

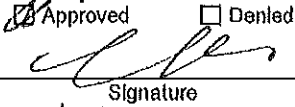
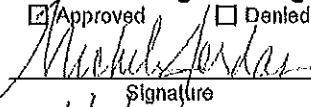

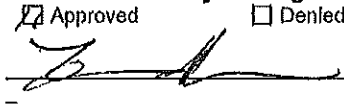


CITY OF HUNTINGTON BEACH

Sole-Source Justification

(For use on all goods and services acquisitions.)

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: June 3, 2025		
Requestor Name: Chris Davis	Division Manager: John Poehler (Type names. Do not sign.)	
Department: Public Works	Department Head: Chau Vu (Type names. Do not sign. Must be same as signature below.)	
Department Contact Information		
Contact Name: Mark Birchfield	Street Address: 19001 Huntington Street	
Telephone: 714-375-5041		
Fax: 714-847-1067	Shipping Address: 19001 Huntington Street	
Cellular phone: 714-329-2885		
Required Contact Information		
Contractor/Supplier Name: Hadronex Inc., dba SmartCover @ Systems)		
Contractor/Supplier Address: 2067 Wineridge Place, Suite E Escondido, CA		
Contractor/Supplier City/State/Zip: 92029		
Original Contract Amount:* \$100,000 (*Includes original contract and previously approved amendments)	Amendment Amount:* (if applicable) \$ (*Current amendment only)	New Contract Amount:* \$100,000 (*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:		
Contract Type and Term		
Contract Type:	Contract Term:	What account number will be used to purchase?
Select One: <input checked="" type="checkbox"/> Goods <input type="checkbox"/> Service <input type="checkbox"/> Goods & Services	Begin: 08/01/2025 End: 08/01/2029	Business Unit: 51185201 Object Code: 64620
Required Approvals		
Department Head <input checked="" type="checkbox"/> Approved <input type="checkbox"/> Denied  Signature 6/5/25 Date	Finance Manager - Budget <input checked="" type="checkbox"/> Approved <input type="checkbox"/> Denied  Signature 6/5/25 Date	Chief Financial Officer <input checked="" type="checkbox"/> Approved <input type="checkbox"/> Denied  Signature 6-9-25 Date
Assistant City Manager <input checked="" type="checkbox"/> Approved <input type="checkbox"/> Denied  Signature 6/11/25 Date (Transactions exceeding \$50,000 must be approved by City Council)		



CITY OF HUNTINGTON BEACH

Sole Source Justification

(For use on all goods and services acquisitions.)

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.)

Hadronex is the only supplier of manhole covers that provide remote data collection on the wastewater system via manhole cover hatch antenna. The smartcovers can be located at strategic points throughout the system and can mitigate potential Sanitary Sewer Overflows (SSOs) by providing warnings before system overflows.

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

The City has 31 smartcovers in the system. These have provided warnings of 20 potential SSOs.

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

As noted above, this is a unique and specialized tool in the wastewater industry that no other company is providing. Smartcovers provide warning of potential SSO to allow City staff to proactively correct a problem before it can impact the public health and safety.

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

Hadronex is the only supplier of smartcovers and the City already has 31 in the system. Without smartcovers, staff would not be aware of a potential SSO until after it has occurred. SSOs pose a significant threat to public health and safety, can cost tens of thousands of dollars in staff time and city resources for clean up and state reporting requirements, incur fines from the state and county health departments, and have major economic impacts to neighboring businesses and potential citywide economic impacts if an SSO causes a beach closure.

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.) Wastewater section staff keep abreast of industry standards and emerging technologies via networking with peers, industry conferences and journals. There currently is no similar technology available that performs this service.

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.)

As noted, there is no comparable technology. However, the cost of the smartcovers is far less than the potential costs of an SSO.

