



## City of Hallandale Beach City Commission Agenda Cover Memo

Meeting Date:	File No.:	Item Type:	1 <sup>st</sup> Reading	2 <sup>nd</sup> Reading	
<b>10/30/2024</b>	<b>24-403</b>	<input checked="" type="checkbox"/> <b>Resolution</b>	Ordinance Reading	<b>n/a</b>	<b>n/a</b>
		<input type="checkbox"/> <b>Ordinance</b>	Public Hearing	<input type="checkbox"/>	<input type="checkbox"/>
		<input type="checkbox"/> <b>Other</b>	Advertising Required	<input type="checkbox"/>	<input type="checkbox"/>
			Quasi-Judicial:	<input type="checkbox"/>	<input type="checkbox"/>
Fiscal Impact (\$):	Account Balance (\$):	Funding Source:	Project Number:		
<b>\$220,000</b>	<b>\$220,000</b>	<b>3340W-531010</b>	<b>P2304</b>		
Contract/P.O. Required	RFP/RFQ/Bid Number:	Sponsor Name:	Department:		
<input checked="" type="checkbox"/> <b>Yes</b> <input type="checkbox"/> <b>No</b>	<b>N/A</b>	<b>Geovanne Neste, Finance Director</b>	<b>Finance</b>		
Strategic Plan Focus Areas:					
<input checked="" type="checkbox"/> <b>Fiscal Stability</b>	<input checked="" type="checkbox"/> <b>Resident Services</b>	<input type="checkbox"/> <b>Public Safety</b>	<input checked="" type="checkbox"/> <b>Infrastructure &amp; Mobility</b>	<input type="checkbox"/> <b>Economic Development &amp; Affordable Housing</b>	
Implementation Timeline:					
Estimated Start Date: 10/1/2024			Estimated End Date: 9/30/2025		

**SHORT TITLE:**

**A RESOLUTION OF THE MAYOR AND CITY COMMISSION OF THE CITY OF HALLANDALE BEACH, FLORIDA, FINDING UNIQUE CIRCUMSTANCES IN ACCORDANCE WITH SEC. 28-3 (5) TO AUTHORIZE A CHANGE ORDER PURSUANT TO SEC. 28-3 (5) OF THE CITY CODE, UNIQUE CIRCUMSTANCES, FOR FY 2024-25, OF TEMPORARY STAFFING SERVICES FROM ROBERT HALF INTERNATIONAL, INC. IN A NOT TO EXCEED AMOUNT OF TWO HUNDRED AND TWENTY THOUSAND DOLLARS (\$220,000) TO ENSURE A SEAMLESS TRANSITION DURING THE CITY'S FULL WATER METER UPGRADE; AND PROVIDING FOR AN EFFECTIVE DATE.**

**STAFF SUMMARY:**

**Summary:**

The Finance Department requests approval to extend our contract with Robert Half International, Inc. for temporary staffing services in an amount not to exceed the budgeted amount of \$220,000 for FY2024-2025. This extension is crucial to support the Utility Billing Division's additional workload due to the ongoing city-wide AMI Meter Remediation Project.

**Background:**

Since FY2022, the City has been encountering an unprecedented number of water meters that are not transmitting electronic reads or the electronic read is inaccurate. This has resulted in a significant increase in the number of manual reads in the field, meter maintenance work orders created, and estimated meter reads for billing purposes.

To manage the situation, the Finance Department has used temporary staffing, through Robert Half, to assist with the workload since 2022. Robert Half International has been in operation since 1948 and is one of the world's largest specialized staffing firms with offices across the globe. The responsiveness and the caliber of the candidates has certainly been the best and fastest with Robert Half International. Specially for the needs of the City in the Finance Department, Robert Half Finance and Accounting specializes in the placement of permanent accounting, financial, tax and accounting operations personnel, including accounting managers, controllers, and financial analysts.

On September 28, 2022, the City Commission approved and adopted Resolution No. 2022-113, authorizing the procurement of temporary staffing services from Robert Half in the amount not to exceed \$200,000, declaring unique circumstances for FY2022-2023 (Exhibit 2). The Finance Department needed temporary staffing services, more than the \$200,000 that was authorized.

In December of 2022, City Staff presented to City Commission a plan to correct the ongoing issues with the Utility System's AMI Meter System, which was approved. This plan included the installation of warranty registers and the purchase of meters. It became apparent that there was a significant reduction in the effectiveness of the register replacement program, as many of these meters continued not to work or stopped working, even after the register was replaced as recommended by the meter vendor. We also continued to see a significant increase in the rate of new register/meter failures.

On December 14, 2022, the City Commission approved and adopted Resolution No. 2022-130, authorizing the procurement of temporary staffing services from Robert Half in the amount not to exceed \$442,500 for Finance, declaring unique circumstances for FY2022-2023 (Exhibit 3). Of this amount, the anticipated costs for Utility Billing temporary service from Robert Half was approximately \$300,000 for FY2022-2023. This resulted in the City's ability to process and mail out utility bills on schedule, where in some cases, bill cycles were previously mailed out up to 18 days late.

