



Legislation Details (With Text)

File #: R-2018-382 **Version:** 1 **Name:** Stuck Meter Settlement for Homes at East Lake
Type: Resolution **Status:** Passed
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On agenda: 12/5/2018 **Final action:** 12/5/2018
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 Homes At Eastlake Homeowners' Association, Inc.

Sponsors:

Indexes:

Code sections:

Attachments: 1. 01 Resolution - Stuck Meter Settlement for Homes at East Lake.pdf, 2. 02 Water Usage & Letter - Stuck Meter Settlement for Homes at East Lake.pdf, 3. BIS 19-020.pdf

Date	Ver.	Action By	Action	Result
12/5/2018	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 Homes At Eastlake Homeowners' Association, Inc.

Staff Recommends: Approval of the attached Resolution

Explanation:

Over the past several years, the Department of Public Utilities has encountered 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 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.

Public Utilities took over the management of Utility Billing in January, 2015 and had not implemented its stuck meter detection process until later.

When a meter ceases to register, the City estimates usage based on usage during 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 estimate 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 Homes at Eastlake Homeowners' Association, Inc., which received bills with no usage charges from approximately March 28, 2013 to January 16, 2018.

The City initially billed The Homes at Eastlake Homeowners' Association, Inc. for usage charges for that period of time in the amount of \$263,842.06, however, in reviewing the usage history for this customer, it appeared that the monthly usage for the months of January 1998, March 1998, and July 1998, appeared to fluctuate between excessively high usage and low usage.

Based upon the review of the usage history, the usage charges were re-calculated and the total estimated bill for The Homes at Eastlake Homeowners' Association, Inc. for the period during the meter was stuck is \$193,770.39 including the utility tax, which results in a proposed settlement for \$96,885.20.

The Homes at Eastlake Homeowners' Association, Inc. have agreed to the City's settlement offer.

Under Section 41.05(B)(4) of the City's Code of Ordinances 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 A. Bassar, Director of Procurement & Contract Compliance