2. Describe any cost savings realized or costs avoided by acquiring the goods/services from this supplier.
Avoids costly clean up, mitigation and reputation damage by preventing SSOs.
Protects the public and the environment by avoiding SSOs.
Reduces employee risk by avoiding sending personnel to sites when not necessary.
Protection collection system asset life by avoiding unnecessary repairs.

Remit completed form to:

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



Budget Quote

Hadronex, Inc. DBA SmartCover Systems 2110 Enterprise Street Escondido, CA 92029 USA P: 760-291-1980 F: 760-291-1982	Due Date	Period Covered	Quote Number
	08/31/2025	09/01/2025-08/31/2026	00003551
Remit PO to orders@smartcoversystems.com or return this quote signed with PO number. Scan of PO is preferred.			

Bill To:		Ship To:		Date	07/29/2025	
Huntington Beach Waste Water Huntington Beach Waste Water 2000 Main Street Huntington Beach, CA 92648, USA		Huntington Beach Waste Water Huntington Beach Waste Water 19001 Huntington St Huntington Beach, CA 92648, USA				
#	Product	Description	Qty	Mo	Rate	Total
1	PW-5C1R	Renewal: Power Warranty: PARTS ONLY. 1 year rate. Date Covered: 8/9/2025-8/31/2026 12213 RD 337 #15 19913 PCH/Bluff Top S/O Seapoint 12214 RD 348 #14 20211 PCH/Bluff Top N/O Goldenwest 12215 RD 359 #10 913 PCH/9th street 12216 RD 359 #11 1315 PCH/13th street 12217 RD 348 #13 2205 PCH/22nd street 12218 RD 349 #12 1717 PCH/17th street	6	13	\$263.25	\$1,579.50
2	ASM-SC1R	Renewal: SmartLevel – REQUIRED for system to function. 1 Year rate. Date covered: 9/1/2025-8/31/2026 SIN Site 2495 RD 443 Adams E/O Beach MH 10756 2496 RD 174 Edgewater/Courtney MH 4355 2497 RD 164 Hell/Algonquin MH 2885 2498 RD 435 Pioneer W/O Wardlow MH 7974 2499 RD 423 Yorktown/Newhaven MH 7341 2500 RD 163 Humboldt/Ensign MH 3006 2622 RD 293 Ellis/Chalk MH 5859 2623 RD 443 Southport/S. New Britain MH 8752 2624 RD 163 Coral Cay/Marinabay MH 3904 3042 RD 446 Olympic/Big Bend MH 8391 3043 RD 151 Mariner/PCH MH 2200 3438 RD 163 Bolero/Baruna MH 3244 3439 RD 173 Harbour Pacific Apts./PCH MH 12846 3440 RD 152 Walrus/Aquarius MH 2353 3441 RD 154 Saybrook S/O Humboldt MH 13290 3442 RD 282 Reynolds Circle MH 5014 3891 RD 164 Morning Star/Edgewater MH 3147 3892 RD 176 Greenleaf/Kenilworth MH 4372 3893 RD 433 Flaxman/Cato MH 8094 3894 RD 167 Greenvew/Franmar MH 3413 3895 RD 436 Warburton W/O Havenhurst MH 7703 4547 RD 162 Malden/Peale MH 2875 4548 RD 437 Cutty Sark W/O Ranger MH 7879 4549 RD 453 Sunset Circle MH 9431 4550 RD 319 Ellis E/O Quarterhorse MH 12451 4551 RD 281 Central Park East MH 5206 7891 RD 152 Peters Landing/PCH MH 2743 7892 RD 149 Dawson/Gas Light MH 1664	37	12	\$430.00	\$15,910.00



