

COUNCIL ACTION FORM

SUBJECT: AWARD CONTRACT FOR PROFESSIONAL CONSULTING SERVICES FOR THE DEVELOPMENT OF ADVANCED METERING INFRASTRUCTURE (AMI)

BACKGROUND:

The current metering used by Electric Services for its customers are digital meters that provide the total amount of energy used over a given time period. These meters require a person to travel within the vicinity of the meter on a monthly basis. The total energy used during that month is collected and the Electric customer's bill is determined based on the monthly amount. With a more advanced metering system significant benefits can be realized in the areas of system outage notification, mid-month meter reads, time-of-use rates, demand side management improvements, feeder loading studies and remote connects/disconnects.

Due to the growing energy demand by electric customers and recent targets that have been initiated in the Climate Action Plan, a need for more real-time metering of energy usage is warranted. The Electric Department staff has determined the need to move to an Advanced Metering Infrastructure (AMI) system that will allow for more real time and granular metering of electricity use and provide 2-way communication between the utility and the customer.

The results of an in-progress Electric Rate Design study and the needs identified to comply with the Climate Action Plan are the driving force behind the development of an AMI system to benefit the City Utilities in load forecasting, development of time-of-use rate capabilities, EV charging during off-peak times, solar production measurements, simplified meter reading, move-in/move-out reads and non-payment disconnects. The 2 way communication will bring new opportunities for demand response programs to reduce peak demand.

A consultant with AMI expertise is needed to work with staff to define system requirements. The consultant will lead in the development of system specifications for the Advanced Metering Infrastructure (AMI) to be utilized by the Electric Services Department, Water and Pollution Control Department, and Utility Customer Services Division.

The scope of services for the AMI consultant includes the following:

Phase 1: Needs assessment, cost analysis, analysis of potential infrastructures and device manufacturers, create a business plan for phasing and deployment of the AMI project.

Phase 2: Creation of technical specifications, identify key vendors for the Request for Proposal, provide analysis of the proposals received, perform reference checks and report finding to the AMI Project Team. The consultant will also provide contract support with the selected vendor and ongoing project management through initial infrastructure, software and hardware installation.

On May 24, 2023, the City issued a Request for Proposals (RFP) through AmesBids, the City’s electronic bidding system. Thirty-one firms viewed the RFP opportunity. On June 20, 2023, staff received competitive proposals from twelve firms with eight responsive submissions. An evaluation committee consisting of staff from Electric Services, Water Pollution and Control and Finance reviewed the proposals. Below is a summary of the consultants, score, rank, and fee proposal.

Consultants	Score	Rank	Fee Proposal
Power System Engineering, Inc, Madison, WI	3135	1	\$109,360
Burns & McDonnell Engineering Company, Inc (1898 & Co), Kansas City, MO	2860	2	\$141,775
Quanta Technology, Raleigh, NC	2731	3	\$184,630
E Source Companies LLC, Boulder, CO	2620	4	\$445,304
Black & Veatch Management Consulting, LLC, Overland Park, KS	2460	5	\$443,812
Util-Assist Inc., Newmarket, ON	2444	6	\$204,500
TMG Utility Advisory Services, Inc, Buda, TX	2378	7	\$342,700
SL-serco, Inc, Minneapolis, MN	2018	8	\$515,862
EnerNex, LLC, Knoxville, TN		Non-Responsive	
EnTrust Solutions Group, Warrenville, IL		Non-Responsive	
The Shpigler Group, Atlanta, GA		Non-Responsive	
Toth & Associates, Inc, Springfield, MO		Non-Responsive	

The evaluation committee evaluated and scored all the proposals based on the following:

- Proposal methodology that demonstrates the ability to meet the scope of work.
- Prior experience and demonstrated technical capability
- Compliance with the RFP requirements

- Timely completion of the scope of services
- Pricing

The maximum possible score, combining all 8 evaluators was 4000. The knowledge and experience related scores represented 80% of the overall score, and proposed fees accounted for 20%. The evaluation team invited the top two consultants for interviews. The consultants were asked to provide a brief presentation introducing their team members, their roles and demonstrate their understanding of the scope of services. Interviews were evaluated by 7 evaluators based on:

- Clear understanding of the project and scope of services
- Knowledge & relevant experience in establishing an AMI system in a size of our community
- Communication style, methods, and process
- Completeness of addressing our questions during the interview
- Interest in the project

As with the proposal scoring, each criterion was weighted and give a score. The combined scores of the written proposals, interviews and references resulted in the following ranking.

Consultants	Score	Rank
Power System Engineering, Inc, Madison, WI	5995	1
Burns & McDonnell Engineering Company, Inc (1898 & Co), Kansas City, MO	5350	2

Based on these criteria, Power System Engineering was selected as the consultant that best meets the requirements of the development of the AMI infrastructure. Power System Engineering was the top ranked firm after the initial evaluation of their technical proposal and cost structure. They solidified themselves as the top choice during the interview and presentation stage by showing the evaluation committee their experience and knowledge in AMI consulting and RFP development. The committee felt that they were the consultant that would best keep the City’s interests as their top priority to make sure the vendor complies with contracts as the system are procured and installed.

Funding for this project will come from the Advanced Metering Infrastructure project in the CIP, \$100,000 from FY 2022/23 and \$9,360 will come from FY 2023/24.

ALTERNATIVES:

1. Award a contract to Power System Engineering, Inc of Madison, WI to conduct Phases 1 & 2 of AMI consulting for the City’s Electric Utility in the amount not to exceed \$109,365.

2. Award a contract to one of the other consultants.
3. Direct staff to review other alternatives for developing the AMI Infrastructure for the City's Electric and Water Utilities.
4. Postpone conducting the development of the AMI Infrastructure at this time.

CITY MANAGER'S RECOMMENDED ACTION:

Development of a modern metering infrastructure will benefit the electric and water utilities in significant areas and provide customer service access to real-time billing information. Having an AMI Consultant work with staff to better define electric and water utility needs and develop abiding material, is the first step in having an AMI system that will be an effective tool to develop customer-based programs that reduce outages, limit peaks and enhance services to the city ratepayers. Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No.1, as described above.