



# STAFF REPORT

AGENDA NO: 9d

MEETING DATE: August 18, 2025

**To: Honorable Mayor and City Council**

**Date: August 18, 2025**

**From: Syed Murtuza, Director of Public Works – (650) 558-7230  
Michael Heathcote, Deputy Director of Public Works Operations  
– (650) 558-7673**

**Subject: Adoption of a Resolution Approving a Professional Services Agreement with Telstar Instruments, Inc. for Supervisory Control and Data Acquisition (SCADA) System Services in the Amount of \$600,000 for a Period of Three Years, and Authorizing the City Manager to Execute the Agreement**

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## **RECOMMENDATION**

Staff recommends that the City Council adopt the attached resolution to approve a three-year professional services agreement with Telstar Instruments, Inc. (Telstar) for the maintenance and specialized technical support of the City's Supervisory Control and Data Acquisition (SCADA) System. The total amount of the agreement is \$600,000. Additionally, staff requests the City Council to authorize the City Manager to execute this agreement.

## **BACKGROUND**

Commissioned in 2003, the Public Works Department's SCADA System has been reliably operating 24/7 for over 22 years. This system enables operations staff to remotely monitor and control the City's potable water system, wastewater collection system, and stormwater pump stations. Remote monitoring offers several benefits, including real-time data access, quicker response times to issues, and enhanced operational efficiency. Additionally, the SCADA system logs data for future reference, ensuring efficient and effective management of these critical infrastructure components.

Given that the SCADA System operates continuously, 24/7/365, maintaining its efficiency is critical. This requires specialized skills in programmable logic controls (PLCs), associated interfaces, hardware and software diagnostics, and upgrades. Like all computerized technology, the SCADA System needs consistent maintenance, upgrades, and repairs.

The City's Maintenance Electrician, Water Service Technician, and Instrumentation Maintenance Technician are well-versed in the SCADA System and its components. They provide the first level of expertise, investigating issues as they arise. Additionally, they oversee the SCADA's human-machine interface (HMI), contribute to SCADA upgrades, and perform regular maintenance at the pump stations.

When issues occur, City staff conduct internal investigations and leverage their knowledge to support the consultant's specialized SCADA work. This includes extensive programming, system integration, and industrial instrumentation, both onsite and remotely. This collaborative approach ensures the SCADA System remains reliable and efficient, safeguarding the City's critical infrastructure.

## **DISCUSSION**

For extensive and specialized SCADA work, the City has been utilizing Telstar Instruments, Inc. (Telstar), a firm with a proven track record of providing successful SCADA services to the City and other municipalities in the region. The current agreement terms have been exhausted, and staff seeks to establish a new three-year agreement with Telstar for continued specialized technical support and maintenance, as outlined in the attached scope of work.

Staff has negotiated the attached three-year service agreement with Telstar for an amount not to exceed \$600,000 and requests the approval of the City Council.

## **FISCAL IMPACT**

The total cost of the three-year agreement is \$600,000, with an estimated cost of \$200,000 for services in the first year. Adequate funds are available in the Public Works Department's current operating budget to cover the first fiscal year of the proposed agreement. Funding for subsequent years will be requested as part of the future fiscal years' budget processes.

Exhibits:

- Resolution
- Professional Services Agreement