

**Narrows Town Council  
Special Called Meeting  
June 29, 2022**

Mayor Tom Spangler called the meeting to order. Council Members present were Clyde Turner, Sara Bowles, George Conley, John Mills, and Joe Goorskey.

Staff members present were John Davis and Debbie Thomas.

Councilman Turner gave the invocation.

Council and audience recited the Pledge of Allegiance.

**Matters for Consideration by Council**

Mayor Spangler said the first item is to consider the purchase of water meters. John Davis will present this.

John Davis said they have been working for almost a year on water meter replacement. He and several staff members feel like this is a big part of the town's water loss. The proposal that was sent to the town states the new meters will reduce the water loss considerably. He spoke with a customer that has this same system and after they installed the meters in 2020 their water loss dropped 10-15%. Will that happen in Narrows? He doesn't know. The town has met with 3 separate vendors and they each brought a water meter they sell. There is one they liked better than the others. A few weeks ago, he sent Mike Bedsaul an email asking him to work up an RFP for the town concerning the water meters. In the meantime, the town had a visit from one of the vendors and was told as of July 1, 2022, the prices of the meters would be increasing 20-25%. The town called Mike Bedsaul to see if they could make something happen. Mike Bedsaul and Steve Durbin worked diligently and put together an RFP, which was posted on our website on June 16 and it stayed up for 11 days. At that time, they sent all 3 companies an email letting them know the RFP had been posted. They only received one proposal back by the deadline and haven't received any since. He has spoken with Mike Bedsaul over the last several days and he has some information to pass along to council. He said he has looked through the proposal pretty thoroughly and can answer any questions council may have.

Mike Bedsaul said they ran the RFP on the town's website and complied with the Virginia Procurement Act requirements for the RFP. The reason why the town had to do that in particular was because the water meters, hardware, and software are going to be paid for with ARPA funding, which is federal money. Because of the town's size they aren't ordinarily required to abide by the Virginia Procurement Act requirements. Federal funding requirements require that you utilize either the federal procurement process or the state process. In order to avoid the additional cost of 20-25% they have to at least have a verbal commitment to move forward on the proposal by the end of the day tomorrow. As of July 1, the cost will go up 20-25%. This special meeting was held so council would have time to consider the proposal. He has spoken directly with Charlie Pence, the contact with Fortiline that submitted the proposal, and he said it wasn't necessary to have the contract ready to go by tomorrow but if council made a motion to approve them as the successful bidder that would be sufficient to lock in the price. Here

is the issue: because the town only received one proposal, he contacted Joy Rumley at the New River Valley Regional Commission because that is who the town hired to administer their ARPA funding. He wanted to ask her what federal inserts needed to be included in the contract because those are required for the use of ARPA funding. He also told her only one proposal was received and she said under federal law the federal government provides that there has to be a minimum of two proposals in order to show there was competition. He asked what to do in the town's situation where they had complied with the procurement requirements but only received one proposal. She said she would contact her colleagues and find out. She called him back and said the guidance she received was that when that happens the town will need to document all of the steps it took as part of the procurement that it did. Some of the things that will need to be documented are when the RFP was issued, any vendors that were spoken to directly, the reason the procurement was done like it was. The town tried to be good stewards of the ARPA money because they were trying to save the 20-25%. Joy Rumley said what they have done in the past is they have had the locality document all of the steps it took as part of the procurement so that if there were a federal audit later it would be a defensible use of the money. When he spoke to Joy Rumley she said she felt like that it was not likely that if there was an audit several years down the road the federal government would require the town to pay the money back. There will be some risk with this and there is no way he or Joy Rumley can guarantee what the federal government would do in the event there was an audit several years down the road concerning the use of that money. There is no question that water meters are an eligible purchase under ARPA. The issue is that there were not two proposals and federal law requires that there are two proposals. The question for council is that is the cost savings the town would have worth the potential risk of potentially being required to pay the money back in the event of an audit in which the federal government felt like the town didn't follow regulations in the procurement process. The amount to be spent is \$538,295.40 and he asked John Davis to put together an estimate of what the savings would be at 20% and 25%.

John Davis said he did 15%, 20%, and 25%. With 565 meters at \$163,285 and 565 meters at \$197,185 the total is \$360,470. At 15%, there would be a cost savings of \$54,070.50. At 20%, there would be a cost savings of \$72,094. At 25%, there would be a cost savings of \$90,117.50. That is just for the meters. That doesn't include software. He called Tom Powell with Ferguson to see what the increase would be and at that time Kamstrup had no idea. Kamstrup is the meter company they work with and told Tom Powell there would possibly be a 20-25% increase come July 1, 2022. If there is a 20% increase, \$72,094 is a pretty good savings. As far as documentation, he can document everything they've done. He can document when the RFP was prepared and the date they published it and the three vendors the town spoke with. Two vendors called him and one of them said they received the email concerning the RFP and said they had some questions. It was not Fortiline but another vendor. The first question was could they have a thirty-day extension so they could do a propaganda study and different things and he told them they were late getting the RFP out and council wants to get this done by July 1, 2022. The gentleman told him that by looking at the RFP the town already had a vendor in mind. John Davis said he told the gentleman the town had spoken to three different vendors and there are pros and cons to each vendor but the town hasn't made any decisions. The vendor said with the timeframe that is allowed, at this time, they would not be able to bid on the project. The town has dealt with Ferguson for years, they were the town's vendor

