



# Staff Report

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## Operations – Water & Wastewater Services

**Report To:** COW - Operations, Planning and Building Services  
**Meeting Date:** August 26, 2025  
**Report Number:** OPS.25.037  
**Title:** Sole Source Procurement of Water Meters  
**Prepared by:** Allison Kershaw, Manager of Water & Wastewater Services

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### A. Recommendations

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THAT Council receive Staff Report OPS.25.037, entitled “Sole Source Procurement of Water Meters”;

AND THAT Council approve the sole source procurement of Neptune Technology Group water meters from Evans Utility and Municipal Products Supply Ltd. until the Town undertakes another meter replacement program, or there is another Neptune meter supplier for this area.

### B. Overview

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This report seeks Council approval to purchase Neptune Technology Group water meters from Evans Utility and Municipal Products Supply Ltd., as they are the sole supplier of these water meters in Ontario. This will be in effect until the Town undertakes another meter replacement program, or there is another Neptune meter supplier for this area.

### C. Background

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The Town of The Blue Mountains (Town) Council passed By-law 2023-37 being a By-law to authorize the installation of water meters in all premises to which municipal water is supplied.

Evans Utility and Municipal Products Supply Ltd. (Evans) is the only approved Neptune water meter distributor that may supply this area. The current procurement authorization that covered bulk purchases of residential and commercial Neptune water meters from Evans expires on December 31, 2025.

### D. Analysis

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Evans Utility and Municipal Products Supply Ltd., has been the sole supplier of Neptune residential water meters for the Town since 2005, when the Town initially installed the water meters.

In 2020 the Town issued a Request for Information (RFI) to understand the compatibility of other residential meters with meters already installed. At that time, there were no meters that were compatible. If the Town procured residential meters that were not compatible, it would require its own reading equipment and software system to monitor. Staff Report CSOPS.20.069, requested that Council approve the sole source procurement of Neptune Technology Group water meters, until the Town undertakes another meter replacement program, or there is another Neptune meter supplier for this area. It is estimated that a meter replacement program will be due in twenty (20) years. This staff report summarized the findings from the RFI.

In 2023, the Town undertook a meter replacement program, replacing 95% of the residential meters that were at end of life, and installed an advanced metering infrastructure (AMI) to read the meters remotely through Gateway installations at five (5) locations across the community. This project included updating the metering software. The AMI network and the metering software are only compatible with Neptune meters.

Adequately maintaining both the AMI and the associated software (i.e. Neptune 360 and Great Plains), are essential to the Town's ability to accurately manage water meter reads and bill out water usage. Neptune Technology Group maintains the Town's meter readers and the software maintenance needs.

Evans have met the Town's standards, and there have been no issues with their ability to meet the Town's needs. Much of the costs of purchasing Neptune meters from Evans Utility are recouped from the builders. The Town has a \$25,000 budget for repairs and replacements of meters currently in the system.

The Town would not realize a benefit by adding a second make of meters but instead would incur additional costs related to meter reading collection equipment and the necessary billing software changes. Additionally, attempting to incorporate a second make could lead to greatly increased demand for staff time, increased need for storage space for product, maintaining additional types of reading equipment, retraining staff and contractors and the loss of a responsive local supplier.

Staff recommend extending the current sole source procurement authorization for Neptune Technology Group water meters from Evans Utility and Municipal Products Supply Ltd until the Town undertakes another meter replacement program, or there is another Neptune meter supplier for this area. This will ensure that the Municipality can continue to provide water meters to residents, business owners, builders and developers in a timely manner.

Purchasing Policy POL.COR.07.05 notes:

Sole Sourcing is a method of procurement whereby a purchase order is issued, or contract awarded without a competitive bidding process since the supplier is the only source of supply for the required goods or services.

Sole Sourcing will be permitted if one or more of the following circumstances apply:

1. One supplier/contractor possessing the unique ability or capability to meet the requirements of the Town due to a patent, sales/distributor agreement or copyright

The use of Sole and Single Sourcing with a particular vendor exceeding \$25,000 must be approved by Council. Any single or sole sourcing with an amount between \$5,001 and \$24,999 must be reported by the applicable Department Head and approved by the Manager of Purchasing and Director of Finance. In order for a division to sole or single source for goods or services exceeding \$25,000, an operating strategy must be presented with Purchasing input and approved by Council, outlining the rationale. Input must be sought from the Manager of Purchasing to ensure the purchasing principles in the Town's Procedures are taken into consideration and risk to the Town is minimized.

## **E. Strategic Priorities**

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### **1. Communication and Engagement**

We will enhance communications and engagement between Town Staff, Town residents and stakeholders

### **2. Organizational Excellence**

We will continually seek out ways to improve the internal organization of Town Staff and the management of Town assets.

### **3. Community**

We will protect and enhance the community feel and the character of the Town, while ensuring the responsible use of resources and restoration of nature.

### **4. Quality of Life**

We will foster a high quality of life for full-time and part-time residents of all ages and stages, while welcoming visitors.

## **F. Environmental Impacts**

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None.

## **G. Financial Impacts**

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Currently there is limited financial impact on the Town as the water meters are purchased and then the costs are recovered when the meters are sold to the property owners. If the Town considered adding an additional metering system, there would be additional costs for the required maintenance, training, software and equipment to maintain two systems, the current Neptune System, plus the additional system.

## **H. In Consultation With**

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Brian O'Reilly, Backflow Prevention & Water Meter Coordinator

Will Wray, Manager of Information Technology

Serena Wilgress, Manager of Purchasing & Risk Management

## **I. Public Engagement**

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The topic of this Staff Report has not been the subject of a Public Meeting and/or a Public Information Centre as neither a Public Meeting nor a Public Information Centre are required. However, any comments regarding this report should be submitted to Allison Kershaw, Manager of Water & Wastewater Services [managerwww@thebluemountains.ca](mailto:managerwww@thebluemountains.ca) .

## **J. Attached**

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1. None.

Respectfully submitted,

Allison Kershaw,  
Manager of Water & Wastewater Services

Allison Kershaw,  
Acting Director of Operations

For more information, please contact:  
Allison Kershaw, Manager of Water & Wastewater Services  
[managerwww@thebluemountains.ca](mailto:managerwww@thebluemountains.ca)  
519-599-3131 extension 226

**Report Approval Details**

Document Title:	OPS.25.037 Sole Source Procurement of Water Meters.docx
Attachments:	
Final Approval Date:	Aug 14, 2025

This report and all of its attachments were approved and signed as outlined below:

**Allison Kershaw - Aug 14, 2025 - 1:59 PM**

**No Signature - Task assigned to Alan Pacheco was completed by delegate Allison Kershaw**

**Alan Pacheco - Aug 14, 2025 - 2:38 PM**