



Staff Report

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**File #:** 24-0364

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**REQUEST FOR CITY COUNCIL ACTION**

**DATE:** 05/01/2024

**TO:** Honorable Mayor and City Council Members

**FROM:** Utilities Department

**SUBJECT:**

PROFESSIONAL SERVICES AGREEMENT WITH METERSYS, LLC, IN THE AMOUNT OF \$180,974 THROUGH JUNE 30, 2028, FOR AN ELECTRIC ADVANCED METERING FEASIBILITY STUDY, FULL PROCUREMENT SUPPORT, AND PROGRAM MANAGEMENT FOR THE ELECTRIC METER REPLACEMENT PROGRAM

**EXECUTIVE SUMMARY:**

This staff report asks the City Council to approve a Professional Services Agreement with MeterSYS, LLC to conduct a feasibility study for electric advanced metering infrastructure, to provide full support for meter procurement, and to conduct program management during implementation.

**RECOMMENDED ACTION:**

**That the City Council:**

- a. Approve the Professional Services Agreement with MeterSYS, LLC for the Electric Advanced Metering Feasibility Study, Full Procurement Support, and Program Management for the Electric Meter Replacement Program Project 71870578.
- b. Authorize the City Manager, or his designee, to execute the Professional Services Agreement with MeterSYS, LLC, in the amount of \$180,974, including any non-substantive extensions, change orders, purchase orders, and amendments up to the amount authorized by Corona Municipal Code [Section 3.08.070 \(I\)](#), which is equivalent to 10% or \$18,097.
- c. Decide under Corona Municipal Code [Section 3.08.140 \(E\)](#) that competitive bidding has been satisfied for the reasons provided in the "Basis of Determination that Purpose of Bidding is Otherwise Accomplished" section of this report.
- d. Authorize an appropriation in the amount of \$180,974 from the Greenfield Electric Utility Fund

578 to the Citywide Meter Replacement Operating and Maintenance Project No. 71870.

**BACKGROUND & HISTORY:**

The Greenfield electric utility currently serves approximately 1,800 customers, including residential, commercial, industrial, and governmental customers. The Utility Billing division of the Utilities Department (UD) uses data obtained from each customer’s electric meter to generate their bills. Just over 60% of Greenfield meters are read electronically through Advanced Metering Infrastructure (AMI); the remaining 40% are manually read with a drive-by radio device. Southern California Edison handles the Direct Access metering.

A portion of the electric meters are reaching an age where replacement is recommended, and the UD would like to conduct an evaluation of the current metering infrastructure before completing the replacement. Approximately 28% of Greenfield electric meters are over 10 years old, most of which are over 15 years old.

UD would like to evaluate how existing infrastructure compares to new technologies available. This analysis would include an assessment of physical infrastructure, software capabilities, and reporting, as well as any potential gains from operating efficiencies, such as outage identification and reporting.

**ANALYSIS:**

MeterSYS, LLC, is a professional consultant who offers AMI assessments and feasibility studies. Their feasibility analysis includes analysis of existing operational and financial data, feasibility modeling, systems interface and data management analysis, business and operational improvement analysis, and policy evaluation and redesign. In addition, MeterSYS offers procurement support through the request for proposal (RFP) process, and program management during project implementation.

MeterSYS provided a similar assessment for the UD water division and staff was very satisfied with their caliber of work, professionalism, and efficiency. MeterSYS has experience conducting electric meter assessments, including a combined water and electric meter study for the Town of Clayton, and is conducting studies for both the City of Burbank and the City of Gastonia.

Considering that MeterSYS has intimate knowledge of the new water AMI system, they can easily identify system efficiencies that can be created by aligning the water and electric systems.

**Proposed Scope of Work**

Step 1 - AMI Roadmap Planning

As part of the Roadmap Planning process, a business case analysis/feasibility study will be conducted that involves a financial and operational analysis of upgrading the electric system metrology and the addition of AMI. This business case analysis will help determine the fiscal impacts of technology over the life cycle of the infrastructure, from maintaining the status quo to initiating a meter enhancement project across the electric system. The process will identify costs and benefits associated with resource management and conservation, enhanced customer service, and operational efficiency gains while replacing infrastructure that has met or exceeded useful life.

