

REPORT TO THE BOARD OF MAYOR & ALDERMEN

DATE: July 27, 2026

FROM: John Fox, Public Utilities Director

SUBJECT: Contract Amendment for Water Meters and Related Accessories

INTRODUCTION:

The purpose of this agenda item is to request Board of Mayor and Aldermen (BMA) approval of the sixth amendment to the sole source contract with Consolidated Pipe and Supply Company, Inc. for the purchase of Neptune water meters, related equipment, and accessories.

BACKGROUND:

The Town provides water service to customers through meters ranging in size from 3/4" to 10". These meters are essential for accurately billing water and sewer services based on usage. The Town purchases approximately 2,000 water meters annually to support new installations and routine replacements. Since 2013, Consolidated Pipe and Supply Company, Inc. has served as the Town's sole source vendor for Neptune water meters, related equipment, and accessories under Sole Source #134.

On May 22, 2023, the BMA approved a sole source contract with Consolidated Pipe and Supply Company, Inc. for the purchase of Neptune water meters and related accessories. The initial contract term was twelve (12) months, with the option to extend for up to five (5) additional twelve-month periods, allowing for a total contract term of up to seventy-two (72) months.

Subsequent contract amendments include:

- October 23, 2023 – The Town Administrator approved the first amendment, adding 3/4" Mach 10 and 1" Mach 10 water meters to the list of authorized items available under the contract.
- May 13, 2024 – The second amendment and renewal was approved by the BMA. This amendment updated product listings to reflect revised part numbers and descriptions for newer Neptune meter models and included an average price increase of 7% compared to the prior year.
- April 28, 2025 – The third amendment and renewal was approved by the BMA. This amendment added tariff language allowing for an 8% surcharge on hardware products due to tariffs impacting labor and materials sourced from Mexico and China.
- July 14, 2025 – The fourth amendment was approved by the BMA. This amendment updated product listings to reflect revised part numbers and descriptions for newer Neptune meter models and included an average price increase of 5.6% compared to the prior year.
- September 8, 2025 – The fifth amendment was approved by the BMA. This amendment added six new meter box line items that provide operational improvements identified during the Town's AMI meter replacement project, including traffic-rated boxes and lids designed to improve durability and ease of maintenance.

DISCUSSION:

On May 11, 2026, Consolidated Pipe and Supply Company, Inc. provided the Town with an updated quotation that includes revisions to pricing, product descriptions, and available contract items. Procurement's review identified twelve (12) new items being added to the contract, twenty-four (24)

existing contract items receiving price increases averaging approximately four percent (4%), and twelve (12) items with no pricing changes. The new items consist of Neptune water meters, registers, and related accessories that are compatible with the Town's existing Neptune Advanced Metering Infrastructure (AMI) system and provide additional flexibility in meeting future operational needs.

In addition to the product revisions, this amendment modifies the annual contract renewal date from May to June. This change aligns future contract renewals with Neptune's annual published price adjustments, allowing the Town to evaluate and incorporate any applicable pricing changes as part of the annual renewal process rather than requiring separate contract amendments when updated pricing information becomes available.

Consolidated Pipe and Supply Company, Inc. remains the Town's sole source supplier for Neptune water meters and related accessories. Approval of this amendment will ensure the continued availability of replacement meters, meter registers, meter boxes, cellular metering equipment, and related accessories necessary to support new service installations and the ongoing operation and maintenance of the Town's Neptune Advanced Metering Infrastructure (AMI) system.

BUDGET IMPACT:

Water meters and related accessories are purchased through an inventory account and are not budgeted as an operating expense within the Water and Sewer Enterprise Fund. As meters are installed, inventory is relieved and the costs are transferred to a capital asset account as a group, which is then depreciated over its useful life. Annual subscription fees associated with the Town's Advanced Metering Infrastructure (AMI) system are budgeted as operating expenses within the Water and Sewer Enterprise Fund operating budget.

ATTACHMENTS:

[GS-23-01358 - Sixth Contract Amendment.pdf](#)

PROPOSED MOTION:

To approve the sixth contract amendment with Consolidated Pipe and Supply Company, Inc. for the purchase of Neptune water meters and related accessories.

Board Action: Motion By _____ Seconded By _____

Vote Total	Hall	Jordan	Robbins	Marshall	Stamps	Fraser
Yes						
No						
Abstain						