



## Request for City Council Committee Action From the Department of Public Works

**Date** September 14<sup>th</sup> 2004  
**To** Honorable Sandy Colvin Roy, Chair, Transportation & Public Works Committee  
**Referral to** Honorable Barbara Johnson, Chair Ways and Means/Budget Committee  
**Subject** **Final Amendment to Contract with EMA Services for SCADA Project**

### Recommendation

Authorize the proper City officials to amend Contract C98-13127 with EMA Services Inc. to provide for expanding the Supervisory Control and Data Acquisition (SCADA) project scope to include current and potential design enhancements up to a maximum additional cost of \$1,071,879. This will result in a new contract total cost of approximately \$5,088,699. The Contract term will be extended until July 1<sup>st</sup> 2006. Funds are available within the existing project budget (Fund 740, agency 950, Org 9515, Job number D5298030)

### Previous Directives

- January 2003, The City amended Contract #C98-13127 to extend the Contract expiration date by one year through 2004.
- September 2001, The City amended Contract #C98-13127 by \$699,200 to include additional change management services. Contract amount of \$4,016,820.
- August 2001, The City amended Contract #C98-13127 by \$988,960 to include current and potential design enhancements. Contract amount of \$3,317,620.
- October 1999, The City amended Contract # C98-13127 by \$561,460 to include a single year of expanded change management services. Contract amount \$2,328,660
- July 1998, The City entered into Contract # C98-13127 with EMA Inc. for the design, integration and construction review of a SCADA system for the Water Works Complex. Contract amount \$1,767,200

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**Approved by:**

Klara A. Fabry, P.E., City Engineer, Director of Public Works

**Presenters:**

Adam Kramer, P.E., Director, Water Treatment and Distribution Services

### Financial Impact (Check those that apply)

- No financial impact - or - Action is within current department budget.  
(If checked, go directly to Background/Supporting Information)
- Action requires an appropriation increase to the Capital Budget
- Action requires an appropriation increase to the Operating Budget
- Action provides increased revenue for appropriation increase
- Action requires use of contingency or reserves
- Other financial impact (Explain):
- Request provided to the Budget Office when provided to the Committee Coordinator

**History:**

In July of 1998, The City entered into Contract # C98-13127 with EMA inc. This 5 year Contract was for the design and construction of a Supervisory Control and Data Acquisition System (SCADA) for Water Works facilities. Collectively, SCADA is an investment in computer, communication, and automation technology intended to reduce our annual operating costs and enhance the quality of our water. This contract focused design and implementation efforts to design and install a SCADA system based on the MWW Master Plan document.

In October of 1999, While the technology implementation was progressing, the Contract was amended to include a single year of expanded change management services. A complete change management process would require years to complete with an estimated 1 to 1.5 million-dollar investment. We recommended one year of services as a proof of concept to gauge the potential savings at MWW. If potential savings were identified, we would request a full change management process. These services set up a parallel path to the technology implementation and helped to lay the groundwork for capturing efficiencies offered by reorganizing the MWW workforce coupled with the best practice use of the technology.

In August of 2001, The change management process identified additional technology that could be implemented for added automation and efficiencies. The Contract was amended to include the technology enhancements identified to that time. A process was established to base the value of the additional work directly to the original Contract. Additional work was valued with equal effort as the original contract. Hourly rates were adjusted per the Bureau of Labor Statistics prevailing wage information for the Minneapolis area.

In September of 2001, This Contract was amended to include a final set of change management services and deliverables. These services established a process to transition the labor force into its most efficient form. This transition was a collaborative process involving employees, bargaining units and management to make our workforce as efficient as possible. When completed, this initiative will make our workforce competitive with most private sector water utilities.

**Today**, This final contract amendment is the second and final component of our technology implementation strategy. It addresses project scope adjustments that represent our best efforts at maximizing the SCADA technology investment. The adjustments include adding technology to allow for the automation and data reporting needs of the identified workforce strategies. We have enhanced the emphasis on post 9/11 security requirements as well as infrastructure modifications and reporting support to meet the demands of the two new ultrafiltration plants. The Contract term extension is necessary to match the current construction completion schedule of June 31<sup>st</sup> of 2006. We have reviewed the attached contract modification proposal and cost documentation from EMA. It is our professional opinion that the projected costs are reasonable and justified.

**Supporting Information Attached:**

EMA Change order request