



**CITY COUNCIL MEETING  
STAFF REPORT**

<b>Meeting Date:</b> March 18, 2024		<b>Subject:</b> Meter Reader Rate Increase	
		<b>Staff Member:</b> Katherine Smith, Assistant Finance Director Cricket Jones, Finance Operations Supervisor	
		<b>Department:</b> Finance	
<b>Action Required</b>		<b>Advisory Board/Commission Recommendation</b>	
<input type="checkbox"/> Motion <input type="checkbox"/> Public Hearing Date: <input type="checkbox"/> Ordinance 1 <sup>st</sup> Reading Date: <input type="checkbox"/> Ordinance 2 <sup>nd</sup> Reading Date: <input type="checkbox"/> Resolution <input checked="" type="checkbox"/> Information or Direction <input type="checkbox"/> Information Only <input type="checkbox"/> Council Direction <input type="checkbox"/> Consent Agenda		<input type="checkbox"/> Approval <input type="checkbox"/> Denial <input type="checkbox"/> None Forwarded <input checked="" type="checkbox"/> Not Applicable <b>Comments:</b> N/A	
<b>Staff Recommendation:</b> N/A			
<b>Recommended Language for Motion:</b> N/A			
<b>Project / Issue Relates To:</b>			
<input type="checkbox"/> Council Goals/Priorities:	<input type="checkbox"/> Adopted Master Plan(s):	<input checked="" type="checkbox"/> Not Applicable	

**ISSUE BEFORE COUNCIL:**

Review the Metereaders, LLC meter reading rate increase and provide direction to staff.

**EXECUTIVE SUMMARY:**

The City contracts with a private firm to read water meters on the last working week of each month. The readings are then supplied to the Finance Department in electronic form and used to generate the utility bills for Wilsonville residential and commercial customers.

Meterreaders, LLC has provided water meter reading services to the City since 1984, with a succession of contract renewals. Several surrounding entities are/have since transitioned to automated meter reads, making manual reading obsolete.

The term of our current contract is for three years, from July 1, 2021 through June 30, 2024, with the option to renew the contract for up to two additional one-year periods. This existing contract sets forth a rate of \$0.73 for each water meter read.

In February 2024, the City received notice from Meterreaders, LLC, surrounding the necessity of a rate increase – from \$0.73 per meter, to \$1.10 per meter. Understanding our need to first present this to Council, they have agreed to a rate increase effective April 1, 2024 following City Council approval. This 51% rate increase is attributable to: inflation, labor changes, and the rising cost of insurance.

As the sole source provider of manual meter reads, the Finance Department recommends adoption of this increase effective April 1, 2024, exercising also a one-year extension, through June 30, 2025.

**EXPECTED RESULTS:**

Amend Contract No. 210970 to reflect the price increase on April 1, 2024, following City Council approval, and exercising a one-year extension, through June 30, 2025. Continue meter read services with Meterreaders, LLC as we explore future option of converting to an automated meter reading system - Advanced Metering Infrastructure (AMI), which would allow for remote reads.

**TIMELINE:**

The term of our current contract is for three years, from July 1, 2021 through June 30, 2024, with the option to renew the contract for up to two additional one-year periods. The amended contract would extend the contract through June 30, 2025.

**CURRENT YEAR BUDGET IMPACTS:**

For fiscal year 2023-2024, we budgeted \$64,000 for these meter reads. A rate increase effective April 1, 2024, would increase this by \$14,000, to \$78,000, split between the Water and Sewer funds. For the duration of fiscal year 2024-2025, we anticipate this to increase to \$98,000 which will be included in the proposed budget.

**COMMUNITY INVOLVEMENT PROCESS:**

N/A

**POTENTIAL IMPACTS OR BENEFIT TO THE COMMUNITY:**

This agreement will allow the monthly utility billing process to continue in a timely and effective manner. Rates to citizens will remain the same at this time.

**ALTERNATIVES:**

Perform meter reads in house, by staff, or pursue upgrading to an Advanced Metering Infrastructure (AMI), which would allow for remote reads.

**CITY MANAGER COMMENT:**

N/A

**ATTACHMENTS:**

1. Contract No. 210970
2. Notice of Increase