

MEMORANDUM

TO: Board of Trustees

THROUGH: Kate Nelson, Engineering Manager

FROM: Jim Youngblood, Utilities Superintendent, Bree Waters, District Project Manager

SUBJECT: Review, discuss and possibly approve a Sole Source Finding **and** review, discuss, and possibly approve the procurement of water meter registers and transponders for 600 residential units - 2023/2024 Capital Expense Project; Fund: Utilities; Division: Water; Project #2299DI2603; Vendor: Ferguson Waterworks in the amount of \$119,400.

RELATED STRATEGIC PLAN INITIATIVE(S):

LONG RANGE PRINCIPLE #5 – ASSETS AND INFRASTRUCTURE

The District will practice perpetual asset renewal, replacement and improvement to provide safe and superior long term utility services and recreation venues, facilities, and services.

- Maintain an asset management program leveraging technology, as appropriate by venue/division, to ensure timely and efficient asset maintenance.
- Comply with regulatory requirements, industry standards, and District policies.
- Allocate capital expenditures to maintain services and facilities

RELATED DISTRICT POLICIES, PRACTICES, RESOLUTIONS OR ORDINANCES

Ordinance 4 - Water; Capital Planning - Multi-Year Capital Planning Policy 12.1.0; Capital Planning - Capital Project Budgeting Policy 13.1.0; Capital Planning - Capital Expenditures Practice 13.2.0; Purchasing Policy for Public Works Contracts, Policy 21.1.0

DATE: August 30, 2023

I. RECOMMENDATION

That the Board of Trustees makes a motion to:

1. Make the following finding: The District's purchase of water meter registers and transponders is exempt from competitive bidding for the following reasons: NRS 332.115.1.(d),(i), and (j).
2. Authorize the procurement of water meter registers and transponders for 600 residential units from Ferguson Waterworks in the amount of \$119,400.00.

II. BACKGROUND

The Public Works Department relies on water meters to accurately account and bill for the water consumed throughout the District. The District has a total of 4,460 residential water meters. The water meters themselves are in good shape because of the clean water, which results in less wear and tear on the internal meter parts. However, the battery life on the transponders is approximately 10 years. Over the last two (2) fiscal years, the District has seen a large increase in the number of transponders whose batteries have died and are no longer functioning and are unable to be read via Automated Meter Reading (AMR). The Public Works Staff requested this project be included as part of the FY23/24 budget cycle as well as for the following four (4) years to completely replace all meter registers and transponders throughout the District. The District has replaced approximately 183 transponders to date under the general operations budget due to failure.

III. BID RESULTS

This material purchase is for Badger Meter Mobile AMR Meters and Endpoints that are compatible with the District's existing water meter reading system. Ferguson Waterworks is the only authorized Badger equipment dealer in Northern Nevada. This material purchase does not require bidding as it meets the requirements outlined in the following Nevada Revised Statute (NRS).

NRS 332.115 Contracts not adapted to award by competitive solicitation; purchase of certain equipment by local law enforcement agency, response agency or other local governmental agency; purchase of goods commonly used by hospitals.

1. Contracts which by their nature are not adapted to award by a competitive solicitation, including contracts for:
 - (d) Equipment which, by reason of the training of the personnel or of an inventory of replacement parts maintained by the local government, is compatible with existing equipment;
 - (i) Maintenance and support for:
 - (1) Hardware and associated peripheral equipment and devices for computers; and
 - (2) Software for computers;

- (j) Equipment containing hardware or software for computers.

The District solicited contractors to bid on the installation of the units. The District received two (2) responsive bids with a per unit cost of \$125 and \$192 respectively. The installation amounts came in much higher than we had estimated the cost to be based on previous installation costs. Staff evaluated utilizing overtime pay for Public Works Pipeline Crew to install the units. Based on the average (fully burdened) overtime rate of \$106.27, a two person crew, and an estimated 30 units installed per day, the total cost per unit for internal staff is \$70.84/unit.

Therefore, the Public Works Pipeline Crew will be installing the new meter registers and transponders per District Policy 21.1.0 - 1.6.2.1 Construction Projects Performed by District Forces:

Construction projects estimated to \$100,000 or less may be performed by District staff members under the following conditions:

- A. If bids were submitted and then rejected in accordance with Section 1.6.3 below, the District may proceed with constructing a public work itself.
- B. If constructing a public work itself, the District must adhere to the attestation requirements contained in NRS 338.

