVERSIDE ENERGY RESOURCE CENTER AND SPRINGS POWER PLANT FOR A TERM ENDING JULY 1, 2019 IN THE AMOUNT OF \$90,000

**ISSUE:**

Approve the First Amendment to Professional Consultant Services Agreement with Wunderlich-Malec Engineering, Inc. of Gilbert, Arizona for power plant control system engineering and consulting services at the Riverside Energy Resource Center and Springs Power Plant for a term ending July 1, 2019 in the amount of \$90,000.

**RECOMMENDATIONS:**

That the Board of Public Utilities:

1. Approve the First Amendment to Professional Consultant Services Agreement in the amount of \$90,000 with Wunderlich-Malec Engineering, Inc. of Gilbert, Arizona for power plant control system engineering and consulting services at the Riverside Energy Resource Center and Springs Power Plant for a term ending July 1, 2019; and
2. Authorize the City Manager, or his designee, to execute the Professional Consultant Services Agreement with Wunderlich-Malec Engineering, Inc.

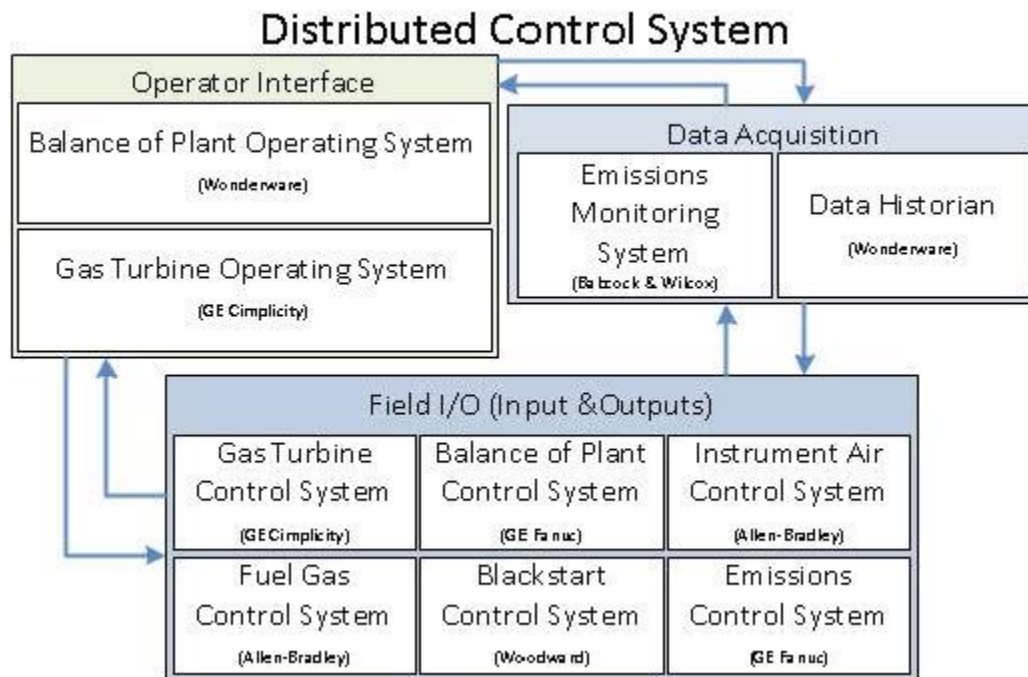
**BACKGROUND:**

Wunderlich-Malec Engineering, Inc. (Wunderlich-Malec) designed and commissioned the Distributed Control Systems (DCS) utilized at the Riverside Energy Resource Center (RERC) and Springs Power Plant (Springs). The DCS is the central computerized control system that integrates numerous plant equipment and supervisory controls for generation technicians. During normal power plant operations, the technicians interface critical systems, including turbine and emissions controls and the Supervisory Control and Data Acquisition system.

Maintaining and troubleshooting this complex control structure requires engineering support from an entity possessing the technical expertise of the customized control systems. Additionally, plant process revisions resulting from regulatory changes or performance improvements require in-depth engineering evaluation prior to its implementation.

Partnering with Wunderlich-Malec is essential in maintaining plant reliability at the highest level. Recently, staff experienced unexpected control system issues that were quickly resolved with minimal downtime. Next year, staff anticipates more regulatory and industry changes. Wunderlich-Malec's engineering assistance ensures the successful implementation of the proposed changes.

The following illustration outlines the intricate components of the operating system.



## **DISCUSSION:**

In September 2017, staff received sole-source procurement approval for the DCS engineering services with Wunderlich-Malec. As a result, staff obtained a fully executed professional consultant services agreement and an open purchase order in the amount of \$45,000.

The agreement expired on September 7, 2018 with no revisions. The First Amendment extends the agreement through July 1, 2019, and increases the authorized expenditure to \$90,000 for as-needed engineering services. Staff is evaluating a multi-year agreement option and, if feasible, will seek Board approval prior to the end of Fiscal Year 2018-19.

This is a sole source procurement for goods, because of the specialized engineering services provided by Wunderlich-Malec. Under Section 702(c) of Purchasing Resolution No. 23256, formal and informal competitive procurement is not required if the procurement can only be obtained from a sole source or timely from a single source and the Purchasing Manager is satisfied that the best price, terms, and conditions for the procurement have been negotiated. In this case, the procurement can only be obtained from a sole source, for the reasons noted above, and it complies with all the requirements under this section

The Purchasing Services Manager concurs that the recommended actions comply with Purchasing Resolution No. 23256.

**FISCAL IMPACT:**

The total fiscal impact is \$90,000. Sufficient funds are available in Public Utilities Maintenance – Generating Plants Account No. 6120130-421000.

Prepared by: Daniel E. Garcia, Utilities Assistant General Manager/Resources  
Approved by: Todd L. Jorgenson, Interim Utilities General Manager  
Approved by: Al Zelinka, FAICP, City Manager  
Approved as to form: Gary G. Geuss, City Attorney

Certifies availability of funds: Laura M. Nomura, Utilities Assistant General Manager/Finance & Administration

**Attachments:**

1. Professional Consultant Services Agreement with Wunderlich-Malec Engineering, Inc.
2. First Amendment to Professional Consultant Services Agreement with Wunderlich-Malec Engineering, Inc.
3. Presentation