

TOWN OF GUILDERLAND**MEMORANDUM**

TO: Supervisor Peter G. Barber and Town Board Members

FROM: Bill Bremigen, Superintendent, Department of Water & Wastewater Management

Jesse Fraine, Town Engineer, Department of Water & Wastewater Management

RE: 12/10/2024 Board Agenda

DATE: 11/27/2024

On August 9, 2024, the Department of Water & Wastewater Management issued a 285-page request for proposals (RFP) which sought proposals to upgrade the Town's metering system to an Advance Metering Infrastructure (AMI) system. The AMI system will replace approximately 9,868 water meters, which are old and failing, and allow the Water Department to receive usage data in near real time. The new AMI system will reduce the amount of time needed for the Water Department staff to prepare billing and will allow notifying customers if there is a significant leak much sooner and before large water bills are sent out.

Unlike a Request for Bids which awards a contract based solely on the lowest price, an RFP was used here to solicit proposals for an end-product that meet the RFP's requirements, evaluation criteria, and provides the best solution. An award in the RFP setting is not based solely on the lowest price. An RFP envisions further discussions, negotiations, consideration of similar installations, and other relevant criteria that leads to the recommendation to this Board on whom to award the contract.

The RFP includes submitting proposals that addressed specific requirements with the stated goal of selecting the best AMI system including, but not limited to: (1) offered the best long-term value over the system lifetime; (2) proposed a communication component that provides adequate protection for the 20-year life span of the system; (3) supported by a Radio Frequency (RF) Propagation Study by a licensed RF engineer that displays exact location and height of all data collection equipment and coverage patterns; (4) submitting a documented plan for timely installation of the water meters; and (5) the use of software that provides hourly time-stamped meter readings from all water meters and verifies the reads received for particular areas or selected meter routes.

The RFP details the selection process in Section 11 which states:

SELECTION PROCESS AND AWARD

- a) All proposals received by the specified deadline will be reviewed by the Town for content, completeness, qualifications, and experience. After those firms deemed the most qualified are selected, further evaluation and interviews of the selected firms may be conducted as part of the final selection process. **However, the Town reserves the right to complete the selection process without proceeding to an interview phase, and may choose to select based only upon information supplied in the proposal.**
- b) **Evaluation of awards will be based on the most responsive, responsible proposer, with the most relevant experience and best qualifications. The awards will not be based solely on a low fee structure. The Town will review the proposals and if necessary, select companies for interviews that demonstrate significant experience and successful past performance.**

The full section 11 text from the RFP is attached.

We began having meetings and collecting information from numerous meter companies approximately five years ago. Throughout that time, we also had discussions with other municipalities about their experience with various water meter companies and distributors. On September 9, 2024 the Town received responsive proposals from Core & Main, LP; Everett J. Prescott, Inc.; National Metering Services; and Ferguson Waterworks. Prior to the issuance of the RFP and through the RFP process, the Town met with all meter companies and distributors that submitted proposals, and made ourselves available for follow-up calls. We also considered pricing options in each proposal. We reviewed the offered warranties and assurances for the products relied upon in each proposal. We also examined the proposed communication software and networking.

After concluding this extensive evaluation, we are recommending that the contract should be awarded to Core & Main. Even though they were not the lowest price proposal received, they also were not the highest. We determined that Core & Main provided the most comprehensive capabilities, the best value, and would be the optimal solution for the Town. Core & Main has successfully assisted multiple local municipalities in upgrading their water metering system.

Some of the key reasons why we are recommending Core and Main and Sensus are:

- **Experience and Support:**
 - Core and Main has significant experience with municipal water metering upgrades.
 - Over 350 branch locations nationwide, 7 branch locations in NYS.
 - More than 5,500 employees.
 - Publicly traded company with an \$8.55B market cap. Ticker symbol CNM.
 - Sensus distributor in 26 states.

- Allows Core and Main to leverage their network for product availability.
 - Dedicated metering & technology group
 - Large metering team with over 40 people solely dedicated to Sensus.
 - Local support: Three specialists in NY, plus a local Core & Main Sales representative is assigned to the Town. The Core and Main Northeast Regional Sales Manager and Sensus Manager of Technical Solutions reside in the Syracuse area.
- **Sensus (Meter Manufacturer)**
 - Sensus has a strong team of managers that have supported Core & Main on similar projects and can assist the Town directly.
 - Sensus has installed over 11 million water meters and worked with over 2,500 utilities on AMI solutions.
 - **Sensus AMI Customers in NYS:** Bolton Point, City of Beacon, City of Middletown, Town of Fishkill, City of Yonkers, Town of New Windsor, Town of Poughkeepsie, City of Poughkeepsie, Town of Wilton, Town of Hempstead, Westchester Joint Waterworks, Town of Yorktown.
 - **31 total AMI systems in NY**
- **Meter Technology**
 - Sensus uses Electromagnetic Technology where all others companies use Ultrasonic
 - Measures flow across the entire cross section of the flow tube, not just between two points, which is better with handling different water conditions.
 - Water temperature will not affect accuracy where ultrasonic is impacted by temperature below 42 degrees.
 - Has a higher sample rate than ultrasonic technology which provides high accuracy.
 - Sensus has a very low failure rate (approximately 0.1%).
- **Network and Communication:**
 - **Core and Main/Sensus provided an in-depth propagation study and guarantee a network that will read at least 98.5% of meters.**
 - Meters communicate with base stations using up to 2 watts of power, with base stations able to operate at 20 watts.

