



City of Denton

City Hall
215 E. McKinney Street
Denton, Texas
www.cityofdenton.com

AGENDA INFORMATION SHEET

DEPARTMENT: Procurement
ACM: Christine Taylor
DATE: September 30, 2025

SUBJECT

Consider adoption of an ordinance of the City of Denton, a Texas home-rule municipal corporation, authorizing the approval of a second amendment to a Professional Services Agreement between the City of Denton and Black & Veatch Corporation, amending the contract approved by the City Council on March 21, 2023, in the not-to-exceed amount of \$185,687.00; amended by Amendment 1 approved by Purchasing; said second amendment to provide additional Advanced Metering Infrastructure (AMI) Implementation Program Oversight and Deployment Program Management for the Water Metering Department; providing for the expenditure of funds therefor; and providing an effective date (File 7574-023 – providing for an additional second amendment expenditure amount not-to-exceed \$392,750.00, with the total contract amount not-to-exceed \$614,353.00). The Public Utilities Board will consider this item on Monday, September 29, 2025.

STRATEGIC ALIGNMENT

This action supports Key Focus Area: Enhance Infrastructure and Mobility.

INFORMATION/BACKGROUND

Water Utilities manages approximately 40,000 water meters to monitor water consumption for our customers. Currently, meters are read manually at a cost of about \$1.05 per meter per month. Manual reading faces challenges such as physical obstacles and human error, resulting in costly re-reads.

A 2021 Feasibility Study by Jacobs Engineering Group identified cost savings and operational benefits of implementing an Advanced Metering Infrastructure (AMI) system. Benefits include reduced meter reading costs, improved accuracy, lower vehicle expenses, and enhanced data quality. The study estimated a Return on Investment between 8.9 and 11.0 percent, with payback in 11 to 13 years compared to the 20-year meter lifespan.

Additional benefits of an AMI system include improved customer service, better water conservation through usage transparency, enhanced operational planning, and improved safety by reducing manual reading in hazardous conditions.

Denton Municipal Electric (DME) completed an AMI deployment for electric meters by 2015 and currently manages meter reading for both electric and water. Water AMI deployment has been slower due to meters being located in in-ground lidded pits. The Jacobs study confirmed that technology is now sufficiently advanced for proven, cost-effective Water AMI systems.

The proposed scope of work for Amendment No. 2 is for consulting assistance with contracting and conducting program implementation oversight of the proposed Advanced Metering Infrastructure (AMI) project. This will encompass the Water AMI deployment of approximately 40,000 meters and integration with existing city systems. Black & Veatch will support the City in the final negotiations and advise on the execution of the required vendor agreements. Black & Veatch will primarily support the development and review of the technical and functional aspects of the solution for the contract documents in support of the City. The negotiating and contracting for the vendor agreements will be executed by the City. Black and Veatch will work with the City and the Vendor to conduct oversight on infrastructure installation and data systems integration. Black & Veatch's role is to oversee the work to ensure the vendor is meeting its commitments.

Request for Qualifications for professional engineering services for Water and Wastewater was solicited using the City's formal solicitation process. City Council approved a pre-qualified list of engineering firms on March 23, 2021 (Ordinance 21-546).

PRIOR ACTION/REVIEW (Council, Boards, Commissions)

On March 23, 2021, City Council approved RFQ 7574 for a prequalified list of professional engineering firms for Water and Wastewater (Ordinance 21-546).

On March 21, 2023, City Council approved a contract with Black & Veatch Corporation, in the not-to-exceed amount of \$185,687 (Ordinance 23-582).

On July 29, 2024, Purchasing approved Amendment No. 1 with Black & Veatch Corporation, in the not-to-exceed amount of \$35,916, for a total not-to-exceed amount of \$221,603.

On September 29, 2025, this item will be presented to the Public Utilities Board (PUB) for consideration.

RECOMMENDATION

Award Amendment No. 2 with Black & Veatch Corporation, for additional Advanced Metering Infrastructure (AMI) Implementation Program Oversight and Deployment Program Management for the Water Metering Department, in a not-to-exceed amount of \$392,750, for a total amended contract amount of \$614,353.

SUSTAINABILITY MEASURES

This project is anticipated to improve water conservation and reduce waste through customer data transparency, and fossil fuel pollution will be mitigated by reduced reliance on vehicles to read and maintain meters. The few focus areas in relation to the sustainability framework are water and greenhouse gases. Goals set to ensure the sustainability measures are met include improved water conservation through customer data transparency, reduced vehicle hours through remote meter readings, and reduced re-reads.

PRINCIPAL PLACE OF BUSINESS

Black & Veatch Corporation
Fort Worth, TX

ESTIMATED SCHEDULE OF PROJECT

This project will be started upon approval, with completion in 18 months.

FISCAL INFORMATION

These services will be funded from Water Utilities CIP account 630465517.1365.40100. Purchase Order #203038 will be revised to include the second amendment amount of \$392,750. The total amended amount of this contract is \$614,353.

EXHIBITS

Exhibit 1: Agenda Information Sheet

Exhibit 2: Original Ordinance, Contract, and Amendment 1

Exhibit 3: Ordinance and Amendment 2

Respectfully submitted:
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Purchasing Manager

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