

RESOLUTION NO. 2009-501

Adopted by the Sacramento City Council

July 28, 2009

AWARD CONTRACTS FOR WATER METER READING AUTOMATION SYSTEM

BACKGROUND:

- A. On February 19, 2008, the Department of Utilities (DOU), in conjunction with the Department of General Services (DGS) - Procurement Services Division, issued a Request for Proposals for the implementation services, software and hardware required to install a hybrid Water Meter Reading Automation (WMRA) solution supporting a Drive-By and fully automated Fixed Network Water Meter Reading system. Five proposals were received.
- B. In addition to the proposal evaluation process, that included site visits to three proposers' customers, City staff also tested two of the proposed solutions on a trial basis for a 3 month Proof of Concept period. At the conclusion of the proposal evaluation and Proof of Concept periods, Ferguson Waterworks' proposal was selected as the most responsive and cost-effective proposal that best meets the City's requirements for a two-way communication solution.
- C. Implementation of Ferguson Waterworks' WMRA solution requires approval of two professional service agreements, a software license and maintenance agreement, and a purchase contract for the hardware and equipment necessary to install and operate the WMRA system. Because this purchase contract was not separately competitively bid as a stand alone commodity, it is necessary for the City Council to suspend competitive bidding prior to awarding the contract, pursuant to City Code Section 3.56.230, which permits the City Council to suspend competitive bidding for the purchase of supplies if the Council determines that it is in the City's best interest to do so.
- D. It is in the best interest of the City to suspend competitive bidding for the purchase of the hardware and equipment necessary to install and operate the WMRA system because (1) the Ferguson Waterworks proposal that includes this hardware and equipment went through a rigorous competitive evaluation process that selected this proposal as the most responsive and cost-effective solution that best meets the City's needs for an automated water meter reading system, (2) the MOSAIC fixed network software necessary to implement the selected WMRA solution requires use of the proprietary hardware and equipment being purchased from Ferguson Waterworks, so this purchase is necessary to implement the preferred WMRA solution, and (3) the proposal including this hardware offers the City flexibility to fund and deploy the system at the City's pace, versus other proposed solutions that would require a large, up-front infrastructure investment.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:

- Section 1. The City Manager is authorized to sign a Professional Services Agreement with Ferguson Waterworks for software installation and training services, for a one year term in a total amount not to exceed \$35,000. This contract will be charged to the Water Meter Reading Project (Z14009300).
- Section 2. The City Manager is authorized to sign a Professional Services Agreement with Datamatic, LTD for web hosting services, for a two year term in a total amount not to exceed \$30,000. This contract will be charged to the Field Services Division operating budget.
- Section 3. The City Manager is authorized to sign a Software License and Maintenance Agreement with Datamatic, LTD., in a total amount not to exceed \$400,000. This contract will be charged to the Water Meter Reading Project (Z14009300).
- Section 4. In the best interests of the City, competitive bidding is suspended for the purchase of the hardware and equipment for the Water Meter Reading Automation System.
- Section 5. A purchase contract for the hardware and equipment for the Water Meter Reading Automation System is awarded to Ferguson Waterworks, for an initial five year term, with options for the City to extend the contract for a maximum of two additional five year terms, in a total amount not to exceed \$13,772,000 for the total 15 year term. This contract will be charged to the Water Meter Reading Projects (Z14009300, Z14010011, Z14010014, Z14010015 and Z14010017).

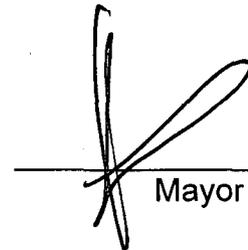
Adopted by the City of Sacramento City Council on July 28, 2009 by the following vote:

Ayes: Councilmembers Cohn, Fong, Hammond, McCarty, Pannell, Sheedy, Tretheway, Waters, and Mayor Johnson.

Noes: None.

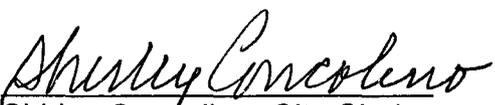
Abstain: None.

Absent: None.



Mayor Kevin Johnson

Attest:



Shirley Concolino
Shirley Concolino, City Clerk