

RESOLUTION NO. 2008-333

Adopted by the Sacramento City Council

May 27, 2008

SUSPENDING COMPETITIVE BIDDING AND AUTHORIZING TERM EXTENSION FOR CONTRACT TO PURCHASE WATER METERS FROM BADGER METER, INC.

BACKGROUND

- A. The City Council awarded a water meter purchase contract to Badger Meter, Inc. in October 2004. The contract authorized purchases in the amount of \$3 million per year for a three year period.
- B. The contract term expired on October 25, 2007. Staff failed to note the expiration date, and ordered additional water meters that the City has not yet paid for. There is sufficient funding remaining in the account established for the Badger Meter contract to pay for these meters.
- C. City staff has recommended suspending competitive bidding in order to allow the term of the Badger contract to be extended through June 30, 2008, to provide contractual authorization to pay for the meters ordered but not paid for. Section 3.56.230 C of the Sacramento City Code allows the City Council to suspend competitive bidding for a purchase of supplies when, upon a two thirds vote, City Council determines that it is in the City's best interest to do so.
- D. It is in the City's best interest to suspend competitive bidding for this purpose because, 1) the ordering of additional meters in the amount of \$764,692.89 after the Badger contract term expired was an inadvertent error on part of City staff, 2) the City's need for water meters continued after the Badger Meter contract expired in order to continue with the installation and retrofit of water meters required by State law, 3) the City will utilize and receive the benefit of the meters not yet paid for, and 4) Badger Meter has provided good customer service by reworking the meters to meet the City's needs, at no additional cost.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:

- Section 1. In the best interest of the City, competitive bidding is suspended for the purchase of cold water meters from Badger Meter, Inc., through June 30, 2008.
- Section 2. The City Manager is authorized to sign an extension of the purchase contract awarded to Badger Meter, Inc. on October 26, 2004 extending the term of the contract through June 30, 2008.

Section 3. Pursuant to the extended contract, payment is approved for water meters ordered from Badger Meter Inc., after the previous contract term expired, in the amount of \$764,692.89.

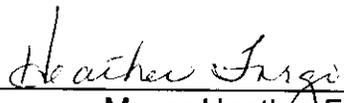
Adopted by the City of Sacramento City Council on May 27, 2008 by the following vote:

Ayes: Councilmembers Cohn, Fong, Hammond, Pannell, Sheedy, Tretheway, Waters, and Mayor Fargo.

Noes: None.

Abstain: None.

Absent: Councilmember McCarty.



Mayor Heather Fargo

Attest:



Shirley Concolino, City Clerk