

**CITY OF MIRAMAR
PROPOSED CITY COMMISSION AGENDA ITEM**

Meeting Date: November 1, 2023

Presenter's Name and Title: Francois Domond, P.E., Director of Utilities, and Alicia Ayum, Procurement Director

Prepared By: Junior Francis, Field Operations Manager (Water)

Temp. Reso. Number: TR8006

Item Description: Temp. Reso. #R8006, APPROVING THE PURCHASE OF WATER METERS AND ASSOCIATED METER PARTS AND SERVICES, FROM SENSUS USA, AS CITY STANDARD PRODUCTS, IN AN AMOUNT NOT-TO-EXCEED \$1,053,300.58; WAIVING THE COMPETITIVE BIDDING REQUIREMENTS IN ACCORDANCE WITH CITY CODE SECTION 2-413(3). (Director of Utilities Francois Domond, P.E. and Procurement Director Alicia Ayum).

Consent ☐ Resolution ☒ Ordinance ☐ Quasi-Judicial ☐ Public Hearing ☐

Instructions for the Office of the City Clerk: None

Public Notice – As required by the Sec. ____ of the City Code and/or Sec. ____, Florida Statutes, public notice for this item was provided as follows: on _____ in a _____ ad in the _____; by the posting the property on _____ and/or by sending mailed notice to property owners within _____ feet of the property on _____
(fill in all that apply)

Special Voting Requirement – As required by Sec. ____, of the City Code and/or Sec. ____, Florida Statutes, approval of this item requires a _____ (unanimous, 4/5ths etc.) vote by the City Commission.

Fiscal Impact: Yes ☒ No ☐

REMARKS: Funding of \$900,000 has been budgeted in the Utilities Capital Improvement Budget (CIP) Account No. 410-55-800-533-000-606511-52016 for FY24 entitled “Meter Repair and Replacement/Furniture & Fixtures” and \$88,300.58 has been unobligated in the Utilities Capital Improvement Budget (CIP) Account No. 410-55-800-533-00-606511-52016 for FY23 entitled “Meter Repair and Replacement/Furniture & Fixtures” and is proposed to be rolled over for FY24. Funding of \$65,000 has also been budgeted in the Utilities Operating Budget Account No. 410-55-558-533-00-603425 for FY24 entitled “Software License and Maintenance”. This will make a total amount of \$1,053,300.58 available funding.


Content:

- **Agenda Item Memo from the City Manager to City Commission**
- **Resolution TR8006**
- **Attachment(s)**
 - **Attachment 1:** Sole Source Letter
 - **Attachment 2:** Sole Source/Product Standardization Justification Form
 - **Attachment 3:** Price Quote



**CITY OF MIRAMAR
INTEROFFICE MEMORANDUM**

TO: Mayor, Vice Mayor, & City Commissioners

FROM: Dr. Roy L. Virgin, City Manager 

BY: Francois Domond, P.E., Director of Utilities

DATE: October 26, 2023

RE: Temp. Reso. No. 8006 Purchase of Water Meters and Associated Meter Parts and Services from Sensus USA

RECOMMENDATION: The City Manager recommends approval of Temp. Reso. No. 8006, for the purchase of water meters and associated services from Sensus USA, in an amount not-to-exceed \$1,053,300.58 waiving competitive bidding requirements in accordance with City Code Section 2-413(3) and authorizing the City Manager to execute the agreement.

ISSUE: City Commission approval is required for the approval of purchases exceeding the \$75,000 limit and waiving the competitive bidding requirements in accordance with City Code Section 2-413(3).

BACKGROUND: The City of Miramar Utilities Department's Water Accountability Program is responsible for reading and maintaining water meters to ensure accurate data collection of water consumptive usage. Currently, there are a total of approximately 34,700 active water meter service connections City wide.

In accordance with the City of Miramar Engineering Standards for Public Works and Utilities System, Section 3 "Materials" (September 2007), Sensus USA, parts and material have been accepted as "City Standard." Attached hereto is a sole source letter from Sensus USA, as a sole manufacturing provider of Sensus products and parts (see Attachment 1), a Sole Source/Product Standardization Justification Form (see Attachment 2) and price quote (see Attachment 3).

