

RESOLUTION NO. _____ (CM)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WATSONVILLE APPROVING SOLE SOURCE PURCHASE WITH AQUA-METRIC SALES COMPANY, AN AFFILIATE OF THIRKETTLE CORPORATION, FOR THE PURCHASE OF WATER METER READING EQUIPMENT AND SERVICES, IN AN AMOUNT NOT TO EXCEED \$650,000 FOR THREE YEARS; AND AUTHORIZING THE CITY MANAGER PRO TEMPORE TO EXECUTE A SERVICES AND PURCHASING AGREEMENT (FUNDED FROM THE WATER ENTERPRISE FUND)

WHEREAS, competitive bidding requirements for the purchase of supplies, equipment and non-personal contractual services and the sale of personal property are set forth in Chapter 5 (Purchasing Procedures) of Title 3 (Finance) of the Watsonville Municipal Code; and

WHEREAS, the City uses Sensus USA, Inc., as the vendor for the City's Advanced Metering Infrastructure (AMI) water meter reading system; and

WHEREAS, subdivision (c) of § 3-5.210 exempts purchase requirements of supplies and materials which are unique, available only from one source, or sought to match existing equipment or supplies already in use (also known as a sole source purchase) and subdivision (d) of § 3-5.210 exempts purchase requirements where "equipment, supplies or nonprofessional services have been uniformly adopted or otherwise standardized in the City. In this case, evidence for the standardization shall be documented and maintained as a public record and approved by the Purchasing Officer before the purchase and then at least once every five (5) years"; and

WHEREAS, the Sensus Flexnet AMI are only available from one source-an authorized Sensus USA Inc. vendor and the only authorized vendor in Northern California is Aqua-Metric. It is important that the remaining 4,600 water meters that need

to be installed use equipment and parts consistent with all of the other water meters so that the City can develop standards for maintenance and repairs; and

WHEREAS, with the proposed purchase of water meter reading equipment and services, staff will update 4,600 water meters to modern standards over the next three years.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF WATSONVILLE, CALIFORNIA, AS FOLLOWS:

1. This action is exempt from the requirements of the California Environmental Quality Act (CEQA) in accordance with CEQA Guidelines Section 15378(b)(5), in that adopting a Resolution approving a sole source purchase for water meter reading equipment and services does not meet CEQA's definition of a "project," because the action does not have the potential for resulting in either a direct physical change in the environment or a reasonably foreseeable indirect physical change in the environment, and because the action constitutes organizational or administrative activities of governments that will not result in direct or indirect physical changes in the environment and if a "project," is exempt under the "common sense" exception (14 Cal. Code Regs. § 15061(b)(3)) because it can be seen with certainty that there is no possibility that this action may have a significant effect on the environment.

2. The Council finds that the purchase of water meter reading equipment and services from Aqua-Metric Sales Company is available from one source that meets the needs of the City (also known as a sole source purchase).

3. This purchase is exempt from the purchasing procedures of Chapter 5 of Title 3 of the Municipal Code as a sole source purchase under subdivisions (c) and (d) of § 3-5.210 of the Municipal Code.

4. That the Council hereby approves the Master Services and Purchasing Agreement between the City of Watsonville and for the purchase of water meter reading equipment and services from Aqua-Metric Sales Company, in an amount not to exceed \$650,000 for 2021 - 2023.

5. That the City Manager Pro Tempore is hereby authorized and directed to execute said Agreement for and on behalf of the City of Watsonville in the form attached hereto and incorporated herein by this reference, with minor revisions that may be approved by the City Manager Pro Tempore and the City Attorney.
