



# RIVERSIDE PUBLIC UTILITIES

## Board Memorandum

**BOARD OF PUBLIC UTILITIES**

**DATE: JUNE 22, 2026**

**SUBJECT: FIVE-YEAR AGREEMENT WITH AVEVA SOFTWARE, LLC (FORMERLY OSISOFT) FOR PI SYSTEM SOFTWARE LICENSING, SUPPORT, AND SERVICES, THROUGH AUGUST 14, 2031, IN THE AMOUNT OF \$1,662,803**

**ISSUE:**

Consider approval of a five-year agreement with AVEVA Software, LLC (formerly OSISOFT) for PI System software licensing, support, and services, through August 14, 2031, in the amount of \$1,662,803.

**RECOMMENDATIONS:**

That the Board of Public Utilities:

1. Authorize the termination of the existing Agreement between the City of Riverside and OSISOFT, LLC, effective July 20, 2021, and authorize the City Manager, or his designee, to execute all documents necessary to effectuate the termination;
2. Approve a five-year agreement with AVEVA Software, LLC (formerly OSISOFT, LLC) for PI System software licensing, support, and services, through August 14, 2031, in the amount of \$1,662,803; and
3. Authorize the City Manager, or his designee, to execute the agreement with AVEVA Software, LLC, including making minor and non-substantive changes.

**BACKGROUND:**

On May 9, 2016, the Board of Public Utilities (Board) approved a five-year Enterprise Program Agreement with OSISOFT to implement the PI System (PI) to serve as RPU's Operational Data Management System (ODMS), in the amount of \$2,079,832.

On June 14, 2021, the Board approved a five-year extension of the City's agreement with OSISOFT, LLC for PI System software licensing and support services through August 14, 2026, in the amount of \$1,212,333.

Since that time, OSISOFT has been acquired and rebranded as AVEVA Software, LLC (AVEVA), and the PI System portfolio is now delivered through AVEVA's CONNECT platform. The existing OSISOFT agreements will terminate effective August 14, 2026. The proposed agreement replaces

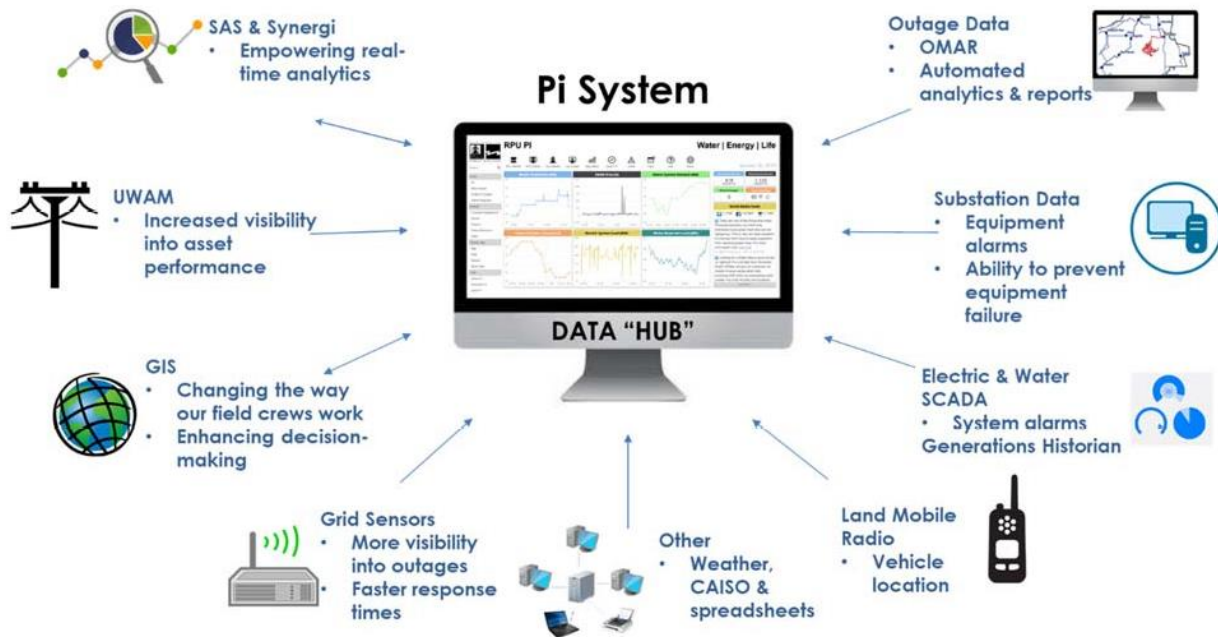
those agreements with a new agreement under the AVEVA General Terms and Conditions and Order Form.

