

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

Meeting Date: November 4, 2020

Presenter's Name and Title: Roy Virgin, Ph.D. Director of Utilities, on behalf of the Utilities Department and Alicia Ayum, Director of Procurement on behalf of the Procurement Department

Prepared By: Ronnie S. Navarro, Assistant Director of Utilities

Temp. Reso. Number: 7290

Item Description: Temp Reso. No. 7290, APPROVING THE PURCHASE OF WATER METERS AND ASSOCIATED METER PARTS, FROM SENSUS USA, AS CITY STANDARD PRODUCTS, IN AN AMOUNT NOT-TO-EXCEED \$250,000.00; WAIVING THE COMPETITIVE BIDDING REQUIREMENTS IN ACCORDANCE WITH CITY CODE SECTION 2-413(3). (Director of Utilities Roy Virgin and Procurement Director Alicia Ayum).

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

Instructions for the Office of the City Clerk:

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 \$250,000 has been budgeted in the Utilities Capital Improvement Budget Account No. 410.55.800.533.000.606511.52016, entitled “Meter Repair and Replacement” (\$250,000 FY2021) .This is an annual program that is implemented on a continuing basis to make sure that these meters are providing an accurate readings. Both the City and the residents benefit from the accuracy of these meters.


Content:

- Agenda Item Memo from the City Manager to City Commission
- Resolution TR 7290
- 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: Vernon E. Hargray, City Manager 

BY: Roy L. Virgin, Ph.D., Director of Utilities

DATE: October 29, 2020

RE: Temp. Reso. No. 7290 Purchase of Water Meters and Associated Meter Parts

RECOMMENDATION: The City Manager recommends approval of Temp. Reso. No. 7290, for the purchase of water meters and associated meter parts from Sensus USA, in an amount not-to-exceed \$250,000, waiving the competitive bidding requirements in accordance with City Code Section 2-413(3) for Fiscal Year 2021 (FY21) and authorizing the City Manager to execute the agreement.

ISSUE: City Commission approval is required for the approval of purchases exceeding the \$75,000 in accordance with City Code Section 2-412(a)(1) and limiting and waiving the competitive bidding requirements in accordance with City Code Section 2-413(3).

BACKGROUND: The City of Miramar Utilities Department 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 34,075 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 order to ensure that every water 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.

In 1999, a City-wide 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 on-going Renewal and Replacement program.

In 2017, City Commission approved the transition from Automatic Meter Read (AMR) to Sensus FlexNet Advanced Metering Infrastructure (AMI) with the first Tower Gateway Basestation (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 this year, 2020.

As an ongoing water replacement program, the Utilities Department requests to purchase meter and meter parts as categorized in the following table:

Part Type	Quantity	Unit price	Anticipated Total
Reuse Meters	27	\$815.19 - \$7,829.44	\$39,466.14
Registers (Various Sizes)	3,033	\$53.56	\$162,447.48
Residential Meters	200	\$95.49	\$19,098.00
Commercial Meters	25	\$1,158.75	\$28,968.75
Total			\$249,980.37

DISCUSSION: Funding in the amount of \$250,000 is budgeted in the Utilities Capital Improvement Budget Account No. 410.55.800.533.000.606511.52016, entitled "Meter Repair and Replacement".

ANALYSIS: Meter reading accuracy is very important for an efficient Utility operation as it provides for more accurate billing process, more accurate water usage data, and increased revenue due to more accurate meter readings.

The City Manager recommends that the City Commission approve Temp. Reso. No.7090 for the purchase of water meters and associated meter parts, from Sensus USA as City Standard products, in an amount not to exceed \$250,000 for FY21, and the competitive bidding requirements for these products in accordance with City Code Section 2-413(3).

Temp. Reso. No. 7290
9/28/20
10/29/20

**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 FROM SENSUS USA, IN AN AMOUNT NOT-TO-EXCEED \$250,000.00; 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 ensure 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

WHEREAS, the City plans to purchase meters, registers and other miscellaneous parts in an amount not-to-exceed \$250,000 order to continuously repair and replace the failed units; and

Reso No. _____

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10/29/20

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

WHEREAS, the City Manager recommends approval of the purchase of water meters and associated meter parts, 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 \$250,000 for Fiscal Year 2021 (FY21).

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 \$250,000 for FY21 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.

Temp. Reso. No. 7290
9/28/20
10/29/20

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

PASSED AND ADOPTED this _____ day of _____, _____.

Mayor, Wayne M. Messam

Vice Mayor, Maxwell B. Chambers

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

Voted

Reso No. _____

September 21, 2020

City of Miramar, FL

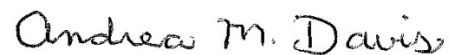
To Whom It May Concern:

Please be advised that Sensus, USA is the sole manufacturer and provider of Sensus' products including Water Meters, Meter Reading Systems, Testing Equipment, Software, System Support Programs and Repair Parts.

