



Purchasing and Contracting Department
Sole Source Request and Certification Form

To: Director of Purchasing and Contracting
Cc: Deputy Chief Operating Officer, General Services

From: Hooman Partow, Deputy Director, Public Utilities and Thomas Rosales, Deputy Director

Date: December 28, 2020

In alignment with the guidance provided in the San Diego Municipal Code section 22.3016, the Purchasing Agent (Director of Purchasing and Contracting) must certify that the award of a sole source contract is necessary by memorializing in writing why strict compliance with a competitive process would be unavailing or would not produce an advantage, and why soliciting bids or proposals would therefore be undesirable, impractical, or impossible.

For consideration, this form must be completed and all required accompanying information must be submitted together, including any related contracts. Failure to do so will result in a delay of approval of the request.

Describe commodity or service(s) to be purchased. Include vendor contact information.

The Public Utilities Department (PUD), Wastewater Treatment and Disposal Division (WWTD), requests certification for sole source procurement with Hach Company (HACH) of Hach Water Information Management Solution (WIMS) custom-developed software, annual enterprise software license maintenance, and technical integration consulting services necessary for the daily operations of various City of San Diego (City) water/wastewater treatment facilities.

HACH has provided the WIMS system to WWTD and Water Systems Operations Division since 2011 to maintain compliance with State and Local regulatory agency requirements. HACH manufactured analyzers and sampling equipment are critical for wastewater analysis and regulatory compliance. Proper operation of this equipment is mandated by the California Regional Water Quality Control Board. This equipment assists with maintaining the reliability of various process control parameters. The WIMS software enables treatment plant management and operators to see the complete picture of the system in order to make operational decisions. WIMS is the management tool used for reporting data to the EPA, state, and other regulatory agencies. System maintenance and technical support services will be provided by HACH for the proprietary WIMS software application.

HACH will provide the following products and/or services in support of operations:

- HACH WIMS Enterprise annual software maintenance services
- 50 Concurrent user licenses
- HACH Oracle / MSSQL Database
- HACH software interfaces to the Distributed Control System (DCS) and Laboratory Information Management System (LIMS)
- Customized reports and data entry forms for PUD water/wastewater treatment plants
- Technical consultant services in support of HACH WIMS system

The aforementioned services will be provided when and as directed by the City to install licensed software and by providing related services such as, but not limited to, configuration, related software and database integration, testing, validation, data migration assistance, training and project management.

HACH Company is the sole authorized manufacturer and direct distributor of the WIMS system, and as such, any software or firmware additions or alterations must be purchased directly from HACH. Due to proprietary nature of the software products and HACH's technical expertise, only HACH can provide the specialized consulting services related to WIMS system configuration and software maintenance. For this reason, strict compliance with a competitive process was not unavailing and the sole source (SS) procurement request, SS# 3939, was approved for three (3) years.

This requests the approval to extend SS#3939 to the total allowable contract term of 5 years and to increase the contract under San Diego Municipal Code Sections 22.3016. The estimated increase amount is \$67,145.85, for a new not to exceed amount of \$202,024.00. The subject vendor's information is listed below:

HACH Company
Attn: George Ruano
PO Box 608
Loveland, CO 80539-0608
858-732-2368
gruano@hach.com

Justification

1. This product or service is available from only one supplier and meets at least one of the following criteria (please check all that are applicable):

- One-of-a-kind/Compatibility*
- a. Required by Warranty: the product matches existing equipment, infrastructure and is required by warranty. **(A letter from the provider which supports this claim must be provided.)**
 - b. Goods and Services:
 - i. the good has no competitive product or alternative on the market.
 - ii. the service requires a special skill, ability, or expertise linked to the current project that cannot be provided by another supplier.

(Documentation in support of either of the above claims must be provided by the requesting department.)

City Standards

The product or service complies with established, existing City standards.

Replacement

The product or service is the only compatible replacement component that supports a larger system. Or, the services are the only ones that can replace the existing service requirements.

2. Do any of the following situations exist?

Limited Competition

Department made an attempt to find a second or multiple sources to no avail.

Emergency

There is an urgent need for the item or service and time does not permit the City to solicit for competitive bids, as in the cases of emergencies as defined under SDMC section 22.3208,. (Delays in solicitation do not satisfy this criteria)

Cost/Market Analysis

Purchasing and Contracting will perform due diligence on each request. If Purchasing and Contracting can find a suitable, cost effective alternative, this request will be denied and that alternative will be pursued after your department has been contacted to discuss the revised determination.

