



## Legislation Text

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**File #: 1843-2020, Version: 1**

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This legislation authorizes the Director of Public Utilities to enter into a planned modification (Mod #5) for professional services with Utility Revenue Management Company, Inc. (URM) in the amount of \$500,000.00 for continuation of the billing system and meter audit services for the Division of Water, Division of Sewerage and Drainage, and Division of Power.

The scope of work for this modification will provide for the ongoing billing system and metering audit services for the Division of Water, the Division of Sewerage and Drainage, and the Division of Power, in addition to other tasks outlined in the original scope of services. The consultant will continue evaluating the Department's billing records and metering operations to identify billing issues and meter system field conditions that need corrected. The consultant will continue to 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 so far have been presented to the Department on a regular basis; the department has reviewed and validated the findings. To date findings from the audit have discovered meter off situations, meter malfunctions, incorrect service types recorded, no sewer being billed, and meter by-passes open. 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 Company, 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.

The Department of Public Utilities advertised Request for Proposals (RFP's) for the subject services in the City Bulletin in accordance with the relevant provisions of City Code, Chapter 329 and (1) proposal was received on November 11, 2016 from Utility Revenue Management Company, Inc.

This modification is in accordance with the relevant provisions of Chapter 329 of the City Code relating to contract modifications.

This ordinance authorizes an expenditure of \$500,000.00 from the Power Operating Fund, Water Operating Fund, Sewer Operating Fund, and the Stormwater Operating Fund.

**SUPPLIER:** Utility Revenue Management Company, Inc. (76-0380051, DAX#019371) Expires 11/26/20  
Utility Revenue Management Company, Inc. holds Majority status.

The company is not debarred according to the Excluded Party Listing System of the Federal Government or prohibited from being awarded a contract according to the Auditor of State Unresolved Findings for Recovery Certified Search.

1. Amount of additional funds: Total amount of additional funds needed for this contract modification No. 5 is \$500,000.00. The Department will request additional future modifications as additional work orders are approved, likely on a quarterly basis. Total contract amount including this modification is \$2,525,000.00.
2. Reasons additional funds were not foreseen: The need for additional funds was known at the time of initial contract. This is a planned contract modification.
3. Reason other procurement processes were not used: This is a planned modification to provide professional services for billing system and meter audit services.

4. How was cost determined: The costs of modification No. 5 were based on planned modification amounts estimated based on the level of work orders submitted and estimated monthly consultant invoice amounts.

**FISCAL IMPACT:** \$500,000.00 is needed and budgeted for this service.

\$927,219.42 was spent in 2019

\$616,022.86 was spent in 2018

To authorize the Director of Public Utilities to enter into a planned modification for professional services with Utility Revenue Management Company, Inc. in the amount of \$500,000.00 for the continuation of billing system and metering audit services; to authorize the expenditure of \$124,400.00 from the Power Operating Fund, \$155,200.00 from the Water Operating Fund, \$174,000.00 from the Sewer Operating Fund, and \$46,400.00 from the Stormwater Operating Fund. (\$500,000.00)

**WHEREAS**, Contract No. PO047832 for professional services with Utility Revenue Management Company, Inc. for billing system and metering audit services was authorized by Ordinance No. 0153-2017, passed by the Columbus City Council on February 6, 2017; and

**WHEREAS**, it is necessary to authorize a planned modification (Mod No. 5) of the Professional Services agreement with Utility Revenue Management Company, Inc. for the Division of Power, the Division of Water, the Division of Sewerage and Drainage; and the Stormwater Division; and

**WHEREAS**, this modification is in accordance with the relevant provisions of Chapter 329 of the City Code relating to contract modifications; and

**WHEREAS**, it has become necessary in the usual daily operation of the Department of Public Utilities to authorize the Director of Public Utilities to enter into a planned modification for professional services with Utility Revenue Management Company, Inc.; 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 modification to a professional services agreement for billing system and metering audit services, with Utility Revenue Management Company, Inc. in the amount of \$500,000.00 in accordance with the terms and conditions of the contract on file in the Director's Office.

**SECTION 2.** That this modification is in accordance with the relevant provisions of Chapter 329 of the City Code relating to contract modifications.

**SECTION 3.** That the expenditure of \$500,000.00 or so much thereof as may be needed, is hereby authorized per the accounting codes in the attachment to this ordinance.

**SECTION 4.** 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 5.** That the City Auditor is authorized to make any accounting changes to revise the funding source for all contracts or contract modifications associated with this ordinance.

**SECTION 6.** That this Ordinance shall take effect and be in force from and after the earliest period allowed by law.

