



July 21, 2015

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Adopt Resolutions authorizing the City Manager to execute contracts with Elster American Meter Company LLC, of Nebraska City, NE, and Meter, Valve & Control, of Alamo, CA, to furnish and deliver gas meters and other services and parts, without advertising for bids, in an aggregate amount not to exceed \$350,000 per year for a period of two years, with the option of renewing for one additional one-year period at the discretion of the City Manager. (Citywide)

DISCUSSION

City Council approval is requested to enter into contracts with Elster American Meter Company LLC (Elster), and Meter, Valve & Control (MVC), for furnishing and delivering meters and related equipment and services to be used by the Long Beach Gas and Oil Department (LBGO), in order to facilitate LBGO's Advanced Metering Infrastructure (AMI) project that was authorized by City Council on June 10, 2014. The implementation of AMI includes the installation and/or retrofit of approximately 150,000 gas meters. The requested contracts are for necessary miscellaneous parts associated with the meter work.

LBGO historically utilizes various sole source distributors for specific meter types and meter parts in its normal operations of the gas system. This is necessary due to the multiple types and manufacturers of meters currently in place throughout LBGO's utility system. Elster is the sole manufacturer and distributor of proprietary meters and regulators used for commercial customers, and MVC is the sole distributor of proprietary meter equipment used for light-duty commercial and residential customers. LBGO requests authorization to execute contracts with Elster and MVC to purchase meters, regulators, and miscellaneous parts to be used during the course of AMI project implementation.

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City Charter Section 1801 requires that contracts for City purchases be awarded to the lowest responsible bidder after a competitive bid process, but allows for awards without a competitive bid process if accompanied by a Resolution adopted by the City Council. Because each requested contract is the sole source supplier of the associated meter types, staff is requesting City Council's approval to adopt the necessary Resolutions.

This matter was reviewed by Deputy City Attorney Richard Anthony on July 1, 2015, and by Budget Management Officer Victoria Bell on June 30, 2015.

TIMING CONSIDERATIONS

City Council action to adopt the attached Resolutions and execute contracts concurrently is requested on July 21, 2015, to ensure that contracts are in place expeditiously and to prevent any delay in AMI project implementation.

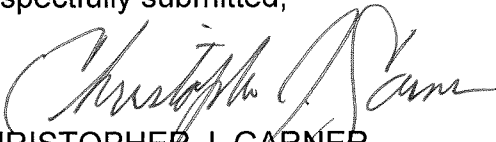
FISCAL IMPACT

The aggregate contract costs will not exceed \$350,000 per year, for a term of two years. Additional authority is requested for one optional one-year term at the discretion of the City Manager. The cost of these contracts is 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,




CHRISTOPHER J. GARNER
DIRECTOR OF LONG BEACH GAS AND OIL



JOHN GROSS
DIRECTOR OF FINANCIAL MANAGEMENT

Attachments

APPROVED:



PATRICK H. WEST
CITY MANAGER

OFFICE OF THE CITY ATTORNEY
CHARLES PARKIN, City Attorney
333 West Ocean Boulevard, 11th Floor
Lona Beach, CA 90802-4664

1 RESOLUTION NO.

2
3 A RESOLUTION OF THE CITY COUNCIL OF THE
4 CITY OF LONG BEACH AUTHORIZING THE CITY
5 MANAGER TO EXECUTE A CONTRACT WITH METER,
6 VALVE & CONTROL, INC., WITHOUT ADVERTISING FOR
7 BIDS, FOR FURNISHING AND DELIVERING GAS METERS
8 AND OTHER SERVICES AND PARTS FOR A PERIOD OF
9 TWO YEARS IN AN ANNUAL AMOUNT NOT TO EXCEED
10 \$200,000 WITH THE OPTION TO RENEW FOR ONE
11 ADDITIONAL ONE-YEAR PERIOD

12
13 WHEREAS, the Long Beach Gas & Oil Department ("LBGO") requires meters
14 and related equipment in conjunction with the Advanced Metering Infrastructure Project,
15 which includes the installation and/or retrofit of approximately 150,000 gas meters; and

