

City Council Agenda Summary Sheet (Non Purchases)

Agenda No: 2005-0039
Date: January 21, 2005
Prepared By: Kim Murphey, Administrative Coordinator
City File No: E05-002, Radio Read System

Meeting Date: January 26, 2005

In the late 1980's the City began to research upgrading our water meters with current technology available to the industry. At the time, the Touch Pad technology was determined to be the most cost effective means to read meters. The Touch Pad system includes a hand-held device that captures and stores meter reads until they can be downloaded to the computer system to generate customer billings and for reading-route management. The Touch Pad system allowed for future expansion of the system to the more advanced radio-read system.

Radio read systems use radio frequency for gathering radio-transmitted readings from water meters inside homes and buildings. A meter-reading route is loaded into a portable PC unit that can be used in any vehicle. The driver simply drives portions of the route and the unit "wakes up" the meters and stores the reads for customer billings.

By implementing the radio read system, three important goals will be met: (1) Reducing future meter reading costs (2) Increasing employee productivity (3) Improving customer service.

Problems with the current system

- Meter reading gun malfunctions
- High occurrence of "bad reads"
- Meter read delays due to inclement weather
- Inadequate staffing (employees on leave, vacation, etc.)
- Difficulty meeting billing schedule
- Injuries

Advantages of Radio Read System

- The entire City can be read in 1 to 4 days (depending on vendor)
- Reduces manpower necessary for obtaining reads
- Reduces vehicle maintenance costs
- Greater accuracy in reads
- Insures greater safety of employees
- Fewer re-reads
- Elimination of "hard to read" meters
- Improved customer service

Costs Associated with Implementation of the Radio Read System

- Equipment expense range from \$2,000,000 to \$2,700,000 (depending on which vendor is selected)
- Installation expense range from \$400,000 to \$900,000 (depending on which vendor is selected)
- Operational expenses (battery replacements) range from \$20 to \$75 per meter (depending on which vendor is selected)

Savings Associated with Implementation of the Radio Read System

- Labor and benefits – approximately \$300,000 annually
- Vehicles expense – approximately \$60,000 annually
- Vehicle purchases - \$12,000 to \$15,000 per replacement

Implementing a radio read system would reduce read-to-bill times, shortens the billing cycle, decreases operational costs and improves customer service. The results will be significantly lower operating expenses for meter reading and billing and satisfied customers.

Department Authorization: Roger Rouse, DPS Director

Reviewed by:

Fiscal: *Jean Farris*

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Approved by: *Pat Somerville*

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