

# REQUEST FOR COUNCIL ACTION



CITY COUNCIL MEETING DATE:

DECEMBER 1 , 2020

TITLE:

**APPROVE AN APPROPRIATION  
ADJUSTMENT AND AN INCREASE IN THE  
PURCHASE ORDER AMOUNT WITH BIG  
BEN ENGINEERING INC., KANA  
SUBSURFACE ENGINEERING, AND T.E.  
ROBERTS, INC., FOR WATER METER  
VAULT REPLACEMENTS IN THE SHARED  
AMOUNT OF \$1,575,000, FOR A REVISED  
TOTAL ANNUAL AGGREGATE AMOUNT  
NOT TO EXCEED \$2,000,000, AND EXTEND  
THE TERM BY SIX MONTHS  
(SPECIFICATION NO. 16-104)  
(NON-GENERAL FUND)**

/s/ Kristine Ridge

CITY MANAGER

CLERK OF COUNCIL USE ONLY:

APPROVED

- ☐ As Recommended
- ☐ As Amended
- ☐ Ordinance on 1<sup>st</sup> Reading
- ☐ Ordinance on 2<sup>nd</sup> Reading
- ☐ Implementing Resolution
- ☐ Set Public Hearing For \_\_\_\_\_

CONTINUED TO \_\_\_\_\_

FILE NUMBER \_\_\_\_\_

## **RECOMMENDED ACTION**

1. Approve an appropriation adjustment recognizing \$575,000 of prior year fund balance in the Water Fund, Public Works Water Revenue account and appropriate same into the Water Meter Services, Contract Services-Professional expenditure account.
2. Authorize the City Manager to approve an increase to the blanket order contract with Big Ben Engineering Inc., Kana Subsurface Engineering and T.E. Roberts, Inc., for water meter vault replacement services in the shared amount of \$1,575,000, for a revised annual aggregate amount not to exceed \$2,000,000, and extend the contract term by six months, from October 31, 2021 to April 30, 2022.

## **DISCUSSION**

On October 18, 2016, at the conclusion of a competitive bid process, the City Council approved a three-year purchase order contract with Big Ben Engineering Inc., Kana Subsurface Engineering and T.E. Roberts, Inc., with provision for a two-year renewal option, to provide on-call water meter vault replacement services. The original purchase order contract was awarded in an annual aggregate amount not to exceed \$425,000, and the final two-year renewal option has been exercised. The contract allows the Public Works Agency – Water Resources Division (Division) to replace or repair water meter vaults and vault decks, and continues to be used as part of the Division's annual maintenance and operations routine to ensure that meter vaults are safe for City staff to access and for the public to walk over.

On November 17, 2020, City Council approved the City's implementation of the Automated Metering Infrastructure (AMI) Project, which will replace the City's approximately 45,000 water meters with smart meters. In order to provide for the successful execution of the AMI Project, the Division will need to improve several existing meter vaults prior to the installation of the smart meters. To date, the Division has identified over 60 vaults that will need to be repaired or improved. The existing contract does not have sufficient funding, nor is the term long enough, to meet these demands.

Staff recommends amending the existing purchase order contracts with Big Ben Engineering Inc., Kana Subsurface Engineering and T.E. Roberts, Inc., to enable the Division to meet the increased demand for water meter vault replacements by extending the contract by six months to April 30, 2022, and increasing the total aggregate spending limit by \$1,575,000, resulting in a new aggregate limit of \$2,000,000.

### **FISCAL IMPACT**

The current contract approved annual expenditures of \$425,000 for Fiscal Year 2020-21 as an annual amount. Approval of the appropriation adjustment will recognize \$575,000 of prior fund balance in the Public Works Water Revenue, Prior Year Carry Forward revenue account (No. 06017002-50001) and appropriate same into the Water Meter Services, Contract Services-Professional expenditure account (No. 06017646-62300) to fund the FY 2020-21 portion of the requested amendment amount. The requested amendment and appropriation adjustment will increase the annual expenditure amount for the contract by \$575,000 for FY 2020-21, and \$1,000,000 will be included in the proposed budget for FY 2021-22. Funds will be expended as shown in the table below.

<b>Fiscal Year</b>	<b>Accounting Unit – Account #</b>	<b>Fund Description</b>	<b>Accounting Unit, Account Description</b>	<b>Amount</b>
<b>Current Annual Contract</b>				
FY 2020-21 (July 2020-Nov 2020)	06017646-62300	Water	Water Meter Services, Contract Services- Professional	\$425,000
<b>Requested Amendment</b>				
FY 2020-21 (Dec 2020-June 2021)	06017646-62300	Water	Water Meter Services, Contract Services- Professional	\$575,000
FY 2021-22 (July 2021-April 2022)	06017646-62300	Water	Water Meter Services, Contract Services- Professional	\$1,000,000
<b>Total:</b>				<b>\$2,000,000</b>

Fiscal Impact Verified By: Kathryn Downs, CPA, Executive Director – Finance and Management Services Agency

Submitted By: Nabil Saba, P.E., Executive Director – Public Works Agency