City Council Report

Date: February 5, 2018

To: City Council

Through: Michael Kennington, Chief Financial Officer

From: Edward Quedens, Business Services Director
Matt Bauer, Procurement Administrator

Subject: One-Year Renewal to the Term Contract for Radio-Based Endpoint Encoders for the Water Resources Department **(Citywide)**

Recommendation

Council is requested to approve the contract renewal as recommended.

The Water Resources Department and Purchasing recommend authorizing the renewal with Itron, Inc. at $100,000.00, based on estimated usage.

Background

This contract provides Itron radio-based endpoint encoders and accessories purchased directly from Itron, Inc., the manufacturer. The endpoint stores 40 days of hourly reads to ensure data integrity and offers advanced customer side leak detection and reverse flow and tamper alarms. Water Utility installs approximately 540 radio-based endpoint encoders on new and existing meters annually.

The City has been using the Itron automated reading system for over 16 years. Itron meter reading devices are required to interface with the system and no other brand is acceptable.

Itron, Inc. agreed to renew the contract with no increase except for a 3.5% pricing increase on one item which was based on the Producer Price Index per the contract. The City has been satisfied with the vendor's performance. This contract continues to be advantageous to the City and it is in the City's best interest to renew the contract.

This is the last one-year renewal. The contract will be re-bid next year. Significant specification changes to meters are forthcoming. The City believes it would not be advisable to re-bid now.

Purchase Information

Action: Renewal (2nd of 2 possible)
Procurement Type: Request for Bids
Contract Number: 2014118
Responses Received: Single response
Original Council Award Date: 2/24/2014
Initial Contract Term: Three years
Funding Source: The purchase is funded in the Water Resources operating budget through the Enterprise, Water Sub Fund.