



CITY OF BANNING STAFF REPORT

TO: CITY COUNCIL

FROM: Douglas Schulze, City Manager

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MEETING DATE: February 13, 2024

SUBJECT: Consideration of Resolution 2024-26, Approving SATEC ExpertPower Software-as-a-Service (SaaS) Agreement

RECOMMENDATION:

City staff recommends that the City Council adopt Resolution 2024-26.

BACKGROUND:

In June of 2016, City staff presented, discussed, and the City Council adopted, Resolution 2016-29 for \$2,350,000, authorizing software modifications and the purchasing of meters and lock rings for implementation of a "Smart Grid Project." The staff report provided background and justification for the automated meter reading Project, including improved customer service, real-time data, rate design and development, theft and outage detection, and remote connection and disconnection of electrical energy services.

To date, we are complete with the implementation of the AMI project but we do have meter communication problems. These are Itron issues and being addressed by Itron and do not fall under the parameters of SATEC. Staff have been replacing the meters in conjunction with customers' billing cycles for ease of billing.

In October of 2018, City staff presented, discussed and the City Council adopted, Resolution 2018-129 authorizing the Automated Meter Reading (AMR) and Advanced Metering Infrastructure (AMI) phase of the "Smart Grid Project" in the amount of \$450,000. With this phase approved, staff began negotiation of the Master Sales Agreement and Scope of Work with Itron. During this time, staff was informed of SATEC Data Analytics software package and determined the additional customer service, utility billing and engineering benefits would be a better option for the data analytics needs of the Electric Utility. The implementation of using SATEC Data Analytics has enabled Electric Utility Staff to maximize these available benefits and features while the infrastructure deployment is being finalized with Itron.

In August of 2019, City Council adopted Resolution 2019-111 authorizing the implementation software SATEC's package. Staff recommended the SATEC data analytics after reviewing their package and comparing it to added analytics cost and features from Itron. This addition to the previously approved analytics items offered by Itron. With SATEC staff is able to customize and prioritize reports on demand as opposed to requesting reports and awaiting delivery. Furthermore, staff has been able to utilize most of the improved features at the implementation of the data analytics software rather than wait for full deployment of the AMI infrastructure.

In August of 2023, City Council adopted Resolution 2023-137 authorizing the continued ExpertPower

software as a service package with SATEC for meter data analytics and cloud storage for a term of one year. This one year term was to move the contract period into a perpetual schedule of software maintenance.

JUSTIFICATION:

SATEC's Data Analytics were more cost effective than Itron's Data Analytics, hence staff recommended and Council approved this implementation. Staff intends for this to be a perpetual agreement until the City deems these services no longer meet the needs of the Utility.

FISCAL IMPACT:

The cost of the annual maintenance for the SATEC Data Analytics and cloud services software will be billed at a rate of \$.45 per endpoint annually with a cost escalator of the lesser of five percent (5%) or Consumer Price Index (CPI). Funds are currently budgeted and will continue to be budgeted annually in the Electric Operating Fund 670.

<u>Year</u>	<u>Estimated Amount</u>
2024/2025	\$79,115
2025/2026	\$83,071
2026/2027	\$87,225
2027/2028	\$91,586
2028/2029	\$96,165

ALTERNATIVES:

1. Adopt Resolution 2023-26 as recommended.
2. Adopt Resolution 2023-26 with modifications.
3. Do not approve Resolution 2023-26 resulting in staff seeking alternate meter data management software. This will adversely affect the electric utility's ability to bill customers for their energy usage.

ATTACHMENTS:

1. [Resolution 2024-26, SATEC.docx](#)
2. [Banning - Satec SaaS \(C00800\) Master Agreement.docx](#)