



Consulting Services for Utility AMI/AMR System and Customer Information System (CIS) Solution Evaluation – Utilities Department

Best and Final | Cost Proposal
to City of Laredo for RFQ FY25-074

December 1, 2025



We know utilities.



December 1, 2025

City of Laredo, City Secretary
C/O Mario Maldanado, Jr. or
Dr. Tareq AL Zabet, Utilities Director
1110 Houston Street
Laredo, TX 78040

Dear Mr. Maldonado, Dr. AL Zabet, and Members of the Evaluation Committee:

Thank you for the opportunity to provide our Best and Final proposal to assist the City of Laredo in evaluating your AMI/AMR and CIS environments and developing a clear, defensible roadmap for the future. We appreciate the time spent with City leadership and staff over the past several months and remain fully committed to supporting the City with a proven, industry-validated approach.

As the City evaluates vendors for this effort, we believe it is essential to acknowledge a practical truth: **this project carries significant operational, financial, and political implications**. Selecting a partner with deep, direct, and repeatable success in AMI and CIS assessment work dramatically reduces risk and lowers the City's long-term total cost of ownership. While other firms participating in this process may have impressive utility engineering backgrounds, **E Source has led more AMI and CIS strategic assessments for U.S. municipal utilities longer than any other proposer in pursuit of this project**. That experience matters—it improves outcomes, avoids re-work, accelerates implementation readiness, and protects ratepayers from costly missteps.

In fact, **E Source's references are not only more numerous—but more relevant**, representing public utilities of similar scale, complexity, and governance structure to Laredo. Our current portfolio includes dozens of projects addressing the same AMI/AMR, CIS, and legacy-system transition challenges the City is facing today, with proven outcomes and measurable value. **This is not new territory for us; it is our core specialty.**

We are providing the City with a solution grounded in unparalleled domain expertise, a mature methodology, and an experienced team that is prepared and available. Combined with our pricing approach, we believe the City has an opportunity to select not only the strongest proposal—but the lowest-risk partner.

Below are more specific proofs of the relevant experience that should be meaningful to Laredo based on the information shared in the RFQ and the interview process.

Our Proposed Approach and Commitment

Having spent significant time assessing the City's needs and tailoring our recommended approach, we remain committed to the methodology presented to the City in our August 25, 2025, proposal. Therefore, that document remains our best and final technical proposal.

Our approach focuses on evaluating the City's current AMI/AMR program, CIS applications, organizational processes, data environment, and future needs to deliver:

- A comprehensive assessment
- A prioritized recommendations roadmap
- Clear implementation sequencing to minimize operational disruption

We believe our approach provides the City with a complete picture of technical, financial, and operational implications necessary for executive decision-making and stakeholder alignment.

Experience With Systems Relevant to Laredo

AMI / AMR / MDMS

E Source has led more than 220 AMI readiness assessments, business cases, evaluations, and roadmaps nationwide. We are currently leading multiple AMI modernization efforts for municipal utilities with similar customer counts and similar organizational structures. We understand the business drivers, technology constraints, and operational challenges inherent in moving from aging AMR assets to modern AMI platforms.

Neptune / LoRaWAN

Our team's experience deploying Neptune and LoRaWAN technology is extensive, including work with municipalities of comparable size. Most notably, we served as advisor to Oceanside, CA—a successful deployment involving Neptune, LoRaWAN infrastructure, and complex field automation.

NaviLine

E Source brings direct experience supporting utilities transitioning off NaviLine. Most recently, we assisted Sarasota County, FL, with the evaluation and transition from NaviLine to Itineris UMAX—an implementation that successfully went live earlier this month.

Cayenta & Other Major CIS Platforms

We have deep experience with Cayenta, including procurement, SOW negotiation, and implementation oversight. Across the last decade, we have supported 12 clients specifically tied to Cayenta evaluation or deployment.

E Source has provided strategy/assessment, software/SI selection or project implementation leadership services to the industry-leading CIS vendors, including:

- Advanced Utilities Systems
- Cogsdale
- Itineris
- Open
- Oracle CC&B / C2M / CCS
- SAP
- SpryPoint
- Systems & Software
- VertexOne

This breadth ensures the City receives an unbiased, experience-based recommendation—not a software-led preference.

Risk-Free Pricing Structure

E Source understands the financial and political sensitivity surrounding major technology initiatives. For this reason, we are offering a fixed-fee, deliverable-based pricing model that eliminates financial risk for the City.

Under this model:

- The City does not pay based on hours.
- The City only pays upon acceptance of each deliverable.
- There is no financial exposure to under-performance.

Our pricing structure reinforces our confidence in the quality of our deliverables and the dependability of our team.

