



AGENDA MEMORANDUM

Action Item for the City Council Meeting of June 29, 2021

DATE: June 29, 2021

TO: Peter Zanoni, City Manager

FROM: Kevin Norton, Director of Water Utilities
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Water Meter Transmission Units

CAPTION:

Resolution authorizing a two-year supply agreement with Aclara Technologies LLC, of St. Louis, Missouri, for a total amount not to exceed \$2,304,818.00, for water meter transmission units (MTUs) for the Utilities Department, effective upon issuance of notice to proceed, with FY 2021 funding in the amount of \$384,136.33 available through the Water Fund.

SUMMARY:

This resolution authorizes a two-year supply agreement for the purchase of water meter transmission units for the Utilities Department. This agreement is necessary to ensure a steady supply of MTUs in order to collect automatic meter reads for customer billing. This item has been reviewed by the Information Technology Department who supports the agreement.

BACKGROUND AND FINDINGS:

The City of Corpus Christi has approximately 105,000 metered water 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 water utilities. New meter transmission units must be installed to replace those that are broken or damaged, and at new service connections lacking the required equipment. It is estimated that the department will need 12,000 units per year (11,000 for replacement and 1,000 for new service).

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. Water meter transmission units and MTU programmer software are proprietary products of Aclara and are not compatible with any other automatic meter reading system. Aclara has not increased their price to the City throughout the two-year contract that is set to expire soon. The new contract pricing reflects a 2% and 1% price decrease on the two types of meter transmission units included in the agreement.

ALTERNATIVES:

An alternative to awarding this supply agreement 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 the Utilities Department in FY 2021 is \$384,136.33 for this two-year supply agreement. The remaining cost will be budgeted in future years through the annual budget process.

FUNDING DETAIL:

Fund:	4010	Water
Organization/Activity:	31510	Maintenance of Water Meters
Mission Element:	041	
Project # (CIP Only):	N/A	
Account:	520150	Meter/serv connct

RECOMMENDATION:

Staff recommends approval of this resolution authorizing a two-year supply agreement with Aclara Technologies LLC for water meter transmission units for the Utilities Department as presented.

LIST OF SUPPORTING DOCUMENTS:

- Price Sheet
- Supply Agreement
- Resolution