



Utilities

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fcgov.com/utilities

TO: Darin Atteberry, City Manager DA

THROUGH: Pat Johnson, Senior Buyer PJ
 Tim McCollough, Deputy Director, Utilities - Light & Power DS
 Gerry Paul, Purchasing Director GP

FROM: Adam Bromley, Senior Manager, Electrical Engineering DS
ARB

DATE: June 5, 2018

RE: Exception to use of the competitive purchasing process for the purchase of software maintenance from ABB in support of the AMI System

Purchase Amount: \$64,970.80

Background: As part of the Advanced Meter Fort Collins (AMFC) project implementation that took place in 2012-2013, the majority of existing electric meters were replaced with meters capable of transmitting energy use data back to the utility wirelessly. Utilities also installed communications modules for water meters to transmit water consumption wirelessly as well.

The wireless network that is used to retrieve these meter reads automatically is commonly referred to as the Advanced Metering Infrastructure (AMI) system. Simply stated, the AMI system existing in the field consists of the following:

- Meters and communications modules that transmit and receive information wirelessly to/from data collection equipment
- Data collection equipment connected to wireless router backhaul system
- Wireless router backhaul system (ABB TropOS routers and control system) that is connected to the Utilities' fiber optic network
- Two strands of the Utilities' fiber optic backbone that connects back to Utilities' servers and AMI headend system

The AMI equipment purchased and installed during the AMFC project deployment was selected through a competitive Request For Proposal (RFP) process. The contract that Fort Collins has with the primary vendor has a 20-year term and does not expire until August 2031. All equipment that was purchased communicates via a proprietary, encrypted wireless network that does not integrate with other vendors' communications protocols.

As part of the original purchase, a Software Maintenance Agreement (SMA) with a term of five (5) years was included with the wireless router backhaul system. This SMA covered software support on the routers and control system software; it also covers technical support. That SMA expired in April 2017 and Utilities purchased a one-year extension through April 2018. Utilities must again renew this SMA for one year until there is money allocated in the budget to renew this SMA for another 5-year period.

Scope of Work: Fort Collins Light & Power has been operating the ABB TropOS wireless router backhaul system since 2012. This SMA purchase ensures that we have software support and updates as well as technical support for the 255 existing routers owned and operated by Fort Collins Light & Power.

Exception to Competitive Bid or Proposal Rationale:

In accordance with Code Section 8-161(d)(3) City Council approval is not required for exceptions less than \$200,000.

Code Section 8-161(d)(1)(b). Although there exists more than one (1) responsible source, a competitive

Exception to Competitive Bidding Rationale: The wireless routers communicate via a proprietary, encrypted wireless protocol that does not integrate with other vendors' communications protocols. The SMA purchase is necessary for Light & Power to obtain the necessary software updates and technical support needed to operate the wireless router backhaul system. There is no other company that can provide these services. The annual cost is consistent with the historical price paid.

Recommendation:

Recommend approval of an exception to the use of the competitive bid or proposal in accordance with City Code 8-161(d)(1)(b) and 8-161(d)(3) which authorizes the City Manager to approve exceptions less than \$200,000.

The Purchasing Agent may use this approval, as authorized by City Code Section 8-161(d)(4), as the basis for negotiating the additional purchase of services from ABB, Inc. for up to five one-year terms extending through June 2023.



