



Recommendation for Action

File #: 20-1244, **Agenda Item #:** 30.

2/20/2020

Posting Language

Authorize negotiation and execution of a ten-year multi-term contract with Aclara Technologies, LLC to provide an Advanced Meter Infrastructure system; a five-year multi-term contract with Aclara Technologies, LLC to provide AMI meters, meter installation, a data platform and integration; and a five-year multi-term contract with Watersmart Software, Inc. to provide a customer portal; for total contract amounts not to exceed \$95,000,000 divided between the contractors.

(Note: This solicitation was reviewed for subcontracting opportunities in accordance with City Code Chapter 2-9C Minority Owned and Women Owned Business Enterprise Procurement Program and subcontractor goals were applied to the solicitation. Subcontractor goals were exceeded and the resulting contracts will include 18.84% MBE and 32.41% WBE for the advanced meter infrastructure category and 32.41% MBE/WBE combined participation for the meter installation category).

Lead Department

Purchasing Office.

Client Department(s)

Austin Water.

Fiscal Note

Funding is available from Texas Water Development Board Swift Funding loans and in the Fiscal Year 2019-2020 Capital Budget of Austin Water. Funding for the remaining contract terms are contingent upon available funding in future budgets.

Purchasing Language:

The Purchasing Office issued a Request for Proposals (RFP) 2200 MDD3001 for these goods and services. The solicitation issued on April 22, 2019 and it closed on June 27, 2019. Of the 23 offers received, the recommended contractors submitted the best evaluated responsive offers. A complete solicitation package, including a log of offers received, is available for viewing on the City's Financial Services website, Austin Finance Online. Link: [Solicitation Documents](https://www.austintexas.gov/financeonline/account_services/solicitation/solicitation_details.cfm?sid=130312)
<https://www.austintexas.gov/financeonline/account_services/solicitation/solicitation_details.cfm?sid=130312>.

For More Information:

Inquiries should be directed to the City Manager's Agenda Office, at 512-974-2991 or AgendaOffice@austintexas.gov <<mailto:AgendaOffice@austintexas.gov>>

NOTE: Respondents to this solicitation, and their representatives, shall continue to direct inquiries to the solicitation's Authorized Contact Person: Matthew Duree, at 512-974-6346 or Matt.Duree@austintexas.gov <<mailto:Matt.Duree@austintexas.gov>>.

Council Committee, Boards and Commission Action:

February 12, 2020 - To be reviewed by the Water and Wastewater Commission.

Additional Backup Information:

These contracts are for the purchase and installation of a complete Advanced Metering Infrastructure (AMI) system including implementation and required parts and services for Austin Water. The AMI project will replace customers' analog water meters with electronically read water meters connected to a wireless network. This technology removes the need to manually collect meter-reading data monthly. After AMI implementation, water meter reads will be collected at least daily. This data will be made available to customers via electronic devices, so they can better monitor their water usage between billing cycles. Electronic water meters will improve data collection by reducing meter re-reads and providing more frequent data collection while minimizing the man-hours and vehicle mileage currently needed to support the manual meter reading contract. Near real-time AMI data will be made available to customers via smartphones, desktop computers, etc. as they use water during the billing cycle. Other potential benefits include improving customer service and satisfaction, enabling customer usage alerts before a bill arrives, and identifying potential customer-side leaks. This data will also enable Austin Water to have better system diagnostic tools, such as leak detection. Additionally, this project will produce a superior metering asset management database that will better facilitate operations and maintenance activities. Although meter reads will be collected more frequently, the city's existing multi-service billing process through its Customer Care and Billing system will remain and continue to calculate customer's monthly bills.

The requested authorization amount was determined using each contractor's proposed price after negotiations conducted by City staff and includes a 9% contingency to cover unknown conditions encountered during the implementation. Contract awards are being recommended based on the highest evaluated responsive offer in five separate categories. Aclara Technologies, LLC is recommended for the following categories: metering including meters, endpoints, and lids; AMI system; data platform/system integration; and meter installation. Watersmart Software, Inc. is recommended for the customer portal category.

An evaluation team with expertise in this area evaluated the offers and scored Aclara Technologies, LLC and Watersmart Software, Inc. as the best to provide these goods and services based on demonstrated company experience and qualifications, project approach, alignment to technical and security requirements, price, and service-disabled veteran business enterprise.

If the City is unable to enter into a contract, Austin Water will be unable to proceed with implementing an AMI program.

Contract Detail (Aclara Technologies, LLC):

<u>Contract Term</u>	<u>Length of Term</u>	<u>Contract Authorization</u>
Initial Term	7 yrs.	\$11,400,000
Optional Extension 1	1 yr.	\$ 700,000
Optional Extension 2	1 yr.	\$ 700,000
Optional Extension 3	1 yr.	\$ 700,000
TOTAL	10 yrs.	\$13,500,000

Contract Detail (Aclara Technologies, LLC):

<u>Contract Term</u>	<u>Length of Term</u>	<u>Contract Authorization</u>
Initial Term	3 yrs.	\$79,179,850
Optional Extension 1	1 yr.	\$ 139,900

Optional Extension 2	1 yr.	\$ 130,600
TOTAL	5 yrs.	\$79,450,350

Contract Detail (WaterSmart, Inc.):

<u>Contract Term</u>	<u>Length of Term</u>	<u>Contract Authorization</u>
Initial Term	3 yrs.	\$1,320,150
Optional Extension 1	1 yr.	\$ 360,100
Optional Extension 2	1 yr.	\$ 369,400
TOTAL	5 yrs.	\$2,049,650

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