



Response to  
RFP 22-016  
Meter Replacement  
Program Evaluation

## Village of Orland Park

March 7, 2022

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**Veregy**

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**Danielle Melone**  
dmelone@veregy.com  
P: 630-200-5204

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[Veregy.com](http://Veregy.com)





## Cover Letter

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### The Village of Orland Park Selection Team,

The entire Veregy team is pleased to provide this response to the Village of Orland Park in reply to the Request for Proposals 22-016. Our response should be considered as an alternate proposal and will be structured to provide detail around our turnkey approach from analysis of options, implementation, and ongoing evaluation of the final installation.

We understand the Village is looking for an evaluation of the existing water meter system, recommendations for changes, upgrades and improvements, and assistance in the preparation of bid specifications and installation. Veregy's approach includes all the requests in this RFP but differs related to procurement. Veregy will perform all tasks listed in the RFP under Work Effort 1. Water Meters and AMI Evaluation through what we call our Investment Grade Audit (IGA) process which is explained throughout this response.

Veregy will offer different contract vehicles such as performance contracting, professional services agreements, power purchase agreements and design build. Typically, municipalities we have worked with have chosen performance contracting to complete water meter/AMI projects due to the sensitivity of these projects (including revenue/cost savings and no change order guarantees), but we are flexible and will work with the desired contract vehicle preferred by our clients.

Our alternate approach proposed in this response has been utilized and proven successful for all our municipal clients to date. Veregy's current water meter team has been providing this comprehensive approach for the last decade. This full team, who was formally known as the Siemens water meter team, joined Veregy when Siemens decided to leave the water meter industry. Below is a list of projects for Illinois municipalities this team has contracted with for development including full technology symposiums to determine the best water meters and equipment to choose in addition to overseeing the full implementation of their projects from start to finish. Our local team has assisted changing out over 125,000 meters, converted reading systems to AMI, handling the data integration of the new meter data into the billing system to ensure accurate billings, and installed permanent leak detection systems on water distribution systems to prevent water and revenue loss.

Upon request we can provide contact information for the municipal references listed below so you can discuss with them why they chose our turnkey approach as an alternative to hiring a consultant as described in the RFP. The municipalities listed evaluated both approaches and ultimately chose our approach because we proved cost savings, a more efficient process, a financially viable model that expedited project timelines, and allowed for the collection of unaccounted for revenues which assisted in improving the financial suitability of their water utility.



# Cover Letter

Customer	Meter Quantity
Buffalo Grove	11,916
Elk Grove Village	10,500
Elmhurst	14,813
Glenview	15,993
Hanover Park	11,000
Hoffman Estates	16,417
Lake Zurich	6,630
Oak Lawn	16,813
Palatine	19,000
River Forest	3,327
<b>Total</b>	<b>126,409</b>

## Investment Grade Audit / Proposal Total

Our Investment Grade Audit approach delivers a detailed project scope, technology recommendations, turnkey project pricing and detailed financial models to allow for fully informed project selection. Veregy’s collaborative approach means you will understand and contribute to the various components of the business case. The Village will understand the calculations that determine the cost and revenues associated with the project and will drive the decision making in terms of the products they wish to use as Veregy is vendor agnostic. It is Veregy’s experience that the cost that water meter vendors provide to municipalities versus a company like ours is much higher; therefore, the benefits Veregy provides to the Village through this process are a lower project cost, accurate and best fit project scope, full system approach and a precise project schedule to expect that will be over the course of one year from development through project completion.

We understand the Village completed meter accuracy testing in 2018 and 2019 and can use the results from that testing to build a financial model which is detailed in the cash flow section of this response. But if preferred, we can offer as part of our IGA third party testing a statistical sample size of meters to obtain an updated accuracy percentage of existing meters which would allow Veregy to provide a more accurate financial model of the potential revenue gains the Village will realize by a meter change out project

The financial obligation to the Village would occur if Veregy completes the IGA and meet the financial metrics (a guaranteed financial proforma that creates a revenue stream for the Village) defined between Veregy and Orland Park and the Village decides not to proceed forward with a contract with Veregy, Veregy would be eligible to be compensated for our engineering and consulting efforts. [REDACTED]

[REDACTED] Our calculated development fee for the IGA for Orland Park is \$30,000.

## Technology Symposium

Described in your RFP solicitation Work Effort 1. Water Meters and AMI Evaluation and Work Effort 2. Water Meters And AMI Procurement is what we call our Technology Symposium process during the IGA. Manufacturers can vary greatly on specifics such as warranties, accuracy guaranties and



## Cover Letter

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infrastructure requirements. Veregy will work with the Village to develop a list of possible meter and AMI technology companies and have those vendors present the features and benefits of their products. [REDACTED] This ensures that the Village has a detailed understanding of the features and benefits of each technology before selecting a specific product for installation. This assists the Village in determining whom they may wish to work with and bid out costs associated with their products.

[REDACTED]

Veregy understands the importance of fully considering each meter manufacturer, the technologies used and options available. [REDACTED]

[REDACTED] Sensus, Neptune, Badger, Master Meter, Metron Farnier and others, if desired. Veregy will help the Village determine which manufacturer and product best meets the Village's metering needs and goals. Veregy will also ensure that the technology vendors are compatible with the Village's billing software.

Veregy will act as advisor through this process and help gather and analyze information which will allow the Village to make the final selection of the technology based on a fair evaluation process. Veregy does not have a preferred vendor, and thus can provide a vendor-neutral perspective on different aspects of each product. Selecting a firm like Veregy provides a competitive advantage over another financial package for a project of this nature. Veregy has established relationships with the different meter manufacturers, AMI vendors and subcontractors to provide the best financial options for the Village related to equipment and installation selection. An explanation of our Technology Symposium process can be found on page 25 of our response.

### Veregy's Approach

Veregy's approach is designed to minimize disruption to residents, businesses, and Village daily operations. We are aware of the potential downfalls these projects can experience and are prepared to avoid them. Our experience working with municipalities and their residents ensures we will deliver a successful project to the Village in a manner that ensures normal operations are not interrupted.

Veregy will assist in developing an integrated project team among Village Staff. Oftentimes, the various departments in a municipality which are needed to carry out a successful meter change program do not communicate. Veregy will pull together and lead Village stakeholders and gather priorities from each to develop a working environment that is conducive to achieving efficiency and operational goals for all stakeholders. Our goal is to deliver, educate, and train your staff to be able to manage your new system. Ensuring your staff are fully trained and proficient with the new technologies maximizes the benefits of the project.



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### Cash Flow Analysis

[REDACTED]

### Public Outreach Plan

Our proven approach is turnkey and inclusive of every task necessary to successfully deliver projects at the most competitive price point possible. Another differentiator is Veregy understands the sensitivity of these projects as Veregy will need to gain access to 22,000 customers. Veregy provides a full public outreach campaign to residents and businesses which allows for a much more successful implementation and happier residents who understand the process. Examples of our Public Outreach Plan can be found on page 48 of our response.

### Project Management

When you approve a contract, you are hiring Veregy to manage the various pieces of the project with the Village interests in mind. You define the project as you want to see it to us, and we will handle the rest. This gives you the ability to design your own project and you don't waste time and money trying to manage the various vendors of the project.

Your project manager has extensive experience working with government agencies and has completed many water meter projects successfully in the State of Illinois. When you have a Veregy project manager working on your project, you also benefit from our experiences nationwide.

They will become your best defender and will be responsible for ensuring that the Village has a smooth transition into AMI for both Village staff and Village residents. Our project managers have executed successful meter projects with many municipalities and are familiar with all the issues a utility can face while going through a meter change out program.

A significant factor in our success is our PM approach, which is a disciplined project management process that encompasses the entire project workflow, from project pre-acquisition to final delivery and contract close. Veregy's PM Approach can be found on page 44 of our response.

