COUNTY AGENDA REQUEST

Department:	Water System	Presenter(s):	Tony Parrott
Meeting Date:	Thursday, August 11, 2011	Type of Request:	New Business

Wording for the Agenda:

Consideration of the Water Committee's recommendation to issue a purchase order for the purchase of all required Orion water meters, by September 1, 2011, at a total cost of $2,018,465.78, to accept a credit of $1,009,761.49, and approval to pay for the project during Fiscal Year 2013.

Background/History/Details:

On October 1, 2008, the Fayette County Water System requested the Board's authorization to purchase Orion Meters and Transponders from Badger Meter in an effort to replace older Trace Meters and Transponders. The Board unanimously authorized the Water System to replace the older meters via a three-year replacement process.

Recently, the Federal Communications Commission has informed Badger Meter that they are re-banding the radio frequency used by the older Trace meters, and this action will affect the Water System's ability to read water meters.

Badger Meters had offered Fayette County Water System a two-for-one special; specifically, for every two meters purchased a third meter will be provided to the county for free. In other words, although the total project would cost $3,028,227.27, the special would provide a $1,009,761,49 credit to the Water System. The revised cost for this project is $2,018,465.78

The Water System budgeted $884,000 in the Fiscal Year 2012 budget for this purpose. If approved, the Water System will need to budget $1,134,465.78 in the Fiscal Year 2013 budget. This project will be paid during the Fiscal Year 2013 timeframe.

What action are you seeking from the Board of Commissioners?

Approval of the Water Committee's recommendation to issue an order for the purchase of all required Orion water meters, by September 1, 2011, at a total cost of $2,018,465.78, and approval to pay for the project during Fiscal Year 2013.

If this item requires funding, please describe:

Funds are budgeted in the Water System FY 2012 operating budget, and additional funds will be budgeted in FY 2013.

Has this request been considered within the past two years?	No	If so, when?	
Is Audio-Visual Equipment Required for this Request?	No	Backup Provided with Request?	Yes

STAFF USE ONLY

Approved by Finance	Yes	Reviewed by Legal	
Approved by Purchasing	Not Applicable	County Clerk's Approval	Yes
Administrator's Approval	Yes		

Staff Notes:

STAFF REPORTS:

WATER SYSTEM DIRECTOR TONY PARROTT: Water System Director Tony Parrott asked for the Board's consideration to purchase Orion Meters and Transponders from Badger Meter in an effort to replace older Trace Meters and Transponders also purchased from Badger currently in use throughout Fayette County. He noted this change out would occur over the next three years and no additional funding was being requested. He pointed out that Badger will no longer be providing Trace, but instead will be providing their new AMR called Orion. He said this meter will attach to the existing Badger meter base and the transponder will attach to the meter lid through the existing 2-inch hole in the lids. He said the receiving unit for the Orion is a laptop computer while the receiving unit for the Trace is a Mobile Meter Interrogator, which is the size of a small two drawer file cabinet. He said the cost of the laptop with the Orion software would be $20,990 and a handheld interrogator is $4,500. He said since the Trace unit was no longer available, Badger will honor the warranty with the Orion units and in addition will give a $5.00 credit for each Trace unit exchanged that was no longer under warranty. He stated that the plan would be to convert approximately 200 Trace AMR's each month for the last seven months of this fiscal year. He noted the cost of this would be $25,490 for the laptop with the Orion software, handheld interrogator and $168,000 for the 1,400 transponders. He noted the cost for FY'09 would be $193,490 with the funding coming from the meter installations budgeted in the Repairs to Meters and

Lines account and from the Renewal and Extension Fund. He said the conversion over to Orion AMR would be done over the next three years and be budgeted annually.

Commissioner Horgan made a motion to authorize the Water System Director Tony Parrott to allow the Water System to change over to the Orion Meter system from the Trace Meter system that is currently being used. Commissioner Frady seconded the motion. The motion carried 5-0.

