

## Legislation Details (With Text)

<b>File #:</b>	BILL NO. 20-95	<b>Name:</b>	
<b>Type:</b>	Ordinance - Committee	<b>Status:</b>	Passed
<b>File created:</b>	4/21/2020	<b>In control:</b>	City Council - Regular Session
<b>On agenda:</b>	5/19/2020	<b>Final action:</b>	5/19/2020
<b>Title:</b>	An Ordinance approving a sole source agreement in the form of purchase orders between the City of Lee's Summit and United Systems & Software, Inc., for the purchase of encoder receiver transmitter units for radio read meters for an annual amount not to exceed \$344,144.00, and authorizing the City Manager to execute the same by and on behalf of the City. (F&BC 5/11/20)		

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:** 1. Ordinance, 2. United Systems Quote

Date	Ver.	Action By	Action	Result
5/19/2020	2	City Council - Regular Session	for second reading	Pass
5/19/2020	2	City Council - Regular Session	adopted and numbered	Pass
5/11/2020	2	Finance and Budget Committee	recommended for approval	Pass

An Ordinance approving a sole source agreement in the form of purchase orders between the City of Lee's Summit and United Systems & Software, Inc., for the purchase of encoder receiver transmitter units for radio read meters for an annual amount not to exceed \$344,144.00, and authorizing the City Manager to execute the same by and on behalf of the City. (F&BC 5/11/20)

Issue/Request:

An Ordinance approving a sole source agreement in the form of purchase orders between the City of Lee's Summit and United Systems & Software, Inc., for the purchase encoder receiver transmitter units for radio read meters for an annual amount not to exceed \$344,144.00, and authorizing the City Manager to execute the same by and on behalf of the City.

Key Issues:

- The ERTs that are compatible with the Itron meter reading system are proprietary and a sole source agreement provides the Utility the best option to acquire these unites directly from a Itron Distributor.
- The Water Utilities Strategic Plan, adopted in December 2011, outlined the need to utilize radio read technology in the collection of meter reads.
- The Water Utilities Department has implemented a radio read meter system for over 19,000 accounts in order to improve efficiencies and be able to read meters in rural areas and traffic areas that have potential hazards.
- The purchases includes the replacement of the original units as necessary and add radio reading as the Water Utilities Department continues the meter replacement program.
- There is a cost-benefit of maintaining and expanding the radio read meter system for the Utility.

Proposed Council Motion:

FIRST MOTION: I move for second reading of an Ordinance approving a sole source agreement in the form of purchase orders between the City of Lee's Summit and United Systems & Software, Inc., for the of purchase encoder receiver transmitter units for radio read meters for an annual amount not to exceed \$344,144.00, and authorizing the City Manager to execute the same by and on behalf of the City.

SECOND MOTION: I move for adoption of an Ordinance approving a sole source agreement in the form of purchase orders between the City of Lee's Summit and the United Systems & Software, Inc., for the of purchase encoder receiver transmitter units for radio meters for an annual amount not to exceed \$344,144.00, and authorizing the City Manager to execute the same by and on behalf of the City.

Background:

The Water Utilities Strategic Plan identified the need to utilize automated meter reading (AMR) technology throughout the system to improve customer service levels. Radio-read meters improve the productivity of the meter services group and meet our customer service goals with accurate monthly meter reads.

In 2003, a pilot program was initiated to install approximately 1,900 radio read meters. The program was focused mainly on difficult, hazardous or time consuming routes. The elimination of rural areas, low-lying areas, backyard meters, and meters in traffic areas from the normal (manual) reading process has reduced meter reading time for those routes by approximately 50%. To maximize this investment, additional ERTs are expected to compliment the existing system and help manage operational costs associated the meter reading.

Water Utilities employs hardware and software from Itron to collect meter reads for billing purposes. The Utility has utilized radio reading technology to efficiently read meters. The radio read meters transmit reads via an encoder receiver transmitter (ERT) that wakes up when a signal is received and broadcasts the current meter read to the collection device. ERTs have an expected life of 15 years. The Itron ERT is a proprietary device to the Itron meter reading system with no compatible units available.

Lee's Summit Water Utilities has over 37,000 meters that are read monthly. By providing monthly reads, customers are better served with regular consumption data that can be utilized to prevent unexpected costs such as those due to the leaks. The accuracy and frequency of each meter read is critical to ensure that customers are billed timely and correctly. Lee's Summit Water Utilities has developed a meter replacement program to meet AWWA standards. The Department expected to replace approximately 6,500 meters per year for the next 2 years. Meter replacement is a recommended procedure for water utilities due to the degradation that occurs over the life of the meter.

The meter services group consists of 7 full-time employees and all full-time employees read meters. The City's growth has increased the number of meters that are read in addition to an increase in other services provided by the meter services group. This group has completed over 13,000 service requests over the past 12 months consisting of turn-ons, turn-offs, leak checks, meter tests, pressure tests and others. Service requests continue to increase as new customers are added to the system and significantly, more as rental properties are added to the system.

Dom Bennett, Account Services Manager Lee's Summit Water Utilities

Staff Recommendation: Staff recommends approval

Committee Recommendation:

The Finance and Budget Committee recommended approval on May 11, 2020.