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ACTION FORM
BRYAN CITY COUNCIL

Meeting Date (?) 11/24/2015

Subject Matter* (?) AMI_Phase IV
This must match rolling agenda entry

Department of Origin* WATER SERVICES

Submitted By* Charles Rhodes

Type of Meeting* ○ BCD ○ Special ◉ Regular

Classification* ○ Public Hearing ○ Consent ◉ Statutory ○ Regular

Ordinance* ◉ None ○ First Read ○ Second Read ○ First & Only Read

Strategic Initiative* ☐ Public Safety ☐ Service ☐ Economic Development ☑ Infrastructure ☐ Quality of Life

Agenda Item Description* Consider authorizing the Phase IV purchase of meters and communication modules through Sensus USA, Inc. for the ongoing installation and implementation of an Advanced Meter Infrastructure (AMI) system for Water Services at an amount not to exceed $350,000.

Summary Statement*

In 2008, BTU and Water Services entered into an agreement with R.W. Beck to develop a business case for an Advanced Meter Infrastructure (AMI) system. In 2009, results of the business case were presented to the City Council and staff asked permission to issue a Request for Proposals (RFP) to possible AMI vendors. In 2009, proposals were taken for an AMI system from three (3) different vendors. After evaluating the proposals, staff selected Sensus as the successful vendor. In early 2010, staff asked the City Council for permission to negotiate with Sensus on a contract for the installation of the AMI system. At the February 22, 2011, City Council meeting, the City Council approved a contract with Sensus for the development, procurement, and implementation of the system.

While BTU opted to convert their entire system over to the new AMI system, Water Services planned a phased implementation. Phase I included all commercial water meters and 8,000 residential water meters to be replaced by City staff. The replacement of 8,000 residential meters continued Water Services proactive replacement of aging residential water meters. Water Services elected to install communication modules on a select 3,000 meters within the water service area. The water meters included larger vault meters, rural meters, hard to read residential and commercial meters, and meters for anticipated pre-pay customers. The remaining water meters (approximately 19,500) were to be read manually and billed by BTU due to the cost and unknown reliability of the module.

The benefits of the AMI system, in conjunction with the cost of manually reading the remaining water meters, makes it a viable option to continue phasing Sensus products into the meter replacement program. Water Services presented information to the City Council in a budgetary workshop for an accelerated timeline to complete the AMI conversion. Over the past 2 years, $500,000 was allocated from each fund (Water and Sewer) for a total of $1,000,000 per year.

Phase II of the project was approved by the City Council during FY14, with Phase III authorized last fiscal year. With the funds allocated under Phase III, Water Services continued migrating away from manually read meters. 4,350 three-quarter inch meters, 110 one inch meters, 5,750 communication modules, as well as maintenance/growth levels of meters larger in size than one-inch were purchased during this phase of the project. Of the 22,870 active water meters installed in the system, 18,084 are currently AMI compatible meters; 17,193 are currently remotely read capable. Of the twenty billing cycles, fourteen are read through the AMI system and are no longer read manually by Alexander's (contracted to read meters). Two more cycles should be read remotely by February 29, 2016.

From an inventory standpoint, Water Services currently has approximately 1,900 three-quarter inch meters and communication modules left to purchase. At current pricing, those numbers project out to $350,000. A cost reduction is possible in areas where dual port communication modules can be utilized in lieu of single port modules. A dual port module connects 2 meters to the network at a cost of $110 versus a single port module that connects 1 meter to the network for $95. For a dual port module to work, the meters must be within a few feet of each other. It is difficult to project the actual module to be utilized until the replacement process (cost above is a worst case scenario).

Staff recommends the City Council authorize the Phase IV purchase of meters and communication modules through Sensus for the ongoing installation and implementation of an Advanced Meter Infrastructure (AMI) system for Water Services at an amount not to exceed $350,000.

Staff Analysis & Recommendation*

Staff recommends approving the Phase IV purchase of meters and communication modules through Sensus for the ongoing installation and implementation of an Advanced Meter Infrastructure (AMI) system for Water Services. The purchase has the ability to reduce billing and operational costs, as well as providing time of use and leak detection to customers. Revenue will be maximized by upgrading underperforming meters with more accurate meters.

Options*

(In Suggested Order of Staff Preference)

1. Authorize the expenditure of funds.
2. Modify the expenditure amount, which may require consideration at a future City Council meeting.
3. Provide direction to staff.

Funding Source*

Water and Sewer Fund Balance (as budgeted)

Attachments

Meter Replacement Nov 2015.pdf	3.11MB

Please detail attachments and note attachments available for viewing in City Secretary's Office:

Dept. Head Signature	JAYSON E. PARPINECHT 11/11/2015
Deputy City Manager Signature	Hugh R. Walker
City Manager Signature	
City Attorney Signature	Janis K. Hampton