### Leak Detection

If the Village is interested in reducing leaks on its system, it will be important to increase the



## Cover Letter

collection of data on the flows and pressures on the water distribution system. Data will be a critical component for effective and economical leak detection and repair. Veregy has teamed with several companies who can deliver a vast array of services ranging from a “snapshot in time” leak detection survey, to district metering and ongoing leak detection equipment. These services can augment the data collected from the AMI system and provide pertinent information that will help the Village:

- Provide data to help with day-to-day operations of the system
- Identify small leaks and repair them before they become costly
- Provide data to help create preventive maintenance strategies for your system
- Provide data to quantify the benefit of leak repairs, and justify capital expenditures

District metering would be helpful to the Village to determine which sections of the Village need more monitoring. Maybe your engineering department could use real time information and numbers to justify a capital plan for repair and replacement of certain sections of pipe, valves, or pumps. Depending on your needs and objectives, the type of pipe materials in the system, the miles of pipe, and the leak history; we can put together a plan, integrating technologies like acoustic leak detectors, advanced flow meters, pressure sensors and other technologies to provide an ongoing monitoring system that will provide you with enough data to manage your distribution system effectively.

In both the Village of Elmhurst and the Village of Oak Lawn, we teamed with Zonescan and installed 600-800 Gutermann acoustical loggers on hydrants throughout the Village. These loggers send audio recordings via the Aclara Star Network to Zonescan.net nightly and leaks are remotely correlated. Elmhurst and Oak Lawn are able to monitor the loggers daily to identify small leaks on the distribution system before they become expensive main breaks. Veregy will recommend the best fit solutions to accomplish what the Village wants to see installed at the completion of the project. We have relationships with the various vendors and will coordinate symposiums to ensure the right solution is specified at the best value to the Village. An explanation of Leak Detection can be found on page 31 of our response.

### Additional Benefits

If

### Why Veregy?

Veregy brings our clients all the benefits of state-of-the-art technology without the overhead. Since 1986, we have implemented hundreds of successful projects across the



## Cover Letter

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nation, and we are familiar with the many challenges facing the operations and finance departments of organizations today.

Our deep expertise providing efficient energy and resource saving solutions for projects of various sizes has taught us that there is no “one- size-fits-all” solution. Within our unique investigative audit process, we evaluate various technology choices and how best to employ them. Because we believe in giving you control of your choices, you will find our recommendations have clear and transparent pricing and paybacks associated with projects.

As the Village of Orland Park seeks to assume significant financial obligations associated with results achieved by Veregy’s solutions, the Village can be confident in our financial strength and stability. Our performance has the financial backing required to make these commitments meaningful, as Veregy’s financial stability and reliability is unparalleled in the industry. Veregy’s guarantees and warranties are backed by the full financial strength of our 33-year-old company.

It is critical for the Village of Orland Park to have confidence, not only in the ability of its partner to provide the technical and consulting expertise to deliver on its promises over the contract period, but also to have the financial strength to back up its performance. Be assured that Veregy will remain a vital part of the Illinois marketplace for many years to come.

On behalf of the entire Veregy team, I want to thank you for the opportunity to present our team as an ideal collaborator for this project. We salute your leadership, which is needed today more than ever before and would be honored to become a trusted partner for the Village of Orland Park in the months and years to come.

Thank you for your consideration,

Danielle Melone

(630) 200-5204

[dmelone@veregy.com](mailto:dmelone@veregy.com)



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# A. Required Proposal Submission Documents

## Required Proposal Submission Documents

**PROPOSAL SUMMARY SHEET**  
**RFP 22-016**  
Meter Replacement Program Evaluation

Business Name: Veregy

Street Address: 635 Butterfield Rd. #315

City, State, Zip: Oakbrook Terrace, IL 60181 63005

Contact Name: Danielle Melone

Title: Account Executive

Phone: 630-200-5204 Fax: \_\_\_\_\_

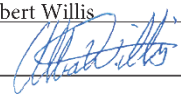
E-Mail address: dmelone@veregy.com

**Price Proposal**

<b>PROPOSAL TOTAL</b>	\$ <u>See Attached</u>
<b>ALTERNATE PROPOSALS CONSIDERED. CLEARLY DESCRIBE PROPOSED ALTERNATIVE FUNDING / FINANCING PLAN</b>	<u>See Attached</u>

**AUTHORIZATION & SIGNATURE**

Name of Authorized Signee: Albert Willis

Signature of Authorized Signee: 

Title: Vice President Midwest Date: March 4, 2022



# A. Required Proposal Submission Documents



## ORLAND PARK CERTIFICATE OF COMPLIANCE

The undersigned Albert Willis, as Vice President Midwest  
*(Enter Name of Person Making Certification)* *(Enter Title of Person Making Certification)*  
and on behalf of Veregy, certifies that:  
*(Enter Name of Business Organization)*

**1) BUSINESS ORGANIZATION:**

The Proposer is authorized to do business in Illinois: Yes [X] No [ ]

Federal Employer I.D.#: 43-1923675  
*(or Social Security # if a sole proprietor or individual)*

The form of business organization of the Proposer is (*check one*):

- Sole Proprietor
- Independent Contractor (*Individual*)
- Partnership
- LLC
- Corporation \_\_\_\_\_  
*(State of Incorporation)* *(Date of Incorporation)*

**2) ELIGIBILITY TO ENTER INTO PUBLIC CONTRACTS: Yes [X] No [ ]**

The Proposer is eligible to enter into public contracts, and is not barred from contracting with any unit of state or local government as a result of a violation of either Section 33E-3, or 33E-4 of the Illinois Criminal Code, or of any similar offense of "Bid-rigging" or "Bid-rotating" of any state or of the United States.

**3) SEXUAL HARASSMENT POLICY: Yes [X] No [ ]**

Please be advised that Public Act 87-1257, effective July 1, 1993, 775 ILCS 5/2-105 (A) has been amended to provide that every party to a public contract must have a written sexual harassment policy in place in full compliance with 775 ILCS 5/2-105 (A) (4) and includes, at a minimum, the following information: (I) the illegality of sexual harassment; (II) the definition of sexual harassment under State law; (III) a description of sexual harassment, utilizing examples; (IV) the vendor's internal complaint process including penalties; (V) the legal recourse, investigative and complaint process available through the Department of Human Rights (the "Department") and the Human Rights Commission (the "Commission"); (VI) directions on how to contact the Department and Commission; and (VII) protection against retaliation as provided by Section 6-101 of the Act. (Illinois Human Rights Act). (emphasis added). Pursuant to 775 ILCS 5/1-103 (M) (2002), a "public contract" includes "...every contract to which the State, any of its political subdivisions or any municipal corporation is a party."



## A. Required Proposal Submission Documents

4) **EQUAL EMPLOYMENT OPPORTUNITY COMPLIANCE:** Yes [] No [  ]

During the performance of this Project, Proposer agrees to comply with the "Illinois Human Rights Act", 775 ILCS Title 5 and the Rules and Regulations of the Illinois Department of Human Rights published at 44 Illinois Administrative Code Section 750, et seq. The

Proposer shall: (I) not discriminate against any employee or applicant for employment because of race, color, religion, sex, marital status, national origin or ancestry, age, or physical or mental handicap unrelated to ability, or an unfavorable discharge from military service; (II) examine all job classifications to determine if minority persons or women are underutilized and will take appropriate affirmative action to rectify any such underutilization; (III) ensure all solicitations or advertisements for employees placed by it or on its behalf, it will state that all applicants will be afforded equal opportunity without discrimination because of race, color, religion, sex, marital status, national origin or ancestry, age, or physical or mental handicap unrelated to ability, or an unfavorable discharge from military service; (IV) send to each labor organization or representative of workers with which it has or is bound by a collective bargaining or other agreement or understanding, a notice advising such labor organization or representative of the Vendor's obligations under the Illinois Human Rights Act and Department's Rules and Regulations for Public Contract; (V) submit reports as required by the Department's Rules and Regulations for Public Contracts, furnish all relevant information as may from time to time be requested by the Department or the contracting agency, and in all respects comply with the Illinois Human Rights Act and Department's Rules and Regulations for Public Contracts; (VI) permit access to all relevant books, records, accounts and work sites by personnel of the contracting agency and Department for purposes of investigation to ascertain compliance with the Illinois Human Rights Act and Department's Rules and Regulations for Public Contracts; and (VII) include verbatim or by reference the provisions of this Equal Employment Opportunity Clause in every subcontract it awards under which any portion of this Agreement obligations are undertaken or assumed, so that such provisions will be binding upon such subcontractor. In the same manner as the other provisions of this Agreement, the Proposer will be liable for compliance with applicable provisions of this clause by such subcontractors; and further it will promptly notify the contracting agency and the Department in the event any subcontractor fails or refuses to comply therewith. In addition, the Proposer will not utilize any subcontractor declared by the Illinois Human Rights Department to be ineligible for contracts or subcontracts with the State of Illinois or any of its political subdivisions or municipal corporations. Subcontract" means any agreement, arrangement or understanding, written or otherwise, between the Proposer and any person under which any portion of the Proposer's obligations under one or more public contracts is performed, undertaken or assumed; the term "subcontract", however, shall not include any agreement, arrangement or understanding in which the parties stand in the relationship of an employer and an employee, or between a Proposer or other organization and its customers. In the event of the Proposer's noncompliance with any provision of this Equal Employment Opportunity Clause, the Illinois Human Right Act, or the Rules and Regulations for Public Contracts of the Department of Human Rights the Proposer may be declared non-responsible and therefore ineligible for future contracts or subcontracts with the State of Illinois or any of its political subdivisions or municipal corporations, and this agreement may be canceled or avoided in whole or in part, and such other sanctions or penalties may be imposed or remedies involved as provided by statute or regulation.



