



# City Council Report

**Date:** February 9, 2015  
**To:** City Council  
**Through:** Alex Deshuk, Manager of Technology and Innovation  
**From:** Edward Quedens, MPA, C.P.M., CPPO, Business Services Director  
Matt Bauer, MBA, CPPO, CPPB, CPSM, Procurement Administrator  
**Subject:** Three-Year Term Contract for Multi-Jet Water Meters for the Water Resources Department **(Citywide)**

## Purpose and Recommendation

Council is requested to approve the Term Contract for Multi-Jet Water Meters as recommended.

Water Resources and Purchasing recommend awarding the contract to the lowest, responsive and responsible bidder, Zenner USA at \$1,045,000.00 annually, based on estimated requirements.

## Background / Discussion

This contract will provide new and replacement multi-jet meters (3/4", 1", 1.5" and 2") for the Water Resources Department. These are heavy-duty industrial water meters for use at residential and commercial facilities.

Bid specifications require the meters to conform to AWWA C-708. The minimum requirements state: all of the meters must be made in the United States; a service center and a supply point for a complete line of replacement parts must be located within the continental U.S.; the model of meter bid must have been continuously manufactured without major design change, sold and in service for a minimum of five years; and the prospective bidders must be capable of supplying the encoded registers with the requested cable and connector potted into the register so as to be waterproof if submerged.

Hendey Meter LLC's response was determined to be non-responsive because their water meters did not meet the minimum requirements stated in the bid. This vendor does not manufacture their meters in the United States; they are globally sourced, currently made in Ningbo, China.

## Alternatives

Council may choose not to authorize the purchase and new responses will be solicited.

## Fiscal Impact

The annual contract amount is funded by the Water Resources – Capital Improvement Program budget.

## Coordinated With

Water Resources and Purchasing

### **PURCHASING INFORMATION**

Action: Initial Award

Procurement Type: Request for Bids

Solicitation Number: 2015071

Vendors Registered: ProcureAZ (117) and Vendor Self Service (10)

Advertising: Arizona Republic, Bid Net, ProcureAZ and Purchasing Website

Downloads: 20

Responses: 3

Local Consideration: Not applicable as there were no Mesa responses

Protests Received: None

Initial Contract Term: Three Years

Possible Renewals: Two, One-Year renewal subject to future Council consideration

Prices: Future price increases are capped by the Producer Price Index

Pricing Available to Other Cooperative Agencies: Yes

### **December 3, 2014 Responses:**

Category A – 3/4", 1", 1.5 and 2" Multi-Jet Water Meters without Trade-In

Category B – 2" Short-Lay Length Multi-Jet Water Meters without Trade-In

Zenner Performance Meters, Inc.  
dba Zenner USA - Addison, TX

Category A – \$827,400.00 (Recommended)  
Category B – \$162,100.00 (Recommended)

Mountain States Pipe and Supply Co.  
Colorado Springs, CO

Category A – \$1,027,598.00  
Category B – No Bid

Hendey Meter LLC  
Beaumont, CA U.S.

Non-Responsive – Water meters are not made in U.S. which is a minimum requirement of the bid solicitation.

### **AWARD RECOMMENDATION**

***Zenner Performance Meters, Inc. dba Zenner USA  
Addison, TX***

Description
Multi-Jet Water Meters per Terms and Conditions, Specifications and Pricing as offered, plus 5.6% Use Tax
<b>Annual Contract Amount: <u>\$1,045,000.00</u></b>