In June of 2023, City Staff presented to City Commission a modified plan, while we continued negotiations with the City's meter vendor, Sensus. This included the expansion of the AMI Remediation Project to include a full water meter upgrade and that all warranty Accustream meters will be replaced with superior iPERL meters at no cost to the City. Subsequently, the City engaged VEPO Solutions to install the remaining purchased meters. This resulted in the replacement of approximately 30% of all 1-inch and smaller meters to iPERL meters.

On December 6, 2023, the City Commission approved and adopted Resolution No. 2023-147, authorizing the procurement of a continuation of temporary staffing services from Robert Half in the amount not to exceed \$160,000 for FY2023-2024 related to the city-wide AMI Meter Remediation Project declaring unique circumstances (Exhibit 4). The additional support enabled timely billing processes while Finance personnel were engaged in managing the AMI Remediation Project. This strategic decision effectively mitigated the impact of high staff turnover within the Utility Billing Division.

In May of 2024, the City received a revised settlement agreement from Sensus which includes a plan to upgrade all existing Accustream meters with iPERL meters and the delivery of over 800

upgraded warranty replacements at no cost to the City. Consequently, over the next twelve (12) months, we expect to replace an additional 4,500 meters, including warranty replacement meters currently on hand. Robert Half staffing will be critical to ensure continuation of operations, and accurate and timely billing during the meter change outs.

On May 15, 2024, the City Commission approved the adopted Resolution No. 2024-031, authorizing a purchase order change order for an additional \$160,000 for the continuation of temporary staffing services from Robert Half in the amount not to exceed \$320,000 for FY2023-2024 related to the city-wide AMI Meter Remediation Project, declaring unique circumstances (Exhibit 5). This will ensure a seamless transition during our full meter upgrade.

### **Current Situation:**

Currently, almost 1,200 meters require manual reading due to transmission failures, which represents a significant portion of our total meters. Despite ongoing efforts and negotiations with our meter vendor, Sensus, and adjustments to our remediation strategies, the need for manual intervention remains high.

For the billing month of June 2024, we continued to have almost 1,200 meters (or 17.2%) that required manual reads in the field, and over 1,400 meter-reads (or 21.3%) were estimated. While the unaccounted-for water dropped to 16.35% for FY2022-2023 from almost 20% for FY2021-2022 (based on a rolling 12-month average), our goal of 10% has not been achieved.

Although the City is currently negotiating a settlement agreement with Sensus, it is imperative that we continue to utilize Robert Half services to address our ongoing critical needs as a result of the expansion of scope of the AMI Remediation Project, and revised expected completion dates based on the timing of the settlement agreement. It is expected that the project will be completed within one year after executing the settlement agreement, if a deal is reached. The existing temporary staff from Robert Half has been instrumental in managing these challenges, and their continued engagement is crucial for maintaining operational stability.

As such, we are requesting that the Robert Half services be retained during the duration of the iPERL meter upgrade to ensure continuity of operations in the Utility Billing Division for the following two positions for FY2024-2025 (see Exhibit 6):

- Billing Clerks (quantity 2): assist with administrative piece of billing, including updating meter inventory, creating work orders, entering manual reads, estimating bills, etc.

After reducing Robert Half staff from three to two, it is our recommendation to retain the existing Robert Half personnel we have due to the significant investment of time and effort that was made in training the staff, as it specifically relates to the AMI Remediation Project. We believe that retaining the existing staff to allow City staff to complete the AMI Remediation Project is in the best interest of the City. For FY2024-2025, the anticipated cost for Utility Billing temporary service from Robert Half is approximately \$220,000.

### **Why Action is Necessary:**

Pursuant to Chapter 23, Section 23-6, Award of Contracts, the City Manager, shall have the authority to recommend to the City Commission award of contracts. Allow City Manager to continue to make expenditures as needed through Robert Half International in an amount not to exceed \$220,000 through September 30, 2025, for the Finance Department, as budgeted in the best interest of the City. Further, to allow City Manager to negotiate and execute contracts.

Furthermore, pursuant to Chapter 23, Section 23-8, Exception to Bid Requirements, (5) Unique Circumstances, where the City Commission finds unique circumstances to establish that competitive bidding is not in the best interest of the City. Purchases in excess of \$50,000 shall require a formal, written contract approved by the city commission.

**Cost Benefit:**

Utilizing Robert Half International in an amount not to exceed \$220,000 for FY2024-2025 ensures the Finance Department can continue leveraging specialized temporary staffing for the expanded AMI Meter Remediation Project. This investment not only stabilizes utility billing operations, preventing potential delays and disruptions, but also capitalizes on the significant training investments already made in these personnel. The continuity of experienced staff mitigates risks associated with high turnover and ongoing project complexities, ultimately supporting operational efficiency and potentially reducing long-term costs associated with manual meter reading and billing inaccuracies.

**PROPOSED ACTION:**

The City Commission considers the attached Resolution.

**ATTACHMENT(S):**

- Exhibit 1 – Proposed Resolution
- Exhibit 2 – Reso 2022-113
- Exhibit 3 – Reso 2022-130
- Exhibit 4 – Reso 2023-147
- Exhibit 5 – Reso 2024-031
- Exhibit 6 – Robert Half Quotes for Finance Utility Billing Temporary Services
- Exhibit 7 – Advanced Metering Infrastructure (AMI) Remediation Presentation August 2024

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