



## Agenda Item Summary

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### **Submitted By**

John P. Wielebnicki, Public Works Director

### **Reviewed By**

AMZ

### **Agenda Item Title**

**A Resolution Approving a Water Meter and Water Meter Parts Purchase Agreement with Ferguson Enterprises Inc., d/b/a Ferguson Waterworks in an Amount Not to Exceed \$1,195,000.00, Authorizing its Execution and Waiving the Village's Bid Process for the Agreement**

### **Overview**

This item is for the purchase of replacement water meters and water meter parts as part of the Public Works Departments 2021-22 Water Meter Changeout Program. This is the second purchase of replacement water meters for the program which is scheduled to start in Q1 2022. The metering equipment needs to be ordered to ensure delivery prior to the contractor scheduling appointments.

### **Recommendation**

Approve the Resolution.

### **Fiscal Impact**

The purchase of these materials will be funded from the Fiscal Year 2022 Water and Sewer Fund Budget, Capital Improvements, account #5040-43750-781-570707, \$1,150,000.00 (50%) and #5040-43730-777-570707, \$1,150,000.00 (50%) which provides funds for the water meter replacements.

### **Background**

In an effort to strive for accurate reading of water usage and reduce non-revenue water loss the Public Works Department continues the process of replacing older/obsolete water meters. Included in the Fiscal Years 2021-22 Water & Sewer Fund Budget is a water meter replacement program.

There are two components to the water meter replacement program. One is the Village purchasing the water meters and water meter parts. That is this item. The second component is to hire a contractor to install the water meters. That part has been awarded to Calumet City Plumbing and Heating, Inc. The contractor will begin scheduling appointments for mid-January and anticipates completion by July 2022.

The purpose of placing an order now for water meters ahead of the contract services is to ensure delivery of the water meters in time for installation. This is the second order for materials.

There are approximately 12,600 meters in the Villages water system. The meters are necessary to record

water usage for billing purposes. As meters age they can become less accurate due to wear on the metering parts. Meters have an expected life of 15-20 years for accuracy purposes. As meters age they will typically record less water usage than actually is being used thus accounting for water usage that is not being billed.

There are two parts to a water meter. The first is a cast metal housing consisting of lead-free copper alloy that the water flows through and measures the water. The second part is called a Register Head. The second part is what records the flow of water to determine the volume that has been used by the customer. The Register Head also communicates to the Water Meter Reader employee who drives down the street and records the water used by customers. The readings are then provided to the Finance Department who proceeds with the billing of customers. The current style of replacement meters will allow the Village to transition from a 'drive-by' reading system to a 'fixed-base' reading system which will collect reads on a daily basis.

Staff recommends waiving the bid process for this purchase because Ferguson Waterworks is the only regional distributor of the Neptune water meter that the Village uses. Neptune is the manufacturer of the meters that were purchased to start the previous change-out program in 2001 and is the preferred manufacturer of meters to complete the program to maintain continuity with the meters. Neptune has also served the water industry for over 120 years starting in 1892 and is a leader in AMR (Automatic Meter Reading) technology.

### **Alternatives**

The Board can delay action to gain additional information.

### **Previous Board Action**

The Village Board has waived the bid process and approved this supplier for water meter equipment in previous years.

At the September 20, 2021 meeting the Village Board authorized the purchase of water meters for the replacement program in the amount of \$901,741.30. This was the first purchase for the program.

At the November 1, 2021 meeting the Village Board authorized Calumet City Plumbing and Heating Co., Inc, to complete the installation of the new water meters as part of the replacement program in the amount of \$1,149,993.00.

### **Citizen Advisory Commission Action**

N/A.

### **Anticipated Future Actions/Commitments**

In 2022 staff will be looking at options to move towards an Advanced Metering Infrastructure system. This would also allow the Village and residents to know real time water usage, be notified of possible leaks and offer the possibility to move to bi-monthly or monthly billing.

### **Intergovernmental Cooperation Opportunities**

There are no opportunities for intergovernmental cooperation for the purchase of these materials at this time.