



Internal Memorandum

SUBJECT – Testimony for Council Bill No. 34-2019

Date: June 28, 2019

To: Lonnie R. Robbins
Chief Administrative Officer

From: James M. Irvin, Director
Department of Public Works

A handwritten signature in black ink, appearing to read 'J. Irvin', is written over the 'From:' line.

Council Bill No. 34 approves a multi-year Capital Equipment Lease Agreement for the acquisition of smart water meters. A Request for Proposals has been issued and responses are due on July 1, 2019. The successful bidder will provide the financing for the purchase of 24,715 smart water meters for use by the Department of Public Works. The cost of the meters, including issuance costs, shall not exceed \$3,040,000. Updates on the successful bidder and interest rate will be shared with the Council prior to the Public Hearing. An amendment to the legislation will be proposed to insert the successful bidder into the Bill.

In 2016, the Bureau of Utilities made the decision to replace all existing residential water meters with Sensus smart water meters due to the following reasons:

- The majority of the residential water meters have reached their useful life of 15 to 20 years at which time they begin to read inaccurately resulting in a loss of revenue. These meters measure the amount of water used by our customers. It is critical that we bill our customers for their actual water usage.
- The Bureau of Utilities is no longer receiving support from the distributor of the existing Orion meters.
- There is a desire to standardize the type of meter used in the County to minimize replacement parts stocked.

The Bureau has been using only in-house staff to accomplish this task and have changed out approximately 13,750 meters, a majority of which are outside meters. With only three years left on the meter replacement capital project, the Bureau has procured the services of a contractor to replace approximately 45,000 inside meters.

cc: Janet Irvin