

ITEM #:	36
DATE:	07-14-26
DEPT:	W&PC

COUNCIL ACTION FORM

SUBJECT: WATER METERS AND RELATED ACCESSORIES SUPPLY CONTRACT

BACKGROUND:

Since 2015, the City has standardized its water metering infrastructure using water meters manufactured by Badger Meter of Milwaukee, WI. Prior to implementation of the City's Advanced Metering Infrastructure (AMI) system, these meters were paired with Automatic Meter Reading (AMR) technology provided by Itron, Inc., with radio meter readers purchased separately from Van Wert Company of Grundy Center, IA, the authorized Itron distributor for Iowa.

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 implementation of the Aclara AMI system continues, radio meters are being supplied through the AMI project, eliminating the need to purchase AMR-ready meters from Van Wert Company going forward. **However, the City continues 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 2026/27 under a negotiated sole source contract. Unit pricing has increased between 5% and 11% over FY 2025/26 prices due to tariff impacts and volatility in the copper market. These factors have increased manufacturing and material costs for water meters and related components.

Based on anticipated quantities to be purchased during the upcoming fiscal year, the estimated total for FY 2026/27 is \$222,367.13. Funding in the amount of \$226,600 is included in the adopted operating budget.

ALTERNATIVES:

1. Approve the following:
 - a. Waive the 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, 2026, through June 30, 2027, in an amount not to exceed \$222,367.13.
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.