

Meeting Date: 08/18/09

# AGENDA REPORT

Agenda Item # 7B.2

City of Santa Clara, California



**Date:** July 30, 2009  
**To:** City Manager for Council Action  
**From:** John C. Roukema, Director of Electric Utility  
**Subject:** Approval of an Agreement for Services with Siemens Energy, Incorporated and a Software License and Maintenance Agreement with eMeter Corporation for the Purchase and Implementation of a Meter Data Management Software System

## **EXECUTIVE SUMMARY:**

The SVP Meter Connect program (a.k.a. Smart Grid) has reached a significant milestone with selection of Siemens Energy, Incorporated as the winner in an extensive, multi-departmental RFP process for a Meter Data Management System (MDMS) that garnered highly competitive proposals from all five major providers of MDMS applications. Under the proposed agreement, Siemens will utilize the MDMS to integrate the City's two existing meter reading systems with the billing system as a first phase and integrate a yet-to-be acquired fully automated meter reading system for all of Santa Clara in a second phase.

For the 2008-2009 fiscal year, a CIP project and five-year plan was approved for the purpose of defining, procuring and implementing an Advanced Metering Infrastructure (AMI), including an MDMS, to work in conjunction with other City systems. This MDMS purchase and implementation is part of a carefully planned project to procure the systems and technology necessary to fully realize the benefits of AMI, or smart grid infrastructure. The MDMS is a system that will house and provide utility meter data for the City. In conjunction with the AMI system, it will enable the future implementation of valuable capabilities including remote utility billing data collection, utility outage management, improved utility asset management, and enhanced customer services for citizens and businesses. Initially, the expected benefits include lower Utility and Finance operating costs by enabling remote data collection and augmented service delivery. Future benefits are expected as other applications are integrated into this platform.

The Agreement for Services with Siemens allows the City to purchase and utilize MDMS software, along with the professional services and support necessary to install and configure this software within the City's information technology infrastructure as defined in the scope of work. In addition, the Software License and Maintenance Agreement defines the ongoing support for the software product. A copy of the Agreement for Services with Siemens and the Software License and Maintenance Agreement are available for review in the Council offices.

## **ADVANTAGES AND DISADVANTAGES OF ISSUE:**

Approval of these agreements will allow the City to fully leverage the proposed software capabilities and achieve the desired operational process improvements, along with improved customer service and fulfillment of existing and pending regulatory requirements. If the City does not actively pursue the software implementation, the City will forego the opportunity to utilize the enhanced customer services, capture operational efficiencies and struggle to meet evolving regulatory requirements. The utilization of Siemens products and services will not result in any significant additional operational costs in the short-term and expected to lower meter reading costs in the longer-term.

**ECONOMIC/FISCAL IMPACT:**

The cost of services in the Siemens Agreement for Services is not to exceed \$1,313,645. The cost of travel in the Siemens Agreement for Services is not to exceed \$291,732. The cost for the associated eMeter Software License and Maintenance Agreement for two years is not to exceed \$133,733. Total not-to-exceed costs for both agreements is \$1,739,110. Funding for these services is available in the utility enterprise Capital Improvement Budget: Implementation of Advanced Metering Infrastructure, account 591-1313-80300-2111-(F)39700.

**RECOMMENDATION:**

That the Council approve, and authorize the City Manager to execute, an Agreement for Services with Siemens Energy, Incorporated, in an amount not to exceed \$1,605,377.00, and a Software License and Maintenance Agreement with eMeter Corporation, in an amount not to exceed \$133,733.00, for the Purchase and Implementation of a Meter Data Management Software System.



John C. Roukema  
Director of Electric Utility

Certified as to Availability of Funds: OK  
SZ

591-1313-80300-2111      \$1,739,110.00



Uma Chokkalingam  
Acting Director of Finance

MAJORITY VOTE OF COUNCIL

APPROVED:



Jennifer Sparacino  
City Manager

***Documents Related to this Report:***

- 1) *Agreement for Services with Siemens Energy, Incorporated*
- 2) *Software License and Maintenance Agreement with eMeter Corporation*

CITY OF SANTA CLARA

AGENDA MATERIAL ROUTE SHEET

Council Date: August 18, 2009

SUBJECT: Approval of an Agreement for Services with Siemens Energy, Incorporated and a Software License and Maintenance Agreement with eMeter Corporation for the Purchase and Implementation of a Meter Data Management Software System

PUBLICATION REQUIRED:

The attached Notice/Resolution/Ordinance is to be published \_\_\_ time(s) at least \_\_\_ days before the scheduled meeting/public hearing/bid opening/etc., which is scheduled for \_\_\_\_, 2009.

AUTHORITY SOURCE FOR PUBLICATION REQUIREMENT:

Federal Codes:

Title U.S.C. § (Titles run 1 through 50)

California Codes:

Code § (i.e., Government, Street and Highway, Public Resources)

Federal Regulations:

Title C.F.R. § (Titles run 1 through 50)

California Regulations:

Title California Code of Regulations § (Titles run 1 through 28)

City Charter § (i.e., 1310. Public Works Contracts. Notice published at least once at least ten days before bid opening) City Code §

1. As to City Functions, by

John P. Ronkema Department Head

2. As to Legality, by

Julianne City Attorney's Office/CAO Assignment No 09.0902/09.0903

3. As to Environmental Impact Requirements, by

Director of Planning and Inspection

4. As to Substance, by

J. Sparacino City Manager

Rev.Date 05/05/09