## A. Required Proposal Submission Documents

5) **TAX CERTIFICATION:**      Yes [x]   No [ ]

Contractor is current in the payment of any tax administered by the Illinois Department of Revenue, or if it is: (a) it is contesting its liability for the tax or the amount of tax in accordance with procedures established by the appropriate Revenue Act; or (b) it has entered into an agreement with the Department of Revenue for payment of all taxes due and is currently in compliance with that agreement.

6) **AUTHORIZATION & SIGNATURE:**

I certify that I am authorized to execute this Certificate of Compliance on behalf of the Contractor set forth on the Proposal, that I have personal knowledge of all the information set forth herein and that all statements, representations, that the Proposal is genuine and not collusive, and information provided in or with this Certificate are true and accurate. The undersigned, having become familiar with the Project specified, proposes to provide and furnish all of the labor, materials, necessary tools, expendable equipment and all utility and transportation services necessary to perform and complete in a workmanlike manner all of the work required for the Project.

**ACKNOWLEDGED AND AGREED TO:**

  
\_\_\_\_\_  
Signature of Authorized Officer

Albert Willis  
\_\_\_\_\_  
Name of Authorized Officer

Vice President Midwest  
\_\_\_\_\_  
Title

March 4, 2022  
\_\_\_\_\_  
Date



# A. Required Proposal Submission Documents

## REFERENCES

Provide three (3) references for which your organization has performed similar work.

**Bidder's Name:** Veregy  
*(Enter Name of Business Organization)*

1. ORGANIZATION Village of Oak Lawn  
 ADDRESS 9446 Raymond Ave. / Oak Lawn, IL 60453  
 PHONE NUMBER 708-473-2844  
 CONTACT PERSON Charlene Lane  
 YEAR OF PROJECT Completed 2019-2020
  
2. ORGANIZATION City of Elmhurst  
 ADDRESS 209 N York St. / Elmhurst, IL 60126  
 PHONE NUMBER 331-645-6695  
 CONTACT PERSON Chris Johnson  
 YEAR OF PROJECT Completed 2018-2019
  
3. ORGANIZATION Village of Buffalo Grove  
 ADDRESS 50 Raupp Blvd. / Buffalo Grove, IL 60089  
 PHONE NUMBER 847-459-2500  
 CONTACT PERSON Dane Bragg  
 YEAR OF PROJECT Completed 2014-2015



# A. Required Proposal Submission Documents



## ORLAND PARK

### INSURANCE REQUIREMENTS

*Please provide a policy Specimen Certificate of Insurance showing current coverage's along with this form.*

**WORKERS' COMPENSATION & EMPLOYER LIABILITY**

Full Statutory Limits - Employers Liability

\$500,000 – Each Accident \$500,000 – Each Employee

\$500,000 – Policy Limit

Waiver of Subrogation in favor of the Village of Orland Park

**AUTOMOBILE LIABILITY (ISO Form CA 0001)**

\$1,000,000 – Combined Single Limit Per Occurrence

Bodily Injury & Property Damage

**GENERAL LIABILITY (Occurrence basis) (ISO Form CG 0001)**

\$1,000,000 – Combined Single Limit Per Occurrence

Bodily Injury & Property Damage

\$2,000,000 – General Aggregate Limit

\$1,000,000 – Personal & Advertising Injury

\$2,000,000 – Products/Completed Operations Aggregate

**Additional Insured Endorsements:**

ISO CG 20 10 or CG 20 26 and CG 20 01 Primary & Non-Contributory

Waiver of Subrogation in favor of the Village of Orland Park

CG 20 37 Additional Insured – Completed Operations *(provide if box is checked)*

*Please provide the following coverage, if box is checked.*



**PROFESSIONAL LIABILITY**

\$1,000,000 Limit - Claims Made Form, Indicate Retroactive Date

Deductible not-to-exceed \$50,000 without prior written approval



**UMBRELLA LIABILITY (Follow Form Policy)**

\$2,000,000 – Each Occurrence \$2,000,000 – Aggregate

**EXCESS MUST COVER:** General Liability, Automobile Liability, Employers' Liability



**UMBRELLA/EXCESS PROFESSIONAL LIABILITY**

\$1,000,000 Limit – Claims Made Form, Indicate Retroactive Date

Deductible not-to-exceed \$50,000 without prior written approval



**BUILDERS RISK**

Completed Property Full Replacement Cost Limits -

Structures under construction



**ENVIRONMENTAL IMPAIRMENT/POLLUTION LIABILITY**

\$1,000,000 Limit for bodily injury, property damage and remediation costs resulting from a pollution incident at, on or mitigating beyond the job site



**CYBER LIABILITY**

\$1,000,000 Limit per Data Breach for liability, and notification, response and credit monitoring service costs

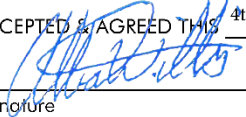


# A. Required Proposal Submission Documents

Any insurance policies providing the coverages required of the Consultant, excluding Professional Liability, shall be specifically endorsed to identify "The Village of Orland Park, and their respective officers, trustees, directors, officials, employees, volunteers and agents as Additional Insureds on a primary/non-contributory basis with respect to all claims arising out of operations by or on behalf of the named insured." The required Additional Insured coverage shall be provided on the Insurance Service Office (ISO) CG 20 10 or CG 20 26 endorsements or an endorsement at least as broad as the above noted endorsements as determined by the Village of Orland Park. Any Village of Orland Park insurance coverage shall be deemed to be on an excess or contingent basis as confirmed by the required (ISO) CG 20 01 Additional Insured Primary & Non-Contributory Endorsement. The policies shall also contain a Waiver of Subrogation in favor of the Additional Insureds in regard to General Liability and Workers' Compensation coverage. The certificate of insurance shall also state this information on its face. Any insurance company providing coverage must hold an A-, VII rating according to Best's Key Rating Guide. Each insurance policy required shall have the Village of Orland Park expressly endorsed onto the policy as a Cancellation Notice Recipient. Should any of the policies be cancelled before the expiration date thereof, notice will be delivered in accordance with the policy provisions. Permitting the contractor, or any subcontractor, to proceed with any work prior to our receipt of the foregoing certificate and endorsements shall not be a waiver of the contractor's obligation to provide all the above insurance.

Consultant agrees that prior to any commencement of work to furnish evidence of Insurance coverage providing for at minimum the coverages, endorsements and limits described above directly to the Village of Orland Park, Nicole Merced, Finance Management Analyst, 14700 S. Ravinia Avenue, Orland Park, IL 60462. Failure to provide this evidence in the time frame specified and prior to beginning of work may result in the termination of the Village's relationship with the contractor.

