

Council Meeting of  
August 23, 2011

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

**Members of the Council:**

**SUBJECT: General Services and Public Works – Authorize a sole-source purchase order to furnish Neptune Brand Water Meters.**

**Expenditure: Not to exceed \$331,000**

**RECOMMENDATION**

Recommendation of the General Services and Public Works directors that City Council authorize a sole-source purchase order to Neptune Technology Group, Inc., of Tallassee, Alabama in an amount not to exceed \$331,000 to furnish Neptune brand water meters on an as-requested basis during the period of August 24, 2011 through June 30, 2012.

Funding

Funding is available in the FY 2011-2012 Water Enterprise Fund Operating Budget.

**BACKGROUND/ANALYSIS**

During the past several years, the City of Torrance has been converting its water meter reading system from a manual system to a fully automated radio-based automated meter reading (AMR) system. AMR dramatically speeds up the meter reading process and improves data accuracy. In 2006 City Council authorized conversion to this new AMR system. Accordingly, all new water meters installed in the City must include AMR capability. Neptune water meters fulfill that requirement.

Measurement Control Systems, Inc. was for many years the exclusive distributor of Neptune meters in Southern California. However, Neptune has recently severed their business ties with Measurement Control and is now in the process of identifying a new distributor. Until that new distributor is named, Neptune has agreed to sell the meters directly to the City at the same pricing negotiated in the previous agreement.

This purchase falls within the Sole-Source Purchase Exception of TMC § 22.3.17 (b), which states:

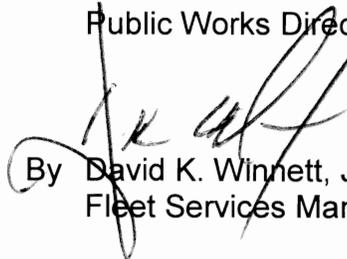
“For purposes of this Section, “sole-source purchases” means those purchases where it would be undesirable or impossible for the City to advertise for bids for particular work or for patented items, or experimental or unique services or products, or where competitive purchases would be unavailable or 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

ROBERT J. BESTE  
Public Works 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