



Legislation Text

File #: 21-0766R, **Version:** 1

RESOLUTION AUTHORIZING THE PURCHASE OF ITRON WATER ENCODER RECEIVER TRANSMITTERS (ERT) FOR AUTOMATIC WATER METER READING FROM UNITED SYSTEMS AND SOFTWARE, INC. IN THE AMOUNT OF \$1,920,000.00

CITY PROPOSAL:

RESOLVED, that the proper city officials are hereby authorized to contract with United Systems and Software, Inc. for the purchase of Itron water ERTs in the amount of \$1,920,000.00, payable from 510-500-1905-5533, UtilB-ARPWF1 (water, Public Works and Utilities, capital [incl deprec/debt svcs] capital improvements-revenue, utility projects budgeted, ARP water meter replacement project).

STATEMENT OF PURPOSE: This resolution authorizes the purchase of 24,000 ERTs from United Systems and Software, Inc.

This purchase replaces 24,000 ERTs currently at the end of their battery life and not compatible with new lead-free metal-bodied water meters purchased to be compliant with the 2011 Reduction of Lead in Drinking Water Act. The purchase will be paid with funds from the American Rescue Plan and will save residential water customers over \$85 versus using traditional funding methods, lessening the impact on those who can't afford an increase in utility costs.

Per the Department of the Treasury's Compliance and Reporting Guidance for State and Local Fiscal Recovery Funds and 2 CFR 200.320(c)(2), a non-competitive purchase is allowable if the item is available only from a single source. The City of Duluth has thousands of meters already set up to work with Itron ERTs, which initially took hundreds of hours of programming to enable communication between the Itron ERTs and the City's other programs. In addition, these meters and the thousands of new meters recently ordered, have proprietary attachments enabling them to connect with this specific brand of ERT. Changing to another brand of ERT, would require a system-wide replacement of water meters, ERTs and programmed software.

As indicated in the letter attached as Exhibit A, United Systems and Software, Inc. is the only authorized Distributor, and the only company authorized to sell Itron water ERTs, in the state of Minnesota.