Budget Quote

		7893 RD 446 Hot Springs/Running Springs MH 9059 7894 RD 177 Nordina/Almelo MH 4702 7895 RD 441 Farquhar Park/Main MH 8742 12213 RD 337 #15 19913 PCH/Bluff Top S/O Seapoint 12214 RD 348 #14 20211 PCH/Bluff Top N/O Goldenwest 12215 RD 359 #10 913 PCH/9th street 12216 RD 359 #11 1315 PCH/13th street 12217 RD 348 #13 2205 PCH/22nd street 12218 RD 349 #12 1717 PCH/17th street				
3	PW-5C1R	Renewal: Power Warranty: PARTS ONLY. 1 year rate. Date covered: 9/1/2025-8/31/2026 SIN Site 2495 RD 443 Adams E/O Beach MH 10756 2496 RD 174 Edgewater/Courtney MH 4355 2497 RD 164 Hell/Algonquin MH 2885 2498 RD 435 Pioneer W/O Wardlow MH 7974 2499 RD 423 Yorktown/Newhaven MH 7341 2500 RD 163 Humboldt/Ensign MH 3006 2622 RD 293 Ellis/Chalk MH 5859 2623 RD 443 Southport/S. New Britain MH 8752 2624 RD 163 Coral Cay/Marinabay MH 3904 3042 RD 446 Olympic/Big Bend MH 8391 3043 RD 151 Mariner/PCH MH 2200 3438 RD 163 Bolero/Baruna MH 3244 3439 RD 173 Harbour Pacific Apts./PCH MH 12846 3440 RD 152 Walrus/Aquarius MH 2353 3441 RD 154 Saybrook S/O Humboldt MH 13290 3442 RD 282 Reynolds Circle MH 5014 3891 RD 164 Morning Star/Edgewater MH 3147 3892 RD 176 Greenleaf/Kenilworth MH 4372 3893 RD 433 Flaxman/Cato MH 8094 3894 RD 167 Greenview/Franmar MH 3413 3895 RD 436 Warburton W/O Havenhurst MH 7703 4547 RD 162 Malden/Peale MH 2875 4548 RD 437 Cutty Sark W/O Ranger MH 7879 4549 RD 453 Sunset Circle MH 9431 4550 RD 319 Ellis E/O Quarterhorse MH 12451 4551 RD 281 Central Park East MH 5206 7891 RD 152 Peters Landing/PCH MH 2743 7892 RD 149 Dawson/Gas Light MH 1664 7893 RD 446 Hot Springs/Running Springs MH 9059 7894 RD 177 Nordina/Almelo MH 4702 7895 RD 441 Farquhar Park/Main MH 8742 12213 RD 337 #15 19913 PCH/Bluff Top S/O Seapoint 12214 RD 348 #14 20211 PCH/Bluff Top N/O Goldenwest 12215 RD 359 #10 913 PCH/9th street 12216 RD 359 #11 1315 PCH/13th street 12217 RD 348 #13 2205 PCH/22nd street 12218 RD 349 #12 1717 PCH/17th street	31	12	\$243.00	\$7,533.00
4	EW-SC1R	Renewal: System Warranty- Covers all systems parts except PowerPack- PARTS ONLY. 1 year rate. Date covered: 9/1/2025-8/31/2026	37	12	\$488.00	\$18,056.00



