



Legislation Text

File #: 17-745, Version: 1

CITY COUNCIL AGENDA ITEM

ACTION REQUESTED:

Approve the Award of Change Order 1 to Option Year One of Contract 16-170, Residential Water Meter Replacement Program, to HBK Water Meter Service (HBK) for an amount not to exceed \$35,000 and a total award of \$243,750. (Item 1 of 2)

DEPARTMENT: Water Utilities

SUBMITTED BY: James Holzapfel, Director

BOARD/COMMISSION REVIEW:

N/A

BACKGROUND:

Other item on the City Council agenda related to this item:

- 17-803: Award of Option Year Two to Contract 16-170

The Naperville Water Utilities has 40,500 small-diameter water meters. As meters age they lose accuracy and under-register water usage. Through random testing of meters taken out-of-service and analysis of test results, staff has determined small-diameter meter accuracy drops significantly when the meter has been in-service for more than 16 years. Meters with registration accuracy below industry standards are recommended to be replaced.

The Water Utilities has an annual Residential Water Meter Replacement Program with a goal of replacing 3,000 small-diameter meters to ensure water system accountability and billing accuracy in an effort to accurately measure the volume of water used.

To reach the goal of replacing 3,000 water meters on an annual basis, the Water Utilities uses an outside vendor to supplement in-house staff. In April 2016, the City Council awarded Contract 16-170 for an eight-month term with the option for two, one-year extensions. When the contract was initiated, it was expected that HBK would replace 2,500 meters annually with staff replacing the remaining 500 meters.

HBK performed well during the initial term of the contract and the City Council approved the first of the two contract extensions in November 2016 for work planned in CY 2017.

DISCUSSION:

In 2017, HBK installed a new appointment program that has allowed them to fulfill more appointments than the Water Utilities initially expected. Currently, HBK has nearly completed replacing all assigned 2,500 meters and has appointments scheduled more for meters through year-

end. To avoid canceling existing appointments and causing an inconvenience to residential customers, staff recommends a change order of \$35,000 to provide for successful completion of all scheduled appointments through December 31, 2017.

Staff has reduced the number of meter replacements in 2018 to offset the additional meters replaced in 2017.

This contract has a one, one-year extension remaining. HBK continued to provide excellent service during 2017 and has agreed to extend the contract for an additional year with no increase in prices. Staff recommends awarding the second option year to HBK. The term of the extension is January 1, 2018 through December 31, 2018.

FISCAL IMPACT:

CIP #: WU20

Water meter replacements are expensed to the capital improvement program account listed below. A total of \$785,000 is budgeted for WU20 (Water Meter Replacements) in CY2017. The requested award is within budget.

Account Number	Fund Description	Total Budget Amount
430-3490-537.70-89	Water and Wastewater	\$8,852,000