



Legislation Details (With Text)

File #: ID 2019-216 **Version:** 1 **Name:** APPROVAL OF INFRAMARK RENEWAL AGREEMENT
Type: Resolution **Status:** Passed
File created: 4/25/2019 **In control:** Regular City Commission Meeting
On agenda: 5/15/2019 **Final action:** 5/15/2019
Title: APPROVING A RENEWAL OF THE AGREEMENT WITH INFRAMARK LLC, FORMERLY KNOWN AS SEVERN TRENT ENVIRONMENTAL SERVICES, INC., TO PROVIDE FOR WATER METER READINGS, DISCONNECTIONS, RESTORATIONS, AND ADDITIONAL SERVICES; PROVIDING FOR RATE PER METER INCREASE; PROVIDING FOR EFFECTIVE DATE.

Sponsors:

Indexes:

Code sections:

Attachments: 1. RESOLUTION, 2. AGREEMENT, 3. BACKGROUND, 4. BACKGROUND, 5. BACKGROUND

Date	Ver.	Action By	Action	Result
5/15/2019	1	Regular City Commission Meeting		

TO: MAYOR AND COMMISSION

FROM: SAMUEL A. MAY, CITY MANAGER

DATE: MAY 15, 2019

APPROVING A RENEWAL OF THE AGREEMENT WITH INFRAMARK LLC, FORMERLY KNOWN AS SEVERN TRENT ENVIRONMENTAL SERVICES, INC., TO PROVIDE FOR WATER METER READINGS, DISCONNECTIONS, RESTORATIONS, AND ADDITIONAL SERVICES; PROVIDING FOR RATE PER METER INCREASE; PROVIDING FOR EFFECTIVE DATE.

BACKGROUND: The City approved a contract in July 2015 for water meter reading services with Severn Trent Environmental Services, Inc. for an initial one-year term and for annual renewal for one year terms without further Commission action. The vendor provides all vehicles, uniforms, and insurance (including workers' compensation, automobile, and liability). When the agreement was signed, the City had begun to put automated meter reading (AMR) devices in place to electronically read meters to eliminate the manual meter reading process. The changing of the meters to AMR was complicated because the state recently mandated a backflow device be installed on all residential accounts. To date, 8,403 meters are on electronic meter reading and 8,533 meters continue to be read manually. DEES intends to contract out the meter installation to continue to move the project forward.

The initial agreement provided for an increase on an annual and compounded basis, by the lesser of 4% or the price index increase. The current contract is due to expire on September 30, 2019. When the annual renewal notice was sent to the vendor, they requested a 10% increase from \$1.03 to \$1.13 per manual read, a 10% increase on disconnections or restoration from \$12.00 to \$13.20 per disconnection or restoration and from

\$18.00 to \$ 19.20 per after hour restoration.

Since the City is converting to electronic meter reading and this contract will continue to be phased out, staff recommends signing a one-year extension at the manual read price of \$1.13 per meter. Pricing was requested from two other vendors providing this service. One vendor is not interested in doing business with the city due to the implementation of the AMR system and various payment/claims terms within the contract. The other vendor has a rate of \$1.17 per meter for manual reads and \$16.00 for disconnections and restorations (no after hour services are available).

RECOMMENDATIONS: For Approval.

FISCAL IMPACT: \$292,000 annually
456-9089-536.34-16 - Enterprise Fund for FY 2020

CONTACT PERSON: Mary Beazley, Finance Director