ORION PROFILER
CHANGE OUTS
CYCLE AND SIZE

Fayette County
Water System

Cycle 3	Count	Free		Purchase	Cost Per Orion Profiler	Cost
3/4"	3,046	1,017	$ 141,413.60	2,032	$ 139.00	$ 282,403.80
1"	164	55	$ 7,613.86	109	$ 139.00	$ 15,204.93
1 1/2"	86	29	$ 4,136.26	57	$ 144.00	$ 8,260.13
2"	140	47	$ 6,733.44	93	$ 144.00	$ 13,446.72
	3,436	1,148		2,292	**Total**	**$ 319,315.58**
Cycle 5	**Count**	**Free**		**Purchase**	**Cost Per Orion Profiler**	**Cost**
3/4"	2,949	985	$ 136,910.27	1,967	$ 139.00	$ 273,410.64
1"	27	9	$ 1,253.50	18	$ 139.00	$ 2,503.25
1 1/2"	10	3	$ 480.96	7	$ 144.00	$ 960.48
2"	15	5	$ 721.44	10	$ 144.00	$ 1,440.72
	3,001	1,002		**2,002**	**Total**	**$ 278,315.09**
Cycle 1	**Count**	**Free**		**Purchase**	**Cost Per Orion Profiler**	**Cost**
3/4"	2,783	930	$ 129,203.56	1,856	$ 139.00	$ 258,020.28
1"	57	19	$ 2,646.28	38	$ 139.00	$ 5,284.64
1 1/2"	24	8	$ 1,154.30	16	$ 144.00	$ 2,305.15
2"	41	14	$ 1,971.94	27	$ 144.00	$ 3,937.97
Total	**2,905**	970		**1,938**		**$ 269,548.04**
Cycle 6	**Count**	**Free**		**Purchase**	**Cost Per Orion Profiler**	**Cost**
3/4"	5,112	1,707	$ 237,329.71	3,410	$ 139.00	$ 473,948.86
1"	68	23	$ 3,156.97	45	$ 139.00	$ 6,304.48
1 1/2"	43	14	$ 2,068.13	29	$ 144.00	$ 4,130.06
2"	41	14	$ 1,971.94	27	$ 144.00	$ 5,904.00
Total	**5,264**	1,758		**3,511**		**$ 490,287.40**
Cycle 4	**Count**	**Free**		**Purchase**	**Cost Per Orion Profiler**	**Cost**
3/4"	2,687	897	$ 124,746.66	1,792	$ 139.00	$ 249,119.83
1"	39	13	$ 1,810.61	26	$ 139.00	$ 3,615.81
1 1/2"	17	6	$ 817.63	11	$ 144.00	$ 1,632.82
2"	32	11	$ 1,539.07	21	$ 144.00	$ 3,073.54
Total	**2,775**	927		**1,851**		**$ 257,441.99**
Cycle 2	**Count**	**Free**		**Purchase**	**Cost Per Orion Profiler**	**Cost**
3/4"	4,232	1,413	$ 196,474.83	2,823	$ 139.00	$ 392,361.42
1"	70	23	$ 3,249.82	47	$ 139.00	$ 6,489.91
1 1/2"	23	8	$ 1,106.21	15	$ 144.00	$ 2,209.10
2"	26	9	$ 1,250.50	17	$ 144.00	$ 2,497.25
Total	**4,351**	1,453		**2,902**		**$ 403,557.68**
	21,732	7,258	$ 1,009,761.49	14,495	Total Cost	$ 2,018,465.78
					FY 2012	$ 884,000.00
					FY 2013	$ 1,134,465.78

QUOTATION

Badger Meter

Quotation No.24451

4545 W Brown Deer Road Milwaukee WI 53223
PO Box 245036 Milwaukee WI 53224-9536
Phone: 800-876-3837 Fax: 888-371-5982
Customer Service Rep: bkesselhon@badgermeter.com

TO Daphne Cousson
FAYETTE COUNTY WATER SYSTEM
245 MCDONOUGH ROAD
FAYETTEVILLE GA 30214
Phone: 1-770-230-6026
Fax: 1-770-460-1493
E-mail: dcousson@fayettecountyga.gov

CUSTOMER ID: 100760

EFFECTIVE DATES: 5/26/2011-9/30/2011

SALESPERSON	PROPOSAL SUBJECT	SHIPPING TERMS/INCO TERMS	PAYMENT TERMS
005231 R. Scott Jones	Orion CE Quotation	PREPAY/NO CHARGE For Orders > $12,500 FOB FACTORY	NET 30 DAYS

