

AGENDA ITEM #: \_\_\_\_\_

DATE: September 28, 2020

CAR #: 2020-7042



## CITY COUNCIL ACTION REPORT

**SUBJECT:** Approve expenditure of \$3,890,000 for the purchase and installation of replacement water meters.

**STAFF PRESENTER(S):** Todd Carpenter, Process Operations Manager  
Barbara Chappell, Deputy Public Works Director

**OTHER PRESENTER(S):** N/A

**Summary:** Request City Council approval of the expenditure of FY2021 funds to purchase, provide for public outreach and replace approximately 10,500 water meters using water operating funds.

**Recommendation:**

Approve expenditure of funds in the amount of \$3,890,000 to purchase, provide public outreach and install approximately 10,500 water meters.

**Fiscal Impact:** The FY2021 Capital Improvement Program (CIP) budget includes \$3,890,000 in water operating funds for the purchase and installation of replacement water meters (Project 60040). As it is planned to have an effective public outreach program coordinated prior to the meter installations, some project monies will be dedicated to these services. Upon review of the Invitation for Bid (IFB) tabulations, there are sufficient funds to meet the purchasing, installation and public outreach for this project.

It is anticipated this project will positively impact revenues due to the old meters losing their accuracy. It is documented that meters will slow down and under record usage in excess of 5% as they approach 15 years of age. Staff will randomly select a sample of the replaced meters to assess recovered revenue due to the enhanced accuracy of the replacement meters.

### Background and Previous Actions

Per City of Goodyear Resolution 08-1255, all expenditures of budgeted funds in excess of \$500,000 must obtain council approval. The city has developed and approved a CIP for FY2021 through FY2025. The meters being replaced in this project are at least 13 years old and reaching the end of their useful life. As meters age, they lose accuracy and under record usage resulting in lost revenue. Water Distribution staff worked with Procurement to develop Invitation to Bid #20-

5571 to attain the purchase and installation services required for such a large number of water meters (approximately 1/2 of our meters). The project funds will allow staff, through Core and Main to purchase Neptune meters, and through Metering Services to install approximately 10,500 meters ranging in size from 3/4" up to 8". The Distribution Division will also work with Communications to develop and implement a public outreach information campaign to inform affected city residents prior to any meters being replaced.

## **Staff Analysis**

With the advent of newer and smarter water meter reading technologies, it has proved prudent to establish consistency in the type and brand of water meter to be installed or replaced in the city's water distribution system. In recent years, the Distribution Division has been changing over to the Neptune brand water meter based on functionality, accuracy, reliability of reading technology, local representation, ability to allow for future remote monitoring and overall support. Once this major replacement of approximately 10,500 meters is completed, Distribution staff will be able to maintain system-wide water meters in a more efficient and proactive manner. The purchase and installation of these meters by outside contractors will allow Distribution staff to address other core services such as hydrant maintenance, valve maintenance, routine meter replacements, blue-staking and other customer service activities more effectively. Our customers will benefit from the reliability of the monthly meter reads and the number of "no reads" or inaccurate reads will be mitigated. The number of daily customer service calls addressed by city staff is anticipated to decrease as it relates to water meter reads and the water revenue stream will be impacted positively due to the Neptune water meters being installed.

## **Attachments**

N/A