



## CITY OF BANNING STAFF REPORT

**TO:** CITY COUNCIL

**FROM:** Arturo Vela, Interim City Manager

**PREPARED BY:** Brandon Robinson, Electrical Engineering Supervisor  
Fred Lyn, Deputy Electric Utility Director

**MEETING DATE:** January 27, 2026

**SUBJECT:** Consideration of Resolution 2026-09, Approving an Agreement with Electric Power Systems International, Inc. for Electric Substation Equipment Maintenance Testing, Advisory, and On-Call Services

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### **RECOMMENDATION:**

Adopt Resolution 2026-09

### **BACKGROUND:**

The City of Banning Electric Utility (BEU) owns and operates one (1) 4.16kV and six (6) 12.47kV distribution substations throughout the Banning electric service territory. The lone 4.16kV substation, Airport Substation, is scheduled to be decommissioned during the 2026/27 fiscal years which will conclude BEU's 4kV-to-12kV conversion program.

BEU completed substation maintenance services at Midway, 22nd Street, Sunset, and the original San Gorgonio substations between 2018 and 2021. During this period, BEU also replaced major equipment such as eliminating circuit breakers that carried greenhouse gasses, decommissioned the 4.16kV Alola Substation, and executed construction contracts to build and energize three (3) new 12.47kV substations which were Ivy, Stagecoach and the new build of San Gorgonio Substation to accommodate future load growth and system reliability.

RFP 25-105 Electric Substation Equipment Maintenance Testing, Advisory & On-Call Services was advertised on August 21, 2025. The Schedule of Performance within the Request for Proposal included maintenance and testing of various equipment over a three-year period.

On October 2, 2025, three (3) proposals were received:

<u>Company</u>	<u>Bid</u>
1. Electric Power Systems Inc.	\$193,665.00
2. VISTAM, Inc.	\$795,573.89
3. Hampton Tedder Electric Co.	\$1,402,692.00

An evaluation committee consisting of three (3) utility professionals was assembled to evaluate the proposals based on the qualifications and experience of the proposed team; their ability to provide the requested engineering services; and rates. Based on the review of the evaluation committee members and the overall ranking of each firm, it is recommended to award the contract to Electric Power Systems Inc. in the amount of \$193,665.00 over the three-year service period.

This new contract will consist of testing substation breakers, transformers, switches, protective relays and other equipment by specialty technicians within the substations and in accordance with industry standards, specifications and maintenance schedules. BEU has a current need to perform required preventative maintenance at all seven substations which include the San Gorgonio, Ivy, Stagecoach, Midway, 22nd Street, Sunset, and Airport Substations. These maintenance activities will increase the reliability of Banning's electric system. All work will be coordinated and inspected by BEU staff.

In addition to preventative maintenance activities at the substations, this contract will include Advisory and On-Call services related to the troubleshooting, installation, programming, and maintenance of BEU's substation systems. A list of general items expected to be completed for advisory and on-call services include:

1. Diagnose substation transformer, breaker and relay tripping issues that result in outage or malfunction of equipment.
2. Diagnose substation equipment or software issues showing incorrect status on SCADA HMI.
3. Provide a full report of the findings with recommendations for repair or details of the repair if issues are corrected during on-call support activities.

Staff is recommending that an additional \$100,000 be allocated to On-Call and advisory services over the three-year period. The total to be awarded to Electric Power Systems International, Inc. will be \$293,665.

**JUSTIFICATION:**

This contract consists of testing substation breakers, transformers, switches, protective relays and other equipment within BEU's substations in accordance with industry standards as required by the California Public Utilities Commission (CPUC) General Order No. 174 (GO174), which defines standards for substation equipment inspection and maintenance protocols. These standards promote worker/operator safety and increased reliability of the grid.

The absence of a qualified substation protection and relay technician limit's BEU's ability to diagnose issues with substation equipment quickly and efficiently when these issues occur. The presence of an on-call contract to help evaluate and alleviate these issues as they arise will help fill this void.

**FISCAL IMPACT:**

BEU would require an appropriation from the Electric Fund to account 670-7000-473.45-05 Substation Expense in the amount of \$193,665.00 for costs associated with the Required Maintenance Intervals for substation equipment in the pricing proposal for RFP25-105 over a three-year period:

<u>Fiscal Year</u>	<u>Amount</u>	<u>% of Contract</u>
FY 25/26 - FY 27/28	\$193,665	100%

BEU would also require an appropriation from the Electric Fund to account 670-7000-473.45-05 Substation Expense in the amount of \$100,000.00 for costs associated with the on-call and advisory services of this contract:

<u>Fiscal Year</u>	<u>Amount</u>	<u>% of Contract</u>
FY 25/26	\$50,000	50%
FY 26/27	\$25,000	25%
FY 27/28	\$25,000	25%

**ALTERNATIVES:**

Do not approve Resolution 2026-09 and provide alternative direction.

**BUDGETED?:**

Yes

**CONTRACT/AGREEMENT:**

Yes

**ATTACHMENTS:**

1. [Resolution\\_2026-09\\_Substation\\_Maintenance\\_1-27-26.docx](#)
2. [RFP 25-105\\_Addendum #6.pdf](#)
3. [EPS\\_Full Proposal and Pricing.pdf](#)
4. [Notice of Intent to Award \(37\).pdf](#)
5. [Agreement For Professional Services.pdf](#)