Defined Deliverables

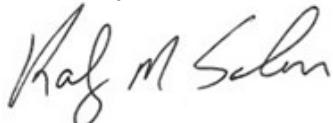
Our BAFO package includes **27 clearly defined deliverables** covering:

- Strategic assessment
- Business process review
- Technical needs analysis
- Cost modeling
- Financial analysis
- Implementation roadmap
- Risk mitigation planning

The City will be engaged throughout the entire process and will review, approve, and accept all deliverables prior to payment. We are confident that E Source offers the City the most experienced, lowest-risk, and most cost-effective partner to lead this evaluation.

We appreciate your consideration, and we stand ready to begin immediately upon the City's direction. Should you have any questions or require additional information, please do not hesitate to contact Shannon Campbell, your proposed account manager, at 803-397-8405 | Shannon_campbell@esource.com | or me at 615-375-6396 | kody_salem@esource.com.

Sincerely,



Kody M. Salem | SVP, Consulting Business Development

AMI/AMR and CIS Solution Evaluation Fee Structure

E Source proposes to perform the requested scope of services as detailed in this proposal for a fixed labor fee of **\$171,500**. The breakdown of this fee is shown in the table below.

PAYMENT MILESTONE NUMBER	DELIVERABLE (ALIGNED WITH ORIGINAL PROPOSAL)	MILESTONE PAYMENT AMOUNT (USD)
1	23.1 AMI/AMR Meter Reading System Evaluation- Technology Education & State-of-the-Industry Presentation	\$ 6,300
2	23.1 AMI/AMR Meter Reading System Evaluation - AMI Gap Analysis	\$ 6,300
3	23.1 AMI/AMR Meter Reading System Evaluation - Current & Future State Systems Documentation	\$ 6,300
4	23.1 AMI/AMR Meter Reading System Evaluation - Draft/Final Financial Analysis Results	\$ 6,300
5	24.0 CIS System Evaluation - CIS Industry Workshop	\$ 6,300
6	24.0 CIS System Evaluation - Tech Specs to Support Future Procurement Processes	\$ 6,300
7	24.0 CIS System Evaluation - Integration with Legacy Systems	\$ 6,300
8	24.0 CIS System Evaluation - Gap Analysis	\$ 6,300
9	24.0 CIS System Evaluation - Financial and Cost Assessment	\$ 6,300
10	24.0 CIS System Evaluation - CIS Assessment Report	\$ 6,300
11	24.0 CIS System Evaluation - Detailed Recommendation Report	\$ 6,300
12	25.0 Transition Plan - Initial Project Implementation Plan/Schedule	\$ 6,300
13	25.0 Transition Plan - Draft/Final Financial Analysis Results	\$ 6,300
14	26.0 Operational Sustainability Analysis - Draft AMI Staffing Plan	\$ 6,300
15	26.0 Operational Sustainability Analysis - CIS Organizational Readiness Assessment	\$ 6,300
16	26.0 Operational Sustainability Analysis - AMI Assessment Report	\$ 6,300
17	27.0 Integration with Legacy Systems - AMI Current & Future State Systems Documentation	\$ 6,300
18	27.0 Integration with Legacy Systems - CIS Current & Future State Systems Documentation	\$ 6,300
19	28.0 Deliverables - Draft/Final AMI/CIS Assessment Report	\$ 6,300
20	28.0 Deliverables - Draft/Final AMI/CIS Assessment Presentation	\$ 6,300
21	29.0 Multi-Phase Implementation Roadmap - Initial Project Implementation Plan/ Schedule	\$ 6,300

PAYMENT MILESTONE NUMBER	DELIVERABLE (ALIGNED WITH ORIGINAL PROPOSAL)	MILESTONE PAYMENT AMOUNT (USD)
22	29.0 Multi-Phase Implementation Roadmap - Implementation Roadmap	\$ 6,300
23	29.0 Multi-Phase Implementation Roadmap - Assessment Report	\$ 6,300
24	30. Financial Planning Models - Final Assessment Report	\$ 6,300
25	31.0 Stakeholder Facing Materials - Draft/Final AMI/CIS Assessment results presentation	\$ 6,300
26	32.0 Tech Specs to Support Future Procurement Processes - AMI Requirements Workbook(s)	\$ 6,300
27	32.0 Tech Specs to Support Future Procurement Processes – Client-specific Functional Requirements	\$ 7,700
Total Fixed Fee for AMI/AMR and CIS/CSS Solution Evaluation		\$ 171,500

Travel and Expenses

All travel will be approved by the City of Laredo and will be billed at cost as incurred based on the agreed upon travel policy guidelines.



The right tools. The right experience. The right team.