

City of Sacramento

Legislation Text

File #: 2018-01572, **Version:** 1

Title:

Agreement: SmartCover® Water Monitoring Systems Maintenance (Two-Thirds Vote Required)

File ID: 2018-01572

Location: Citywide

Recommendation:

Pass a Motion authorizing the City Manager or the City Manager's designee to: 1) suspend competitive bidding in the best interests of the City; and 2) execute an Agreement with Hadronex, Inc., dba SmartCover® Systems, for SmartCover® Water Monitoring System Maintenance for a 5-year term beginning January 1, 2019 in an amount not to exceed \$245,000.

Contact: Tim Lloyd, Superintendent, (916) 808-4022; William Busath, Director of Utilities, (916) 808-1434; Stacy Larkin, Program Analyst, (916) 808-6356; Department of Utilities

Presenter: None

Attachments:

1-Description/Analysis

2-Agreement: Hadronex, Inc., dba SmartCover® Systems

Description/Analysis

Issue Detail: On October 22, 2013, the City Council suspended competitive bidding for the purchase of Hadronex SmartCover® Real Time Continuous Monitoring System for Manholes, which detect potential sanitary sewer overflows (SSOs) and combined sewer overflows (CSOs) through remote monitoring. Through this authority, the Department of Utilities (DOU) purchased and deployed 50 units along with maintenance coverage through December 31, 2018. This contract renews the maintenance agreement for all 50 units for a 5-year period beginning January 1, 2019 through December 31, 2023.

Policy Considerations: City Council approval is required for contracts of \$100,000 or more.

Economic Impacts: None.

Environmental Considerations: The Community Development Department, Environmental Services Manager has determined that the proposed activity is not a project pursuant to the California Environmental Quality Act (CEQA). CEQA Guidelines Section 15378(b). The activity is a continuing administrative or maintenance activity, such as the purchase of supplies and/or personnel-related actions and is not subject to CEQA. CEQA Guidelines Section 15060(c)(3).

Sustainability: This purchase is consistent with the 2035 General Plan and the goals and targets of the City's Sustainability Master Plan by furthering the goal of continuing to reduce sanitary sewer overflows.

Commission/Committee Action: Not Applicable

Rationale for Recommendation: City Code Section 3.56.230 allows the City Council to suspend competitive bidding with a two-thirds vote when the City Council determines that it is in the best interests of the City to do so. It is in the City's best interest to suspend competitive bidding for SmartCover® maintenance because the SmartCover® system is proprietary and Hadronex is the only supplier that can provide this service.

Financial Considerations: The SmartCover® Water Monitoring System Maintenance Agreement will have an estimated annual cost of \$49,000 per year with a maximum not-to-exceed amount of \$245,000 over the 5-year term.

There is sufficient funding available in the Sewer System Management Plan (SSMP) program (I14110100) and the Combined Sewer System (CSS) program (I14630200) to fully fund this contract. I14110100 will fund \$183,750 and I14630200 will fund \$61,250 of the total contract amount.

There are no impacts to the General Fund for this Agreement.

Local Business Enterprise (LBE): Hadronex, Inc. is not an LBE. The minimum LBE participation requirement is waived as there are no local suppliers for this service, and as the City has suspended competitive bidding and utilized an alternative procurement method.