TO: HONORABLE CITY COUNCIL
FROM: CITY MANAGER
DEPARTMENT: UTILITIES
DATE: MAY 1, 2006
CMR: 213:06

SUBJECT: APPROVAL OF A RESOLUTION AMENDING VARIOUS RATE SCHEDULES RELATED TO RECOVERING COSTS THROUGH CONNECTION FEES FOR NEW METERS IN LARGE DEVELOPMENTS CAPABLE OF AUTOMATED METER READING, GAS VENT LINES, AND BOLLARD PROTECTION FOR METER SETS FROM FINANCE COMMITTEE MEETING OF APRIL 18, 2006

RECOMMENDATION

Staff recommends that the City Council adopt the attached resolution to amend fees for Utility connection schedules E-15, G-5, and W-5. In accordance with Government Code Section 66017, the effective date for these rate schedules is July 1, 2006, to meet the code requirement for a minimum 60-day delay in implementation after Council approval applicable to water connection fees. For consistency, rate schedules E-15 and G-5 are similarly effective July 1, 2006.

BOARD/COMMISSION REVIEW AND RECOMMENDATIONS

The Finance Committee reviewed this recommendation and approved it unanimously at the April 18, 2006, meeting. This recommendation is consistent with the Council-approved Utilities Strategic Plan to provide superior financial performance to the City and invest in utilities infrastructure to deliver reliable service. There was, however, a request for clarification regarding compatibility between Automated Meter Reading (AMR) systems if the City wants to change vendors.

There is generally “open architecture” between AMR hardware/software vendors and meter manufacturers, which would allow the City to move an existing AMR system to a different meter manufacturer, if the City changes meter vendors. However, each AMR vendor currently integrates their software with proprietary hardware (the “Encode, Receive, Transmit” device or ERT), which is attached to the meter, and formats and processes meter data in a unique fashion. There is utility industry pressure on AMR vendors to develop and install “open architecture” ERTs capable of being read by competing AMR software systems. Until this hardware modification is made, replacing AMR vendors may require that both the AMR software and its associated ERT hardware be replaced. Staff will continue to follow this issue which would be discussed in any AMR full-deployment recommendation to Council.
PREPARED BY: Lucie Hirmina, Tom Auzenne

DEPARTMENT HEAD: ________________________________
CARL YEATS
Director of Administrative Services

CITY MANAGER APPROVAL: ____________________________
EMILY HARRISON
Assistant City Manager

ATTACHMENTS
Attachment 1: CMR: 184:06
Attachment 2: Excerpt of Minutes from the Finance Committee meeting of April 18, 2006