



DATE: February 21, 2007

TO: Honorable Mayor and City Councilmembers

FROM: Water Utilities Department

SUBJECT: **APPROVAL OF AN INCREASE IN THE AMOUNT OF \$100,000 TO AN EXISTING ANNUAL PURCHASE ORDER TO AQUA-METRIC SALES COMPANY FOR WATER METERS AND PARTS**

**SYNOPSIS**

Staff recommends that the City Council approve an increase in the amount of \$100,000 to an existing annual purchase order to Aqua-Metric Sales Company of Riverside for the purchase of water meters and parts; and authorize the Financial Services Director, or designee, to execute the increase to the purchase order.

**BACKGROUND**

On July 12, 2006, the City Council approved an annual purchase order to Aqua-Metric Sales Company in the amount of \$225,000 for water meters and parts. Staff based the amount for the annual purchase order on the previous year's expenditures, as well as projected need for new and replacement meters during the fiscal year.

**ANALYSIS**

New meters are ordered when developers pay all of the City's development fees. The meters are stored until installation is requested. The number of large new meters purchased this fiscal year is higher than anticipated and an increase to the existing purchase order is necessary to pay for the meters.

**FISCAL IMPACT**

New meters are paid for by developers when a building permit is issued. The meter is ordered at the time of purchase and stored in inventory until needed. The inventory account does not go through the Council budget approval process because items that are taken out of inventory are charged to other business units.

**COMMISSION OR COMMITTEE REPORT**

Does not apply.

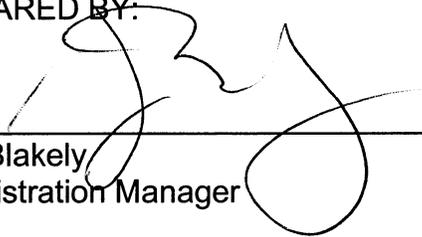
**CITY ATTORNEY'S ANALYSIS**

Does not apply.

**RECOMMENDATION**

Staff recommends that the City Council approve an increase in the amount of \$100,000 to an existing annual purchase order to Aqua-Metric Sales Company of Riverside for the purchase of water meters and parts; and authorize the Financial Services Director, or designee, to execute the increase to the purchase order.

PREPARED BY:

  
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Interim City Manager

REVIEWED BY:

Michelle Skaggs Lawrence, Deputy City Manager

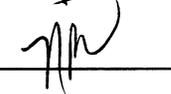
  
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Lonnie Thibodeaux, Water Utilities Director



  
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Nita McKay, Financial Services Director

  
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