## Step 2 - AMI Procurement

Based on the initial study's results, one of two options will be selected for the procurement process. Costs will differ based on the option selected:

- Option 1: Conduct an RFP for electric AMI or the preferred solution.
- Option 2: Conduct a sole-source assessment and award based on a solution that uniquely aligns with the operational elements and infrastructure for the Water AMI project.

Under option 1, Metersys will develop a Request for Proposal (RFP) package based on the specific needs of the Electric Utility as determined in the feasibility study and assist staff through the entirety of the procurement process and contract negotiations. Under Option 2, Metersys will assist in building a sole source justification and supporting the City in negotiating and developing contract documents and the scope of work.

## Step 3 - AMI Program Management

MeterSYS will provide full project management oversight for all AMI planning and implementation tasks. Responsibilities involve coordination of the infrastructure installation and configuration and ensuring each data transfer with the end-user is designed properly with proper testing and protocols applied. A performance measurement system will be developed to track the benefits the City is realizing from the AMI system and identify strengths and improvement areas.

### **Basis for Determination of Competitive Bidding**

The UD evaluated and determined that the MeterSYS proposal aligns with the UD's desired scope of work. Staff believes that the purpose of bidding is otherwise accomplished for this service pursuant to CMC [Section 3.08.140\(E\)](#), which states as follows:

**“Purpose of bidding is otherwise accomplished.** When the purchasing agent and the authorized contracting party, with the approval of the City Manager, determine that it is in the best interest of the city and its administrative operations to dispense with public bidding for non-public projects under this chapter.”

UD and Purchasing division staff assessed MeterSYS' proposal and determined that the consultant can successfully deliver the level of services required by UD and that the price for the proposed services is fair and reasonable. During the prior engagement with the City to conduct a feasibility study for the Water AMI project, staff was very satisfied with the work conducted by MeterSYS. They were very efficient in completing their work on time and within budget. They provided a valuable service and maintained a high level of communication and professionalism throughout the process.

MeterSYS provides a comprehensive solution for AMI feasibility analysis and AMI implementation that encompasses the project from beginning to end to ensure success and timely implementation. MeterSYS's experience with UD's Water AMI project affords them a better understanding of UD's needs in terms of software and data management. UD desires to create efficiencies, when possible,

between the water and electric metering systems.

UD believes that it is in the best interest of the City to proceed with the recommended actions based on the qualifications that MeterSYS possesses; therefore, staff is requesting City Council consideration on approving the Professional Services Agreement (PSA) with MeterSYS to provide feasibility analysis, procurement assistance, and implementation program management for the Electric Meter Replacement Program.

**FINANCIAL IMPACT:**

Approval of the recommended actions will result in an appropriation in the amount of \$180,974 from the Greenfield Electric Utility Fund 578 to the Citywide Meter Replacement Operating and Maintenance Project No. 71870. There is sufficient working capital in the Greenfield Electric Utility Fund 578 for the recommended actions.

**ENVIRONMENTAL ANALYSIS:**

This action is exempt pursuant to Section 15061(b)(3) of the Guidelines for the California Environmental Quality Act (CEQA), which states that a project is exempt from CEQA if the activity is covered by the commonsense exemption that CEQA applies only to projects that have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. This action is to approve a PSA with MeterSYS for feasibility analysis, procurement assistance and program management for the Electric Meter Replacement Program and there is no possibility that approving this professional services agreement will have a significant effect on the environment. Therefore, no environmental analysis is required.

**PREPARED BY:** ERIN KUNKLE, ELECTRIC UTILITY MANAGER

**REVIEWED BY:** TOM MOODY, DIRECTOR OF UTILITIES

**Attachment:**

1. Exhibit A - MeterSYS PSA