

TAB 1



UMS Services - \$187,609

City Of Panama City, Florida
Automatic Meter Reading Installation Project
Request for Proposals
Evaluation Criteria Ranking Sheet



<u>Proposal Firm</u>	<u>Score</u>	<u>Final Rank</u>
Utility Metering Solutions (UMS)	555	1
PedalValves, Inc.	426	2
National Metering Services	418	3
TruCheck, Inc.	400	4
Vanguard Utility Service	384	5
Professional Meters, Inc.	365	6
Johnson Controls, Inc.	352	7
Triton AMI	350	8
Corix Utilities (US) Inc.	310	9
Kentrel Corporation	306	10

Total Points Available = 600

Ron Morgan, Utilities Director

Sherry Kochevar, Utilities Underground Supl.

Matt Standley, Plan Reviewer/Cost Estimator

Shirley Robinson, Asst. Mgr. Billing/Customer Service

Jimmy Yales, IT Manager

Weighting used by City to evaluate proposals

SECTION	DESCRIPTION	WEIGHT
1	Executive Summary	10%
2	Corporate Overview and Project Team	20%
3	Project Management and I.T. Data Management Plan	30%
4	Required Forms	10%
5	Proposal Cost	30%

Cost submitted by each company

Company	Total Proposal Cost
UMS	\$1,155,050.00
Tru Check, Inc.	\$1,169,508.94
Vanguard Utility Service	\$1,254,001.21
Pedal Valves, Inc.	\$1,331,010.00
National Metering Services	\$1,339,260.00
Professional Meters, Inc.	\$1,433,650.00
TritonAMI	\$1,513,437.27
Kentrel Corporation	\$1,001,306.05
Corix Utilities (US) Inc.	\$1,898,116.67
Johnson Controls, Inc.	\$2,093,000.00



Neptune Material - \$1,152,668

November 2, 2011

Mr. Jim Freeman
City Clerk
516 Eighth Avenue West
Palmetto, FL 34221

Subject: Neptune Meter Reading System

Dear Mr. Freeman:

The purpose of this letter is to inform you of the proprietary nature of Neptune's meter reading products. The R900 transmits in the 910-920 unlicensed frequency band via a proprietary protocol. This protocol is unique to Neptune and can only be interpreted and read by the receiver technology utilized in the CE5320 handheld, MRX820 mobile data collector, and R900 GPRS Gateway. Only products purchased from Neptune are compatible with the R900s deployed throughout your system.

Maintaining proprietary communications between the R900 and our data collection devices allows us to (1) ensure that the system performs to your expectations, (2) ensure that your utility can utilize new features rolled out in our software which are hardware dependent, and (3) ensure that we can provide your utility with prompt and knowledgeable customer support.

I hope that this answers all of your questions. I want to thank you for being a valued Neptune customer. If you have any additional questions then please do not hesitate to let me know.

Sincerely,

Brandon Segrest

Brandon Segrest
Product Marketing Manager - Systems Hardware

CC: Terry Gullett
CC: Jeff Kimbrough



NEPTUNE
TECHNOLOGY GROUP INC.

1600 Alabama Highway 229, Tallahassee, AL 32309 • 324.283.6555 • www.neptuneinc.com

August 7, 2012

Jim Freeman
City Clerk
City Hall
516 8th Avenue
Palmetto, FL 34221
jfreeman@palmettofl.org

Dear Jim,

Please note that Neptune Technology Group, Inc. is the only water meter or backflow device manufacturer that produces a 5/8" water meter with an integral, resealable double check back flow preventer. All other manufacturers require a separate water meter and a separate back flow device.

Please let me know if you have any questions or concerns.

Sincerely,

Terry D. Gullett

Terry D. Gullett
Territory Manager
Neptune Technology Group, Inc.



NEPTUNE
TECHNOLOGY GROUP INC.