16 WHEREAS, LBGO currently uses flow regulators and meters manufactured
17 by Meter, Valve & Control, Inc. ("MVC"); and

18 WHEREAS, MVC is the sole manufacturer and distributor of proprietary
19 meters and regulators used for light-duty commercial and residential customers; and

20 WHEREAS, no useful purpose would be served by advertising for bids for
21 MVC flow regulators and meters and to do so would constitute an idle and useless act and
22 an unnecessary expenditure of public funds;

23 NOW, THEREFORE, the City Council of the City of Long Beach resolves as
24 follows:

25 Section 1. The City Manager is hereby authorized to enter a contract,
26 without advertising for bids, with Meter, Valve & Control, Inc. for the purchase of flow
27 regulators and meters and other services and parts as may be required by the City for a
28 period of two (2) years in an annual amount not to exceed Two Hundred Thousand Dollars

OFFICE OF THE CITY ATTORNEY
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1 (\$200,000). The parties may, by mutual agreement, extend the term for one (1) additional
2 period of one (1) year. If the sole source status of Meter, Valve & Control, Inc., City shall
3 publicly bid instead of extending the contract.

4 Section 2. This resolution shall take effect immediately upon its adoption
5 by the City Council, and the City Clerk shall certify the vote adopting this resolution.

6 I hereby certify that the foregoing resolution was adopted by the City Council
7 of the City of Long Beach at its meeting of _____, 2015
8 by the following vote:

9
10 Ayes: Councilmembers: _____

11 _____

12 _____

13 _____

14 Noes: Councilmembers: _____

15 _____

16 Absent: Councilmembers: _____

17 _____

18 _____

19 _____

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City Clerk

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RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LONG BEACH AUTHORIZING THE CITY MANAGER TO EXECUTE A CONTRACT WITH ELSTER AMERICAN METER COMPANY, LLC, WITHOUT ADVERTISING FOR BIDS, FOR FURNISHING AND DELIVERING GAS METERS AND OTHER SERVICES AND PARTS FOR A PERIOD OF TWO YEARS IN AN ANNUAL AMOUNT NOT TO EXCEED \$150,000 WITH THE OPTION TO RENEW FOR ONE ADDITIONAL ONE-YEAR PERIOD

WHEREAS, the Long Beach Gas & Oil Department ("LBGO") requires meters and related equipment in conjunction with the Advanced Metering Infrastructure Project, which includes the installation and/or retrofit of approximately 150,000 gas meters; and

WHEREAS, LBGO currently uses flow regulators and meters manufactured by Elster American Meter Company, LLC ("Elster"); and

WHEREAS, Elster is the sole manufacturer and distributor of proprietary meters and regulators used for commercial customers; and

WHEREAS, no useful purpose would be served by advertising for bids for Elster flow regulators and meters and to do so would constitute an idle and useless act and an unnecessary expenditure of public funds;

NOW, THEREFORE, the City Council of the City of Long Beach resolves as follows:

Section 1. The City Manager is hereby authorized to enter a contract, without advertising for bids, with Elster American Meter Company, LLC for the purchase of flow regulators and meters and other services and parts as may be required by the City for a period of two (2) years in an annual amount not to exceed One Hundred Fifty Thousand

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1 Dollars (\$150,000). The parties may, by mutual agreement, extend the term for one (1)
2 additional period of one (1) year. If the sole source status of Elster American Meter
3 Company, LLC changes, City shall publicly bid instead of extending the contract.

4 Section 2. This resolution shall take effect immediately upon its adoption
5 by the City Council, and the City Clerk shall certify the vote adopting this resolution.

6 I hereby certify that the foregoing resolution was adopted by the City Council
7 of the City of Long Beach at its meeting of _____, 2015
8 by the following vote:

9
10 Ayes: Councilmembers: _____

11 _____

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13
14 Noes: Councilmembers: _____

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16 Absent: Councilmembers: _____

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