



Recommendation for Action

File #: 22-1312, Agenda Item #: 15.

3/24/2022

Posting Language

Authorize an amendment to a contract with Bermex, Inc. for continued manual meter reading services, to increase the amount by \$15,427,110 and to extend the term by four years, for a revised total contract amount not to exceed \$32,927,110.

(Note: This contract was reviewed for subcontracting opportunities in accordance with City Code Chapter 2-9C Minority Owned and Women Owned Business Enterprise Procurement Program. For the goods and services required for this contract, there were insufficient subcontracting opportunities and no availability of M/WBEs; therefore, no subcontracting goals were established).

Lead Department

Financial Services Department.

Client Department(s)

Austin Energy, Austin Water.

Fiscal Note

Funding in the amount of \$3,096,681 is available in the Fiscal Year 2021-2022 Operating Budget of Austin Energy. Funding for the remaining contract term is contingent upon available funding in future budgets.

Purchasing Language:

Contract Amendment.

Prior Council Action:

May 4, 2017 - Council approved the original contract, item 26, on a 10-0 vote with Council Member Garza absent.

For More Information:

Inquiries should be directed to Liz Lock, at 512-322-6251 or Liz.Lock@austintexas.gov or [<mailto:Liz.Lock@austintexas.gov>](mailto:Liz.Lock@austintexas.gov).

Council Committee, Boards and Commission Action:

February 14, 2022 - Recommended by the Electric Utility Commission on a 9-0 vote with Commissioner Ferchill absent and one vacancy.

February 16, 2022 - Recommended by the Water and Wastewater Commission on a 9-0 vote with two vacancies.

Additional Backup Information:

The proposed amendment will provide continued manual meter reading services and photo capture for water and electric utility meters, as well as other meter related activities. The solution comprises all software,

hardware, labor, vehicles, and related equipment. These services are necessary for accurate and timely billing to utility customers.

The City is converting the majority of Austin Water manually-read meters to a remote Advance Metering Infrastructure (AMI) that is anticipated to be complete by December 31, 2025. Continued service with Bermex, Inc. until the AMI conversion is complete, minimizes technical risks and is the most cost-effective option for the City.

Contract Detail:

<u>Contract Term</u>	<u>Length of Term</u>	<u>Current Contract Authorization</u>	<u>Requested Additional Authorization</u>	<u>Revised Total Authorization</u>
Initial Term	1 yr.	\$ 3,500,000		\$ 3,500,000
Extension Option 1	1 yr.	\$ 3,500,000		\$ 3,500,000
Extension Option 2	1 yr.	\$ 3,500,000		\$ 3,500,000
Extension Option 3	1 yr.	\$ 3,500,000		\$ 3,500,000
Extension Option 4	1 yr.	\$ 3,500,000		\$ 3,500,000
Proposed Amendment	4 yrs.		\$15,427,110	\$15,427,110
TOTAL	9 yrs.	\$17,500,000	\$15,427,110	\$32,927,110

Note: Contract Authorization amounts are based on the City's estimated annual usage.

Strategic Outcome(s):

Government that Works for All.