



To: Honorable Mayor and Members of Town Council

Through: David L. Corliss, Town Manager

From: Mark Marlowe, P.E., Director of Castle Rock Water
Nichol Bussey, Business Solutions Manager

Title **Resolution Waiving Formal Written Bidding Requirements on the Basis of a Sole Source and Approving the Purchase Agreement with Core & Main for Meters, Radios, Meter Parts and Supplies [Entire Castle Rock Service Area]**

Executive Summary

Staff is requesting approval of a Resolution Waiving Formal Written Bidding Requirements on the Basis of a Sole Source and approving a Purchase Agreement with Core & Main to procure water meters, radios, meter parts, and associated supplies necessary for infrastructure maintenance, upgrades, and expansion. The total purchase amount is \$3,562,480, which has been allocated across multiple general ledger (GL) funds to support operational and capital project needs.

These materials are essential to Castle Rock Water's mission of delivering efficient, accurate, and sustainable water service. The investment supports meter replacements, expanded radio-read capabilities, and a dependable inventory for responsive field operations. \$2,662,480 of the \$3.5M is associated with the transition to Advanced Metering Infrastructure (AMI) which will allow customers to track water use in real time ensuring better efficiency and conservation of this precious resource.

History of Past Town Council, Boards & Commissions, or Other Discussions

Castle Rock Water staff presented this item to the Castle Rock Water Commission at their meeting held on October 22, 2025, and the Castle Rock Water Commission voted unanimously 4 to 0 to recommend Town Council approval of the Resolution as presented.

Discussion

Castle Rock Water continues its commitment to modernizing metering infrastructure and ensuring long-term service reliability. This purchase includes:

- Advanced automated remote read meters
- Radio frequency-based communication modules

- Installation hardware and replacement parts
- Supplies to support field implementation

Core & Main has served as the primary supplier of metering infrastructure for Castle Rock Water since acquiring Dana Kepner in February 2025. Dana Kepner had been the Town's longstanding provider of meters, radios, and meter accessories. Core & Main is the only provider of Sensus meters, which are the meters currently used by Castle Rock Water. Switching to a new metering solution would cost tens of millions of dollars. The continuity in supplier relationship ensures compatibility with the Town's existing systems, preserves institutional knowledge, minimizes financial resources needed for the transition to AMI and supports consistent field service practices. To confirm the exclusivity of this arrangement, staff contacted Sensus to identify any additional distributors of Sensus products in Colorado, and Sensus confirmed that Core & Main is the only authorized distributor in the state.

Core & Main has also demonstrated reliable supply chain performance, technical compatibility, and responsive support. These advantages, in conjunction with competitive pricing, reinforce their position as the recommended supplier for this procurement.

Budget Impact

The purchase will be funded through the following General Ledger (GL) accounts:

GL Fund	Amount
210-4223-442-61-20	\$900,000
210-4275-442-77-15	\$1,331,240
211-4375-443-77-15	\$665,620
213-4575-445-77-15	\$665,620
Total	\$3,562,480

These funds have been previously budgeted and approved in the FY2026 capital and operational plans for meter infrastructure and the AMI capital project.

Schedule

All equipment is expected to be delivered in phases throughout 2026. This will ensure adequate lead time for internal coordination, installation, and testing. Full deployment of AMI installations across Castle Rock Water's service area is expected to be complete by 2026 with availability of an enhanced customer portal by 2027.

Recommendation

Staff recommends approval of the Purchase Agreement and issuance of a Purchase Order to Core & Main in the amount of \$3,562,480 for the acquisition of water meters, radios, parts, and supplies as outlined. This investment continues to advance Castle Rock Water's infrastructure goals and service performance standards.

Proposed Motion

"I move to approve the Resolution as introduced by title."

Alternative Motions

"I move to approve the Resolution as introduced by title, with the following conditions: (list conditions)."

"I move to continue this item to the Town Council meeting on _____ date to allow additional time to (list information needed)."

Attachments

Attachment A: Resolution
Exhibit 1: Agreement