

## AGENDA



## Recommendation for Council Action

## AUSTIN CITY COUNCIL

Regular Meeting: December 7, 2017

Item Number: 041

## Purchasing Office

Authorize negotiation and execution of a contract with West Monroe Partners LLC, or one of the other qualified offerors to Request For Proposals MDD0103, to provide consulting services for automated meter infrastructure program management, in an amount not to exceed \$1,981,000. (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. For the services required for this solicitation, there were no subcontracting opportunities; therefore, no subcontracting goals were established.).

<b>Lead Department</b>	Purchasing Office.
<b>Fiscal Note</b>	Funding in the amount of \$400,000 is available in the Fiscal Year 2017-2018 Capital Budget of Austin Water. Funding for the remaining contract term is contingent upon available funding in future budgets.
<b>Purchasing Language</b>	The Purchasing Office issued a Request for Proposals (RFP) MDD0103 for these services. The solicitation issued on April 17, 2017 and it closed on June 6, 2017. Of the six offers received, the recommended contractor submitted the best evaluated responsive offer. A complete solicitation package, including a response list, is available for viewing on the City's Financial Services website, Austin Finance Online. Link: <a href="https://austintexas.gov/financeonline/vendor_connection/solicitation/solicitation_details.cfm?sid=117307">Solicitation Documents</a> < <a href="https://austintexas.gov/financeonline/vendor_connection/solicitation/solicitation_details.cfm?sid=117307">https://austintexas.gov/financeonline/vendor_connection/solicitation/solicitation_details.cfm?sid=117307</a> >.
<b>For More Information</b>	Inquiries should be directed to the City Manager's Agenda Office, at 512-974-2991 or <a href="mailto:AgendaOffice@austintexas.gov">AgendaOffice@austintexas.gov</a> < <a href="mailto:AgendaOffice@austintexas.gov">mailto:AgendaOffice@austintexas.gov</a> > 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 <a href="mailto:Matthew.Duree@austintexas.gov">Matthew.Duree@austintexas.gov</a> <mailto:Matthew.Duree@austintexas.gov>.
<b>Council Committee, Boards and Commission Action</b>	November 8, 2017 - Recommended by the Water and Wastewater Commission on an 8-0 vote, with Commissioner Penn recused and Commissioners Blanding and Turrieta absent.
<b>Client Department(s)</b>	Austin Water.

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#### **Additional Backup Information:**

The Advanced Metering Infrastructure (AMI) project will replace mechanical customer water meters with electronic water meters connected to a wireless network, so that meter reads will no longer be collected manually every month. 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 by providing more frequent data collection, while minimizing the man hours and vehicle mileage currently needed to support the manual meter reading contract. Semi-real time AMI data will be made available to customers via smart phones, desktop computers, etc. as they use water during the billing cycle. Other potential benefits include improving customer service and customer satisfaction, enabling customer usage alerts before a bill arrives, or identifying potential customer-side leaks. This data will also enable Austin Water (AW) to have better system diagnostic tools, such as semi-real time leak detection, and this project will produce a superior metering asset management database, that will better facilitate operations and maintenance activities after implementation. Although meter reads will be collected more frequently, the Customer Care and Billing system will continue to calculate a monthly bill, and the city's multi-service billing process will remain the same.

This contract is for an AMI system consultant to produce an AMI assessment report, and pending AW executive team approval, assist in the production of AMI system integrator solicitation documents. The report will evaluate which AMI technologies are best for AW, and determine their potential impact on AW's business processes. This report will include a detailed business case for the replacement of aged mechanical meters and associated infrastructure.

The AMI assessment report will assist AW in identifying the best value AMI program options. The system integrator will be responsible for building the AMI system and installing meters.

This new contract will be for phases I, II, and III of the VI phase project. After phase III, the solicitation of the AMI system integrator, is complete, AW will return to Council to request authorization for phases IV through VI of AMI program management services by this consulting firm, and to request authorization for a separate AMI system integration firm. The AMI system integration firm will be responsible for procuring and installing the AMI system and this scope will contain the majority of cost for implementing the AMI system.

The phases for the contract are:

- Phase I - AW/Austin Energy business process needs assessment
- Phase II - preliminary AMI implementation and long term support planning
- Phase III - AMI vendor(s) procurement assistance, final implementation planning
- Phase IV - program management of pilot scale AMI meter deployment and complete system integration
- Phase V - program management of full scale AMI meter deployment
- Phase VI - comprehensive AMI system validation of all business process needs

An evaluation team with expertise in this area evaluated the offers and scored West Monroe Partners LLC as the best to provide these services based on project approach, team experience and qualifications, firm experience, proposed consulting and program management schedule, cost, and local business presence.

This request allows for the development of a contract with a qualified offeror selected by Council. If the City is unsuccessful in negotiating a satisfactory contract with the selected offeror, negotiations will cease with that provider. Staff will return to Council so that another qualified offeror may be selected, authorizing new contract negotiations.

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