



Legislation Text

File #: 19-161, Version: 1

CITY COUNCIL AGENDA ITEM

ACTION REQUESTED:

Approve the award of Bid 19-077, 1.5-Inch Water Meter Replacement Services Rebid, to Calumet City Plumbing Co., Inc. for an amount not to exceed \$228,500, plus a 5% contingency.

DEPARTMENT: Water Utilities

SUBMITTED BY: Mark Curran, Interim Director

BOARD/COMMISSION REVIEW:

N/A

BACKGROUND:

In January 2019, the Water Utilities issued Bid 19-015 to replace approximately 850 of the 1870 one and one-half inch (1.5-inch) diameter water meters and reading devices used mainly for commercial properties throughout the City. A recommendation was made to award Bid 19-015 at the February 5, 2019 City Council meeting. The City Council voted to reject all bids and rebid the project. In February 2019, the Water Utilities issued Bid 19-077 to replace approximately 1,200 one and one-half inch (1.5-inch) diameter water meters and reading devices over a two-year period.

Water meters deteriorate with age, losing accuracy as their moving parts wear out. Additionally, the older meters being replaced in this bid cannot be tested in place for flow accuracy as larger commercial meters can. Planned replacement of older meters ensures customers will be billed fairly and accurately. Water meters over 16 years of age are targeted for replacement, along with any meters not compatible with AMR/AMI technology. In addition, the Utility is testing a selection of removed meters to better quantify the magnitude of the accuracy loss in different ages and types of meters.

The Utility does not have staffing levels needed to conduct a large-scale meter replacement program using in-house labor and must rely upon contractors to keep the project on schedule. City staff will continue to replace meters that fail in service, requiring immediate action and will perform planned replacements in situations where it is impractical to use a contractor.

DISCUSSION:

Advertise Date:	02/11/2019	Notices Sent:	67
Opening Date:	02/26/2019	Planholders:	15
		Bids Received:	3

Bids were received from the following vendors:

Vendor	Total Cost
Calumet City Plumbing Co., Inc.	\$228,500
Engineers Estimate	\$285,625
HBK Water Meter Service, Inc.	\$301,375
Professional Meters, Inc.	\$322,800

Staff has checked this contractor's references and the references were satisfactory. The term of this contract is two years from date of award through December 31, 2020 with two one-year options to extend the contract.

FISCAL IMPACT:

CIP #: WU20 - Water Meter Replacement

Water meter replacements are expensed to the infrastructure account listed below as part of the capital improvement program. A total of \$2,300,000 is budgeted for WU20 in 2019. The requested award is within budget.

Account Number	Fund Description	Total Budget Amount
41251500-551502	Water Utilities	\$11,576,000

*Per City Council directive, contingency on construction projects is set at 3% on projects over \$500,000 and 5% on projects under \$500,000.