for the Mueller water meters they have now. They still purchase things from Ferguson and will continue to do so in the future. He doesn't have the gentleman's name nor any documentation of the phone call. He only knows the discussion was held the day after the bids were put out. On June 21 or 22, he doesn't have any documentation on this either, he received a call from Worldwide Waterworks who is a Mueller distributor and they also said they wouldn't have time to get a bid in.

Mike Bedsaul said when he spoke with Joy Rumley she only said the town would need names of the other vendors and felt like it was important to document it now because if a federal audit would happen it wouldn't be next week it could be three years down the road and no one could remember what happened three years before. The decision council faces is that are the savings worth that risk and he can't guarantee what the outcome would be. The only option he sees the town would have if they weren't comfortable with that list would be to reissue the RFP with the intention of receiving more than one proposal. If they did reissue the RFP and still only received one proposal that could be documented. If the town does that they would lose the savings.

Councilman Mills said he has gambled all of his life and this is a calculated gamble. He would have been upset with John Davis if he hadn't hurried along and tried to bring council these savings. Personally, he has no faith in the federal government but he would pray that if the town was audited there would be an auditor with some common sense that understood the way things go in the real world. They can go to all this trouble, bid it again, and he would guarantee they will not receive any more participation. If these vendors had been interested they would have made it work in the timeframe allotted. That is his personal opinion. He trusts John Davis and that is who he's betting on.

Councilman Conley asked John Davis if Ferguson indicated they would have bid on the job if they had more time?

John Davis said they did ask for a 30-day extension so that indicated to him they may have bid on it.

Councilman Mills said they didn't say they would bid on it.

John Davis said no. Ferguson did say it looked like by the RFP the town had already figured who they wanted.

Councilman Conley asked what brand meter Ferguson sells?

John Davis said they were with Mueller but parted ways with them. He doesn't recollect what meter they sell now. The warranty with Fortiline will be similar to the one with Mueller. Fortiline has a 0.1 failure rate. He called four references for Fortiline but only spoke with two different localities. He spoke with a public works director in Harrisburg, NC. They have had their meters in the ground for 5 years and have 4,000 meters. They've had one bad meter in 5 years and that was because of heat stress. He spoke with a utility billing clerk in Moorefield, WV. She said as far as the billing software is very user friendly and they've had the meters since 2020. He also spoke with the public works director there and they said 3 installers came in and installed 1,300 meters. They had 3

failures: one meter had a dead battery when it was installed, another meter had some internal problems with the electronics, and another one didn't have a good seal around the digital readout. Kamstruk replaced all 3 meters with no questions asked. Everyone he spoke with had nothing but good things to say about the meters.

Councilman Mills said if the town gets audited and Mike Bedsaul charges them less than the 25% they are saving they are still ahead.

Councilman Goorskey said he would like to move forward with this.

Councilmember Bowles said she agrees that this is a good move.

Mayor Spangler said they can't delay things for fear of things that may never happen.

Councilman Turner said savings would also be there if the water loss goes down.

John Davis said Buddy Kast told Mike Bedsaul one time the town had spent about \$30,000 just in labor replacing busted meters from Mueller. They are still replacing them.

Mike Bedsaul said the warranty provides if there is a defective meter the company repairs or replaces the meter at their cost or refunds the cost of the meter. What happened with Mueller was that there wasn't one meter every five years going bad there were more like seven every month. The warranty covers the meter replacement but the town has to install it. There was such a high failure rate with the Mueller meters there were a lot of man hours spent installing the meters. Because of the high failure rate, the town asked Mueller to replace all of the meters that hadn't failed yet. Mueller was not in favor of doing that but they were agreeable to provide bronze-bodied meters instead of the composite meters.

Mayor Spangler asked what the life expectancy was for the batteries in the meters and is this covered under the warranty?

John Davis said there is a warranty of 20 years on anything that is 5/8 to 3/4 and that is 98% of the town's meters. They have a few that are over an inch and the warranty on those is 10 years. The meters themselves on a 5/8 to one inch is 20 years from the date of delivery and meters that are 1.5" or larger have a 10-year warranty. The total price to have the meters installed, including the cost of the meters is \$538,295.40. There is real-time information on the computer and will tell them if there is a leak.

