

COUNCIL ACTION FORM

SUBJECT: PURCHASE OF WATER METERS AND RELATED PARTS

BACKGROUND:

On August 13, 2013, Council awarded two contracts for the purchase of water meters and related parts. One contract was awarded to Badger Meter in the amount of \$263,000, and the second was awarded to Elster AMCO in the amount of \$15,000.

It was subsequently discovered that the dollar amounts of the individual awards were incorrect. **The total amount of the award for the purchase of meters and parts remains unchanged at \$278,000.** However, the cost of the remote displays was incorrectly included in the Badger Meter contract. In fact, the displays are being purchased from Elster, and should have been included in their contract. Staff requests that Council revise the resolutions from August 13, 2013 to correct the dollar amount of the awards.

ALTERNATIVES:

1. A.) Revise the dollar amount of the award to Badger Meter of Milwaukee, WI to furnish water meters and related parts and services for the period of July 1, 2013 through June 30, 2014 at an estimated annual cost of \$205,000.

B.) Revise the dollar amount of the contract renewal with Elster AMCO of Ocala, FL to furnish water meters and related parts and services for the period of July 1, 2013 through June 30, 2014 at an estimated annual cost of \$73,000.
2. Take no action. The contract with Elster AMCO would be insufficient to fund the purchase of remote displays for water meters during the current fiscal year.

MANAGER'S RECOMMENDED ACTION:

The cost of purchasing remote displays for water meters was incorrectly included in the dollar amount awarded to Badger Meter on August 13, 2013. The displays will be purchased from Elster AMCO. The award to Elster needs to be increased to cover the cost of the displays, and the award to Badger needs to be reduced by the corresponding dollar amount. **This action will not result in a net change in the total dollar amount to be expended for meters and parts.**

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, thereby approving alternatives 1A and 1B as described above.