Meeting Date:	August 27, 2026	**Agenda Type:**	Consent Items For Action
From:	Justin Stroupe Operational Technology Manager	**Reviewed by:**	Carlos Salas Director of Technology
Submitted by:	Greg Brown Chief Technology and Security Officer	**Approved by:**	Ryan Kelso Chief Executive Officer

RECOMMENDED ACTION: Authorize the CEO or His Designee to Negotiate and Execute a Materials Agreement with Ferguson Enterprises LLC for the Purchase of Water Meters

BACKGROUND

Aligning with the corporate strategy of technology modernization, the Operational Technology Department identified an opportunity to enhance water meter functionality while standardizing on a single meter solution to simplify operations, maintenance, and management. In 2026, NBU issued a Request for Proposal (RFP) for the purchase of a new water meter base and received responses from Badger Meter, Core & Main, Ferguson Enterprises LLC, and Aqua Metrics. Following evaluation based on four criteria—Cost and Warranty, Lifecycle and Features, Delivery and Support, and Firm History—Ferguson Enterprises LLC was selected with its proposal featuring the Kamstrup FlowIQ ultrasonic water meter line.

The Kamstrup FlowIQ meters use ultrasonic technology to measure water consumption through high-frequency sound waves rather than mechanical moving parts. The meter transmits ultrasonic signals both downstream and upstream through the water and measures the difference in travel time. Because water flow causes the signal to travel faster in the direction of flow and slower against it, the meter can accurately determine water velocity, flow rate, and total volume consumed. With no moving components in the flow path, ultrasonic meters can provide consistent measurement accuracy for up to twenty (20) years, compared with approximately seven (7) years for NBU's current meter base. The technology also provides highly accurate measurement across a broad flow range, including very low flows.

Compared with traditional positive displacement meters, ultrasonic technology offers significant operational advantages, including reduced mechanical wear, minimal pressure loss, improved low-flow and leak detection, and enhanced diagnostic and data capabilities. For NBU, these benefits can support greater measurement accuracy, improved revenue protection, reduced maintenance requirements, and more effective leak identification. For customers, improved low-flow sensitivity can provide greater

confidence that they are being billed accurately for water consumed while helping identify continuous leaks earlier, potentially reducing water loss and preventing higher water bills.
Proceeding with this agreement will enable NBU to support continued customer growth, address aging infrastructure, and meet evolving customer expectations while aligning the organization for long-term operational success.

NBU staff requests that the Board of Trustees approve the Material Agreement (the "Agreement") with Ferguson Enterprises LLC.

This item is being presented to the Board because the total amount of the Agreement exceeds $250,000.00.

FINANCIAL IMPACT

The total financial impact for the Agreement amount Ferguson Enterprises LLC is $19,500,000.00, with a not-to-exceed amount of $3,900,000.00 for the initial contract term and $3,900,000.00 for each of the additional four (4) one-year terms for the purchase of water meters. The Agreement is budgeted from the Capital Improvement Budgets for Fiscal Year 2027 through Fiscal Year 2031.

LINK TO STRATEGIC PLAN

Customers and Community

Infrastructure and Technology

EXHIBITS

1. Materials Agreement with Ferguson Enterprises LLC