



## Legislation Details (With Text)

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**Title:** Resolution to Approve a Contract Change Order No. 2 with Utility Metering Solutions, LLC for Water Meter Replacement Project (\$607,753.30 increase, total contract \$3,863,098.30)

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:** 1. Ann Arbor Large Meter ESTIMATED Pricing\_2021 0827 (version 2).pdf, 2. UMS\_CO2.pdf

Date	Ver.	Action By	Action	Result
12/20/2021	1	City Council	Approved	Pass

Resolution to Approve a Contract Change Order No. 2 with Utility Metering Solutions, LLC for Water Meter Replacement Project (\$607,753.30 increase, total contract \$3,863,098.30)

Your approval is requested for Change Order No. 2 to the General Services Agreement with Utility Metering Solutions, LLC (UMS) in the amount of \$607,753.30 for project management and installation services for the Water Meter Replacement Project.

In 2018, the City issued request for proposals (RFP No. 18-27) for the water meter replacement project which entails the replacement of approximately 26,650 water meters (2" and below) and meter transmission units (MTUs) throughout the City. Council approved a General Services Agreement with UMS on June 3, 2019 and since contract execution over 20,000 meters have been replaced. Most of the remaining customers have either requested deferment due to the COVID pandemic or have been non-responsive to our communications. The City plans to remobilize UMS in 2022 to complete the remaining small meter customers. In addition, the City is now planning to move to the next phase of the Meter Replacement Project to replace 400 large meters and MTUs that primarily exist in commercial, university and multifamily residential buildings throughout the City. This phase of the project was not included in the original small water meter scope of work due to undetermined quantities and work scope for the large meter replacement project; however, pricing was requested. The replacement of these large meters is necessary due to likelihood of failure of these aging meters and MTUs, many of which are already exhibiting signs of decreased reliability and functionality.

Through RFP No. 18-27, unit pricing for the large meters was established in the current UMS contract executed in 2019. UMS has agreed to honor it's 2019 pricing for replacement of the remaining large meters. This resolution will provide for the necessary funding for UMS to complete the replacement of the remaining large water meters throughout the city. Staff recommends utilizing UMS for this remaining work based on the following:

- Installation pricing for the large meter work was provided in response to RFP No. 18-27.

- UMS has agreed to honor this 2019 pricing.
- Staff has recently validated the UMS pricing in the marketplace.
- UMS will already be mobilized and have crews on-site completing the small meter work.
- Near-term replacement of high consumption meters will protect against lost revenue from failing meters.
- The UMS work order management system is already integrated with City's billing/work order management systems which eliminates significant city staff for integration setup. Duplicating this with a different vendor would be time-consuming and costly.
- Most large meters are located in University facilities. UMS has an established process and working relationship with the University on meter replacement at University facilities.
- Funding is now available for completion of large meter work (CIP UT-WS-22-20).

### Summary of UMS Contract Cost

\$3,255,345.00 - Current contract amount (includes previous change order no. 1)

\$753,531.30 - Proposed large meter work cost estimate  
(\$145,778.00) - Unused dollars from small meter work

\$607,753.30 - Proposed contract change order necessary to accommodate large meter work

Staff is requesting your approval of Change Order No. 2 to the contract with UMS in the amount of \$607,753.30 and a contingency in the amount of \$60,775.33 (10%) to fund additional necessary services as approved by the City Administrator.

UMS complies with the requirements of the City's Conflict of Interest, Non-Discrimination, and Living Wage ordinances.

Budget/Fiscal Impact: The FY 2022-2027 Capital Improvements Plan (CIP) includes funding for this work under the Water Meter and MTU Replacement Program (UT-WS-22-20). Funding for the project is included in the approved water and sanitary capital budgets.

Prepared by: Troy Baughman, P.E., Systems Planning Project Manager  
Molly Maciejewski, Public Works Manager

Reviewed by: Craig Hupy, Public Services Area Administrator

Approved by: Milton Dohoney Jr., Interim City Administrator

Whereas, It is necessary to replace the remaining 400 large water meters and meter transmission units throughout the City;

Whereas, The cost of this work is included in the approved Water and Sanitary Capital Budgets;

Whereas, Proposals were received by the Procurement Unit on October 18, 2018 and Utility Metering Solutions, LLC of Hammond, Louisiana, was selected by staff to provide overall project management services and replacement of water meters and meter transmission units;

Whereas, On June 3, 2019, Council approved a General Services Agreement with Utility Metering Solutions, LLC for the Water Meter Replacement Program in the amount of \$3,055,345.00;

Whereas, Utilities Metering Solution, LLC's pricing for replacing large meters submitted in response to RFP 18-27 is in-line with current market pricing for these services;

Whereas, Having Utility Metering Solutions, LLC complete the replacement of large water meters would provide operational efficiencies and cost-savings; and

Whereas, Utility Metering Solutions, LLC complies with the City's Non-Discrimination and Living Wage ordinances;

RESOLVED, That Council approve Change Order No. 2 to the contract with Utility Metering Solutions, LLC in the amount of \$607,753.30 for a total contract amount of \$3,863,098.30 (RFP No. 18-27) for replacement of large meters as part of the Water Meter Replacement Program;

RESOLVED, That a contract contingency amount of \$60,775.33 be established within the project budget and that the City Administrator be authorized to approve additional change orders to the general services agreement with Utility Metering Solutions, LLC not to exceed \$60,775.33 in order to satisfactorily complete this project;

RESOLVED, That the City makes the following declaration for the purpose of complying with the reimbursement rules of Treasury Regulations 1.150-2 pursuant to the Internal Revenue Code of 1986, as amended: that the City reasonably expects to reimburse itself for expenditures for the costs of the Project with proceeds of Bonds;

RESOLVED, That the Mayor and City Clerk be authorized and directed to execute said contract after approval as to form by the City Attorney, and approval as to substance by the City Administrator; and

RESOLVED, That the City Administrator be authorized to take the necessary administrative actions to implement this resolution.