

A G E N D A



Recommendation for Council Action (Purchasing)

Austin City Council	Item ID:	14105	Agenda Number	27.
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Meeting Date:	April 26, 2012
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Department:	Purchasing
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Subject

Authorize award and execution of a 24-month requirements supply contract with BADGER METER, INC., for the purchase of water meters for the Austin Water Utility to be installed within the water distribution system in an estimated amount not to exceed \$244,166, with two 12-month extension options in and estimated amount not to exceed \$140,396, per extension option, for a total estimated contract amount not to exceed \$524,958.

Amount and Source of Funding

Funding in the amount of \$50,869 is available in the Fiscal Year 2011-2012 Operating Budget of the Austin Water Utility. Funding for the remaining nineteen 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.

Purchasing Language:	Lowest bid received.
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Prior Council Action:	
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For More Information:	Steve Aden, Purchasing Manager, 974-2021
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Boards and Commission Action:	Recommended by Water and Wastewater Commission.
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Related Items:	
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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.
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Additional Backup Information

This contract with Badger Meters, Inc. is for the supply of various types and sizes of turbine 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 customers.

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

MBE/WBE solicited: 2/3

MBE/WBE bid: 0 / 0

BID TABULATION
Cold Water Meters, Turbine
(5 line items)
IFB NO. STA0261

<u>VENDOR</u>	<u>TOTAL BID</u>
Badger Meter Inc. Milwaukee, WI	\$122,083
Aqua Metric Sales Company Schertz, TX	\$161,158

PRICE ANALYSIS

- a. Adequate competition.
- b. Seventy-five notices were sent, including 2 MBE and 3 WBE firms. Two bids were received with no response from MBE or WBE firms. One "No Bid" response was received.
- c. The unit pricing represents an average increase of 30% from the last contract awarded in April 2009. This can be attributed to the rising cost of copper which is the major component used in the manufacturing of the meters. From April 2009 to January 2012, there has been a 56.5% increase in the cost of copper per the Producer Price Index. . During the previous contract the contractor never requested an increase in the costs of the meters being purchased.

APPROVAL JUSTIFICATION

- a. Lowest bid. Badger Meter, Inc. is the current contract provider for these meters
- b. The Purchasing Office Concurs with the Austin Water Utility's recommended award.
- c. Advertised in the Austin American-Statesman and on the Internet.