**Councilman Mills made a motion to approve Fortiline Waterworks as the successful offeror, subject to review and negotiation of a final contract. Councilmember Bowles seconded the motion.**

**Ayes: Turner, Bowles, Conley, Mills, and Goorskey**

**Nays: None**

**Motion Carried 5-0**

Mayor Spangler said the next item is to consider approving the purchase of Meraki switches and a wireless access point.

Debbie Thomas said in the room between Susan Kidd and John Davis' offices there is a wireless access point on the wall. This access point is outdated and not under support any longer and will no longer have any security updates or new firmware available for it and it needs to be replaced. The Meraki switches are needed in Rhonda Brown's office and in the room between Susan Kidd and John Davis' offices. They are needed so that a device can be accessed by more than one person and so that more than one device can access the internet in a room. She has checked the budget and when the town received a discount on their Edmunds invoice because of all the trouble they had with taxes last year there is \$9,100 left in the maintenance/contracts line item.

Councilman Goorskey said he has no problem with this because it will make the office efficient. The only question he had was about the language at the end of the quote concerning the taxes, shipping, handling, and other fees. There is also a sentence that states they reserve the right to cancel orders arising from pricing or other errors. He does not care for that wording.

Debbie Thomas said it has to be approved by 5:00 p.m. tomorrow because on Friday they will be in a new fiscal year.

Councilman Goorskey asked if they could put it in escrow?

Debbie Thomas said she guessed they could. She can contact Hansen Ball in the morning concerning this and ask them not to exceed the price listed.

Councilman Goorskey said he sees this from time to time and he asks vendors to remove it.

Mike Bedsaul said they could approve the contract subject to either deleting that particular statement or approving it subject to the total cost not exceeding the cost listed.

**Councilman Goorskey approved the purchase of the Meraki switches and Meraki router contingent upon the price not exceeding the price listed. Councilman Mills seconded the motion.**

**Ayes: Turner, Bowles, Conley, Mills, and Goorskey**

**Nays: None**

**Motion Carried 5-0**

Mayor Spangler said they need to amend the agenda on item 2 to include 'other personnel matters'.

**Councilman Turner made a motion to go into executive session to discuss real property (acquisition of real property) and personnel matters (Town Manager Position, Other Personnel Matters) (Sec. 2.2-3711.A.1). Councilman Conley seconded the motion.**

**Ayes: Turner, Bowles, Conley, Mills, and Goorskey**

**Nays: None**

**Motion Carried 5-0**

**Councilman Mills made a motion to return to open session. Councilmember Bowles seconded the motion.**

**Ayes: Turner, Bowles, Conley, Mills, and Goorskey**

**Nays: None**

**Motion Carried 5-0**

### **Certification**

**WHEREAS**, the Town of Narrows, has convened an executive meeting on this date pursuant to an affirmative-recorded vote and in accordance with the provision of the Virginia Freedom of Information Act: and

**WHEREAS**, Section 2.2-3712 of the Code of Virginia requires a certification of the Town Council that such executive meeting was conducted in conformity with Virginia Law:

**NOW, THEREFORE, BE IT RESOLVED THAT THE** Town of Narrows hereby certifies that, to the best of each member's knowledge, (1) only public business matters lawfully exempted from open meeting requirements by Virginia Law were discussed in the executive meeting to which this certification resolution applies: and (2) only such public business matters as were identified in the motion convening the executive meeting were heard, discussed or considered by the Town Council.

**ATTEST:** \_\_\_\_\_

**Councilman Goorskey made a motion to accept the certification. Councilman Mills seconded the motion.**

**Ayes: Turner, Bowles, Conley, Mills, and Goorskey**

**Nays: None**

**Motion Carried 5-0**

Mayor Spangler said there was a concern brought to his attention, and he doesn't know if council is aware, but Susan Kidd and Debbie Thomas have switched offices and Rhonda Brown has moved in the former conference room beside of Debbie Thomas. Rhonda Brown is being cross trained to do Debbie Thomas' job, which he thinks is fantastic. The concern was that since there are now only two employees in the front office would that be enough to handle the day-to-day flow of people coming into the office. This has been discussed and any time one of the employees in the front office is out Rhonda Brown will fill in for them. They don't expect it to be a problem.

Debbie Thomas said there have been times it's only her and one of the employees out front working in the front office. She and Rhonda Brown are available to help if it is needed. They have also turned their phones on to ring so they can answer calls if need be.

Mayor Spangler said he believes this is a great move and any cross training they can do is an advantage for the town.

Councilman Mills said he agrees with that statement. Is this change permanent or just during the training period?

Debbie Thomas said it is permanent.

**Councilman Mills made a motion to adjourn. Councilman Turner seconded the motion.**

**Ayes: Turner, Bowles, Conley, Mills, and Goorskey**

**Nays: None**

**Motion Carried 5-0**

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Clerk, Debbie Thomas

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Mayor, Tom Spangler