



**SAN ANTONIO WATER SYSTEM
ADVANCED METERING INFRASTRUCTURE (AMI) CONSULTING AND PROGRAM
MANAGEMENT SERVICES**

**SOLICITATION NO. R-19-003-JG
REQUEST FOR PROPOSALS**

**ADDENDUM 2
March 5, 2019**

CHANGES TO THE RFP

1. Page 14 – Add the following language to the end of item 7. Compensation Proposal under Section IV. Submitting a Response – C. Response Format

The Compensation Proposal is to be inclusive of all fees, costs and expenses on the lines provided in the Compensation Proposal Form (Exhibit “D”). No other hidden fees or written in expenses shall be allowable to promote an equal and fair price comparison among firms.

Should travel expenses be included as individual line items, they should be written on the appropriate spaces provided in the Compensation Proposal Form. If Respondent chooses to include travel expenses as individual line items, they will only be reimbursed as allowable under the Consultant Reimbursable Policy (Exhibit “H” of the Sample Contract).

END OF CHANGES TO THE RFP

QUESTIONS AND ANSWERS

1. Question: What is the estimated cost of the AMI project?

Answer: As noted in the SAWS Annual Operating Budget for the year ending December 31, 2019 (2019 SAWS Budget Document), it is currently anticipated that future capital expenditures of approximately \$170 million will be required during 2020 - 2023 to fully deploy an AMI program.

2. Question: Has SAWS allocated funding for the AMI yet? If so, through which source (budget, CIP, state/federal grant etc)?

Answer: As referenced in the 2019 SAWS Budget Document, the following funding has been provided for in the 2019 budget to get the AMI program established and to design and begin a pilot project as a proof of concept:

Funding Amount

Operations and Maintenance Budget - \$219,000

SAWS Capital Improvement Plan - \$2,450,690

Total - \$2,669,690

As further noted in the 2019 SAWS Budget Document, it is currently anticipated that future capital expenditures of approximately \$170 million will be required during 2020 - 2023 to fully deploy an AMI program. Verification and substantiation of these estimates is a key aspect of this procurement. Additionally, any future capital expenditures would be contingent upon approval of the future annual budgets by the SAWS Board of Trustees and the approval of any necessary rate adjustments for those years by the San Antonio City Council.

3. Question: Can SAWS elaborate on any additional drivers behind this acquisition that may not be addressed in the RFP?

Answer: SAWS outlined its drivers for undertaking the AMI program within the RFP. They are as follows:

- i. significantly enhance the customer experience by providing more near real-time information to customers about their water usage;*
- ii. enhance analytics and reporting that would improve operational efficiency and reduce costs through remote transmission and central retrieval from water meter reads and capture more low flow consumption; and*
- iii. improve resiliency and security by optimizing the distribution system and its assets.*

4. Question: Who is the technical contact and/or project manager for the AMI project?

Answer: The point of contact will be provided to the selected Respondent. As a reminder there is a restriction on communication in place until Board Award as indicated in Section III. Communication for more details on restrictions and point of contact for Technical Questions. Even if firm's do not intend to submit for this project, at this time there will not be meetings regarding SAWS AMI with external vendors until after this project has been awarded by the Board of Trustees.

5. Question: Does the City have target dates for certain target milestones?

Answer: The target dates for certain milestones are outlined as part of the RFP on pages. 7-9. Milestones for Phase 3 of the Program will be contingent upon SAWS agreeing to proceed with Phase 3 after the completion of the pilot project.

6. Question: Does the Department anticipate any additional professional or consulting services may be needed to accomplish this effort? (i.e. project planning/oversight, PM, QA, IV&V, staff augmentation, implementation services etc.)?

Answer: The Consultant should identify all resources necessary to successfully complete the tasks noted in the Scope of Services of the RFP and indicate which of these resources would be provided by the Consultant and which resources will need to be provided by SAWS or third party contractor(s).

7. Question: What AMI system is CPSE currently using and what are the major factors SAWS will consider when determining to move forward with this system or acquire a new system?

Answer: CPS Energy contracted with Silver Spring Networks (now Itron) to build a converged Advanced Metering Infrastructure (AMI) and distribution automation network. The mesh network has been fully built out and includes approximately 1.2 million smart grid devices with the majority of those being electric and gas meters. Factors that SAWS will consider include costs for initial setup and maintenance, reliability of the network and compatibility with the smart water meters that SAWS chooses to deploy.

8. Question: Can SAWS please provide copies of the following required forms in Microsoft Word format?

- Submittal Response Checklist
- Respondent Questionnaire
- Exhibit “D” Compensation Proposal Form
- Exhibit “B” Good Faith Effort Plan
- Conflict of Interest Questionnaire

Answer: Yes. These can be found on the SAWS website located here: https://www.saws.org/business_center/ContractSol/Drill.cfm?id=3416&View=Yes

9. Question: Task 3.3 – Integration for full scale implementation states, “Provide IT Services for setting up the integration framework for back end office systems for full scale implementation.” Our understanding is that a separate System Integrator Contractor will be responsible for the physical installation and configuration of the IT systems. Can SAWS please confirm that Task 3.3 refers to IT resources and consulting services to define the overall IT framework and system relationships, and does not include tasks that are the traditional responsibility of a systems integrator?

Answer: As part of Task 3.3, SAWS is requesting that the selected Consultant provide IT services for integration purposes. The Consultant should identify all resources necessary to successfully complete this task and indicate which of these resources would be provided by the Consultant and which resources will need to be provided by SAWS or third party contractor(s).

