

Division of Water

Request for Legislation

An emergency ordinance authorizing the Division of Water (CWD) to enter into a direct award requirement contract with United Systems and Software, Inc. to purchase remote endpoints and mounting kits for Itron mobile reader devices. Term of the contract will be for a period of two years.

EXECUTIVE SUMMARY

Direct Award for AMR Endpoints

Background/Purpose:

In order to improve meter reading efficiencies, Cleveland Water (CWD) decided to install an Automatic Meter Reading (AMR) system. Not only does an AMR system provide the meter readings needed to generate water bills, it also provides many ancillary benefits, such as automatic leak notices and the provision of granular, hourly meter readings that allows for much more sophisticated analysis of billing issues. Several years ago, CWD performed an extensive canvas of possible technologies, and settled on using an AMR system from the Itron Corporation. This system includes an installed radio receiver network that provides radio coverage for our entire 640 square mile service territory.

One of the other principle components of this system is the radio transmitter unit, called an "endpoint", which is installed on the outside walls of homes and buildings, and in meter vaults. The endpoint is connected via a wire to the water meter, and broadcasts the meter reads from each home to the receiver network, for eventual delivery to CWD data servers. These endpoints also have associated equipment, including mounting units, and specialty handheld computers to program and interrogate the endpoints. The radio portion of the Itron AMR system is proprietary; only Itron endpoints can communicate to the Itron radio receiver network. The vast bulk of CWD's AMR system was installed in 2013-2017.

Itron has an authorized dealer for the Cleveland area that is the exclusive supplier of these endpoints and related equipment. That supplier is United Systems & Software, Inc. No other company is authorized to sell these Itron products to Cleveland. United Systems / Itron has a published catalog price for these endpoints; this is the price CWD pays for these endpoints.

Justification/Urgency:

Cleveland Water has installed over 400,000 AMR endpoints on its water meters. A small percent (~4%) of these endpoints require replacement each year, due to a variety of reasons: battery failure, flooding damage, inadvertent impact. CWD needs to replace these endpoints in order to keep meeting its meter reading goals. Additionally, there are several hundred new homes being built in Cleveland's service territory every year. They all require new AMR endpoints.

Anticipated Costs and funding source:

The funding source will be CWD's capital funds. The projected two-year anticipated costs are as follows:

Year 1	\$1,500,000
<u>Year 2</u>	<u>\$1,500,000</u>
Total	\$3,000,000

Schedule or Term of Contract:

This legislation will lead to a direct award requirement contract for a term of two years.

Current Contract:

Vendor Name Address	Services/ Work Performed	Contract Info	CSB Participation Goal 20% (OEO Actual %'s)
United Sys. & Software, Inc. 91 SW One Blvd PO Box 547 Benton, KY 42025	Sole provider of remote endpoints, mounting kits and Itron mobile readers	Contract #:RC 2023-107 Awarded Amt: \$2,683,750.00 Contract Expires: 11/19/24	Goal is 0%