In 2017, City Commission approved the transition from Automatic Meter Read (AMR) to Sensus FlexNet Advanced Metering Infrastructure (AMI). The FlexNet® communication network is a powerful long-range radio system at the heart of the AMI solutions for Smart Cities. To fully take full advantage of the of the FlexNet system, the Utilities Department is expanding its smart solutions by adding pressure profile module and the AMI professional services. The Utilities Department requests to purchase meters, meter parts and services as categorized in Attachment 3.

DISCUSSION: Funding of \$900,000 has been budgeted in the Utilities Capital Improvement Budget (CIP) Account No. 410-55-800-533-000-606511-52016 for FY24 entitled "Meter Repair and Replacement/Furniture & Fixtures" and \$88,300.58 has been unobligated in the Utilities Capital Improvement Budget (CIP) Account No. 410-55-800-533-00-606511-52016 for FY23 entitled "Meter Repair and Replacement/Furniture & Fixtures" and is proposed to be rolled over for FY24. Funding of \$65,000 has also been budgeted in the Utilities Operating Budget (CIP) Account No. 410-55-558-533-00-603425 for FY24 entitled "Software License and Maintenance". This will make a total amount of \$1,053,300.58 available funding.

ANALYSIS: Meter reading accuracy is crucial for efficient Utility operations as it provides for a more accurate billing process, a more accurate collection of water usage data, and increases in revenue due to the accuracy of data collected in the meter readings.

Temp. Reso. No. 8006
10/2/23
10/26/23

**CITY OF MIRAMAR
MIRAMAR, FLORIDA**

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF MIRAMAR, FLORIDA, APPROVING THE PURCHASE OF WATER METERS, ASSOCIATED METER PARTS, AND SOFTWARE AS A SERVICE FROM SENSUS USA, IN AN AMOUNT NOT-TO-EXCEED \$1,053,300.58; WAIVING THE COMPETITIVE BIDDING REQUIREMENTS IN ACCORDANCE WITH CITY CODE SECTION 2-413(3); AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City of Miramar Utilities Department's Water Accountability Program is responsible for providing and maintaining water meters to ensure accurate water meter reading; and

WHEREAS, in order to make sure that every meter is read accurately, the Water Accountability Program has implemented a meter exchange program that continually upgrades and improves the efficiencies of consumptive use data collection in the field; and

WHEREAS, the City owns and maintains water meters furnished by Sensus USA, using Automatic Meter Read technology and Advanced Metering Infrastructure (AMI); and

WHEREAS, the FlexNet® communication network is a powerful long-range radio system at the heart of the AMI solutions for Smart Cities; and

WHEREAS, to take full advantage of the of the FlexNet system, the Utilities Department is expanding its smart solutions by adding pressure profile module and the AMI professional services; and

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WHEREAS, the City of Miramar has established Sensus USA water meters as “City Standard” as specified in the City of Miramar Engineering Standards for Public Works and Utilities System (September 2007); and

WHEREAS, the City of Miramar has an immediate available for funding in the amount of \$900,000 under the current fiscal year and \$88,300.58 which is available for roll over from the fiscal year 2023 and should be made available for this project once the roll over process is completed; and

WHEREAS, the City of Miramar has an immediate available for funding in the amount of \$65,000 under the current fiscal year operating budget for purchases of software service related to Sensus; and

WHEREAS, the City of Miramar has a total budget available for this project in the amount of \$1,053,300.58; and

WHEREAS, the City plans to purchase of water meters, associated meter parts and software as a service (“SaaS”) in an amount not-to-exceed \$1,053,300.58 in order to modernize our metering technology and leverage our current infrastructure toward a Smart City; and

WHEREAS, in accordance with Section 2-413(3), City Code, a product that has been adopted as a City standard commodity is exempt from City procurement procedures and may be procured without competition; and

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10/26/23

WHEREAS, the City Manager recommends approval of the purchase of water meters, associated meter parts and software as a service (“SaaS”), through purchase orders, from Sensus USA, waiving competitive bidding requirements; and

WHEREAS, the City Commission deems it to be in the best interest of the citizens and residents of the City of Miramar to approve the purchase of water meters and associated meter parts, through purchase orders, from Sensus USA, in an amount not-to-exceed \$1,053,300.58.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF MIRAMAR, FLORIDA AS FOLLOWS:

Section 1: That the foregoing “**WHEREAS**” clauses are ratified and confirmed as being true and correct and are made a specific part of this Resolution.

Section 2: That the City Commission approves the purchase of water meters and associated meter parts, through purchase orders, to Sensus USA, in an amount not-to-exceed \$1,053,350.58 and waives the competitive bidding requirements.