LINE #	DESCRIPTION	QTY	UNIT NET PRICE USD	LINE TOTALS USD
1	Registration for, RCDL M25 Disc Meter, 5/8", RTR, Gallon, Plastic Shroud / Plastic Lid (Black) ORION Data Profiling, FHSS, Integral Indoor-Outdoor, Factory Pre-Wired, 3 ft Break-Away Wire, UM1-0000-9753	TBD	$139.00	
2	Registration for, RCDL M70 Disc Meter, 1", RTR, Gallon, Plastic Shroud / Plastic Lid (Black) ORION Data Profiling, FHSS, Integral Indoor-Outdoor, Factory Pre-Wired, 3 ft Break-Away Wire, UM1-0001-3235	TBD	$139.00	
3	Registration for, RCDL M120 Disc Meter, 1 1/2", RTR, Gallon, Plastic Shroud / Plastic Lid (Black) ORION Data Profiling, FHSS, Integral Indoor-Outdoor, Factory Pre-Wired, 3 ft Break-Away Wire, UM1-0001-0551	TBD	$144.00	
4	Registration for, RCDL M170 Disc Meter, 2", RTR, Gallon, Plastic Shroud / Plastic Lid (Black) ORION Data Profiling, FHSS, Integral Indoor-Outdoor, Factory Pre-Wired, 3 ft Break-Away Wire, UM1-0001-0559	TBD	$144.00	
5	TRIMBLE RANGER, READCENTER Field App. w/ Admin Access, ORION CE Receiver for Handheld, MR1-0000-0375	TBD	$4,250.00	
6	Premium ORS Mobile Reading System, for up to 25,000, US CENSUS BUREAU Mapping Software, MR1-0000-0439	TBD	$12,000.00	

THANK YOU FOR YOUR BUSINESS!

This quotation is an offer, made subject to the terms & conditions found on our website: www.badgermeter.com/Company/Legal/Sales-Terms.aspx
Quoted prices are firm for acceptance, via an order, within the effective dates provided, shipping within 60 calendar days past the expiration of this quotation.

QUOTATION

Badger Meter

Quotation No.24451

LINE #	DESCRIPTION	QTY	UNIT NET PRICE USD	LINE TOTALS USD
7	READCENTER, for up to 25,000, New Customer Agreement,5 User Licenses, Route Management Activation, MR1-0000-0471 One-day on-site training by Badger Meter or Badger Meter certified training personnel is required and must be purchased separately.	TBD	$3,500.00	

Notes and Assumptions:
Buy two ORION CE assemblies, get one at no charge. Minimum purchase of 500 ORION endpoints required to qualify for the program and also required to take advantage of purchasing the discounted Reading Equipment and Software. Customer may choose to make up to 12 equal monthly payments for their endpoint purchases. Customer must request the monthly payment option at the time of order to qualify for the monthly payment option. Title for endpoint assemblies must pass to customer when product is shipped from Badger Meter. Customer will be invoiced for the full amount of each shipment at time of shipment. Extended payment terms will be for 360 days from date of invoice. There are no pre-payment penalties for paying early. The program is effective through 9/30/11. Customers must submit a single PO for all ORION endpoints, hardware and software and take delivery by November 30, 2011. These offers cannot be used in conjunction with any other program or special pricing. Limit one (1) mobile reading system and up to (3) Trimble Ranger handhelds with internal ORION receiver and cradle per customer. All endpoints, software and reading equipment must ship directly to the end utility customer.
If applicable, sales tax and freight charges will be added at time of invoice.

Actual lead time to be provided at time of order.

If you have any questions concerning this quotation, please contact:R. Scott Jones, 800-876-3837x17047, sjones@badgermeter.com
To place an order, please contact: Barb Kesselhon, 877-243-1010 x15884, bkesselhon@badgermeter.com

Official authorized quote of Badger Meter Inc.
R. Scott Jones, Account Mgr. East

THANK YOU FOR YOUR BUSINESS!

This quotation is an offer, made subject to the terms & conditions found on our website: www.badgermeter.com/Company/Legal/Sales-Terms.aspx
Quoted prices are firm for acceptance, via an order, within the effective dates provided, shipping within 60 calendar days past the expiration of this quotation.