



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

**AGENDA ITEM NO.: 35
AGENDA DATE: Thu 03/23/2006
PAGE: 1 of 2**

SUBJECT: Authorize execution of a 12-month supply agreement with HERSEY METERS COMPANY, Cleveland, NC, in an amount not to exceed \$267,352, with two 12-month extension options in an amount not to exceed \$267,352 per extension option, for a total contract amount not to exceed \$802,056; and with BADGER METER, INC., Milwaukee, WI, in an amount not to exceed \$94,647, with two 12-month extension options in an amount not to exceed \$94,647 per extension option, for a total contract amount not to exceed \$283,941, for the purchase of water meters for the Austin Water Utility.

AMOUNT & SOURCE OF FUNDING: Funding in the amount of \$181,000 is available in the Fiscal Year 2005-2006 Approved Operating Budget of the Austin Water Utility. Funding for the remaining six months of the original contract period and extension options is 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 Aden, Supervising Senior Buyer, 974-2021.

PRIOR COUNCIL ACTION: N/A

BOARD AND COMMISSION ACTION: N/A

PURCHASING: Lowest bids of two bids received.

MBE / WBE: This contract 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.

These contracts will establish 12-month 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. In addition, by monitoring water meters the City will also be able to verify water leaks in the distribution system, gallons used per customer, and demand during peak and non-peak times. The information gathered is vital to the Utility's commitment in keeping satisfied customer.

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: 1/1

MBE/WBE bid: 0/0



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**BID TABULATION
Water Meters
(10 line items)
IFB NO. SA06100025**

<u>VENDOR</u>	<u>TOTAL BID Number of Items Bid</u>	<u>AMOUNT AWARDED Number of Items Awarded</u>
Hersey Meters Cleveland, NC	\$267,352.00 (3 Items)	\$267,352.00 (Items 1 thru 3)
Badger Meter Inc. Milwaukee, WI	\$377,856.50 (10 Items)	\$94,647.00 (Items 4 thru 10)

Award was made to the lowest bid per line item.
A complete bid tabulation is available in the Purchasing Office.

PRICE ANALYSIS

- Adequate competition.
- Forty-six notices were sent including one MBE and one WBE. Four solicitations were issued. Two bids were received with no response from MBE or WBE. One "No-Bid" response was received.
- The bid pricing represents an 11% increase to the last contract awarded in February 2005. This can be attributed to the increase in cost for metals, manufacturing, and freight.

APPROVAL JUSTIFICATION

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