Section 3: That the appropriate City Officials are hereby authorized to do all things necessary and expedient to carry out the aims of this Resolution.

Section 4: That this Resolution shall take effect immediately upon adoption.

Temp. Reso. No. 8006
10/2/23
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PASSED AND ADOPTED this _____ day of _____, _____.

Mayor, Wayne M. Messam

Vice Mayor, Alexandra P. Davis

ATTEST:

City Clerk, Denise A. Gibbs

I HEREBY CERTIFY that I have approved
this RESOLUTION as to form:

City Attorney
Austin Pamies Norris Weeks Powell, PLLC

Requested by Administration

Commissioner Winston F. Barnes
Commissioner Maxwell B. Chambers
Commissioner Yvette Colbourne
Vice Mayor Alexandra P. Davis
Mayor Wayne M. Messam

Voted

Reso. No. _____

637 Davis Drive
Suite 400
Morrisville, NC 27560 USA



September 27th, 2023

City of Miramar, FL
Attn: Ronnie Navarro
13900 Pembroke Rd
Miramar, FL 33027

Dear Mr. Navarro,

Please be advised that Sensus Inc. (a Xylem Brand) is the sole manufacturer and provider of Sensus' products including Water Meters, Meter Reading Systems, Testing Equipment, Software, System Support Programs and Repair Parts. Sensus' reading technology is a primary licensed communication network that only Sensus products can operate on. Thus, there are not any direct providers that could utilize the existing meter reading platform that Miramar uses to obtain their critical water utility meter reads.

Thank you for your business, and we look forward to continuing to provide you with quality products and services for the foreseeable future.

Sincerely,

A handwritten signature in blue ink, appearing to read "M. Newton".

Mark Newton
Vice President, Sensus North America Water

City of Miramar
SOLE SOURCE/PRODUCT STANDARDIZATION JUSTIFICATION FORM

Requisition No.:	Department: Utilities
Recommended Vendor(s), if any: Sensus USA	Date: Thursday, September 28, 2023
	Estimated Cost: Not to exceed \$1.2 M
Estimated Hours for Consulting Engagement:	Contact Person: Junior Francis
<input checked="" type="checkbox"/> Ongoing Purchase / Replacement	<input type="checkbox"/> New Purchase
If an Ongoing/Replacement Purchase what was the prior year expenditure \$ 850,000	
Does this purchase request represent an increase or a decrease in utilization or price? (Please explain in detail) Yes, it represents an increase. The Utilities Department is modernizing its population of water meters from e-registers to iPERL smart meters. Sensus iPERL® smart water meters are designed to capture both lost water and lost revenue which are more advanced in technology than the ones currently in use.	

SECTION I

Completion of this form is required in advance of all Sole Source/Bid Waiver purchases (procurements) in excess of \$2,500 from Miramar resident vendors or \$1000 from all other vendors.

Check one of the following that best describes the proposed procurement:

- ☐ Only one source (supplier) exists for the required product/service ("sole source").
☒ Product Standardization
☐ Other reason deemed to be in the best interests of the City (Commission Approval Required)

<p>1. In 'layman's terms', describe the purpose or function of the required product or service. (Minimum 3 sentences required.)</p> <p>The Meter Division reads and services over 34,500 water meters citywide. The products and services provided by Sensus USA are the water meters, water meter reading technology, and integrations to the City's billing system. The products and services of these products and services are the mechanisms to capturing water consumption by its customers and the financial revenue capture process.</p>
<p>2. If the particular product or service was not available or could not be procured, how would the department proceed with its work? (Minimum 3 sentences required.)</p> <p>Without these products and services, the City would have to manually read all the 34,500 meters throughout the City. In addition, the City will not be able to accurately bill customers to provide accurate and equitable utility services. The City is not adequately staffed to accommodate that work, nor is it efficient means of gathering information. These products and services ensure that contingency plan is not needed. The Advanced Metering Infrastructure (AMI) FlexNet metering reading system is proprietary to Sensus USA. No other meter reading endpoints can be utilized under this system. If this product was not available, there would be no direct replacements to carry out this process but to resort to manual reads.</p> <p><i>Complete for Sole Source and Product Standardization</i></p>

City of Miramar

SOLE SOURCE/PRODUCT STANDARDIZATION JUSTIFICATION FORM

Sole Source

- 3a. Explain why **the product/service** is the only product/service that can satisfy your requirements and explain why alternatives are unacceptable. Be specific with regard to unique specification, unique features, characteristics, requirements, capabilities and compatibility. Describe what steps have been undertaken to make this decision. (Minimum 4 sentences required.)

