



City of Richmond

Report to Committee

to Public Works / Transportation - Oct. 22, 2003

To: Public Works and Transportation Committee **Date:** October 16, 2003
From: Siu Tse, M.Eng., P.Eng. **File:** ~~6050-02-01~~ 6650-02
 Manager, Engineering Planning
Re: **Volunteer Residential Water Metering Program**

Staff Recommendation

That the City enter into a three year agreement with Neptune Technology Group (Canada) Ltd. to conduct the City's Volunteer Residential Water Metering Program.

That the City waive municipal fees associated with water meter installation for meters installed as part of the Volunteer Water Metering Program.

Siu Tse, M.Eng., P.Eng.
 Manager, Engineering Planning
 (Local 4075)

FOR ORIGINATING DIVISION USE ONLY		
ROUTED TO:	CONCURRENCE	CONCURRENCE OF GENERAL MANAGER
Water Services	Y <input checked="" type="checkbox"/> N <input type="checkbox"/>	
Budgets	Y <input checked="" type="checkbox"/> N <input type="checkbox"/>	
Law	Y <input checked="" type="checkbox"/> N <input type="checkbox"/>	

Staff Report

Origin

At the February 24, 2003 Council Meeting, City Council endorsed a voluntary water metering program for single family dwellings and instructed staff to issue an RFP (Request for Proposal) for the installation of water meters and other services related to the residential metering program.

Analysis

The Volunteer Residential Water Metering Program RFP includes promotion of the Volunteer Residential Water Metering Program, installation of water meters at residences participating in the program, reading all SFD (Single Family Dwelling) water meters and maintenance of all SFD water meters for a three year period.

Staff issued the RFP and received four proposals. Three staff members independently analysed the proposals and ranked them in a decision matrix (as shown in Appendix A). Three categories were used to evaluate each proposal, Methodology, Capability and Cost.

Neptune Technology Group (Canada) Ltd.'s proposal was ranked highest in all three categories, however, Terasen Utility Services was a close second. Both Neptune and Terasen were interviewed to support and clarify their submitted proposals.

Both Neptune and Terasen appear capable of installing water meters and have significant experience in British Columbia. Neptune distinguished themselves through their detailed promotion strategy, complete pricing schedule and long term experience with volunteer water metering programs.

Financial Impact

This program, and its financial impact, is based on voluntary public participation and that participation level has a high degree of uncertainty. However, for the purpose of the proposal evaluation, a target of 7,000 (approximately 25% of the single family homes in Richmond) program participants over three years was used. Based on this level of participation it is estimated that the three year program will cost \$4.5 million plus applicable taxes.

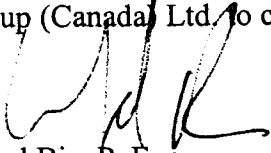
Funding for the Volunteer Water Metering Program is available through the Water Meter Provision account.

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Conclusion

Staff recommends that the City enter into a three year agreement with Neptune Technology Group (Canada) Ltd. to conduct the City's Volunteer Residential Water Metering Program.



Lloyd Bie, P. Eng.
Project Engineer - Water and Sewer
(Local 4385)

Appendix A

Proposal Evaluation Form Summary

PROPOSAL EVALUATION FORM SUMMARY

Point total for each proponent is an average of the points given by all the evaluators.

PROPOSAL NAME: Richmond Voluntary Water Metering Program

PROPOSAL NUMBER: 2533P DATE: 19-Sep-03

FACTOR	WEIGHT (100)	AVERAGED CONSULTANT POINT TOTALS			
		PROPOSAL #1 CMI	PROPOSAL #2 QMS	PROPOSAL #3 TERASEN	PROPOSAL #4 NEPTUNE
Methodology	53	37.63	23.77	48.83	50.30
Capability	32	16.67	17.47	26.47	27.20
Historical Performance	6	0	0	0	0
SUB-TOTAL	91	54.30	41.23	75.30	77.50
Fees:		\$5,021,300	\$0	\$4,545,600	\$4,510,500
Meter Install		\$4,926,500	0 (see notes)	\$4,455,000	\$4,396,500
Meter Reading		\$94,800		\$90,600	\$114,000
Cost Points	9	8.08	0.00	8.93	9.00
TOTAL POINTS	100	62.38	41.23	84.23	86.50

Comments: Evaluated by Lloyd Bie, Steve McClurg and Lloyd Dean

QMS priced indoor meters, while the RFP spec'd pit mounted meters. Therefore, their price is inappropriate.

Pricing rating was based on 5,000 3/4 inch meters, 2,000 1 inch meters, touch pad pit installations, 3' deep

Meter reading price was based on reading 5,000 meters 12 times