



## CITY COUNCIL ACTION REPORT

April 13, 2010

TO: John Szerlag, City Manager

FROM: Mark F. Miller, Acting Assistant City Manager/ Economic Development Services  
Susan A. Leirstein, Purchasing Director  
Timothy L. Richnak, Public Works Director

SUBJECT: Bid Waiver – Neptune Water Meters & Parts

### **Background**

- The City currently uses all Neptune Water Meters in the water distribution system.
- The contract for the purchase of Neptune Water Meters through the previous distributor, SLC Meter Service Inc expired 12/31/09.
- The new Neptune distributor for Michigan, Rio Supply Michigan Meter Inc has offered to supply new water meters at the same prices as in the past calendar year for years 2010 and 2011 with a 3% increase in 2012.
- A market research of water meter contracts in the State was performed by the Purchasing department. Results of the research found no current contract in the State comparable to the pricing Troy receives.
- Testing was performed by our service technicians on the major brands of water meters in the industry. We found that the Neptune water meter slightly outperformed the competition at measuring low flow rates. We also tested to make sure the other major brands could be read by our remote Neptune Meter Reading System and all passed this test, although each different meter had a different wiring schematic.
- Utilizing one brand of water meter in the distribution system makes it much easier to train personnel on repairing meters and saves on stocking inventory parts for the different brands of meters in the system.
- The new Neptune distributor, Rio Supply Michigan Meter Inc is located in Madison Heights, which provides us with good customer service.

### **Financial Considerations**

- Troy has over 27,000 water meters in the distribution system. These meters are essential for the accurate measurement of water consumption throughout the City. The American Water Works Association (AWWA) recommends replacement or repair of water meters every 12-15 years.

April 13, 2010

To: John Szerlag, City Manager  
Re: Bid Waiver – Neptune Water Meters & Parts

**Financial Considerations** – continued

- Market research on water meter pricing found no better pricing than what we are currently paying.
- The offer from Rio Supply Michigan Meter Inc is better than the Oakland County Cooperative Purchasing program for new water meters dated 11/17/09 and good for three (3) years.
- Funds are budgeted and available in the operating budget of the water fund.

**Legal Considerations**

- The contract award is contingent on the recommended vendor's submission of proper contract and supplemental documents, including insurance certificates, warranties, and all other specified requirements.

**Recommendation**

- City management is requesting authorization to enter into a contract with Rio Supply Michigan Meter Inc 32736 Townley Madison Heights, MI 48071 to purchase new Neptune water meters as outlined in Attachment "A" at the quoted prices for the calendar years 2010 and 2011 with a 3% increase in 2012.
- In addition, City management is requesting authorization to purchase Neptune meter parts through the Oakland County Cooperative Purchasing Program, Attachment "B", as currently we have no contract in place for meter replacement parts. The Oakland County contract is also with Rio Supply Michigan Meter Inc, the sole distributor of Neptune water meters in the State of Michigan.

RS/bid waiver Neptune meters & parts

G:/Bid Award 10-11 New Format/ Waiver - WaterMeters-Neptune04.10.doc



RIO Supply Michigan Meter, Inc.

799 E. Whitcomb • Madison Heights, Michigan 48071

Phone: 1-248-585-3700

Fax: 1-248-585-3730

To: Richard Shepler  
 Superintendent of Water  
 4693 Rochester Rd  
 Troy, Mi 48084

Date 04-12-2010

Subject: Water Meter Requirements

MIU R900 Radio \$53.90each

Description	Auto Detect	Ecoder	Ecoder Integrated	Salvage
T-10 5/8 x 3/4"	\$78.61	\$93.61	\$138.61	\$2.25
T-10 3/4"	\$102.72	\$117.72	\$167.72	\$3.25
1"	\$133.51	\$148.51	\$194.13	\$4.25
T-10 1.5" W/C	\$289.90	\$304.90	\$349.90	\$10
T-10 2" W/C	\$313.56	\$328.56	\$373.56	\$30
2" T/F W/C	\$998.66	\$1,028.66	\$1,118.66	\$60
3" T/F W/C	\$1,249.95	\$1,279.95	\$1,369.95	\$80
4" T/F WC	\$1,868.33	\$1,898.33	\$1,988.33	\$100
6" T/F W/C	\$2,932.24	\$2,962.24	\$3,052.24	\$120

The Above Pricing is firm for the Calendar years 2010, 2011 and 2012 3% Increase

Description	Auto Detect	Ecoder	Ecoder Integrated
2" UME	\$600	\$630	\$720
3" UME	\$900	\$930	\$1,020
4" UME	\$1,200	\$1,230	\$1,320
6" UME	\$1,800	\$1,830	\$1,920