ACCEPTED & AGREED THIS 4<sup>th</sup> DAY OF March, 2022

  
\_\_\_\_\_  
Signature

Authorized to execute agreements for:

Albert Willis  
\_\_\_\_\_  
Printed Name & Title

Veregy  
\_\_\_\_\_  
Name of Company



# A. Required Proposal Submission Documents



## CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)  
9/11/2020

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

**IMPORTANT:** If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

<b>PRODUCER</b> J.W. Terrill, a Marsh & McLennan Agency LLC compan 825 Maryville Centre Drive Suite 200 Chesterfield MO 63017		<b>CONTACT NAME:</b> Tamara Torbit, CIC, CISR <b>PHONE (A/C, No. Ext):</b> 314-594-2618 <b>FAX (A/C, No):</b> 888-307-1561 <b>E-MAIL ADDRESS:</b> ttorbit@jwterrill.com	
<b>INSURED</b> Control Technology & Solutions, LLC 16647 Chesterfield Grove Road Suite 200 Chesterfield MO 63005		<b>INSURER(S) AFFORDING COVERAGE</b> <b>NAIC #</b> INSURER A : Amerisure Insurance Company      19488 INSURER B : Amerisure Mutual Insurance Company      23396 INSURER C : Travelers Casualty and Surety Company      19038 INSURER D : Tokio Marine Specialty Insurance Co.      23850 INSURER E : INSURER F :	

**COVERAGES**      **CERTIFICATE NUMBER:** 1358577769      **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDITIONAL INSURED	SUBROGATION WAIVED	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR  GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input checked="" type="checkbox"/> PROJECT <input type="checkbox"/> LOC OTHER:			CPP20786731101	9/10/2020	9/10/2021	EACH OCCURRENCE	\$ 1,000,000
							DAMAGE TO RENTED PREMISES (Ea occurrence)	\$ 100,000
							MED EXP (Any one person)	\$ 5,000
							PERSONAL & ADV INJURY	\$ 1,000,000
							GENERAL AGGREGATE	\$ 2,000,000
							PRODUCTS - COMP/OP AGG	\$ 2,000,000
								\$
A	<input checked="" type="checkbox"/> AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS			CA20984530501	9/10/2020	9/10/2021	COMBINED SINGLE LIMIT (Ea accident)	\$ 1,000,000
							BODILY INJURY (Per person)	\$
							BODILY INJURY (Per accident)	\$
							PROPERTY DAMAGE (Per accident)	\$
								\$
B	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> DED <input checked="" type="checkbox"/> RETENTION \$ 0			CU20786740902	9/10/2020	9/10/2021	EACH OCCURRENCE	\$ 5,000,000
							AGGREGATE	\$ 5,000,000
								\$
A	<b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b> ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N	N/A	WC20826650001	9/10/2020	9/10/2021	<input checked="" type="checkbox"/> PER STATUTE	OTH-ER
WC21098450202				9/10/2020	9/10/2021			
						E.L. EACH ACCIDENT	\$ 1,000,000	
						E.L. DISEASE - EA EMPLOYEE	\$ 1,000,000	
C	Excess Liability Prof & Poll Liability			ZUP61N0096420NF	9/10/2020	9/10/2021	Aggregate Limit	\$20,000,000
D				PPK2152796	6/30/2020	6/30/2021		\$10,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)  
 Leased & Rented Equipment - \$250,000  
 Installation Floater - \$2,500,000  
 Pollution/Professional Liability - Tokio Marine Specialty Insurance Company  
 Limit: \$10,000,000 per incident with \$20,000,000 Total Policy Aggregate Limit  
  
 Cyber Liability  
 Beazley Insurance  
 W2B5D190301  
 See Attached...

CERTIFICATE HOLDER  For Information Only	CANCELLATION  SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.
	AUTHORIZED REPRESENTATIVE 

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ACORD 25 (2014/01)

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# A. Required Proposal Submission Documents

AGENCY CUSTOMER ID: CONTTEC-01

LOC #: \_\_\_\_\_



## ADDITIONAL REMARKS SCHEDULE

Page 1 of 1

AGENCY J.W. Terrill, a Marsh & McLennan Agency LLC compan		NAMED INSURED Control Technology & Solutions, LLC 16647 Chesterfield Grove Road Suite 200 Chesterfield MO 63005	
POLICY NUMBER		EFFECTIVE DATE:	
CARRIER	NAIC CODE		

**ADDITIONAL REMARKS**

THIS ADDITIONAL REMARKS FORM IS A SCHEDULE TO ACORD FORM,  
FORM NUMBER: 25 FORM TITLE: CERTIFICATE OF LIABILITY INSURANCE

Limit – \$2,000,000

Builders Risk  
Atlantic Specialty Insurance Company  
7900261400002  
Effective: 9/10/20 to 9/10/21  
Limit - \$8,000,000 for all but Frame  
Frame limit – \$2,500,000

Professional Liability Coverage is provided by Starr Surplus Lines Insurance Co., Policy #TBD \$4,000,000 Limit



## A. Required Proposal Submission Documents

### 1. Project Team

In preparing to respond to the Village’s Request for Proposals, Veregy has identified and dedicated a team of employees who are prepared and excited to provide first class services to the Village.

Name	Area of Support	Potential Role	Level of Expertise	Base Location	Similar Projects
Danielle Melone	Contract /Sales	Account Executive and Program Manager	20+ years	Oak Brook Terrace, IL	Buffalo Grove Elk Grove Village Elmhurst Glenview Hanover Park Hoffman Estates Lake Zurich Oak Lawn Palatine River Forest
Jonathan Woods	Operations	Director of National Operations	20+ years	Oak Brook Terrace, IL	Buffalo Grove Elk Grove Village Elmhurst Glenview Hanover Park Hoffman Estates Lake Zurich Oak Lawn Palatine River Forest
Sumit Ray	Engineering	Regional Engineering Manager	20+ years	Oak Brook Terrace, IL	Town of Normal Wood Dale Oakland University Ohio School District
Wesley Walker	Management	Chief Executive Office	20+ years	Oak Brook Terrace, IL	Buffalo Grove Elk Grove Village Elmhurst Glenview Hanover Park Hoffman Estates Lake Zurich Oak Lawn Palatine River Forest

Veregy is an award-winning, privately held design build energy service company creating pathways to eco-friendly and system optimizations with guaranteed energy savings. We specialize in facility improvements, modernization of existing building systems and sustainable energy design, including geothermal, solar and battery storage solutions. In addition to our traditional facility efficiency improvements, Veregy offers a variety of specialty services which include:



## A. Required Proposal Submission Documents

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- Distributed and renewable energy
- Solar PV systems and battery storage
- Vehicle electrification
- Geothermal systems
- Water meter and water conservation improvements
- Water and wastewater system Improvements
- Measurement and verification energy tracking
- Smart building and system integrations
- Utility use optimization
- Facility and resource management

Veregy brings these unique services directly to our customers as part of our capabilities to meet the specific needs of our clients.

We specialize in the retrofit and renovation of public facilities and systems. Our specialty is in providing turn-key retrofit and renovation type projects and new construction for existing public buildings. We are an approved provider of these services under the Veregy name through the U.S. Department of Energy's Federal Energy Management Program (FEMP), an Energy Star Partner with the US Department of Energy, and an accredited member of the National Association of Energy Service Companies (NAESCO) in good standing.

Veregy is not accountable to shareholders - we are accountable to our customers, and our reputation is our greatest asset. We do what we say we are going to do, and we go above-and-beyond for our customers. Ultimately, we want our customers to feel part of the Veregy family and develop long-term relationships with all of them.



## B. Investment Grade Audit

### Investment Grade Audit Process

As part of the Investment Grade Audit (IGA) Veregy proposes fully developing the desired project for the Village of Orland Park.

The Investment Grade Audit (IGA) produces a detailed and accurate scope, turnkey project approach and timeline, a business case to justify the selected technology, and project as a whole. Veregy's collaborative approach means you will understand and contribute to the various components of the business case. The Village will understand the calculations that determine the cost and revenues associated with the project and will drive the decision making in terms of the products they wish to use as Veregy is vendor agnostic. It is Veregy's experience that the cost that water meter vendors provide to municipalities versus a company like ours is much higher; therefore, the benefits Veregy provides to the Village through this process are a lower project cost, accurate and best fit project scope, full system approach and a precise project schedule to expect that will be over the course of one year from development through project completion.

We understand the Village completed meter accuracy testing in 2018 and 2019 and can use the results from that testing to build a financial model which is explained in the cash flow section of this response. But if preferred, we can offer our IGA which includes third party testing a statistical sample size of meters to obtain an updated accuracy percentage of existing meters which would allow Veregy to provide a more accurate financial model of the potential revenue gains the Village will realize by changing out all its existing meters.

