

COUNCIL ACTION FORM

SUBJECT: WATER METERS AND RELATED ACCESSORIES SUPPLY CONTRACT

BACKGROUND:

Since 2015, the City has standardized its water meters by pairing water meters manufactured by Badger Meter of Milwaukee, WI, with Automatic Meter Reading (AMR) technology provided by Itron, Inc. For FY 2024/25, AMR radio readers (Encoder/Receiver/Transmitters, or ERTs) were purchased from Van Wert Company of Grundy Center, IA, the authorized Itron distributor for Iowa, under a negotiated single-source contract, and the water meter bodies were purchased from Badger Meter of Milwaukee, WI through a negotiated sole source contract.

On March 11, 2025, City Council awarded a contract to Aclara Technologies, LLC for the purchase of an Advanced Metering Infrastructure (AMI) system for Electric Services and the Water and Pollution Control Department. As the AMI system is implemented, Aclara will supply the radio meter readers, eliminating the need to purchase AMR readers from Van Wert Company for FY 2025/26. **However, the City will continue to require water meter bodies and related parts and services from Badger Meter to support the water meter replacement program and meter maintenance.**

Badger Meter has agreed to pricing for FY 2025/26 under a negotiated sole source contract. **This pricing represents an estimated 6% increase over last year's item costs.**

Based on anticipated quantities to be purchased during the upcoming fiscal year, the estimated totals for FY 2025/26 are as follows.

	Estimated Expense	Authorized Budget
Meters (Badger Meter) - this action	\$ 249,509	
ERTs (Aclara)	107,400	
Operating Budget		
Routine Meter Changes		\$ 328,000
New Construction		41,000
Brass/Fittings		25,000
Meter Repair Parts		12,400
TOTALS	\$ 356,909	\$ 406,400

ALTERNATIVES:

1. Approve the following:
 - a. Waive Purchasing Policies and Procedures requirement for competitive bids in order to procure water meters.
 - b. Approve the negotiated sole source (i.e. the "only available source") contract with Badger Meter of Milwaukee, WI to purchase water meters and related parts and services for the period of July 1, 2025, through June 30, 2026, in an amount not to exceed \$249,509.
2. Do not approve the contract with Badger Meter and direct staff to solicit pricing from additional meter manufacturers.

CITY MANAGER'S RECOMMENDED ACTION:

The City is transitioning its meter reading system, with Aclara Technologies now providing the radio readers under a separate contract, allowing Water and Electric meters to be read by the same system.

Continued use of Badger Meter water meter bodies will maintain compatibility with the City's existing water infrastructure and ensure efficient meter replacement and installation.

Staff has negotiated agreeable terms with Badger Meter in compliance with the City's adopted Purchasing Policies and Procedures. Choosing not to purchase from Badger Meter would result in equipment incompatibility, inefficiencies in inventory management, and potential delays in new meter installations.

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