



Legislation Text

File #: 21-0175, Version: 1

MOTION TO APPROVE, IN THE BEST INTEREST OF THE CITY, THE NEGOTIATED AGREEMENT BETWEEN THE CITY OF PEMBROKE PINES AND THE SOLE PROVIDER, SUNSTATE METER & SUPPLY, INC. FOR THE PURCHASE OF NEPTUNE WATER METERS, PARTS AND COMPONENTS, ON AN AS NEEDED BASIS FOR AN AMOUNT NOT TO EXCEED \$3,772,875 IN YEAR ONE (1), WHICH INCLUDES AN OWNERS CONTINGENCY AMOUNT OF \$146,448, FOR THE PURCHASE OF METERS 20-YEARS OLD OR OLDER AND ANNUAL METER REPLACEMENTS, \$720,130 IN YEAR TWO (2), FOR ANNUAL METER REPLACEMENTS, AND \$744,460 IN YEAR THREE (3) FOR ANNUAL METER REPLACEMENTS, PURSUANT TO SECTION 35.18(C)(8) OF THE CITY'S CODE OF ORDINANCES, AND TO APPROVE NEPTUNE WATER METERS AS A CITY STANDARD PURSUANT TO SECTION 35.18(C)(3) OF THE CITY'S CODE OF ORDINANCES.

PROCUREMENT PROCESS TAKEN:

- ***Chapter 35 of the City's Code of Ordinance is titled "PROCUREMENT PROCEDURES, PUBLIC FUNDS."***
- ***Section 35.18 of the City's Code of Ordinances is regarding "COMPETITIVE BIDDING OR COMPETITIVE PROPOSALS REQUIRED; EXCEPTIONS."***
- ***Section 35.18(C) states that "Only the following situations are exempt from the competitive bid and competitive proposal requirements of this section:"***
- ***Section 35.18(C)(3) states, "City Standard, single-source and sole-source commodities or services. City standard, single-source and sole-source commodities or services are exempt from competitive bidding."***
- ***Section 35.18(C)(8) states that "Purchases of and contracts for commodities or services are exempt from this section when the City Commission declares by a simple majority affirmative vote that the process of competitive bidding and competitive proposals is not in the best interest of the City. The City Commission shall make specific factual findings that support its determination, and such contracts may be placed on the City Commission consent agenda."***
- ***Section 35.21 of the City's Code of Ordinances is titled "AWARD OF CONTRACT."***
- ***Section 35.21(A) of the City's Code of Ordinances is titled "City Commission Approval."***
- ***Section 35.21(A)(1) of the City's Code of Ordinance states, "An initial purchase of, or contract for, commodities or services, in excess of \$25,000, shall require the approval of the City Commission, regardless of whether the competitive bidding or competitive proposal"***

procedures were followed."

SUMMARY EXPLANATION AND BACKGROUND:

1. The City of Pembroke Pines Utilities Division has been using residential water meters manufactured by Neptune Technology Group, Inc, which are AMR meters, AMI ready, for the past 3 years in it's annual meter replacement program through the Florida Neptune water meter sole provider, Sunstate Meter and Supply, Inc.
2. At this point in time, the City water meter inventory has approximately 20% Neptune AMR/AMI meters installed throughout the City through it's annual meter replacement program.
3. During the 2020-21 Budget Cycle, the City Commission approved the budget required to purchase enough water meters to replace those which are 20-years old and older. At the conclusion of this project, the City water meter inventory will be approximately 45% Neptune AMR/AMI meters.
4. The City Utilities Division has negotiated a meter pricing schedule with Sunstate Meter and Supply, Inc. which it determines to be fair, competitive, reasonable, and will not increase for the initial three (3) year period.
5. The City Utilities Division is recommending Neptune AMR/AMI water meters become the City Standard to provide for consistency, parts interchangeability and software compatibility reasons.
6. The Utilities Division believes it is in the Best Interest of the City to enter into a negotiated agreement with Sunstate Meter & Supply, Inc. for the purchase of Neptune Water Meters, Parts and Components on an as needed basis.
7. Below are the factual findings:
 - The Utilities Division has been using residential water meters manufactured by Neptune Technology Group, Inc, for the past 3 years in it's annual meter replacement program.
 - Utilizing the same meter provides for consistency, parts interchangeability and software compatibility reasons.
 - Neptune Technology Group, Inc., the manufacturer, has supplied a letter stating Sunstate Meter & Supply, Inc. is the only authorized Neptune distributor for resell in the State of Florida.
 - Sunstate Meter & Supply, Inc. will not increase for the initial three (3) year period.

- The meters are AMR meters, but are also AMI ready.

8. The negotiated agreement is for an initial three (3) year period with the option for two (2) one (1) year renewal periods. Prices may only increase after the initial three (3) year period by the appropriate Consumer Price Index (CPI).

9. The year one (1) contract amount of \$3,772,875 consists of \$3,096,875 for the purchase of 16,272 water meters pertaining to the Advertisement of PSUT-21-03 "20-Years Old or Older Water Meter Replacement Project" which is on a separate agenda item on tonight's April 7, 2021 Commission Meeting, and \$676,000 for the 2021 Meter Maintenance and Repair Annual Program. Additionally, the contract amount of \$720,130 in year two (2) is for the 2022 Meter Maintenance and Repair Annual Program, and the contract amount of \$744,460 in year three (3) is for the 2023 Meter Maintenance and Repair Annual Program.

10. Recommend City Commission to approve, in the Best Interest of the City, the negotiated agreement between the City of Pembroke Pines and the sole provider, Sunstate Meter & Supply, Inc. for the purchase of Neptune Water Meters, Parts and Components, on an as needed basis for an amount not to exceed \$3,772,875 in year one (1), which includes an owner's contingency amount of \$146,448, for the purchase of Meters 20-years old or older and annual meter replacements, \$720,130 in year two (2), for annual meter replacements and \$744,460 in year three (3) for annual meter replacements, pursuant to Section 35.18(C)(8) of the City's Code of Ordinances and to approve Neptune Water Meters as a City Standard pursuant to Section 35.18(C)(3) of the City's Code of Ordinances.

FINANCIAL IMPACT DETAIL:

a) Initial Cost: \$3,772,875

b) Amount budgeted for this item in Account No: Funding for the annual meter replacements is Available in Account No. 471-533-6032-552651-0000-000-0000 (Meters < than \$1,000) and funding for the purchase of Meters for the 20 Years Old or Older Meter Replacement Project is Available in Account No. 471-533-6032-664400-0000-000-0000 (Other Equipment).

c) Source of funding for difference, if not fully budgeted: Not Applicable

d) 5 year projection of the operational cost of the project:

	Year 1	Year 2	Year 3	Year 4	Year 5
Revenues	\$0	\$0	\$0	N/A	N/A
Expenditures	\$3,772,875	\$720,130	\$744,460	NA	NA
Net Cost	\$3,772,875	\$720,130	\$744,460	NA	NA

e) Detail of additional staff requirements: None