The AWWA standard for water meter sampling is based on a statistical confidence interval of 90% and a 10% precision level. Based on this criterion,

The financial obligation to the Village would occur if Veregy completes the IGA and meet the financial metrics (a guaranteed financial proforma that creates a revenue stream for the Village) defined between Veregy and Orland Park and the Village decides not to proceed forward with a contract with Veregy, Veregy would be eligible to be compensated for our engineering and consulting efforts.

Our calculated development fee for the IGA for Orland Park is \$30,000.

Below are some of the deliverables to expect from the Investment Grade Audit.

- **Calculation of Increase Meter Accuracy and Expected Revenue Increases:** This section will explain in detail how we arrive at the expected revenue increases for the project.
- **Defining an Accurate Scope:** This allows us to provide Orland Park with one of your requirements which is "firm, fixed, turnkey pricing; and no change orders"
- **Creating a Business Case for AMI and Meter Replacement:** Veregy's business case will provide you with a cost/benefits that will justify installation of the project.
- **Water Meter Accuracy Guarantee:** An explanation of how the guarantee is applied in future years of the project.



## B. Investment Grade Audit

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- Final Negotiated Procurement Pricing: Veregy will use its purchasing power to come to the best negotiated pricing, guarantees, and warranties for meter and technology purchases.

### Calculation of Expected Revenue Gains

The steps to determine expected revenue increases due to improved meter accuracy are as follows.

[Redacted content]



## B. Investment Grade Audit

[Redacted text block]

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[Redacted text block]

[Redacted text block]

[Redacted text block]

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## B. Investment Grade Audit

[Redacted]

[Redacted]

[Redacted]

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[Redacted]

[Redacted]

[Redacted]

The engineering team understands that this data is confidential and can provide IT security to meet the Village's needs and requirements.



## B. Investment Grade Audit

[Redacted]

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[Redacted]

[Redacted]

[Redacted]

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- [Redacted]
- [Redacted]
- [Redacted]
- [Redacted]
- [Redacted]
- [Redacted]
- [Redacted]
- [Redacted]

This Analysis will allow us to identify all the high consumption (>1,000,000 Gal) in the system.





## B. Investment Grade Audit

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

Described in your RFP solicitation Work Effort 1. Water Meters and AMI Evaluation and Work Effort 2. Water Meters And AMI Procurement is what we call our Technology Symposium process during the IGA. Manufacturers can vary greatly on specifics such as warranties, accuracy guaranties and infrastructure requirements. Veregy will work with the Village to develop a list of possible meter and AMI technology companies and have those vendors present the features and benefits of their products. Veregy will help the Village create scoring sheets to narrow down the selection. This ensures that the Village has a detailed understanding of the features and benefits of each technology before selecting a specific product for installation. This assists the Village in determining whom they may wish to work with and bid out costs associated with their products.

Veregy will act as advisor through this process and help gather and analyze information which will allow the Village to make the final selection of the technology based on a fair evaluation process. Veregy does not have a preferred vendor, and thus can provide a vendor-neutral perspective on different aspects of each product.

[REDACTED]

The Village can simply select a preferred technology, or make the selection based solely on the technical capabilities of the project. Alternatively, the Village may ask one or two (or more) vendors to provide pricing and add that consideration on to the scoring process. Veregy will act as advisor through this process and help gather and analyze information which will allow the Village to make the final selection of the technology based on a fair evaluation process.



## B. Investment Grade Audit

We assemble questionnaires for the vendors to ensure we discover all relevant parameters are met. These questions will address software, hardware, and general requirements. A sample of this is captured on the next page:

### Making Selections

[Redacted text block]

- [Redacted list item]
- [Redacted list item]
- [Redacted list item]

[Redacted text block]

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- [Redacted list item]
- [Redacted list item]
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- [Redacted list item]
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## B. Investment Grade Audit

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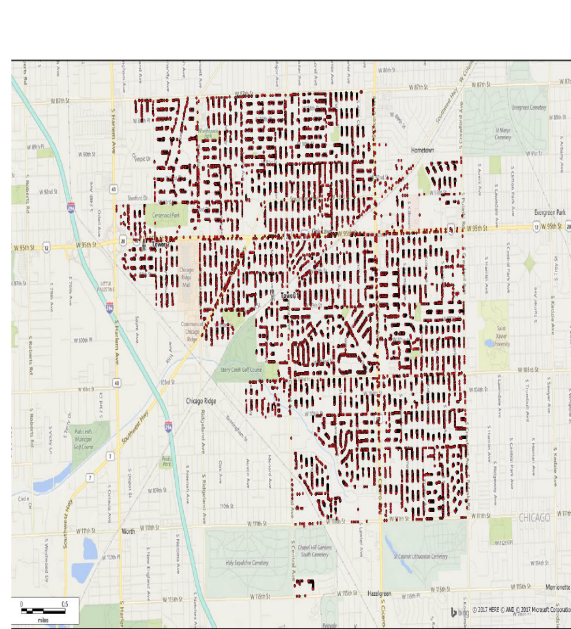


## B. Investment Grade Audit

[Redacted]

[Redacted]

[Redacted]



FlexNet Design  
Propagation Analysis  
5257-OAK LAWN  
VILLAGE OF - AM  
Oak Lawn, IL  
RF Engineer: Nisha Tivari  
Date: 01/27/2017  
Version: 2

Sites:  
Tower 1  
Tower 2

**LEGEND:**

- Base Station
- Meter



This propagation study is based on actual information provided by the utility pertaining to meter type, Smart point Location, potential antenna height on structure, structure height, and structure location. Any changes, deletions and/or additions that are not provided to the design engineers during the creation of this design may result in a study that does not correlate to actual field conditions.

For all tower mounted antennas, a minimum antenna standoff of 3' is required from the tower.

[Redacted]

[Redacted]

[Redacted]

[Redacted]



## B. Investment Grade Audit

[Redacted]

[Redacted]

[Redacted]

[Redacted] to find [Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]



## B. Investment Grade Audit

[REDACTED]

[REDACTED]

Construction Memo #1 from City of Elmhurst	
To:	Danielle Melone
From:	Erin Perry
CC:	Wes Walker
Date:	02/12/18
Re:	855 N Church Ct
<p>Comments: When the City was working on providing historical data to WaterSmart, they realized that there was a 4-inch meter that was never billed to the customer. The City had been collecting reads for 20 years for this meter with the Neptune AMR system, but the account was never placed into billing mode. It was calculated that over 20 years, the lost revenue to the City totaled \$1,500,000.00.</p>	

Construction Memo #2 from City of Elmhurst	
To:	Danielle Melone
From:	Erin Perry
CC:	Wes Walker
Date:	04/23/18
Re:	1050 S Euclid Ave
<p>Comments: We had an appointment to change a 2-inch compound meter out, but when we arrived, it was a 4-inch meter. Due to the different multiplier applied to a 2-inch meter versus a 4-inch meter's consumption, and due to the higher base charge for a 4-inch meter, the City calculated that over 12 years the City lost \$325,000 in revenue billing it as a 2-inch meter and not a 4-inch meter.</p>	

### Reducing Real Losses - Leak Detection

If the Village is interested in reducing leaks on its system, it will be important to increase the collection of data on the flows and pressures on the water distribution system. Data will be a critical component for effective and economical leak detection and repair. Veregy has teamed with several companies who can deliver a vast array of services ranging from a "snapshot in time" leak



## B. Investment Grade Audit

detection survey, to district metering and ongoing leak detection equipment. These services can augment the data collected from the AML system and provide pertinent information that will help the Village:



We understand that the equipment you need to monitor a 16" main will be different from a residential service line. Perhaps district metering would be helpful to the Village to determine which sections of the Village need more monitoring. Maybe your engineering department could use real time information and numbers to justify a capital plan for repair and replacement of certain sections of pipe, valves, or pumps. Depending on your needs and objectives, the type of pipe materials in the system, the miles of pipe, and the leak history; we can put together a plan, integrating technologies like acoustic leak detectors, advanced flow meters, pressure sensors and other technologies to provide an ongoing monitoring system that will provide you with enough data to manage your distribution system effectively.

