



## Folsom City Council Staff Report

<b>MEETING DATE:</b>	10/27/2020
<b>AGENDA SECTION:</b>	Consent Calendar
<b>SUBJECT:</b>	Resolution No. 10537 – A Resolution Authorizing the City Manager to Execute an Agreement with Badger Meter, Inc. to Purchase Badger Cellular Endpoints for a Three Year Pilot Automated Metering Infrastructure Network for the City of Folsom Water Meter Division
<b>FROM:</b>	Environmental and Water Resources Department

### **RECOMMENDATION / CITY COUNCIL ACTION**

The Environmental and Water Resources Department recommends that the City Council pass and adopt Resolution No. 10537 - A Resolution Authorizing the City Manager to Execute an Agreement with Badger Meter, Inc. to purchase Badger Cellular Endpoints for a Three Year Pilot Automated Metering Infrastructure Network for the City of Folsom Water Meter Division.

### **BACKGROUND / ISSUE**

By State law California Water Code Section 526 the City began billing all City water customers based on consumptive rates in January 2013. In preparation for the 2013 metered billing, the City adopted a comprehensive Water Meter Implementation Plan (WMIP) in August 2007 and an updated WMIP in April 2011.

In the WMIP, staff analyzed the life cycle cost for various meter reading options, including touch read (walk-by), radio read (drive-by) and fixed network (remote meter reading). The life cycle cost analysis revealed that the fixed network system provided the best long-term cost advantages. Staff moved forward with implementing a city-wide fixed network meter reading system. Currently, the city is 100% deployed with a fixed network system.

Since the deployment of the City’s current fixed network system, technology has expanded and improved in the area of automated meter reading. In 2019, the city elected to participate in a regional Water Meter Consortium study that reviewed regional opportunities for meter purchasing, meter testing and meter reading technology. The meter reading technology portion reviewed and compared what other water agencies use for meter reading and the major options for remote meter reading. The study identified the pros and cons of various meter reading systems, as well as a recommendation to the City for future meter reading needs. The Water Meter Consortium consultants recommended the City conduct a pilot project of the Badger Meter cellular automated metering infrastructure (AMI) system.

This resolution authorizes the City Manager to execute an agreement with Badger Meter, Inc. to purchase Badger Cellular Endpoints for a Three Year Pilot AMI Network for the City of Folsom Water Meter Division.

**POLICY / RULE**

In accordance with Chapter 2.36 of the Folsom Municipal Code, contracts for supplies costing \$62,014 or greater shall be awarded by the City Council.

**ANALYSIS**

The Water Meter Consortium consultants recommended the City pilot the Badger Meter Cellular AMI system. As a result of this recommendation, the city worked with Badger Meter, Inc. to identify the overall costs for a pilot project.

The plan is for the City to install approximately 800 meter reading units per year over the next three years. Since this is a cellular AMI system and is built on existing commercial wireless networks, no towers or backbone infrastructure will need to be installed. The cost to the City over the next three years is as follows:

Item	\$ per	Year 1 (\$)	Year 2 (\$)	Year 3 (\$)
<b>Badger Cellular Endpoint</b>	\$85.00	\$68,000	\$68,000	\$68,000
<b>Cellular Service Annual Cost</b>	\$8.16	\$6,528	\$13,056	\$19,584
<b>Total Cost Per Year (inc. tax)</b>		\$80,500	\$87,500	\$94,500
<b>Total Cost to the City to Deploy Badger AMI 3-year Pilot</b>				<b>\$262,500</b>

## **FINANCIAL IMPACT**

Sufficient funds have been budgeted and are available in the Water Operating Fund (Fund 520) in FY 2020-21 to provide for this program for a total of \$80,500. Funds will be made available in each of the next two fiscal years (FY 2021-22 and FY 2022-23). The agreement will be set up to span the life of the AMI pilot three years during FY 2020-21, FY 2021-22, and FY 2022-23 for a total not-to-exceed fee of \$262,500.

## **ENVIRONMENTAL REVIEW**

This work consists of basic data collection and component installation that does not result in a serious or major disturbance to an environmental resource, and is categorically exempt from environmental review under the California Environmental Quality Act as noted in Title 14 - California Code of Regulations, Chapter 3 - Guidelines for Implementation of the California Environmental Quality Act, Article 19 - Categorical Exemptions, Section 15306 – Information Collection.

## **ATTACHMENT**

Resolution No. 10537 - A Resolution Authorizing the City Manager to Execute an Agreement with Badger Meter, Inc. to Purchase Badger Cellular Endpoints for a Three Year Pilot Automated Metering Infrastructure Network for the City of Folsom Water Meter Division

Submitted,

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Marcus Yasutake, Director  
Environmental and Water Resources

**RESOLUTION NO. 10537**

**A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE AN AGREEMENT WITH BADGER METER, INC. TO PURCHASE BADGER CELLULAR ENDPOINTS FOR A THREE YEAR PILOT AUTOMATED METERING INFRASTRUCTURE NETWORK FOR THE CITY OF FOLSOM WATER METER DIVISION**

**WHEREAS**, remote meter reading is an essential operation for accurate, timely billing, water conservation and maintenance of the meter infrastructure; and

**WHEREAS**, the City participated in a region Water Meter Consortium to analyze regional water meter networks; and

**WHEREAS**, on July 30, 2020, through the analysis of the Water Meter Consortium, it has been recommended the City pilot the Badger Meter Cellular AMI system; and

**WHEREAS**, sufficient funds have been budgeted and are available in the Water Operating Fund (Fund 520); and

**WHEREAS**, the agreement will be in a form acceptable to the City Attorney:

**NOW, THEREFORE, BE IT RESOLVED** that the City Council of the City of Folsom authorizes the City Manager to execute an agreement with Badger Meter, Inc. for the supply of endpoints and service for an amount not-to-exceed \$262,500 over a 3 year period.

**PASSED AND ADOPTED** this 27<sup>th</sup> day of October 2020, by the following roll-call vote:

**AYES:** Council Member(s):  
**NOES:** Council Member(s):  
**ABSENT:** Council Member(s):  
**ABSTAIN:** Council Member(s):

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Sarah Aquino, MAYOR

ATTEST:

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Christa Freemantle, CITY CLERK