



City of Killeen

Legislation Text

File #: RS-24-101, **Version:** 1

Consider a memorandum/resolution authorizing a Letter of Agreement for the purchase and installation of equipment, in an amount not to exceed \$1,113,848, and a Contract Amendment for software support and hosting services, in the amount of \$107,158, with Aqua-Metric Sales Company for Phase 2 of the Water Meter Replacement Program.

DATE: June 4, 2024

TO: Kent Cagle, City Manager

FROM: Edwin Revell, Executive Director of Development Services

SUBJECT: Authorize the execution of a Letter of Agreement and a Contract Amendment with Aqua-Metric Sales Company for Phase 2 of the Water Meter Replacement Program

BACKGROUND AND FINDINGS:

On January 24, 2023, City Council approved the purchase and installation of the Sensus Flexnet advanced metering infrastructure (AMI) system which included 5,000 radios and one base station. This first phase of the water meter replacement program is complete, and Utility Collections is now receiving automated meter readings from the first 5,000 "smart" water meters. The combination of the Sensus iPERL water meters and the Sensus Flexnet AMI system is working well, and staff is confident that this combination provides the best value in meeting the City's "smart" water metering needs.

Aqua-Metric Sales Company, who provided all the components for Phase 1 of the water meter replacement program, submitted a quote from the HGAC Buy purchasing cooperative Contract No. WM09-20 in the amount of \$1,113,848 to: (1) provide 5,000 radios and one base station and (2) install and configure 5,000 iPERL meters, 5,000 radios, one base station, and AMI software.

Aqua-Metric also submitted a contract amendment to their original five-year software support and hosting services agreement. The amendment includes an additional 5,000 radios in Year Two of the agreement. This contract amendment increases the original five-year agreement from \$141,089 to \$248,247.

THE ALTERNATIVES CONSIDERED:

N/A

Which alternative is recommended? Why?

N/A

CONFORMITY TO CITY POLICY:

The purchase of smart water metering components from Aqua-Metric Sales Company will be completed through a purchasing cooperative. Purchases made through a cooperative contract are exempt from the competitive bidding process as stated in Texas Local Government Code section 271.102, subchapter F; a local government that purchases goods or services under this subchapter satisfies any state law requiring the local government to seek competitive bids for the purchase of the goods or services.

FINANCIAL IMPACT:

What is the amount of the revenue/expenditure in the current fiscal year? For future years?

The total expenditure for FY 2024 is an amount not to exceed \$1,139,461. This cost includes purchase, installation, configuration, training, and the contract amendment for one year of software hosting and support. Future expenses incurred by the contract amendment to the Annual Services Agreement will not exceed \$26,382 for FY 2025; \$27,174 for FY 2026; and \$27,989 for FY 2027.

Is this a one-time or recurring revenue/expenditure?

The purchase and installation of "smart" water metering components may become a recurring expenditure. However, this agenda item will only authorize the purchase and installation of these components in an amount not to exceed \$1,139,461, as budgeted in FY24. Further purchases will need to be authorized by City Council. The software hosting and support is a recurring expense.

Is this revenue/expenditure budgeted?

Yes, funds are budgeted in the Water & Sewer CIP Fund account 387-8934-493.69-03.

If not, where will the money come from?

N/A

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

Yes

RECOMMENDATION:

City Council authorize the City Manager or designee to execute a Letter of Agreement for the purchase and installation of equipment in the amount not to exceed \$1,113,848, and a contract amendment for software support and hosting services in an amount of \$107,158 with Aqua-Metric Sales Company.

DEPARTMENTAL CLEARANCES:

Development Services
Finance
Legal

ATTACHED SUPPORTING DOCUMENTS:

Agreement Amendment
Original Agreement
Certificate of Interested Parties
Presentation