

**BOARD OF UTILITIES COMMISSIONERS**

1800 E. Wardlow Road, Long Beach, CA 90807-4931
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CHRISTOPHER J. GARNER, General Manager

January 5, 2023

Subject

- A. Authorize the General Manager to execute an Agreement with Sensus USA, Inc. 1) in an amount not to exceed \$748,810 for one-time equipment, system, and professional services costs and 2) in an amount not to exceed \$36,308 for ongoing annual software, hosting, and support fees subject to a maximum annual increase of 3 percent.

- B. Authorize revision to Section 206.6 and Appendix A of the Long Beach Water Department's Rules, Regulations and Charges Governing Potable Water, Reclaimed Water, Sewer Service, and the Water Conservation and Water Supply Shortage Plan (Rules) pertaining to charges for remote service restoration.

Executive Summary

LBWD staff engaged in the City of Long Beach's 2021 Smart City Challenge, which followed the principles of a challenge-based procurement. The Smart City Challenge allowed the City to collaborate with technology companies to address civic problems in innovative ways. LBWD proposed the challenge of "a smart solution to turn on, restrict, or turn off water meters in order to improve the service experience for our utility customers without requiring multiple site visits." LBWD received seven proposals, with two proposals meeting the requirements of LBWD. After evaluating and interviewing the two qualifying proposals, LBWD staff selected Sensus USA, Inc.

The Sensus USA, Inc. enhanced smart meter solution has the technology to allow LBWD to remotely control the flow of water through the enhanced smart meter via the existing Advanced Metering Infrastructure system. The enhanced smart meters enable LBWD to remotely resume water service, reduce water flow, or shut off water service. These operational efficiencies will provide customers with a significantly expedited and improved water service restoration process, and the projected operational cost savings will offset the capital costs associated with the project.

Currently, manually turning on or off water service costs LBWD approximately \$68 in labor and equipment expenses, and LBWD charges customers a \$35 restoration fee for water services. The enhanced smart meter's remote technology will greatly reduce operational costs to \$12 by eliminating the need for LBWD staff to manually operate meters on accounts with an enhanced smart meter. For this reason, LBWD staff recommends that the Rules be updated to reflect a separate and reduced service restoration fee of \$10 for accounts with enhanced smart meters.

Recommendation

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Fiscal Impact: The FY 23 cost to the Water Fund will be \$748,810. The annual operational cost to the Water Fund will be \$36,308 in FY 24 and going forward and will be subject to a maximum annual increase of 3 percent. These costs are unbudgeted in the Water Fund. However, it is expected that these costs can be absorbed within the Water Fund, using projected savings within the Fund. If the project's total costs exceed actual Fund savings, these additional costs will draw from the Water Fund's reserve balance.



B. Anatole Falagan
Assistant General Manager



Christopher J. Garner
General Manager

Attachment

Enhanced Smart Meter Program

Smart City Challenge TI-SCI 21-004

Rank	Consultant	Identification/ Certification	Reason for Selection
1	Sensus USA, Inc.	Undisclosed	<ul style="list-style-type: none"> Compatibility with existing AMI system Beneficial product features beyond core functionality Cost Reasonableness
2	Smart Earth Technologies	Undisclosed	
Not qualified	NTT America	Undisclosed	
Not qualified	util360	Undisclosed	
Not qualified	CEO	Undisclosed	
Not qualified	AQUATRAX	Undisclosed	
Not qualified	GNAR LLC	Undisclosed	

DBE: Disadvantaged Business Enterprise	LBSBE: Long Beach Small Business Enterprise
DOBE: Disability-Owned Business Enterprise	SBE: Small Business Enterprise
MBE: Minority Business Enterprise	VSBE: Veteran-owned Small Business Enterprise
MIC: Microbusiness	WBE: Women-owned Business Enterprise
OSB: California Office of Small Business	

The Challenge-Based Request for Proposals (RFP) document was made available from the City of Long Beach Smart City Challenge website (<https://longbeach.cityinnovate.com/>).

- 7 proposals were received by May 7, 2021 (see above matrix)