



**Water & Wastewater Commission
Review and Recommendation**

Commission Meeting Date:	February 16, 2022	COA Strategic Direction:	Government that Works for All
Council Meeting Date:	March 24, 2022		
Department:	Financial Services Department		
Client:	Randi Jenkins		
Agenda Item			
Recommend approval for 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.			
Amount and Source of Funding			
Funding 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.		
Boards and Commission Action:	February 14, 2022 - To be reviewed by the Electric Utility Commission February 16, 2022 – To be reviewed by the Water and Wastewater Commission.		
MBE/WBE:	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.		

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
<u>Proposed Amendment</u>	<u>4 yrs.</u>		<u>\$ 15,427,110</u>	<u>\$ 15,427,110</u>
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.