



# Agenda Cover Memorandum

Meeting Date: December 12, 2016

Meeting Type:  Committee of the Whole  City Council  Budget Workshop

Item Title: Approve a Purchase Order for Automatic Meter Reading (AMR) Water Meters to Water Resources Inc., 390 Sadler Avenue, Elgin, Illinois 60120-8027 in the amount of \$19,250

Item Type:  Transfer  Budget Amendment  Purchase Order  Other

Action Requested:  Approval  For Discussion  Feedback Requested  For Your Information

Staff Contact: Wayne Zingsheim, Director of Public Works Ph:(847) 318-5247  
Email: wzingshe@parkridge.us

Background:

Staff has received correspondence from Water Resources, the City's current provider of automated water meters (AMR) that new developments are issued, agreeing to hold their price for another year. However, the City's contract, PW-FY15-11, has expired. AMR meters are paid for by the developer at the time of construction, with the cost being 'passed through' the City, thereby allowing us to control what meters are being installed.

As the City has Neptune handhelds and Neptune software, the only meters that can be read by this equipment are Neptune meters as this is a proprietary system. Water Resources has confirmed that they are the sole source authorized distributor for Neptune meters for the area that includes Park Ridge. A copy of their correspondence is attached.

At this time staff is seeking approval to purchase approximately 35 AMR meters at a cost of \$550 per unit, for a total amount of \$19,250.

In July 2016, the City Council approved an ordinance amending the Procurement Code on Sole Source Procedures, 2-9-9 of the Municipal Code. The revision includes a presentation of the request to the Finance Committee that includes justification for the purchase. This must be made available to the Committee not less than five days before the meeting. As such, this memorandum was posted on the City website and emailed to all Aldermen on December 5, 2016 for their review prior to the Finance Committee meeting scheduled for December 12, 2016. The Committee may grant approval with a 2/3 majority. Attached for your review is a copy of the approved Ordinance, 2016-53.

Vendor and Transaction History:

Vendor Status:  Current  New  
Is Purchase Order Request supported by existing contract:  Yes  No If Yes, date:  
Is this an Annual Recurring Purchase Order:  Yes  No  
Bid Process Used:  N/A  Price Quotes  Bid  RFP  
Have Goods been received or Statement of Work completed:  N/A  Yes  No  
If Overage, approved by Department:  Yes  No Details:

Recommendation:

Approve a Purchase Order for Automatic Meter Reading (AMR) Water Meters to Water Resources Inc., 390 Sadler Avenue, Elgin, Illinois 60120-8027 in the amount of \$19,250.

Budget Implications:

Does Action Require an Expenditure of Funds:  Yes  No  
If Yes, Total Cost: \$19,250.00  
If Yes, is this a Budgeted Item:  Yes  No  Requires Budget Amendment  
If Budgeted, Budget Code (Fund, Dept, Object) 502 3055 956000

Attachment:

- Correspondence and Quotation from Water Resources
- Ordinance 2016-53



WATER RESOURCES

November 2, 2016

Wayne Zingsheim  
City of Park Ridge  
505 Butler Place  
Park Ridge, Illinois 60068

Subject: Water Meter Contract #PW-15-11

Dear Wayne:

Water Resources Inc. greatly appreciates the opportunity to have furnished Neptune water meters to the City of Park Ridge for the last several years.

We have accepted to City's offer to extend our current contract (PW-15-11) at the same terms and conditions for an additional 12-month period. This will extend the contract from the original expiration date of 12/14/16 to a new expiration date of 12/14/17.

Please contact me if you have any questions and we trust that this contract extension meets your favorable approval.

Very truly yours,

Michael D. Pedone  
Water Resources Inc.

MDP/jt

Cc: Jim McGuire

November 16, 2016

Wayne A. Zingsheim  
Director of Public Works  
City of Park Ridge

Water Resources is the sole authorized distributor in your area for Neptune RF meter reading equipment, Neptune water meters, Meter Interface Units and parts.



Water Resources is authorized by Neptune to submit an offer for Neptune water meters and related products.

Thank you for your interest in Neptune products. If you have any questions, please contact your local Water Resources representative Mike Pedone at 847-514-6502, your local Neptune representative Pat Prasifka, at 334-391-6128, or Neptune's bid department at 334-283-6555.

