

Agenda Report

December 5, 2022

TO: Honorable Mayor and City Council

FROM: Water and Power Department

SUBJECT: AUTHORIZATION TO ENTER INTO A CONTRACT WITH RAFTELIS FINANCIAL CONSULTANTS, INC. FOR PROJECT MANAGEMENT AND QUALITY ASSURANCE SERVICES FOR COMPUTERIZED MAINTENANCE MANAGEMENT SYSTEM FOR AN AMOUNT NOT TO EXCEED \$1,300,000 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) pursuant to Section 21065 of CEQA and Sections 15060(c)(2), 15060(c)(3), and 15378 of the State CEQA Guidelines and, as such, no environmental document pursuant to CEQA is required;
2. Authorize the City Manager to enter into a contract, as the result of a competitive selection process, as specified by Section 4.08.047 of the Pasadena Municipal Code, with Raftelis Financial Consultants, Inc., DBA Raftelis ("Raftelis") for Project Management and Quality Assurance Services for a Computerized Maintenance Management System ("CMMS") for the Water and Power Department ("PWP") in an amount not to exceed \$325,000, or a period of two years, whichever occurs first. Competitive bidding is not required pursuant to City Charter Section 1002(F), contracts for professional or unique services; and
3. Authorize the City Manager to approve change orders relating to the optional implementation support services in an amount not to exceed \$975,000, or a period of two years, whichever occurs first, with the option of one additional one-year extension at the discretion of the City Manager, for a maximum contract length of five years, or a total not to exceed amount of \$1,300,000.

BACKGROUND:

PWP owns, operates, and maintains a complex power and water delivery infrastructure that reliably provides electricity and water services to customers spanning a 26-square mile service area. PWP's Electric System serves approximately 68,000 electric accounts and delivers over one million megawatt hours ("MWh") of power to its customers each year. The system includes approximately 1,700 linear miles of overhead and underground power lines, 11,200 utility poles, and 11 electric substations. PWP's Water System treats and delivers high-quality water services to nearly 38,000 customers. PWP's water infrastructure includes one groundwater treatment plant, 19 booster pump stations, 6 active wells, 30 pressure regulating stations, 27 interconnections, 14 storage reservoirs, 8,000 system valves, 4,100 backflow devices, and over 520 miles of distribution pipes.

PWP currently tracks and monitors the upgrades, improvements, and maintenance of its infrastructure assets using a variety of systems but does not have an integrated comprehensive CMMS. This has resulted in a mixture of custom-built applications, data segregation, spreadsheets, and other workaround solutions. PWP requires an integrated solution to effectively, accurately, and quickly track the status and total costs of projects and individual assets across their lifecycles which is critical to properly managing resources. The need for more timely data, improved system interfaces, and tracking operational enhancements requires utilization of an integrated work, maintenance, inventory, and asset management solution.

The new CMMS will be the core system for managing PWP's assets, materials inventory, and work orders. The new CMMS will streamline PWP's current processes and allow for the integration of related systems and functions. It will also replace several custom-built applications and legacy systems such as CASCADE (asset management system) and HighJump (inventory management system) and combine them into one enterprise application to be used by the Water Division, Power Delivery Division, and PWP Warehouse staff. It will also minimize the department's hardcopy records and segregated databases to allow for seamless data sharing and improved reporting capabilities.

CMMS procurement and implementation will require successful completion of several major phases. PWP has already completed the first project phase which included a CMMS needs assessment, functional requirements, and a draft Request for Proposal ("RFP") to procure a CMMS software solution and solution implementer.

Proposed Contract Scope of Work

The proposed contract scope of work includes owner's representative services which includes Project Management ("PM") and Quality Assurance ("QA") for procurement of the CMMS system. The work consists of a review of the previous detailed requirements and finalizing the RFP to procure and implement the CMMS system. The consultant will also assist PWP in the evaluation and selection of a software solution and contract

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negotiations with the selected software vendor and implementer. PWP expects to complete this project phase in about eight months. The proposed base contract amount for the PM and QA services is \$325,000.

Optional Implementation Support Services

The final major phase of this project is to implement the CMMS software, which is anticipated to take approximately 24 months. In this phase, in addition to future contract(s) for software procurement and implementation services, PWP will require owner's representative assistance with implementation support services including data clean-up, evaluating and improving business processes, software implementation testing and commissioning, change management, user training, and go live activities. The proposed maximum contract amount for the optional implementation support services is \$975,000. It should be noted that the optional implementation services cost may vary based on the enterprise CMMS vendor selected and the complexity of deployment. If PWP does not use Raffelis for the optional implementation support services, the cost for these services must be included in the solution implementer's contract or a separate contract with another vendor.

RFP and Evaluation Process

On March 3, 2022, an RFP for Project Management and Quality Assurance services for CMMS for PWP was posted on the City's website through PlanetBids. The posting generated notices to vendors who previously registered with the City for this commodity class. A total of 67 vendors downloaded the RFP of which none were local. Eight vendors attended a mandatory pre-proposal meeting on March 29, 2022. A total of five proposals were received by the proposal due date, none from a local firm.

