



AGENDA MEMORANDUM

Action Item for the City Council Meeting of June 13, 2023

DATE: June 13, 2023

TO: Peter Zanoni, City Manager

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Supply Agreements for Purchase of Aclara Meter Transmission Units for Corpus Christi Water and Gas Operations

CAPTION:

Resolution authorizing two one-year supply agreements, with two additional one-year options, with Aclara Technologies, LLC, of St. Louis, Missouri, to purchase meter transmission units for both Corpus Christi Water, in an amount not to exceed \$3,207,013.33, and a potential of \$9,621,039.99 if all options are exercised, and Gas Operations, in an amount not to exceed \$2,615,991.05, and a potential amount of \$7,847,973.15 if all options are exercised, with FY 2023 funding of \$1,000,000.00 from Water Fund and \$363,332.09 from Gas Fund.

SUMMARY:

This resolution authorizes two one-year supply agreements, each having two additional one-year options for the purchase of transmission units (MTUs). These agreements, one each for Corpus Christi Water (CCW) and Gas Operations, are necessary to ensure a steady supply of MTUs to collect automatic meter reads for customer billing. This item has been reviewed by the Information Technology Department who support the agreement.

BACKGROUND AND FINDINGS:

The City of Corpus Christi has approximately 103,000 metered water connections and 58,100 metered gas connections, with new service connections added daily. In 2005, the City of Corpus Christi began implementation of the automated metering infrastructure that

allows the wireless collection of daily meter readings for CCW and Gas Operations. New meter transmission units must be installed to replace those that are broken or damaged, or at new service connections lacking the required equipment. It is estimated that CCW will need 12,000 units per year and 6,000 units for Gas Operations

PROCUREMENT DETAIL:

This is a sole source procurement. Aclara Technologies LLC is the sole source manufacturer of the STAR Fixed Network Automatic Meter Reading System which is currently installed throughout the city. Meter transmission units and MTU programmer software are proprietary products of Aclara and are not compatible with any other automatic meter reading system. The new contract pricing reflects a 15% increase.

ALTERNATIVES:

An alternative to awarding these supply agreements is to not enter into an agreement, which would require separate procurements on an as-needed basis. This would reduce the economies of scale pricing secured through a long-term contract, increase the time delay due to the procurement process, thereby resulting in inaccurate or non-reads on customer utility bills.

FISCAL IMPACT:

The fiscal impact for CCW in FY 2023 is \$ 1,000,000.00 and \$ 363,332.09 for Gas Operations. Additional amounts will be budgeted in future years through the annual 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

Fund:	4562	Gas 2023 CIP
Organization/Activity:	E12132014562EXP	
Department:	11	
Project # (CIP Only):	E12132	Gas Life Cycle Replacement Program
Account:	520150	Meter & svc connection material

RECOMMENDATION:

Staff recommends approval of this resolution with Aclara Technologies, LLC as presented.

LIST OF SUPPORTING DOCUMENTS:

- Resolution
- Supply Agreement- Corpus Christi Water
- Supply Agreement- Gas Operations