



Legislation Details (With Text)

File #: R-2018-057 **Version:** 1 **Name:** Hollywood Beach Resort Stuck Meter Settlement
Type: Resolution **Status:** Passed
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On agenda: 2/21/2018 **Final action:** 2/21/2018
Title: 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.

Sponsors:

Indexes:

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Attachments: 1. rsettlehbrutilitybillstuckmeter.pdf, 2. BIS 18-105.pdf

Date	Ver.	Action By	Action	Result
2/21/2018	1	Regular City Commission Meeting	adopt	Pass

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.

Staff Recommends: Approval of the Attached Resolution

Explanation:

In the past several years, the City of Hollywood Department of Public Utilities faced a problem with stuck meters - meters that stopped registering water consumption.

It is not clear what caused the stuck meters, but it is clear that the 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.

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.

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.

When a meter ceases to register, the City estimates usage based on the previous 12 months.

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.

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.

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.

HBR has agreed to the City’s settlement offer.

Under 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.

Recommended for inclusion on the agenda by:

Dr. Wazir A. Ishmael, City Manager

Gus Zambrano, ACM, Sustainable Development

Cintya Ramos, Director, Finance & Administration

Steve Joseph, Director, Public Utilities

Paul Bassar, Director of Procurement & Contract Compliance