The RFP evaluation was conducted as a two-part process. Phase I evaluated the vendors' experience and expertise, proposed methodology and scope of work, project experience, and proposed project staffing. The purpose of Phase I scoring was to identify all qualified proposers that would meet the requirements outlined in the RFP without immediate consideration for cost. The proposals were scored by a panel of Department of Information Technology ("DoIT") and PWP staff, based on the criteria shown in Table I below:

Table I: RFP Scoring Criteria - Phase I

Scoring Criteria	Max Points
Project Staffing	25
Project Experience	25
Company Experience and Expertise	20
Methodology and Scope of Work	20
Local Pasadena Business Preference	5
Small / Micro-Businesses Preference Entitlement	5
Total Score	100

Table II summarizes the evaluated scores for each proposal based on the above criteria:

Table II: RFP Scoring Results - Phase I

Proposer	Company Location City and State	Evaluated Score (Out of 100)
Raftelis Financial Consultants, Inc.	Los Angeles, CA	88
TMG Consulting, Inc.	Buda, TX	83
GHD, Inc.	Irvine, CA	78
Business Advantage Consulting	Gold River, CA	49
West Advanced Technologies, Inc.	Sacramento, CA	25

The top three ranked proposers were invited to provide additional clarification of the content of their proposal. Phase II evaluated the proposers' presentations and fee schedule to select the proposal with the best fit and pricing. The Phase II evaluation was made based on the criteria shown in Table III below:

Table III: RFP Scoring Criteria - Phase II

Scoring Criteria	Max Points
Phase I Score	100
References and Interview	50
Cost	40
Local Pasadena Business Preference	5
Small / Micro-Businesses Preference Entitlement	5
Total Score	200

Based upon these criteria, Raftelis received the highest evaluated score as summarized in Table IV below. A scoring evaluation summary is provided in attachment A.

Table IV: RFP Scoring Results - Phase II

Vendor/Respondent	Company Location City and State	Evaluated Score (Out of 200)
Raftelis Financial Consultants, Inc.	Los Angeles, CA	178
TMG Consulting, Inc.	Buda, TX	162
GHD, Inc.	Irvine, CA	155

PWP staff recommends award of a contract to Raftelis for an amount not to exceed \$1,300,000 or a period of five years, whichever occurs first, which includes the base contract amount of \$325,000 for PM and QA services and up to \$975,000 for optional

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implementation support services, which will be initiated through approved change orders at the discretion of the City Manager.

Raftelis has been awarded one previous contract in 2022 (#32329) from the City of Pasadena to provide a Water Cost of Service Analysis and Rate Design Services for PWP's Water Division for a total amount not to exceed \$142,724. Westin Technologies, Inc. is the company that completed PWP's CMMS Needs Assessment and was subsequently acquired by Raftelis.

COUNCIL POLICY CONSIDERATION:

The proposed contract is consistent with the Public Facilities Element of the General Plan and supports the Council's goal to improve, maintain, and enhance public facilities infrastructure; to provide a high level of public service which adds to the quality of life in the City and increase its attractiveness through more efficient management of resources.

ENVIRONMENTAL ANALYSIS:

The action proposed herein is not a project subject to the California Environmental Quality Act (CEQA) in accordance with Section 21065 of CEQA and State CEQA Guidelines Sections 15060(c)(2), 15060(c)(3), and 15378. Entering into a professional services agreement for Project Management and Quality Assurance Services is an organizational and 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.

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FISCAL IMPACT:

The total cost of this action will be \$1,300,000 over five years, which includes the base contract amount of \$325,000 with an option to provide implementation support services in an amount not to exceed \$975,000. Funding for this action will be addressed by the utilization of existing and future appropriations in the Power Capital Fund 411, Capital Improvement Program ("CIP") Project 03140 - Work Order Management System; and Water Capital Fund 412, CIP 01089 - Computerized Maintenance Management System. It is anticipated that \$200,000 will be spent during the current fiscal year. The remainder of the costs will be spent over the next four fiscal years.

There is no anticipated impact to the operating budget. The contract summary is shown below in Table V.

TABLE V: CONTRACT SUMMARY

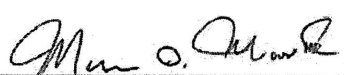
Contract Expenditures	Amount
PM and QA Services	\$325,000
Implementation Support Services (optional)	\$975,000
Total Not to Exceed Amount	\$1,300,000

Respectfully submitted,

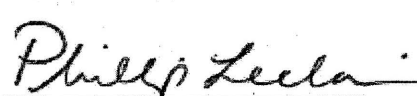


JEFFREY KIGHTLINGER
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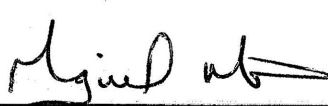
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