

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

Meeting Date: November 6, 2024

Presenter's Name and Title: Ronnie Navarro, Assistant Director of Utilities and Alicia Ayum, Procurement Director

Prepared By: Ronnie Navarro, Assistant Director of Utilities

Temp. Reso. Number: TR8257

Item Description: Temp. Reso. #R8257 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 \$1,815,000 FOR FY25; WAIVING THE COMPETITIVE BIDDING REQUIREMENTS IN ACCORDANCE WITH CITY CODE SECTION 2-413(3). (Director of Utilities Francois Domond, PE and Procurement Director Alicia Ayum).

Consent Resolution Ordinance Quasi-Judicial Public Hearing

Instructions for the Office of the City Clerk: N/A

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 \$1,750,000 is available in account number 410-55-800-533-000-606511-52016 and \$65,000 is available under Operation accounts number 410-55-558-533-000-603425, for a total available funding of \$1,815,000.


Content:

- **Agenda Item Memo from the City Manager to City Commission**
- **Resolution TR 8257**
- **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 and City Commissioners

FROM: Dr. Roy L. Virgin, City Manager 

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

DATE: October 31, 2024

RE: Temp. Reso. No. 8257 Purchase of Water Meters and Associated Meter Parts and Services from Sensus USA

RECOMMENDATION: The City Manager recommends approval of Temp. Reso. No. 8257, for the purchase of water meters and associated meter parts from Sensus USA, in an amount not-to-exceed \$1,815,000, for FY25 waiving the competitive bidding requirements in accordance with City Code Section 2-413(3).

ISSUE: City Commission approval is required for the approval of purchases exceeding \$75,000 by a single department from the same vendor in a single fiscal year per Section 2-412(a)(1) of the City Code.

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 over 34,874 active water meter service connections Citywide.

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).

DISCUSSION: Prior to 1999, the City of Miramar used the manual system of water meter reading. This method required regular access to the meter and is labor-intensive, slow, and prone to errors.

In 1999, the City of Miramar transitioned to AMR (Automated Radio Read). A citywide Water Meter Exchange Program was initiated to convert all manual read meters to radio-read technology and the program was successfully completed in 2006. To date, most of the original installations have reached the end of their useful service life and have been continuously changed out as part of the Utilities Department's annual water meter replacement program.

In 2017, The City Commission approved the transition from AMR to Sensus FlexNet® AMI (Advanced Meter Infrastructure) with the first Tower Gateway Base station (TGB) installed in the Historic Miramar at the east water tank and the other antenna in Broward County's communication tower located at the Vizcaya Park which was completed in 2020.

The City of Miramar has partnered with the Sensus since the adoption of the AMR technology in 1999. Sensus is a leading global brand specializing in smart metering solutions for utilities, including water, gas, and electricity. It is a subsidiary of Xylem Inc., a major provider in water technology. Sensus water meters are widely used for measuring water consumption in residential, commercial, and industrial settings.

ANALYSIS: The City currently operates and maintains over 34,874 active meters throughout its service area. For AMI to work properly and effectively, upgrading water meters that support two-way communication and are embedded with smart features (remote reading, leak detection, and real-time data collection) is important. Another driver for upgrading water meters is billing accuracy as newer meters provide accurate and reliable readings, especially at low flow rates and for detecting leaks.

In 2023, the Utilities Department has identified about 22,000 water meters that need replacement within the next five (5) years. This replacement program will be implemented on a phased approach due to costs and logistic considerations. Most of these are either aged or with mechanical components that deteriorate over time. The City has adopted ultrasonic water meters, such as iPERL, which are advanced, non-mechanical meters that use ultrasonic technology to measure water flow with high accuracy and reliability. Unlike traditional mechanical meters, which rely on moving parts, ultrasonic meters measure water consumption by sending sound waves through the water and calculating the flow rate based on the time it takes for the waves to travel. These upgraded meters offer advanced data management capabilities, enhancing overall efficiency and utility management. They reduce non-revenue water, measuring flow rate as low as a tenth of a gallon per minute. These meters are designed to withstand harsh environmental conditions and water quality issues.

