



Legislation Text

File #: PUB17-049, **Version:** 1

Agenda Information Sheet

DEPARTMENT: Technology Services

CM/ ACM: Bryan Langley

Date: February 27, 2017

SUBJECT

Consider recommending adoption of an ordinance awarding a contract to install Supervisory Control and Data Acquisition (SCADA) hardware and software system for Denton Municipal Electric (DME) Denton Energy Center (DEC); providing for the expenditure of funds therefor; and providing an effective date (File 4074 SCADA System installation for Denton Municipal Electric awarded to Open Systems International (OSI)).

BACKGROUND

Denton Municipal Electric (DME) will use the Open Systems International (OSI) Supervisory Control and Data Acquisition (SCADA) system to monitor and control 12 engines at the Denton Energy Center (DEC). The OSI SCADA system will provide real-time system information to DME Energy Management Organization's Qualified Scheduling Entity (QSE), Plant Operations and the Electric Reliability Council of Texas (ERCOT).

DME currently uses the OSI Generation Short-term Load Forecast system and the OSI Market Operations system to participate in the ERCOT regional market. DME utilizes the OSI system to meet State and Federal regulatory requirements for electric generation system operation and reliability.

This OSI SCADA proposal includes hardware and software for DME's Primary and Backup operations for Energy Management Organization's QSE function, Plant Operations, a Quality Assurance System (test environment), and a Program Development System. The Quality Assurance system will provide the ability to fully document and test software updates before applying the updates to any production systems removing the risk to redundancy in the production system. The Program Development System allows simulations of DME's Plant Operations. Plant Operations personnel can be exposed to simulated real-time system indications and responses to events that let the operators practice their actions without risking the operational integrity of the actual SCADA system. This type of preplanning and training will prepare Plant Operators to respond to actual events improving their skill level and system response time.

In addition, this proposal includes consolidation of the OSI Generation Short-term Load Forecast system, the OSI Market Operations system and the OSI SCADA system. The build-out and installation of this SCADA system will require six to eight months of planning and effort.

It is essential for the City of Denton to keep current subscription and maintenance with the software vendor in order to ensure availability of upgrades, software fixes, and access to knowledge and support resources. The Technology Services department could not identify any local vendors that could provide the system

implementation and software maintenance for the OSI SCADA system. Therefore, procuring this system and its maintenance from the above vendor is the best value for the City of Denton.

Open Systems International, Inc. is the sole-source vendor for continued upgrade, support and maintenance for the SCADA software suite. Section 252.022 of the Local Government Code provides that procurement of commodities and services that are exempt from competitive bidding, if over \$50,000, shall be awarded by the governing body.

RECOMMENDATION

Staff recommends awarding a contract to implement OSI Supervisory Control and Data Acquisition (SCADA) hardware and software system to Open Systems International (OSI) in the amount not to exceed \$446,331.80.

SCADA Build-out	\$393,938 Base quote plus Option #2 from quote, Exhibit 1.
10% Contingency	\$39,393.80
Estimated Travel Costs	\$10,000
Estimated Freight Costs	\$3,000
Total	\$446,331.80

ESTIMATED SCHEDULE OF PROJECT

This project is anticipated to be complete and operational by May 2018.

FISCAL INFORMATION

The cost of equipment, professional services and testing is budgeted in job cost accounts 603996501.1355.3820 and 603966501.1355.3830.

STRATEGIC PLAN RELATIONSHIP

The City of Denton's Strategic Plan is an action-oriented road map that will help the City achieve its vision. The foundation for the plan is the five long-term Key Focus Areas (KFA): Organizational Excellence; Public Infrastructure; Economic Development; Safe, Livable, and Family-Friendly Community; and Sustainability and Environmental Stewardship. While individual items may support multiple KFAs, this specific City Council agenda item contributes most directly to the following KFA and goal:

Related Key Focus Area: **Organizational Excellence**

Related Goal: **1.5 Utilize technology to enhance efficiency and productivity**

EXHIBITS

1. Quote
2. Sole Source Letter
3. Sole Source Memo

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