1600 Alabama Highway 229, Tallahassee, AL 32309 • 324.283.6555 • www.neptuneinc.com



Next Steps

- | | Aug | Sep | Nov | Mar |
|--|-----|-----|-----|-----|
| • Presentation to City Commission | | | | |
| • Notice to Proceed | | | | |
| • Material arrives / mobilize crews | | | | |
| • 100% of meters upgraded | | | | |
| • Customized Solution | | | | |
| – Contract will contain unit pricing such that City will only be charged for actual work performed | | | | |
| – Utilize City of Panama City (CPC) contract for services | | | | |
| – CPC contract approved in January 2012 and pricing was based upon 22,000 meters (savings for Palmetto) | | | | |





Financial Overview

City's Annual W&S Revenue = \$4,400,000
 Improved Meter Accuracy (%) = 2.5%
 Billable Usage Increase (\$) = \$110,000
 Annual Escalation = 0.0%

O&M Savings (\$) = \$0
 O&M Savings Term = 10 years
 Capital (CIP) Funds = \$45,000
 CIP Funding Term = 10 years

Project Cost = \$1,340,277
 Amortization Term = 10 years
 Interest Rate = 2.300%
 UMS Ongoing Service = \$0

Year	A Billable Usage Increase	B O&M Savings	C CIP Funds	D = A + B + C Total Benefit	E P&I Payment	F Ongoing Service	G = E + F Total Cost	H = D - G Annual Difference	Cumulative Difference
1	\$110,000	\$0	\$45,000	\$155,000	\$151,560	\$0	\$151,560	\$3,440	\$3,440
2	\$110,000	\$0	\$45,000	\$155,000	\$151,560	\$0	\$151,560	\$3,440	\$6,880
3	\$110,000	\$0	\$45,000	\$155,000	\$151,560	\$0	\$151,560	\$3,440	\$10,320
4	\$110,000	\$0	\$45,000	\$155,000	\$151,560	\$0	\$151,560	\$3,440	\$13,760
5	\$110,000	\$0	\$45,000	\$155,000	\$151,560	\$0	\$151,560	\$3,440	\$17,200
6	\$110,000	\$0	\$45,000	\$155,000	\$151,560	\$0	\$151,560	\$3,440	\$20,640
7	\$110,000	\$0	\$45,000	\$155,000	\$151,560	\$0	\$151,560	\$3,440	\$24,080
8	\$110,000	\$0	\$45,000	\$155,000	\$151,560	\$0	\$151,560	\$3,440	\$27,520
9	\$110,000	\$0	\$45,000	\$155,000	\$151,560	\$0	\$151,560	\$3,440	\$30,960
10	\$110,000	\$0	\$45,000	\$155,000	\$151,560	\$0	\$151,560	\$3,440	\$34,401
Total	\$1,100,000	\$0	\$450,000	\$1,550,000	\$1,515,599	\$0	\$1,515,599	\$34,401	





Financial Overview

- **Project Cost**

- **Turn-key implementation =**
- **P&I payment (10 years / 2.30%) =**

\$1,340,277

\$151,560

- **Funding Source**

- **Reallocation from CIP =**
- **Revenue from Accuracy Improvement (2.5%) =**

\$45,000

\$110,000

\$155,000





Additional Benefit

- **Water meters lose accuracy over time**
- **This equates to lost W&S revenue for City**
- **Older meters need to be replaced/upgraded**

FY2011	Water and Sewer
Operating revenues	
Charges for sales and services	
Garbage and trash pickup	--
Water sales	2,478,824
Sewer charges	2,120,748

- **Current revenue of approx \$4.4M (usage based)**
- **Less \$190K cross connect which is not usage based**
- **Accuracy improvement (revenue) of 2% - 5%**
- **This could equate to \$88K - \$220K per year**





Currently Available Funding

- **Current Annual Funding for Meters & Backflow**
 - **Average Allocation =**
\$45,000 per year
- **Current Operational Costs**
 - **3 Meter Readers (Personnel)**
\$134,000 per year
 - \$179,000 per year**
- **Reallocation of Current Funding**
 - **\$45,000 could be used to fund debt service for the city wide installation of telemetry meters**
 - **One of the Meter Readers could also be reassigned to another department (i.e., increased efficiency)**





Expedited Completion

SIZE	REPLACE	UPGRADE	R900i	TOTAL
5/8"	3,255	258	0	3,513
5/8" BF	0	600	296	896
1"	0	12	125	137
1.5"	50	0	0	50
2"	52	4	19	75
3"	2	0	1	3
4"	4	2	6	12
6"	1	5	1	7
8"	1	0	0	1
10"	0	0	1	1
TOTAL	3,365	881	449	4,695

	Replace existing meter with new R900i meter / GPS / photos
	Upgrade existing meter with R900i transmitter / GPS / photos
	Capture GPS location only