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10/2/24
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**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 AND ASSOCIATED METER PARTS AND SERVICES FROM SENSUS USA, IN AN AMOUNT NOT-TO-EXCEED \$1,815,000, FOR FISCAL YEAR 2025; 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

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

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WHEREAS, the City plans to purchase meters, registers and other miscellaneous parts in an amount not-to-exceed \$1,815,000 in Fiscal Year 2025 in order to continuously replace the aged units; and

WHEREAS, in accordance with Section 2-413(3) of 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

WHEREAS, the City Manager recommends approval of the purchase of water meters and associated meter parts from Sensus USA, utilizing the City Standard method of procurement and 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 from Sensus USA, utilizing the City Standard method of procurement and waiving the competitive bidding requirements, in an amount not-to-exceed \$1,815,000 for Fiscal Year 2025.

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**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 from Sensus USA, utilizing the City Standard method of procurement and waiving the competitive bidding requirements, in an amount not-to-exceed \$1,815,000 for Fiscal Year 2025.

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.

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10/29/24

PASSED AND ADOPTED this _____ day of _____, _____.

Mayor, Wayne M. Messam

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

<u>Requested by Administration</u>	<u>Voted</u>
Commissioner Winston F. Barnes	_____
Commissioner Maxwell B. Chambers	_____
Commissioner Yvette Colbourne	_____
Mayor Wayne M. Messam	_____

Reso. No. _____

637 Davis Drive
Suite 400
Morrisville, NC 27560 USA



September 30th, 2024

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: Monday, September 30, 2024
	Estimated Cost: Not to exceed \$1,815,000
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 \$ 1,053,300.68	
Does this purchase request represent an increase or a decrease in utilization or price? (Please explain in detail) CIP. City is revamping the meter replacement program to purchase additional meters and meter parts to repair/replace meters that are at the end of their service life and out of warranty.	

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)

1. In 'layman's terms', describe the purpose or function of the required product or service. (Minimum 3 sentences required.)

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 the residences in the City of Miramar and the financial revenue capture process.

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.)

Without these products and services, the city would have to manually read all the meters throughout the city. In addition, will not be able to accurately bill the residences in the city to provide accurate and equitable utility services to the City's residences. The city is not efficiently staffed to accommodate that work, nor is it efficient. 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.

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 regarding unique specification, unique features, characteristics, requirements, capabilities and compatibility. Describe what steps have been undertaken to make this decision. (Minimum 4 sentences required.)

The city uses Sensus USA's proprietary FlexNet network that only Sensus product can operate on. There are no other vendors that can utilize that network spectrum. Sensus also provides pressure sensor nodes that monitor the city system pressure throughout the City's water distribution system. There are no direct replacements for that system function. FlexNet is fully integrated with the City's utility billing system, Tyler MUNIS. Attempting to implement a replacement system would be a liability in ensuring accurate utility consumption is collected without significant cost and time. Attempting to implement other components to this system would require a full replacement of all aspects of the system ranging from \$12 to \$15M in costs to the City of Miramar.

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.)

Sensus is the sole source manufacturer of replacement parts for their meters which precludes using products from any other manufacturer. Therefore, to consider alternatives would require that the city convert the entire water meter and automated reading system to another company, which would be substantially higher cost than what is proposed to approximately \$12 to \$15M in costs. The manufacturer provided the city with a sole source letter describing the products and services without working through a Sensus approved distributor. This reduces the city purchase costs in working directly with the manufacturer of the City's existing meter reading system.

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 regarding unique specification, unique features, characteristics, requirements capabilities and compatibility. Describe what steps have been undertaken to make this decision. (Minimum 3 sentences required.)

Continuing our program with Sensus, the city is able to maintain, upgrade, and ensure backwards compatibility over the years of investment the city has incorporated in the City's metrology and AMI system. These products meet and exceed the expected 20-year lifecycle with years of success seen by the city. City staff is always evaluating the best technologies available at industry conferences, seminars, and peer-to-peer discusses regarding the state of water technology available. The city has determined no fitting replacement solution is available currently.

The city is adding new electromagnetic residential meters that is patented solid state technology to Sensus and no other user. This coupled with their propriety licensed frequency ensures the best long-term investment in the City's meter reading technology.

Sole Source and Product Standardization

City of Miramar
SOLE SOURCE/PRODUCT STANDARDIZATION JUSTIFICATION FORM

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 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.

City of Miramar SOLE SOURCE/PRODUCT STANDARDIZATION JUSTIFICATION FORM

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?)

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

The prices provided by Sensus USA are 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 from the previous year (approximately 3% in the attachment).

