

Request for Legislation

Ordinance No. 370-2020, passed by City Council on June 17, 2020, authorized the Department of Public Utilities to enter into a direct award contract or contracts with Itron Incorporated, its automated meter reading (AMR) system provider, for the continuation of hardware maintenance, software maintenance and the addition of professional services related to upgrades of existing software systems. The ordinance also allows for the purchase of software licensing and replacement meter reading hardware. The Department wishes to amend this Ordinance to request additional funding to complete the above mentioned summary of scope of work/commodities/services, but still targeted for the same programmatic scope.

Background/Purpose:

Itron is the provider of Cleveland Water's AMR system. This request includes a continuation of the current hardware and software support. Renewal is necessary to maintain the software and hardware to ensure reliable operation. The related professional services are to upgrade proprietary software systems to also further ensure the reliability of the network and increase its ability to collect accurate data. Additional meter reading hardware and software licensing is required to replace outdated or end of life equipment and out of support software.

Scope of Work/Commodities/Services:

This renewal covers support, maintenance, hardware, software, and professional services outlined in the table below.

	Year 1	Year 2	Note
Hardware Maintenance	\$90,000.00	\$90,000.00	Itron Maintenance (Itron Mobile Radios, Panasonic Handhelds, Collectors, Repeaters, Antennas)
Software Maintenance and Licensing	\$160,000.00	\$160,000.00	FDM Endpoints, FDM SaaS, FDM Hosted Services, Network Software Level 2, Mobile Collector Software, MVRS, FCS
Professional Services	\$200,000.00	\$100,000.00	FDM Upgrade FCS/Itron Mobile Implementation
Additional Hardware	\$200,000.00	\$1,000,000.00	Itron Mobile Radios, Panasonic Handhelds, Collectors, Repeaters, Antennas, Accessories for tablets
Estimated Total	\$650,000.00	\$1,350,000.00	

Justification/Urgency:

Professional services are required to upgrade FDM and Mobile Collector Software which are both currently out of support. Professional services are also required in the contract to replace MVRS which must be replaced by December 2021.

Anticipated Costs and funding source:

Funds will be covered from the general operating funds from CWD. Appropriations will be made annually from free balance for future years.

Estimated Grand Total for Year 1	\$650,000.00
Estimated Grand Total for Year 2	\$1,350,000.00
Estimated Grand Total Years 1 and 2	\$2,000,000.00

Hardware/Software maintenance figures are based on estimates provided by Itron. Professional services and software licensing amounts are based on quotes from Itron for required services. Hardware amount is estimated based on review of current inventory.

The cost of the contracts and other expenditures authorized shall be paid from Fund Nos. 52 SF 001.

Schedule or Term of Contract:

The direct award contract or contracts for the term of two years, with a one-year option to renew.

CSB Participation:

Reason for no CSB participation:

- This is a direct award contract. Sole source, proprietary product. No opportunity for subcontracting.
- DPU-IT will utilize direct award contract with Itron, Inc. to provide support for proprietary equipment and services.

Current Contracts:

Vendor Name	Vendor Address	Vendor Contact	Contract Description	Contract Info
Itron Inc.	2111 N Molter Rd, Liberty Lake, WA 99019	Tracy Wright 865-356-3546 Tracy.wright@itron.com	Hardware and Software maintenance for Cleveland Water's automated meter reading system (AMR Program)	CT 2002 PS2021-028 Contract Amount: \$410,000.00
Itron Inc.	2111 N Molter Rd, Liberty Lake, WA 99019	Tracy Wright 865-356-3546 Tracy.wright@itron.com	Hardware for Cleveland Water's automated meter reading system (AMR Program)	MA RCD2022-010 \$300,000.00

Previous Contracts:

Vendor Name	Vendor Address	Vendor Contact	Contract Description	Contract Info
Itron Inc.	2111 N Molter Rd, Liberty Lake, WA 99019	Tracy Wright 865-356-3546 Tracy.wright@itron.com	Hardware and Software maintenance for Cleveland Water's automated meter reading system (AMR Program)	CT 2002 PS2019*097 Contract Amount: \$319,483.03
Itron Inc.	2111 N Molter Rd, Liberty Lake, WA 99019	Tracy Wright 865-356-3546 Tracy.wright@itron.com	Installation of Cleveland Water's automated meter reading system (AMR Program)	CT 2002 PS2010*257 Contract Amount: \$64,886,742.26