Expedited Completion

- **Improvements to metering system**
 - Sunstate has agreed to hold 2009 prices once again
 - Neptune loyalty program (19% rebate for upgrade)
 - Replace approx 3,365 meters (older and/or non-BF)
 - Upgrade approx 881 meters newer than 7 years
 - Capture GPS locations for all 4,695 accounts
 - Electronic data transfer (up/down) with ADG

- **Benefits to City**

- Enhance customer service with proactive reporting
- Improve accountability and enable City to reconcile water loss in a more timely manner





Enhanced Customer Service

Leak Detection	
days	qty
0	996
1-2	159
3-7	168
8-14	85
15-21	49
22-34	78
35+	95
total	1630

Leak Detection		
type	qty	%
continuous	83	5.1%
intermittent	107	6.6%
none	1440	88.3%
total	1630	

"continuous" usage in 96 prior blocks
 "intermittent" usage in 50-95 prior blocks

No Flow Detection	
days	qty
0	863
1-2	136
3-7	129
8-14	67
15-21	54
22-34	67
35+	314
total	1630

FLOW INDICATOR
 Shows the direction of flow through the meter.
 ON Water in use.
 OFF Water not in use.
 FLASHING Water is running slowly.
 (-) Reverse flow.
 (+) Forward flow.

LEAK INDICATOR
 Displays a possible leak:
 OFF No leak indicated.
 FLASHING Intermittent; leak indicates that water has been used for at least 50 of the 96 15-minute intervals during a 24-hour period.
 ON CONTINUOUSLY Indicates water use for all 96 15-minute intervals during a 24-hour period.

RATE

RATE OF FLOW
 Average flow rate is displayed every six seconds on LCD display.

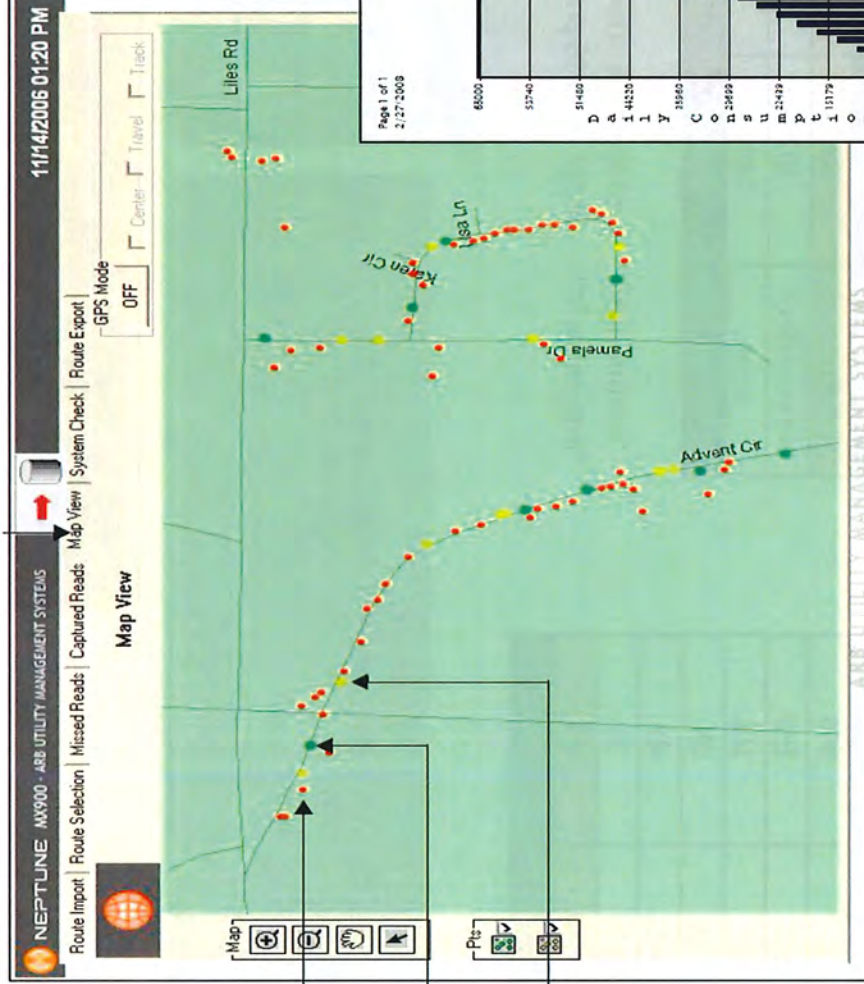
RF LOG

DATA LOGGING
 Displayed on LCD during extraction of data logging consumption data.
 *"DL" on dial face denotes data logging

