



**Water & Wastewater Commission
Review and Recommendation**

Commission Meeting Date:	November 17, 2020	COA Strategic Direction:	Government That Works for All
Council Meeting Date:	December 3, 2020		
Department:	Purchasing		
Client:	Mark Martinez, Randi Jenkins, Danielle Lord		
Agenda Item			
Recommend approval to award a multi-term contract with Vanguard Utility Service, Inc. D/B/A VUS, Inc., to provide accuracy testing of large commercial and multi-family water meters, for up to five years for a total contract amount not to exceed \$1,740,000.			
Amount and Source of Funding			
Funding in the amount of \$290,000 is available in the Fiscal Year 2020-2021 Operating Budget of Austin Water. Funding for the remaining contract term is contingent upon available funding in future budgets.			
Purchasing Language:	The Purchasing Office issued an Invitation for Bids (IFB) 2200 PAT1036 for these services. The solicitation issued on August 10, 2020 and it closed on August 25, 2020. Of the six offers received, the recommended contractor submitted the lowest responsive offer. A complete solicitation package, including a tabulation of the bids received, is available for viewing on the City's Financial Services website, Austin Finance Online. Link: Solicitation Documents .		
Prior Council Action:	N/A		
Boards and Commission Action:	November 17, 2020 — To be reviewed by the Water and Wastewater Commission.		
MBE/WBE:	This solicitation was reviewed for subcontracting opportunities in accordance with City Code Chapter 2-9C Minority Owned and Women Owned Business Enterprise Procurement Program. For the services required for this solicitation, there were no subcontracting opportunities; therefore, no subcontracting goals were established.		

The contract will provide services for testing the accuracy of three-inch and larger installed compound water meters. This service is for approximately 2,500 large commercial and multi-family City customers. The usage from these water meters accounts for approximately 40% of Austin Water's revenue.

The testing ensures the meters remain accurate and customers are charged appropriately for water usage. Austin Water will use information from meter testing to determine whether the meters should be repaired or replaced. The outsourcing of this testing will allow current City staff to support the Advanced Metering Infrastructure project.

This is a new contact and authorization amounts were determined based on anticipated costs of two testing crews testing a total of 800 meters a year.

Contract Detail:

<u>Contract Term</u>	<u>Length of Term</u>	<u>Contract Authorization</u>
Initial Term	1 yr.	\$ 348,000
Optional Extension 1	1 yr.	\$ 348,000
Optional Extension 2	1 yr.	\$ 348,000
Optional Extension 3	1 yr.	\$ 348,000
Optional Extension 4	1 yr.	\$ 348,000
TOTAL	5 yrs.	\$ 1,740,000

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

PRICE ANALYSIS

- a) Solicitations: 176 notices were sent, including 13 MBE and 7 WBE firms with no M/WBE firms responding.
- b) Cost Analysis: The proposed contract is for a new service and is consistent with those represented in the market.