



ERIE COUNTY WATER AUTHORITY

INTEROFFICE MEMORANDUM

October 16, 2020

To: Jerome D. Schad, Chair
Mark S. Carney, Vice Chair
Peggy A. LaGree, Treasurer

From: Karen A. Prendergast, Chief Financial Officer

Subject: Request for Information – Supplying and Servicing Water Meters

Neptune Technology Group has been supplying meters to the Authority for at least 30 years. In recent years, sealed bids were obtained as required by our procurement policy, with Neptune often being the sole respondent. Twice in the past twenty years other vendors submitted incomplete bids and, as a result, were not awarded the contract.

The cost to advertise a request for sealed bids is lengthy and costly. Although there was no definitive documentation, it seemed probable that Neptune was the only vendor who could supply meters compatible with our existing infrastructure.

The current supply contract with Neptune expired on July 31, 2020. As we have suspended our meter change-out program due to the pandemic, it seemed like an ideal time to determine if other meter suppliers could meet our meter specifications and whether they would be compatible with our existing meter inventory.

A Request for Information (RFI) was sent to the following vendors on August 17, 2020:

- Badger Meter
- Core & Main
- EJ Prescott
- Honeywell
- Neptune Technology Group
- Sensus Meters

Responses were received from Badger, Core & Main, Neptune, Sensus and Master Meter who was an unsolicited respondent.

Responses were reviewed by the Comptroller, Joyce Tomaka and the Meter Shop Crew Chief, Ben Barber. Their findings were sent to me in the attached memo dated October 5, 2020.

In summary, none of the responses indicated that their product was compatible with our existing infrastructure. Instead, their responses discussed a process that would involve changing all our existing meters and/or registers to their product.

Neptune is the sole provider of meters compatible with our existing infrastructure and qualifies as a sole-source vendor under our current procurement guidelines. The Comptroller and the Executive Engineer will negotiate a new contract with Neptune Technology Group for your approval at a future meeting.

cc T. McCracken
 M. Murphy
 R. Stoll
 J. Tomaka



ERIE COUNTY WATER AUTHORITY
INTEROFFICE MEMORANDUM
October 5, 2020

To: Karen A. Prendergast, Chief Financial Officer

From: Joyce A. Tomaka, Comptroller

Subject: RFI – Project No. 202000220 – Supplying and Servicing Water Meters

Requests for Information for the above-referenced project was sent out to the following recipients:

- Badger Meter
- EJ Prescott
- Core & Main
- Sensus Meters
- Honeywell
- Neptune Technology Group

Confirmation/acknowledgment of receipt was received by all vendors with the exception of Honeywell.

Questions were submitted by the deadline of August 31, 2020. All questions were summarized and e-mailed to all respondents who had acknowledged receipt of the original RFI on September 3, 2020.

Four submissions were received by the due date/time and one was received a day late (Master Meter).

The following is a summary from the review and evaluation by me and Meter Service Crew Chief Ben Barber of all proposals that were submitted. There were two main categories that were focused on: cost and compatibility.

The RFI included Section F requesting cost estimates. Of all respondents, most did not provide a cost estimate for meters based on our existing meter inventory system. Some respondents included a cost estimate to upgrade the existing system to a fully functional Advanced Metering Infrastructure (AMI) environment.

Compatibility was the second criteria in which the proposals were reviewed and evaluated with findings as follows:

Neptune Technology Group – this is our current provider. Our contract with Neptune expired July 31, 2020. Given they were our prior provider, there is no question that their products would be fully compatible with ECWA's current meter inventory. In order to provide a cost estimate to upgrade to an AMI environment, Neptune would require a list of service addresses to complete a propagation study. This would allow for confirmation of actual costs to integrate existing equipment into an AMI or hybrid environment.

Badger Meter – this vendor requires a three-wire encoder in order to be compatible with ECWA’s current meter inventory. Any existing Neptune brand meters that contain a three-wire encoder in the current ECWA inventory is old. ECWA moved to changing these wired meters to the current E-coder meters in our meter change out program that began in 2006. Badger noted that they offer a number of flexible pricing options for AMI and metering solutions and suggested a meeting to have a better understanding of the Authority’s pricing model.

Badger Meters were eliminated because they are only compatible with meters that contain a wire which is not compatible with an E-coder meter which represent the majority of the ECWA meter inventory.

Sensus – section E of the Sensus submission indicated that Neptune E-coder and Neptune Proread (ARB VI) were compatible with their brand.

Neptune Proread (ARB VI) meters are the old ones with the wire that we are changing out under our meter change out program that began in 2006.

Further review of Attachment C – Water Meter Compatibility Guide indicated all Neptune E-coder register types were listed as compatible with meters manufactured after January 2016, or those with three-wire support. As mentioned earlier, wired meters are currently being changed to E-coder under the change out program. The ECWA has over 170,000 current customers which include a vast majority of their meters not being manufactured after January 2016.

Sensus provided a cost estimate of \$35,000,000 to replace all current meters with Sensus AMI compatible Meters and SmartPoints.

Sensus was eliminated for not being compatible with our current inventory system.

Core & Main – this vendor only responded with respect to costs to upgrade to an AMI environment. They provided a detailed listing of costs per meter type and size ranging from \$218.37 for an iPearl 5/8” meter to \$7,705.50 for an Omni T2 10” meter.

Within the firm overview, it was made clear that Core & Main is a distributor of Sensus meters. Therefore, we referred to the analysis made of Sensus meters and therefore eliminated Core & Main given the incompatibility of Sensus meters with our current meter inventory.

Master Meter – compatibility to our current inventory of meters would require wirelessly retrofitting every meter in ECWA’s current inventory with a programmable encoded register. While they make mention that prices are estimates, the final cost would be negotiated if/when awarded the project. The cost of registers to retrofit existing meters range were estimated to be \$190-\$240 per meter. Given that we have over 170,000 meters in our existing inventory a conservative cost estimate for becoming compatible would be (170,000 x \$190) \$32,300,000.

Master Meter also provided pricing for new meters if, upon completion of a propagation study, the Authority moved to an AMI environment. The cost for residential and commercial meters range in price from \$230 for a 5/8” meter to \$7,200 for a 10” meter. Plus, additional costs for infrastructure, software and training.

Summary – given the compatibility issues noted above, it is my recommendation to utilize Neptune Technology Group as our standardized provider for the ECWA’s entire meter inventory system.