Thank you for your business, and we look forward to continuing to provide you with quality Sensus Products and superior customer service.

Please feel free to contact me at andrea.davis@xyleminc.com regarding this or any other matter.

Sincerely,



Andrea Davis
Sensus, a Xylem Brand
Sr. Director, Sales Enablement

City of Miramar
SOLE SOURCE/PRODUCT STANDARDIZATION JUSTIFICATION FORM

Requisition No.:	Department: Utilities
Recommended Vendor(s), if any: Sensus USA	Date: November 4, 2020
	Estimated Cost: Not to exceed \$250,000
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 \$ 250,000	
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 Meter division reads and services approximately 34,000 water meters City wide using Sensus meters and parts. For over 20 years, Sensus meters have been the product standardization of the City for water meters. The automated reading system is proprietary, which means that other meter systems are not compatible. Installing a new system for the entire City would be substantially higher cost.

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.)

For nearly 20 years, Sensus meters have been the product standardization of the City for water meters. Sensus is one of the largest meter and meter accessory suppliers in the US and around the world, and has many representatives and municipal customers in Florida. Since the City's meters are all Sensus products, if the product or service was not available through this vendor the meter Division would be unable to make repairs or replace water meters, and the automated reading system would not work with other meter manufacturer's product.

Complete for Sole Source and Product Standardization

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.)

The Meter Division is currently using Sensus meters and parts throughout the City and malfunctioning meters must be repaired and upgraded when damaged. Spare parts must be kept in inventory so that meters can be repaired in an immediate manner. Sensus is a sole source manufacturer of replacement parts for their meters which precludes using products from any other manufacturer.

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.)

Sensus is a 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 to convert the entire water meter and automated reading system to another company, which would be substantially higher cost than what is proposed.

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.)

Sensus USA's meters are the product standardization for the City for nearly 20 years. The materials and parts for the meters are incorporated into the City's Utility standards and substitutes are not accepted. Sensus can guarantee that their products are compatible with all existing meters and utility standards in the City because they are the original manufacturer and supplier.

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 survey was not conducted because the prices are quoted directly from the distributor and manufacturer. Sensus has also 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.

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 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?)

The Utilities Department will be obligated to purchase from this particular vendor in the future, due to using existing equipment specifications as provided by the current water meters.

City of Miramar
SOLE SOURCE/PRODUCT STANDARDIZATION JUSTIFICATION FORM

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

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 over 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 less than previous years due to the volume of meters being purchased. 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 2% 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.

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: September 30, 2020

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



Department Director Signature

10/28/2020

Date

For Procurement Department Use Only

This approval is effective for _____ 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

10/28/2020
 Date

**2021 Fiscal Year Line Items**

Quote#: 32250

Customer:

MIRAMAR CITY OF - AM
 13900 Pembroke Road
 Miramar, FL 33025
 Attn: Harry Morgan

Effective Date: 9/23/2020

Expiration Date: 10/1/2021

Line Item #:	Description	Quantity	UOM	Unit Price (\$)	Extended Price
1	MTR 5/8-3/4SRII ER+ TRPL 6' 4WHL5A 1000G LHP BTM/B ID=SN SMART DP/P	200	EA	\$ 95.49	\$ 19,098.00
2	MTR 2 OMNI T2 MNCS/T NDK P/1 5WHL4A 1000G AMR 20' ID=SN	18	EA	\$ 815.19	\$ 14,673.42
3	MTR 3 OMNI T2 MNCS/T NDK P/1 5WHL4A 1000G AMR 20' ID=SN	3	EA	\$ 1,015.83	\$ 3,047.49
4	MTR 4 OMNI T2 MNCS/T NDK P/10 6WHL3A 1000G AMR 20' ID=SN	4	EA	\$ 1,977.67	\$ 7,910.68
5	MTR 8 OMNI T2 MNCS/T NDK P/10 6WHL3A 1000G AMR 20' ID=SN	1	EA	\$ 6,005.11	\$ 6,005.11

6	MTR 10 OMNI T2 MNCS/T NDK P/10 6WHL3A 1000G AMR 20' ID=SN	1	EA	\$ 7,829.44	\$ 7,829.44
7	MTR 2 OMNI C2 MNCS/T P/1 5WHL4A 1000G AMR 20' ID=SN	25	EA	\$ 1,158.75	\$ 28,968.75
8	E-REG+ 5/8-3/4SRII TRPL 6' 4WHL5A 1000G SMART	3033	EA	\$ 53.56	\$ 162,447.48
				Total Subtotal Quote (\$)	\$ 249,980.37