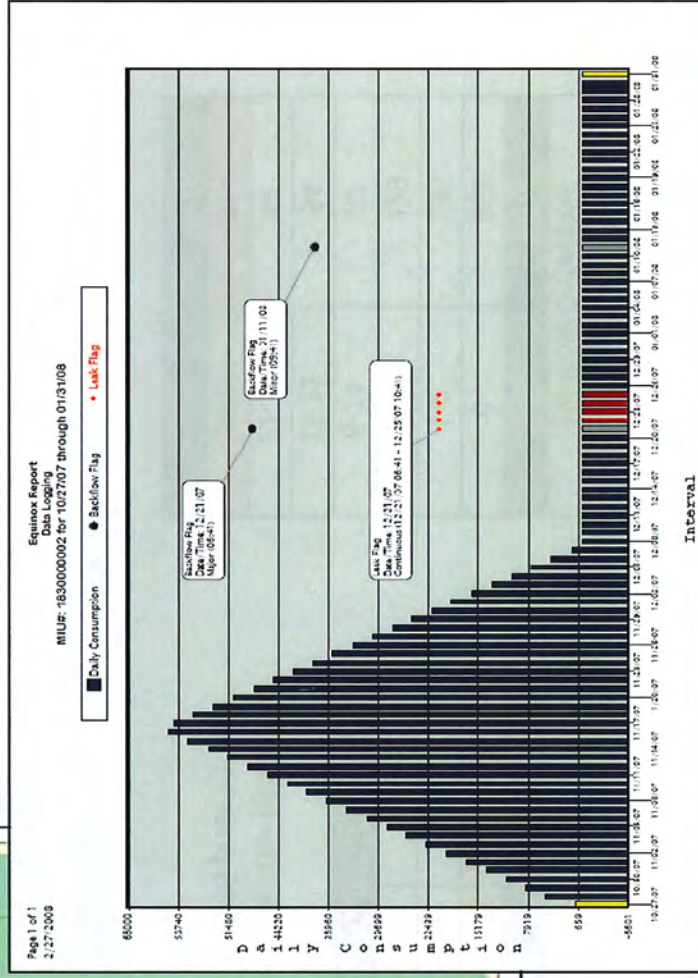




Enhanced Customer Service



Red indicating unread meters
Green indicating read meters
Yellow indicating problems with reads





Current Status

Type of Meter	2004	2005	2006	2007	2008	2009	2010	2011	2012	Total
5/8"x3/4" T10 Proroad Meter	548									548
5/8"x3/4" T10 Proroad Backflow Meter		400	200							600
1" T10 Proroad Meter	4	8								12
2" T10 Proroad Meter			2	2						4
4" HP Turbine Proroad Meter		1	1							2
6" Tru Flo Direct Read Meter			5							5
Total	552	409	208	2	0	0	0	0	0	1,171
WILL BE RETROFIT TO R900i (AND GPS CAPTURE)										

