



# REQUEST FOR DECISION

Meeting: August 11, 2025

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## Water Meter Replacement and Data Collection Upgrade

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### DESCRIPTION/BACKGROUND:

The water meters, ERT's (Encoder Receiver Transmitters) and data collection system used throughout Town have reached the end of life.

The water meters were installed beginning in November of 2007. These meters are becoming obsolete and parts for them cannot be purchased. They are Positive Displacement (P.D.) meters, meaning they have mechanical moving parts to meter the water flow. After 18 years of service these meters are losing efficiency, with estimates of 15-30% of water flow not captured, leading to lost revenue.

The ERT's (Encoder Receiver Transmitters) that send the signal to our reading device have also reached the end of their life. These devices have sealed internal batteries (batteries cannot simply be replaced) that are failing. To date:

- 428 ERT's at a cost of \$79,255.44 have been replaced.
- An additional 419 ERT's have failed as of July 29 that need to be replaced.
- On average an ERT costs the municipality \$200.00.
- North America has a shortage of ERT's because most municipalities installed water meters at the same time.
- We have finally received 250 new ERT's (five months backordered) that can be installed, at a material cost of \$47,622.50.
- We have about 1800 meters in Town, with the additional in stock ERTS, if we replaced what has failed, we will be at roughly 1/3 of ERT's replaced.

The current FCS (Field Collection System) being used is also at the end of life, it is being discontinued in early 2028. What this means is the software will no longer be supported. Itron has recommended that all their customers change to a new data collection software system beginning in 2026 to avoid issues.

The Town needs to transition to a new reading software and is reaching a critical point with the water meters and ERT's failing, becoming inefficient and unrepairable at the end of life.

### DISCUSSION/OPTIONS:

Based on this information, Council made the below motion at the June 9th, 2025 meeting:

*Moved by Councillor Cutler to submit a Request for Proposal with the intention of securing a supplier to provide non-mechanical meters, cellular ERT's, installation, training and collection software for all meters, present and future, for the Town of Claresholm. CARRIED MOTION #25-090*

A Request for Proposal was posted on Alberta Purchasing Connection (APC) on July 3<sup>rd</sup> and the RFP closed July 31<sup>st</sup>. Administration received two proposals for the complete replacement of the water metering system, Neptune and Metercor. Both vendors are known to the Town and have great experience with these projects. The costing was for a new monitoring software integration and annual subscriptions, a public facing app or program to allow costumers to view water usage on demand, and the supply and installation of cellular transmitters and ultrasonic meters to replace all meters currently in the distribution network. The prices came back at \$953,211.50 and \$1,459,366.38.

Both vendors had great proposals and are qualified for the project. After the RFP grading process, where each vendor was graded on four categories: Proposal Completeness(15 pts), Project Experience(20 pts), Schedule/Deliverability(40 pts), and Fee Schedule(25 pts), administration is recommending awarding the project to Neptune Technologies Group at a cost of \$953,211.50. Neptune had an average score of 94.5 out of 100. Metercor had an average score of 76.75 out of 100.

This price is based on the information given by administration about the current meter inventory and is subject to change depending on actual quantities and provisional costing involved with meter installation.

Administration is recommending this project to be funded from the water utilities reserve. With the approved budgeted items, projects and transfers accounted for, the reserve will be sitting at an approximate balance of \$2.35 million at the end of 2025. Administration recommends a 15% contingency to be added to the cost of the project, for an additional cost of \$142, 981.72, as there is no contingency provided (in either proposal).

**PROPOSED RESOLUTIONS:**

Moved by Councillor \_\_\_\_\_ to award the Water Meter Replacement and Data Collection Upgrade to Neptune Technologies Group at a cost of \$953,211.50 + \$49, 655.72 GST, and that the project be funded by the Water and Sewer Utility Reserve.

Moved by Councillor \_\_\_\_\_ to approve a 15% contingency for the water meter replacement project, in the amount of \$142, 981.72, to be funded by Water and Sewer Utility Reserves.

PREPARED BY: Jace McLean, Director of Infrastructure

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APPROVED BY: Abe Tinney, CAO

DATE: August 7, 2025

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