

AGENDA



Thursday, October 11, 2007

**Purchasing Office
RECOMMENDATION FOR COUNCIL ACTION****Item No. 35**

Subject: Authorize award and execution of a contract with TEXAS METER & DEVICE COMPANY, Waco, TX, for electric meters with 2-way radio communication modules in an amount not to exceed \$1,184,090.

Amount and Source of Funding: Funding available in the Fiscal Year 2007-2008 Capital Budget of the Austin Energy Department.

Fiscal Note: A fiscal note is attached.

For More Information: Dolores Castillo, Sr. Buyer/ 322-6466

Purchasing Language: Sole Source.

MBE/WBE: This contract will be awarded in accordance with Chapter 2-9D of the City Code (Minority-Owned and Women-Owned Business Enterprise Procurement Program). No subcontracting opportunities were identified; therefore, no goals were established for this solicitation.

This contract will provide Austin Energy (AE) with 40,000 electric utility meters with 2 way radio communication modules. Austin Energy is converting the current one-way network to the Utilinet two-ray radio technology which is manufactured by Cellnet. These "smart" meters or automated meter reading (AMR) meters can beam meter reads every 15 minutes to the City's utility billing system by radio wave. This eliminates the need for the meter to be read manually by a meter reader. AMR meters have a battery-type device that sends a signal when they are not receiving power. The electric meter is the device that measures the customer's electric usage.

In 2003, Austin Energy replaced the standard electric meter with AMR meters at approximately 127,000 apartment units. This initial conversion eliminated 140,000 vehicle trips annually for meter reads. These meters will be used for additional apartments and duplexes throughout the AE service area. AE anticipates converting all residential meters by December 2008. These meters are approximately 30% less than the automated meters purchased in 2003 due to Cellnet providing the radio module at no cost to the City. A separate contract will be issued for the installation of these meters.

Texas Meter & Device is currently the only authorized supplier for the Landis+Gyr meters furnished with the two-way radio technology from Cellnet.