



Legislation Text

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AUTHORIZATION TO ENTER INTO A PROFESSIONAL SERVICES AGREEMENT WITH BLACK & VEATCH CORPORATION FOR ASSET MANAGEMENT SYSTEM SERVICES - PHASE 1

Staff Contact: Craig Johnson, P.E., Director, Water Services

Purpose and Recommended Action

This is a request for City Council to authorize the City Manager to enter into a Professional Services Agreement with Black & Veatch Corporation (B&V) for Asset Management System Services - Phase 1 of 3 in an amount not to exceed \$485,090.

Background

The Water Services Department (WSD) operates and maintains three Water Treatment Plants with a combined production capability of 104 million gallons per day (MGD) and two Water Reclamation Facilities with a combined treatment capacity of 16 MGD, over 1700 miles of water distribution infrastructure and a nearly 700-mile wastewater collection system comprising over 300,000 individual assets in the current Hansen system. The WSD has been using the Hansen Computerized Maintenance Management System (HCMMS) since the mid-1990's as an asset management tool. However, in the current context, the HCMMS lacks an integrated Asset Management System that defines the roles, responsibilities, policies and systems necessary to ensure continuous asset reliability and economical water/wastewater systems operations and maintenance. Additionally, the HCMMS is well beyond the end-of-life date of the software and full vendor support for this version of the HCMMS ceased in 2013.

Staff seeks to retain a qualified asset vendor to assist and provide guidance with developing and implementing the International Organization for Standardization (ISO) Asset Management System 55000 series of standards to improve the financial performance and reliability, reduce risk, and enhance the sustainability of the water and wastewater system; as well as identify an updated asset management software system.

In Phase 1 of this project, B&V will perform an assessment of WSD's current asset management practices and industry best asset management (AM) practices per the ISO 55000 series standard, identifying and quantifying gaps. Using this data, B&V will create an AM roadmap to close the gaps and achieve the desired level of ISO compliance. The gap assessment and AM roadmap will provide the foundation for development of an asset management policy and a strategic asset management plan (SAMP). The SAMP will define implementation initiatives necessary to implement the AM policy. The SAMP development will involve identifying asset management improvement initiatives to be undertaken to address gaps identified during the gap assessment and identification of resources, responsibilities, and timelines for implementing the initiatives. B&V will also recommend an Enterprise Asset Management (EAM) software system to meet WSD requirements through a series of one-on-one and group meetings designed to ensure all users of the EAM need's will be met. Additional items B&V will perform in Phase 1 include training of WSD key staff in ISO Standards and Practices,

team building and development of Champions, Internal Advocates, and a Steering Committee, to ensure the long-term success of the project.

After the new EAM software system has been identified in Phase 1, Phase 2 of the Project will include the negotiations and purchase of the EAM, hardware upgrades to permit implementation of the EAM in Phase 3, and identification and purchase of a Geographical Information System (GIS) mobile software solution to provide field users with real-time access to both the EAM and GIS.

Phase 3 will generally consist of EAM implementation, GIS mobile software solution integration and implementation, development of key performance indicators (KPIs), asset condition assessment and risk rankings, and business case development/capital improvement planning for data drive capital replacements.

Analysis

The project provides a proactive framework and modern software for the management of strategic infrastructure rehabilitation, maintenance, and replacement efforts to minimize unplanned shut downs, corrective maintenance issues, maximize the useful life of assets, and assist with ensuring the integrity of the thousands of systems located throughout Glendale's water and wastewater system.

Staff advertised a request for proposal (RFP) in September 2016 for Project 161702 for professional services to assist in ISO 55000 implementation and identify a new asset management software program (Phase I). There were three respondents. B&V was selected as the best qualified firm for Phase I for an amount not to exceed \$485,090. The Phase 1 contract with B&V may be amended to include Phase 2 and 3 of the Project. Staff will seek council approval for asset management software program procurement (phase II) and implementation services (phase III) at a later time.

City of Glendale Public Works staff have requested involvement in this project and will be invited to observe and contribute to the process. Additionally, asset management software programs already owned by the City will be part of the software review process.

Community Benefit/Public Involvement

The ability to reliably produce potable water and treat wastewater ensures continuous service delivery to the citizens located in the plant's service area. This project will help to increase the overall reliability of and reduce the long-term maintenance costs of the City's water and treat wastewater system; thereby ensuring he quality of life, safety, and security of Glendale's citizens.

Budget and Financial Impacts

Funds are available in the Water Services adopted FY2016-17 and the proposed FY2017-18 capital budgets.

Cost	Fund-Department-Account
\$485,090	2360-60015-551000 Asset Management Program

Capital Expense? Yes

Budgeted? Yes

Requesting Budget or Appropriation Transfer? No

If yes, where will the transfer be taken from?