

A G E N D A



Recommendation for Council Action (Purchasing)

Austin City Council		Item ID:	73157	Agenda Number	35.
Meeting Date:		August 31, 2017			
Department:		Purchasing			
Subject					
Authorize negotiation and execution of a contract with NewGen Strategies and Solutions, LLC, 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 term of one year, in an amount not to exceed \$170,000.					
Amount and Source of Funding					
Funding is available in the Fiscal Year 2016-2017 Capital Budget of Austin Water.					
Fiscal Note					
A fiscal note is not required.					
Purchasing Language:	Professional Services				
Prior Council Action:					
For More Information:	Inquiries should be directed to the City Manager’s Agenda Office, at 512-974-2991 or AgendaOffice@ austintexas.gov or to the buyer, Georgia Billela, at 512-974-2939 or Georgia.Billela@ austintexas.gov				
Boards and Commission Action:	August 9, 2017 – Recommended by the Water and Wastewater Commission on a 7-0 vote, with Commissioners Blanding, Castleberry, Kellough and Maia absent.				
Related Items:					
MBE / WBE:	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.				
Additional Backup Information					

The contract is for rate advocacy services that will assist with the impartial hearing examiner process for Austin Water's cost of service 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, and 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.