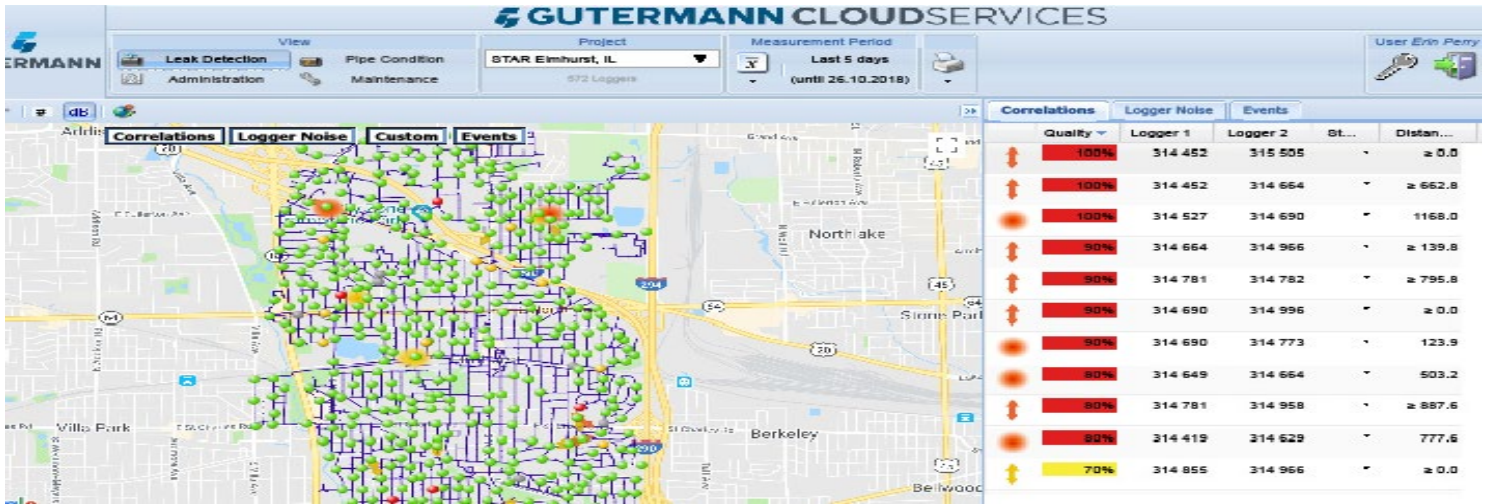
In the Village of Elmhurst and the Village of Oak Lawn, we teamed with Zonescan and installed 600-800 Gutermann acoustical loggers on hydrants throughout the Village and Village. These loggers send audio recordings via the Aclara Star Network to Zonescan.net nightly and leaks are remotely correlated. Elmhurst and Oak Lawn will be able to monitor the loggers daily to identify small leaks on the distribution system before they become expensive main breaks. Below is a picture of the dashboard provided by Zonescan and the information conveyed to the public works department in Elmhurst. We know the Village of Orland Park is interested in exploring options for leak detection on their distribution system. Through the investment grade audit, Veregy will recommend the best fit solutions to accomplish what the Village wants to see installed at the completion of the project. We have relationships with the various vendors and will coordinate symposiums to ensure the right solution is specified at the best value to the Village.





## B. Investment Grade Audit

### Screenshot of Leak Detection Dashboard



As you can see the loggers are color coded to help easily identify areas where possible leaks exist. The Village staff is able to drill down on each location to see more detail on any of the loggers. This allows them to reduce the number of leaks on the system which results in reduced non-revenue water and prioritized work orders for pipe replacement and maintenance.





## B. Investment Grade Audit

### Village of Oak Lawn Leak Detection System

Below is a press release for the Village of Oak Lawn reviewing the leak detection system we helped develop and implement for them. The system has already paid itself off with the uncovered leaks staff identified through using this system.

#### **Village of Oak Lawn Implements Aclara RF AMI Communications Network and Leak Detection Technology to Future-proof Its Water Distribution System**

*Solution Provides Leading-edge Capabilities to Help Optimize Operations and Reduce Non-Revenue Water*

**ST. LOUIS, November x, 2020** – [Aclara](#), a division of Hubbell Utility Solutions and leading supplier of smart infrastructure solutions (SIS) to electric, gas and water utilities around the world, announces that the Village of Oak Lawn, Ill., a suburb of Chicago, is completing the implementation of its [Aclara RF™ advanced metering infrastructure](#) (AMI) communications network and a landmark [acoustic leak detection](#) system.

The new point-to-multipoint AMI network, which will support 17,000 meters, replaces Oak Lawn’s legacy AMR walk-by meter reading system. Among its many benefits, the RF network will enable the city to optimize the performance of its water distribution network and achieve its goal of improving the frequency and accuracy of meter reading and billing.

“This is a milestone project for Oak Lawn. The implementation of Aclara’s AMI network will help us streamline our operations and equip us with the tools improve and grow our infrastructure and deliver water more efficiently,” said Jeff Sebek, Director of Public Works, Oak Lawn.

In addition to improving billing, Oak Lawn is taking steps to reduce non-revenue water loss by leveraging the fixed AMI network with Aclara’s leak-detection solution to locate underground leaks in its distribution system. When completed, this solution will be the largest such deployment in the Western Hemisphere, employing 825 acoustic correlating loggers to discover leaks that are not obvious but that contribute to non-revenue water loss.

“Non-revenue water, which is water loss through distribution network leakage, is of paramount importance for Oak Lawn to reduce. We expect that the Aclara solution will be a game changer for the Village of Oak Lawn to bring both our apparent and real water losses number down,” Sebek noted.

Data collected by the RF AMI network will be managed and analyzed via the AclaraONE® software platform, allowing the city to identify usage patterns and alert customers to anomalies. These capabilities help facilitate consumption reporting for customers. Through the AclaraONE platform, Oak Lawn will receive daily reports covering not only the amount of water used but also the amount sold to the towns that rely on the city for their water supply. Home to approximately 57,000 residents, the city purchases water from the city of Chicago and resells it to 12 towns in the surrounding area.

Oak Lawn joins a growing number of municipalities that have embraced the Aclara RF [point-to-multipoint network technology](#) to future-proof their networks. In recent months, Aclara has announced the deployment of its Aclara RF AMI communications networks by such water utilities as [Austin Water](#), which services over 1 million people across more than 548 square miles in the Austin, Texas metropolitan area; the [City of Dothan](#), Alabama; and the [City of Elmhurst](#), Illinois.



## B. Investment Grade Audit

Below are pictures documenting actual leaks the Oak Lawn staff identified through the leak detection system we implemented. This one leak alone captured \$99,800 in annual costs saved.

### INTUITIVE REPORTING



6" Vertical Split: 1/16" x 180 °

136,800 Gallons/Day = 49.9 Million Gallons Annual Loss

**\$99,800 Annual Cost SAVED!**

\*Assuming 50 PSI; \$2.00 per 1,000 Gallons



### INTUITIVE REPORTING



3" Corrosion Hole in 8" CIP

Dispatch called the leak out after road was undermined

Crews went back to ZS.net and found the leak began on 11/27/21 – Saturday after Thanksgiving when they were off





## B. Investment Grade Audit

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Veregy is looking forward to working with the Village to deliver an effective system to reduce non-revenue water on the system. Once we discuss what the objectives and needs are, Veregy can put together a cost benefit analysis to determine the best services to meet the objectives and needs and reduce the non-revenue water number.



## C. Business Case

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### Business Case

#### 1. Overview

Using the information from the Technology Symposium Veregy will develop a financial analysis for the options under consideration. We recognize that Orland Park has several meters that are not at the end of their life and that they also have several MIUs that may not need to be changed (depending on the final selection of the AMI technology). We will consider the install date, volume of water through the meter, and the MIU version as we put together the final scope. We will work with the Village to ensure that our scope is financially conservative and considers investments the Village has already made. This very practice is what separates us from our competitors. Veregy will make sure to develop the most cost-effective project while achieving all Village defined project goals.

An AMI project will typically provide some savings on your operational costs. Veregy will work with Village Staff to discuss the current costs of operations. Together, the team will decide which savings, if any, to include in this category. Some of the typical areas where we see savings are the following:

- **Elimination of Rereads** - With hourly reads, there is no need to roll a truck for every reread request
- **Vehicle Expenses** - You may be able to reduce the number of vehicles needed or used by the department
- **FTE Expenses** - Depending on current staffing levels, you may be able to shift people to other positions or reduce staff. If you are using a third party to read your meters, the cost for that contract could be eliminated once the project is complete.

