



## Legislation Text

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**File #: 1219-2005, Version: 2**

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**BACKGROUND:** Seven proposals were received March 18, 2005 in response to the advertised Request for Proposals (RFP) for professional services for the Development of Rate Models and Comprehensive Rates and Charges Analysis for the Divisions of Water and Sewerage and Drainage. None of the responses were from MBE/FBE firms. The Rate Model RFP Selection Committee comprised of five members from various city offices evaluated the proposals in accordance with Section 329.14 of Columbus City Codes, 1959. Four of the firms that submitted proposals were selected to make presentations to the committee and Malcolm Pirnie was scored as presenting the best proposal to meet the needs for rate models and for proposing software that will graphically display information. This was judged by the committee to be particularly useful because of the need to present sanitary sewer rate impacts to interested groups in the very near future. The system proposed will allow real time manipulation of data to clearly show graphically the impact of changes in CIP and Operating Budgets and the effect on rates.

The last major review of rate modeling was done approximately twenty years ago in both divisions. Models have been updated to reflect technology changes but no comprehensive analysis of rate setting policies and assumptions has been done. This project will be an in depth review of all components of the rate modeling process.

RFPs considered by the selection committee:  
Malcolm Pirnie Inc. - Majority - Columbus, Ohio  
Raftelis - Majority - Kansas City, Missouri  
RW Beck - Majority - Orlando, Florida  
Tetra Tech, Inc. - Majority - Columbus, Ohio

Upon selection of Malcolm Pirnie, Inc.'s proposal, a cost proposal was submitted by Red Oak Consulting, a Division of Malcolm Pirnie, Inc.

**FISCAL IMPACT:** There is sufficient budget authority in the Water System and Sewerage System Operating Funds.

CONTRACT COMPLIANCE NUMBER: 132653703

To authorize the Director of Public Utilities to enter into a contract with Red Oak Consulting, a Division of Malcolm Pirnie, Inc. for professional services for the Development of Rate Models and Comprehensive Rates and Charges Analysis for the Divisions of Water and Sewerage and Drainage, and to authorize the expenditure of \$49,250.00 from the Water Systems Operating Fund and \$49,250.00 from the Sewerage System Operating Fund **and to declare an emergency.** (\$98,500.00)

WHEREAS, there is a need for professional services for the development of Rate Models and Comprehensive Rates and Charges Analysis for the Divisions of Water and Sewerage and Drainage; and

WHEREAS, a Request for Proposals (RFP) was advertised and seven proposals were received by the Director of Public Utilities on March 18, 2005; and

WHEREAS, a five-member Rate Model RFP Selection Committee evaluated the proposals and recommend an award to Red Oak Consulting, a Division of Malcolm Pirnie, Inc.; and

WHEREAS, it is necessary to authorize the Director of Public Utilities to enter into a contract with Red Oak Consulting, a Division of

Malcolm Pirnie, Inc. for professional services for development of Rate Models and Comprehensive Rates and Charges Analysis for the Divisions of Water and Sewerage and Drainage; ~~and now, therefore,~~

**WHEREAS, an emergency exists in the usual daily operation of the Department of Public Utilities in that it is immediately necessary to pass this ordinance as an emergency measure because of the need to ensure rate models are available by the end of September for the preservation of the public health, peace, property, safety, and welfare; now therefore**

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF COLUMBUS:

SECTION 1. That the Director of Public Utilities be and is hereby authorized to enter into a contract with Red Oak Consulting, a Division of Malcolm Pirnie, Inc., in the amount of \$98,500.00, for professional services for development of Rate Models and Comprehensive Rates and Charges Analysis for the Divisions of Water and Sewerage and Drainage.

SECTION 2. That for the purpose of paying the cost thereof, the expenditure of \$98,500.00, or so much thereof as may be needed, is hereby authorized as follows:

Division Number 60-09, Department of Public Utilities  
Water System Operating Fund 600  
OCA Code 600924  
Object Level Three 3326  
Amount: \$49,250.00

Division Number 60-05, Department of Public Utilities  
Sewerage System Operating Fund 650  
OCA Code 605006  
Object Level Three 3326  
Amount: \$49,250.00

SECTION 3. ~~That this ordinance shall take effect and be in force from and after the earliest period allowed by law.~~ **That for the reasons stated in the preamble hereto, which is hereby made a part hereof, this ordinance is hereby declared to be an emergency measure and shall take effect and be in force from and after its passage and approval by the Mayor, or ten days after passage if the mayor neither approve nor vetoes the same.**