



City of Denton

City Hall
215 E. McKinney Street
Denton, Texas
www.cityofdenton.com

AGENDA INFORMATION SHEET

DEPARTMENT: Procurement
ACM: Christine Taylor
DATE: April 13, 2026

SUBJECT

Consider recommending adoption of an ordinance of the City of Denton, a Texas home-rule municipal corporation, authorizing the City Manager to execute a contract with Badger Meter, Inc., for the Advanced Metering Infrastructure (AMI) Implementation Program for the Water Metering Department; providing for the expenditure of funds therefor; and providing an effective date (RFP 8623 – awarded to Badger Meter, Inc., for five (5) years, with the option for five (5) additional one (1) year extensions, in the total ten (10) year not-to-exceed amount of \$26,000,000.00).

STRATEGIC ALIGNMENT

This action supports Key Focus Area: Enhance Infrastructure and Mobility.

INFORMATION/BACKGROUND

Water Utilities manages approximately 44,000 water meters across the city. These meters are currently read manually at an average cost of \$1.05 per meter each month. Manual reading presents challenges, including standing water, pests, and physical obstructions, and increases the likelihood of human error, which often requires costly re-reads to correct missing or inaccurate data.

A 2021 Feasibility Study by Jacobs Engineering Group identified significant cost-saving opportunities associated with transitioning to an Advanced Metering Infrastructure (AMI) system. Benefits include reduced meter reading costs, improved accuracy, lower vehicle and labor expenses, and enhanced data precision. When factoring in full system implementation and meter replacement, Jacobs projected a return on investment of 8.9–11.0%, with the system paying for itself in 11–13 years, well within the typical 20-year meter lifespan.

The study also highlighted several non-monetary advantages, such as improved customer service, environmental benefits, and operational efficiencies. Customers would gain real-time insight into their water use, enabling earlier leak detection and better consumption management. Enhanced data would support more accurate capacity planning, while operational risks and safety hazards would be reduced by limiting the need for field staff to access meter pits.

Denton Municipal Electric (DME) successfully implemented an AMI system for electric meters beginning in 2010, completing deployment in 2015 using City personnel. DME continues to oversee meter reading for both Electric and Water. Progress on Water AMI has been slower due to the complexity of in-ground

meter pits, but the Jacobs study confirmed that current technology and available vendors now offer reliable, cost-effective solutions.

The proposed Water AMI Implementation Program includes new water meters, AMI endpoints, installation services, system integration, and support for connecting the system with other City platforms. It also includes a flexible communications network to support advanced monitoring and future smart-city applications, along with pilot testing and staff training. According to the consultant’s proposal, the project is expected to be completed by Q2 2028, resulting in a fully operational AMI system for Denton Water Utilities.

Water AMI Program	Estimated 10-Year Expenditure
Year 1	\$6,604,552.83
Year 2	13,880,327.42
Year 3	317,930.40
Year 4	317,930.40
Year 5	317,930.40
Year 6	324,289.01
Year 7	330,647.62
Year 8	337,006.22
Year 9	343,894.72
Year 10	350,783.21
Sub total	\$23,125,292.23
Contingency	2,874,707.77
Total	\$26,000,000.00

Request for Proposals was sent to 590 prospective suppliers, including 17 Denton firms. In addition, specifications were placed on the Procurement website for prospective suppliers to download and advertised in the local newspaper. Six (6) proposals were received, references were checked, and proposals were evaluated based upon published criteria, including AMI requirements, commercial evaluation (Appendix B), and price. Best and Final Offers (BAFO) were requested from the top firm. Based upon this evaluation, Badger Meter, Inc. was ranked the highest and determined to be the best value for the City.

NIGP Code Used for Solicitation:	490, 720, 968
Notifications sent for Solicitation sent in IonWave:	590
Number of Suppliers that viewed Solicitation in IonWave:	38
HUB-Historically Underutilized Business Invitations sent out:	56
SBE-Small Business Enterprise Invitations sent out:	211
Responses from Solicitation:	6

RECOMMENDATION

Award a contract with Badger Meter, Inc., for the Advanced Metering Infrastructure (AMI) Implementation Program for the Water Metering Department, in a five (5) year, with the option for five (5) additional one (1) year extensions, in the total ten (10) year not-to-exceed amount of \$26,000,000.

PRINCIPAL PLACE OF BUSINESS

Badger Meter, Inc.
Milwaukee, WI

SUSTAINABILITY MEASURES

The project will enhance water conservation by providing customers with increased transparency into their consumption data, enabling early detection of leaks and promoting more efficient usage. Waste will be reduced through improved system monitoring and automated data collection. In addition, the project will help mitigate fossil fuel emissions by significantly reducing the need for vehicle trips traditionally required for manual meter reading and maintenance.

ESTIMATED SCHEDULE OF PROJECT

This is an initial five (5) year contract with options to extend the contract for five (5) additional one (1) year periods, with all terms and conditions remaining the same.

FISCAL INFORMATION

These services will be funded from Water Metering account 630465523. Requisition #174860 has been entered into the Purchasing software system in the amount of \$6,604,552.83. The budgeted amount for this item is \$26,000,000.

EXHIBITS

Exhibit 1: Agenda Information Sheet
Exhibit 2: Pricing Evaluation
Exhibit 3: Presentation
Exhibit 4: Ordinance and Contract

Respectfully submitted:
Lori Hewell, 940-349-7100
Purchasing Manager

For information concerning this acquisition, contact: Tiffany Sherrane, 940-349-7331.

Legal point of contact: Leah Bush at 940-349-8333.