

RESOLUTION NO. _____

**A RESOLUTION OF THE COUNCIL OF THE CITY OF MESA, ARIZONA,
APPROVING AND AUTHORIZING THE CITY MANAGER OR DESIGNEE TO
NEGOTIATE AND PROCURE AN ADVANCED METERING
INFRASTRUCTURE/SMART METERING SOLUTION FOR THE ENERGY
RESOURCES AND WATER RESOURCES DEPARTMENTS**

WHEREAS, the City of Mesa ("City") owns, operates and maintains municipal water, electric and gas distribution utilities and is authorized by the provisions of the Laws of the State of Arizona and the City of Mesa City Charter to purchase equipment associated with the operation thereof; and

WHEREAS, the City after review of various options associated with the updating of its utility metering equipment and processes, concluded that it would be in the best interests of the City and its utility customers to procure an integrated advanced metering infrastructure/smart metering (AMI) solution to provide, among other benefits to the City, timely access to consumption data for the City and its customers, enhanced customer engagement, and improved operational effectiveness; and

WHEREAS, the City issued Request for Proposals 2020190 for advanced metering infrastructure/smart metering ("AMI") solutions; and in response to the City's RFP, three respondents submitted proposals to provide an AMI Solution to the City. All three proposals are considered qualified and responsive (from vendors Aclara Technologies, LLC, Itron, Inc, and Sensus USA), with the proposal from Sensus USA being the recommended proposal; and

WHEREAS, the City anticipates that the AMI Solution will involve the procurement of software as a service implementation and integration thereof, developed and fully tested (including Customer Information/Billing System, SilverBlaze Customer Web Interface), with the City's systems, the purchase and installation of approximately 245,800 gas, water and electric meters and associated interface units throughout the City's various service areas, purchase and installation of approximately 33 base stations, purchase and installation of various ancillary items such as meter boxes and lids, ongoing expenses associated with the hosting of software, use of the necessary cellular frequencies, and provision by the Contractor of various managerial and related services associated with the implementation and subsequent provision of the Solution and its associated software components, and optional expenses (collectively the "AMI Solution"); and

WHEREAS, the City desires that the AMI Solution to be deployed in two Phases, both to be completed within the initial five (5) year term of the contract. The initial phase shall involve approximately 2,200 meters, and approximately 4 base stations in addition to the software implementation and integration. The Second Phase will include deployment of the remaining meters and base stations, with electric metering to be fully deployed within one year. Additionally, the City desires two (2) five-year contract renewals at City's option; and

WHEREAS, the City desires to contract for the AMI Solution, and to negotiate terms with the vendor providing the recommended proposal, subject to authorizations provided in this Resolution, or with one of the other qualified and responsive vendors in the event such negotiations are unsuccessful.

WHEREAS, the City has been actively negotiating an agreement with a vendor that includes the various and multiple aspects of providing an AMI Solution for the City as generally described in the fourth and fifth recitals above, and the agreement for the AMI Solution is for a base amount of approximately sixty four million dollars (\$64,000,000.00), and further authorizes pricing after contingencies, pricing adjustments, applicable taxes, optional expenses and other costs and sums in a total amount that is expected not to exceed seventy-six million four hundred thousand dollars (\$76,400,000) for the initial five-year term, and an additional eight million five hundred thousand (\$8,500,000) for Term 2, and an additional ten million eight hundred thousand (\$10,800,000) for Term 3, but that such estimated and expected amounts are subject to certain contingencies and adjustments that may further increase such amounts pursuant to the terms of the agreement for the AMI Solution (collectively all such amounts, as may be adjusted and increased pursuant to the agreement, the "AMI Contracted Amounts").

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MESA, MARICOPA COUNTY, AS FOLLOWS:

Section 1. The City hereby approves the procurement of an AMI Solution with one of the qualified and responsive vendors for the AMI Contracted Amounts, which include contingencies, pricing adjustments, applicable taxes, optional expenses and other costs and sums.

Section 2. The City hereby authorizes the City Manager or designee to negotiate and enter a contract for the AMI Solution, with two additional terms in a form and with such additions, deletions and substitutions as shall be approved by the City Attorney or designee.

Section 3. The various City officers and employees are hereby authorized and directed to sign other documents and perform all other acts necessary to carry out the intent and purpose of this Resolution.

PASSED AND ADOPTED by the City Council of the City of Mesa, Arizona, this 18th day of October, 2021.

APPROVED:

Mayor

ATTEST:

City Clerk