



CITY OF HUNTINGTON BEACH

Sole-Source Justification





(For use on all goods and services acquisitions.)

RECEIVED

OCT 26 2022

Finance Department

This justification document consists of two (2) pages. All information must be provided and all questions must be answered. The "Required Approvals" section must include a date for each signature, as appropriate for the transaction.

Requesting Department Information			
Date: October 10, 2022			
Requestor Name: Rudy Ocampo		Division Manager: Alvin Papa (Type names. Do not sign.)	
Department: Public Works		Department Head: Sean Crumby (Type names. Do not sign. Must be same as signature below.)	
Department Contact Information			
Contact Name: Rudy Ocampo		Street Address: 19001 Huntington Street, 92648	
Telephone: 714-536-5453			
Fax: 714-847-1067		Shipping Address: 19001 Huntington Street, 92648	
Cellular phone: 714-907-7409			
Required Contact Information			
Contractor/Supplier Name: ACLARA			
Contractor/Supplier Address: PO Box 207514			
Contractor/Supplier City/State/Zip: Dallas, TX 75320-7514			
Original Contract Amount:* \$2,500,000 (*Includes original contract and previously approved amendments)		Amendment Amount:* (if applicable) \$ (*Current amendment only)	
New Contract Amount:* \$250,000 annually (*Includes original contract and all amendments, including current amendment)			
Provide a brief description of the acquisition, including all goods and/or services the contractor will provide:			
Provide service and maintenance on Aclara RF Meter reading equipment, parts and service on said items, including purchase of replacement parts.			
Contract Type and Term			
Contract Type:		Contract Term:	
Select One: <input type="checkbox"/> Goods <input type="checkbox"/> Service <input checked="" type="checkbox"/> Goods & Services		Begin: 07/01/2007 End: N/A	
		What account number will be used to purchase? Business Unit: 50685805 Object Code: 84300	
Required Approvals			
Department Head		Finance Manager - Budget	
<input checked="" type="checkbox"/> Approved <input type="checkbox"/> Denied		<input checked="" type="checkbox"/> Approved <input type="checkbox"/> Denied	
			
Signature		Signature	
10/24/22		10/26/2022	
Date		Date	
		Chief Financial Officer	
		<input checked="" type="checkbox"/> Approved <input type="checkbox"/> Denied	
			
		Signature	
		10/26/2022	
		Date	
		Assistant City Manager	
		<input checked="" type="checkbox"/> Approved <input type="checkbox"/> Denied	
			
		Signature	
		10/28/2022	
		Date	
		(Transactions exceeding \$50,000 must be approved by City Council)	



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Complete responses must be provided for all of the following items.

A. THE GOOD/SERVICE REQUESTED IS RESTRICTED TO ONE SUPPLIER FOR THE REASONS STATED BELOW:

1. Why is the acquisition restricted to this goods/services/supplier?

(Explain why the acquisition cannot be competitively bid.)

Aclara Automated Infrastructure (AMI) software system and communication components are installed at each of the approximately 55,000 water service connection meters in the City. No other AMI system is compatible with Aclara

2. Provide the background of events leading to this acquisition.

The City began a pilot program to implement an Automated Meter Infrastructure (AMI) system in 2006. AMI provides a near continuous read of water usage from each customer's meter. This provides better accuracy of water usage amounts and also eliminates the need for the City to hire staff to manually read meters. Aclara was chosen as the vendor for the pilot program. The City recently completed a fifteen year program to convert all meters to AMI. However, the Aclara software does require an annual maintenance charge. Additionally, components do need to be replaced or repaired due to attrition.

3. Describe the uniqueness of the acquisition (why was the good/service/supplier chosen?).

Aclara is a proprietary software and and communications system that is not compatible with any other product.

4. What are the consequences of not purchasing the goods/services or contracting with the proposed supplier?

Parts from other vendors would not be compatible with the City's AMI system, nor would a different vendor be able to service Aclara parts/software. Likewise, it would be impossible to have different systems for different parts of the City due to the need to hire additional staff for each system and store parts for each system.

5. What market research was conducted to substantiate no competition, including evaluation of other items considered?

(Provide a narrative of your efforts to identify other similar or appropriate goods/services, including a summary of how the department concluded that such alternatives are either inappropriate or unavailable. The names and addresses of suppliers contacted and the reasons for not considering them must be included OR an explanation of why the survey or effort to identify other goods/services was not performed.)

ACLARA was selected when the City began the AMI pilot program in 2006 as they were one of the lead developers of AMI technology. The cost was considered fair and reasonable by City staff based on research done before beginning the pilot program. The City completed the conversion of its meter stock to AMI two years ago at considerable cost in both goods and staff time. Failing to continue to purchase Aclara parts would nullify this investment.

B. PRICE ANALYSIS

1. How was the price offered determined to be fair and reasonable?

(Explain what the basis was for comparison and include cost analyses as applicable.)

The cost of switching to a different system has not been thoroughly researched, but converting 55,000 meters to a different system would require a large investment of time and money.

2. Describe any cost savings realized or costs avoided by acquiring the goods/services from this supplier.

See above

Remit completed form to:

City of Huntington Beach – Purchasing Division
2000 Main Street, Huntington Beach, CA 92648-2702