



CITY COMMISSION ORDINANCE/RESOLUTION

TITLE: Resolution 24-30 (Utilities)

DATE: August 27, 2024

DESCRIPTION: A RESOLUTION OF THE CITY OF COOPER CITY, FLORIDA, APPROVING AGREEMENT WITH CORE & MAIN, LP FOR ADVANCED METERING INFRASTRUCTURE; AND PROVIDING FOR AN EFFECTIVE DATE.

CITY MANAGER RECOMMENDATION:

The City Manager recommends approval of a Piggyback Agreement with Core & Main, L.P. of Contract No. C-22-14-09-HR between the City of Sunrise and Core & Main, L.P. for Advanced Metering Infrastructure and related services to be installed in and provided to the City of Cooper City.

BACKGROUND OF ITEM:

On July 23, 2024 the Utilities Department presented an alternative for converting Cooper City's metering infrastructure to a Sensus USA Inc.'s fixed network and two way communication system, to be installed and serviced by Core & Main, L.P. (Sensus USA Inc.'s distributor and supplier). This equipment would include advanced meters and radio transmitters, two base station controllers (one on each side of Cooper City), servers and software set up in the Finance Department offices. This Contractor will install 5/8-inch to 1-inch diameter solid state ultrasonic meters, and turbine meters for diameters of 1.5-inch to 8-inch, and Software for integration with the City's BS&A Financial Enterprise Resource Program. Sensus' notification of alert system and customer portal will provide enhanced customer service as well as a dedicated field technician to address continuous water use, backflow, equipment failure trouble shooting, and servicing of warranty items between City and the Manufacturer as required by the City of Cooper City.

Core & Main, L.P. will furnish and install and troubleshoot meters and radios, hardware and software, and have equipment stocked nearby for immediate installation, once an Agreement is executed and Notice to Proceed is issued. One Core & Main, L.P. staff person is recommended for the size of Cooper City while current field positions would supplement and assist this technician with identification of problems arising, verifying warranty applications and removing, sending, receiving, storing and replacing any necessary equipment or software requiring repair/replacement as issues arise. The Software as a Service Agreement contract period will run until February 12, 2029 which aligns with the five (5) year period in the contract to be piggybacked, and may be renewed for two additional five (5) year periods. This period will allow

the City adequate time to evaluate the need to continuing or discontinuing the services of Core & Main, L.P., and allowing for cost savings once the City has an operable AMI system.

Sensus USA Inc. and Core & Main, L.P. have successfully converted metering infrastructure in Palm Beach County Utilities, Seacoast Utility Authority (SUA) in the vicinity of Jupiter, Miramar, Hallandale Beach, and Boynton Beach, FL as well as Mobile, AL, Albany, GA and numerous other utilities across the USA. These companies are currently building out complete replacement systems for the City of Sunrise and the City of Fort Lauderdale and have stock and staff immediately available to assist Cooper City immediately.

Approximately 1,300 or more of the City's existing Mueller System meters and radio transmitters have failed and are continuing to fail, resulting in revenue losses, and the City's unaccounted for water percentage has spiked and may potentially impact City compliance with the South Florida Water Management District Water Use Permit conditions. These complications also impact the City's capability to recover required revenue for much needed plant and system improvements and capital recovery costs (the revenue required over the long term to replace the City's aging utility infrastructure on schedule) and capital reserves.

A two-step phased approach for installation of Sensus AMI can be completed such that the amount of funding that was to pay for the 5,500 manual read meters can be applied to purchase the estimated cost for the first phase of AMI conversion of \$545,926.80. The Phase II estimated cost for the second phase of AMI conversion of \$2,435,996.84 can be included in the FY2025 capital improvement program budget to complete the conversion. This approach will allow the City to phase out the Mueller System meters, radio endpoints, and software costs sooner

ANALYSIS:

The Utilities Department and City Manager recommends this approach since this is a unique opportunity to leverage advances made in recent years from efforts and available technology in an existing contract executed by the City of Sunrise in February 2024. The mobilization, cost effective contract, and availability of resources can be leveraged by Cooper City now to resolve its immediate and acute complications with its Mueller AMI System, and Sensus USA Inc. provides a full 15-year and prorated additional 5 year warranty on their meters and battery operation, while most other manufacture's provide a full ten (10) year and prorated ten (10) year warranty programs. The Sunrise AMI Contract provides for a backup Base Station on a Truck in the event either Base Station Controller fails to provide service, as additional assurance for continuous customer service.

STRATEGIC PLAN:

Investing and installing a new AMI network will enhance the City's capability to increase fiscal transparency since advanced meters with a customer portal will allow customers to access and monitor their own water use and applicable wastewater charges from their metered water used. The system will also improve the City's capability to recover portions of its fund balance, since older, mechanical (positive displacement type) meters slow down with time of use, so replacing meters will improve registration of full amount of water used by customers. Installing a complete AMI network will improve the City's investment in technological improvements, and all of these

objectives are outlined in Strategic Goal No. 1 of the City’s Strategic Plan. The AMI system will also assist the City in achieving a reduction in water distribution system water losses (unaccounted for water) as indicated in Strategic Goal No. 4 of the City’s 2022-27 Strategic Plan.

FISCAL IMPACT:

The City of Cooper City appropriated \$1,100,000 in the 2024 budget and \$1,600,000 is included in the 2025 fiscal year budget for additional spending on metering infrastructure replacement. As presented at the July 23, 2024 Commission Meeting, utilities staff recommended a two Phased approach to convert the existing metering infrastructure. This approach would allow the use of current allocated funds to initiate and complete the replacement of 1,300 failed Mueller System water meters and radio transmitters, and an additional amount of funding in the five-year Capital Improvement Plan for completing the remaining approximately 10,700 meters for the total conversion in fiscal year 2025. Currently, only \$246,345 has been spent to purchase double check valve devices to be installed on the back side of the new meters, while the previously recommended purchase of 5,500 manual read meters (for \$359,362) was avoided, so \$852,862 is currently available for the Phase I expenses as recommended to immediately begin converting over from Mueller to Sensus advanced meters.

<u>General Ledger Acct. Number</u>	<u>Budgeted Amount</u>	<u>Requested Amount</u>	<u>Remaining Amount</u>
453-911-563422-533-24018	\$852,862	\$545,926.80	\$306,935.20

ALTERNATIVES:

The alternatives to authorizing this request are to consider a different approach of installing manual metering system without automation, which would include less overall costs for replacing the City’s aged metering infrastructure, but would also result in continued complications and errors related to human tasks and limited technological advancement in the City’s infrastructure and service delivery. Other meter manufacturers would also be a potential alternative, but at a higher cost, referencing estimates collected by the Utilities Director and other utilities nearby, not to mention the advantages of having adjacent Fixed networks in place in Sunrise and Fort Lauderdale which would benefit Cooper City in terms of coverage and propagating meter readings and related data.

ATTACHMENTS:

1. City of Sunrise Contract 22-14-09-HR for Advanced Metering Infrastructure
2. Piggyback Contract between the City of Cooper City and Core & Main, L.P. for installation of AMI equipment in Cooper City
3. Vendor compliance form