Sincerely,

A handwritten signature in black ink that reads "Lawrence M. Russo". The signature is written in a cursive, flowing style.

Lawrence M. Russo  
VP, Finance

LMR/jsk

**ORDINANCE  
2016-53**

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF PARK RIDGE  
AMENDING ARTICLE 2, CHAPTER 9 OF THE MUNICIPAL CODE OF PARK RIDGE  
TO REVISE THE PROCUREMENT CODE**

(Sole Source Procedures)

WHEREAS, the City of Park Ridge is an Illinois home rule municipal corporation organized and operating pursuant to Article VII of the Illinois Constitution of 1970; and

WHEREAS, the Mayor and City Council have heretofore adopted Section 2-9-9 of the City Code, "Contract Awards and Approvals," establishing rules governing the procurement of goods and services by the City; and

WHEREAS, the Mayor and City Council have also heretofore adopted Council Policy Statement 18, "Procurement Rules and Requirements," which also sets forth rules and procedures for purchasing goods and services for the City; and

WHEREAS, the Mayor and City Council recognize that there are unique and isolated circumstances where the solicitation of multiple bids or quotes will not result in the City acquiring the most effective or efficient goods and services and not serve the best interest of the City; and

WHEREAS, the Mayor and City Council desire to update and revise Section 2-9-9 of the City Code and Council Policy Statement 18 to describe the procedure by which City staff can request approval for sole source procurement and establish the criteria for approving the same.

**NOW, THEREFORE, BE IT ORDAINED** by the City Council of the City of Park Ridge, Cook County, Illinois, pursuant to its home rule authority, as follows:

**SECTION 1:** The City Council finds the foregoing recitals represent the purpose and intent for adopting this ordinance and as such incorporate them as though fully restated herein.

**SECTION 2:** Procurement Rules. The City's procurement rules shall be amended in the manner described below:

A. Section 2-9-9. Article 2, Chapter 9, Section 9 of the City Code is hereby amended as set forth below:

C. Purchase Exceptions. As the sole exceptions to the requirement of B above, the following are authorized to approve expenditures in the amounts set forth below:

1. Department Head - \$2,500.00 or less.
2. Finance Director - \$5,000.00 or less.
3. City Manager - \$10,000.00 or less.
4. City Council - \$20,000.00 or less.

5. Finance Committee – Sole Source Procurement. Not less than five business days before the Finance Committee considers a request for sole source procurement of a specified good or service, the City shall publish notice of intent to use sole source procurement for a specified good or service. The Finance Committee may grant approval for sole source procurement, by 2/3 majority approval of all Alderman, if any of the following criteria apply:

- a. only one known source exists for supplies or services as determined by documented research;
- b. no other reasonable alternative source exists that meets the agency requirements;
- c. only one source meets the business needs of the agency/state (e.g., compatibility, unique feature to meet state's business need, etc.); and
- d. procurement of public utility services.

Prior to presenting the request to the Finance Committee, the Department requesting the sole source procurement shall prepare a fact-based, written justification for the Finance Committee to review that addresses each applicable criteria set forth above.

For any competitive source selection process, the quantity of goods or services beyond the amount indicated in the invitation for bids may not be increased significantly when recommending a contract award to the City Council.

**SECTION 3:** This Ordinance shall be in full force and effect from and after its passage, approval and publication according to law.

**SECTION 4:** The City Clerk is hereby authorized and directed to publish said Ordinance in pamphlet form according to law.

Adopted by the City Council of the City of Park Ridge, Illinois this 18<sup>th</sup> day of July, A.D., 2016.

VOTE:

AYES: Ald. Milissis, Shubert, Knight, Mazzuca, and Maloney  
NAYS: None  
ABSENT: Ald. Moran and Van Roeyen

Approved by me this 18<sup>th</sup> day of July, A.D., 2016

\_\_\_\_\_  
Acting Mayor Marty Maloney

Attest:

\_\_\_\_\_  
Betty Henneman, City Clerk

Published in pamphlet form this \_\_\_\_ day of \_\_\_\_\_, 2016 by \_\_\_\_\_