This form does not take the place of an agreement and all sole source requests for a period of one year or longer will require the **submission of an agreement**. The requesting department must submit a purchase requisition and a copy of this certification to Purchasing and Contracting for a Purchase Order to be issued.

PCO Due Diligence (PCO to initial all that apply)

_____ Proof of warranty or maintenance requirement for standardized and replacement items confirmed.

_____ Vendor/Supplier confirmed submission of justification letter.

_____ Market test confirmed that there is no advantage to the City in competing this contracting opportunity to multiple vendors.

_____ Emergency verified with the department.

VD Pricing agreement has been reviewed.

VD Purchasing and Contracting has reviewed this request and affirms that this request for a sole source justification is appropriate.

This sole source is approved for:

One (1) year from the signature date below.

For the entire length of the contract, but not more than five (5) years.

The length of the contract must be consistent with the sole source approval. A sole source request must be submitted and approved by the Purchasing and Contracting Director prior to the award of each new contract and prior to each extension of an existing contract that was not contemplated in the initial contract term.

_____ After reviewing the provided information and due diligence, I cannot recommend the approval of this request.

Purchasing and Contracting Director Review

I certify that strict compliance with a competitive process would be unavailing or would not produce an advantage, and that soliciting bids or proposals would be therefore undesirable, impracticable or impossible. My approval is contingent on the information provided in this form.

In accordance with SDMC §22.3016, this request is approved.

Based on the information provided and due diligence recommendation of staff, this request is denied.



Claudia C. Abarca
Interim Director, Purchasing & Contracting

Date: 1/11/2021

**FIRST AMENDMENT TO PROVIDE CUSTOM DEVELOPED SOFTWARE, ANNUAL
MAINTENANCE AND TECHNICAL SERVICES FOR THE WATER INFORMATION
MANAGEMENT SYSTEM**

This First Amendment to the Custom Developed Software, Annual Maintenance and Technical Services for the Water Information Management System Agreement (First Amendment) is made and entered into by and between the City of San Diego (City) and Hach Company (Contractor), also referred to individually as “Party” and collectively as the “Parties.”

RECITALS

1. City approved Sole Source #3939 on January 12, 2018 , resulting in a contract between the City and Contractor (Contract) to provide Custom Developed Software, Annual Maintenance and Technical Services for the Water Information Management System. The Contract was effective on January 12, 2018 through January 12, 2021. The Contract is comprised of the Contract and the City’s General Contract Terms and Provisions.

2. The Contract may be amended by written agreement executed by duly authorized representatives of both Parties.

3. The Parties wish to amend the Contract to extend the contract term and add additional compensation as required for the continuation of services.

TERMS

For each section of the Contract amendment, do the following:

1. Section 1.2 of the Contract is hereby **DELETED** in its entirety and **REPLACED** with the following:

1.2 **Contract Administrator.** The Public Utilities Department (PUD), is the Contract Administrator for this Agreement. Contract shall provide the Services under the direction of a designated representative of the Department as follows:

Victor Jackson
Information Systems Analyst IV
9192 Topaz Way, San Diego, CA 92123
(858) 614-4077
VOJackson@sandiego.gov

2. Section 2.1 of the Contract is hereby **DELETED** in its entirety and **REPLACED** with the following:

Contract Amendment
Effective: October 13, 2014
OCA Document No. 861155_3

2.1 Term. The term of this Agreement shall be for a period of five (5) years beginning from January 12, 2018 through January 12, 2023. Unless otherwise terminated, this Agreement shall be effective until the completion of the Services. The Term of this Agreement shall not exceed five years unless approved by the City Council by Ordinance.

3. Section 3.1 of the Contract is hereby **DELETED** in its entirety and **REPLACED** with the following:

3.1 Amount of Compensation. The City shall pay Contractor for the performance of all Services rendered in accordance with this Agreement in an amount not to exceed \$202,024.00 or the amount referenced in the Purchase Order.

4. This First Amendment will be effective when signed by both parties and approved by the City Attorney in accordance with Charter section 40.

5. All provisions of the Agreement not addressed in this First Amendment remain in full force and effect.

IN WITNESS WHEREOF, this First Amendment is executed by City and Contractor acting by and through their authorized officers.

Hach Company

By: Staci Lamfers

Name: Staci Lamfers

Title: Project Bid Specialist II

Date: January 7, 2021

City of San Diego

By: [Signature]

Name: Claudia C. Abasco

Title: Interim Director

Date: 1/8/2021

Approved as to form this 13 day of January, 2021

MARA W. ELLIOTT, City Attorney

By: [Signature]

Deputy City Attorney

Christine Leune

Print Name