

VILLAGE OF LOMBARD
REQUEST FOR BOARD OF TRUSTEES ACTION
For Inclusion on Board Agenda
BIDS AND PROPOSALS

TO: President and Village Board of Trustees
FROM: Scott Niehaus, Village Manager
DATE: 4/15/15 Agenda Date: 05/07/15
TITLE: Water Meter Reading Services – Bid Waiver
SUBMITTED BY: Jamie Cunningham, Assistant Finance Director

RESULTS:

Total Number of Bids Received..... 0
Total Number of Bidders Meeting Specifications 0
Bid Security Required Yes No
Performance Bond Required Yes No
Were Any Bids Withdrawn Yes No
Explanation:
Waiver of Bids Requested? Yes No
If yes, explain: see memo
Award Recommended to Lowest Responsible Bidder Yes No
If no, explain:

FISCAL IMPACT:

Engineer's estimate/Budget estimate: \$0.95 per read
Amount of Award: \$0.95 per read

BACKGROUND

Rickman Contract Service, Inc. has held the Village's contract for meter reading services since 2008 and has performed to the Village's standard during this period. In 2013, staff requested the board approve an additional two (2) year extension with 3 one year options at a rate of \$0.95 per read. The current two (2) year agreement will end in October 2015 and we have the option to extend the contract for an additional three (3) years at the current rate of \$0.95 per read with Rickman Contract Services, Inc. See attached memo for additional information.

RECOMMENDATION

Staff recommends the Board of Trustees waive bids and exercise their option to extend the contract with Rickman Contract Service, Inc of LaGrange, IL, for Water Meter Reading thru October 2018, at the current rate of \$0.95 per read.

Has Recommended Bidder Worked for Village Previously Yes No
If yes, was quality of work acceptable Yes No
Was item bid in accordance with Public Act 85-1295? Yes No
Waiver of bids - Public Act 85-1295 does not apply Yes

REVIEW (as needed):

Village Attorney XX _____ Date _____
Finance Director XX [Signature] Date 4/23/15
Village Manager XX [Signature] Date 4/24/15



To: Timothy Sexton
Acting Village Manager

From: Jamie Cunningham
Assistant Director of Finance

Date: April 3, 2015

Subject: Water Meter Reading Services Contract Extension

Background

The Village has been using contract meter reading services for more than 20 years. NiCor read the meters until the contract expired in August 2002. Utiliquest read the meters for a short time until they terminated the contract in May 2003. The Village had a contract with Professional Meters, Inc. until August 2008 when PMI informed the Village that they were getting out of the meter reading business. At that time, staff reviewed several options in addition to contract services, including hiring a full-time meter reader, to replace PMI and decided the best option was to use a contractor since the Village was going to start installing a new automated reading system.

In 2008, an RFP was sent to six (6) companies that perform meter reading services. Two proposals were received on August 8, 2008. After evaluating the proposals, experience and references, staff recommended the Village enter into an agreement with Rickman Contracting Service, Inc. of LaGrange, IL for water meter reading services. The original agreement was effective from 2008 until May 31, 2010, with an option to extend the contract with a renegotiated fee for three (3) additional one-year terms.

In 2013, staff requested the board approve an additional two (2) year extension with 3 one year options at a rate of \$0.95 per read. The current two (2) year agreement will end in October 2015 and we have the option to extend the contract for an additional three (3) years at the current rate of \$0.95 per read with Rickman Contract Services, Inc.

Staff researched how other communities in the surrounding area perform their meter reading operations. There are very few companies that still provide this service due to the availability of Automated Meter Reading systems. Based on information from the municipalities listed below, \$0.95 is the lowest cost for contracted manual water meter reading services. Due to risks involved with the work performed by meter readers, staff feels it is best to contract out this service.

Municipality	Method
Buffalo Grove	In-House (Automated Meter Read Census System)
Burr Ridge	In-House
Darien	IGA with DuPage County (\$2.00 per read for City water billing)
Downers Grove	In-House (Automated Meter Read Aclara System)
Glen Ellyn	In-House (touch pad, radio wave and manual reads)
Glenview	Rickman (\$1.06 to \$1.33 per read depending on read type)
LaGrange	In-House (Automated Meter Read Census System)
Lake County	Rickman (\$1.00 per read)
Lisle	IGA with DuPage County & In-House for final/re-reads
Naperville	Rickman (bid \$717,036 year contract for an estimated 389,700 reads/year, they are converting to Automated Meter Reads)
Oak Park	In-House (Automated Meter Read Neptune System)
Villa Park	In-House (converting to smart point in a couple years)
Western Springs	In-House
Wheaton	In-House (drive by wireless transmission units)
Woodridge	IGA with DuPage County

Water meter reading services are budgeted in the Water & Sewer Operations and Maintenance Fund in the Water Meter Reading and Maintenance Cost Center. Approximately 11,000 residential meters will be read six times each year (66,000 reads/year) with contract meter reading services. Due to funding constraints, the residential water meter Automated Meter Reading Project is currently programmed in the Capital Improvement Plan for FY 2018 to FY 2021. A manual read will no longer be required once an automated reading device is attached to a meter.

Rickman Contract Service, Inc. has held the Village's contract for meter reading services since 2008 and has performed to the Village's standard during this period. If approved by the Village Board, staff would send a confirming letter with signature space for Rickman Contract Service, Inc. to extend the contract thru October 2018, at a rate of \$0.95 per read.

Recommendations

Staff recommends the Board of Trustees waive bids and exercise their option to extend the contract with Rickman Contract Service, Inc. of LaGrange, IL, for Water Meter Reading thru October 2018, at the current rate of \$0.95 per read.