

REQUEST FOR COUNCIL ACTION CITY OF SAN DIEGO	CERTIFICATE NUMBER (FOR COMPTROLLER'S USE ONLY) NA
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TO: CITY COUNCIL	FROM (ORIGINATING DEPARTMENT): Public Utilities	DATE: 6/9/2015
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SUBJECT: Authorization to Advertise and Award a Contract for the Purchase of Advanced Metering Infrastructure (AMI) Compatible Water Meters.

PRIMARY CONTACT (NAME, PHONE): Isam Hireish,(619) 527-7434 MS 43	SECONDARY CONTACT (NAME, PHONE): Tonia Carnell, (619) 527-7407 MS 43
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COMPLETE FOR ACCOUNTING PURPOSES

FUND					
FUNCTIONAL AREA					
COST CENTER					
GENERAL LEDGER ACCT					
WBS OR INTERNAL ORDER					
CAPITAL PROJECT No.					
AMOUNT	0.00	0.00	0.00	0.00	0.00



FUND					
FUNCTIONAL AREA					
COST CENTER					
GENERAL LEDGER ACCT					
WBS OR INTERNAL ORDER					
CAPITAL PROJECT No.					
AMOUNT	0.00	0.00	0.00	0.00	0.00

COST SUMMARY (IF APPLICABLE): Total estimated expenditure to purchase water meters to meet Advanced Metering Infrastructure (AMI) expansion and continue system repairs as needed:

\$4,100,000 FY 16
 \$6,700,000 FY 17
 \$5,000,000 FY 18
 \$1,000,000 FY 19
 \$1,000,000 FY 20

\$17,800,000 Total not to exceed Contract

ROUTING AND APPROVALS

CONTRIBUTORS/REVIEWERS:	APPROVING AUTHORITY	APPROVAL SIGNATURE	DATE SIGNED
Comptroller	ORIG DEPT.	Jones-Santos, Lee Ann	06/17/2015
Equal Opportunity Contracting	CFO		
Environmental Analysis	DEPUTY CHIEF	LoMedico, Stacey	06/25/2015

Financial Management		COO		
Liaison Office		CITY ATTORNEY	Palmucci, Ray	06/19/2015
		COUNCIL PRESIDENTS OFFICE		
PREPARATION OF:	<input checked="" type="checkbox"/> RESOLUTIONS	<input type="checkbox"/> ORDINANCE(S)	<input type="checkbox"/> AGREEMENT(S)	<input type="checkbox"/> DEED(S)
<p>1. Authorizing the Mayor, or designee, to execute a contract to the lowest responsible and reliable bidder, to furnish and deliver Advanced Metering Infrastructure (AMI) compatible water meters as needed for a not-to-exceed amount of \$17,800,000 over a term of five years; and</p> <p>2. Authorizing the Chief Financial Officer to expend an amount not to exceed \$17,800,000 over five years from Central Stores Revolving Fund 720040 for the purpose of funding the water meter contract, contingent upon adoption of the Annual Appropriation Ordinance for the applicable fiscal year, and contingent upon the City Comptroller first furnishing one or more certificates certifying that the funds necessary for expenditures are, or will be, on deposit with the City Treasurer.</p>				
STAFF RECOMMENDATIONS: Approve the resolution				
SPECIAL CONDITIONS (REFER TO A.R. 3.20 FOR INFORMATION ON COMPLETING THIS SECTION)				
COUNCIL DISTRICT(S):	Citywide			
COMMUNITY AREA(S):	Citywide			
ENVIRONMENTAL IMPACT:	This activity is not a "project" in accordance with CEQA Guidelines Section 15378(b)(2), and is therefore exempt from CEQA pursuant to the State Guidelines Section 15060(c)(3).			
CITY CLERK INSTRUCTIONS:				

COUNCIL ACTION
EXECUTIVE SUMMARY SHEET
CITY OF SAN DIEGO

DATE: 6/9/2015

ORIGINATING DEPARTMENT: Public Utilities

SUBJECT: Authorization to Advertise and Award a Contract for the Purchase of Advanced Metering Infrastructure (AMI) Compatible Water Meters.

