



Legislation Text

File #: 1230-2023, Version: 1

This legislation authorizes the Director of Public Utilities (DPU) to enter into a contract with Raftelis Financial Consultants, Inc. for general financial services. The consultant will help with cost of service study updates, cost allocation plans, user fee studies, financial research, and more. Specifically, the City desires a fee study conducted on all fees charged by the Department's Divisions. The consultant will review all fees and charges and recommend changes based on cost of service results or other calculations, and recommend the implementation of new fees if appropriate. These fees and charges may include, but are not limited to, meter service fees, system capacity fees, backflow fees, tampering/theft fees, front footage connection charges, and other permit fees.

PROCUREMENT:

The Department of Public Utilities solicited competitive bids through the Vendor Services and Bonfire websites from February 15, 2023 to March 17, 2023 for general financial services in accordance with the relevant provisions of Chapter 329 of City Code (RFQ024033). One (1) bid, by a majority vendor, was received. The bid was deemed responsive and was evaluated on March 20, 2023. The committee recommends that Raftelis Financial Consultants, Inc. be awarded the contract. The committee determined their proposal was strong because it demonstrated a full understanding of the scope of work and met the requirements of the RFP, and due to their strong project team with clear roles and responsibilities.

The term of the contract will be for one-year with two renewal options. For each year of the contract, funding is contingent on availability within the budget, mutual agreement between the parties, approval of City Council, and certification of funds by the City Auditor.

MINORITY AND WOMAN OWNED BUSINESS ENTERPRISE & SMALL LOCAL BUSINESS ENTERPRISE PROGRAM:

This contract opportunity was submitted to the City's Office of Diversity and Inclusion (ODI) for review and assignment of an MBE/WBE goal prior to bidding. ODI determined there was not an opportunity for MBE/WBE participation in this contract and did not assign a goal. This contract was not bid with a City of Columbus MBE/WBE Program goal and the requirements of the City's MBE/WBE Program are not applicable to this contract.

SUPPLIER:

Raftelis Financial Consultants, Inc. | EIN 20-1054069 | D365 Vendor #011256 | Expires 2/22/2024 |
The company does not hold MBE or WBE status.

SUBCONTRACTOR:

One Water Econ LLC | EIN 87-2756955 | D365 Vendor #044761 | Expires 3/15/2025 |
The company submitted information through Columbus' Vendor Portal to be certified as a WBE and their certification was pending at the time of award (and remains pending).

Neither the Contractor nor Subcontractor is 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.

FISCAL IMPACT:

\$185,000.00 is budgeted and available for this contract.

\$0.00 was spent in 2022

\$0.00 was spent in 2021

EMERGENCY DESIGNATION:

This ordinance is being submitted as an emergency in order to start utilizing the consultant's services related to financial modeling and rate analyses to inform the Department of Public Utilities' rate presentations to City Council in the fall of 2023. Rates increases are presented to the Sewer Water and Advisory Board (SWAB) in September and October of each year for consideration. The Division of Power, Division of Sewerage and Drainage, and the Division of Water are planning rate increases starting in 2024 and detailed rate review and analysis, which can take several months to complete, needs to commence as soon as possible to in order to make timely presentations to the SWAB.

To authorize the Director of Public Utilities to enter into a contract with Raftelis Financial Consultants, Inc. for general financial services; to authorize the expenditure of \$185,000.00 split among the Electricity, Water, Sanitary Sewer, and Stormwater Operating Funds; and to declare an emergency. (\$185,000.00)

WHEREAS, The Department of Public Utilities has a need for general financial services, including cost of service study updates, cost allocation plans, user fee studies, financial research, and more; and

WHEREAS, this contract opportunity was submitted to the City's Office of Diversity and Inclusion (ODI) for review and assignment of an MBE/WBE goal prior to bidding and ODI determined there was not an opportunity for MBE/WBE participation in this contract and did not assign a goal; and

WHEREAS, the Department of Public Utilities solicited competitive bids for these services in accordance with the provisions of Chapter 329 of City Code through RFQ024033; and

WHEREAS, One (1) bid, by a majority vendor, was received, deemed responsive, and evaluated on March 20, 2023; and

WHEREAS, the evaluation committee recommends that Raftelis Financial Consultants, Inc. be awarded the contract after determining their proposal was strong because it demonstrated a full understanding of the scope and met the requirements of the RFP, and due to their strong project team with clear roles and responsibilities; and

WHEREAS, Raftelis intends to use a subcontractor for some of the work under the contract and their subcontractor, One Water Econ LLC, submitted information through Columbus' Vendor Portal to be certified as a WBE, and their certification was pending at the time of award (and remains pending); and

WHEREAS, the contract was bid as a one (1) year contract and permitted two (2) additional renewal options contingent upon mutual agreement of the parties, availability of budgeted funds, approval of City Council, and certification of funds by the City Auditor; and

WHEREAS, the expenditure of \$185,000.00 or so much thereof as may be needed, is hereby authorized from object class 03, Services, split among the Electricity, Water, Sanitary Sewer, and Stormwater Operating Funds, per the accounting codes in the attachment to this ordinance; 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 of Public Utilities to enter into a contract for general financial services with Raftelis Financial Consultants, Inc., without delay, to start utilizing the consultant's services related to financial modeling and rate analyses to inform the Department of Public Utilities' rate presentations to City Council in the fall of 2023 since rates increases are presented to the Sewer Water and Advisory Board (SWAB) in September and October of each year for consideration and the Division of Power, Division of Sewerage and Drainage, and the Division of Water are planning rate increases starting in 2024 that require detailed rate review and analysis, which can take several months to complete, and therefore the need exists to commence modeling as soon as possible to in order to make timely presentations to the SWAB all for the immediate 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 is hereby authorized to enter into a contract with Raftelis Financial Consultants, Inc. 19 Garfield Pl. Suite 500, Cincinnati, OH 45202, for general financial services.

SECTION 2. That this contract is in accordance with the relevant provisions of Chapter 329 of City Code.

SECTION 3. That the expenditure of \$185,000.00 or so much thereof as may be needed, is hereby authorized from object class 03, Services, split among the Electricity, Water, Sanitary Sewer, and Stormwater Operating Funds, 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 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 approves nor vetoes the same.