

City Council Action Report

Date: April 6, 2005
 Subject: Automated Meter Reading Equipment Installation 2005
 Strategic Council Goal: Nos. 1 & 2

Recommended Action and Major Considerations:

- Authorize the Mayor to sign an agreement with National Metering Services and National Meter and Automation in an amount not to exceed \$875,000. This contract will include equipment, materials and labor necessary to replace 4,947 meters and supply automated reading equipment at a cost of \$843,463.50. A contingency of \$31,536.50 is requested for minor changes in the work and installation of some commercial meters ranging in size from 1-1/2" to 6". It is also recommended that Council authorize an additional expenditure of up to \$5,000 for advertising and informational materials produced and mailed to residents explaining the meter replacement program. The remaining meters will be installed in 2006 subject to budget appropriation.
- Adequate funding for this project is appropriated in the Capital Improvement Program (CIP) of the Water and Sewer fund.
- This project meets Council's Objectives of Upgraded City Infrastructure and a Fiscally Responsible City Government.
- A copy of the bid summary and support documentation is attached to this Staff Report.

Background and Other Information:

- In 2004, 2,648 residential water meters (approximately one-third of the City's total) were replaced with new meters and automated reading equipment. The remaining two-thirds are scheduled for replacement during 2005 and in 2006.
- The City requested formal bids for 7,000 residential water meters to be installed in 2005 and 2006 (2005 F/B-02) and the bid opening held on February 16, 2005.
- National Metering Services and National Metering and Automation, Inc., were low bid at \$1,193,500.00 for a two year bid.
- Further negotiations with the low bidder resulted in an additional savings of \$21,000.00.
- Installation of the new AMR units represents a 20% savings per unit over the previous years' installation.
- During 2004, 19 residential routes were converted to AMRs. What had taken a meter reader 2 to 3 hours per route is now taking 15 to 20 minutes.
- The AMRs proposed for 2005 do not have the bubble on top of the lid that can be damaged by mowers or vandalism. This concern was voiced as a concern by several residents in 2004 when the first phase of budgeting for the program was approved by Council.

Budget Information:

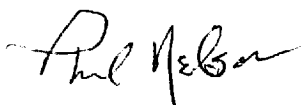
- The adopted budget for the 2005 Water and Sewer Fund appropriated \$880,000.00 for 2005 AMR installation. The remainder will be scheduled for installation in 2006 subject to budget appropriation.

Respectfully Submitted:



Norm Bell, M&O Expediter

Approved for Submittal:



Phil Nelson, City Manager

Funding Available:



Bob Eichen, FISS Director

COUNCIL ACTION TAKEN:

MEMORANDUM

To: Phil Nelson, City Manager
Bob Eichem, Chief Implementation Officer

Fr: Norm Bell, M&O Expediter ^{MB}

Dt: April 6, 2005

Re: AMR bids

On February 16, 2005, the City of Northglenn opened bids for phase 2 of the City's Automated Meter Reading replacement program. Four bidders responded with bids ranging from \$1,193,500 to \$2,653,000. Pricing was requested to be valid through December 31, 2006, allowing completion of this project next year subject to availability of funds. \$880,000 has been identified in this year's Water and Sewer CIP fund.

Three bidders were very close in pricing, so staff interviewed the three low bidders to assess which bid would be in the best interest of the City. As a result of the interviews, National Metering Services and National Meter and Automation, Inc., (the low bidders) proposed an alternate system with distinct advantages over the City's existing Itron system. Their Orion system offered all the features of the Itron system, but also included the ability to locate the ERT (transmitting device) under the meter lid so it would not be subject to damage. This had been a significant concern of the previous system. In addition, the Orion system has the capability to interface with the existing system, replace existing Itron units as they fail or wear out, has greater battery life and waterproofing technology and has leak and tampering detection.

The ability to locate the ERT under the meter lid would result in a further cost savings of \$21,000 by not pre-drilling. All software, hardware, hand held and mobile interrogator units are included in the price. The net cost per unit was ultimately negotiated to \$170.50 per unit which represents a 20% savings per unit over last years' installation cost.

Brent Worthington contacted Jeff Parker with the City Attorney's office and it was concluded that this bid did represent the lowest price and was in the City's best interest. A check of references using the Orion system indicated it has performed very well and the current users are quite satisfied with the product.



