



City of Rochester Hills  
AGENDA SUMMARY  
FINANCIAL ITEMS

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[www.rochesterhills.org](http://www.rochesterhills.org)

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Legislative File No: 2019-0515

**TO:** Mayor and City Council Members  
**FROM:** Allan E. Schneck, P.E., Director Department of Public Services  
**DATE:** December 9, 2019  
**SUBJECT:** Water Meter Test Bench

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**REQUEST:**

City Council is requested to authorize the purchase of one (1) Water Meter Test Bench with a gravimetric measurement system from OW Investors LLC dba MARS Company in the amount of \$204,962.00 and further authorize the Mayor to execute a contract on behalf of the City.

City Council is requested to waive Section 2-273(b), the three (3) year requirement for long term contracts, under Section 2-281, which allows City Council the authority to waive any regulation or procedure pertaining to purchasing, deeming it to be in the best interest of the City to allow entry into a five (5) year contract for maintenance agreement.

**REASON FOR PURCHASE:**

The City issued a request for proposals for the purchase of a water meter test bench solution that included product, software, training, installation and related services utilizing the MITN system. Two (2) proposal responses were received and reviewed by a committee consisting of staff from the Department of Public Services and Purchasing. During the evaluation process, the response received from ETNA Supply Company was deemed non-responsive due to their inability to provide, or include the required services to successfully perform the required contractual obligations. The requirements of the contract included the installation of the equipment at the DPS Garage and related plumbing and electrical work. The remaining proposal submitted by MARS continued on through the City's evaluation process.

MARS Company proposed a complete turnkey solution. References were provided by the vendor for similar projects. The City staff contacted the agencies and received positive feedback regarding both the vendor and the test benches provided to each agency. One of the references, Detroit Water & Sewerage Department (DWSD), invited City staff to their facility to view the MARS Company equipment and talk to the operators utilizing the equipment. Representatives from Purchasing and the Department of Public Services Meter Division conducted a site visit at the facility where DWSD staff performed water meter testing and answered questions regarding the equipment and software. Based on all the information gathered and through the City's RFP process, it is recommended that award of the contract be issued to MARS Company as the best value to the City based on qualifications and experience, service offerings, equipment functionality, positive references, and best value cost proposal.

In addition to the purchase of the equipment, there is software that is an integral part of the equipment functionality. As part of this purchase, it will be required to have future support of the software in the way

of test bench certification, software licensing, updates and support. As part of MARS proposal offering certification fees, software licenses, supports and update were provided. The first year licensing and certification fees are included in the requested purchase authorization and will begin upon acceptance of the test bench and continue for a one (1) year term. In MARS proposal, they offered options for the City to contract for the annual license on a yearly basis, three (3) year term, and five (5) year term and provided deeper discounts based on term selected. The five (5) year maintenance plan offers the best overall cost savings to the City. The City will incur this cost on an annual basis over the five (5) year term and would be billed beginning in 2021. The City would realize a savings of approximately \$15,322.00 over the term of the agreement versus that of not entering into a long-term contract. In evaluation of the savings, the City is recommending that City Council waive Section 2-273(b) the 3-year requirement for long term contracts, under Section 2-281, which allows City Council the authority to waive any regulation or procedure pertaining to purchasing, deeming it to be in the best interest of the City to allow and enter into a 5-year contract.

The current water meter test bench is approximately 40 plus years old and needs to be replaced with a more functional and efficient system. The new gravimetric test bench will allow for testing of all 2-inch and smaller meters. The test bench will have an automated testing process and will be able to test water meters to American Water Works Association (AWWA) standards. The test bench will include a recirculation system that will allow the City to reduce the amount of water used for testing purposes. The existing system does not have this ability. The purchase of this equipment includes the removal of the old system and complete implementation of the new system, including software renewals and calibration certification for the next five years.

**PROCESS:**

**Vendor Name and Address:**

OW Investors LLC dba MARS Company  
 3925 SW 13<sup>th</sup> Street  
 Ocala, FL 34474

**Reason for Selection:**

Best Value

**Method of Purchase:**

Purchase Order

**BUDGET:**

Funds are included as part of the FY 2019 Adopted Budget. A 4<sup>th</sup> Quarter Budget Amendment was brought forward to move the funding to FY 2020 as the test bench will not be delivered until the new year.

Fund Name	Department Account No.	Account No. Description	Budget Amount	Cost	Remaining Budget
W/S Capital	593.977000	Equipment - Capital	\$205,000	\$204,962	\$38

**RECOMMENDATION:**

It is recommended that City Council authorize the purchase of one (1) Water Meter Test Bench with a gravimetric measurement system from OW Investors LLC dba MARS Company in the amount of \$204,962.00 and further authorize the Mayor to execute a contract on behalf of the City.

It is also recommended that City Council waive Section 2-273(b) the three (3) year requirement for long term contracts, under Section 2-281, which allows City Council the authority to waive any regulation or procedure pertaining to purchasing, deeming it to be in the best interest of the City to allow entry into a five (5) year contract for maintenance agreement.

APPROVALS:	SIGNATURE	DATE
Department Review		
Department Director		
Budget Content: Chief Financial Officer		
Purchasing Process: Supervisor of Procurement		
Mayor		
Deputy Clerk		

Contract Reviewed by City Attorney       Yes       N/A