



**CITY OF FORT LAUDERDALE
City Commission Agenda Memo
REGULAR MEETING**

#19-0305

TO: Honorable Mayor & Members of the
Fort Lauderdale City Commission

FROM: Chris Lagerbloom, ICMA-CM, City Manager

DATE: April 2, 2019

TITLE: Motion to Approve Contract Award for Independent Process Review and
Assessment Management Consulting Services for Water Metering and
Billing – KPMG LLP - \$199,724

Recommendation

It is recommended that the City Commission approve a contract, in substantially the form attached, for independent process review and assessment management consulting services for water metering and billing, through the Georgia Department of Administrative Services, Management Agreement #99999-SPD-SPD0000162-0005 (Contract) from KPMG LLP in the amount of \$199,724.

Background

The overall purpose of the assessment is to review the City's water meter and billing system and infrastructure, such as age of meters, and replacement program, and make recommended corrective action.

Review issues and areas of inquiry include but are not limited to the following:

- What factors could explain the perceived billing errors
- What is the process for reading the meters
- What is the operational process flow from meter reading through the customer billing cycle
- How many days to read the meters and bill the customers
- Is the meter reading equipment working effectively
- Does billing staff have procedures and processes to review data for anomalies and issue work orders for meter inspectors to reread or repair meters.
- How many accounts are tagged for review each month for:
 - a. Negative consumption
 - b. Zero consumption
 - c. No meter reading
 - d. Duplicate readings
 - e. Out of range readings
 - f. Billings that represent small or large days of billing
- Meter installation errors, data entry errors and undetected leaks that contribute to high or inaccurate bills

- Malfunctioning of meters leading to high and inaccurate bills
- Meters misread leading to high and inaccurate bills
- Review multiplier used to calculate the bill
- Review the billing process from meter reading to calculation of the water bill
- Validate the billing system to align with the meter when meter is changed out
- Review the City's daily exception rate compared to the national average

Pursuant to Section 2-181(f)(5)(b), Code of Ordinances of the City of Fort Lauderdale, Florida, the City may piggyback a contract entered into by another governmental or public entity and a provider of supplies or services required by the City, if the chief procurement officer determines that it is practicable and advantageous for the city to employ this method of procurement. The chief procurement officer has determined that it would be practicable and advantageous for the city to use this method of procurement for this agreement. This purchase will be made in accordance with the Georgia Department of Administrative Services, Management Agreement No. #99999-SPD-SPD0000162-0005 in the amount of \$199,901.

Resource Impact

There will be a fiscal impact to the City in the amount of \$199,724. Funds for this purchase are available in the account listed below.

<i>Funds available as of March 27, 2019</i>					
ACCOUNT NUMBER	INDEX NAME (Program)	CHARACTER CODE/ SUB-OBJECT NAME	AMENDED BUDGET (Character)	AVAILABLE BALANCE (Character)	PURCHASE AMOUNT
450-FIN100101-3199	Utility Billing and Collections	Services & Materials/ Other Professional Services	\$848,100	\$314,517*	\$199,724
TOTAL AMOUNT ►					\$199,724

*Available Balance as of 3/13/2019. Financial System was unavailable to update this figure.

Strategic Connections

This item is a *Press Play Fort Lauderdale Strategic Plan 2018* initiative, included within the Neighborhood Enhancement Cylinder of Excellence, specifically advancing:

- Goal 12: Be a leading government organization, managing resources wisely and sustainably.
- Objective 1: Ensure sound fiscal management

This item advances the *Fast Forward Fort Lauderdale Vision Plan 2035: We are United*.

Attachment

Exhibit 1 – Contract

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Department Director: Kirk Buffington, Finance