

RIVERSIDE PUBLIC UTILITIES

Board Memorandum

BOARD OF PUBLIC UTILITIES

DATE: JUNE 10, 2019

ITEM NO: 9

SUBJECT: PROFESSIONAL CONSULTANT SERVICES AGREEMENT FOR RFP NUMBER RPU-1836 FOR DEVELOPMENT OF STANDARD OPERATING PROCEDURES AND TRAINING FOR RIVERSIDE PUBLIC UTILITIES GRID CONTROL CENTER WITH SOS INTERNATIONAL FOR A TERM OF THREE (3) YEARS, IN AN AMOUNT NOT TO EXCEED \$334,600

ISSUE:

Approve a Professional Consultant Services Agreement for RFP Number RPU-1836 for the Development of Standard Operating Procedures and Training for Riverside Public Utilities Grid Control Center with SOS International, of Charlotte, North Carolina, for a term of three (3) years, in the amount of \$286,600 plus travel costs in an amount of \$48,000 for a total amount not to exceed \$334,600.

RECOMMENDATIONS:

That the Board of Public Utilities:

1. Approve a Professional Consultant Services Agreement for RFP Number RPU-1836 for the Development of Standard Operating Procedures and Training for Riverside Public Utilities Grid Control Center with SOS International, of Charlotte, North Carolina, for a term of three (3) years, in the amount of \$286,600 plus travel costs in an amount of \$48,000 for a total amount not to exceed \$334,600; and
2. Authorize the City Manager, or designee, to execute the Professional Consultant Services Agreement for RFP Number RPU-1836 including making minor non-substantive changes.

BACKGROUND:

Energy Delivery has multiple areas of responsibility, two (2) of which are focused on providing a self-contained and comprehensive system ownership that coordinates the safe and effective operations and restoration of the Riverside Public Utilities (RPU) sub-transmission and electric distribution system. The two (2) units have several key initiatives slated for fiscal year 2019/20 in order to modernize, standardize, and more effectively manage the RPU electric grid. The foundational (and first) initiative is to seek a vendor partnership that will help implement a unified and standardized approach for safe operations on the electric grid.

The two (2) areas of responsibility are the Grid Control Center (GCC) and Grid Management. Their focus is broken into three (3) main responsibilities:

1. Monitoring, controlling, and directing operations of the RPU electric grid;

2. Coordination of planned outages; and
3. Developing, maintaining, and ensuring the compliance of standardized operating procedures.

The GCC has the operational ownership of the system. Grid Management has the overarching responsibility to advise and support the real time operations of GCC. This will be accomplished through effectively managing the dynamic nature of the system.

Grid Management serves as technical resource for the GCC and is the steward of system integrity and the champions of effective grid resiliency and reliability initiatives.

Energy Delivery management has conducted an organizational gap analysis and identified gaps in the existing 62 Standard Operating Procedures (SOP's). Staff is proposing a solution to review and modernize the existing operating procedures and processes to reflect the current RPU practices and latest industry best practices. Proposals were solicited to provide professional services to review existing Standard Operating Procedures, standardize, modernize, and develop (new) Procedures, Operating Instructions, as well assist with training staff. The new procedures will define the GCC policies, strategy, procedures, and operating rules.

DISCUSSION:

Energy Delivery is committed to providing safe and reliable energy service for all customers. Meaningful and modern procedures ensure consistency, and promote quality through consistent implementation of operational best practices.

Energy Delivery management's preliminary assessment identified that the vast majority of the existing standard operating procedures are lacking content and require updates in order to meet the current and future vision of the GCC to operate safely, reliably, and effectively the grid of the future. There are currently 62 SOP's that require review and revision. The oldest of the SOP's is from 1993. The remaining are approximately ten (10) years old or older.

Key Project Objectives:

- Simplify human performance management
- Control quality and consistency
- Protect ourselves from knowledge loss
- More effective/efficient training and better cost control

The first and most obvious benefit of process standardization is that it decreases the potential for human error, ambiguity, and guesswork. With a clear set of operating instructions to work from in order to complete a task, staff will spend less time trying to figure it out and more time completing the required task.

RFP Number RPU-1836 was posted on the City's Online Bid System on September 17, 2018 and closed November 7, 2018. Two (2) consultants submitted proposals. Staff reviewed proposals and deemed SOS International of Charlotte, North Carolina, to be the best overall solution to the City. The proposals are summarized in the table below:

| Consultants | City Location | Proposal Amount | Rank |
|--------------------------|----------------------|------------------------|-------------|
| SOS International | Charlotte, NC | \$334,600.00 | 1 |
| Circle Wood, LCC | Pomona, CA | \$1,681,547.70 | 2 |
| ➤ <i>Staff Estimate</i> | | \$500,000.00 | |

The Purchasing Manager concurs that the recommended actions are in compliance with Purchasing Resolution No. 23256.

FISCAL IMPACT:

The total fiscal impact of the agreement is \$334,600. Sufficient funds in the amount of \$223,066.66 for years one (1) and two (2), respectively, of the agreement are available in account number 6100000-421000. Funds in the amount of \$111,533.33 for year three (3) of the agreement will be included during budget preparation for the next budget cycle.

Prepared by: George R. Hanson, Utilities Assistant General Manager/Energy Delivery
Approved by: Todd M. Corbin, Utilities General Manager
Approved by: Al Zelinka, FAICP, City Manager
Approved as to form: Gary G. Geuss, City Attorney

Certifies availability
of funds: Brian Seinturier, Utilities Fiscal Manager

Attachments:

1. Bid Award Recommendation
2. Professional Services Agreement with SOS International