This is not a sole source solicitation.

Complete for Sole Source

- 3b. Explain why this **vendor** is the only practicable available source, which to obtain this product or service and describe the efforts that were made to verify and confirm whether, or not, this is so. (Obtain and include a letter from the manufacturer confirming claims made by distributor of exclusive distributorships for the product or service, if, that is cited as a reason for this request.) (Minimum 4 sentences required.)

This is not a sole source solicitation.

Complete for Sole Source

Product Standardization

4. Explain why the product/service requested can best satisfy your requirements and explain why a waiver of competitive bidding is in the best interest of the City. Be specific with regard to unique specification, unique features, characteristics, requirements capabilities and compatibility. Describe what steps have been undertaken to make this decision. (Minimum 3 sentences required.)

In accordance with the City of Miramar Engineering Standards for Public Works and Utilities System, Section 3 -" Materials" (September 2007), Sensus USA, parts and material have been accepted as "City Standard". Sensus meters has been a "gold" standard in the metering technology. The product has been known for its reliability and scalability (ability to handle increasing demand, without compromising performance) for various applications. This was a decision that was done by the City in the late 1990's when very few companies were competing for smart technologies. And because of this the City enjoys a direct relationship with Sensus without the need for any contract agreement for hardware purchases. This means that the City is not legally tied to Sensus and may change product at will.

It shall be noted however that attempting to implement other components or brands to this system would require a full replacement of all aspects of the metering system to the tune of over \$15 million. This does not include any disruption of services and perhaps loss revenues as a result of this change.

Complete for Product Standardization

City of Miramar SOLE SOURCE/PRODUCT STANDARDIZATION JUSTIFICATION FORM

Sole Source and Product Standardization

5. Provide a description of the market survey conducted and the results, or a statement of the reasons a market survey was not conducted. (Minimum 4 sentences required.)

Market studies are generally used for various reasons, such as, identifying competition, understanding demands, identifying trends in meter technology, regulatory compliance, etc. Market study for water meters is crucial for making informed decision and understanding competition. In this particular case, market survey was not conducted because the prices are quoted directly from the manufacturer. Sensus traditionally provided a substantial discount from the list pricing due to the City's long-standing business and City's ability to purchase bulk quantities. It is not anticipated that an outside company could supply the meters and parts for less cost than the direct manufacturer. Sensus has provided an additional discount compared to previous years due to an incentive program developed to modernize our water meter population.

6. Will this purchase obligate the City to a particular vendor/provider for future purchases? (Either in terms of maintenance that only this vendor will be able to perform and/or if we purchase this item. Will the City need more "like" items or services in the future to match this one?)

No. There is no existing contract between the City of Miramar and Sensus as far as purchases of meter and parts except for the Sensus Analytics which is a software-as-a-software (SaaS) annual subscription. This is the software that runs the metering system. The City is not obligated to retain Sensus but for purposes of standardization, the City would rather have one brand to deal with for purposes of operation, maintenance, and staff training.

Please note that City staff is constantly evaluating technology as an option or alternative to addressing solutions that benefit the City. If performance is sufficiently met, the City will intend to continue with Sensus USA as the primary vendor for the City's meter products and solutions.

7. Describe the negotiations efforts, if any that have been made with the vendor/provider to obtain the best possible price.

The prices provided by Sensus USA are considered to be fair and reasonable and has been determined to be competitive and technically acceptable. Sensus representatives have indicated that this pricing is 20-30% less than standard list pricing because of the City's long-standing business and ability to purchase in bulk quantities. Staff has negotiated a price for 5/8" meters that is substantially less than previous years due to the volume of meters being purchased and an incentivized technology upgrade program. Other items have a minimal price increase (about 3%) from the previous year.

Complete for Sole Source and Product Standardization

City of Miramar
SOLE SOURCE/PRODUCT STANDARDIZATION JUSTIFICATION FORM

8. Explain why the price for this product or service is considered to be fair and reasonable.

Staff has negotiated a price for 5/8" meters that is 25% less than the previous year. 5/8" meters are the majority of the parts that will be purchased this year. Other parts may also be available for price reductions based on the warranty conditions of the replaced parts. The utilities Department will continue to work with the vendor to provide cost savings or credits where possible.

