

MEMORANDUM

Purchasing #19-042
July 11, 2019

To: Gregory P. Harrison, City Manager

Through: Otis J. Thomas, General Services Director

From: Jeff English, Purchasing Agent

Subject: Approve Purchases of Neptune Water Meters, Parts, and Accessories for Utilities

It is recommended that Purchase Orders be issued to Neptune Technology Group for the purchase of Neptune Water Meters, Parts, and Accessories, based on section 32.45 (Standardization) of the City Code of Ordinances. The following paragraphs outline the details of the procurement.

With Commission's approval on 12/11/18 (item 7), Purchasing added Neptune Water Meters, Parts, and Accessories to the list of standardized purchases, not to exceed \$300,000.00. According to the "Other Methods of Procurement section F" of the General services Manual: "These standardized items are unique to the City because use of any other brand or source will put the particular City operation in jeopardy and not allow the proper city service to be completed."

To maintain compatibility with existing infrastructure, the Utilities Department has requested authorization to submit requests for Purchase Orders totaling up to \$600,000.00 for Neptune Water Meters, Parts, and Accessories, as needed, from Neptune Technology Group, the manufacturer, and sole provider of the specialized equipment. Purchasing has confirmed the 35% discount provided Neptune Technology Group.

Up to \$600,000.00 in Neptune Water Meters, Parts, and Accessories will be purchased from budgeted accounts 420-7583-533-65-11, 420-3355-533-64-65, and 412-3355-533-64-65 Capital Project / Water Meter Replacement.

Attached is a sole source letter from the manufacturer, and a memo from the Utilities Distribution Division.