

## **RESOLUTION NO. 2014-004**

A Resolution of the Board of Commissioners of  
Public Utility District No. 1 of Jefferson County,  
Washington, Approving the Purchase of Itron  
Electricity Meters; and Declaring that

WHEREAS, the Commissioners have concluded, upon the recommendation of the District staff, that there is a need to replace many of the Landis+Gyr electric meters now being used by the District to monitor electricity consumption by District customers. Replacement is required because many of the Landis+Gyr meters are failing and Landis+Gyr has not been able to supply replacement meters on a timely and reasonable basis, and/or Landis+Gyr is unable to remotely read certain meters; and

WHEREAS, the Commissioners have concluded that it is not in the best interests for the District to limit its options to the exclusive purchase of Landis+Gyr meter systems because of their failure rate, the high cost of replacement, and the fact that Landis-Gyr imposes substantial charges for manually reading such meters every month; and

WHEREAS, the Commissioners have concluded that the District should replace certain Landis+Gyr meters with "Itron" meters, for the reason the District already uses Itron Meters for metering water consumption and the Itron meters include a mobile reading device which picks up water meter readings and will pick up electric consumption readings at no additional cost, thus saving the District substantial sums of money on meter-reading and meter replacement expenses; and

WHEREAS, by discontinuing the use of Landis-Gyr meters at certain locations, and replacing them with Itron meters; the District will have a quantity of surplus Landis+Gyr meters which can be used to replace Landis+Gyr meters which fail in areas

of the District where the Landis+Gyr meters can continue to be used for the remainder of their useful life; and

WHEREAS the PUD has a contract with Landis+Gyr that specifies that should the PUD reduce the number of meters read by Landis+Gyr to 18,000 meters (the threshold), Landis-Gyr will no longer be obligated to manually read any PUD meters and if the number of Activated Meters be reduced by more than 15% below the threshold the parties shall meet in good faith discuss changes in cost to Landis+Gyr to continue to maintain the MCCs over a smaller population in the Service Territory at an additional cost.

THEREFORE, BE IT RESOLVED, by the Commissioners of Public Utility District No. 1 of Jefferson County, Washington, as follows:

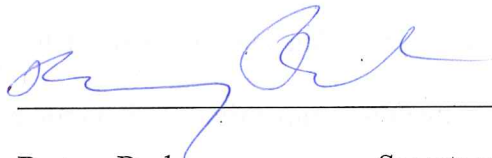
Section 1. The Commissioners hereby approve of the purchase of up to 3,000 Itron meters, model no. to include 2S, 4S, 9S, and 16S, at prices to be negotiated by the District Manager.

Section 2. The Commissioners have determined that the competitive bidding requirements set forth in RCW 54.04.070 should and shall be waived in this purchase, as authorized by RCW 39.04.280(1)(a), for the reason that this is a purchase which is clearly and legitimately limited to a single source of supply That determination is made for the following reasons:

(a) As indicated in the "Whereas" sections above, the Commissioners have made factual findings that the District has already made a substantial investment in the Itron meter systems and has found them to be reliable and economical, thus eliminating the need to consider switching to other systems. The Commissioners have

### CERTIFICATION

I, Barney Burke, Secretary of the Board of Commissioners of Public Utility District No. 1 of Jefferson County, do hereby certify that the document attached hereto is a true and correct copy of Resolution No. 2014-004 of the said Board, duly adopted at a regular meeting thereof held on the 4<sup>th</sup> day of March, 2014.



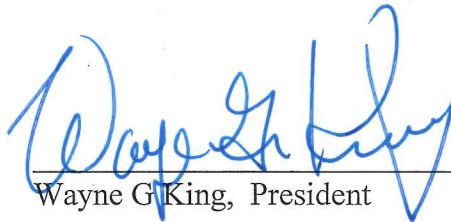
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Barney Burke, Secretary  
Board of Commissioners

therefore concluded that it would be prudent to reduce the amount of money spent on acquiring additional Landis+Gyr meters.

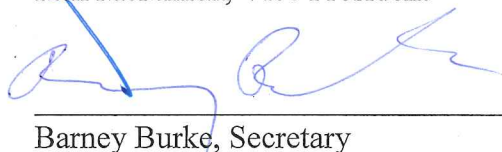
(b) The Itron meter systems are unique and there is only one regional source from which they may be purchased, namely from Itron's Western Distributor, General Pacific Inc., located in Fairview, OR.

Section 3. The Commissioners hereby authorize and direct the District Manager to negotiate the purchase of the Itron meters from General Pacific, Inc., and confirm that the competitive bidding requirements of RCW 54.04.070 may be waived.

ADOPTED at a regular meeting of the Board of Commissioners of Public Utility District No. 1 of Jefferson County held this 4th day of March, 2014.

  
Wayne G. King, President

  
Ken McMillen, Vice President

  
Barney Burke, Secretary

ATTEST:

  
Secretary, Board of Commissioners