



## Legislation Text

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**File #:** 19-0761, **Version:** 1

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**DATE:** July 25, 2019

**TO:** Board of Mayor and Aldermen

**FROM:** Eric Stuckey, City Administrator  
Kristine Tallent, Assistant City Administrator / CFO  
Michelle Hatcher, Water Management Director  
Brian Wilcox, Purchasing Manager

**SUBJECT:**

Sole-source purchase from The C.I. Thornburg Co., Inc. of Nashville, TN of 4,000 Sensus-brand 5/8" x 3/4" iPERL water meters and 4,000 Sensus-brand model 520M water meter transceiver units in the total amount of \$820,000 for the Water Management Department (\$1,007,000 budgeted in 431-89320-52219 for fiscal year 2020 for advanced metering infrastructure including this purchase, and \$1,007,000 budgeted in 421-89320-52109 for fiscal year 2020 for advanced metering infrastructure including this purchase)

**Purpose**

The purpose of this procurement is to purchase 4,000 Sensus-brand 5/8" x 3/4" iPERL water meters and 4,000 Sensus-brand model 520M water meter transceiver units as inventory for installation over time by City crews. Transceivers communicate meter readings from the water meter to the vehicle transceiver unit. The purchase is part of the City's investment in advanced metering infrastructure (AMI) by the Water Management Department.

**Background**

City Purchasing Policy allows for the following category of sole-source purchases valued at or greater than \$25,000 not to require individual authorization by the Board of Mayor and Aldermen (but which shall be reported to the Board): Purchases of items necessary to maintain, expand or improve a manufacturer-specific system already in use by the City, and/or another governmental agency with which the City must cooperate in order to provide the public service relevant to the proposed purchase, and that requires interconnectivity of and/or communication between the component parts, so long as the product manufacturer representative has stated in writing that the vendor is the sole source available to the City, and so long as the vendor has stated in writing that the quoted pricing is the lowest municipal unit pricing available at that time and in the foreseeable future for the quantity indicated.

Staff is of the opinion that this purchase of Sensus-brand products is a sole-source purchase. Evidence to support this opinion includes:

- Water meters and transceivers are an integral component of the City's water meter network.
- The City's water meter network is manufacturer-specific.

- The manufacturer, Sensus, has stated in writing that The C.I. Thornburg Co., Inc. of Nashville is the sole source available to the City of Franklin for this purchase.

**Financial Impact**

The value of this order, \$820,000, is based on the unit pricing of \$105 each for the 4,000 meters and \$100 each for the 4,000 transceivers. The C.I. Thornburg Co. has stated in writing that the quoted pricing is the lowest municipal unit pricing available at that time and in the foreseeable future for the quantity indicated. The Water Management Department Wastewater-General Division budget for fiscal year 2020 allocates \$1,007,000 out of the Sewer Fund for AMI including this purchase, while the Water Management Department Water-General Division budget for fiscal year 2020 allocates another \$1,007,000 out of the Water Fund for AMI including this purchase.