Budget Quote

		SIN Site 2495 RD 443 Adams E/O Beach MH 10756 2496 RD 174 Edgewater/Courtney MH 4355 2497 RD 164 Heil/Algonquin MH 2885 2498 RD 435 Pioneer W/O Wardlow MH 7974 2499 RD 423 Yorktown/Newhaven MH 7341 2500 RD 163 Humboldt/Ensign MH 3006 2622 RD 293 Ellis/Chalk MH 5859 2623 RD 443 Southport/S. New Britain MH 8752 2624 RD 163 Coral Cay/Marinabay MH 3904 3042 RD 446 Olympic/Big Bend MH 8391 3043 RD 151 Mariner/PCH MH 2200 3438 RD 163 Bolero/Baruna MH 3244 3439 RD 173 Harbour Pacific Apts./PCH MH 12846 3440 RD 152 Walrus/Aquarius MH 2353 3441 RD 154 Saybrook S/O Humboldt MH 13290 3442 RD 282 Reynolds Circle MH 5014 3891 RD 164 Morning Star/Edgewater MH 3147 3892 RD 176 Greenleaf/Kenilworth MH 4372 3893 RD 433 Flaxman/Cato MH 8094 3894 RD 167 Greenview/Franmar MH 3413 3895 RD 436 Warburton W/O Havenhurst MH 7703 4547 RD 162 Malden/Peale MH 2875 4548 RD 437 Cutty Sark W/O Ranger MH 7879 4549 RD 453 Sunset Circle MH 9431 4550 RD 319 Ellis E/O Quarterhorse MH 12451 4551 RD 281 Central Park East MH 5206 7891 RD 152 Peters Landing/PCH MH 2743 7892 RD 149 Dawson/Gas Light MH 1664 7893 RD 446 Hot Springs/Running Springs MH 9059 7894 RD 177 Nordina/Almelo MH 4702 7895 RD 441 Farquhar Park/Main MH 8742 12213 RD 337 #15 19913 PCH/Bluff Top S/O Seapoint 12214 RD 348 #14 20211 PCH/Bluff Top N/O Goldenwest 12215 RD 359 #10 913 PCH/9th street 12216 RD 359 #11 1315 PCH/13th street 12217 RD 348 #13 2205 PCH/22nd street 12218 RD 349 #12 1717 PCH/17th street				
5	Extended Warranty Labor	Labor services for onsite visits during coverage period. Level, FLOE, Vault per site Date covered: 9/1/2025-8/31/2026 SIN Site 2495 RD 443 Adams E/O Beach MH 10756 2496 RD 174 Edgewater/Courtney MH 4355 2497 RD 164 Heil/Algonquin MH 2885 2498 RD 435 Pioneer W/O Wardlow MH 7974 2499 RD 423 Yorktown/Newhaven MH 7341 2500 RD 163 Humboldt/Ensign MH 3006 2622 RD 293 Ellis/Chalk MH 5859 2623 RD 443 Southport/S. New Britain MH 8752 2624 RD 163 Coral Cay/Marinabay MH 3904 3042 RD 446 Olympic/Big Bend MH 8391 3043 RD 151 Mariner/PCH MH 2200 3438 RD 163 Bolero/Baruna MH 3244 3439 RD 173 Harbour Pacific Apts./PCH MH 12846 3440 RD 152 Walrus/Aquarius MH 2353	37	12	\$650.00	\$24,050.00



Budget Quote

		3441	RD 154 Saybrook S/O Humboldt MH 13290				
		3442	RD 282 Reynolds Circle MH 5014				
		3891	RD 164 Morning Star/Edgewater MH 3147				
		3892	RD 176 Greenleaf/Kenilworth MH 4372				
		3893	RD 433 Flaxman/Cato MH 8094				
		3894	RD 167 Greenvew/Franmar MH 3413				
		3895	RD 436 Warburton W/O Havenhurst MH 7703				
		4547	RD 162 Malden/Peale MH 2875				
		4548	RD 437 Cutty Sark W/O Ranger MH 7879				
		4549	RD 453 Sunset Circle MH 9431				
		4550	RD 319 Ellis E/O Quarterhorse MH 12451				
		4551	RD 281 Central Park East MH 5206				
		7891	RD 152 Peters Landing/PCH MH 2743				
		7892	RD 149 Dawson/Gas Light MH 1664				
		7893	RD 446 Hot Springs/Running Springs MH 9059				
		7894	RD 177 Nordina/Almelo MH 4702				
		7895	RD 441 Farquhar Park/Main MH 8742				
		12213	RD 337 #15 19913 PCH/Bluff Top S/O Seapoint				
		12214	RD 348 #14 20211 PCH/Bluff Top N/O Goldenwest				
		12215	RD 359 #10 913 PCH/9th street				
		12216	RD 359 #11 1315 PCH/13th street				
		12217	RD 348 #13 2205 PCH/22nd street				
		12218	RD 349 #12 1717 PCH/17th street				