COUNCIL DISTRICT(S): Citywide

CONTACT/PHONE NUMBER: Isam Hireish/(619) 527-7434 MS 43

DESCRIPTIVE SUMMARY OF ITEM:

This action will authorize the City to advertise and award a contract to furnish and deliver AMI compatible water meters in an amount not to exceed \$17,800,000 over a five year period. The material required that will be provided under this agreement is needed to replace failing or poor performing meters, and also to complete the expansion of the AMI program.

STAFF RECOMMENDATION:

Approve the resolution

EXECUTIVE SUMMARY OF ITEM BACKGROUND:

The Purchasing and Contracting Department (P&C) procures Advanced Metering Infrastructure (AMI) water meters in support of the Public Utilities Department through the Central Stores Inventory Fund. Purchasing and Contracting Department will be issuing a Request for Bid in accordance with the Muni Code to furnish the City of San Diego with Advanced Metering Infrastructure (AMI) water meters ranging in sizes from 3/4 inch up to 16 inches. The Bid process will result in a contract award based on low cost, product availability and response time per deliverable.

In conjunction with its water meter preventative maintenance program functions, Public Utilities Department will be continuing with the expansion of the AMI program. In 2013 Public Utilities Department began an AMI meter pilot program, which used radio-based technology to read water meters, thus eliminating the need for manual meters reads. At the end of the pilot program it was determined that the AMI meters provided a benefit to our customers because it provided customers with more detailed real-time data and better tools to conserve water. It also made the Public Utilities Department more efficient and cost-effective by reducing expenses. Thus the decision was made to replace all of the direct read meters with AMI meters. As a result, the department anticipates replacing a total of 126,407 Direct Read meters with AMI meters within the next three years (25,000 meters in Fiscal Year 2016, 57,000 meters in Fiscal Year 2017 and 44,000 meters in Fiscal Year 2018).

An award of a contract in the amount not to exceed \$17,800,000 would allow the anticipated expenditure of \$4,100,000 for FY16, \$6,700,000 for FY17, \$5,000,000 for FY18; and \$1,000,000 for each option year thereafter.

CITY STRATEGIC PLAN GOAL(S)/OBJECTIVE(S):

Goal # 1: Provide high quality public service

Objective # 4: Ensure equipment and technology are in place so that employees can achieve high quality public service.

Goal #2: Work in partnership with all of our communities to achieve safe and livable neighborhoods.

Objective #3: Invest in infrastructure

FISCAL CONSIDERATIONS:

The total not to exceed amount is \$17,800,000. Funds are, or will be available in Central Stores Revolving Fund 720040, contingent upon adoption of the Annual Appropriation Ordinance for the applicable fiscal year, and contingent upon the City Comptroller first furnishing one or more certificates certifying that the funds necessary for expenditures are, or will be, on deposit with the City Treasurer.

Public Utilities Department will purchase AMI meters from Central Stores on an as-required basis. Funds for these purchases will be available in Water Utility operating fund 700011, contingent upon adoption of the Annual Appropriation Ordinance for the applicable fiscal year.

Estimated expenditures are as follows:

\$4,100,000 FY 16

\$6,700,000 FY 17

\$5,000,000 FY 18

\$1,000,000 FY 19

\$1,000,000 FY 20

EQUAL OPPORTUNITY CONTRACTING INFORMATION:

Contracts or agreements associated with this action will be subject to the City's Equal Opportunity Contracting (San Diego Ordinance No. 18173, Section 22.2701 through 22.2708) and Non-Discrimination in Contracting Ordinance (San Diego Municipal Code Sections 22.3501 through 22.3517).

PREVIOUS COUNCIL and/or COMMITTEE ACTION:

N/A

COMMUNITY PARTICIPATION AND PUBLIC OUTREACH EFFORTS:

N/A

KEY STAKEHOLDERS AND PROJECTED IMPACTS:

N/A

Jones-Santos, Lee Ann
Originating Department

LoMedico, Stacey
Deputy Chief/Chief Operating Officer

RESOLUTION NUMBER R-_____

DATE OF FINAL PASSAGE _____

A RESOLUTION OF THE COUNCIL OF THE CITY OF
SAN DIEGO TO AUTHORIZE THE ADVERTISEMENT AND
AWARD OF A CONTRACT FOR THE PURCHASE OF
ADVANCED METERING INFRASTRUCTURE COMPATIBLE
WATER METERS.

