



CITY OF NORMAN, OK STAFF REPORT

MEETING DATE: 10/26/2021

REQUESTER: Nathan Madenwald, P.E., Utilities Engineer

PRESENTER: Nathan Madenwald, P.E., Utilities Engineer

ITEM TITLE: CONSIDERATION OF APPROVAL, ACCEPTANCE, REJECTION, AMENDMENT, AND/OR POSTPONEMENT OF AMENDMENT NO. ONE TO CONTRACT K-2021-75: BY AND BETWEEN THE NORMAN UTILITIES AUTHORITY AND E SOURCE COMPANIES, LLC., INCREASING THE CONTRACT AMOUNT BY \$124,504 FOR A REVISED CONTRACT AMOUNT OF \$228,660 FOR THE ADVANCED WATER METER INFRASTRUCTURE PROJECT.

BACKGROUND: The City of Norman water system includes approximately 41,000 water meters that measure water usage for water and sewer billing purposes. The majority of the meters (approximately 39,000) are manually read by meter readers (physically remove the meter lid and read the current usage on the register) and 2,000 meters are read using automated meter reading (AMR; remote sensor used to collect data while driving by in a truck). As the number of meters increase, staffing levels would have to proportionally increase to ensure that meters are read timely and accurately. Insufficient staffing levels can result in missed reads or inaccurate reads that impact customer service and billing revenues. Additionally, the majority of the water meters in Norman have aged past their expected useful life and warrant replacement.

The current state of the water industry is such that advanced metering infrastructure (AMI) has become more common place and is being implemented by more utilities. With AMI, meters would be read remotely using cellular infrastructure on water towers (or additional towers if necessary) multiple times per day. With this new system, the following benefits will be realized:

1. Meter reads would occur regularly ensuring more accurate billing;
2. Improved customer service since usage data will be more available to the customer and leak or usage alerts could be configured to notify the customer more timely;
3. Aged meters will be replaced with new, more accurate meters; and
4. Staff would no longer be required to manually read each meter and could be used for other work efforts.

On June 8, 2021, the Norman Utilities Authority (NUA) approved Contract K-2021-75. This contract included work to complete the Assessment Phase of the AMI project and confirm that the NUA had a positive business case to implement Advanced Water Meter Infrastructure. This information was presented to City Council on September 28, 2021.

The future phases of the project are: Procurement, Implementation, and Close-Out.

DISCUSSION: The proposed Amendment No. 1 will be for the Procurement Phase of the project. During this phase, the Request for Proposal documents will be generated to obtain proposals from vendors to implement the project. The consultant will assist in the development of these documents, support the NUA through the review and evaluation, and negotiate the final contract. The schedule for this work accounts for a brief pause to allow for funding to be identified for the proposed implementation.

Funding for Amendment No. 1 will be from Water Meters Advanced Infrastructure – Design (Account 31993361-46201; Project WA0351). The available balance in the account is \$870,803.40.

RECOMMENDATION: Staff recommends the NUA approve Amendment No. 1 to Contract K-2021-75 in the amount of \$124,504 with E Source Companies, LLC for Consulting Services for the Advanced Water Metering Infrastructure project.