

**Request for Legislation**

**An ordinance to authorize 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. This ordinance will also allow for the purchase of software licensing and replacement meter reading hardware. Legislation is to lead to a direct award contract for the term of three years. Funds for the first year will be covered from the general operating funds from CWD. Appropriations will be made annually from free balance for years 2 and 3.**

**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 Additional meter reading hardware and software licensing is required to replace outdated or end of life equipment and out of support software.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.

	<b>CWD Year 1</b>	<b>Note</b>
<b>Hardware Maintenance</b>	\$90,000	Itron Maintenance
<b>Software Maintenance and Licensing</b>	\$120,000	FDM Endpoints FDM Storage FDM SaaS FDM Hosted Services Network Software Level 2 Mobile Collector Software MVRS
<b>Professional Services</b>	\$150,000	FDM Upgrade FCS/Itron Mobile Implementation
<b>Additional Hardware</b>	\$100,000	Collectors Repeaters Other Parts Needed for Field Repairs
<b>Total</b>	<b>\$460,000</b>	

**Justification/Urgency:**

Professional services are required to upgrade FDM and Mobile Collector Software which are both currently out of support. The current Itron Hardware and Software Maintenance Contract expires September 2020. Professional services are also required in the contract to replace MVRS which must be replaced by December 2021.

**Anticipated Costs and funding source:**

Funds for the first year 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                      CWD - \$460,000**

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. DPU will cover the funds for year 1 and will appropriate funds annually.

**Schedule or Term of Contract:**

Legislation is to lead to a direct award contract or contracts for the term of three years.

**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 Contract:**

<b>Vendor Name</b>	<b>Vendor Address</b>	<b>Vendor Contact</b>	<b>Contract Description</b>	<b>Contract Info</b>
Itron Inc.	2111 N Molter Rd, Liberty Lake, WA 99019	Tracy Wright 865-356-3546 <a href="mailto:Tracy.wright@itron.com">Tracy.wright@itron.com</a>	Hardware and Software maintenance for Cleveland Water's automated meter reading system (AMR Program)	CT 2002 PS2019*097 Contract Amount: \$319,483.03

**Previous Contract:**

<b>Vendor Name</b>	<b>Vendor Address</b>	<b>Vendor Contact</b>	<b>Contract Description</b>	<b>Contract Info</b>
Itron Inc.	2111 N Molter Rd, Liberty Lake, WA 99019	Tracy Wright 865-356-3546 <a href="mailto:Tracy.wright@itron.com">Tracy.wright@itron.com</a>	Installation of Cleveland Water's automated meter reading system (AMR Program)	CT 2002 PS2010*257 Contract Amount: \$64,886,742.26