



Legislation Text

File #: 0153-2017, Version: 1

1. BACKGROUND: This legislation authorizes the Director of Public Utilities to enter into a professional services agreement with Utility Revenue Management, Inc. in the amount of \$25,000 for utility billing system audit services for the Divisions of Water, Division of Sewerage and Drainage, and Division of Power. These auditing services will ensure that rate payers for water, sewer, storm, and power services are properly and equitably billed for such services. The consultant will evaluate the Department's billing records to identify billing issues and field conditions. It is anticipated that the selected firm will evaluate the Department's billing database and investigate any situation which appears to be the result of improper rate coding, billing, consumption, quantification, etc. The firm's findings will be presented to the Department on a regular basis. The Department will determine, based on both technical and non-technical considerations, whether or not recommendations of the consultant are fully implemented. Findings from the audit may reveal meter off situations, meter malfunctions, incorrect service type recorded, incorrect industrial waste surcharges, and incorrect meter data collection. Utility Revenue Management Company, Inc. will only be compensated based on validated cases of increased revenue realized to the City. Under this arrangement, Utility Revenue Management, Inc. will receive 50% of the new revenue realized and the City will receive 50%, for a period of 48 months. After 48 months the City will receive 100% of the new revenues.

2. ECONOMIC IMPACT/ADVANTAGES; COMMUNITY OUTREACH; PROJECT DEVELOPMENT; ENVIRONMENTAL FACTORS/ADVANTAGES OF PROJECT: This contract is needed to provide expertise with technical billing system audit services. The economic impact from these services will result in equitable fees, charges, and rates charged to our customers. Community outreach may be needed during the course of the audit as field investigations are being conducted to investigate and repair various metering and utility field conditions.

3. BID INFORMATION: The selection of the firm providing the professional engineering services has been performed in accordance with the procedures set forth in Columbus City Code 329 regarding awarding professional service contracts through requests for proposals. Requests for Proposals (RFP's) were advertised on October 13, 2016 and (1) proposal was received on November 11, 2016 from Utility Revenue Management Company, Inc.

An evaluation committee reviewed the proposals and scored them based on the criteria stated in the City Code, as well as: Proposal Quality, including Environmental Considerations; Qualifications and Experience of Team Members; Ability to Perform Required Service Expeditiously; Past Performance on Similar Projects including Demonstrated Abilities to Meet Schedules and Budgets; and Local Workforce. Based on the evaluation of the proposals submitted, the Director of Public Utilities requests award of the project to Utility Revenue Management Company, Inc.

The Contract Compliance Number for Utility Revenue Management Company, Inc. - DAX Vendor Acct - CC019371, expires 10/17/2018; federal ID 76-0380051.

Searches in the Excluded Party List System (Federal) and the Findings for Recovery list (State) produced no findings against Utility Revenue Management Company, Inc.

4. FUTURE MODIFICATIONS: The initial encumbrance amount for this contract is \$25,000. As the contract progresses and increased revenues are realized and validated by the City, additional future modifications to this contract will be necessary and require City Council approval.

5. EMERGENCY: Emergency action is requested in order to bring utility billing auditing services and field investigations as soon as possible.

6. FISCAL IMPACT: Funds for this expenditure are budgeted within the Division of Water Operating Fund, Sanitary Sewer Operating Fund, Stormwater Operating Fund, and Power Operating Fund. **This Ordinance is contingent on the passage of the 2017 operating budget, which is Ordinance 2863-2016.**

To authorize the Director of Public Utilities to enter into a professional services agreement with Utility Revenue Management Company, Inc. for utility billing system audit services for the Division of Water, Division of Sewerage and Drainage, and Division of Power; to authorize the expenditure of \$1,525.00 from the Power Operating Fund, \$9,700.00 from the Water Operating Fund, \$10,875.00 from the Sewer Operating Fund, and \$2,900.00 from the Stormwater Operating Fund; and to declare an emergency. (\$25,000.00)

WHEREAS, one professional services proposal for billing system audit services was received on November 11, 2016; and

WHEREAS, Utility Revenue Management Company, Inc., was the firm selected to perform these professional services based on criteria set forth in City Code Chapter 329; and

WHEREAS, an emergency exists in the usual daily operation of the Department of Public Utilities in that it is immediately necessary to authorize the Director to enter into a professional services agreement for billing system audit services with Utility Revenue Management Company, Inc. for billing systems audit, for the preservation of the public health, peace, property and safety; now, therefore

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

SECTION 1. That the Director of Public Utilities be and hereby is authorized to enter into a professional services agreement for utility billing auditing services with Utility Revenue Management Company, Inc., 99 Detering St., Suite 130, Houston, Texas, 77007; in the amount of \$25,000.00; in accordance with the terms and conditions of the contract on file in the Director's Office.

SECTION 2. That additional future contract modifications will be needed to compensate Utility Revenue Management Company, Inc., as new revenues are realized and validated by the City.

SECTION 3. That said firm shall conduct the work to the satisfaction of the Director of Public Utilities.

SECTION 4. That the expenditure of \$25,000.00 or so much thereof as may be needed, is hereby authorized per the accounting codes in the attachment to this ordinance.

SECTION 5. That the funds necessary to carry out the purpose of this ordinance are hereby deemed appropriated, and the City Auditor shall establish such accounting codes as necessary.

SECTION 6. That for the reasons stated in the preamble hereto, which is hereby made a part hereof, this Ordinance is 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 approves nor vetoes the same