WHEREAS, the Purchasing and Contracting Department (P&C) procures Advanced Metering Infrastructure (AMI) water meters in support of the Public Utilities Department through the Central Stores Inventory Fund; and

WHEREAS, P&C will be issuing a Request for Bid to furnish the City of San Diego with AMI water meters ranging in sizes from 3/4 inch up to 16 inches; and

WHEREAS, the Public Utilities Department anticipates replacing a total of 126,407 Direct Read meters with AMI meters within the next three years (25,000 meters in Fiscal Year 2016, 57,000 meters in Fiscal Year 2017 and 44,000 meters in Fiscal Year 2018); and

WHEREAS, an award of a contract in the amount not to exceed \$17,800,000 would allow the anticipated expenditure of \$4,100,000 for FY16, \$6,700,000 for FY17, \$5,000,000 for FY18 and \$1,000,000 for each option year thereafter; NOW, THEREFORE,

BE IT RESOLVED, by the Council of the City of San Diego, as follows:

1. That the Mayor, or his designee, is authorized to execute the contract, filed in the office of the City Clerk as Document No. _____, to the lowest responsible and reliable bidder, to furnish and deliver Advanced Metering Infrastructure compatible water meters as needed for a not-to exceed amount of \$17,800,000 over a term of five years; and

2. That the Chief Financial Officer is authorized to expend an amount not to exceed \$17,800,000 over five years from Central Stores Revolving Fund 720040 for the purpose of

funding the water meter contract, contingent upon adoption of the Annual Appropriation Ordinance for the applicable fiscal year, and contingent upon the City Comptroller first furnishing one or more certificates certifying that the funds necessary for expenditure are, or will be, on deposit with the City Treasurer.

3. That the City Comptroller is authorized, upon advice from the administering department, to transfer excess budgeted funds, if any, to the appropriate reserves.

APPROVED: JAN I. GOLDSMITH, City Attorney

By _____
Raymond C. Palmucci
Deputy City Attorney

RCP:mt
June 19, 2015
Or.Dept:Public Utilities
Doc. No.: 1046662

I certify that the foregoing Resolution was passed by the Council of the City of San Diego, at this meeting of _____.

ELIZABETH S. MALAND
City Clerk

By _____
Deputy City Clerk

Approved: _____
(date)

KEVIN L. FAULCONER, Mayor

Vetoed: _____
(date)

KEVIN L. FAULCONER, Mayor

DOCKET SUPPORTING INFORMATION
CITY OF SAN DIEGO
EQUAL OPPORTUNITY CONTRACTING EVALUATION

DATE:
June 18, 2015

SUBJECT: Authorization to Advertise and Award a Contract for the Purchase of Advanced Metering Infrastructure (AMI) Compatible

GENERAL CONTRACT INFORMATION

Recommended Contractor: TBD

Amount of this Action: \$17,800,000.00 (Not to Exceed)
\$ 4,100,000.00 (FY 2016)
\$ 6,700,000.00 (FY 2017, Option Year 1)
\$ 5,000,000.00 (FY 2018, Option Year 2)
\$ 1,000,000.00 (FY 2019, Option Year 3)
\$ 1,000,000.00 (FY 2020, Option Year 4)

Funding Source: City of San Diego

Goal: 20% Voluntary (SLBE/ELBE)

SUBCONTRACTOR PARTICIPATION

There is no subcontractor participation associated with this action.

EQUAL EMPLOYMENT OPPORTUNITY COMPLIANCE

Equal Opportunity: N/A

Contracts or agreements associated with this action will be subject to the City's Equal Opportunity Contracting (San Diego Ordinance No. 18173, Section 22.2701 through 22.2708) and Non-Discrimination in Contracting Ordinance (San Diego Municipal Code Sections 22.3501 through 22.3517).

ADDITIONAL COMMENTS

Central Stores Revolving Fund 720040

MM