

CITY OF SANTA ROSA  
BOARD OF PUBLIC UTILITIES

TO: BOARD OF PUBLIC UTILITIES

FROM: Kimberly Zunino, Revenue Manager  
Finance Department

SUBJECT: Meter Upgrade Project – Advanced Metering Infrastructure  
Amendment to N. Harris Corporation Agreements

AGENDA ACTION: Motion

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RECOMMENDATION

It is recommended by the Water Department and the Board of Public Utilities Contract Subcommittee that the Board of Public Utilities, by motion, approve amendments for the Support and Maintenance and the Software Implementation Services Agreements with N. Harris Computer Corporation and authorize the Chair to sign the contracts.

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EXECUTIVE SUMMARY

On July 21, 2016 the Board of Public Utilities (Board) authorized contracts for the Meter Upgrade Project (AMI). The contracts included two contracts with N. Harris Computer Corporation for implementation and support and maintenance of MeterSense, the meter data management (MDM) software that will be used for AMI. During the integration of the project software N. Harris Computer Corporation offered Santa Rosa the opportunity to leverage the MDM platform to provide a software solution for managing the City's Water Use Efficiency (WUE) programs and to provide additional analytical tools for Santa Rosa Water (SRW) customers. N. Harris Computer Corporation offered this functionality with no additional software purchasing or implementation fees. Support and maintenance will be the only associated fees.

BACKGROUND

In December 2012, the City entered into a contract with SAIC Energy, Environment & Infrastructure, LLC to complete a feasibility study to determine if an advanced metering project would be of benefit to the City and began the request for proposals (RFP) process, followed by vendor selection and contract negotiations.

In October 2013, the BPU directed staff to proceed with an RFP and contract negotiations for an AMI Project. In April 2015, the selection team selected the most qualified vendor and contract negotiations began in July of 2015.

In January 2016, an Initial Study/Proposed Mitigation Negative Declaration (IS/MND) draft was completed and released for public comment through May 4, 2016. On July 21, 2016 the Board adopted a Mitigated Negative Declaration and a Mitigation Monitoring Program for the Meter Upgrade Project – Advanced Metering Infrastructure and approved contracts with Sensus USA Inc., Utility Partners of America, LLC, N. Harris Computer Corporation, UtiliWorks Consulting, LLC. Planning for the AMI Project.

Planning and integration of the AMI Project began in August 2016. A base station has been installed at the Utilities Field Office and 39 water meters are currently being read. The backhaul system is being used, creating a file that transfers data from the meters to the meter data management (MDM) system. The MDM is pulling information from the Water Billing system (CIS) and integrating and combining data from the meter reads to create reports and notifications, allowing for two-way communication between the meters and the internal software systems and allowing staff to review and analyze data. The MDM has also been embedded into the CIS system, allowing customer service representatives to open and review all of the MDM data in the CIS program.

In November 2016 N. Harris offered SRW the opportunity to add functionality to the MDM by assisting them with the development of a Water Conservation Manager software solution. This piece adds functionality to use the data provided by both the CIS system and MDM system. This additional functionality provides the analytics to determine the cost of running WUE programs, the ability to identify the most cost efficient WUE programs, track water use for reporting to the State in compliance with the State's new long term WUE regulations and provides additional tools for our customers such as a Water Use Report Card. SRW and N. Harris Computer Corporation agreed that there would be no additional implementation or software fees and support and maintenance would only be required for this program if the City found value.

#### PRIOR BOARD OF PUBLIC UTILITIES REVIEW

On December 20, 2012, August 15, 2013, September 19, 2013, December 9, 2013 the Board conducted study sessions and report items on the AMI project to provide information on the technology, the software, the feasibility study and estimated costs, funding and the rate of return.

On December 9, 2013, the Board directed staff to proceed with RFP and contract negotiations for the AMI project.

On June 2, 2016, the Board conducted a study session to provide an update on all aspects of the project listed above, as well as provide information on the results of the RFP, contract negotiations and the MND that was completed for the project.

On July 21, 2016, the Board adopted the MND and authorized contracts for the Meter Upgrade Project (AMI).

On April 20, 2017, staff presented an informational study session on the current progress of the AMI Project.

## ANALYSIS

SRW has been working with N. Harris Corporation to implement, configure and design the Water Conservation Manager tool for the most effective uses for SRW. N. Harris staff has also been onsite multiple times to discuss development and train SRW staff on the use of the Water Conservation Manager.

The Water Conservation Manager (WCM) will also be using the data from the Water Conservation Module that will be added to CIS in the near future and will be embedded in the CIS software for ease of access and use with all pertinent customer data. The Water Conservation Module, the module in CIS, will be used as the system of record for WUE Program participation. It is customer/site specific and allows for collection of the data needed for the customer, property, meter and water use. The WCM is a total program analysis tool which looks at WUE program performance total participation in a program or programs for all customers/sites participating.

The Water Conservation Manager has proven to be a very useful tool for WUE program analysis and customer support and WUE would like to continue to use this piece of the MDM. The tool provides analysis on participation, water savings, the cost of running a program, geographic data to indicate where programs should be targeted and what programs are performing well in specific areas, the ability to provide customers with expected savings with participation of each program based on the savings being achieved by the control groups, analytics to that incorporate weather as well as other factors such as drought periods, etc.

The Revenue Manager has negotiated the software and implementation at no cost as well as free support and maintenance for the first 9 months, additional support and maintenance at a 50% reduction, \$26,000, for the first full year, following the 9 month implementation period, and a \$10,000 per year reduction for years 2 through 5 with no annual increase, originally \$52,000, \$42,000 after reduction.

In addition, the contract amendments include additional onsite training that will help staff navigate both the MDM software and the Water Conservation Manager software used with the AMI system. It has become clear that the onsite software training is much more valuable than internet or written training documents and will assure effective and efficient use of the system.

## FISCAL IMPACT

The cost for the additional onsite trainings and the first year of support is \$50,000. The contingency for the AMI Project has sufficient funding. The additional support and maintenance fees for the Water Conservation Manager will be incorporated into the yearly budgeting process starting in FY2019/20 at \$42,000 per year.

## ENVIRONMENTAL IMPACT

This action is exempt from the California Environmental Quality Act (CEQA) because it is not a project which has a potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment, pursuant to CEQA Guideline section 15378.

## BOARD/COMMISSION/COMMITTEE REVIEW AND RECOMMENDATIONS

On July 12, 2017 the Contract Subcommittee of the BPU reviewed and recommended approval of the amendments for the Support and Maintenance and the Software Implementation Services Agreements with N. Harris Computer Corporation.

## ATTACHMENTS

- Attachment 1 - Support and Maintenance Agreement Number F001232 with N. Harris Computer Corporation
- Attachment 2 - First Amendment to Support and Maintenance Agreement Number F001232 with N. Harris Computer Corporation
- Attachment 3 - Software Implementation Services Agreement Number F001225 with N. Harris Computer Corporation
- Attachment 4 - First Amendment to Software Implementation Services Agreement Number F001225 with N. Harris Computer Corporation

## CONTACT

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