



City of Hollywood

Hollywood City Hall
2600 Hollywood Blvd
Hollywood, FL 33020
<http://www.hollywoodfl.org>

Legislation Text

File #: R-2018-383, **Version:** 1

A Resolution Of The City Commission Of The City Of Hollywood, Florida, Approving And Authorizing The Appropriate City Officials To Implement A Settlement With Apogee Condominium Association.

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 or the current 12 months if the previous 12 months are not available.

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 Apogee Condominium Association which received bills with no usage charges from approximately March 13, 2014 to December 18, 2017.

The City initially billed Apogee Condominium Association ("Association") for usage charges for that period of time in the amount of \$104,803.12, however, in reviewing the usage history for this customer, it appeared that some of the average water consumption was still under the developer's responsibility and the developer had not transferred ownership to the Association at that time.

In re-evaluating the usage history, it was discovered that the Association also experienced two consecutive high bills as a consequence of a broken irrigation pipe which was not the fault of the Association, and as such these bills need to be excluded from the average water consumption.

Based upon the aforementioned review of the usage history, the usage charges were re-calculated and the total estimated bill for the Association for the period during which the meter was stuck is \$42,192.41 including the utility tax, which results in a proposed settlement for \$21,096.21.

The Association has 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