UME pricing is based on Neptune Parts Catalog on an Annual basis

Sincerely,

Glen Michel

NEPTUNE R900 WATER METER READING SYSTEM  
Automatic Meter Reading System  
11/17/2009



L. BROOKS PATTERSON-COUNTY EXECUTIVE  
OAKLAND COUNTY  
PURCHASING DIVISION

**EXHIBIT D**

**Cooperative Contract**

PURCHASING DIVISION  
**COOPERATIVE PURCHASING PROGRAM**

The Oakland County Purchasing Division has developed an intergovernmental Cooperative Purchasing Program for use by other municipalities and school districts. Under this program, local agencies may use County blanket orders for acquisitions. The purpose of this program is to obtain lower costs for all participants by combining volumes and increasing purchasing power. Oakland County requires that its CONTRACTORS authorize the use of their blanket orders in the cooperative program.

Once approved, CONTRACTORS supply merchandise at the established County blanket order prices. All purchase orders will be submitted by invoices, and payment will be remitted by the authorized local units of government on a direct and individual basis in accordance with the blanket order terms.

Consequently, all bidders must indicate, by checking the appropriate box below, whether THEY WILL accept orders on a blanket order resulting from the CONTRACTOR Quotation from authorized municipalities.

**BIDDER MUST CHECK ONE BOX BELOW**

WE WILL supply commodities and/or services on this CONTRACTOR Quotation to authorized municipalities and school districts within the County of Oakland, Michigan.

WE WILL NOT supply commodities and/or services on this CONTRACTOR Quotation to authorized local municipalities in accordance with the terms and prices quoted. We will supply to Oakland County Only.

Company Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
\_\_\_\_\_

Signature: \_\_\_\_\_  
Date: \_\_\_\_\_

NEPTUNE R900 WATER METER READING SYSTEM  
Automatic Meter Reading System  
11/17/2009

**EXHIBIT E**

**Compensation Schedule**

Line	Description	Base Price	
1	Neptune R900 Wall Meter Interface Unit (Bulk) Quantity 1-999	\$ 78.00	(4)
2	Neptune R900 Wall Meter Interface Unit (Bulk), Qty: 1000-4999. NOTE: To receive this price per unit, COUNTY to schedule delivery for required quantities. Mutual consent needed to extend pricing for 3 yr period.	\$ 74.00	(4)
3	Neptune R900 Wall Meter Interface Unit (Bulk): Qty 5000 - 9999. NOTE: To receive this price per unit, COUNTY to schedule delivery for required quantities. Mutual consent needed to extend pricing for 3 yr period.	\$ 70.00	(4)
4	Neptune R900 Wall Meter Interface Unit (bulk): Qty 10,000-19,999. NOTE: To receive this price per unit, COUNTY to schedule delivery for required quantities. Mutual consent needed to extend pricing for 3 yr period.	\$ 66.00	(4)
5	Neptune R900 Wall Meter Interface Unit (Bulk): Qty 20,000-29,999. NOTE: To receive this price per unit, COUNTY to schedule delivery for required quantities. Mutual consent needed to extend pricing for 3 yr period.	\$ 64.00	(4)
6	Neptune R900 Wall Meter Interface Unit (bulk): Qty 30,000-39,000. NOTE: To receive this price per unit, COUNTY to schedule delivery for required quantities. Mutual consent needed to extend pricing for 3 yr period.	\$ 62.00	(4)
7	Neptune R900 Wall Meter Interface Unit (Bulk): Qty 40,000 +. NOTE: To receive this price per unit, COUNTY to schedule delivery for required quantities. Mutual consent needed to extend pricing for 3 yr period.	\$ 60.00	(4)
8	Neptune R900 Installation Only - Sequential Order	\$ 12.00	
9	Neptune R900 Installation Only - Non Sequential Order	\$ 16.00	
10	Neptune R900 Installation with New Wire. NOTE: Requires entrance into building via door knock, appointment, or other communication with building owner. To be performed by CONTRACTOR.	\$ 40.00	(5)
11	Neptune R900 Installation and Register Change Out. NOTE: Requires entrance into building via door knock, appointment, or other communication with building owner. To be performed by CONTRACTOR.	\$ 45.00	(5)