Budget Quote

Terms and Conditions for this transaction:

1. Invoices shall be paid within thirty (30) days of the invoice date.
2. All applicable taxes must be added to prices offered.
3. Prices are FOB Factory. Shipping costs can be calculated and added to the offer.
4. All paid warranties and Active Site Management (ASM) services begin on the date of shipment.
5. Returns are accepted only with a valid Return Material Authorization (RMA) number. Please contact SmartCover Customer Service for an RMA number.
6. Loss of Communications: Customer acknowledges that SmartCover is not responsible for the loss of wireless communication, internet communications, or any communications used in the operation of this system.
7. Advisory Only: SmartCover is an advisory service only. As such, SmartCover is not responsible for any damage of any kind or from any cause whatsoever that may result from, in relation to, in connection with, due to, or as a result of the installation or operation of the system, including without limitation, equipment failure, or any consequential damages caused by, or resulting from, the use or installation of the SmartCover system.
8. Traffic Control: SmartCover does not provide traffic control. The customer must provide traffic control for the installation and servicing of all units.
9. This offer is made subject to the terms and conditions that can be found here: <https://smartcoversystems.com/wp-content/uploads/2025/04/smartcover-terms-conditions.pdf>

Signature for Approval _____

P.O. No. _____

We appreciate your business!

Subtotal	\$67,128.50
Tax	\$0.00
Total	\$67,128.50



Real-Time Satellite Remote Infrastructure Monitoring Solutions

SmartCover® Renewals

What do you receive with your ongoing services?

Active Site Management (ASM) – Required

Active Site Management, a comprehensive service required for remote operation of the SmartCover system, includes the following:

- Two-way communication via Iridium satellite network (i.e. NOT cell based).
- Technical support via phone (855-291-1980), live chat from 7:00 AM to 5:00 PM PT.
- Secure password protected cloud-based software with unlimited data hosting.
- Maintenance of all cloud-based software with regular feature updates and upgrades.
- Automated notifications for Alarms, Advisories and Alerts via email and/or text message.
- System operations and performance monitoring including battery voltage, radio signal strength, and two-way communication.
- Access to analytical tools for evaluating data trends, inflow infiltration, detecting blockages, potential overflows, and areas with odor issues, among others.
- Free IOS and Android mobile app for all users.

Warranty Services – Options

SmartCover offers an evergreen option with comprehensive warranties covering system components, batteries and onsite labor, regardless of the age of your installed systems. This ensures ongoing operation throughout the year without additional orders, POs, taxes or freight costs. Components are replaced free of charge as determined by the Customer Service Team, with SmartCover covering ground freight. The customer is responsible for monitoring their alerts/alarms/advisories and contacting SmartCover for all warranties. SmartCover coordinates all parts replacements for each specific site upon contacting the Customer Service Team, 855-291-1980 x1, customerservice@smartcoversystems.com.

Extended System Parts Warranty (parts only)

The standard Extended Warranty covers the following products:

- SmartCover® E-Box (System Controller)
- Sensor & Cable (e.g. SubSonic®, H2Scents®, etc.)
- Antenna (E-square, E-Dot or Helical)
- Bracket (Complete)

PowerPack Parts Warranty (parts only)

The PowerPack extended warranty covers the replacement of the PowerPack, including ground freight charges. Disposal of used batteries is the customer's responsibility.

Extended Labor Warranty (onsite labor)

This covers onsite labor for routine maintenance for all sites. Scheduling service dates will be coordinated by our customer service group. Please call 855-291-1980 x1 or customerservice@smartcoversystems.com. We are happy to assist you with new installations or relocations with a separate quote. Cost and availability vary by client location.

Exclusions may apply. Damage from acts of nature, misuse, lack of maintenance, vandalism, or unauthorized repair may not be covered under warranties. Warranties do not apply for relocations and modified installations. **All units in your fleet must be covered for all warranty coverage options**, labor costs are not included with System Parts and PowerPack warranty replacement coverage.

