

**COUNCIL ACTION FORM**

**SUBJECT: ELECTRIC METER SUPPLY CONTRACT RENEWAL**

**BACKGROUND:**

This proposed action is for the purchase of standard residential single phase, AMR (Automated Meter Reading) residential single phase, AMR poly phase, and AMR programmable demand socket type electric meters to meet the needs of the Electric Services Department inventory.

Because of the variety of equipment required, the bid solicitation was organized into groups of equipment, allowing the City to purchase each specific type of meter from the vendor with the best bid. On August 25, 2020, City Council awarded groups 1, 3, and 4 to Vision Metering and groups 2, 5, and 6 to Van Wert Company. The bid evaluation considered both price and critical delivery time. The contract includes a provision that would allow the City to renew the contract for up to two additional one-year terms.

**This proposed renewal contract would be the first of two optional terms. The renewal period is from July 1, 2021, through June 30, 2022. Both Vision Metering and Van Wert Company offer a 0% increase on contract pricing for FY 2021/22.**

Under this contract, electric meters would be purchased at the City's discretion, which may be quarterly or on an as-needed basis. This provides the City with flexible inventory management and helps to reduce the need for storage space. Bid prices plus applicable sales taxes, which are applicable to the purchase of this equipment, are paid directly by the Utility. The cost of these meters will be paid for from the Electric Tech Services operating budget, which is \$115,662 for FY 2021/22. **Council should note that no contract amount is being authorized at this time, since purchase orders will be made as these meters are purchased.**

**ALTERNATIVES:**

1. a. Approve renewal of the contract to Vision Metering, York, South Carolina, for the purchase of electric meters in Groups 1, 3, and 4 in accordance with unit price bid. Payments will be based on unit prices bid and actual quantities ordered, plus applicable sales taxes.  
  
b. Approve renewal of the contract to Van Wert Company, Grundy Center, Iowa, for the purchase of electric meters in Groups 2, 5, and 6 in accordance with unit price bid. Payments will be based on unit prices bid and actual quantities ordered, plus applicable sales taxes.
2. Reject all bids and purchase electric meters on an as needed basis at market prices.

**CITY MANAGER'S RECOMMENDED ACTION:**

It is important to purchase electric meters at the lowest possible cost, together with timely deliveries, with minimal risk to the City to meet customer needs for new service or emergency replacements.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1 as stated above.