



Recommendation for Action

File #: 23-1485, **Agenda Item #:** 33.

3/23/2023

Posting Language

Authorize amendments to two contracts for continued Advanced Meter Infrastructure systems, including meters, meter installation, a data platform, and customer portal with Meter Reading Holding, LLC d/b/a Aclara Technologies, LLC or Aclara Smart Grid Solutions, LLC and with Vertex U.S. Holdings, Inc., d/b/a VertexOne Software LLC or Watersmart Software, Inc., to increase the amount by \$7,934,000 for a revised total contract amount not to exceed \$103,000,000, divided between the contractors.

[Note: These contracts were 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 21.10% WBE participation for the meter installation category].

Lead Department

Financial Services Department.

Client Department(s)

Austin Water.

Fiscal Note

Funding in the amount of \$7,934,000 is available in the 2022-2023 Capital Budget of Austin Water. Funding for the remaining contract term is contingent upon available funding in future budgets.

Purchasing Language:

Contract Amendments.

Prior Council Action:

March 26, 2020 - Council approved the original contracts, item 42, on an 11-0 vote.

For More Information:

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Council Committee, Boards and Commission Action:

March 8, 2023 - Recommended by the Water and Wastewater Commission on a 9-0 vote with one absence and one vacancy.

Additional Backup Information:

These contracts with Meter Reading Holding, LLC d/b/a Aclara Technologies, LLC or Aclara Smart Grid Solutions, LLC and Vertex U.S. Holdings, Inc. d/b/a VertexOne Software LLC or Watersmart Software Inc., were approved and executed in March of 2020. Since the start of the contracts, Austin Water and its

contractors have arrived at the approximate halfway mark of its My ATX Water implementation. Over 110,000 Advanced Metering Infrastructure (AMI) meters have been exchanged to date, replacing existing analog water meters with electronically read water meters. These meters are connected to a wireless network, removing the need to collect monthly meter-reading data manually. In addition to the 110,000 meters exchanged, the network configuration allows the meter read data to be made available to customers through the My ATX Water customer portal and for customer bills. The network and the meters consistently meet and exceed performance expectations, even during extreme weather events.

The contract amendments are required for several reasons, but most significantly, to adjust for increased costs for many commodities resulting from the pandemic and follow-on inflationary pressures. They also include the acceleration of enhanced software features to maintain data resiliency and redundancy throughout future years of the project. Additionally, continued projected growth in Austin over the contracts' lives will require higher quantities of Meter Transmission Units to be purchased. These amendments also add requirements to the field surveys performed by the contractors to identify and capture the service line material at each location before the AMI conversion. As such, the remaining contract authority must be increased to cover these items. These amendments also include an additional 5% contingency to cover any additional work within the scope of this contract that may be required due to unforeseen conditions. Approval of this amendment will allow for continued uninterrupted progress of the project.

Contract Detail:

<u>Contract Term</u>	<u>Length of Term</u>	<u>Current Contract Authorization</u>	<u>Requested Additional Authorization</u>	<u>Revised Total Authorization</u>
Initial Terms	3 to 7 yrs.	\$91,900,000		\$91,900,000
Extension Option 1	1 yr.	\$ 1,200,000		\$ 1,200,000
Extension Option 2	1 yr.	\$ 1,200,000		\$ 1,200,000
Extension Option 3	1 yr.	\$ 700,000		\$ 700,000
Contract Amendment				\$ 66,000
Proposed Amendment			\$7,934,000	\$ 7,934,000
TOTAL	5 to 10 yrs.	\$95,000,000	\$7,934,000	\$103,000,000

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

Strategic Outcome(s):

Government that Works for All.