

**City of Culver City, California
Agenda Item Report**

Meeting Date: <u>01/04/10</u>		Item Number: <u>A-1</u>	
CITY COUNCIL AGENDA ITEM: (1) Waiver of the Formal Competitive Bidding Process as Authorized by § 3.07.065 (A) & (D) of the Culver City Municipal Code and (2) Approval of the Purchase of Ten Smart Cover Sewer Monitoring and Alarm Systems from Plumbers Depot, Inc.			
Contact Person/Dept.: Eric Mirzaian/PW		Phone Number: (310) 253-6410	
Fiscal Impact: Yes ☒ No ☐		General Fund: Yes ☐ No ☒	
Public Hearing: ☐		Action Item: ☒ Attachments: ☒	
Commission Action Required: Yes ☐ No ☐ Date: _____			
Public Notification (E-mail) Meetings and Agendas – City Council (12/30/09)			
Department Approval: Charles D. Herbertson (12/22/09)		City Attorney Approval: Carol Schwab (by H. Baker) (12/28/09)	
Chief Financial Officer Approval: Mark Scott (by N. Kimball) (12/28/09)		City Manager Approval: Mark Scott (12/30/09)	
<u>RECOMMENDATION:</u> Staff recommends the City Council (1) waive the formal competitive bidding process as authorized by § 3.07.065 (A) & (D) of the Culver City Municipal Code and (2) approve the purchase of ten Smart Cover Sewer Monitoring and Alarm Systems (Smart Covers) from Plumbers Depot, Inc., in the amount of \$39,259.23. <u>BACKGROUND:</u> Smart Covers are sensor modules which are mounted under sewer manhole covers and sense sewage levels and send out alarms when the level exceeds a predetermined set point. The intention of the Smart Covers is to supplement the Supervisory Control and Data Acquisition (SCADA) System currently utilized by the Public Works Department to monitor many components of the City's seven sewer pump stations including: pump operations, wet and dry well levels, and electrical components. Should any of these components fail or reach a pre-determined warning threshold, the SCADA System will notify Public Works Staff via pagers and cell phones. Staff determined it would be effective to install Smart Covers as a separate independent back-up system that would notify Staff in the event of a SCADA System communications failure. In addition, the Smart Covers alert sewer maintenance staff of problems within the sewer system itself, such as sewer blockages, which are not related to pump station operation. Pursuant to authorization provided by the City Council, a total of 22 Smart Covers have been installed at various locations throughout the City. The Smart Covers have proven to be an inexpensive and dependable alert system and are an effective			

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back-up and enhancement to our existing SCADA System. Elevated sewage levels have been detected by the Smart Covers on a number of occasions since installation. This early detection allowed Public Works Staff to respond to and correct the problems before a sewer overflow occurred.

Several questions have been raised by a member of the public pertaining to the warranty, maintenance and potential network issues of the Smart Covers system. The Smart Covers are actually manufactured by Hadronex, Inc. and purchased through Plumbers Depot, Inc as a sole source vendor. The hold harmless language of the City's standard contract covers any negligence that can occur during installation by either Hadronex or Plumbers Depot. Additionally, equipment, workmanship and replacement parts are covered via a one-year warranty. Staff is currently in the process of reviewing an extended warranty option proposed by Hadronex. This is an option that can be added at a later time.

While neither Hadronex nor Plumbers Depot assume responsibility for loss of wireless communication or network failure, Public Works Staff will receive alarm notifications about the network loss via multiple data networks (and will be notified by Plumbers Depot directly), at which point Staff will inspect sewer lines at locations that have Smart Covers installed. It should be noted that the Smart Covers connect to numerous existing nationwide data networks simultaneously and are not dependent on just one network; thus reducing the chance of total communication loss.

Staff has begun to carry spare parts such as batteries and antennas and is capable of replacing these components without the services of Hadronex or Plumbers Depot. Most service/repair needs can be handled at the local level by either Public Works staff or Plumbers Depot (usually the same day). If the services of Hadronex are required, they can usually respond within 24 hours.

Many surrounding agencies including El Segundo, Hawthorne and Santa Monica are also using Smart Covers for the same purposes as Culver City and have acquired Smart Covers under the same terms and conditions as Culver City. The Hawthorne contract that was referred to during the December 14, 2009 City Council meeting is actually the extended warranty from Hadronex that is mentioned above. Staff was aware of the availability of this extended warranty and has received a proposal similar to the Hawthorne contract. At this time, staff is examining the extended warranty to determine if it represents a good value for the City. If the determination is made that it does, staff will return to the City Council with a separate agreement addressing the extended warranty.

DISCUSSION:

The Public Works Department has been implementing Smart Covers in small batches over the course of the past two years. At the time of the initial purchase,

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Staff determined that it would be in the best interest to test the functionality of this relatively new technology as a pilot program. Based on the successful results of the pilot program and the infrastructure needs of the City's sanitary sewer system, Staff identified other locations throughout the City to install Smart Covers. These additional ten locations when combined with the existing 22 smart manhole covers will bring the total number of units to 32 throughout the City. Staff believes that these 32 units will be sufficient to provide efficient citywide monitoring of the sewer system. Additionally, as existing problems with the sewer system are addressed, staff will redeploy the units to continue to provide coverage in areas that present the highest risk of sewer blockage and overflow.

Staff recommends that the formal competitive bidding process be waived per Culver City Municipal Code § 3.07.065 (A) & (D) since these additional Smart Covers will be components for equipment previously acquired by the City and due to the fact Smart Covers can currently be purchased only through Plumbers Depot, Inc. (a sole-source vendor). Accordingly, staff recommends that the City Council approve the purchase of ten additional Smart Covers from Plumbers Depot, Inc., in the amount of \$39,259.23.

FISCAL ANALYSIS:

Sufficient funding is available in the Capital Improvements Project P-521, Pump Station Improvements (20400521), to cover the requested purchase of ten Smart Covers at a cost of \$39,259.23. The price includes equipment, installation and annual monitoring for the first year. Subsequently, there will be recurring costs of \$300 per Smart Cover for annual monitoring. The ongoing annual monitoring costs are included in the Sewer Fund's annual operating budget (20466100). In addition to providing access to the wireless communication system, the monitoring costs also cover data access, technical support and the receiving of alarms.

ATTACHMENTS:

1. Quote from Plumbers Depot, Inc.

MOTION:

That the City Council:

1. Waive the formal competitive bidding process as authorized by § 3.07.065 (A) & (D) of the Municipal Code; and,
2. Approve the purchase of ten Smart Covers from Plumbers Depot, Inc. in the amount of \$39,259.23; and,

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3. Authorize the City Attorney to review/prepare the necessary documents and,
4. Authorize the City Manager to execute such documents on behalf of the City.