Power and productivity
for a better world™

ABB, Inc.
3055 Orchard Drive
San Jose, CA 95134, U.S.A.
(408) 331-6800

Sales Quote

Quote Number	AKP-US-2018-83A
Date of Quote	9-Mar-18
Budgetary Quote (Yes/No)	No

<p>Purchaser:</p> <table border="1"> <tr><td>Name:</td><td>Elster Solutions/ City of Fort Collins</td></tr> <tr><td>Address:</td><td></td></tr> <tr><td>Address:</td><td></td></tr> <tr><td>City, State:</td><td></td></tr> <tr><td>Country:</td><td>USA</td></tr> <tr><td>Contact:</td><td></td></tr> <tr><td>Phone #:</td><td></td></tr> <tr><td>Fax #:</td><td></td></tr> <tr><td>Email Address:</td><td></td></tr> </table>	Name:	Elster Solutions/ City of Fort Collins	Address:		Address:		City, State:		Country:	USA	Contact:		Phone #:		Fax #:		Email Address:		<p>Ship To:</p> <table border="1"> <tr><td>Name:</td><td>TBD</td></tr> <tr><td>Address:</td><td></td></tr> <tr><td>Address:</td><td></td></tr> <tr><td>City, State:</td><td></td></tr> <tr><td>Country:</td><td></td></tr> <tr><td>Contact:</td><td></td></tr> <tr><td>Phone #:</td><td></td></tr> <tr><td>Fax #:</td><td></td></tr> <tr><td>Email Address:</td><td></td></tr> </table>	Name:	TBD	Address:		Address:		City, State:		Country:		Contact:		Phone #:		Fax #:		Email Address:	
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Qty	Product	Part Number	Price/Unit	Disc. %	Disc. Price/Unit	Ext. Price
TropOS Mesh Routers and Client Nodes, MicrOS Client Nodes, TeleOS Radios						
SO Shipments or Invoice No. 40070434 Support starts from May-2018 and ends on Apr-2019						
255	7320: 2.4/5.8, FCC, AC, Batt	73203130	\$ 5,995.00	0%	\$ 5,995.00	\$ 1,528,725.00
-				0%	\$ -	\$ -
-				0%	\$ -	\$ -
-				0%	\$ -	\$ -
					Wireless Products Subtotal	\$ 1,528,725.00

Software and Hardware Maintenance Plans
 ABB Maintenance - Software Maintenance provided by ABB. Includes Software Updates, Bug Fixes & Maintenance Releases; phone, web and email technical assistance
 Hardware Maintenance includes extended product warranty and advance replacement

		SO Shipments or Invoice No.40070434 Support starts from May-2018 and ends on Apr-2019		
Total wireless products at list	\$			1,528,725.00
Total wireless products at list	\$			-

Per device (router or bridge) plans are priced as a percentage of the list price of the routers and bridges, not including accessories

Years	Price (% of total routers and bridges at list price)					
SO Shipments or Invoice No.40070434 Support starts from May-2018 and ends on Apr-2019						
1	5.00%	Software Maint.	SWMTN001	\$ 76,436.25	15%	\$ 64,970.81
						\$ 64,970.80
					Maintenance Subtotal	\$ 64,970.80

Notes: Support expires on Apr-2019 **GRAND TOTAL \$ 64,970.80**

Quote Terms and Conditions: <http://new.abb.com/network-management/communication-networks/wireless-networks/terms> **Sales Director:** Miguel Violante

- 1 Payment terms: Net 30 upon prior approval, F.O.B. ABB manufacturing facility.
- 2 Quote expires in 30 days from date of quote.
- 3 Sales tax and shipping will be added to final invoice as appropriate.
- 4 Delivery of the products is EX Works (Incoterms 2000) Seller's factory or EX Works facility of Seller's agent, as designated by Seller. Seller reserves the right to ship Best Way at its own expense.
- 5 This price quotation does not constitute an offer by ABB, Inc. to sell products, but is instead an invitation to issue a purchase order to ABB before the validity date specified in this quotation has expired.
- 6 If this quote is indicated as budgetary, the offer is preliminary and not final and as such non-binding. It is tendered for discussion only, does not constitute an offer to sell and/or term to contract and ABB can, without notice, make any change at ABB's own discretion. Any contract to sell the subject matter of the proposal shall be subject to prior mutual agreement as to price (which may be different than that shown herein), schedule, scope of work and terms.

Please email order to OrderStatus@nam.abb.com