

Mayor and Council Communication

DATE: 04/26/22

M&C FILE NUMBER: M&C 22-0319

LOG NAME: 60MY H2O AMI PROGRAM AGREEMENTS FY21-22

SUBJECT

(ALL) Authorize Annual Licensing, Maintenance and Operating Agreements with Multiple Vendors for the Continued Operations of Systems Supporting the MyH2O Advanced Metering Infrastructure Program for a Total Fiscal Year 2022 Operating Cost of \$2,633,564.73

RECOMMENDATION:

It is recommended that the City Council authorize annual licensing, maintenance and operating agreements with multiple vendors for the continued operations of systems supporting the MyH2O Advanced Metering Infrastructure program for a total Fiscal Year 2022 operating cost of \$2,633,564.73 with annual fee increase allowances as defined.

DISCUSSION:

On May 17, 2016, the City Council approved Mayor and Council Communication (M&C) C-27726, authorizing a contract with Thirkettle dba Aqua-Metric Sales Company, the System Integrator for the MyH2O Advanced Metering Infrastructure (AMI) program (CSC No. 48301). Both the M&C and contract scope stated the requirement for "Additional Managed Services for Regional Network Interface (data center), customer web portal, annual agreements for base station support, customer portal support, antenna leases, and Federal Communication Commission agreement for radio frequency use". Those services were procured by the System Integrator, which executed agreements for the technology required for AMI during the project implementation and subsequently assigned to the City of Fort Worth in compliance with the program requirements.

The contract with Aqua-Metric Sales Company was subsequently amended by M&C C-28695 and M&C 21-0466, which authorized the remainder of the program funding. Although the M&Cs authorized the procurement and assignment of the technology agreements, they did not expressly authorize the required annual licensing, maintenance, and support associated with these agreements. Funding for the various agreements was included in the adopted Fiscal Year (FY) 2021-2022 operating budget of the Water and Sewer Fund.

Approval of this M&C will formally authorize the annual operating expenditures for agreements with the following providers as part of the on-going MyH2O program:

| Contract | Vendor | Scope | Annual Cost | Effective | Term |
|---------------------------------|--|--|---|---------------------------------------|--|
| CSC 48301-CA1 | Benbrook Water Authority | Tower lease that hosts AMI transmitter | \$6,000.00 (Note: Contract allows for 5% annual increases) | 12/3/2019 | 10 years with 5 renewals of 5 years each |
| CSC 50009 | N Harris Computer Corporation | Harris Smartworks Compass Meter Device Management System (MDMS) | \$127,341.31 plus ad hoc professional services not to exceed \$20,000.00 annually (Note: Contract allows for 2% annual increases) | 12/3/2018 | Automatically renews annually until terminated by either party |
| CSC 50011 | Thirkettle Corporation d/b/a Aqua-Metric Sales Company | AMI infrastructure support, Sensus RNI hosting Harris MDMS hosting | \$642,428.17 plus parts/labor for repair/replace not to exceed \$20,000.00 annually (Note: Contract allows for 3% annual increases) | 11/28/2017 | Automatically renews annually until terminated by either party |
| CSC's 51170-51186, 51975, 52325 | American Tower and subsidiaries | Tower leases that host AMI transmit equipment | \$247,665.00 for 19 leases (Note: Contracts include fee schedules projected at 3% increases annually) | Varies between 9/19/2017 to 7/12/2018 | 10 year terms for each lease with 5 renewals of 5 years each |
| CSC 53948 | Carahsoft Technology Corporation for Mulesoft software | System integration Software-as-a-Service platform | \$654,430.25 (Note: Contract allows 7% annual increases after initial term) | 5/28/2020 | 3 year initial term with unlimited renewals |
| CSC 53952 | Tenon Systems, LLC | Data-as-a-Service platform | \$200,000.00 annual licensing fee + ad hoc professional services not to exceed \$110,000.00 annually (Note: Contract also includes fees for additional licensing and data usage) | 5/29/2020 | 5 year initial term and automatically renews annually until terminated by either party |
| CSC 53986 | Smart Energy Systems d/b/a Smart Energy Water (SEW) | New customer portal | \$405,700.00 annual subscription fee plus notification click charges not to exceed \$115,000.00 annually per the fee schedule plus ad hoc professional services fees not to exceed \$50,000.00 annually plus \$15,000.00 annually for training and direct costs (Note: Contract allows 10% annual increases after 5 year initial term and | 6/5/2020 | 5 year initial term and automatically renews annually until terminated by either party |

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|----------|---------------------------------------|--|---|-----------------------------------|-------------------------|
| | | | includes pricing for additional accounts) | | |
| CSC none | International Business Machines (IBM) | Subscription for BlueworksLive repository of organizational knowledge and process analysis | \$20,000.00 annual subscription fee for Utility user access | To be transferred from consultant | Annual subscription fee |

The contracts are migrating from initial implementation as part of capital projects into ongoing operations and maintenance within the Water and Wastewater Utility operating fund. Only a portion of the contracts will have operating costs in the current fiscal year, with full operating costs funded beginning in FY23. The full operating costs will be budgeted in full in upcoming fiscal years. In the current fiscal year the operating fund will only need to cover \$476,000.00 in current contract costs, as shown below.

| Contract | Vendor | Scope | FY2022 Cost |
|---------------------------------|---------------------------------------|--|--------------|
| CSC's 51170-51186, 51975, 52325 | American Tower and subsidiaries | Tower leases that host AMI transmit equipment | \$156,000.00 |
| CSC 53952 | Tenon Systems, LLC | Data-as-a-Service platform | \$310,000.00 |
| CSC none | International Business Machines (IBM) | Subscription for BlueworksLive repository of organizational knowledge and process analysis | \$10,000.00 |

An administrative change order or increase may be made by the City Manager or his designee for the amount up to \$100,000.00 and does not require specific City Council approval as long as sufficient funds have been appropriated.

Funding is budgeted in the Water Department's rollup within the Water & Sewer Operating Fund.

A Form 1295 is not required because: This M&C does not request approval of a contract with a business entity.

FISCAL INFORMATION / CERTIFICATION:

The Director of Finance certifies that funds are available in the current operating budget, as previously appropriated, in the Water and Sewer Fund to support the approval of the above recommendation and award of the agreements. Prior to any expenditure being incurred, the Water Department has the responsibility to validate the availability of funds.

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