



# City of Austin

## Recommendation for Action

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**File #:** 25-1817, **Agenda Item #:** 23.

9/25/2025

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### **Posting Language**

Authorize an amendment to a contract for continued manual meter reading services for electric and water utility meters for Austin Energy and Austin Water with Bermex, Inc., to increase the amount by \$5,200,000 and to extend the term by two years for a revised total contract amount not to exceed \$38,127,110. Funding: \$2,475,787 is available in the Operating Budget of Austin Energy. Funding for the remaining contract term is contingent upon available funding in future budgets.

### **Lead Department**

Financial Services Department.

### **Client Department(s)**

Austin Energy, Austin Water.

### **Fiscal Note**

Funding in the amount of \$2,475,787 is available in the Fiscal Year 2025-2026 Operating Budget of Austin Energy.

Funding for the remaining contract term is contingent upon available funding in future budgets.

### **Purchasing Language:**

Contract Amendment.

### **MBE/WBE:**

This contract was previously awarded in accordance with the City Code Chapter 2-9C (Minority-Owned and Women-Owned Business Enterprise Procurement Program). For the services required for this contract, there were no subcontracting opportunities; therefore, no subcontracting goals were established.

### **Prior Council Action:**

May 4, 2017 - Council approved a contract for manual meter reading services for electric and water utility meters with Bermex, Inc.

March 24, 2022 - Council approved an amendment for continued manual meter reading services for electric and water utility meters with Bermex, Inc.

### **For More Information:**

Direct questions regarding this Recommendation for Council Action to the Financial Services Department - Central Procurement at [FSDCentralProcurementRCAs@austintexas.gov](mailto:FSDCentralProcurementRCAs@austintexas.gov) or 512-974-2500.

### **Council Committee, Boards and Commission Action:**

September 8, 2025 - Recommended by the Electric Utility Commission on an 11-0 vote.

**Additional Backup Information:**

This contract amendment will provide Austin Energy (AE) and Austin Water (AW) with critical continued manual meter reading services and photo capture for water and electric utility meters for timely customer billing. The scope of services includes all necessary software, hardware, labor, vehicles, and related equipment. Under this contract, the contractor also provides essential meter-related activities, such as delivering collection notices and working a subset of field activities for AW. AW's portion of meter reading costs are recovered through AE's Utility Billing System Support allocation.

Both utilities utilize Advanced Metering Infrastructure (AMI) as its standard metered service; however, some meters require manual meter reads due to customer-elected opt-outs or remaining conversions to AMI. Additionally, this contract has a dependency on the Customer Care & Billing System and supporting systems, which are in the midst of an 18 to 24 month upgrade. Onboarding a new contractor during this critical window would risk disruptions to utility billing and meter services. Extending services with Bermex, Inc. during the Customer Care & Billing System upgrade provides operational stability and minimizes the risk of interruptions during this critical system upgrade. AE will begin developing requirements for a competitive solicitation to replace this contract after its expiration.

<b>Contract Details:</b>				
<b>Contract Term</b>	<b>Length of Term</b>	<b>Contract Authorization</b>	<b>Requested Additional Authorization</b>	<b>Revised Total Authorization</b>
Initial Term	5 years	\$17,500,000		\$17,500,000
Contract Amendment	4 years	\$15,427,110		\$15,427,110
Proposed Amendment	2 years		\$5,200,000	\$5,200,000
<b>Total</b>	<b>11 years</b>	<b>\$32,927,110</b>	<b>\$5,200,000</b>	<b>\$38,127,110</b>

**Note:** Contract authorization amounts are based on the City's estimated annual usage.