

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COMMISSION OF THE CITY
OF HOLLYWOOD, FLORIDA, APPROVING AND
AUTHORIZING THE APPROPRIATE CITY OFFICIALS TO
IMPLEMENT A SETTLEMENT WITH THE HOLLYWOOD
BEACH RESORT CONDOMINIUM ASSOCIATION, INC.

WHEREAS, over the past several years, the City of Hollywood Department of Public Utilities has encountered a problem with stuck meters – meters that stopped registering water consumption; and

WHEREAS, it is not clear what caused the stuck meters, but it is clear that Data Management Associates (“DMA”), the corporation that formerly managed customer service and read the water meters, negligently failed to notice and bring the situation to the City’s attention; and

WHEREAS, DMA is suing the City for damages based on totally unrelated allegations (a claim that the City is vigorously defending), but the City has counterclaimed in that civil action for damages related to the stuck meters; and

WHEREAS, notwithstanding the effort to recover damages from DMA, the City has to deal with the customers who used water for years while receiving bills that included base charges but no usage charges; and

WHEREAS, when a meter ceases to register, the City estimates usage based on usage during the previous 12 months; and

WHEREAS, in an effort to recognize the sharing of fault for the “stuck meter” situation, the City has offered to settle the estimated bills for 50% of the estimated amount that would otherwise be due and owing, with the remaining balance to be paid over a period of five years; and

WHEREAS, one customer that is involved in this situation is The Hollywood Beach Condominium Association, Inc., a/k/a HBR Owner Assoc. (“HBR”), which received bills with no usage charges from approximately 2011 to 2016; and

WHEREAS, the total estimated bill for HBR for the period during which the meter was stuck is \$143,141.14, including the utility tax, which results in a proposed settlement for \$71,570.57; and

WHEREAS, HBR has agreed to the City’s settlement offer; and

WHEREAS, under City Code Section 41.05(B)(4) regarding claims for money owed to the City, City Commission approval is required where the total amount being forgiven is in excess of \$25,000.00.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF HOLLYWOOD, FLORIDA:

Section 1: That the foregoing "WHEREAS" clauses are ratified and confirmed as being true and correct and are incorporated in this Resolution.

Section 2: That the above-described settlement is approved.

Section 3: That this Resolution shall be in full force and effect immediately upon its passage and adoption.

PASSED AND ADOPTED this _____ day of _____, 2018.

JOSH LEVY, MAYOR

ATTEST:

PATRICIA A. CERNY, MMC, CITY CLERK

APPROVED AS TO FORM AND LEGAL
SUFFICIENCY for the use and reliance
of the City of Hollywood, Florida, only.

DOUGLAS R. GONZALES, CITY ATTORNEY