

## **COMMITTEE OF THE WHOLE    SEPTEMBER 17, 2002**

### **AWARD OF TENDER – T02-047 WATER METER CHANGE-OUT PROGRAM**

#### **Recommendation**

The Commissioner of Engineering and Public Works, in consultation with the Director of Purchasing and the Director of Reserves and Investments, recommends:

1. That Tender T02-047 be awarded to the Neptune Technology Group Ltd., for the replacement of approximately 13,000 water meters at an estimated cost of \$534,144.00 (labour only); and,
2. That notwithstanding the City's Purchasing Policies and Procedures, the Invensys (Sensus) water meters continue to be the City's standard for water meter installations, and that they be purchased through the Vaughan distributor, Wamco Waterworks; and
3. That the Mayor and Clerk be authorized to sign the necessary documents.

#### **Purpose**

To award Tender T02-047, a tender for the replacement of old water meters throughout the City.

#### **Background - Analysis and Options**

Council, at its meeting of August 26, 2002, referred this item to the Committee of the Whole meeting of September 17, 2002, for a further report based on the written submission from Ms. Angela Zapp of Neptune Technology Group (Canada) Ltd.

Ms. Zapp has requested that the City of Vaughan alter its current purchasing methods by combining the supply and installation of water meters into one contract. It is Neptune Technology Group's opinion that the City will reap reduced project costs, simplified logistics, and one stop accountability. Further, in its submission, Neptune has indicated that they will provide ANSI/NSF 61 lead-free certified meters as recommended by Health Canada at an annual cost saving of \$224,800. Neptune is also suggesting that the City's meter reading contractor will experience difficulties reading the Invensys meters.

The City has been purchasing exclusively Invensys (Sensus) SR water meters since the beginning of 1994. The majority of water meters in the City are Invensys water meters and represent approximately 70% of the City's total inventory of water meters. The City's current meter reading contractor is reading the Invensys meters with no difficulty. All meters purchased from Invensys are SR series water meters that are of superior quality and accuracy compared to other competitors.

The Invensys SR water meter was chosen by City staff for its quality, accuracy, security, replacement warranty, and uninterrupted supply from a local supplier in Maple. When choosing this meter, priority was given to the accuracy of recording low flow water consumption. In comparing the manufacturer's data for both the Invensys and Neptune meters, the Invensys meters are more accurate in measuring water consumption at low flows below 1 US Gallon per minute. Leaking faucets and toilets could generate flows at less than 1 US Gallon per minute. If 1 in every 100 homes fitted with a less accurate meter has this problem, it represents a potential loss to the City of approximately \$130,000. annually based on the installation of 12,000 water meters.

In reviewing the submission from Neptune, Ms. Zapp has quoted a cost saving to the City of \$224,800 annually for the installation of 12,000 meters. Council should be aware that the replacement program is a 5-year project replacing a total of approximately 12,000 water meters, or approximately 2,400 annually. The maximum annual difference in the purchase price of water meters would be \$45,000, not the \$224,800 quoted in the submission from Neptune Technology Group.

Neptune also indicated that they would supply ANSI/NSF 61 certified meters at no additional cost to the City. In speaking with the supplier, we have confirmed that all Invensys SR meters being used in this program, are certified lead-free ANSI/NSF 61 as recommended by Health Canada.

Water meters typically remain in service for 25 years. Although the City could potentially save \$224,800 over 5 years by purchasing a lower cost meter, the unrecorded water loss due to low flow conditions could amount to almost \$3,250,000 over the 25 year period.

### **Conclusion**

The continued purchase of Invensys SR water meters will allow the City to accurately measure the consumption of water, and capture revenue that would be otherwise lost by using less accurate water meters.

The water meter change-out program will ensure continued accurate measurement and billing of water used by the residents.

Based on the bid prices submitted, it is recommended that Neptune Technology Group. Ltd., be awarded the contract for the water meter change-out program.

The continued use of Invensys water meters will assist in ensuring a uniform type of water meter is used throughout the City.

### **Attachments**

N/A

### **Report prepared by:**

Rob Meek, C.E.T.  
Manager of Environmental and Technical Services

Respectfully submitted,

Bill Robinson, P. Eng.  
Commissioner of Engineering and Public Works

Brian T. Anthony  
Director of Public Works