## **DISCUSSION:**

### PI Software Overview:

PI functions as a “data hub,” integrating previously non-integrated data and transforming it into meaningful information that can be displayed and consumed through visual tools such as dashboards and reports (as represented in Figure 2 below). In addition to providing readily available and easy-to-consume information, PI provides an enhanced analytics platform that RPU leverages to improve operational performance.

**FIGURE 2 – PI SYSTEM DATA HUB**



PI collects, archives, and distributes real-time and historical data from generation facilities, substations, SCADA systems, transmission and distribution assets, water treatment facilities, smart grid devices, and wholesale market systems. The system supports electric reliability, water operations, market participation, regulatory reporting, and enterprise analytics across RPU operations.

Utilizing PI, RPU has significantly improved operational efficiencies, reduced staff time and operating costs, and enhanced asset management and system reliability. Additional benefits include:

- Increased visibility into systems and assets
- Improved ability to monitor and track performance to support operating decisions
- Improved ability to analyze incidents to determine cause and effect for establishing corrective actions
- Better enterprise-wide decision making, driven by real-time data
- Automation of multiple manual workflow processes
- Reduced risks and costs associated with potential equipment failure
- Improved asset maintenance and field workforce management

- Increased proactive (predictive) operations to optimize the cost of operating the distribution system
- Improved analytics of historical data for better capital improvement and resources planning
- Improved ability to capture data and produce timely and accurate mandatory compliance reports (required for utilities by North American Electric Reliability Corporation, United States Environmental Protection Agency, California Independent System Operator, etc.)
- Improved real-time methods for monitoring market activity and optimizing bidding strategies

Return on Investment:

RPU has consistently realized measurable financial benefits from PI implementation. On June 10, 2019, staff presented a “Status Update: Operational Data Management System” reporting nearly \$673,000 in realized savings. On June 14, 2021, staff presented additional ROI realized from May 1, 2019, through December 31, 2020, in the amount of \$640,027, resulting in a total combined annual quantified savings at that time of \$1,312,870 per year, substantially exceeding the annual enterprise service costs for the PI software. Since the 2021 Board report, RPU has continued expanding dashboards, automation, and reporting capabilities supported by PI data. While ROI has not been tracked at the same level of detail due to staff time requirements, measurable savings continue to be realized.

Agreement Structure:

The proposed agreement establishes a modernized software licensing and support structure under the AVEVA General Terms and Conditions and Order Form. It replaces the legacy OS/soft agreement framework, simplifies contract administration, and aligns the City with AVEVA’s current software delivery model. The new agreement supports planned server upgrades, enhances cybersecurity capabilities, and modernizes the overall system environment.

Purchasing Concurrence

This action is pursuant to Purchasing Resolution 24101, Section 702(u) which states “Competitive procurement through the informal and formal procurement process shall not be required in any of the following circumstances: ... When the procurement is for the renewal of maintenance, licenses, support, or a similar need for existing technology systems, including hardware, and the items are procured from a vendor or reseller that was originally selected based on the City’s procurement standards, provided that: (1) the vendor has been used consecutively since then; and (2) if there are any non-substantive changes to the procurement, the Manager is satisfied that the best price, terms, and conditions have been negotiated.”

The Purchasing Manager concurs that the recommended action is compliant with Purchasing Resolution 24101.

**FISCAL IMPACT:**

The total fiscal impact for the five-year agreement through August 14, 2031, is \$1,662,803. The allocation is 35% for Water (\$581,981) and 65% for Electric (\$1,080,822), based on system usage.

The annual cost breakdown is as follows:

- 2026: \$300,927
- 2027: \$315,982
- 2028: \$331,746
- 2029: \$348,395
- 2030: \$365,753

Sufficient funds are budgeted and available in the FY 2026-28 Biennial Budget that will be presented to Council for adoption in June 2026 in the Water Operations and Technology Software Maintenance and Support Account No. 6213000-424310 and the Electric Operations and Technology Software Maintenance and Support Account No. 6003000-424310. Future years' funding will be included as part of the biennial budget process.

Prepared by: Scott Lesch, Utilities Assistant General Manager/Power Resources  
Approved by: David A. Garcia, Utilities General Manager  
Certified as to  
availability of funds: Julie Nemes, Interim Finance Director  
Approved by: Gilbert Hernandez, Interim Assistant City Manager  
Approved as to form: Rebecca McKee-Reimbold, Interim City Attorney

Concurs with: George Khalil, Chief Innovation Officer, Innovation and Technology

Attachment(s):

1. Amendment to the Enterprise Program Agreement
2. AVEVA General Terms and Conditions
3. AVEVA Order Form
4. Presentation