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

Staff has negotiated a price for 5/8" meters that is 25% less than the previous year. 5/8" meters are most 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.

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, which is not currently the case, it is in the best interest of the city to continue with Sensus USA.

PLEASE ALSO ATTACH ADDITIONAL SHEETS OR INFORMATION AS NEEDED

Name of the person who prepared this request and justification:

Name: Junior Francis *Junior Francis* Position: Field Operations Manager
21E9E1EAAD95458...

Department: Utilities Date: September 30, 2024

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 9/30/2024
40F1C123E258411... Date

DS
RSN

For Procurement Department Use Only

This approval is effective for 365.00 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.

DocuSigned by:
Alicia Lyum 10/9/2024
68E68C5AF7EE408... Date

Chief Procurement Officer

Miramar FY 2025
Quote#: 34228 & 35315



Customer:
 MIRAMAR CITY OF - AM
 13900 Pembroke Road
 Miramar, FL 33025
 Attn: Junior Francis

Miramar Customer PO#:

Line Item #:	Description	Quantity	UOM	Unit Price (\$)	Extended Price	Quote # and Line #
1	MTR 5/8-3/4 IPERL 4WHL5A 1000G 6'TRPL 2-WR Metal and Install	512	EA	\$ 118.00	\$ 60,416.00	Metal iPERL
2	MTR 5/8-3/4 IPERL 4WHL5A 1000G 6'TRPL 2-WR Metal	5975	EA	\$ 125.00	\$ 746,875.00	Metal iPERL
3	M520M-F1-TC-X-E-MI UNIT PIT/INT BTRY-D/SNGL PORT TC W-INT DATA & LEAK DET	500	EA	\$ 103.42	\$ 51,707.84	35315-17
4	M520M-F1-TC-TC-E-MI UNIT PIT/INT BTRY- D/DUAL PORT TC W-INT DATA LEAK DET	933	EA	\$ 111.78	\$ 104,294.83	35315-18
5	MTR 2 OMNI+T2 MNCS/T NDK P/NO 6WHL3A 1000G 20'TRPL ID=SN	10	EA	\$ 948.38	\$ 9,483.80	35315-3
6	MEAS CHB 2 OMNI+T2 6'TRPL P/NO 6WHL3A 1000G NDK ID=SN	0	EA	\$ 610.00	\$ -	35315-9
7	SENSUS ANALYTICS PRESSURE PROFILE (WATER)	1	EA	\$ 4,774.05	\$ 4,774.05	SaaS Fees
8	AMI Professional Services Analysis	12	EA	\$ 5,000.00	\$ 60,000.00	Sensus AMI Analysis SOW
9	Meter Installation Component Services	5975	EA	\$ 55.00	\$ 328,625.00	iPERL Installation Line Items
10	Check Valve Installation	1600	EA	\$ 150.00	\$ 240,000.00	Check Valve Adder
11	MTR 1.5 OMNI+C2 MNCS/T P/NO 6WHL3A 1000G 20'TRPL ID=SN	5	EA	\$ 1,065.41	\$ 5,327.06	35315-10

12	MTR 2 OMNI+C2 MNCS/T P/NO 6WHL3A 1000G 20'TRPL ID=SN	71	EA	\$ 1,229.32	\$ 87,281.39	35315-11
13	5/8x3/4" Ally Meter	0	EA	\$ 325.00	\$ -	34228-3
14	AUTOGUN AY CPLT AG6590 BLUETOOTH CAPABLE 910- 0024409	2	EA	\$1,084.23	\$ 2,168.46	35315-21
15	PN#: 5390753739604 TCHRDR+ AY CPLT M3096+	2	EA	\$447.54	\$ 895.07	35315-19
16	Sensus VGB 4600	1	EA	\$23,135.11	\$ 23,135.11	
17	Prorated MXU Bucket	1	EA	\$ 27,042.54	\$ 27,042.54	
18	ANNUAL RNI SAAS FEE	1	EA	\$ 30,806.16	\$ 30,806.16	Software
19	SENSUS WTR ANALYTICS ENHANCED 25-35K ANNUAL FEE	1	EA	\$ 32,167.70	\$ 32,167.70	Software
20	MTR 5/8-3/4 IPERL 4WHL5A 1000G 6'TRPL 2-WR Metal and Install	32	EA	\$ -	\$ -	Warranty Replacements
Total					\$ 1,815,000.00	