



**Recommendation for  
Water & Wastewater Commission**

<b>Commission Meeting Date:</b>	August 9, 2017
<b>Council Meeting Date:</b>	August 31, 2017
<b>Department:</b>	Purchasing
<b>SUBJECT</b>	
<p>Authorize negotiation and execution of a contract with <b>NEWGEN STRATEGIES AND SOLUTIONS, LLC</b>, to advocate on behalf of residential customers during the impartial hearing examiner process for the Austin Water cost of service and rate review, for a one year term, in an amount not to exceed \$170,000.</p>	
<b>AMOUNT AND SOURCE OF FUNDING</b>	
<p>Funding is available in the Fiscal Year 2016-2017 Capital Budget of the Austin Water.</p>	
<b>Purchasing Language:</b>	Professional Services
<b>Prior Council Action:</b>	N/A
<b>For More Information:</b>	Georgia Billela, 512-974-2939; Rick Harland, 512-972-0031; Joseph Gonzales, 512-972-0131
<b>Boards and Commission Action:</b>	August 9, 2017- To be reviewed by the Water and Wastewater Commission.
<b>MBE/WBE:</b>	This procurement was reviewed for subcontracting opportunities in accordance with City Code Chapter 2-9C Minority Owned and Women Owned Business Enterprise Procurement Program. For the services required for this procurement, there were insufficient subcontracting opportunities; therefore, no subcontracting goals were established.

The contract is for rate advocacy services that will assist with impartial hearing examiner process for Austin Water's cost of services and rate review. NewGen Strategies and Solutions, LLC (NewGen) provided rate advocacy services for Austin Water's residential customer classes during the performance of the water, wastewater and reclaimed water utility cost of service study. They will advocate during the impartial hearing examiner process on behalf of the residential rate class.

NewGen participated in the cost of service study, reviewed current cost of service and rate design methodologies, discussed and analyzed alternative methodologies, participated on the Austin Water's Project Team and Public Involvement Committee. The impartial hearing examiner process is an extension of the cost of service study. NewGen's participation in the cost of service study and understanding of the issues addressed during the study is critical to performing the residential rate advocate role during the impartial hearing examiner process.

If the City is unable to enter into a contract, the impartial hearing examiner process could be delayed and Austin Water's residential customers may not be effectively represented during the process.