



City of Denton

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

AGENDA INFORMATION SHEET

DEPARTMENT: Materials Management

CM: Todd Hileman

DATE: October 17, 2017

SUBJECT

Consider adoption of an ordinance of the City of Denton, Texas providing for, authorizing, and approving three (3) year metering software and handheld hardware maintenance for continued vendor support and upgrades for the Meter Data Management System (MDMS) for Denton Municipal Electric Department, which is essential to ensure availability of upgrades, software fixes, and access to knowledge and support resources. Itron, Inc. is the sole-source vendor for continued upgrade, support and maintenance for Itron software and hardware. Therefore this system is available from only one source and in accordance with Texas Local Government Code 252.022, provides that procurement of commodities and services that are available from one source are exempt from competitive bidding; and if over \$50,000 shall be awarded by the governing body; and providing an effective date (File 2770 awarded to Itron, Inc. in the three (3) year not-to-exceed amount of \$147,755.97). The Public Utilities Board recommends approval (4-0).

FILE INFORMATION

The City of Denton Municipal Electric Metering Department uses the Meter Data Management System (MDMS) software to manage and store meter data for billing AMI meters as well as interval data for reporting, analysis, and trending purposes. In addition, Denton Municipal Electric uses the Itron handheld devices and software metering system (MVRs and MV-90) on a daily basis to read and manage meters that are manually read. These include water meters or customers that opt out of the Electric Automated Metering Infrastructure (AMI) meters. This also includes pulling data from ERCOT meters, and pulling data from large customer meter accounts such as Peterbilt. The Itron software and handheld hardware devices have been in place since the late 1990's and the MDMS has been utilized since 2010.

A quote for the first year maintenance and a one-time upgrade for an ABE interface integration (to facilitate Time of Use billing) which includes licensing and installation expenses is attached as Exhibit 1. Staff also anticipates a 7% increase for Years 2 and 3 of the maintenance renewal. A contingency for additional equipment that may be needed has also been included in the total recommended award amount of \$147,755.97.

It is essential for the City of Denton to keep current maintenance with the software vendor in order to ensure availability of upgrades, software fixes, and access to knowledge and support resources. The Technology Services department could not identify any local vendors that could provide software maintenance for this application. Therefore, procuring this maintenance from the above vendor is the best value for the City of Denton.

Itron is the sole-source vendor for continued upgrade, support and maintenance for Itron software and hardware. Section 252.022 of the Local Government Code provides that procurement of commodities and services that are exempt from competitive bidding, if over \$50,000, shall be awarded by the governing body.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On October 9, 2017, the Public Utilities Board recommended approval to forward this item to the City Council for consideration. The dollar amount submitted to the PUB (\$222,755.97) included a \$75,000 estimate for an upgrade during Year 2. Staff could not obtain firm pricing for the upgrade, so it was decided to remove this amount for Council approval. The upgrade will be reviewed and submitted for approval at the time that a formal quote is received.

RECOMMENDATION

Itron	Year 1	Year 2 (7%)	Year 3 (7%)
Radios/MVRS Software	\$12,392.18	\$13,259.63	\$14,187.81
MV-90 Software	\$10,579.64	\$11,320.21	\$12,112.63
EE MDM Software	\$15,522.68	\$16,609.27	\$17,771.92
Contingency for new equipment	\$8,000.00	\$8,000.00	\$8,000.00
Total	\$46,494.50	\$49,189.11	\$52,072.36
Grand Total \$147,755.97			

Technology Services recommends awarding to Itron, Inc. for meter software and handheld hardware maintenance and ABE module for a three (3) year not-to-exceed amount of \$147,755.97.

PRINCIPAL PLACE OF BUSINESS

Itron, Inc
 Liberty Lake, WA 99019

ESTIMATED SCHEDULE OF PROJECT

This will be a three (3) year award from Oct 1, 2017 through October 31, 2020.

FISCAL INFORMATION

Funding is budgeted in Technology Services operating account number 830900.6504 starting October 1, 2017.

STRATEGIC PLAN RELATIONSHIP

The City of Denton’s Strategic Plan is an action-oriented road map that will help the City achieve its vision. The foundation for the plan is the five long-term Key Focus Areas (KFA): Organizational Excellence; Public Infrastructure; Economic Development; Safe, Livable, and Family-Friendly Community; and Sustainability and Environmental Stewardship. While individual items may support multiple KFAs, this specific City Council agenda item contributes most directly to the following KFA and goal:

Related Key Focus Area: Public Infrastructure
Related Goal: 1.5 Utilize technology to enhance efficiency and productivity

EXHIBITS

Exhibit 1: Agenda information Sheet

Exhibit 2: Quote

Exhibit 3: Sole Source Letter

Exhibit 4: Public Utilities Board Minutes

Exhibit 5: Ordinance

Respectfully submitted:
Karen Smith, 349-8436
Purchasing Manager

For information concerning this acquisition, contact: Melissa Kraft, 349-7823, Chief Technology Officer