



Date: March 15, 2022

To: Mayor and Council

Author: Shaun Martinho, Manager of Public Works and Environmental Services

RE: Meter Upgrade Program: Phase 2 Procurement

Report No.: IED 2022- 12

RECOMMENDED ACTION

1. That the Procurement Phase of the Meter Replacement Program **BE AWARDED** to Diameter Services Inc. in the amount of \$59,305.00 (excluding HST) and the Mayor and Clerk **BE AUTHORIZED** to execute the requisite agreement.

BACKGROUND

At the Regular Meeting of Council on March 28th, 2022 several recommendations were endorsed that defined the scope of work for upgrading Kingsville's Automated Meter Reading System (AMR) to fixed base Automated Metering Infrastructure (AMI). The project schedule was approved as Recommendation 7 within the report and stated the following:

The project consists of a 6-month procurement phase beginning in 2022 with a 3-month start-up and a 12-month implementation phase starting in 2023.

In 2022, the project team will work to develop specifications for the new metering system and issue a Request for Proposal to retain a qualified vendor for the implementation phase slated for next year.

DISCUSSION

The procurement stage will last approximately six months and involve the following steps:

1. **AMI Specification Development** – This includes specifications for radio transmitters, data collection equipment, handheld equipment, meter reading software, Data management software, and interface software.
2. **Water Meter Specifications Development** – This includes specifications for

residential and commercial water meters, register technology, delivery, and product set-up.

3. **Installation Specifications** – This includes determining installation requirements, material specifications, quality management, and public outreach and communication strategies.
4. **Proposal Evaluations** - Scoring submissions fairly and impartially to obtain the best vendor for the Town.
5. **Vendor Presentation and Negotiations** – These meetings could result in slight modifications to the proposed AMI solution or the addition of value-added services offered by the preferred vendor.
6. **Recommendations Report and Project Award** – The selected vendor would begin the start-up phase and meter replacements in 2023.

Administration recommends that the Town continue to work with Diameter Services Inc on the procurement phase of this project. The Towns Procurement By-law allows for single source negotiations when there are a limited number of sources where goods and services can be purchased and when the extension or enhancement of an existing contract would prove more cost-effective or beneficial.

Diameter Services Inc. has already completed the Phase 1 Design with administration. They are the only vendor-neutral consultant in Ontario that focuses solely on water metering and meter reading technology. They have extensive experience with AMI projects and a record of accomplishment, demonstrating their ability to engage multiple vendors and stakeholders successfully. Diameter Services recently completed AMI installations in Chatham-Kent, the Town of Lincoln, and the City of Brantford. Infrastructure and Engineering received positive references for Diameter Services from project managers from these organizations.

FINANCIAL CONSIDERATIONS

This project was included in the 2022 capital schedule as:

Project #	Description	Budget Amount	Source
WAT-2022-5	Water Meter Replacement Study and Consulting Services	\$ 60,000.00	Reserves

Diameter Services Inc. provided a quote of \$49,970.00 excluding HST for the procurement phase of the project. This price does not include vendor presentations and interviews. The estimate for this optional service is \$9,335.00, but costs will vary depending on the number of bidders the project team decides to interview.

ENVIRONMENTAL CONSIDERATIONS

Upgrading to AMI technology provides the following environmental benefits:

- Improved leak detection results in reduced water loss and decreases the energy needed to treat and convey water to consumers.
- Reduced truck rolls to read and maintain meters will result in a reduction of greenhouse gas emissions.

CONSULTATIONS

Infrastructure and Engineering
Diameter Services Inc

PREPARED BY:



Shaun Martinho, HBSc., MBA
Manager of Public Works and Environmental Services

REVIEWED BY:



G.A. Plancke Civil Eng. Tech (Env)
Director of Infrastructure & Engineering

LINK TO STRATEGIC PLAN

To become a leader in sustainable infrastructure renewal and development.

Link to Council 2021-2022 Priorities

- COVID-19 and the health and safety of the community
- Customer Service: Training, Technology, Staff, Review Standards/Level of service
- Housing: Affordability (lot sizes, developer incentives, second dwellings, density, etc.)
- Greenhouse: lights & dark sky, odours (site plan compliance, bylaws, other tools)
- Programming Increase: Youth and Seniors
- A development plan for Downtown Kingsville / Main Street
- Financial savings: Schools closings, Migration Hall
- Economic Development: strengthen tourism/hospitality
- COVID - economic recovery
- Communications: Strategy – Policy (social media), Website refresh and other tools, Public engagement
- Housing: Migrant Worker Housing – Inspections (Building/Fire), regulate, reduce, or increase
- Committees / Boards: Review and Report
- Policy Update: Procedural Bylaw
- Economic Development: diversify the economy, create local jobs, industrial, Cottam
- Infrastructure (non-Municipal): Union Water expansion & governance
- Infrastructure (Municipal): Asset Management Plan update, the infrastructure funding deficit
- No direct link to Council priorities