

Council Meeting of
July 19, 2011

Honorable Mayor and Members
of the Torrance City Council
City Hall
Torrance, California

Members of the Council:

**SUBJECT: General Services and Public Works – Authorize change order
for Neptune Brand water meters.**

Expenditure: Not Applicable

RECOMMENDATION

Recommendation of the General Services Director and the Public Works Director that City Council authorize a change order to existing sole source purchase order (P.O. # 2011-01) with Measurement Control Systems, Inc. of Santa Ana, CA, extending the term of service to August 14, 2011 for Neptune Brand water meters.

Funding

Not Applicable

BACKGROUND/ANALYSIS

On May 4, 2010 your Honorable Body authorized award of a sole-source purchase order to Measurement Control Systems, Inc., to furnish Neptune brand water meters to the city on an as requested basis. The term of service authorized began July 1, 2010 and ended June 30, 2011. The not to exceed expenditure approved by the City Council was \$397,000.

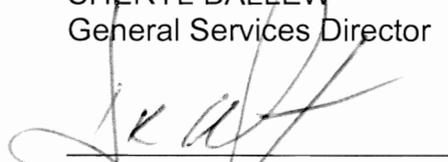
As staff was recently preparing to come before your Honorable Body to request another annual sole-source purchasing agreement for these water meters, Neptune Technology, Inc. suddenly announced that it intends to terminate their distribution agreement with Measurement Control Systems, Inc., effective August 14, 2011. Neptune Technology expects to announce the name of their new distributor no later than August 15, 2011. Once this information becomes available, staff will return to

Council for consideration of a sole-source purchase order with the newly-named sole-source distributor of Neptune brand water meters. Until that time staff recommends extending the term of service on the original purchase order with Measurement Control, Inc., to a date no later than August 14, 2011, or until such time that a new sole-source purchase order is in place with Neptune's next exclusive distributor; whichever comes first.

"For purposes of this Section, "sole-source purchases" means those purchases where it would be undesirable or impossible for the City to advertise for bids for particular work or for patented items, or experimental or unique services or products, or where competitive purchases would be unavailable or would not prove advantageous for the City.

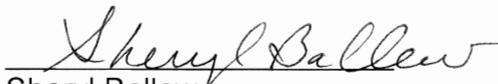
No sole-source purchases may be made where to do so would show favoritism, improvidence, extravagance, fraud or corruption, or result in the waste of public funds, but may be used only to obtain the best economic result for the public."

Respectfully submitted,
 SHERYL BALLEW
 General Services Director



By David K. Winnett, Jr.
 Fleet Services Manager

CONCUR:



Sheryl Ballew
 General Services Director



Robert J. Beste
 Public Works Director



LeRoy J. Jackson
 City Manager