



Engineering, Operations, & Technology Committee

# Professional Services Agreement for Allied Reliability

Item 7-2

August 18, 2025

## Item 7-2

### Professional Services Agreement for Allied Reliability

#### Subject

Authorize on-call agreement in amounts not to exceed \$1.75 million, for engineering services to support Asset Reliability

#### Purpose

Contracting provides flexibility & an efficient means for Metropolitan to develop asset reliability improvements, including asset criticality, hierarchy and condition monitoring in support of Asset Management.

#### Recommendation and Fiscal Impact

Authorize agreement

Fiscal Impact – None

#### Budgeted

# Metropolitan's Strategic Asset Management Plan

- Strategic Asset Management Plan (SAMP) adopted in 2021
- Coordinated district-wide effort
- Unifies existing programs



# Asset Management Program

## Key Objectives



**Improve  
long-term  
forecast of  
future capital  
costs**



**Refine risk  
evaluation  
used to  
prioritize CIP  
Projects**



**Coordinate  
& integrate  
condition  
assessment**



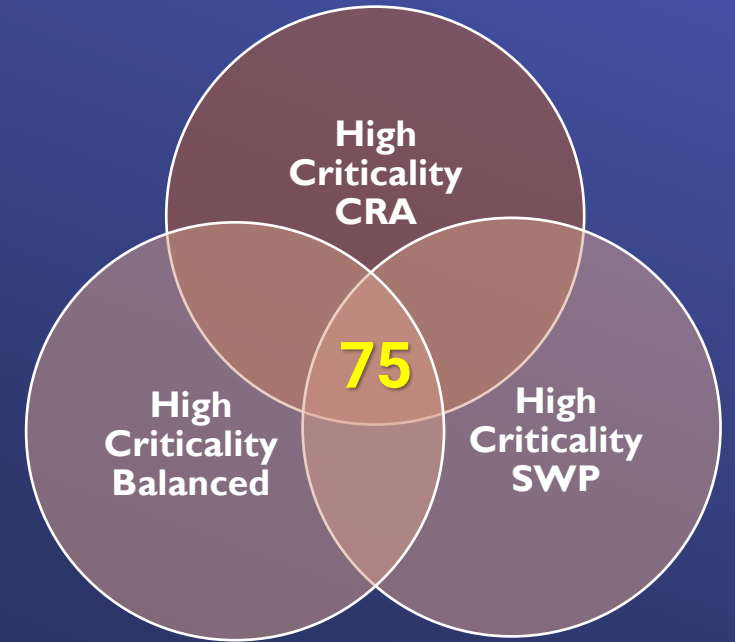
**Standardize  
asset data**



**Facilitate  
access to  
asset data**

# Asset Reliability Initiatives

- Assist with the development and deployment of overall foundational asset reliability initiatives
- Planned work
  - Assist with the development and deployment of functional hierarchy
  - Assess asset classifications for failure modes, effects and criticality
  - Assist with the development of asset monitoring



## Professional Services Agreement

# Professional Services Agreements

- Approved individually by the Board over \$250k
- Project-Specific Agreements
  - Used for projects with extended duration or larger scope
- On-call Agreements
  - Typically utilized for short-term assignments, urgent projects, etc.
  - Allows for flexibility & expedited delivery of planning activities
  - Work is not guaranteed to consultants



## Professional Services Agreement

### Request for Qualifications (RFQ) 1320

- 15 firms responded
- All firms qualified in one or two categories
  - Asset management services
  - Asset reliability services
- Asset reliability services to be provided by Allied Reliability, Inc. include:
  - Establish and improve asset hierarchy, asset register, asset/system criticality, condition assessment scales and risk model
  - Failure Modes, Effects, and Criticality Analysis (FMECA)
  - Dashboard and reporting

## Professional Services Agreements

### Alternatives Considered

- Utilize Metropolitan staff
  - Staff concentrating on core work
- Selected Alternative – Hybrid approach
  - Utilize specialty consulting firms to support in-house staff
  - Metropolitan staff provides overall direction & technical oversight



# Board Options

- Option #1

Authorize an on-call agreement with Allied Reliability, Inc. for a not to exceed total amount of \$1.75 million, for a maximum period of three years, to provide asset reliability services.

- Option #2

Do not authorize the on-call professional services agreement.

# Staff Recommendation

- Option #1

