

RIVERSIDE PUBLIC UTILITIES

Board Memorandum

BOARD OF PUBLIC UTILITIES

DATE: FEBRUARY 22, 2021

SUBJECT: **MULTI-SUBSTATION 69KV CIRCUIT BREAKER REPLACEMENT PROJECT – INCREASE THE INITIAL CAPITAL EXPENDITURE OF WORK ORDER NO. 1906356 FROM \$3,500,000 TO \$6,500,000**

ISSUE:

Consider approval for an increase to Work Order No. 1906356 from \$3,500,000 to \$6,500,000 for Year II of the Multi-Station 69KV Circuit Breaker Replacement Project.

RECOMMENDATION:

That the Board of Public Utilities approve an increase to Work Order No. 1906356 from \$3,500,000 to \$6,500,000.

BACKGROUND:

On September 23, 2019, the Board of Public Utilities (Board) approved Work Order No. 1906356 for the Multi-Substation 69KV Circuit Breaker Replacement Project for an initial capital expenditure of \$3,500,000, with a total project cost of \$7,636,200 (Attachment 1).

The Work Order approval schedule established included Board approval for the increased project costs in each respective budget year in order to complete the project in three years. The total estimated expenditure of \$7,636,200 includes all equipment, materials, engineering, construction, overhead, and contingency costs.

Description of Work	Fiscal Year	Amount (\$)
Twelve (12) Power Circuit Breaker Replacements	2019/20	\$3,500,000
Nine (9) Power Circuit Breaker Replacements	2020/21	\$3,000,000
Three (3) Power Circuit Breaker Replacements	2021/22	\$1,136,200
Work Order Total		\$7,636,200

DISCUSSION:

Staff projects that the initial approved capital expenditure will be depleted by the end of April 2021. Although the Covid-19 Pandemic has affected the construction schedule, other aspects of the project like major equipment procurement, miscellaneous minor purchases, and consultant services have not been delayed. Staff will seek the Board's approval for awarding bids for purchasing material and equipment later this year. The additional equipment is included under

the “Miscellaneous Vendors” item in the project breakdown. The project breakdown is as follows:

Project Breakdown		
Work Type	Performed By:	Amount (\$)
Fabrication and Delivery of 69kV Power Circuit Breaker per RFB No. SUB-836	V&S Schuler - Awarded	\$2,170,143.
Consultant Design Services per RFP No.1864	Leidos Engineering, LLC. – Awarded	\$970,427
Parts, Material, and Equipment Rentals	Miscellaneous Vendors (TBD)	\$800,000
Project Management and Engineering	Riverside Public Utilities	\$532,000
Construction, Factory Testing, Field Testing and Commissioning	Riverside Public Utilities	\$2,800,000
Contingency (5%)		\$363,630
Work Order Total:		\$7,636,200.
Reimbursements		\$0.00
Start Date:		February 2020
Anticipated Duration:		2.5 Years

Staff is requesting to increase the amount of Work Order No. 1906356 by \$3,000,000 for Project Year II.

Description of Work	Fiscal Year	Amount (\$)
Twelve (12) Power Circuit Breaker Replacements	2019/20	\$3,500,000
Nine (9) Power Circuit Breaker Replacements	2020/21	\$3,000,000
Three (3) Power Circuit Breaker Replacements	2021/22	\$1,136,200
Work Order Total		\$7,636,200

Staff will return to the Board in Fiscal Year 2021/22 to request approval of final funds.

FISCAL IMPACT:

The total fiscal impact during this year of the project installations is \$3,000,000. Sufficient funds are available in Public Utilities Substation Bus Upgrade Capital Account No. 6130100-470616.

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 Approved by: Todd M. Corbin, Utilities General Manager
 Approved by: Al Zelinka, FAICP, City Manager
 Approved as to form: Kristi J. Smith, Interim City Attorney

Certifies availability of funds: Edward Enriquez, Chief Financial Officer/City Treasurer

Attachments:

1. September 23, 2019 Board Report
2. Project Site Map
3. Presentation