



## City of Hamilton Report for Consideration

**To:** Chair and Members  
Public Works Committee

**Date:** April 28, 2025

**Report No:** PW25017

**Subject/Title:** Water Meter Contract Extension

**Ward(s) Affected:** City Wide

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### Recommendation

Pursuant to Procurement Policy #11 – Non-competitive Procurements, that Council **APPROVE** the extension to Contract C11-43-19 for the Supply, Repair, Replacement, Delivery, Installation and Maintenance of New and Existing Water Meters in the City of Hamilton until January 31, 2027, and that the General Manager, Public Works Department **BE AUTHORIZED** to negotiate, enter into and execute the extension and any ancillary documents required to give effect thereto with Neptune Technology Group Canada Co., in a form satisfactory to the City Solicitor.

### Key Facts

- The current contract for the Supply, Repair, Replacement, Delivery, Installation, and Maintenance of New and Existing Water Meters (Water Meter Contract) will expire on October 31, 2025. This recommendation aims to extend the contract for an additional 15 months until January 31, 2027.
- The City is actively implementing the Hamilton Utility Billing (HUB), the Enterprise Asset Management (EAM), and the Advanced Metering Infrastructure (AMI) projects. The contract for the supply and installation of water meters directly impacts these projects due to their integration and interconnectivity. Support from the contract vendor is crucial to ensure the successful implementation of these projects with minimal disruption to service.

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## Financial Considerations

- The annual value of this contract is approximately \$5.5M. The total value of the contract extension for 15 months is approximately \$6.75M. Capital Project ID 5142361502 – Water Meter – Installation/Replacement/Repair contains sufficient funds to support this extension.

## Background

Neptune Technology Group Canada Co. was awarded Contract C11-43-19 in 2019 for the Supply, Repair, Replacement, Delivery, Installation and Maintenance of New and Existing Water Meters in the City of Hamilton. The contract term was for one year, plus five additional one-year renewal options. The contract expires on October 31, 2025.

## Analysis

The City is actively implementing the Hamilton Utility Billing (HUB), the Enterprise Asset Management (EAM), and the Advanced Metering Infrastructure (AMI) projects. The contract for the supply and installation of water meters directly impacts these projects. Support from the contract vendor is crucial to ensure the successful implementation of these projects with minimal disruption to service.

These projects share dependencies and automation, or integration requirements directly tied to the supply and installation of water meters, work order processing, and customer service requests. Extending the water meter contract will help ensure continuity of service and project success by avoiding the added complexity of onboarding a new vendor. The current vendor, Neptune, has demonstrated flexibility and a willingness to assist the City in successfully implementing these projects.

Below is a high-level description of each project and how they relate to the water meter contract.

Hamilton Utility Billing (HUB):

- The transition of water, wastewater, and stormwater billing services from Alectra Utilities Corporation to the City of Hamilton is scheduled for Q4 2025.
- Integrating meter information and work orders between the meter contractor and the billing administrator is an industry best practice that enhances data accuracy, reduces billing errors, and improves customer satisfaction. The existing meter contractor has already established processes with the billing administrator (currently Alectra) and Hamilton Water; changing contractors would require recreating these processes with a new vendor, which could hinder timelines and the overall success of the HUB rollout.
- Maintaining a stable, consistent meter supplier and installer will help to ensure seamless integration with the new billing system, preserving data continuity and preventing operational inefficiencies while minimizing the risk of misalignment between metering, installation, and billing processes.

**Enterprise Asset Management (EAM):**

- The Enterprise Portfolio Management Team in the Transformation Office is consolidating 11 Public Works information systems into a single system, Hexagon EAM (HxGN EAM). Hamilton Water is currently working on implementation with the project team.
- The City's current meter contractor has established file transfer processes (for work orders and water meter installation) with Hamilton Water's previous information asset management system, which are planned to be integrated into the new solution. Changing contractors would mean rebuilding these processes with a new vendor, adding time and complexity to the project.

**Advanced Metering Infrastructure (AMI):**

- This project will replace approximately 5,000 high-consumption and difficult-to-read meters with automated reading technology, with the launch scheduled for Q3 2025.
- Hamilton Water is issuing a Request for Proposal (RFP) for an AMI system. To implement the system effectively, many existing meters must be replaced to ensure they are "AMI Compatible." This work is being carried out under the City's existing water meter contract.
- Extending the contract allows Hamilton Water to focus on executing and implementing the AMI project without the added complexity of integrating a new meter supplier and installer.

**Alternatives**

N/A

**Relationship to Council Strategic Priorities**

3. Responsiveness & Transparency
  - 3.4. Modernize City systems: Extending the existing contract will support key projects directly linked to modernizing the City's systems.

**Previous Reports Submitted**

N/A

**Consultation**

The following teams were consulted and provided input during the preparation of this report and are supportive of the recommendation:

- Finance and Administration, Finance and Corporate Services
- Procurement, Finance and Corporate Services

- Enterprise Portfolio Management, City Manager's Office
- Utility Billing, Revenue Services, Finance and Corporate Services

## **Appendices and Schedules Attached**

None

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