- Most powerful radios and transceivers on the market allow for less network infrastructure to maintain.
- **Only AMI system on the market that provides FCC-licensed primary use frequency to ensure no radio interference.**
- Sensus can have the FCC fine competing companies if their RF communication interferes with the meter network.
- **The primary use frequency combined with the power output allows for better transmission reliability, scalability and lower cost to maintain the system.**
- Allows for channelization and prioritization of data transmission.
- Fully supports 2-way communication.
 - Programming, on-demand reads, valve state position, and firmware updates.
- **Warranty:**
 - **Sensus offers a 20-year warranty: first 15 years are no-cost replacements, and the last 5 years are prorated.**
 - **New Warranty on replacement meters and radios.**
- **Vepo:** the installation contractor, has extensive experience in large-scale meter replacements.

Again, based on the above items and our extensive research over the past **5 years**, we recommend awarding the project to Core & Main for an amount not to exceed \$4,850,000. The actual cost could be as low as \$4,695,000. The Water Department has adequate reserves to cover the costs of this project.

Bill Bremigen

Jesse Fraine

11) SELECTION PROCESS AND AWARD

- a) All proposals received by the specified deadline will be reviewed by the Town for content, completeness, qualifications, and experience. After those firms deemed the most qualified are selected, further evaluation and interviews of the selected firms may be conducted as part of the final selection process. However, the Town reserves the right to complete the selection process without proceeding to an interview phase, and may choose to select based only upon information supplied in the proposal.
- b) Evaluation of awards will be based on the most responsive, responsible proposer, with the most relevant experience and best qualifications. The awards will not be based solely on a low fee structure. The Town will review the proposals and if necessary, select companies for interviews that demonstrate significant experience and successful past performance.
- c) The Town reserves the right to request a detailed financial and ownership statement by the apparent low proposer.
- d) The apparent responsible proposer may be required to attend a pre-award conference with the Town or its representative. Representatives of the proposed subcontractors and Proposers shall attend such conference if requested by the Town.
- e) Criteria the Town shall consider in its determination of whether the low proposer is responsible shall include, but is not limited to the following:
 - i) Lack of adequate expertise, lack of prior experience with comparable projects, or lack of financial resources necessary to perform the work outlined in the Contract in a timely, competent and acceptable manner.
 - ii) The engagement of criminal conduct on the part of the Bidding firm, its principals, and significant staff members in connection with any other public works contracts or the conduct of business activity that involves such crimes as extortion, bribery, fraud, bid-rigging and embezzlement.
 - iii) Grave disregard for the safety of employees or members of the public. Whether employees who will be assigned to work on the Project are properly trained and whether the equipment to be used is safe and functioning properly.
 - iv) The willful noncompliance with the State's Labor Laws regarding prevailing wage and supplement payment requirements.
 - v) Disregard for other State Labor Laws, including child labor, proper and timely payments and unemployment insurance.
 - vi) Violation of the State's Workers' Compensation Law including failure to provide proof of proper workers' compensation or disability coverage.
 - vii) Violations of the State's Environmental Conservation Law or violations of any other federal or state environmental statutes.

- viii) The submission of a bid which is mathematically or materially unbalanced.
 - ix) The submission of a bid which is so much lower than the Town's estimate that it appears unlikely that the contractor will be able to complete the Project satisfactorily at the bid price.
 - x) The presentation of false or misleading statements or any other issue that raises questions about the responsibility of the proposer.
-
- f) The Town shall have the right to take such steps as it deems necessary to determine the ability of the proposer to perform his obligations under the Contract, and the proposer shall furnish the Town all such information and data for this purpose as he may request. The right is reserved to reject any Proposal where an investigation of the available evidence or information does not satisfy the Town that in its sole discretion the proposer is qualified to carry out properly the terms of the Contract.
 - g) Based on evaluation of the submitted materials and performance in the interview (if needed), the Town will make recommendations to the Town Board on whom to offer contracts for services.
 - h) If the contract is to be awarded, the acceptance of a Proposal will be a Notice of Award in writing signed by a duly authorized representative of the Town. No other act of the Town shall constitute the acceptance of a Proposal. The acceptance of a Proposal shall bind the successful proposer to execute the Contract as provided hereinafter.