



## Legislation Text

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**File #:** 2929-2022, **Version:** 1

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**BACKGROUND:** This ordinance authorizes the Director of Public Utilities to modify and increase a contract with Sensus USA Inc. to provide ongoing software, hardware, and maintenance of the system that is required as part of the Enhanced Meter Project legislated under ordinance 1024-2020. During negotiations with the selected vendor for the Enhanced Meter Project, the department determined that using a Software-as-a-service (SAAS) and Managed Services model, which will include the vendor hosting all data and software on their computer servers as well as maintaining the system, is in the best interest of the City and the Division of Water. This operating contract is for the ongoing operation and maintenance of the system and software to ensure the system implemented as part of the Enhanced Meter Project is usable. As legislated under Ord #1024-2020, the Enhanced Meter Project CIP will replace outdated and underperforming meters, install radio transmitting infrastructure to allow wireless readings relayed to the billing software at a central location, and provide an environmentally efficient way to read meters. This is an operating contract which was negotiated after a vendor was selected as part of the Enhanced Meter Project legislated under Ordinance 1024-2020.

Ordinance 1266-2020 was approved in July 2020 to accept the contract and provide \$275,000 in funding.

Ordinance 0626-2021 was approved in March 2021 to provide \$1,350,000 in funding through March 31, 2022.

Ordinance 1298-2022 was approved in June 2022 to provide \$250,000 in funding through March 31, 2023.

This current request is planned and is to add \$1,100,000 in funding through March 31, 2024.

Future anticipated needs include \$1,550,000.00 for services ending March 31, 2025 and \$1,600,000.00 for services ending March 31, 2026.

Planning area - 99 (Entire service area including suburbs)

If unforeseen issues or difficulties are encountered that would require additional funding, a modification would be requested. The City may, at its option, perform a contract modification under the same terms and conditions, for fifteen additional one-year terms after the Initial Term. Costs for these modifications after the initial term will be negotiated at a future date.

**SUPPLIER: SENSUS USA, Inc.** #51-0338883, (exp. 3/14/24, MAJ, DAX#008960)

The company is not debarred according to the Excluded Party Listing System of the Federal Government or prohibited from being awarded a contract according to the Auditor of State Unresolved Findings for Recovery Certified Search.

- Amount of additional funds: The amount of additional funds needed for this contract is \$1,100,000.00. This ordinance authorizes the expenditure of an additional \$1,100,000.00, for a total obligation of \$2,975,000.00.
- Reason the need for additional funds was not foreseen: The need for additional funds was foreseen and provided for in the original contract. The Initial Term of the contract is from the date of execution through March 31, 2026. This ordinance provides funding for the third year of the contract.
- Reason other procurement processes were not used: The Initial Term of the contract is from the date of execution through March 31, 2026. The City may, at its option, perform a contract modification under the same terms and

conditions, for fifteen additional one-year terms after the Initial Term. Costs for these renewals after the initial term will be negotiated at a future date. No lower pricing/more attractive terms and conditions are anticipated at this time.

4. How cost was determined: The cost, terms, and conditions are in accordance with the original agreement.

**FISCAL IMPACT:** \$1,100,000.00 is budgeted and available for this contract in the Water Operating Fund.

2022 - \$1,086,905.14 has been spent in 2022 so far.

2021 - \$613,365.12 was spent in 2021

2020 - \$6,469.32 was spent in 2020

**EMERGENCY DESIGNATION:** is not requested at this time.

To authorize the Director of Public Utilities to modify and increase a contract with Sensus USA, Inc. for ongoing software, hardware, and maintenance of the system that is required as part of the Enhanced Meter Project for the Division of Water; and to authorize the expenditure of \$1,100,000.00; (\$1,100,000.00)

**WHEREAS**, during negotiations with the selected vendor for the Enhanced Meter Project authorized under Ordinance 1024-2020, the Division of Water determined that using a Software-as-a-service (SAAS) and Managed Services model, which will include the vendor hosting all data and software on their computer servers as well as maintaining the system, is in the best interest of the City and its customers; and

**WHEREAS**, the contract provides for the ongoing software, hardware, and maintenance of the system that is required as part of the Enhanced Meter Project; and

**WHEREAS**, the initial term of the contract is from the date of execution through March 31, 2026. Funding will be requested for this contract each year subject to approval by Columbus City Council; and

**WHEREAS**, this ordinance provides funding for the contract through March 31, 2024; and

**WHEREAS**, funding for this third contract renewal shall not exceed \$1,100,000.00. If unforeseen issues or difficulties are encountered that would require additional funding, a modification would be requested; and

**WHEREAS**, this ordinance authorizes the expenditure of \$1,100,000.00, or so much thereof as may be needed, with Sensus USA, Inc.; and

**WHEREAS**, the City may, at its option, perform a contract modification under the same terms and conditions, for fifteen additional one-year terms after the Initial Term. Costs for those renewals after the initial term will be negotiated at a future date; and

**WHEREAS**, it has become necessary in the usual daily operation of the Department of Public Utilities, Division of Water, to modify and increase a contract for ongoing software, hardware, and maintenance of the system that is required by the Enhanced Meter Project, with Sensus USA, Inc., without delay, for the immediate preservation of the public health, peace, property and safety; **now, therefore**

**BE IT ORDAINED BY THE COUNCIL OF THE CITY OF COLUMBUS:**

**SECTION 1.** That the Director of Public Utilities be and is hereby authorized to modify and increase a contract for ongoing software, hardware, and maintenance of the system that is required as part of the Enhanced Meter Project for the Division of Water in the amount of \$1,100,000.00, with Sensus USA, Inc., 637 Davis Drive, Morrisville, NC 27560, in

accordance with the terms and conditions as shown in the agreement on file in the office of the Division of Water. Total amount of Modification No. 3 is \$1,100,000.00. Total contract amount including this modification is \$2,975,000.00

**SECTION 2.** That said firm shall conduct the work to the satisfaction of the Director of Public Utilities and the Administrator of the Division of Water.

**SECTION 3.** That this modification is in accordance with the relevant provisions of Chapter 329 of City Code relating to contract renewals and modifications.

**SECTION 4.** That the expenditure of \$1,100,000.00 or so much thereof as may be needed, is hereby authorized in Fund 6000 Water Operating Fund in object class 03 (Services) per the accounting codes in the attachment to this ordinance.

**SECTION 5.** That the funds necessary to carry out the purpose of this ordinance are hereby deemed appropriated and the City Auditor shall establish such accounting codes as necessary.

**SECTION 6.** That this ordinance shall take effect and be in force from and after the earliest period allowed by law.