



City of Denton

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

AGENDA INFORMATION SHEET

DEPARTMENT: Procurement
ACM: Christine Taylor
DATE: June 9, 2025

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 Texas Meter and Device Company, LLC, for water meter reading services for Denton Municipal Electric; providing for the expenditure of funds therefor; and providing an effective date (RFP 8772 – awarded to Texas Meter and Device Company, LLC, for one (1) year, with the option for four (4) additional one (1) year extensions, in the total five (5) year not-to-exceed amount of \$3,511,770.00).

INFORMATION/BACKGROUND

The proposed contract is to provide manual water meter reading services. The water meter readings throughout the City are currently collected by contracted meter readers. The existing contract is with Texas Meter & Device Company, LLC, and the funds will be depleted in mid-August 2025.

The Water Department is currently reviewing alternatives and assessing the feasibility of the installation of automated meter reading equipment and infrastructure that will reduce the overall effort required for manual meter reading. Given the existing meter reading operation (with contracted meter readers) and the possible implementation of automated meter reading equipment in the near future, engaging the services of a contract firm to collect meter readings will help provide a smoother transition to an automated meter system by providing a transition plan for the water Advanced Metering Infrastructure (AMI) implementation.

Based on the existing number of meters and anticipated 3% growth per year over the next five (5) years, the recommended NTE for this contract is \$3,511,700, for a total potential five (5) year contract.

	Year 1	Year 2	Year 3	Year 4	Year 5
Total Meters	45,182	46,537	47,933	49,371	50,852
Price per read	\$1.22	\$1.22	\$1.22	\$1.22	\$1.22
Total x 12 months	\$661,464.48	\$681,301.68	\$701,739.12	\$722,791.44	\$744,473.28
Total Contract Amount:					\$3,511,770.00

Below is the information that Texas Meter & Device Company, LLC, provided regarding the wages they pay their employees who will be assigned to the City’s contract.

Position Description	Number of Assigned Employees	Hourly Rate of Assigned Employees
Meter Reader	7 employees	\$22.28
AMI Field Supervisor	1 employee	\$23.08

Request for Proposals was sent to 551 prospective suppliers, including 50 Denton firms. In addition, specifications were placed on the Procurement website for prospective suppliers to download and advertised in the local newspaper. Three (3) proposals were received, references were checked, and proposals were evaluated based upon published criteria, including approach, experience, and price. Best and Final Offers (BAFO) were requested from the top firm. Based upon this evaluation, Texas Meter and Device Company, LLC was ranked the highest and determined to be the best value for the City.

NIGP Code Used for Solicitation:	961 - (Service Only) - Miscellaneous Services, No. 1 (Not Otherwise Classified)
Notifications sent for Solicitation sent in IonWave:	551
Number of Suppliers that viewed Solicitation in IonWave:	21
HUB-Historically Underutilized Business Invitations sent out:	71
SBE-Small Business Enterprise Invitations sent out:	220
Responses from Solicitation:	3

RECOMMENDATION

Award a contract with Texas Meter and Device Company, LLC, for water meter reading service for the Denton Municipal Electric, in a one (1) year, with the option for four (4) additional one (1) year extensions, in the total five (5) year not-to-exceed amount of \$3,511,700.

PRINCIPAL PLACE OF BUSINESS

Texas Meter and Device Company, LLC
Waco, TX

ESTIMATED SCHEDULE OF PROJECT

This is an initial one (1) year contract with options to extend the contract for four (4) additional one (1) year periods, with all terms and conditions remaining the same.

FISCAL INFORMATION

These products and services will be funded through the using department's budget on an as-needed basis. The City will only pay for services rendered and is not obligated to pay the full contract amount unless needed.

EXHIBITS

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

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

For information concerning this acquisition, contact: Brandon Hamby, 940-349-7645.

Legal point of contact: Marcella Lunn at 940-349-8333.