



## STAFF REPORT

**DATE:** August 3, 2021

**TO:** Kent Cagle, City Manager

**FROM:** Jeffery Reynolds, Executive Director of Public Works

**SUBJECT:** Authorize the Award of Bid No. 21-31, Water Meters to Aqua-Metric Sales Company

### **BACKGROUND AND FINDINGS:**

The FY 21 Capital Improvements Plan (CIP) and the proposed FY 22 CIP include funding for a Water Meter Replacement Program. This five-to-ten-year program includes the replacement of the current 55,000 mechanical water meters with a "smart" static water meter and the eventual automation of these meters to create an automated metering infrastructure (AMI).

On June 17, 2021 bids were opened and read aloud for the procurement of an estimated quantity of 5,000 5/8"x3/4" static water meters and 100 1" static water meters. Water and Sewer, along with Purchasing, evaluated each bid's conformance with the bid information and instructions. Due to the Aqua-Metric and Zenner meters having a snap in AMI connector cable, while the other meters have AMI connector cables that are included with the meter, the Aqua-Metric and Zenner unit bid includes a TouchPad AMI connector cable although the purchase of this AMI connector cable is not required until the City chooses to incorporate AMI into their metering infrastructure. The following eight (8) vendors submitted bids on the water meters:

<b>Vendor</b>	<b>5/8"x3/4" Unit Bid</b>	<b>1" Unit Bid</b>	<b>Total Est. Quantities</b>
Zenner USA	\$90.37	\$103.73	\$462,223
Aqua-Metric	\$92.99	\$143.71	\$479,321
AV Water Technologies	\$99.00	\$152.00	\$510,200
Ferguson Waterworks	\$99.00	\$156.00	\$510,600
HPS LLC	\$116.88	\$139.86	\$598,386
Fortiline	\$119.20	\$215.30	\$617,530
Atlas Utility	\$122.75	\$168.00	\$630,550
Core & Main	\$131.58	\$184.21	\$676,321

### **THE ALTERNATIVES CONSIDERED:**

- 1) Reject all bids and delay the water meter replacement program
- 2) Authorize award of bid to a different vendor
- 3) Authorize award of Bid 21-31, Water Meters to Aqua-Metric Sales Company (Aqua-Metric), for the procurement of "smart" static meters in an amount not to exceed \$500,000 in FY21

**Which alternative is recommended? Why?**

Staff recommends alternative three (3) because it begins the process of a city-wide water meter replacement program and begins to build the framework of a city-wide automated metering infrastructure (AMI). After extensive analysis of the meters, the corresponding AMI systems, the meter vendor's experience, and the meter vendor's references, City Staff believes Aqua-Metric's "smart" static meter and AMI system is not only the best value for the City, but also will move the City forward into a "smart" water metering system, resulting in a substantial reduction in water loss.

**CONFORMITY TO CITY POLICY:**

Bid documents were made available through the City of Killeen Purchasing Department. Advertisements were made in the Killeen Daily Herald on May 30, 2021 and June 6, 2021, and on the City's website. At the close of the bidding process, on June 17, 2021 at 2:00 p.m., eight (8) bids were received for this project; the bids were opened and read aloud via Zoom.

**FINANCIAL IMPACT:****What is the amount of the expenditure in the current fiscal year? For future years?**

The total expenditures will not exceed \$500,000 in the current fiscal year.

Future year expenditures are expected to be similar in amount, pending approval of the proposed budget.

**Is this a one-time or recurring expenditure?**

The purchase of water meters is expected to be a recurring expenditure, however, this agenda item will only authorize the purchase of meters in an amount not to exceed \$500,000, as budgeted in FY21. Purchases will occur on an individual basis under the terms of the agreement as meters are needed. Purchases in FY22 and beyond will need to be authorized by City Council in the future.

**Is this expenditure budgeted?**

Yes, funds are available in account 387-8934-493.69-03 and 550-3410-436.61-74.

**If not, where will the money come from?**

N/A

**Is there a sufficient amount in the budgeted line-item for this expenditure?**

Yes

**RECOMMENDATION:**

Authorize the award of Bid No. 21-31, Water Meters to Aqua-Metric Sales Company and authorize City Manager or designee to enter into an agreement with Aqua-Metric Sales Company for the procurement of water meters in an amount not to exceed \$500,000 in FY21.

**DEPARTMENTAL CLEARANCES:**

Legal  
Finance  
Public Works

**ATTACHED SUPPORTING DOCUMENTS:**

Proposal  
Bid Tab  
Agreement  
Certificate of Interested Parties