

Agenda Report

September 20, 2004

TO: CITY COUNCIL
FROM: CITY MANAGER
SUBJECT: Authorization to Enter into a Contract with AMCO Water Metering Systems Inc., for Furnishing and Delivering Cold Water Meters for the Water and Power Department, Specification WD-04-03

RECOMMENDATION

It is recommended that the City Council:

1. Accept the bid dated August 27, 2004 submitted by AMCO Water Metering Systems Inc. in response to Specification WD-04-03, for Furnishing and Delivering Water Meters for the Water and Power Department;
2. Reject all other bids;
3. Authorize the Purchasing Administrator to issue a purchase order for a two-year period to AMCO Water Metering Systems Inc., with two optional one-year extensions. The contract shall not exceed \$361,000 annually for Item A, small water meters, and \$220,000 for Item B, large water meters; and
4. Approve the transfer of \$1,000,000 from CIP budget number 1019 (Fire Protection System Improvements) to CIP budget number 1002 (Meters and Services).

BACKGROUND

Specification WD-04-03 provides for a contract to furnish and deliver small and large water meters to the Water and Power Department. The meters are used on new service installations and meter replacements.

The Notice Inviting Bids for Specification WD-04-03 was published in the Pasadena Journal on August 12, 2004. In response to the Notice Inviting Bids, the Specification was sent to ten vendors. Bids were evaluated by multiplying each unit bid price by an estimated quantity and then adding the products to arrive at a total bid. The estimated quantities are based on the average number of water meters installed annually by the Water and Power Department.

Bids were received from two vendors for each item as follows:

<u>Bidders</u>	<u>Total Bid Price (Item A)</u>
AMCO Water Metering Systems Inc.	\$300,792
Badger Meter, Inc.	\$364,772

<u>Bidders</u>	<u>Total Bid Price (Item B)</u>
AMCO Water Metering Systems Inc.	\$180,520
Badger Meter, Inc.	\$239,192

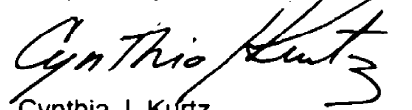
AMCO Water Metering Systems Inc. is the lowest responsive bidder for both Item A and Item B and complies in all respects with the requirements of the Specification. Staff recommends that the Council award a contract to AMCO Water Metering Systems Inc. The contract shall not exceed \$361,000 annually for Item A (small water meters) and \$220,000 for Item B (large water meters). The recommended contract amount is based on the Water and Power Department's estimated annual expenditure for small and large water meter purchases plus 20 percent. This would cover any unforeseen increase over the average annual meter installations and/or replacements.

The proposed contract is in compliance with the Competitive Bidding and Purchasing Ordinance P.M.C. 4.08.

FISCAL IMPACT

Water and Power is requesting the City Council to approve the transfer of \$1,000,000 from CIP budget number 1019 (Fire Protection System Improvements) to CIP budget number 1002 (Meter and Services). This transfer is necessary due to the increased expenditure in capital budget 1002 resulting from capital charges reclassification in FY 2004. Also, this transfer will fund sufficient inventory of meters needed in implementing on-going Water System Master Plan projects this FY 2005. With this transfer, sufficient funds will be available for the purchase and delivery of water meters under the Water Capital Budget Account 1002.

Respectfully submitted,



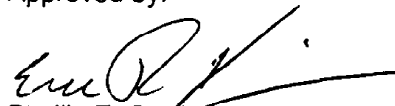
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City Manager

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