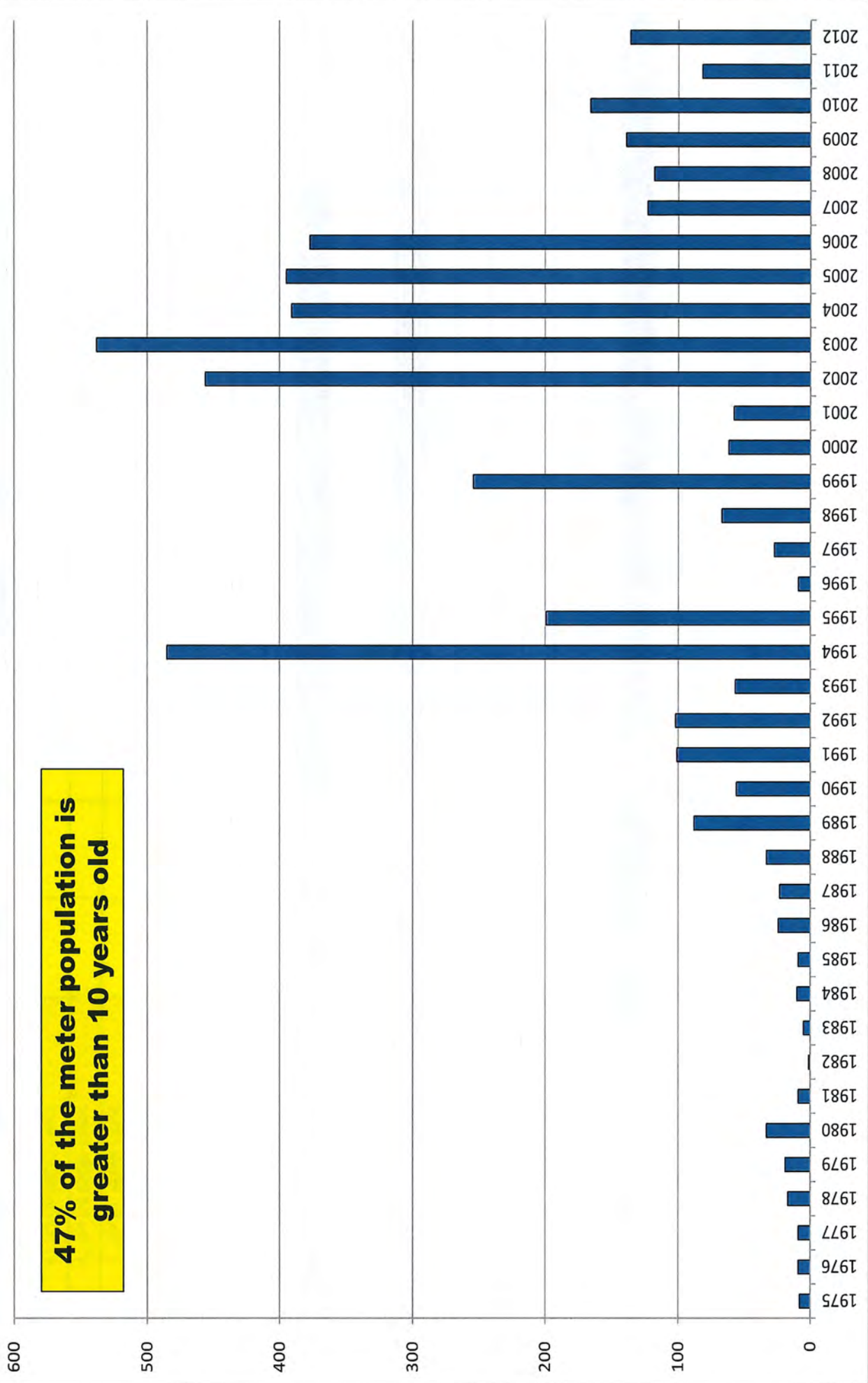
Type of Meter	2004	2005	2006	2007	2008	2009	2010	2011	2012	Total
5/8" T10 R900i Retrofit Register							40	40		80
5/8"x3/4" T10 R900i Meter								18		18
5/8"x3/4" T10 R900i Backflow Meter					50		102	24		176
1" T10 R900i Meter					66	44		6		116
2" T10 R900i Meter					2	2	13	2		19
3" Tru Flo R900i Meter								1		1
4" Tru Flo R900i Meter						3	2		1	6
6" Tru Flo R900i Meter							1			1
10"x2" HPP/III R900i Meter								1		1
Total	0	0	0	0	118	49	158	92	1	418
ALREADY R900i AND WILL REMAIN AS IS (GPS CAPTURE ONLY)										





Current Status

47% of the meter population is greater than 10 years old





Current Status

- **City has approx 4,695 active water meters**
 - **Standardized on Neptune technology since 2004**
 - **Approx 449 are already Neptune R900i wireless AMR**
 - **Approx 881 are Neptune with easy upgrade to R900i**
 - **Remaining meters need to be replaced (approx 3,365)**
- **Existing conversion plans – AMR and backflow**
 - **Annual funding for AMR meters and backflow has averaged approx \$45K per year**
 - **Utilize City staff for install and ADG data entry**
 - **City won't be 100% AMR for 25 – 30 more years**
 - **Efficiency of existing reading equipment is limited**



Utility Metering Solutions

Feasibility of Expedited Approach to Completing Neptune AMR Deployment for the City of Palmetto



Monday, August 20, 2012