We have found that each customer handles this area differently. Veregy uses a collaborative approach to determining operational savings so that the Village is very comfortable with the stated savings.

These financial models will include fixed costs, revenue projections, operational savings, ongoing annual costs (hosting, maintenance and Measurement and Verification) to provide a comprehensive analysis to allow the Village to be 100% confident that the final project selection is the right fit for Orland Park.

Once we have completed all of these steps, Veregy will then complete a final financial analysis of the project. Veregy will provide a turnkey cost for the installation of the meters and the AMI infrastructure. All State of Illinois requirements for a project of this type will be included in our cost. The installation costs will cover all aspects of providing a complete and functioning system to the Village, as well as a guarantee on the accuracy of the smaller meters.

#### Sample Cash Flow

For informational purposes we developed a sample cash flow model to show what you can expect to receive through our investment grade audit process. Below are the following variables that are



## C. Business Case

used to model the cash flow. All the variables can be adjusted, and other models can be provided upon request. On the completion of the investment grade audit, we will model the cash flow with the actual accuracy that will be determined using the current testing information or if desired, through third-party testing and will incorporate the detailed consumption data, rate analysis and material costs associated with the project.

The total program costs are for a turnkey project and include all labor, materials, project management and any ongoing hosting and maintenance fees associated with an AMI system. Veregy is vendor neutral and has relationships with all manufacturers and can model additional cash flows upon request. Our models assume having the Village purchase materials needed with Veregy coordinating and handling all material orders and deliveries.

### Sample Cash Flow Variables:

- Fixed Project Turnkey Cost
- Finance Period
- Interest Rate
- Existing Meter Accuracy
- Water Rate Escalation
- AWWA Standard Degradation Rate of Existing Meters
- Declining Water Usage Percentage





## C. Business Case

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In addition to creating the cashflow, we will also complete a cost benefit analysis of the different systems being considered to show a side-by-side comparison of the financial benefits of each system being investigated. Below is an example of a past cost benefit analysis we completed for a Village.



## C. Business Case

### Project Guarantee

If the Village decides to move forward with the performance contracting vehicle for a contract, the final section of the IGA details the project guarantee, and the Measure and Verification process to ensure guarantees are being met, or if not the method for calculating the shortfall owed to the Village.

Once the meters and the AMI infrastructure has been installed and accepted by the customer, our guarantee period begins. We will return to the Village on an annual basis to pull a sample of meters for accuracy testing. The same procedure will be followed for testing as was detailed above in the "Testing Meters" section above. This provides assurance that the meters are performing as planned and that the revenue gathered from those meters will be as accurate as possible.

Our testing procedures will be outlined in the Investment Grade Audit as well as the performance contract. The accuracy guarantee is defined in the contract, for the term of the contract. If the annual testing procedure reveals an average accuracy less than the accuracy guarantee in the contract, then the difference between the contract defined accuracy guarantee and the tested accuracy will be applied to the baseline consumption and water and sewer rates to determine the amount of the shortfall and the resulting payment.

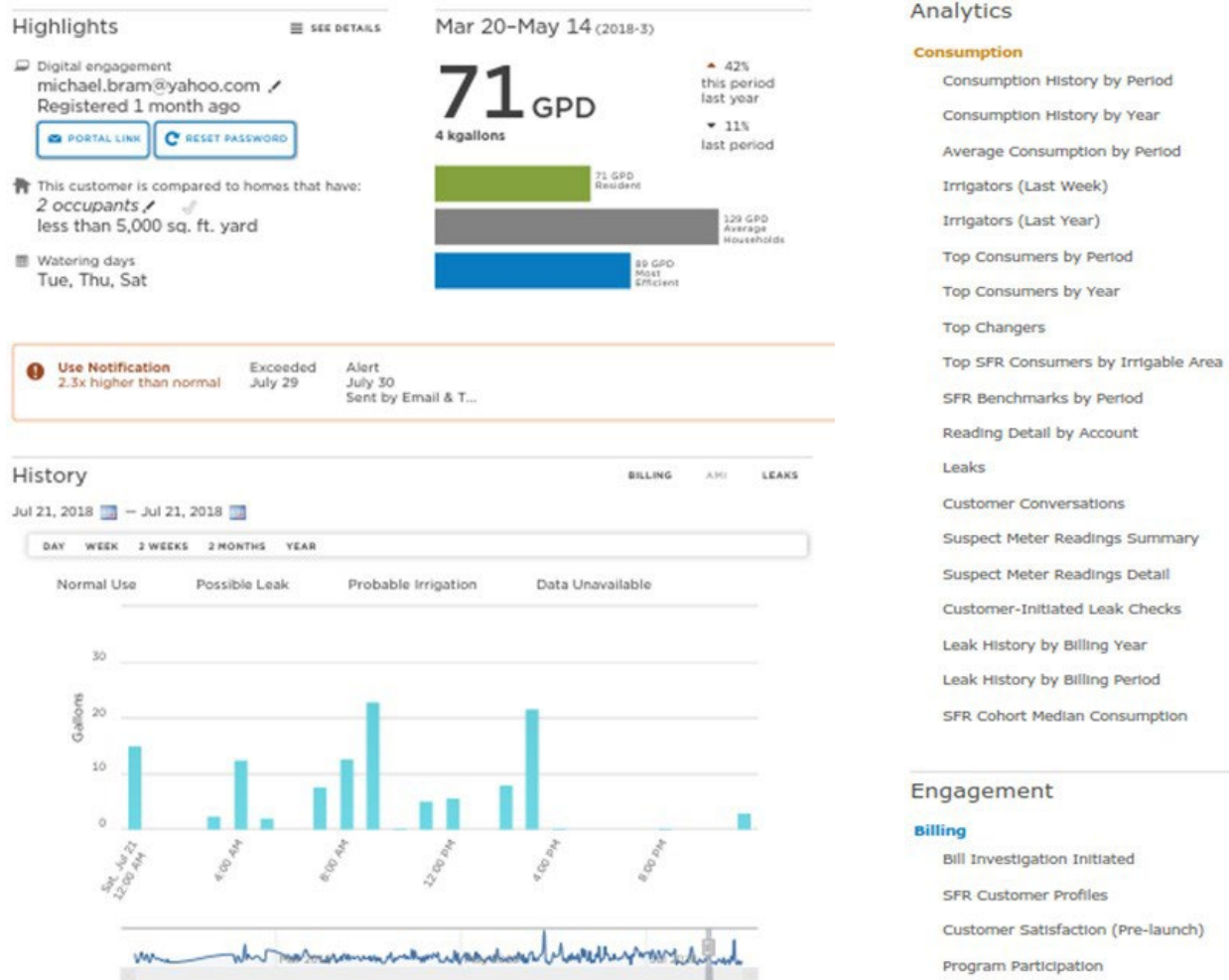
Using the information gained from our *Analytics tool* we will develop similar model based on replacing only the high consumption meters in the system.

### Customer Portal

While many AMI vendors offer proprietary customer portals for user access to their meter data, there are many independent customer portals available. These third-party vendors, such as WaterSmart, Aqua Hawk or FATHOM each have different offerings, benefits, and price points, and can usually be coupled to any meter manufacturer. These vendors can also be invited to present their offerings during the technology symposium. If a third-party customer portal is desired, it can be helpful to launch the portal in advance of the meter replacement project. This allows the portal to be used to communicate directly with customers about water meter replacement. The project also typically motivates users to explore the customer portal, boosting customer engagement, and making the customer the prime driver in managing their water use with things like leak detection. The customer portal also analyzes the entire water systems consumption trends, by self-defined and pre-defined groups and will provide the Village with a way to communicate with their customers in a tracked environment. If the Village is interested in adding a customer portal to their AMI system, Veregy has relationships and experience with all the major customer portal providers and can assist in the selection of a vendor and with the data integration to make the portal live.



## C. Business Case



### Ongoing Services

Through our work installing AMI systems with Cities around the country, we have come to understand that it is not enough to successfully install a system. Our team continues to work with the Village after installation to ensure the successful operation of the AMI system. This ensures that the Village gets the full benefit of all AMI features, in addition to improved meter accuracy. We revisit the project and the customer during the first year of operation and we create staffing plans, so that our customers fully understand the roles and responsibilities and the staffing requirements to successfully operate the AMI system.

