



June 11, 2013

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California**RECOMMENDATION:**

Adopt Specification No. RFP GO-13-031 and award a contract to Utiliworks Consulting, LLC, of Baton Rouge, LA, for technical consulting services related to the evaluation, design, and potential procurement and implementation of an Automated Meter Reading (AMR) System for the Department of Long Beach Gas and Oil for an amount not to exceed \$245,370. (Citywide)

DISCUSSION

City Council approval is requested to enter into a contract with Utiliworks Consulting, LLC, (Utiliworks) for consulting services related to the evaluation, design, and potential procurement and implementation of an Automated Meter Reading (AMR) System. Over the past several months, Long Beach Gas and Oil (LBGO) staff has conducted comprehensive feasibility analyses for replacing the existing manually-read metering systems for gas customers of LBGO. The review focused on deployment of an Automated Meter Reading (AMR) System and the associated costs. AMR Systems are rapidly becoming the national industry standard for electric, gas, and water utilities. Currently, all major gas and electric utilities statewide, including Southern California Edison, Southern California Gas Company, San Diego Gas and Electric, Pacific Gas and Electric, and numerous municipal utilities, such as the Los Angeles Department of Water and Power, have already replaced, or are in the process of replacing, their manually-read meters with AMR Systems. The primary reasons driving this change are improved metering efficiency, improved customer information, and reduced operational costs.

As the first formal step in determining the feasibility of deploying AMR in Long Beach, LBGO released, in February 2013, a Request For Proposal (RFP) for AMR Consulting Services. The scope of the RFP related to the provision of technical expertise in researching AMR options and preparing an analytical business case of the feasibility of AMR deployment in Long Beach, and then providing assistance with the preparation

HONORABLE MAYOR AND CITY COUNCIL

June 11, 2013

Page 2

and release of a subsequent RFP seeking potential qualified vendors capable of implementing an AMR System. Utiliworks will evaluate and summarize the RFP responses and provide recommendations to the City of what is technically and financially in the best interest of the City.

The bid proposal was advertised in the Press-Telegram on March 4, 2013 and was made available from the Purchasing Division at City Hall, and the Division's website at www.longbeach.gov/purchasing. The bid announcement was also included in the Purchasing Division's weekly update of Open Bid Opportunities, which is sent to 30 local, minority, and women-owned business groups. In total, 1,874 potential proposers were notified of the bid opportunity. Of those potential bidders, 27 downloaded the bids via the City's electronic bid system. Five proposals were received on March 21, 2013. Of those five bidders, none were Minority-owned Business Enterprises (MBEs), none were Women-owned Business Enterprises (WBEs), one was a certified Small Business Enterprise (SBE), and none were Long Beach businesses (Local).

A review of the five proposals submitted was conducted by a selection committee consisting of representatives from LBGO, Water, Technology Services, and Financial Management Departments. Of these five, three finalists were interviewed by the selection committee. The selection committee recommended Utiliworks as the proposer able to best meet the City's needs. The selection was based upon proposed cost, established technical criteria, demonstrated competence, and verification of references. Utiliworks also has extensive experience working with municipal utilities.

Local Business Outreach

In an effort to align with the City's outreach goal, Long Beach businesses are encouraged to submit bids for City contracts. The Purchasing Division assists businesses with registering on the Bids Online database to download bid specifications. Through outreach, 232 Long Beach vendors were notified to submit bids, of which three downloaded and none submitted a proposal. The Purchasing Division is committed to continuing to perform outreach to local vendors to expand the bidder pool.

This matter was reviewed by Deputy City Attorney Richard Anthony on May 16, 2013 and by Budget Manager Dennis Strachota on May 28, 2013.

TIMING CONSIDERATIONS

City Council action to adopt Specification No. RFP GO-13-031 and award a contract is requested on June 11, 2013 to ensure the AMR evaluation contract is in place expeditiously.

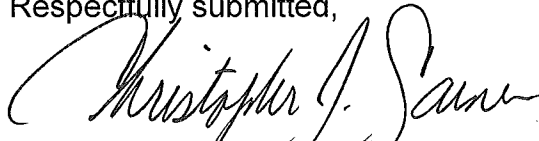
FISCAL IMPACT

The contract amount of no more than \$245,370 is budgeted in the Gas Fund (EF 301) and in the Department of Long Beach Gas and Oil (GO) to support this activity. The contract amount includes all phases of the RFP. There will be no fiscal impact to the General Fund and no additional job impact associated with the recommendation.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



CHRISTOPHER J. GARNER
DIRECTOR OF LONG BEACH GAS AND OIL



JOHN GROSS
DIRECTOR OF FINANCIAL MANAGEMENT

CJG:CAB:LAF:MK

APPROVED:



PATRICK H. WEST
CITY MANAGER