**NEPTUNE R900 WATER METER READING SYSTEM**  
**Automatic Meter Reading System**  
11/17/2009

12	Complete Meter Change Out (includes mounting hardware, seals and gaskets. NOTE: Requires entrance into building via door knock, appointment, or other communication with building owner. To be performed by CONTRACTOR.	\$ 47.00	(5)
13	Neptune R900 Pit Meter Interface Unit w/6' of wire	\$ 81.00	
14	Cable (from meter to meter Interface Unit) per 1'	\$ 0.10	
15	Neptune CE5320X Handheld Computer with HR2650i Receiver compatible with Ramar Hand Trackit	\$ 3,900.00	
16	Neptune CE5320X Handheld Computer complete with cradle, power adapter and HR2650i Radio Receiver Annual Maintenance fee	\$ 993.00	
17	CE5320X / Hand Track-it Lemo Cable	\$ 100.00	(2)
18	Advantage II, Probe/ARBv - Complete	\$ 945.00	(2)
19	Advantage II, Probe/ARBv - Complete Annual Maintenance Fee	\$ 150.00	
20	MRX920 Mobile Data Collector Complete with Ramar Fast Trackit Compatibility	\$26,400.00	
21	MRX920 Mobile Data Collector Complete with Ramar Fast Trackit Compatibility - Annual Maintenance Fee	\$ 4,000.00	
22	Neptune Equinox MR with RAMAR Option	\$ 3,400.00	
23	Neptune Equinox MR with RAMAR Option - Annual Maintenance Fee	\$ 750.00	
24	Custom Report Generator	\$ 1,041.67	
25	Additional seats for Client / Server Applications	\$ 250.00	
26	Factory On-Site Training and Implementation (two days)	\$ 3,800.00	(3)
27	Ethernet Cradle and Power Adaptor	\$ 470.00	
28	Wedge Scanner. Factory on-site training and implementation is only required if the client/server application is implemented. Local training provided by the CONTRACTOR and the MANUFACTURER territory Mgr at no cost	\$ 250.00	
29	Neptune Water Parts Price List - Effective March 2008 - see edit comments	\$ 1.00	
30	Box Neptune Receptacle ARB # 10228-000	\$ 6.00	
31	Register T-10 Pro Read 3BD CF, Size 5/8", 3/4", 1", 1-1/2", 2"	\$ 64.29	
32	Register T-10 Pro Read PIT 3BD CF, Size 5/8", 3/4", 1", 1-1/2", 2"	\$ 78.57	

NEPTUNE R900 WATER METER READING SYSTEM  
Automatic Meter Reading System  
11/17/2009

33	WRC 5/8" Meter Buy Back (per meter)			\$ 2.00
34	WRC 1" Meter Buy Back (per meter)			\$ 3.00
35	WRC 1 1/2" Meter Buy Back (per meter)			\$ 8.00
36	WRC 2" Meter Buy Back (per meter)			\$ 10.00
37	5/8" by 3/4" Disc Meter	ED2B12R6F7	Auto/Detect	\$78.89
38	5/8" by 3/4" Disc Meter	ED2B12R6F7	Ecoder	\$90.66
39	5/8" by 3/4" Disc Meter	ED2B12R6F7	Ecoder I D/L	\$129.41
40	3/4" by 1" Disc Meter	ED2E12R6F7	Auto/Detect	\$109.00
41	3/4" by 1" Disc Meter	ED2E12R6F7	Ecoder	\$114.12
42	3/4" by 1" Disc Meter	ED2E12R6F7	Ecoder I D/L	\$182.36
43	3/4" by 3/4" Disc Meter	ED2C12R6F7	Auto/Detect	\$109.00
44	3/4" by 3/4" Disc Meter	ED2C12R6F7	Ecoder	\$114.12
45	3/4" by 3/4" Disc Meter	ED2C12R6F7	Ecoder I D/L	\$182.36
46	1" Disc Meter	ED2F12R6F7	Auto/Detect	\$146.50
47	1" Disc Meter	ED2F12R6F7	Ecoder	\$158.27
48	1" Disc Meter	ED2F12R6F7	Ecoder I D/L	\$223.53
49	1-1/2" Disc Meter Oval Flang	ED2H11R6F7	Auto/Detect	\$316.00
50	1-1/2" Disc Meter Oval Flang	ED2H11R6F7	Ecoder	\$327.77
51	1-1/2" Disc Meter Oval Flang	ED2H11R6F7	Ecoder I D/L	\$394.12
52	2" Disc Meter Oval Flang	ED2J11R6F7	Auto/Detect	\$425.00
53	2" Disc Meter Oval Flang	ED2J11R6F7	Ecoder	\$436.77
54	2" Disc Meter Oval Flang	ED2J11R6F7	Ecoder I D/L	\$500.65
55	2" Trufflo Compound	EC2AR6F7	Auto/Detect	\$1,333.00
56	2" Trufflo Compound	EC2AR6F7	Ecoder	\$1,356.53
57	2" Trufflo Compound	EC2AR6F7	Ecoder I D/L	\$1,482.36
58	3" Trufflo Compound	EC3BR6F7	Auto/Detect	\$1,670.00
59	3" Trufflo Compound	EC3BR6F7	Ecoder	\$1,693.53
60	3" Trufflo Compound	EC3BR6F7	Ecoder I D/L	\$1,811.77
61	4" Trufflo Compound	EC3CR6F7	Auto/Detect	\$2,413.00
62	4" Trufflo Compound	EC3CR6F7	Ecoder	\$2,436.53
63	4" Trufflo Compound	EC3CR6F7	Ecoder I D/L	\$2,588.24
64	6" Trufflo Compound	EC3DR6F7	Auto/Detect	\$3,092.90

