

Austin Water External Audit Process

PRESENTATION TO AUSTIN CITY COUNCIL AUDIT AND FINANCE COMMITTEE
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Council Resolution 20220217-060

Procure an external audit to review the five most recent significant negative water quality events and service interruptions to:

- identify what went wrong and how to prevent future failure
- evaluate technology, operations, and related issues

Directed the City Auditor to select an independent third-party contractor and manage the resulting contract

Purpose of today's discussion

- Update the Committee and the public on the process to select a third-party to conduct the audit
 - Ask for feedback on draft scope of work
 - Select an approach for contracting
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Draft Scope of Work (Summary)

Contractor responsibilities:

Review the five most recent significant negative water quality events and water supply interruptions.

Complete a written audit report that includes several components, including progress on past recommendations and recommendations for potential changes.

Present report to the Water and Wastewater Commission and the City Council.

Draft Scope of Work (Summary)

City responsibilities:

Provide the Contractor timely information to support their efforts including access to records and City staff.

Collaborate with the contractor to ensure results are supported by evidence.

Facilitate public meetings and work with contractor to post final report in accordance with specifications.

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Possible approaches

Competitive process:

- Develop scope of work (drafted)
- Solicit input to refine scope of work
- Post request for proposals and receive bids
- Evaluate bids
- Select a vendor and bring to Council for approval

Solicitation Timeline: 6 to 8 months

Audit Timeline: TBD based on proposals and post-selection discussions

Possible approaches

Interlocal agreement:

- Identify deliverables and work with university partner to develop agreement terms
- Bring to Council for approval (if required)
- Partner can involve other parties if needed, subject to independence review

Agreement Timeline: 1 to 2 months


Audit Timeline: TBD based on negotiation

Next Steps

If we proceed with an RFP:

- Solicit input to refine scope of work
- Proceed with the solicitation process

If we proceed with an Interlocal Agreement:

- Refine scope of work based on any feedback received
 - Work with interlocal partner and Law Department to develop an agreement that reflects the terms of the draft scope of work
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Questions or Comments?
