



October 18, 2016

HONORABLE MAYOR AND CITY COUNCIL  
City of Long Beach  
California

**RECOMMENDATION:**

Authorize the City Manager, or designee, to execute an amendment to Contract No. 33849 with Utility Partners of America, LLC, of Greenville, SC, to increase the contract amount by \$1,688,000, for a revised total amount not to exceed \$8,292,749, for the retrofit and/or replacement of existing Long Beach Gas and Oil (LBGO) gas meters to support the Advanced Metering Infrastructure project. (Citywide)

**DISCUSSION**

On June 10, 2014, the City Council awarded a contract to Utility Partners of America, LLC (UPA), in an amount not to exceed \$6,604,749, for the period of February 1, 2015 through December 31, 2017, to retrofit and/or replace existing LBGO gas meters to support the Advanced Metering Infrastructure (AMI) project that was authorized by City Council on the same date. The implementation of AMI included the installation and/or retrofit of approximately 150,000 gas meters throughout the cities of Long Beach and Signal Hill to new "smart" meters to electronically read customers' meters, thereby eliminating the need for a manual meter reading contract.

Since the contract was executed in 2015, LBGO and UPA staff have encountered field conditions requiring meter infrastructure enhancements beyond the AMI installation contract scope of work. The original contract called for the like-for-like exchange or retrofit of the current gas meters in the field, but did not include any rebuild work necessary to correct any potential meter infrastructure irregularities. LBGO does not have the resources to perform this work within the project timeline and is, therefore, requesting additional funding for UPA to complete the work on a time and material basis.

The additional field work is identified as:

- Meter Box – approximately 40 percent of the gas meters are housed in meter boxes. Many of these meter boxes were installed when the home was first built or at the request of the homeowner. The new smart point or meter may cause an obstruction that prevents the meter box from closing properly. Therefore, the meter needs to be reconfigured to fit into the box.

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- Regulator Replacements – approximately 5 percent of the gas meters require the regulator to be upgraded because they are obsolete. The newer regulators are a different size than the existing regulators, so they require repiping to accommodate the new regulators.
- Offset Swivels – approximately 5 percent of the gas meters being exchanged are old and use outdated offset swivels that are not compatible with the new smart meter. In order to exchange the meter, re-piping work is needed to fit the new meter.
- Curb Meters – there are approximately 150 gas meters located in underground vaults. These vaults need to be cleaned out and reconfigured before performing the field work. Additionally, some of these vaults are located in front of garages and private community streets requiring traffic control.

LBGO has determined it necessary to increase the project costs for UPA to account for these irregularities. LBGO is, therefore, requesting additional contract authority of \$1,688,000, increasing the total contract amount not to exceed \$8,292,749.

This matter was reviewed by Deputy City Attorney Richard F. Anthony on September 26, 2016 and by Revenue Management Officer Julissa José-Murray on September 23, 2016.

TIMING CONSIDERATIONS

City Council action is requested on October 18, 2016, to ensure the additional funds are in place expeditiously and to prevent any delay in completion of the AMI project.

FISCAL IMPACT

The recommended action will increase the contract cost by \$1,688,000, for a revised total amount not to exceed \$8,292,749. Sufficient funds for this contract are currently budgeted in the Gas Fund (EF 301) in the Long Beach Gas and Oil Department (GO). There is no local job impact associated with this recommendation.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



ROBERT DOWELL  
DIRECTOR OF LONG BEACH GAS AND OIL

APPROVED:

  
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PATRICK H. WEST  
CITY MANAGER