

RIVERSIDE PUBLIC UTILITIES

Board Memorandum

BOARD OF PUBLIC UTILITIES

DATE: March 9, 2020

ITEM NO: 5

SUBJECT: AWARD STOCK BID NUMBER Y202352 FOR TWO (2) PADMOUNT SWITCHGEAR TO G&W ELECTRIC IN THE AMOUNT OF \$69,436.88 AND INCREASE THE ANNUAL APPROVAL AMOUNT FOR STOCK ITEM #10000061 BY \$266,235.95 FOR FISCAL YEAR 2019-2020

ISSUES:

Award stock Bid No. Y202352 for Two (2) Padmount Switchgear to G&W Electric, of San Clemente, CA, in the amount of \$69,436.88 and increase the annual approval amount for stock item #10000061 for padmount switchgear and electric materials of this nature by \$266,235.95 for Fiscal Year 2019-2020.

RECOMMENDATIONS:

That the Board of Public Utilities:

1. Award stock Bid No. Y202352 for Two (2) Padmount Switchgear to G&W Electric, of San Clemente, CA, in the amount of \$69,436.88; and
2. Increase the annual approval amount for stock item #10000061 for padmount switchgear and electric materials of this nature by \$266,235.95 for Fiscal Year 2019-2020.

BACKGROUND:

Central Stores is responsible for the inventory, tracking, monitoring and ordering for many critical items for all City departments including Riverside Public Utilities. Central Stores enters hundreds of replenishment requests per fiscal year. These requisitions are then routed for approval by the appropriate staff. Once approved, the Purchasing Division of the Finance Department reviews and provides final concurrence, including purchase order issuance of requested replenishments.

DISCUSSION:

On June 10, 2019, the Board of Public Utilities (Board) approved an annual amount of \$176,671 for stock item #10000061 for padmount switchgear and electric materials of this nature for fiscal year 2019-20. Due to the increased need of padmounted switchgear under the GO 165 Inspection Program, additional funding is requested through the end of fiscal year 2019-20. The GO 165 Program, prescribed by the California Public Utility Commission (CPUC), establishes minimum inspection requirements for electric distribution and transmission facilities in order to ensure safe and high-quality electric service. It includes requirements for maximum allowable inspection cycle lengths, condition rating, record-keeping, and reporting on schedule and performance of the corrective action. RPU is not regulated by the CPUC and is therefore

not required to follow GO 165 requirements but follows GO 165 as a best practice. Conducting inspections on a regular basis helps RPU ensure that equipment is functioning properly and determine when there are problems that need to be corrected before they impact safety or reliability.

On October 31, 2019, the Purchasing Division obtained three (3) quotes for the stock item via an informal procurement process pursuant to the Purchasing Resolution. G&W Electric was determined to be the lowest responsible and responsible bidder for the stock item in the amount of \$69,436.88.

In addition, when processing the current stock bid award, the Purchasing Division recognized that the current replenishment for padmount switchgear was over the annual amount approved by the Board for Fiscal Year 2019-2020 by \$121,799.07. Therefore, the Purchasing Division requested that RPU obtain Board approval for the total purchase order amount prior to processing the stock bid award for \$69,436.88. Energy Delivery is also requesting an additional \$75,000 for any other switchgear needs that will require replenishment for Fiscal Year 2019-2020, for a total approval amount of \$266,235.95.

Stock Item 1000061 - Padmount Switchgear	
FY 19-20 Replenishment Overages	\$ 121,799.07
Stock Bid Award Y202352	\$ 69,436.88
Estimated funds for switchgear through remainder of FY 19-20	\$ 75,000.00
Total Approval Amount	\$ 266,235.95

Purchasing Resolution No. 23256, Section 404 provides that padmount switchgear are peculiar to the needs of the Electric Utility and may be acquired by informal procurement regardless of their estimated procurement expenditure amounts, provided that the Board of Public Utilities has approved the proposed acquisition if required under the provisions of the City Charter, either by approval of the procurement contract or approval of annual purchase orders. The City of Riverside Charter, Section 1202 provides that the Board has the power and duty to approve any purchase of materials, supplies, goods, or services when the amount exceeds \$50,000.

The Purchasing Manager concurs that the recommended actions are in compliance with Purchasing Resolution No. 23256, Section 404.

FISCAL IMPACT:

The total fiscal impact is \$266,236. Sufficient funds are available in Central Stores Account No. 0000640-141000.

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

Attachment: Bid Award