



**Purchasing Supply Agreement  
CITY OF AUSTIN  
RECOMMENDATION FOR COUNCIL ACTION**

**AGENDA ITEM NO.: 19  
AGENDA DATE: Thu 02/03/2005  
PAGE: 1 of 2**

**SUBJECT:** Authorize execution of two 12-month supply agreements with HERSEY METERS DIVISION OF MUELLER CO., Cleveland, NC, in an amount not to exceed \$324,355.60, with two 12-month extension options in an amount not to exceed \$324,355.60 for each extension option, for a total agreement amount not to exceed \$973,066.80; and with BADGER METER, INC., Milwaukee, WI, in an amount not to exceed \$261,992.90, with two 12-month extension options in an amount not to exceed \$261,992.90 for each extension option, for a total agreement amount not to exceed \$785,978.70, for water meters for the Austin Water Utility.

**AMOUNT & SOURCE OF FUNDING:** Funding in the amount of \$293,174.25 is available in the Fiscal Year 2004-2005 Approved Operating Budget of the Austin Water Utility. Funding for the remaining six months 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.

**REQUESTING** Purchasing **DIRECTOR'S**  
**DEPARTMENT:**for Austin Water Utility; **AUTHORIZATION:** Vickie Schubert

**FOR MORE INFORMATION CONTACT:** Stephen T. Aden, Supervising Senior Buyer, 974-2021.

**PRIOR COUNCIL ACTION:** N/A

**BOARD AND COMMISSION ACTION:** N/A

**PURCHASING:** Lowest responsive bids of three received.

**MBE / WBE:** These contracts will be awarded in compliance with Chapter 2-9 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.

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These contracts will establish 12-month annual supply agreements to provide various types of water meters for the Austin Water Utility to be installed within the water distribution system as needed. 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 product demand during peak and non-peak times. The information gathered is vital to the Utility's commitment in keeping satisfied customers.

Water meters will be delivered and stored at the Webberville and Southeast Service Center Storerooms for use by crews on an as needed basis.

MBE/WBE solicited: 2/1

MBE/WBE bid: 0/0



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**BID TABULATION**

Water Meters  
(23 Line Items)  
IFB NO. SA05100008

<b><u>VENDOR</u></b>	<b><u>TOTAL BID Number of Items Bid</u></b>	<b><u>AMOUNT AWARDED Number of Items Awarded</u></b>
Hersey Meters Cleveland, NC	\$612,773.80 (23 Items)	\$324,355.60 (5 Items)
Badger Meter Inc. Milwaukee, WI	\$606,992.10 (23 Items)	\$261,992.90 (18 Items)
AMCO Water Metering System, Inc. Ocala, FL	\$503,951.80 (20 Items)	*

\*Vendor was low on ten of the items bid; however, the products that were offered did not meet the requirements of the bid specifications.

A complete bid tabulation is available in the Purchasing Office

**PRICE ANALYSIS**

- Adequate competition.
- Seven notices were sent bids including two MBEs and one WBE. Three bids were received none of which were from MBE or WBE firms. There was one "No-Bid" response.
- Prices compared to the last contract awarded in February 2002, indicate that the unit prices have increased by an average of 6.2%. This can be attributed to the increase in costs for metals, manufacturing, and freight.

**APPROVAL JUSTIFICATION**

- Low bidders.
- The Austin Water Utility concurs with the recommended award.
- Advertised in the Austin American-Statesman and the Internet.