

AGENDA BILL
Beaverton City Council
Beaverton, Oregon

SUBJECT: Bid Award – Badger Water Meters Contract **FOR AGENDA OF:** 6-05-12 **BILL NO:** 12119

Mayor's Approval: Danny Dade

DEPARTMENT OF ORIGIN: PW

DATE SUBMITTED: 5-22-12

CLEARANCES: City Attorney [Signature]
 CAO [Signature]
 Purchasing [Signature]
 Finance [Signature]
 Engineering [Signature]

PROCEEDING: CONSENT AGENDA
(CONTRACT REVIEW BOARD)

EXHIBITS: 1. Bid Results Summary

BUDGET IMPACT

EXPENDITURE	AMOUNT	APPROPRIATION
REQUIRED \$53,000	BUDGETED \$85,100*	REQUIRED

*Account 501-85-0742-466 Water Fund – Water System Distribution Program – Meter Maintenance Account. The \$53,000 for meter purchases is a component of the \$85,100 budgeted in Account 466 and is included in FY 2012-13 Recommended Budget that is scheduled to be approved at the June 19, 2012 Council Meeting.

RECOMMENDED ACTION:

City Council, acting as the Contract Review Board, (1) award a contract to Badger Meters, in the amount of \$53,000, as the lowest responsive bid received to supply Badger brand water meters, contingent upon the approval of the Recommended FY 2012-13 Budget, and (2) approve automatic contract renewal for up to four additional one-year terms based on Council's approval of the future FY 2013-14 through FY 2016-17 budgets, all contracts to be in a form approved by the City Attorney.

HISTORICAL PERSPECTIVE:

At the October 25, 2011, Regular Meeting Council authorized staff to specify the Badger brand of water meters when making purchases of water meters (AB No. 11187, not attached). The FY 2012-13 Recommended Budget includes funding for the purchase of water meters for the replacement of meters within the City's water system by the Water Section of the Public Works Department. Replacement of old malfunctioning water meters is very important to accurately measure water consumed by customers, to maintain the Water Fund's revenue stream and to reduce unaccounted water loss.

INFORMATION FOR CONSIDERATION:

Invitation to bid was advertised in the Daily Journal of Commerce on April 11, 2012. Two bids were received and opened on April 25, 2012, in the Finance Conference Room (Exhibit 1). Badger Meters of Milwaukee, Wisconsin submitted the lowest responsive bid in the amount of \$86,722, and complies with the requirements and criteria set forth in the invitation to bid and all other prescribed public procurement procedures and requirements.

Badger Meters' bid amount of \$86,722 was more than anticipated because unit costs for the meters increased, and pricing for additional meter sizes was requested. For FY 2012-13, staff estimates replacing a total of 40 large meters (1-1/2 inch and larger) and 560 small meters (5/8-inch, 3/4-inch and 1-inch). The total value of these meters, including a 20% contingency, is approximately \$53,000 based on current vendor pricing.

The contract shall automatically renew for four (4) additional one-year terms unless either party gives at least thirty (30) days notice prior to expiration of the then current term of its desire to terminate the contract. The maximum duration of the contract, including all its renewal terms, may not exceed five (5) years. The contract will allow the Public Works Department to purchase water meters on an as-needed basis for Fiscal Years 2012-13 through FY 16-17.

Prices are firm for the first year. Prior to extension of the contract for future years the City may consider pricing revisions proposed by the vendor. Any proposed pricing increases must be fully documented and justified by the vendor. Acceptance of the vendors' proposed price revisions shall be at the City's sole discretion.

**CITY OF BEAVERTON
 BID SUMMARY
 INVITATION TO BID FOR BADGER WATER METERS #2645-12B**

TO: Mayor & City Council
FROM: Purchasing Division
SUBJECT: Bid Opening

Bids were opened on **APRIL 25, 2012**, at 2:00PM in the **FINANCE CONFERENCE ROOM**

Witnessed by: Deme Perlmutter.

VENDOR NAME CITY, STATE	Grand TTL Including Delivery	Percentage mark-up over manuf's cost for addl items not listed in Bid Tab	Bidder has a local distributor in the Portland, Oregon Metro area.
Badger Meter Milwaukee, WI	\$ 86,722.00	-0-	YES
General Pacific, Inc Fairview, OR	\$ 97,797.00	-0-	YES

The Purchasing process has been confirmed.

Signed: Henry J. Murrill
 Purchasing Division-Finance Dept.

The above amounts have been checked: YES NO

Date: 4/25/12

