

TABLE 1
AMI Request for Proposal Bid Summary
Honeywell vs. Core & Main Proposal Costs (See Note 1)

	Core & Main with (Sensus) iPerl Water Meters	Honeywell with Badger Water Meters Purchased Separately (See Note 2)
Total Capital Costs	\$22,147,619	\$20,664,753
Total SaaS and Managed Service Expenses	\$7,300,008	\$9,026,891
AMI Contract Costs	\$29,447,627	\$29,691,644

Notes:

1. The AMI Contract Costs listed are based on the best and final offers received on 8/02/18. The Honeywell Contract Costs are subject to change pending final contract negotiations and scope of work development. Core & Main has agreed to hold their pricing firm for City Council consideration.

2. Honeywell provided a bid that will allow the City to choose and source its own water meters. The Honeywell bid includes installation and integration of all water meters, regardless of source. The Independence Water Department recently issued an RFP for water meters and Badger was selected as the Vendor of choice. Badger provided a total water meter cost of \$4,877,070. The Total Capital Costs listed under the Honeywell proposal include the Badger water meter material cost.

TABLE 2
HONEYWELL VS CORE & MAIN COMPARISON (15 Year)

Vendor	Core & Main	Honeywell	Honeywell Vs
Water Meter Mfg	iPERL	Badger	Core & Main
Capital Investment:			
Vendor worksheets excl water meters	\$ 22,147,619	\$ 15,787,683	\$ (6,359,936)
Water Meters Purchased Separately (est.)	\$ -	\$ 4,877,070	\$ 4,877,070
City (see detail below)*	\$ 2,548,568	\$ 2,248,568	\$ (300,000)
Project Management	\$ 490,000	\$ 490,000	\$ -
TOTAL CAPITAL	\$ 25,186,187	\$ 23,403,321	\$ (1,782,866)
O&M:			
Managed Services	\$ 12,944,944	\$ 15,259,236	\$ 2,314,292
Additional Tech & Truck O&M	\$ -	\$ 3,020,303	\$ 3,020,303
Other (no change among scenarios)	\$ 13,139,909	\$ 13,139,909	\$ 0
TOTAL O&M	\$ 26,084,853	\$ 31,419,448	\$ 5,334,595
TOTAL COSTS	\$ 51,271,040	\$ 54,822,769	\$ 3,551,729
TOTAL BENEFITS	\$ 95,310,583	\$ 95,310,583	\$ (0)
NET SAVINGS - 15 YEARS	\$ 44,039,543	\$ 40,487,814	\$ (3,551,729)
PROJECT BREAKEVEN YEAR	8	9	
ESTIMATED FTE'S ELIMINATED (See Note 1)	15	14	

**City Capital Investment: (See Note 2)*

Make Ready Telcomm	\$ 300,000	\$ -	\$ (300,000)
COI Integration	\$ 120,000	\$ 120,000	\$ -
Data Analytics, DSM	\$ 1,378,568	\$ 1,378,568	\$ -
Meter Can Changeouts	\$ 750,000	\$ 750,000	\$ -
TOTAL CITY CAPITAL	\$ 2,548,568	\$ 2,248,568	\$ (300,000)

Notes:

1. The estimated full time equivalent positions listed are subject to change based on the details of the Opt-Out Policy that is pending approval and the final number of customers who opt out after full deployment is complete. For the Honeywell option, one additional telecommunication technician will be required to maintain the mesh network. Additional positions may also be retained based on the outcome of final Honeywell contract negotiations and scope of work development.
2. For the Honeywell option, the City Capital Investment is subject to change based final contract negotiations and scope of work development.

AMI Table Descriptions

Table 1

This table represents the currently available proposal costs from both Honeywell and Core & Main as a result of the RFP process. These numbers represent the Contractor material and labor costs along with the 10-year costs for Software as a Service (SAAS) and Managed Services Expenses for a hosted AMI system. As indicated in note one, the AMI Contract Costs listed are based on the best and final offers received on 8/02/18. The Honeywell Contract Costs are subject to change pending final contract negotiations and scope of work development. Core & Main has agreed to hold their pricing firm for City Council consideration.

Table 2

The table represents the 15-year business case analysis for both the Honeywell and Core & Main proposals. This includes the upfront capital costs for each vendor along with a 15-year life cycle cost for AMI hosting fees. Also included is the estimated increase in City O&M expenses over a 15-year period. The Total Costs minus the Total Benefits represents the projected net savings for each vendor over the life of the system. As indicated in the notes, these numbers are subject to change based on pending policy decisions and final contract negotiations with Honeywell.