



AGENDA MEMORANDUM

Future Item for the City Council Meeting of December 13, 2016
Action Item for the City Council Meeting of December 20, 2016

DATE: December 13, 2016

TO: Margie C. Rose, City Manager

FROM: Dan Grimsbo, Interim Director of Utilities
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Purchase of Neptune Water Meters

CAPTION:

Motion approving a supply agreement with Neptune Technology Group, Inc., of Houston, Texas for water meters for a total amount of \$743,691.19, of which \$557,769 has been budgeted in the Water Fund for FY2016-17, and which award is based on the cooperative purchasing agreement with the Houston-Galveston Area Council for a term of one year with an option to extend for up to one additional eight-month period.

PURPOSE:

This item is to approve the purchase of Neptune Water Meters for the Utilities Department.

BACKGROUND AND FINDINGS:

The City of Corpus Christi has approximately 96,000 metered water connections with additional new service connections being added daily. These connections, whether as part of a new connection or regular maintenance, require the installation of components allowing the accurate measurement of water usage. The value in accurate reporting of water usage is illustrated in both operational planning and collection of revenues. The City of Corpus Christi has been utilizing Neptune meters as part of normal operating practices due to their cost, accuracy, warranty and integration with our current automatic

meter infrastructure (AMI). Based on historical numbers, the City of Corpus Christi invests approximately \$750,000 dollars in meters and associated components every year in an effort to maintain operational and fiscal efficiencies.

ALTERNATIVES:

The equipment identified is the optimum choice.

OTHER CONSIDERATIONS:

Not applicable.

CONFORMITY TO CITY POLICY:

This purchase conforms to the City's purchasing policies and procedures and State statutes regulating procurement.

EMERGENCY / NON-EMERGENCY:

Non-emergency.

DEPARTMENTAL CLEARANCES:

Utilities Department - Water

FINANCIAL IMPACT:

☐ Operating ☐ Revenue ☐ Capital ☐ Not applicable

Fiscal Year: 2016-2017	Current Year	Future Years	TOTALS
Line Item Budget	\$938,112.57	\$185,922.19	\$1,124,034.76
Encumbered / Expended Amount	\$73,708.22	\$0.00	\$73,708.22
This item	\$557,769.00	\$185,922.19	\$743,691.19
BALANCE	\$306,635.35	\$0.00	\$306,635.35

Fund(s): Water

Comments: The initial contract term total is \$743,691.19, of which \$557,769.00 will be funded in FY2016-2017. The total contract expenditure will be up to \$743,691.19 annually. Funding for the purchase has been approved in the FY 2016-2017 budget.

RECOMMENDATION:

Staff recommends approval of the motion as presented.

LIST OF SUPPORTING DOCUMENTS:

Supply Agreement- Neptune Water Meters
Price Sheet