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TOWN OF JEROME

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STAFF SUMMARY REPORT

FROM: Brett Klein, Town Manager/Clerk

ITEM: **Item: Consideration and Staff Direction of a Cellular Water Meter Opt Out Policy**

MEETING DATE: February 10, 2026

Summary:

During the January Regular Council Meeting, the Town Council voted to approve Quote # Q-10822 from Metron-Farnier, LLC, for an Advanced Automated Meter Infrastructure System, along with staff direction to bring forth a policy permitting an opt out option

Staff have conducted a cost analysis and the opt out option will entail the following:

- A very simple form that must be completed and signed by the registered account holder and, property owner if different, requesting to opt out of the AMI system. It will be a fillable form and very easy to complete;
- There will be a \$50.00 one-time set-up fee to facilitate the manual, administrative functions (The only two other municipalities allowing opt outs are Safford - \$75.00 and Clarkdale - \$75.00)
- There will be a \$9.00 monthly fee covering the average public works full wage and benefits and average time spent manually reading the meter = \$75,000 / year rounded down quite a bit divided by 2080 hours = 36.06 multiplied by .25 representing the quarter hour average time spent and rounded down once again for the \$9.00. This does not include the FEMA mileage rate / equipment wear and tear / gas, etc. This is quite a low fee and not representative of actual costs to the Town. (Safford - \$25 / mo and Clarkdale - \$17 / mo)
- The new AMI system provides real time, immediate data with a simple input. Opt out users will require significant staff time for any data retrieval as explained during the last few meetings. There will be a \$50.00 data retrieval request for opt out users.
- Upon request to switch from the fixed meter to the AMI system, an opt out member must pay the current \$235 difference. This will be re-evaluated in five years. The opt out option is linked to the requesting party (registered owner / account holder) and as such the \$235 must be paid upon transfer of ownership of the home.

Fiscal Impact:

Based on comments made by Council Members, staff sought to provide the lowest opt out fees possible. There will be an adverse impact to the utility fund budget, which is already being subsidized by the general fund. The impact will be negligible to considerable depending on how many users elect to opt out.

Recommendation:

Staff recommend further direction to aid in the drafting of the procedures and updating of the utility fee schedule.