



*City of Tualatin*

## CITY OF TUALATIN Staff Report

**TO:** Honorable Mayor and Members of the City Council  
**THROUGH:** Sherilyn Lombos, City Manager  
**FROM:** Nic Westendorf, Deputy Public Works Director  
**DATE:** August 26, 2024

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### **SUBJECT:**

Consideration of **Resolution No. 5804-24** requesting Council authorization to increase the not-to-exceed price of the SCADA Upgrade project with Control Systems NW, LLC and adopting findings approving an exemption from competitive bidding for the public improvement portion of this project.

### **RECOMMENDATION:**

Staff recommends that Council approve the resolution allowing the City Manager to increase the not-to-exceed price of this project by \$1,454,944 by awarding a public improvement contract to Control Systems NW, LLC.

### **EXECUTIVE SUMMARY:**

The City is currently in the process of updating its Supervisory Control and Data Acquisition (SCADA) system. This project began in 2021 and is now ready for construction. Staff is requesting approval from Council to increase the contract value to include construction costs. This will allow the project to be completed. The request includes approval for an exemption from competitive bidding for needed electrical metering work. This exemption will allow the City's current consultant, who developed the master plan and designed the project, to complete construction, ensuring a successful project.

### **Project Overview**

The Supervisory Control and Data Acquisition (SCADA) system is the software and hardware used to control the City's water distribution system. The SCADA system includes automated controls, and remote access for water staff to make changes to things like water flows, storage volumes, and pump operations. It also allows for remote monitoring of water quality and demand information and provides alarms for water staff. The SCADA system consists of 22 sites located throughout the City, including the City Services facility.

The current system was installed in 2004 and is running software from 2014. The system is nearing end of life and is becoming difficult to support as software becomes obsolete and parts hard to source. The new SCADA system will ensure the City can continue to maintain a functional and resilient water system for many years. The new SCADA system upgrade will also greatly increase security of the water system.

## **Project Update**

In 2021, the City issued a Request for Qualifications seeking consultant support for upgrading the City's SCADA system. The City selected Control Systems NW to develop a SCADA System Master Plan, and then using the plan to make upgrades to the system's hardware and software.

The SCADA System Master Plan was completed in early 2023. Shortly after, the City selected a new software vendor, Ignition. Final design of the new system including electrical and communications components was completed in early 2024. Since that time, the City and Control Systems NW have been working to obtain construction quotes, purchase and fabricate the new equipment, and prepare for construction this winter.

During final design, it was discovered that eight of the City's remote SCADA sites needed improvements to their electrical service connections. Currently these sites are directly powered and fed by adjacent facilities, such as streetlights. Portland General Electric's (PGE) current standards require all sites to have dedicated meters. In addition to meeting PGE requirements, these improvements will make the sites more resilient and safer to work on. Dedicated electrical services allow sites to have their power turned off and monitored to ensure the City and PGE can quickly troubleshoot and resolve issues. The lack of dedicated services and meters for these remote SCADA sites has been a challenge in the past during power outages. Final plans include metered electrical services for all eight sites, which comes with additional costs for design and construction work.

## **Exemption from Competitive Bidding for the Public Improvement Portion of this Work**

Due to PGE's metering requirements, the scope has expanded from a design and installation project of SCADA equipment, to a construction project that includes underground electrical and concrete work. This increase in scope means that the project is now considered a public improvement. Public improvement contracts must be awarded through competitive bidding (i.e., through an Invitation to Bid rather than a Request for Qualifications) unless the Council grants an exemption under TMC 1-21-090. Staff believes it is in the City's best interest to award the public improvement portion of this work to Control Systems NW, LLC, who was awarded a contract for the design and installation of the SCADA system via a competitive Request for Qualifications issued in 2021.

Approving an award to Control Systems NW, LLC would result in substantial cost savings because it would be impractical to issue a separate Invitation to Bid for the underground electrical and concrete work, as doing so would turn one project into two and require additional project oversight costs, likely resulting in costly time delays. There would also be an enhancement in quality since Control Systems NW, LLC originally designed the SCADA upgrade and would be the most knowledgeable contractor to carry out the public improvement portion of this work. Approving the proposed resolution is unlikely to encourage favoritism, as the City has researched the availability of contractors and found that most are already engaged on jobs funded by the CHIPS and Science Act. In addition, PGE requires that public improvement work relating to their system be carried out by a contractor on their approved list. This results in a very limited pool of available contractors for this specific type of work. Notice of this public hearing was advertised in the Daily Journal of Commerce and any interested contractors will have the opportunity to provide commentary at the hearing.

**Next Steps**

If Resolution No. 5804-24 is approved, construction will begin in October. The new system will be installed and operational by Spring 2025.

**OUTCOMES OF DECISION:**

Adopting the resolution and authorizing contract execution would allow for this project to be completed.

**FINANCIAL IMPLICATIONS:**

Approval of **Resolution No. 5804-24** will result in an increase the not-to-exceed price of this project by \$1,454,944. The total project cost is \$3,435,316. Funding for this project is budgeted in the Water Operating and Water Development Funds.

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**ATTACHMENTS:**

- Resolution No. 5804-24 requesting Council authorization
- PowerPoint presentation