

AGENDA



Thursday, November 1, 2007

**Purchasing Office
RECOMMENDATION FOR COUNCIL ACTION**

Item No. 27

Subject: Authorize award and execution of two 24-month requirements supply contracts with BADGER METER, INC. Milwaukee, WI, and with HERSEY METERS COMPANY, LLC, Cleveland, NC, for the supply of various types and sizes of water meters for Austin Water Utility in estimated amounts not to exceed \$1,609,918 and \$342,000 respectively, with two 12-month extension options in estimated amounts not to exceed \$804,959 and \$171,000 respectively for each extension option, for total estimated contract amounts not to exceed \$3,219,836 and \$684,000 respectively

Amount and Source of Funding: Funding in the amount of \$894,629 is available in the Fiscal Year 2007–2008 Operating Budget of the Austin Water Utility. Funding for the remaining 13 months of the original contract period and extension options are contingent upon available funding in future budgets.

Fiscal Note: There is no unanticipated fiscal impact. A fiscal note is not required.

For More Information: Steve Aden, Supervising Sr. Buyer, 974-2021.

Purchasing Language: Lowest bids of two bids received.

MBE/WBE: This contract will be awarded in compliance 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.

Boards and Commission Action: Recommended by the Water and Wastewater Commission.

These contracts will provide various types and sizes of water meters for the Austin Water Utility to be installed within the water distribution system on an as needed basis. The water meters supply data to establish revenue billing for the City of Austin. By monitoring water meters the City will be able to verify water leaks in the distribution system, gallons used per customer, and water demand during peak and non-peak times. The information gathered is vital to the Utility's commitment in keeping customers satisfied.

Water meters will be delivered and stored at the Webberville and Southeast Service Center Storerooms.

MBE/WBE solicited: 2/0

MBE/WBE bid: 0/0

PRICE ANALYSIS

- a. Adequate competition.
- b. Twenty-six notices were sent, including two MBEs. There are no known WBEs available for this commodity. Two bids were received, with no response from the MBEs.
- c. The pricing represents a 5% increase to the last contract award in February 2005.

APPROVAL JUSTIFICATION

- a. Lowest bids received. Both bidders are current providers of these meters.
- b. The Purchasing Office concurs with the Austin Water Utility's recommended award.
- c. Advertised in the Austin American-Statesman and the Internet.