



Administrative Report

H.8., File # 24-1682

Meeting Date: 11/5/2024

To: MAYOR AND CITY COUNCIL
From: ANDREW WINJE, PUBLIC WORKS DIRECTOR

TITLE

APPROVE A FIVE-YEAR AGREEMENT WITH HADRONEX, INC. TO PROVIDE EQUIPMENT AND MONITORING SERVICES FOR 47 SMART SEWER MANHOLE COVERS FOR AN AVERAGE ANNUAL COST OF \$104,986, A TOTAL FIVE-YEAR COST NOT TO EXCEED \$524,931, AND THE TERM JANUARY 1, 2025 TO DECEMBER 31, 2029

EXECUTIVE SUMMARY

Proposed is a five-year agreement with Hadronex, Inc. (Hadronex) to provide smart manhole covers, water level monitoring, and equipment repair services. The service agreement is vital in avoiding sewer system overflows and keeping the City in compliance with State wastewater discharge requirements. The average annual cost for the services would be \$104,986.17, with a total not-to-exceed five-year cost of \$524,930.86, which includes \$15,000 per year for anticipated equipment repairs.

BACKGROUND

The City's current one-year Agreement with Hadronex for monitoring and maintaining 47 wastewater monitoring devices is set to expire on December 31, 2024. The devices, known as smart manholes, are attached to the inside of sewer manhole covers at key locations to provide 24/7 real-time monitoring of wastewater levels in the collection system. The sensors continuously monitor wastewater depth and electronically notify City staff when the depth exceeds a set point above the normal operating level. The smart manhole covers are a critical tool in avoiding sewer system overflows and keeping the City in compliance with mandatory State Water Resources Control Board Waste Discharge Requirements for Sanitary Sewer Collection Systems. Hadronex has provided monitoring service for the City since 2011.

Staff has been very pleased with the services provided by Hadronex and, as such, asked the company to submit a proposal to provide services for a new five-year term. The company proposed a 5.7% increase to its per-unit monitoring rate from \$1,664 to \$1,760.22, with annual rate increases of 4% in years two through five. Staff believes the proposed pricing is reasonable given recent inflationary impacts on costs of materials and labor. Due to the specialized nature of the manhole sensor equipment provided by Hadronex, which is not currently compatible with monitoring systems provided by any other known vendor, the recommended agreement with Hadronex is presented for Council consideration as a sole source procurement. Costs of the contract would be paid from the Public Works Department's Wastewater Enterprise Fund.

COORDINATION

The Public Works Department coordinated this item and preparation of the agreement with the City Attorney's Office.

FISCAL IMPACT

The total cost for five years of smart manhole monitoring and repair services would not exceed \$524,930.86, including \$15,000 per year for anticipated repairs. Funding for the contract is available in the Public Works Department's Wastewater Enterprise Fund operating budget.

APPROVED BY:

Mike Witzansky, City Manager

ATTACHMENTS

- Agmt - Hadronex, Inc.
- Insurance - Hadronex, Inc.