



# City Council Report

**Date:** March 18, 2019  
**To:** City Council  
**Through:** Michael Kennington, Chief Financial Officer  
**From:** Edward Quedens, Business Services Director  
Matt Bauer, Procurement Administrator  
**Subject:** Three-Year Term Contract with Two Years of Renewal Options for Itron Radio-Based Endpoint Encoders for the Water Resources Department (Funded by Utility Replacement Extension and Renewal Fund and Water Operations and Maintenance budget) **(Single Response) (Citywide)**

## Recommendation

Council is requested to approve the award as recommended.

A committee representing the Water Resources Department and Purchasing evaluated the single proposal response. The evaluation committee recommends awarding the contract to the single, responsive and responsible proposal from Itron, Inc. at \$120,000 annually with an annual increase allowance of up to 5% or the adjusted Consumer Price Index.

## Background / Discussion

This contract will provide Itron radio-based encoders and related meter reading products directly from the manufacturer, Itron, Inc. Water Resources purchases approximately 1,000, Itron 100W endpoints annually to equip new and existing meters for the City's automated meter reading system. Each endpoint stores 40 days of hourly reads to ensure data integrity and offers advanced customer-side leak detection and reverse-flow and tamper alarms.

The City has been using the Itron automated reading system for over 17 years. No other brand of endpoint will work with the City's existing system.

Itron is proprietary equipment that the City uses to read meters electronically. The endpoints and related equipment will be used until a time when the City decides to replace them with an Advanced Metering Infrastructure.

Because this is a limited source area for Itron radio-based endpoint encoders and related products, the City issued a Request for Proposal (RFP) to establish a contract with favorable pricing, and terms and conditions, for the City. A single response was received and therefore, the City was not able to perform a comparative analysis. The proposal was evaluated in accordance with the City's established policies and procedures.

Water Resources and Purchasing determined Itron's proposal as responsive and responsible. Water Resources confirmed the proposal pricing was fair and reasonable.

## **Purchase Information**

Action: Award

Procurement Type: Request for Proposals

Contract Number: 2019073

Local Consideration: Policy did not apply to this procurement method

Protests Received: None

Initial Contract Term: Three years

Possible Renewals: Up to two years, renewals subject to Administrative review and approval

Funding Source: Water Operations and Maintenance budget, and Utility Replacement Extension and Renewal Fund

## **Single Proposal Response**

Ittron, Inc. – Liberty Lake, WA