



THIRD AMENDMENT TO PROFESSIONAL CONSULTANT SERVICES AGREEMENT WITH KBC ADVANCED TECHNOLOGIES, INC. FOR ODMS WITH A TERM ENDING JULY 18, 2021 AND AN INCREASE IN COMPENSATION OF \$702,000 FOR A TOTAL CONTRACT AMOUNT OF \$2,124,000

Riverside Public Utilities

Board of Public Utilities
June 24, 2019

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BACKGROUND

1. April 25, 2016 - Board of Public Utilities (Board) approved the Operational Data Management System (ODMS) Project / Pi system
2. Approval included a Professional Services Agreement (PSA) with Industrial Evolution, Inc.
 - a. Three Pi consultants to support the implementation and development of the Pi system
 - b. One-year term in the amount of \$698,000

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INDUSTRIAL EVOLUTION, INC.

1. It was necessary to seek outside consultant expertise to support the implementation and ongoing development of Pi, due to the specialized nature of the system and lack of Pi system expertise within the City of Riverside/Riverside Public Utilities (RPU).
2. Board report stated that 2 full-time RPU positions would ultimately be filled through external recruitments to replace the consultant support.

FIRST AMENDMENT TO PSA

1. The 2 RPU Pi Analyst positions were not secured during the one-year term of the Industrial Evolution PSA. Therefore, staff returned to the Board on June 12, 2017 for approval of a First Amendment to the PSA with Industrial Evolution.
 - a. Extended the contract one year
 - b. Increased the compensation amount to \$1,422,000

SECOND AMENDMENT TO PSA

1. The 2 RPU Pi Analyst positions were not secured during the second year of the Industrial Evolution PSA due to the delayed launching of the Operational Technology Division. Therefore staff returned to Board on July 9, 2018 for approval of a Second Amendment to the PSA with Industrial Evolution.
 - a. Extended the contract one additional year
 - b. No additional increase in PSA compensation was needed

THIRD AMENDMENT TO PSA

1. The 2 RPU Pi Analyst positions still have not been secured and external recruitment is no longer an option. Hence, staff is seeking approval for a Third Amendment to the PSA with Industrial Evolution (now KBC Advanced Technologies, Inc.)
 - a. Extend the contract 2 years until July 18, 2021
 - b. Increase compensation in the amount of \$702,000
 - i. One (1) Senior Pi Consultant for a two-year term
 - ii. One (1) Junior Pi Consultant for a one-year term

KBC ADVANCED TECHNOLOGIES ROLE

1. Pi consultants will support RPU to continue developing and expanding the use of the Pi system for additional operational benefits and efficiencies.
2. Remaining database integrations will be completed (CIS and AMI/MDMS).
3. Senior Pi consultant will train and transition knowledge to existing RPU staff members.

RECOMMENDATIONS

That the Board of Public Utilities:

1. Approve the Third Amendment to the Professional Consultant Services Agreement with KBC Advanced Technologies, Inc. for consultant services for the Operational Data Management System Project, extending the term of the agreement to July 18, 2021, with an increase in compensation in the amount of \$702,000, for a total contract amount of \$2,124,000; and
2. Authorize the City Manager, or designee, to execute the Third Amendment to the Professional Consultant Services Agreement with KBC Advanced Technologies, INC., including making non-substantive changes necessary to effectuate the Third Amendment to the Agreement.