#### a) First Year Check Ups

In addition to the annual visit for the Measurement and Verification purposes, Veregy will make quarterly visits to the utility for the first year after final completion of the installation. Our experience with projects around the country, led us to develop this specific service that only Veregy offers to its customers. This provides the following benefits to the Village:





## C. Business Case

- It allows the Village to ask questions they may have about the installation
- It helps the Village track its performance in maintaining both the infrastructure and the meters
- It helps identify areas that may need more attention or resources before they become a headache for the Village
- It ensures that the Village is properly monitoring and tracking the AMI system and the data flow through to the billing System

### *b) Staffing Plan*

Veregy also provides our customers with staffing plan to outline the tasks that need to be done by the Village both during Implementation and after the project reaches final acceptance. Based on our years of experience in AMI installation, it is beneficial to explore all the tasks, roles and responsibilities that will a successful AMI system will require. This ensures that the Village is prepared to receive the full benefit of the AMI system as soon as possible

Our team will work with Village Staff to understand the current workflow process for changing meters and managing the system. Then based on the technology selected, we will outline the daily tasks (like checking system health) as well as who will be responsible for activities like uploading new meter data into the billing system or checking on any errors generated by collection equipment in the field.





## D. Project Management and Implementation

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### Project Management and Implementation

#### Project Management of a Water Meter/AMI Project

Now that we explained the overall project methodology at Veregy, let's dive into specific project management for a water meter project. Your project manager will be involved from project development to project execution and will oversee the transition into the Measurement and Verification phase of your guaranteed savings performance contract.

They will become your best defender and will be responsible for ensuring that the Village has a smooth transition into an Advanced Metering Infrastructure for both Village staff and Village residents. Our project managers have executed successful meter projects with many municipalities and are familiar with all the issues a utility can face while going through a meter change out program.

A significant factor in our success is our PM approach, which is a disciplined project management process that encompasses the entire project workflow, from project pre-acquisition to final delivery and contract close.

#### One Point of Contact

When you approve a contract, you are hiring Veregy to manage the various pieces of the project with the Village interests in mind. You define the project as you want to see it to us, and we will handle the rest. This gives you the ability to design your own project and you don't waste time and money trying to manage the various vendors of the project.

Your project manager has extensive experience working with government agencies and has completed numerous water meter projects successfully in the State of Illinois. With Veregy Center of Competence, your project manager will bring valuable lessons learned from projects across the country right back to the local offices and you. When you have a Veregy project manager working on your project, you also benefit from our experiences nationwide.

#### IT Services

Veregy will provide a complete AMI solution to the Village of Orland Park. A large portion of AMI/AMR projects is the software needed to accurately transmit the data through the system. Veregy will ensure that the data moves accurately from the metering system software to the billing system and out to the customers. There are several very important steps in this process and Veregy has the right controls in place to make sure the system works, as designed, before the project begins the installation phase. We believe our handling of the IT services in a water meter project is a differentiating factor for us.



## D. Project Management and Implementation

### Data Handling

[Redacted]

A thorough, well-scoped Data Handling and Implementation Plan is often the deciding factor in the success of AMI commissioning.

[Redacted]

### Getting all the Integration Pieces in Place

[Redacted]

- [Redacted]
- [Redacted]
- [Redacted]
- [Redacted]
- [Redacted]

[Redacted]

*Figure 1 Proposed Solution Architecture Diagram*



## D. Project Management and Implementation

### Updating the Billing System with New and Old Meter Data

[Redacted content]

### Addressing all Village Stakeholder Goals

[Redacted content]

[Redacted content]

- Utility Billing
- Meter Shop
- Water Superintendent
- Field Staff
- IT
- Public Relations
- Customer Service
- Finance
- Residents
- Village Manager
- Director of Public Works
- Records and GIS
- Engineering



## D. Project Management and Implementation

### Public Outreach

[Redacted text block containing multiple paragraphs of information, some with bullet points]

Following are some of the PR pieces we may provide during an AMI project:

[Redacted text block containing several lines of information]



# D. Project Management and Implementation

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## Project Notifications



## D. Project Management and Implementation

### Project Install Portal

[REDACTED]

[REDACTED]

Water Summary									
Phase	Zone	Type	Total in Zone	Complete	Incomplete	RTU	Scheduled	Removed	Completion Rate
	6	WTR	451	63	388	0	0	0	13.96
	7	WTR	125	0	125	0	0	0	0.00
			576	63	513	0	0	0	

[REDACTED]

[REDACTED]



## D. Project Management and Implementation

Additional reports can easily be created and posted to the project portal for Village use on an as-needed basis.

Project progress is tracked by zone, date, and install type and will be presented to Village staff in report and graphical form.

A given installation record can quickly be found using the search function or clicking a hyperlink from a variety of locations throughout the web portal:

### Data Collection

All installation data is collected electronically via our proprietary Field Tool app. Veregy uses barcode equipped handheld data collection devices in the field to capture pertinent installation details. All data collected ranging from installation data, quality control data, photographs, and GPS coordinates are seamlessly collected and posted to the project web portal on near real time basis. Installation data will undergo a series of quality checks and one hundred percent photo review before being released to Utility for electronic upload to the billing system.

Veregy takes a series of installation photos during the installation process. At a minimum, we will collect a pre-installation photo, old meter reading photo, new meter and MXU photo, completed installation photo, and a final photo of the site with the lid secured and mounted or transmitters secured to outside of building.

If Veregy is selected as your turnkey provider to implement your meter change program, while the Veregy team is replacing meters they will take before and after pictures and can take photographs and collect inventories of lead service lines in your community and additional items while in residents' homes. As this mandated inventory deadline is approaching, Veregy can provide this inventory to the Village at no additional cost and as part of the project avoiding the need for an additional vendor or staff to complete this task.







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**Pre-Installation Photo**

**Out Read Photo**



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Our project portal has the capability of tracking installers throughout the day using GPS technology, giving managers and project personnel access to where crews are working on any given day. Each crew is labeled with a specific identification number and their progress can be viewed live on a Google maps interface presented on the Project Portal.

### Quality Assurance / Quality Control

Due to Veregy high standards for its production team, a stringent quality assurance and quality control (QA/QC) program has been established. Veregy has specialized quality assurance technicians assigned to every project. All projects begin with 100 percent verification of every installer's work for the first two weeks of production. Error rates are tracked electronically through our data verification process. If a technician's error rate falls below the standard, the technician is retrained for an additional period. Veregy provides consistent and strict quality verification for the remainder of the project using retraining and corrective actions as appropriate. These standards have earned Veregy an outstanding quality performance record.

If made available by the manufacturer, Veregy uses a daily read file to compare installation records against the network reporting reads. This confirms the serial number combination for meter/MXU, verifies the meter is not in a reverse flow condition, and that the setup and binding message was properly received. Veregy uploads to daily read file to its work order management system to present read data directly on the project portal, enabling our team to track missed and stale reads and remedy any read issues efficiently.

[Redacted]



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[Redacted]

[Redacted]

Reading Rate						
Total	Good	No Read	Bad Read	Stale	Unable	Read Rate
7858	7664	141	0	53	0	97.53

[Redacted]

[Redacted]

[Redacted]

[Redacted]

### Preliminary Project Schedule

Below is a preliminary schedule of tasks that will be completed through the development and installation of the project. A key benefit of our approach is we significantly reduce construction time



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and target to fully develop and implement projects in under a year so the Village will realize gained revenues as quickly as possible.



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We hope through us putting this RFP response together the Village of Orland Park will have an understanding of our capabilities and experience developing and implementing these important projects. On behalf of the entire Veregy team, I want to thank you for the opportunity to present our team as an ideal collaborator for this project. We salute your leadership, which is needed today more than ever before and would be honored to become a trusted partner for the Village of Orland Park in the months and years to come.



## D. Project Management and Implementation

### Confidentiality Notice

The contents of this document are proprietary and confidential to Veregy, its affiliates and respective customers. It is submitted to the Village of Orland Park to evaluate the desirability of contracting with Veregy to develop and implement a comprehensive turnkey water meter/AMI project for the Village of Orland Park.

All information contained herein is deemed to be **CONFIDENTIAL AND PROPRIETARY** and is not to be copied, disseminated, or used by the Village of Orland Park for any purpose other than the evaluation of this opportunity.

If you have any questions, please contact Veregy at (630) 200-5204.