



CITY OF WHEATLAND

CITY COUNCIL MEETING STAFF REPORT

October 13, 2020

SUBJECT: Council discussion and consideration to adopt a resolution making a public interest finding for the sole source procurement of certain materials supplied with the Wheatland AMI Water Meter Project

PREPARED BY: Dane H. Schilling – City Engineer, and
Elaine Greif – Coastland Engineering

Recommendation

Adopt a resolution making a public interest finding for the sole source procurement of water meters and AMI endpoints supplied by Muller Systems, LLC for the City-wide AMI Water Meter Installation Project.

Background/Discussion

With the support of the Yuba Water Agency (YWA), the City has been awarded a combined \$1.36 million grant through the Integrated Regional Water Management (IRWM) grant program, which includes fifty percent (50%) matching funds by YWA, for a Comprehensive Drinking Water Project. The Comprehensive Project will improve water system reliability; increase community awareness of water consumption; encourage sustainable water practices; and modernize the City's water supply system to accommodate growth.

The project will install all new supply-side and demand-side meters, and implement systemwide water meter automation upgrades using Advanced Metering Infrastructure (AMI) to fully automate meter reading, enable timely leak detection; provide consumers with data for consumption management, increase operational efficiencies and improve the City's related operational and billing software.

On May 12, 2020, the City Council authorized the draft request for proposals (RFP) and specifications. After receiving direction from the City attorney, it was determined that due to California Public Contract Code, the contract for vendor and AMI system selection needed to be separated from the meter installation contract. The final RFP document was refined, and the scope was reduced to exclude meter installations.

City staff issued the final RFP on June 12, 2020, soliciting vendor engagement to provide the AMI system and installation of the AMI system components (excluding meters and endpoints). As a

result of the proposal review process, Mueller was ranked by the review panel as the highest-ranking vendor to provide the data collection system for the meter reading and guaranteed pricing for the selected meters.

On September 22, 2020, the City Council authorized the City Manager to award contracts to Mueller Systems, LLC (Mueller) for the implementation of the Advanced Metering Infrastructure (AMI) Project.

Coastland Civil Engineering proceeded with preparing bid documents for the purchase and installation of all new meters. The Project bid documents for the meter and endpoint installation portion of the project are being brought to City Council for approval as a separate action. Meters and endpoints to be installed will be supplied by the successful bidder/contractor as a part of the installation contract.

California Public Contract Code section 3400 generally limits the City's ability to specify a single product manufacturer in project bid specifications to situations where the City finds a designated product is necessary (a) to match other products in use on the Project, or (b) to obtain a necessary product that is only available from one source. In this procurement, both situations apply.

The City's justification for specifying a single product manufacturer is to provide consistent, homogenous and compatible system-wide equipment. This was accomplished by taking a two-step approach of first vetting systems and vendors under a separate effort and then competitively bidding the installation of the metering equipment. In the first step the City is able to determine which system best suits its needs and then in the second step the City can obtain the best pricing on the installation of the chosen system. The resulting system will be provided by a single manufacturer which is more likely to result in a compatible and reliable system because the meters and AMI endpoints are designed to interface with the AMI system and software being provided by Mueller. Furthermore, the Mueller meters and AMI endpoints that the City would acquire are only available for purchase directly from Mueller.

The City's Standard Details for water meters will be revised based on the final meter installation, materials and configuration. Future developers will be required to provide the same equipment and configuration consistent with this project.

Alternatives

Alternatively, the City Council may choose to not to authorize the sole source procurement of meters and AMI endpoints and provide staff with further direction.

Fiscal Impact

There is no direct fiscal impact as a result of this action. The purchase of the meters & endpoints will occur through the meter installation project under separate Council action.

Attachments

1. Resolution No. 41-20

RESOLUTION NO. 41-20

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WHEATLAND MAKING A PUBLIC INTEREST FINDING REGARDING SOLE SOURCE PROCUREMENT OF CERTAIN MATERIALS SUPPLIED FOR THE WHEATLAND AMI WATER METER PROJECT

WHEREAS, City staff applied for and the City was awarded \$1,382,347 in funding through the combination of a Proposition 1 Integrated Regional Water Management (IRWM) grant and match funding from the Yuba Water Agency (YWA) for the Wheatland Comprehensive Drinking Water Project; and

WHEREAS, the Advanced Metering Infrastructure (AMI) Water System Metering Upgrade Project (Project) is included in the Wheatland Comprehensive Drinking Water Project grant; and

WHEREAS, staff has determined that no significant environmental impacts could occur as a result of this Project and the Project is categorically exempt under CEQA; and

WHEREAS, on May 12, 2020, City Council authorized staff to issue a Request for Proposals soliciting vendors for the Project; and

WHEREAS, The City issued a Request for Proposals and staff selected Mueller Systems, LLC (Mueller) as the top ranked proposer who provided the best-value proposal in meeting the City's needs; and the scope, fee and terms of the contract were negotiated with Mueller under advisement of the City Attorney resulting in a consultant agreement and a software licensing agreement; and

WHEREAS, on September 22, 2020, City Council authorized staff to award contracts to Mueller for the implementation of the AMI Project; and

WHEREAS, staff have prepared bid documents to obtain bids for the acquisition and installation of the necessary meters and AMI endpoints under a separate contract to be competitively bid; and

WHEREAS, California Public Contract Code section 3400 provides that the City may include in the Project bid specifications a designated product by brand name if it finds that the designation is necessary to match other products in use on the Project or in order to obtain a necessary item that is only available from one source; and

WHEREAS, staff determined that procuring metering equipment manufactured by Mueller is necessary to match the Mueller software and related metrology equipment that will be installed as part of the Project; and

WHEREAS, the metering equipment manufactured by Mueller is only available for purchase from Mueller directly; and

WHEREAS, staff determined that procuring certain metering equipment manufactured by Mueller will result in the best value for the City's particular needs and requirements.

NOW, THEREFORE IT IS HEREBY RESOLVED, ORDERED AND FOUND by the City Council of City of Wheatland, State of California, that (a) the need for certain metering equipment (water meters and AMI endpoints) provided exclusively by Mueller meets the requirements for a designated product by brand name under Public Contract Code section 3400, (b) the procurement will result in the best value for the City's particular needs and requirements for the City-wide AMI water meter project, and (c) the City Manager or designee may include the designated Mueller products by brand name in the bid specifications issued for the Project.

PASSED AND ADOPTED by the City Council of City of Wheatland, State of California this 13th day of October 2020, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Rick West, Mayor

ATTEST:

Lisa Thomason, City Clerk