



City of Margate

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Legislation Text

File #: ID 14-1159, **Version:** 2

TO: Mayor and City Commission

FROM: Douglas E. Smith, City Manager

DATE: July 8, 2015

APPROVING AN AGREEMENT WITH SEVERN TRENT ENVIRONMENTAL SERVICES, INC. (SEVERN TRENT); PROVIDING FOR AN INITIAL TERM OF ONE YEAR; PROVIDING FOR ANNUAL RENEWALS FOR ONE YEAR TERMS WITHOUT FURTHER COMMISSION ACTION; PROVIDING FOR TERMINATION.

BACKGROUND: The City is in process of migrating to the automated metering infrastructure system (AMI). As part of this migration, there will be a reduction in staffing needs. Current staff includes three meter reading positions, which includes one vacancy.

Severn Trent is aware that the City's need for manual meter reading services will be reduced annually and end upon completion of the installation of the AMI system. Completion of the AMI system is anticipated to take place within the next five years.

The current meter reader employees are aware that implementation of the AMI system will reduce staffing level needs and eventually eliminate those positions. There will be minimal impact to existing staff. Rather than filling the vacant meter reader position, outsourcing the services at this time would avoid the need to eliminate a newly filled position, once the AMI system is implemented.

RECOMMENDATION: For approval

FISCAL IMPACT: The cost of the service is 92 cents per meter. There are currently approximately 17,000 meters city-wide. There will be savings to the City in personnel, vehicle, and uniform costs. There will be an additional savings once the initial 5,000 meters are migrated to the AMI system. Further savings will be provided to the City as the AMI installation progresses.

CONTACT PERSON: Mary Beazley, Director of Finance