



Legislation Text

File #: 1479-2023, **Version:** 1

This legislation authorizes the Director of Public Utilities to modify the contract with Raftelis Financial Consultants, Inc. for operational review and strategic planning consulting services. The consultant will conduct a comprehensive operational review and help in the development of a strategic plan.

The Department of Public Utilities (DPU) consists of its Director's Office, which houses sections such as human resources and fiscal, among others, as well as the Divisions of Water, Sewerage and Drainage, Power and Stormwater. In total, DPU employs just over 1,000 full-time equivalent employees. The Department serves a population of approximately 1.2 million through the operation of three water and two waste water treatment plants and maintenance of approximately 3,600 miles of waterline and 4,500 miles of sewers. The Division of Power purchases and distributes power to approximately 16,600 customers and maintains approximately 57,000 streetlights. The Department's 2023 operating budget, comprised of the enterprise funds for each of the four divisions, is over \$750 million and it also has a 6-year capital improvement plan of over \$3 billion.

The first phase of this agreement, which is near completion, included launching and managing the project, stakeholder engagement, and an effective utility management (EUM) 360 scan, which establishes a baseline of performance against various attributes of effective utility management. This next phase will move from the operational review to the strategic plan phase, and will focus on tasks leading to its final development.

PROCUREMENT:

The project was formally advertised (RFQ023079) on the Vendor Services and Bonfire websites from October 6, 2022 to November 4, 2022 in accordance with the relevant provisions of Chapter 329 of Columbus City Code. The city received six (6) responses. All proposals were deemed responsive and were fully evaluated when the Evaluation Committee met on November 16, 2022. The committee recommended that the contract be awarded to Raftelis Financial Consultants Inc.

The original contract was for one (1) year from the date of execution, with the option to renew for an additional two (2) years on a year-to-year basis, or a portion thereof, based upon mutual agreement of the parties, availability of funding, and approval by Columbus City Council. The original authorizing ordinance is ordinance 3470-2022. It does not automatically renew and future contract modifications were anticipated.

The contract remains in effect until December 18th, 2023, so this ordinance authorizes a modification to the contract to provide funding for tasks 4-6 of the overall project.

SUPPLIER:

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

SUBCONTRACTORS:

Rama Consulting Group, Inc. | EIN on file | D365 Vendor #001370 | Expires 9/13/2023 |
The company holds MBE status

Hazen and Sawyer | EIN on file | D365 Vendor #000630 | Expires 3/3/2024 |

The company does not hold MBE or WBE status

Neither the Contractor nor Subcontractors are 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:

\$263,920.50 is available for this contract. This is more than budgeted by approximately \$85,000.00, but the Director's Office project enough surplus to cover the difference.

\$84,815.61 has been spent in 2023

\$0.00 was spent in 2022

\$0.00 was spent in 2021

To authorize the Director of Public Utilities to modify the professional consulting services agreement with Raftelis Financial Consultants, Inc. for operational review and strategic plan development consulting services; and to authorize the expenditure of \$263,920.50 split among the Electricity, Water, Sanitary Sewer, and Stormwater Operating Funds. (\$263,920.50)

WHEREAS, the Department of Public Utilities had a need for professional consulting services related to its operational review and strategic planning project and solicited bids through RFQ023079; and

WHEREAS, six (6) proposals were submitted and were opened on November 4, 2022 in accordance with the requirements of Chapter 329 of Columbus City Code 329, and Raftelis Financial Consultants, Inc. was selected based upon the City's request for proposal evaluation process; and

WHEREAS, Raftelis has utilized two subcontractors for some of the work under the contract, Hazen and Sawyer and Rama Consulting, Inc., the latter of which holds MBE status; and

WHEREAS, the original contract was for one (1) year from the date of execution, with the option to renew for an additional two (2) years on a year-to-year basis, or a portion thereof, based upon mutual agreement of the parties, availability of funding, and approval by Columbus City Council; and

WHEREAS, future contract modifications were anticipated, and this ordinance authorizes the first of those as the first phase of the project is nearing completion and the City wishes to continue working with Raftelis on the next phase, which will move from the operational review to the strategic plan development; and

WHEREAS, the contract remains in effect until December 18th, 2023, so this modification only adds funding required to proceed with the next project phase; and

WHEREAS, the expenditure of \$263,920.50 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, it has become necessary in the usual daily operation of the Department of Public Utilities, to authorize the Director of Public Utilities to modify the contract for operational review and strategic planning consulting services with Raftelis Financial Consultants, Inc.; **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 modify a contract with Raftelis Financial Consultants, Inc. 19 Garfield Pl. Suite 500, Cincinnati, OH 45202, for operational review and strategic planning consulting 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 \$263,920.50 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 this Ordinance shall take effect and be in force from and after the earliest period allowed by law.