



Date of Council Meeting: June 23, 2015

**TOWN OF LEESBURG
TOWN COUNCIL MEETING**

Subject: Sole Source Procurement For Badger Water Meters

Staff Contact: Amy Wyks, Director of Utilities
Renee LaFollette, Director of Capital Projects
Kathy Elgin, Procurement Officer

Council Action Requested: A decision by Council is needed to approve a \$192,472.28 purchase of approximately 4,000 5/8" water meter register heads and other meters ranging from 3/4" to 6" from Badger Meter. A determination by Council is needed if the purchase is a "sole source" under the Virginia Public Procurement Act.

Staff Recommendation: Staff recommends approval of the purchase of the meter register heads from Badger Meter and declaring the purchase as a sole source procurement under the Virginia Public Procurement Act.

Commission Recommendation: Not applicable

Fiscal Impact: The water meter change-out program is an approved and funded Fiscal Year 2015 Capital Improvement Program in the total amount of \$600,000. An additional appropriation is not necessary.

Work Plan Impact: No additional personnel are required with the water meter change out program. The water meter change-out program will be incorporated into the daily operations of meter staffing and in conjunction with the utility billing process.

Executive Summary: The approved Fiscal Year 2015 Capital Improvement Program includes \$600,000 for funding a water meter change-out program. The project involves replacement of all pulse water meter register heads with encoder water meters throughout the Town's water system.

Code of Virginia, Section § 2.2-4303(E) of the Virginia Public Procurement Act (VPPA) authorizes the Town Council to forego competitive sealed bidding or competitive negotiation if the Council determines, in writing, that only one source is practicably available to complete the services for which procurement is needed. The Town's existing automated reading system (AMR) includes Badger meters. An existing and installed Badger pulse water meter must be replaced with a Badger encoder water meter register head and there is not a compatible meter head that can be installed. If the Town Council

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determines that the Badger meter purchase is a sole source, the Town Manager can procure and execute the purchase for units with Badger Meter.

Background: In 2002, the Department of Utilities implemented a fully integrated automated meter reading system. Due to the tremendous growth in water accounts at that time, the Town upgraded from a “walk by”, touch read automated meter reading system to a radio frequency based automated meter reading (AMR) system. The Aclara “Star” system was installed with Badger meters.

The approved Fiscal Year 2015 Capital Improvement Program includes \$600,000 for funding a water meter change-out program. The project involves replacement of all pulse water meters with encoder water meter register heads throughout the Town’s water system. Approximately 4,000 5/8” encoder water meter register heads and other meters ranging from 3/4” to 6” will be ordered from Badger Meter for a total amount of \$192,472.28.

The award of this purchase is subject to the Virginia Public Procurement Act. In order for the Town to purchase the water meter register heads from Badger Meter, the Town Council must determine, in writing, that Badger Meter is a “sole source” under Code of Virginia, § 2.2-4303(E). A sole source determination may occur “if there is only one source practicably available for that which is to be procured”.

The test for sole source is whether a particular product or service is “practicably” available, not whether it can be found anywhere. Existing installed Badger pulse water meters must be upgraded with a Badger encoder water meter register head as there is not another compatible register head. The cost to replace a register head is \$42.60 compared to a complete water meter change out cost of \$77.60. It is advantageous and cost effective for the Town to purchase the Badger Meter register heads and can be considered a “sole source” under the VPPA.

Attachments: Resolution

PRESENTED June 23, 2015

RESOLUTION NO. 2015-

ADOPTED _____

A RESOLUTION: AUTHORIZING THE PURCHASE OF WATER METER REGISTER HEADS FROM BADGER METER AS A SOLE SOURCE PROCUREMENT AND AUTHORIZING THE TOWN MANAGER TO PROCURE THE REGISTER HEADS

WHEREAS, the Town of Leesburg (“the Town”) owns and operates an automated meter reading system (“AMR”) with Badger meters; and

WHEREAS, the water meter change out program is a funded and approved Fiscal Year 2015 Capital Project; and

WHEREAS, the Director of Utilites recommends purchase of the water meter encoder register heads from Badger Meter in the amount of \$192,472.28; and

WHEREAS, the sole source nature of purchase is tied directly to the existing water meter infrastructure; and

WHEREAS, this purchase allows more efficient use of the utility rate payer’s dollars by not requiring the Department to purchase and replace register heads and not the entire meter unit; and

WHEREAS, the Virginia Public Procurement Act § 2.2-4303 gives a public body, under special conditions, authority to connect with a vendor either through “competitive negotiation” or by “sole source procurement”; and

WHEREAS, there is only one sole source practicably available to upgrade the existing Badger pulse water meters with encoder technology water meter register heads.

THEREFORE, RESOLVED, by the Council of the Town of Leesburg, Virginia as follows:

A RESOLUTION: AUTHORIZING THE PURCHASE OF WATER METER REGISTER HEADS FROM BADGER METER AS A SOLE SOURCE PROCUREMENT AND AUTHORIZING THE TOWN MANAGER TO PROCURE THE REGISTER HEADS

SECTION I. The Town Council hereby determines that only one source is practicably available for the procurement and directs that this resolution be posted on the public notice board in the town offices for a period of ten (10) days.

SECTION II. The Town Manager is hereby authorized to procure the sole source purchase of water meter encoder register heads in the amount of \$192,472.28 with Badger Meter.

PASSED this ____ day of June, 2015.

Kristen C. Umstattd, Mayor
Town of Leesburg

ATTEST:

Clerk of Council