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Town of Aurora
Committee of the Whole Report
No. FIN24-051

Subject: Water Meter Replacement Program Contract

Prepared by: Elizabeth Adams-Quattrociocchi, Manager, Financial Reporting & Revenue

Department: Finance

Date: November 5, 2024

Recommendation

1. That Report No. FIN24-051 be received; and
2. That WAMCO be awarded the contract for replacement of residential water meters for five years at a total cost of \$1,900,000 excluding taxes under the single source provisions of the Procurement By-law.

Executive Summary

To seek Council's approval for the Town to enter into a five-year non-standard procurement contract with WAMCO for the delivery and installation of water meter replacements for capital project AM-F-0012.

- Water meter replacements are required to ensure optimal meter performance
- The replacement of the Town's aging water meters will also allow for the possibility of significantly enhancing the level of services that can be provided to residents
- WAMCO is the designated area distributor for Sensus meters which is the only brand of water meter equipment that the Town of Aurora uses

Background

The Town is committed to the proper asset management of its inventory of water meters

The Town began replacing in-service water meters in the early 1990's. The water meter replacement program was reinforced by a study undertaken in 2014 which recommended a perpetual meter replacement program to proactively replace the

Town's meters rather than waiting for them to fail and water losses to increase and improving the average meter age within the Town. The new meters are capable of providing more accurate daily reads and far more innovative ways to receive reading data.

Analysis

Water meter replacements are required to ensure optimal meter performance

In 2014 the Town's supporting business case recommended changing out the Town's residential water meters. In a 2017 report, it was recommended that residential water meters should continue to be replaced until 2026, at which time the replacement rate could be reduced to a rate which would ensure that residential water meters are replaced every 20 years.

The replacement of the Town's aging water meters will also allow for the possibility of significantly enhancing the level of services that can be provided to residents

The Sensus meter that the Town has been installing includes technology which will enable the Town to significantly enhance the level of service provided to residents. These service enhancements include close to real-time monitoring of water consumption, alerts of abnormal water usage to both Town staff and residents, greatly enhanced analytical and reporting, and an enriched online self-service and e-commerce features to name a few. This aligns with the Town's investment in the automated water meter reading infrastructure implementation that is currently underway and expected to be completed in 2025.

WAMCO is the designated area distributor for Sensus meters which is the only brand of water meter equipment that the Town of Aurora uses

WAMCO is the designated area distributor for Sensus meters which is the only brand of water meter equipment that the Town of Aurora uses. The Town has already made a significant commitment to the installation of Sensus meters through previous meter replacements over the past 10 years. For the Town to maximize efficiencies and achieve service enhancements, the installation of Sensus will need to continue. Consequently, it is recommended that this new contract be awarded to the designated area distributor for Sensus meters being WAMCO. All of the Town's water meter are Sensus and need to remain as such to support the functionality of the automated water meter technology that is currently being implemented.

Advisory Committee Review

There is no advisory committee related to the rate program.

Legal Considerations

The Town's Procurement By-law requires that single source awards over \$250,000 be approved by Council in order for staff to proceed with the proposed procurement. An agreement will be entered into with WAMCO for the services and will be reviewed by Legal Services.

Financial Implications

This contract is in support of the Town's continued water meter replacement program. A new capital project AM-F-0012 has been included in the 2025 capital budget with a total budget authority request of \$1,900,000. The current water meter replacement project's budget authority will be fully spent at the end of 2024 and the project will be closed at this time. All water meter replacement costs are fully funded from the Water Reserve for which sufficient funding is available to fund the requested 2025 capital budget authority.

The cost per residential meter for this program is quoted at \$396 excluding taxes, for the 5/8" meter mainly used by the Town. This increase of \$36 from the 2020 agreement is due to the increase in the U.S. exchange rate and delivery costs over the years.

Communications Considerations

There are no communications considerations related to this report.

Climate Change Considerations

New water meters support the automated read and have more precise water measurement of usage which together will enable residents to better monitor their usage and get notifications of leaks which will improve water conservation. The technology attached to the water meters (MXUs) will enable the Town to read the meters without having to an individual drive to each residence for manual reads.

Link to Strategic Plan

Supports the community objective to invest in sustainable infrastructure.

Alternative(s) to the Recommendation

1. Council to provide direction.

Conclusions

The annual residential water meter replacement program has been ongoing for 10 years with about 11,000 of the approximate 18,000 meters having now been replaced.

The replacement of aging meters ensures that customers are billed for only the water that they consume, and that this infrastructure is of exceptional quality and supportive of technological growth. In addition, the continued replacement of the Town's water meters with the Sensus meters will enable the Town to offer significant service level enhancements to its residential users should it desire to do so.

To continue the programs, it is recommended that a five-year contract be awarded to WAMCO as a single source contract with a total amount of \$1,900,000 excluding taxes.

Attachments

None

Previous Reports

FS19-040 Water Meter Replacement Program Contract December 3, 2019

Pre-submission Review

Agenda Management Team review on October 17, 2024

Approvals

Approved by Rachel Wainwright-van Kessel, CPA, CMA, Director, Finance

Approved by Doug Nadorozny, Chief Administrative Officer