



AGENDA
ITEM 69
DATE 1-26-09

City Council Report

Date: January 26, 2009
To: City Council
Through: Bryan Raines, Deputy City Manager
From: Edward Quedens, Business Services Director
Subject: Term Contract for Residential and Commercial Multi-Jet Water Meters for the Utilities Department, Water Division (Mesa Contract #2009100) "Citywide" contract

Purpose and Recommendation

Council is requested to approve a Term Contract for Residential and Commercial Multi-Jet Water Meters as recommended. Bid pricing was obtained and evaluated by the Utilities and Business Services Departments.

The Business Services Department recommends awarding the contract to the lowest, responsive and responsible bidder, Dana Kepner Co., Inc. at \$3,381,039.36 annually, including applicable sales tax.

Background/Discussion

This purchase will provide new and replacement residential and commercial water meters for the Water Division. The meters are needed to replace old water meters that are not registering water consumption accurately and for new water utility customers.

The utility customer normally pays the cost for original meter installation; however, a majority of these meters will serve as replacement meters as part of a Capital Improvement Project (CIP).

The initial term of the contract is three years with a two-year renewal possible. Any price increases are capped by the Consumer Price Index (CPI).

Three responsive bids were received in January 2009.

Alternatives

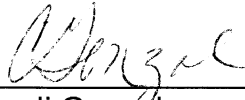
Council may choose not to authorize this purchase and new bids will be obtained.

Fiscal Impact

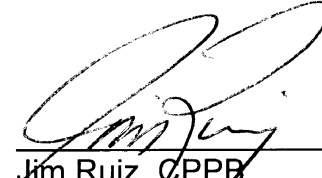
The total amount of \$3,381,039.36 is available in the Water Division's budget with \$2,597,000.00 available through Capital Improvement Project 07-055 "Water Meters" and the remaining \$784,039.36 available within the Utility Department's Bond Program.

Coordinated With:

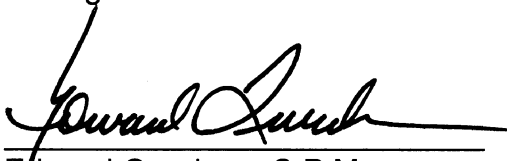
Utilities Department, Water Division



Cyndi Gonzales,
Management Assistant II



Jim Ruiz, CPPB
Purchasing Administrator



Edward Quedens, C.P.M.
Business Services Director



Bryan Raines,
Deputy City Manager

**CITY OF MESA
PURCHASE RECOMMENDATION
RESIDENTIAL & COMMERCIAL MULTI-JET WATER METERS
(REQUEST FOR BID #2009100)**

**Dana Kepner Co., Inc
Phoenix, AZ**

Item	Quantity	Description	Unit Price	Extended Price
1	48,000 each	¾" Short Water Meter less Connections	\$36.60	\$1,756,800.00
2	6,000 each	1" Water Meter less Connections	\$82.00	\$492,000.00
3	1,200 each	1-½" Water 13" Flanged Meter less Companion Flanges	\$176.20	\$211,440.00
4	1,200 each	2" Water Meter, 17" Flanged Meter Body less Companion Flanges	\$275.70	\$330,840.00
5	1,200 each	2" Water Meter, 10" Flanged Meter Body less Companion Flanges	\$275.70	\$330,840.00
			Sub Total	\$3,121,920.00
			8.3% Use Tax	<u>\$ 259,119.36</u>
			TOTAL	\$3,381,039.36

January 2008 Bid Results:

Dana Kepner Co., Inc. Phoenix, CA	\$3,121,920.00 (Recommended)
HD Supply Waterworks, Ltd. Phoenix, AZ	\$3,858,396.00
Mountain States Pipe & Supply Co. Phoenix, AZ	\$5,940,192.00