

STAFF REPORT

To: Coastside County Water District Board of Directors

From: Mary Rogren, Assistant General Manager

Agenda: August 8, 2017

Report

Date: August 4, 2017

Subject: Advanced Metering Infrastructure Project – Authorization to Purchase Meter Transmission Units, Badger Meters, and Meter Box Lids

Recommendation:

1. Authorize the General Manager to purchase remaining portion of Meter Transmission Units (MTUs) and services pursuant to and contemplated in the agreement with Aclara Technologies Inc. dated October 11, 2016 in an amount not to exceed \$600,000.
2. Determine that waiving the competitive bidding requirements of Resolution 2016-09 for the purchase of Badger ultrasonic meters is in the best interests of the District, and authorize the General Manager to proceed with sole-source procurement of Badger ultrasonic meters from National Meter and Automation, Inc. in an amount not to exceed \$550,000.
3. Determine that waiving the competitive bidding requirements of Resolution 2016-09 for the purchase of Nicor polymer meter box lids is in the best interests of the District, and authorize the General Manager to proceed with sole-source procurement of Nicor lids from National Meter and Automation, Inc. in an amount not to exceed \$125,000.

Background:

At the July 2016 Board Meeting, the Directors waived the requirement in the District's Policies and Procedures to solicit competitive bids and authorized the General Manager to proceed with procurement of MTUs, data collector units, and services for automated metering from Aclara Technologies LLC. In that same meeting, the Directors also waived the District's Policies and Procedures to solicit competitive bids and authorized the General Manager to contract for the purchase of Badger meters and meter box lids for the Fiscal Year 2016-2017 Meter Change Program in an amount not exceed \$300,000.

During Fiscal Year 2016-2017, the District launched the Meter Change and AMI Projects, successfully deployed the Aclara infrastructure, and installed 775 Badger ultrasonic meters and Aclara MTUs in an initial pilot phase. The District is now poised to

proceed with a District-wide implementation of its Meter Change and AMI Projects. Staff is therefore requesting authorization to proceed with purchasing the remaining quantities of Aclara MTUs, Badger Ultrasonic meters, and Nicor lids during Fiscal Year 2017-2018, as outlined below:

- 1) Staff is requesting authorization to proceed with purchasing the remaining quantities of Aclara MTUs during Fiscal Year 2017-2018 contemplated under the agreement signed with Aclara Technologies LLC on October 11, 2016. MTU pricing is as per our agreement with Aclara Technologies LLC.
- 2) The District would also like to proceed with purchasing the remaining quantities of Badger Ultrasonic Meters from National Meter and Automation, Inc. to cover the District-wide implementation. As noted in the Staff report dated July 12, 2016, District staff investigated ultrasonic meters available from the other meter manufacturers, and recommended Badger ultrasonic meters given their comparatively lower cost to other meters; slim size and ease of installation; demonstrated reliability; and the manufacturer's years of experience with ultrasonic meters. District staff is very pleased with the Badger meters installed to date. Staff would like to install a consistent brand of meter across the District to ensure consistent interfaces with our AMI and billing systems, and therefore recommends staying with the Badger ultrasonic meter for the District-wide implementation. Note that National Meter and Automation, Inc. is the designated distributor for Badger ultrasonic meters. We do not have an agreement with National Meter and Automation, Inc., however National is holding the prices quoted last year for the Badger meters.

Resolution 2016-09, which establishes the District's policies and procedures for award of contracts, requires soliciting sealed competitive bids when the estimated cost of the work will exceed \$30,000 for both construction contracts and contracts for the purchase of materials and supplies. Resolution 2016-09 authorizes the Board to waive these requirements when the Board determines it is in the best interest of the District to do so. Staff recommends that the Board determine that waiving the competitive bidding requirements of Resolution 2016-09 is in the best interests of the District and authorize the General Manager to proceed with purchasing of the remaining quantities of Badger Ultrasonic Meter from National Meter and Automation, Inc. for a not to exceed amount of \$550,000.

- 3) In addition, Staff is requesting that the Board determine that waiving the District's competitive bidding requirements of Resolution 2016-09 for the purchase of Nicor polymer meter box lids is also in the best interests of the District and authorize the

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General Manager to proceed with purchasing polymer lids from National Meter and Automation, Inc. in a not to exceed amount of \$125,000.

During our pilot phase, our staff investigated multiple options for lids that could be used in our current meter box configurations. Polymer lids are a specialty item, and our requirements include ensuring that we have the applicable drill holes for attaching an MTU. Our staff is confident that we found the lowest priced lids (Nicor) that match our required specifications. (Note that National Meter and Automation, Inc. is the designated Nicor supplier in our area.) Examples of pricing received on the closest alternate lids include:

Lid Size	Nicor (selected)		Armorcast (alternate)	
B9	\$	17.75	\$	52.75
B16	\$	27.25	\$	60.02
B3	\$	13.25	\$	35.60

Staff is reviewing alternatives for meter installation services, and will bring a recommendation to the Board for approval. Given purchasing lead times and product availability, staff would like to proceed with purchasing meters, lids, and MTUs.