**CITY OF NORTHGLENN
FORMAL BID SUMMARY**

BID NUMBER: 2005-FB01

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BID NAME: Automated Meter

Overlay

DEPARTMENT FISS M&I

	<i>Natl Waterworks Mtl & Inc.</i>	<i>Metro Meter Automation</i>	<i>Metro-Furnice</i>	<i>Montana Stalls Paper Supply</i>	
DATE DUE: 2/16/05	BID RECEIVED: 2/16/05	BID RECEIVED: 2/16/05	BID RECEIVED: 2/15/05	BID RECEIVED: 2/16/05	BID RECEIVED:
TIME: 2:00 P.M.	DATE: 2/16/05	DATE: 2/16/05	DATE: 2/15/05	DATE: 2/16/05	DATE:
	TIME: 1:35 PM	TIME: 11:57 AM	TIME: 1:44 PM	TIME: 1:56 PM	TIME:
Residential Meter - equipment	\$ 532,000.00	\$ 500,500.00	\$ 1,162,000.00	\$ 989,700.00	
Residential Meter - Installation	\$ 133,000.00	\$ 90,000.00	\$ 455,000.00	\$ 182,000.00	
Amendment 1					
Optional Commercial Equipment	\$ 1,331,970.50	N/A	\$ 424,656.00	---	
ERT - Neptune	\$ 514,500.00	\$ 483,000	\$ 833,000.00	incl.	

Kathleen Krasinski
Buyer

Heidi D. King
City Clerk

2-16-05
Date

AGREEMENT

PROJECT NAME: 2005 Automated Meter Reading Installation

PROJECT NUMBER: 2005 F/B-02 **PROJECT MANAGER:** Gene Maypole

THIS AGREEMENT, made this _____ day of _____ 2005, by and between the City of Northglenn, hereinafter called "CITY", and National Metering Services Inc. and National Meter and Automation, Inc., hereinafter called "CONTRACTORS".

WITNESSETH: That for and in consideration of the payments and agreements hereinafter mentioned:

1. The CONTRACTORS will commence and complete the project named:

"2005 Automated Meter Reading Installation"

2. The CONTRACTORS will furnish all of the materials, supplies, tools, equipment, labor supervision, and other services necessary for the completion of the PROJECT described herein.

3. The CONTRACTORS will provide performance and payment bonds and a certificate of insurance naming the City as an additional insured for purposes of said project within 7 days after the date of the NOTICE OF AWARD.

4. The CONTRACTORS agree to perform all of the WORK described in the CONTRACT DOCUMENTS and comply with the terms therein for the sum not to exceed \$875,000, or as shown in the BID schedule. The CONTRACTORS will commence the work within 14 calendar days after the date of NOTICE TO PROCEED. The CONTRACTORS will complete the work within 60 calendar days after the date of NOTICE TO PROCEED unless the period for completion is extended otherwise by the CONTRACT DOCUMENTS.

5. The term CONTRACT DOCUMENTS means and includes all items as set forth in Section 1.01 of the General Conditions.

6. The CITY will pay to the CONTRACTORS in the manner and at such times as set forth in the General Conditions such amounts as required by the CONTRACT DOCUMENTS.

7. This AGREEMENT shall be binding upon all parties hereto and their respective heirs, executors, administrators, successors, and assigns.

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IN WITNESS WHEREOF, the parties hereto have executed, or caused to be executed by their duly authorized officials, this Agreement in TWO copies, each of which shall be deemed an original on the date first above written.

CITY OF NORTHEGLENN

By: _____
Name Kathleen M. Novak
Title Mayor

ATTEST:

Name Diana L. Lentz, CMC
Title City Clerk

(SEAL)

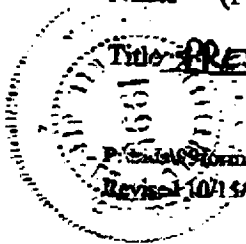
APPROVED AS TO FORM:

Herbert C. Phillips, City Attorney

(SEAL)
ATTEST:

Joseph Castromini
JOSEPH CASTROMINI
Name (Please Print or Type)

Title PRESIDENT



ATTEST:

Mark S. Laramey
Mark S. Laramey
Asst. Secretary

CONTRACTORS:

NATIONAL METERING SERVICES INC.
By [Signature] Vice President

Name William Castle
(Please Type or Print)
Title Vice President
Address 163 S. Cedar Lea Ave.
Box 491 Kenans, NJ 07032

National Meter & Automation, Inc
By [Signature]

Name Frank J. Miller
(Please Type or Print)
Title Vice President
Address 9500 E. EASTER AVE #130
Centennial, Co 80112