Complete for Sole Source and Product Standardization

9. Describe the actions the department will take, if feasible, to overcome the present barriers to competition prior to any future procurement of this product or service.

The Utilities Department will continue to use Sensus USA for new and replacement water meter equipment, unless the City determines that switching to a new system is economically and operationally viable and is in the best interests of the City.

Complete for Sole Source and Product Standardization

City of Miramar
SOLE SOURCE/PRODUCT STANDARDIZATION JUSTIFICATION FORM
PLEASE ALSO ATTACH ADDITIONAL SHEETS OR INFORMATION AS NEEDED

Name of the person who prepared this request and justification:

Name: Junior Francis

Position: Field Operations Manager

Department: Utilities

Date: October 4, 2023

I hereby certify that the above request and Justification is accurate and complete to the best of my knowledge and belief.

DocuSigned by:

Francois Domond

10/19/2023

Department Director Signature

Date

For Procurement Department Use Only

This approval is effective for 9.30.25 days

A good faith review of available sources has been conducted by:

☐ User Department ☐ Procurement Department ☐ Standards Committee

I concur that this contract is not suitable for competitive bids or proposals

Chief Procurement Officer

Date


Miramar FY 2024
Quote#: 34228
Customer:

MIRAMAR CITY OF - AM
13900 Pembroke Road
Miramar, FL 33025
Attn: Ronnie Navarro

Effective Date: 8/1/2022
Expiration Date: 9/30/2024

Line Item #:	Description	Quantity	UOM	Unit Price (\$)	Extended Price	Comments
1	SLP: PN#: I5S1GLXX MTR 5/8-3/4 IPERL 4WHL5A 1000G 6'TRPL 2-WR SMART	6188	EA	\$ 93.00	\$ 575,484.00	Completes EReg-Count Scope and included installation scope
2	PN#: I5S8GLXX MTR 5/8-3/4 IPERL 4WHL5A 1000G 6'TRPL 2-WR SMART	1301	EA	\$ 100.00	\$ 130,100.00	
3	M520M-F1-TC-X-E-MI UNIT PIT/INT BTRY-D/SNGL PORT TC W-INT DATA & LEAK DET	350	EA	\$ 100.40	\$ 35,141.25	
4	M520M-F1-TC-TC-E-MI UNIT PIT/INT BTRY-D/DUAL PORT TC W-INT DATA LEAK DET	500	EA	\$ 108.53	\$ 54,264.26	

5	MTR 2 OMNI+T2 MNCS/T NDK P/NO 6WHL3A 1000G 20'TRPL ID=SN	10	EA	\$ 903.22	\$ 9,032.19	
6	MEAS CHB 2 OMNI+T2 6'TRPL P/NO 6WHL3A 1000G NDK ID=SN	0	EA	\$ 580.95	\$ -	
7	ANNUAL RNI SAAS FEE	1	EA	\$ 29,908.89	\$ 29,908.89	
8	SENSUS WTR ANALYTICS ENHANCED 25-35K ANNUAL FEE	1	EA	\$ 31,230.77	\$ 31,230.77	
9	SENSUS ANALYTICS PRESSURE PROFILE (WATER)	1	EA	\$ 4,635.00	\$ 4,635.00	
10	Utility Data Lake Support Fee	1	EA	\$ -	\$ -	
11	AMI Professional Services Analysis	12	EA	\$ 5,000.00	\$ 60,000.00	Sensus AMI Analysis SOW
12	Meter Installation Component Services	1	EA	\$ 50,000.00	\$ 50,000.00	
13	MTR 1.5 OMNI+C2 MNCS/T P/NO 6WHL3A 1000G 20'TRPL ID=SN	5	EA	\$ 1,034.38	\$ 5,171.90	
14	MTR 2 OMNI+C2 MNCS/T P/NO 6WHL3A 1000G 20'TRPL ID=SN	30	EA	\$ 1,193.51	\$ 35,805.30	
15	5/8x3/4" Ally Meter	100	EA	\$ 325.00	\$ 32,500.00	
16	MTR 1 IPERL 4WHL5A 1000G 6'TRPL 3-WR SMART	0	EA	\$162.05	\$ -	
17	MISC PARTS	1	EA	\$27.01	\$ 27.01	

Total	
Subtotal	
Quote (\$)	\$ 1,053,300.58