

Agenda Report

January 23, 2017

TO: Honorable Mayor and City Council

FROM: Water and Power Department

SUBJECT: AUTHORIZATION TO ENTER INTO A PURCHASE ORDER CONTRACT WITH ADVANCED CONTROL SYSTEMS IN AN AMOUNT NOT TO EXCEED \$285,297 FOR THE SUPPORT OF THE SUPERVISORY CONTROL AND DATA ACQUISITION SYSTEM FOR THE WATER AND POWER DEPARTMENT

RECOMMENDATION:

It is recommended that the City Council:

1. Find that the proposed action is not a project subject to the California Environmental Quality Act ("CEQA") as defined in Section 21065 of CEQA and Section 15378 of the State CEQA Guidelines and, as such, no environmental document pursuant to CEQA is required for the project; and
2. Authorize the City Manager to enter into a purchase order contract without competitive bidding pursuant to the City Charter Section 1002(F), Contracts for Professional or Unique Services, with Advanced Control Systems for the support of the Supervisory Control and Data Acquisition ("SCADA") System in the Water and Power Department in an amount not to exceed \$285,297 for three (3) years; and
3. It is further recommended that the City Council grant the proposed contract an exemption from the Competitive Selection process pursuant to Pasadena Municipal Code Section 4.08.049(B) contracts for which the City's best interests are served.

BACKGROUND:

The SCADA system is a vital component of the Water & Power Department's ("PWP") operations. This system is used to continuously monitor, record the status, and remotely operate the City's electric system. The SCADA system also provides system alarms when the electric system is experiencing a disturbance or an outage.

In December 1998, PWP issued a Request for Proposals ("RFP") for the design and configuration of a custom SCADA system for PWP. The RFP processes resulted in the selection Advanced Control Systems ("ACS"). On February 22, 1999, the City Council authorized a contract with ACS for the purchase and installation of the current SCADA system. Since the original installation, the SCADA system has been upgraded twice by ACS, in 2005 and 2013. The SCADA system has been in service since its implementation and continues to be a vital component of Engineering, Dispatching, and Troubleshooting operations.

Since the SCADA system was designed and implemented by ACS, the support services for the SCADA system must be continued through ACS.

The support services provided by ACS are listed below:

- Engineering Support Services
- Software and Hardware Subscription Support
- Network Terminal Unit ("NTU") Software Support
- Quarterly Patch Management
- Emergency 24/7 Customer Care Help Desk Access
- Training

The SCADA system has performed satisfactorily and continues to improve system monitoring, increasing overall system reliability. It has also improved outage response times due to the MultiSpeak interface between SCADA and Outage Management System ("OMS"). Therefore, it is in the best interests of the City and PWP to maintain the existing system in place and extend the support services provided by ACS for three (3) years without competitive bidding until the system encounters obsolescence and/ or technical advances warrant significant investment in a new SCADA system.

The original ACS quotation for a three-year support agreement was \$305,128. Staff was able to negotiate a 15% discount (\$45,769) for executing a multi-year agreement, effectively lowering the total price to \$259,360. Due to the proprietary and customized nature of this software, there are no known local or other vendors that can provide the support required by the SCADA system.

Staff recommends that the City Council authorize the City Manager to enter into a purchase order ("PO") contract with ACS for a total amount not to exceed \$285,297 for three (3) years. The total cost includes ACS Support Services (\$259,360) and a 10% contingency (\$25,937) to cover unforeseen costs related to emergencies on the electrical distribution system such as complementary workforce.

ACS has consistently provided support and upgrades for the SCADA system since its implementation, for an amount totaling approximately \$830,567 since 2010. ACS does not have any other contracts with the City.

COUNCIL POLICY CONSIDERATION:

The proposed PO contract is consistent with the Public Facilities Element of the General Plan and supports the Council's goals to upgrade security systems at all power distribution facilities that are consistent with currently accepted industry levels of security, provide a high level of public service which adds to the quality of life in the City and increases its attractiveness through more efficient management of resources.

ENVIRONMENTAL ANALYSIS:

The issuance of a PO contract and the appropriation of funding for the SCADA system is an administrative action that would not cause either a direct physical change in the environment or a reasonably foreseeable indirect physical change in the environment. Therefore, the proposed action is not a "project" subject to CEQA, as defined in Section 21065 of CEQA and Section 15378 of the State CEQA Guidelines. Since the action is not a project subject to CEQA, no environmental document is required.

FISCAL IMPACT:

The maximum cost of this action is \$285,297. Funds for this action will be addressed by the utilization of existing budget appropriations in the Power Operating Fund 401, account number 46409210-811400 and future annual operating budget appropriations. It is anticipated that approximately \$46,825 of the cost will be spent during the current fiscal year. The remainder of the costs will be spent over the next two years.

The following table represents a summary of the annual spending for support services provided by ACS each year of the PO contract term:

Contract Year	Base Amount	10% Contingency	Total Amount
1 st Year (FY 2017 and FY 2018)	\$93,650	\$9,365	\$103,015
2 nd Year (FY 2018 and FY 2019)	\$82,855	\$8,286	\$91,141
3 rd Year (FY 2019 and FY 2020)	\$82,855	\$8,286	\$91,141
Total	\$259,360	\$25,937	\$285,297

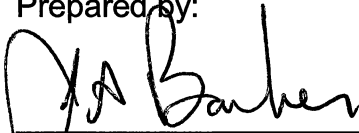
The anticipated impact to other operational programs or capital projects as a result of this action will be none.

Respectfully submitted,



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