NEPTUNE R900 WATER METER READING SYSTEM  
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11/17/2009

65	6" Truffo Compound	EC3DR6F7	Ecoder	\$3,115.53
66	6" Truffo Compound	EC3DR6F7	Ecoder I D/L	\$3,294.12
67	4" Hp Protectus F/S	EP4C1R6F7	Auto/Detect	\$4,911.57
68	4" Hp Protectus F/S	EP4C1R6F7	Ecoder	\$4,935.10
69	4" Hp Protectus F/S	EP4C1R6F7	Ecoder I D/L	\$5,117.65
70	6" Hp Protectus F/S	EP4D1R6F7	Auto/Detect	\$6,572.57
71	6" Hp Protectus F/S	EP4D1R6F7	Ecoder	\$6,596.10
72	6" Hp Protectus F/S	EP4D1R6F7	Ecoder I D/L	\$6,705.89
73	8" Hp Protectus F/S	EP4E1R6F7	Auto/Detect	\$9,028.37
74	8" Hp Protectus F/S	EP4E1R6F7	Ecoder	\$9,051.90
75	8" Hp Protectus F/S	EP4E1R6F7	Ecoder I D/L	\$9,176.48
76	4" F/S Turbine	ET5C1R6F7	Auto/Detect	\$2,753.90
77	4" F/S Turbine	ET5C1R6F7	Ecoder	\$2,765.68
78	4" F/S Turbine	ET5C1R6F7	Ecoder I D/L	\$2,847.06
78	6" F/S Turbine	ET5D1R6F7	Auto/Detect	\$3,758.27
80	6" F/S Turbine	ET5D1R6F7	Ecoder	\$3,771.22
81	6" F/S Turbine	ET5D1R6F7	Ecoder I D/L	\$3,835.59
82	2" HPTurbine	ET4AR6F7	Auto/Detect	\$541.00
83	2" HPTurbine	ET4AR6F7	Ecoder	\$552.77
84	2" HPTurbine	ET4AR6F7	Ecoder I D/L	\$623.53
85	3" HPTurbine	ET4BR6F7	Auto/Detect	\$661.00
86	3" HPTurbine	ET4BR6F7	Ecoder	\$649.52
87	3" HPTurbine	ET4BR6F7	Ecoder I D/L	\$735.65
88	4" HPTurbine	ET4CR6F7	Auto/Detect	\$1,115.00
89	4" HPTurbine	ET4CR6F7	Ecoder	\$1,126.77
90	4" HPTurbine	ET4CR6F7	Ecoder I D/L	\$1,175.30
91	6" HPTurbine	ET4DR6F7	Auto/Detect	\$2,040.00
92	6" HPTurbine	ET4DR6F7	Ecoder	\$2,051.76
93	6" HPTurbine	ET4DR6F7	Ecoder I D/L	\$2,117.65
94	8" HPTurbine	ET4ER6F7	Auto/Detect	\$2,692.00
95	8" HPTurbine	ET4ER6F7	Ecoder	\$2,703.53
96	8" HPTurbine	ET4ER6F7	Ecoder I D/L	\$2,764.48

NEPTUNE R900 WATER METER READING SYSTEM  
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- (1) For all items included in this contract, price increased for years 4 and 5 (if the contract is extended) shall not exceed 5%.
- (2) The CONTRACTOR to provide the first six to the COUNTY at no charge.
- (3) Factory on-site training and implementation is only required if the client/server application is implemented. Local training provided by the CONTRACTOR and the MANUFACTURER Territory manager will be at no cost.
- (4) To receive this price per unit, COUNTY to scheduled delivery for the required quantities. Mutual consent is needed to extend pricing for a three (3) year period.
- (5) Requires entrance into the building via, door knock, appointment, or other communication with building owner. To be performed by CONTRACTOR.