IV. FINANCIAL IMPACT AND BUDGET

The Residential Meter and Electronics Replacement project (CIP# 2299DI2603) has a total approved budget of \$150,000 for FY23/24. The purchase of 600 transponder units is a total of \$119,400 leaving \$30,600 for installation. By utilizing Public Works Pipeline Crew members to install the transponders after hours, approximately 432 transponders will be able to be installed at a fully burdened overtime rate. The remaining 168 transponders will be installed as needed during regular operations.

V. ALTERNATIVES

The Board of Trustees not authorize the procurement of water meter registers and transponders for 600 residential units from Ferguson Waterworks.

VI. COMMENTS

In conclusion, the following items have been discussed:

1. All meter registers and transponders are being replaced throughout the District over the next four (4) years.
2. The Project is funded through the 2023/2024 Capital Expense Budget Fund: Utilites; Division: Water Project #2299DI2603; Amount; \$119,400.
3. The proposed procurement is through Ferguson Waterworks in the amount of \$119,400.
4. This material purchase is for Badger Meter Mobile AMR Meters and

Endpoints that are compatible with the District's existing water meter reading system. Ferguson Waterworks is the only authorized Badger equipment dealer in Northern Nevada.

VII. BUSINESS IMPACT/BENEFIT

This item is not a “rule” within the meaning of Nevada Revised Statutes, Chapter 237, and does not require a Business Impact Statement.

VIII. ATTACHMENTS

1. Ferguson Waterworks Quote

IX. DECISION POINTS NEEDED FROM THE BOARD OF TRUSTEES

The decision needed from the Board of Trustee's shall be that of approving the staff recommendation as presented.



Badger Meter Mobile AMR Solution

Date: 8/3/2023

Customer:

Incline Village
1220 Sweetwater Rd.
Incline Village, NV 89451

Michael Carmack
Ferguson Waterworks
Michael.Carmack@Ferguson.com
(775) 233-7912

Quote Ref: Ferguson/Badger Meter AMI Solution
Quote Expiration: 12.31.23

Note: The City will be responsible for any integration fees charged by their billing software provider.

Badger Meter Mobile AMR Meters and Endpoints

Description	Units	Quantity	Unit Sale Price	Extended
HRE-LCD Register for M25 Meter	Each	600	\$ 80.00	\$ 48,000.00
Mobile AMR Endpoints	Each	600	\$ 119.00	\$ 71,400.00
			\$ -	\$ -
			\$ -	\$ -
Meter and Endpoint Price Sub-Total				\$ 119,400.00

Badger Meter Mobile AMR Software and Hardware

Description	Units	Quantity	Unit Sale Price	Extended
			\$ -	\$ -
			\$ -	\$ -
			\$ -	\$ -
			\$ -	\$ -
Equipment Sub-Total				\$ -

Total:	\$119,400.00
---------------	---------------------

Mobile Service Unit Annual Cost - This charge will be billed directly from Badger Meter. Volume discounts may be available

Description	Units	Quantity	Unit Sale Price	Extended
Orion Mobile Service Units	Each	7,800	\$ 0.10	\$ 780.00

Quoted prices are based upon receipt of the total quantity for immediate shipment (48 hours). Shipments beyond 48 hours shall be at the price in effect at time of shipment unless noted otherwise. Seller is not responsible for delays, lack of product or increase of pricing due to causes beyond our control, and/or based upon Local, State and Federal laws governing the type of products that can be sold or put into commerce. This Quote is offered contingent upon the Buyer's acceptance of Seller's terms and conditions, which are incorporated by reference and found either following this document, or on the web at http://wolseley.com/terms_conditionsSale.html. Government Buyers: All items quoted are open market unless noted otherwise. Lead Law Warning: It is illegal to install products that are not "lead free" in accordance with US Federal or other applicable laws in potable water systems anticipated for human consumption. Products with *NP in the description are NOT lead free and can only be installed in non-potable applications. Buyer is solely responsible for product selection.