

To: The Honorable Mayor and City Council

From: Larry M. Spring, Jr., City Manager



Date: April 12, 2016

RE: DISCUSSION REGARDING INSOURCING METER READERS AND UTILITY BILLING FIELD OPERATION STAFF

**RECOMMENDATION**

It is recommended that the Mayor and City Council approve the insourcing of the following positions in order to continue providing the city of North Miami utility customers with uninterrupted meter reading and utility billing field operation services.

**BACKGROUND**

In November of 2015, Data Management Associates Inc. (DMA) approached the city of North Miami stating they will no longer provide the city of North Miami with meter reading, customer service, or utility billing field operation services as the business will be closing.

In order to continue providing the city of North Miami utility customers with uninterrupted meter reading and utility billing field operation services staff believes it is in the City's best interest to insource the operation. The operational cost the City will incur from insourcing six (6) meter readers and one (1) utility billing field coordinator is as follows:

***Insource Cost Breakdown***

Employee Costs:	\$	331,545
Uniform Costs:	\$	2,515
Equipment Costs:	\$	<u>20,000*</u> (equipment costs will not occur every year)
	\$	354,060
DMA contract amount:	\$	297,510
Insource Total Costs:	\$	<u>354,060</u>
Difference:	\$	-56,550

Vehicle Acquisition for one truck has not been included. However, vehicles will be addressed during the budget process.

**ATTACHMENT(s) - NONE**