

REPORT TO THE BOARD OF MAYOR & ALDERMEN

DATE: September 8, 2025

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 a fifth amendment of the sole source contract with Consolidated Pipe and Supply 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 has served as the Town's sole source vendor for Neptune meters, equipment, and accessories under Sole Source #134.

On May 22, 2023, the BMA approved a sole source contract with Consolidated Pipe and Supply 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 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 all orders placed beginning April 2, 2025, for all hardware products including meters, radios, data collectors, and related parts due to the current 25% U.S. tariff on labor and materials sourced from Mexico and China. If tariff rates change, Neptune will adjust the surcharge proportionally (e.g., a 12.5% tariff would result in a 4% surcharge).
- 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.

DISCUSSION:

On June 19, 2025, Consolidated Pipe & Supply Company, Inc. provided the Town with an updated quote that included six new line items under the Neptune sole source contract. These additions include new meter boxes, similar to those installed during the AMI (Automatic Metering Infrastructure) project, and are intended to address issues identified during that work. The new boxes will improve efficiency

in future meter changeouts and provide several operational benefits. They are traffic-rated, designed with features that prevent lids from being dislodged during storm events, and allow for easier meter height adjustments when needed. Compared to the smaller concrete boxes currently in use, which often complicate maintenance activities due to their size and material, the new meter boxes represent a marked improvement in both durability and functionality.

BUDGET IMPACT:

Water meters are purchased for an inventory account, which is a non-budgeted item for the Water and Sewer Enterprise Fund. As meters are installed, “in ground”, inventory is relieved and the meters are moved to a capital asset account as a group, which is then depreciated.

ATTACHMENTS:

[GS-23-01358 - Fifth Amendment add Meter Boxes.pdf](#)

PROPOSED MOTION:

To approve the fifth contract amendment with Consolidated Pipe and Supply, 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						