



## CITY COUNCIL MEMORANDUM

**FROM:** The Office of the City Manager   **DATE:** February 27, 2023  
**SUBJECT:** Approve purchase agreements with Badger Meter Inc., as manufacturer, and Atlas Utility Supply Company, as distributor, for the purchase of water meters and water metering equipment in an amount up to \$4,800,000 as sole source purchases.  
**PRESENTER:** Boe Blankenship, Assistant Director of Public Works

### **SUMMARY:**

Staff is requesting City Council authorization to purchase Badger water meters and water metering equipment from Badger Meter Inc., and Atlas Utility Supply Company, as the manufacturer and sole source distributor located in Fort Worth, for an amount not to exceed \$4,800,000.

### **GENERAL DESCRIPTION:**

Since 1992, the City has purchased Badger water meters and water meter reading units. There are approximately 23,000 Badger units throughout the city.

Among the thousands of water accounts/connections throughout the city, there are several different configurations of meters and reading equipment in use. In some cases, the meter and register/encoder are built together as a single component. In other cases, the meter and register/encoder are connected upon installation in the field but can be separated. The benefit of the second setup is that encoders can be replaced without disrupting water flow to the customer.

Currently, there are two types of end points in use. Most of the city's endpoints utilized today transmit data from the encoder to the city's truck-mounted reading equipment that need to be within a certain distance from each other to communicate, described as the "drive-by" reading method. The second type of endpoint currently in use is the LTE or "cellular" style endpoint that requires only cellular connectivity to communicate the water meter reading to Badger's proprietary network. With either type, once the meters are read, the data is then transferred to a central computer using Badger's proprietary software, Beacon.

Furthermore, along with the different meter configurations and the endpoint technology variations, there is also a wide range of equipment age. Some of the meter reading infrastructure is beginning to reach the end of its functional life span and requires replacement while other equipment's technology is beginning to be outdated and cause logistical challenges.



This project is intended to unify and replace aging water meter reading equipment by purchasing a system-wide equipment style for each of the approximate 23,000 connections. This would include the model HRE brass style meter and encoder as well as the LTE or “cellular” style endpoint.

Due to the size and volume of this purchase, the manufacturer and the distributor will be cooperatively filling the order. Badger Meter Inc., as manufacturer, has designated exclusive territories for distribution of their products. Atlas Utility Supply is the only authorized distributor for the territory covering North Richland Hills. Therefore, the City will be purchasing a portion of the products directly from the manufacturer and a portion from Atlas Utility Supply. Atlas has always provided good service, met all specifications and made deliveries on time.

With regards to the timeline, an order placed in early March would allow materials to begin arriving in June and continue monthly until the order quantity has been satisfied.

For clarification purposes, this item is only pertaining to the purchase of the water meters and water metering equipment. Public Works and Finance staff are working through the process to create a logical installation plan, as well as bringing on a qualified contractor to perform the majority of the equipment installation.

Attached is the sole source letter and sole source purchasing prices for the Badger water meter reading units from Badger Meter Inc., and Atlas Utility Supply Company. Funding for this purchase is available in the FY 2022/2023 Adopted Budget within the Cellular Meter Reading Project (UT2304).

**RECOMMENDATION:**

Approve purchase agreements with Badger Meter Inc., as manufacturer, and Atlas Utility Supply Company, as distributor, for the purchase of water meters and water metering equipment in an amount up to \$4,800,000 as sole source purchases.