10. Question: Question 6 on the Respondent Questionnaire states, “Is Respondent authorized and/or licensed to do business in Texas?”

- a. Are Respondents required to hold a Texas business license in order to submit a proposal?
- b. Are Respondents required to hold a Texas business license in order to perform the work?

Answer: Yes Respondents are required to hold a Texas business license in order to both submit a proposal and to perform the work.

11. Question: If the answer to Question 3a is “no” but the answer to Question 3b is “yes,” is it acceptable if the Respondent pledges to obtain the necessary licenses—contingent upon being awarded the contract—prior to commencing work?

Answer: Both answers to Question 10. are yes.

12. Question: The following item on the bottom of page 2 is confusing, “The Selected Firm and its sub-Consultants are not eligible to submit for this solicitation or subsequent Requests for Proposals (RFP) issued by SAWS or any other RFPs that are directly derived from their work while serving as the AMI Consultant or providing Program Management Services. This includes serving as a prime or providing any services as a team member (to include sub-Consultant work).
- a. Question: Please clarify or expand on this statement. Is the intent of this comment that the Selected Firm will not be eligible to submit for subsequent work that is derived from the scope in this solicitation or derived work? Is a vendor precluded to respond to this bid because of previously performed AMI work for SAWS. Does this extend to the firm’s subcontractors that may be engaged as well (specifically MDB/WBE)?

Answer: The intent of this comment is that the Selected Firm will not be eligible to submit for subsequent work that is derived from the scope in this solicitation; this includes the Selected Firm's sub-consultants. A vendor who previously performed AMI work for SAWS is not precluded from responding to this solicitation.

13. Question: On page 4 in the RFP “With regard to the future AMI network, SAWS has an opportunity to utilize the AMI network developed by its sister agency, City Public Service Energy (CPSE). While SAWS has an interest in leveraging this existing network, SAWS desires to understand if the proposals offered by CPSE and their data provider, Itron, are competitive. SAWS further desires to understand its options relative to meter manufacturers and other AMI service providers are not unduly restricted.”
- a. Question: In developing the AMI business case, it is important to understand the scope of the review and discern the level of documentation/research that the client can or expects to provide. Does the current AMI Business Case (developed by West Monroe) leverage the CPSE Network or highlight this data in a scenario?

Answer: The 2017 AMI business case looked at a number of possible scenarios, including utilizing the CPSE network.

14. Question: In reference to AMI Pilot Performance Reporting, Task 2.4 on page 10
- a. Question: There is no time table provided for length of this activity. Does SAWS have a defined expected time period for the Consultant to preform activities list in Task 2.4? What is the expected duration of the pilot? The RFP also does not indicate when Task 3 would be expected to start relative to the “completeness” of Task 2.4.

Answer: Task 2.4 should have the Key Performance Indicators identified and agreed before the start of the AMI Pilot. The ongoing reporting would need to happen throughout the duration of the AMI Pilot. Finally, the validation of the AMI Pilot would come at the end of the AMI Pilot. We expect that the AMI Pilot will start no later than December 31, 2019 and it is anticipated that it will run between 6-12 months.

15. Question: The RFP documentation includes the SAWS Consultant Reimbursable Expense Policy, however, section 4.1 on page 52 states that there shall be no reimbursable expenses under this agreement.

a. Question: Please confirm that all anticipated expenses are to be included in the proposal as fixed costs or whether they can variable as actually incurred.

b. Question: Please clarify or provide examples of what expenses are not reimbursable versus reimbursable.

Answer:

To be answered in Addendum 3. Addendum 3 will be posted as soon as possible.

16. Question: Could SAWS make the RFP available in a "microsoft word.doc" or other suitable format to allow us to electronically fill out the various forms, where possible?

Answer: The entire document will not be made available in Word, but some of the required documents will be made available. For additional detail, reference response to Question #8.

17. Question: In the "Timeline" section of the RFP, do all of the "NTP" references refer to the initiation of the overall AMI project, or are some (i.e. in Phase 2) referencing NTPs from the conclusion of the prior phase (Phase 1)?

Answer: SAWS' intention is to award for Phases 1 and 2 of the RFP. Phase 3 will be awarded based on SAWS' decision to proceed with that phase.

18. Question: In the "Timeline" section of the RFP, it is stated that the Pilot start date should be no later than December, 31st 2019. What does "start" refer to in this instance? Does this refer to the beginning of meter rollout and installation, or the date at which the pilot equipment is 100% deployed, or another scenario?

Answer: The term "start" is referring to when the first smart meter is deployed, connected to the network and transferring data.

19. Question: Phase 2 - Task 2.1 references a sub task stating the selected consultant will "Assist in identifying qualified AMI vendors and technologies that will meet SAWS' needs...". Aside from the Metering System and prospective AMI Network, what combination of the following AMI functional areas/offerings does SAWS plan to pilot: 1) Integration Services 2) MDM and/or Data Analytics 3) Metering and Hardware Installation?

Answer: It is expected, that to some extent, SAWS will want to pilot various elements of all of the functional areas / offerings. This will be determined with the help of the selected Consultant and SAWS leadership.

20. Question: What procurement timeline does SAWS anticipate (from issuance of the RFP to final contract negotiations) for the components identified above?

Answer: SAWS intends to present this project to the Board of Trustees meeting for recommendation of award to the selected firm June 4 2019. The procurement timeline for this project is outlined as part of pg. 10 of the RFP.

END OF QUESTIONS AND ANSWERS

This Addendum is six (6) pages in its entirety. There are no attachments.

END OF ADDENDUM 2