Fiscal Impact:

A project status summary and financial projection follows below:

METER CHANGE & AUTOMATED METERING INFRASTRUCTURE PROJECTS - STATUS

Recap:	Meters & Lids		Aclara - Automated Metering Infrastructure		Meter Installation	
	Budget	Projected	Budget	Projected	Budget	Projected
FY 2016/17 CIP	\$ 300,000		\$ 300,000			
Project-to-date Spend through 7/31/17		\$ 277,000		\$ 283,000		
Open items:						
Aclara - Services (per agreement)				\$ 38,000		
MTUs (Remaining quantity 5,376)				\$ 553,000		
Meters		\$ 545,000				
Lids		\$ 125,000				
Meter Installation					\$ 375,000	
FY 2017/18 CIP	\$ 600,000		\$ 600,000		\$ 250,000	
TOTAL	<u>\$ 900,000</u>	<u>\$ 947,000</u>	<u>\$ 900,000</u>	<u>\$ 874,000</u>	<u>\$ 250,000</u>	<u>\$ 375,000</u>

The District's FY 2016/2017 CIP included \$600,000 for meters, lids, and the Aclara Automated Infrastructure, and an additional \$1,200,000 in FY 2017/2018.



NATIONAL

METER & AUTOMATION

QUOTATION

2250 Apollo Way #300
Santa Rosa, CA 95407
Phone: 707-575-0700
Fax: 707-575-3786

DATE: Friday, July 21, 2017
QUOTED BY: Dan Gilliam
REQUESTED BY: John Davis
PHONE:
EMAIL: jdavis@coastsidewater.org

BILL TO: Coastside County Water District
766 Main St
Half Moon Bay, CA 94019

SHIP TO: Coastside County Water District
766 Main St
Half Moon Bay, CA 94019

SALESPERSON	PAYMENT TERMS	SHIPPING METHOD	SHIPPING TERMS	SUBJECT TO REVIEW
KR	Net 30 Days	Best Way	Full Freight Allowed	9/19/2017

QTY	PRODUCT DESCRIPTION	UNIT PRICE	AMOUNT
4500	5/8"x3/4" E25 Polymer Ultrasonic Meter w/ Nicor Connector, CF	\$ 105.85	\$ 476,325.00
120	3/4"x9" E35 Polymer Ultrasonic Meter w/ Nicor Connector, CF	\$ 132.50	\$ 15,900.00
60	1" E55 Polymer Ultrasonic Meter w/ Nicor Connector, CF	\$ 149.25	\$ 8,955.00
	Pricing based on quoted quantities.		
	Freight included on orders of \$25,000 or more.		

Tax Rate: 8.75% San Mateo Cnty
Est. Lead Time: 4-6 Weeks

SUBTOTAL	\$ 501,180.00
SALES TAX	\$ 43,853.25
FREIGHT	FFA
TOTAL	\$ 545,033.25

THANK YOU FOR YOUR BUSINESS!!



NATIONAL

METER & AUTOMATION

QUOTATION

2250 Apollo Way #300
Santa Rosa, CA 95407
Phone: 707-575-0700
Fax: 707-575-3786

DATE: Thursday, April 6, 2017
QUOTED BY: Kathy Richards
REQUESTED BY: John Davis
PHONE: 650-726-4405
EMAIL: jdavis@coastsidewater.org

BILL TO: Coastside CWD
766 Main St.
Half Moon Bay, CA 94019

SHIP TO: same

SALESPERSON	PAYMENT TERMS	SHIPPING METHOD	SHIPPING TERMS	SUBJECT TO REVIEW
KR	Net 30 Days	Best Way	FOB factory	90 days

QTY	PRODUCT DESCRIPTION	UNIT PRICE	AMOUNT
4500	Nicor Read-Rite Polymer Replacement Lid fo B9X, Water & Coastside Logo, Hydrozone HD, Gray	\$ 17.75	\$ 79,875.00
700	Nicor Read-Rite Polymer Replacement Lid for B16, Water & Coastside Logo, Hydrozone HD, Gray	\$ 27.25	\$ 19,075.00
150	Nicor Read-Rite Polymer Replacement Lid for B3, Water & Coastside Logo, Hydrozone HD, Gray	\$ 13.25	\$ 1,987.50
200	Nicor Read-Rite Polymer Replacement Lid for 10x16 Oval, Water & Coastside Logo, Hydrozone HD, Gray	\$ 19.25	\$ 3,850.00
200	Nicor Read-Rite Polymer Replacement Lid for 7x13 Oval, Water & Coastside Logo, Hydrozone HD, Gray	\$ 13.25	\$ 2,650.00
	Pricing based on quoted quantities.		
	Freight included on orders of \$25,000 or more.		

Tax Rate: 8.75% San Mateo County
Est. Lead Time: 2-3 Weeks

SUBTOTAL	\$ 107,437.50
SALES TAX	\$ 9,400.78
FREIGHT	FFA
TOTAL	\$ 116,838.28

THANK YOU FOR YOUR BUSINESS!!



NATIONAL

METER & AUTOMATION

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Fax: 707-575-3786

DATE: Thursday, April 6, 2017
QUOTED BY: Kathy Richards
REQUESTED BY: John Davis
PHONE: 650-726-4405
EMAIL: jdavis@coastsidewater.org

BILL TO: Coastside CWD
766 Main St.
Half Moon Bay, CA 94019

SHIP TO: same

SALESPERSON	PAYMENT TERMS	SHIPPING METHOD	SHIPPING TERMS	SUBJECT TO REVIEW
KR	Net 30 Days	Best Way	FOB factory	90 days

QTY	PRODUCT DESCRIPTION	UNIT PRICE	AMOUNT
60	Nicor Read-Rite Polymer Replacement Lid fo B30, Water & Coastside Logo, Hydrozone HD, Gray	\$ 46.00	\$ 2,760.00
	Pricing based on quoted quantities.		
	Freight included on orders of \$25,000 or more.		

Tax Rate: 8.75% San Mateo County
Est. Lead Time: 2-3 Weeks

SUBTOTAL	\$ 2,760.00
SALES TAX	\$ 241.50
FREIGHT	FFA
TOTAL	\$ 3,001.50

THANK YOU FOR YOUR BUSINESS!!