



AGENDA MEMORANDUM

Action Item for the City Council Meeting May 9, 2023

DATE: May 9, 2023

TO: Peter Zaroni, City Manager

FROM: Wesley Nebgen Director of Water System Infrastructure
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Supply Agreement for Neptune Water Meters

CAPTION:

Resolution authorizing a seven-month supply agreement with Neptune Technology Group, Inc., of Tallassee, Alabama, in an amount not to exceed \$1,492,058.47 for the purchase of water meters for Corpus Christi Water, with FY 2023 funding of \$450,000.00 from the Water Fund.

SUMMARY:

This motion authorizes a seven-month supply agreement for water meters for the Utilities Department. This agreement is necessary to ensure a supply of meters and associated components needed to maintain the performance of the City's water meter system.

BACKGROUND AND FINDINGS:

The City of Corpus Christi has over 100,000 metered water connections with an average of 1,000 new service connections being added every year. These connections, whether as part of a new service or regular maintenance, require the installation of components that ensure the continued accurate measurement of water usage. The value of accurate reporting of water usage is illustrated in both operational planning and collection of revenues. Corpus Christi Water has been utilizing Neptune meters as part of normal operating practices due to its competitive price, accuracy, warranty, and integration with our current automatic metering infrastructure (AMI).

PROCUREMENT DETAIL:

This is a sole source purchase. Neptune Technology Group Inc. is the sole manufacturer of Neptune Meters and provides maintenance and repair services on their meters. The price increase for this item is 45% since the last time we purchased in 2020.

ALTERNATIVES:

An alternative is to not enter into a service agreement, which would require separate procurements on an as needed basis, which would reduce the economies of scale pricing secured through a long-term contract and would increase the time delay due to the procurement process, which could slow the level of response, in some cases, negatively impacting revenues.

FISCAL IMPACT:

The fiscal impact for Corpus Christi Water for FY 2023 is \$450,000.00. The remaining cost will be budgeted through the budget process.

FUNDING DETAIL:

Fund:	4010	Water
Organization/Activity:	31510	Maintenance of Water Meters
Department:	45	
Project # (CIP Only):	N/A	
Account:	520150	Meter/Serv Cnnct Mat

RECOMMENDATION:

Staff recommends approval of the resolution as presented.

LIST OF SUPPORTING DOCUMENTS:

Resolution
Supply Agreement