

ORDINANCE NO. 187048

Authorize a contract with Raftelis Financial Consultants, Inc. for the Water Bureau Cost Allocation Audit Project in the amount of \$169,490 (Ordinance)

The City of Portland ordains:

Section 1. The Council finds:

1. The Water Bureau is a rate-financed, City-owned utility. Water rates are established each year to assure adequate revenues for water system support and City Council approves the budget annually.
2. The Water Bureau serves as a regional water purveyor. The retail population exceeds 570,000 served through approximately 180,000 connections. The City wholesales water to 20 cities, water districts and private companies with almost 400,000 customers.
3. In 2006, the City and the regional wholesale customers signed Wholesale Water Sales Agreements for long-term water purchases. The terms of the agreements are explicit about rate setting. Wholesale customers worked closely with City staff and consultants to develop a model that adhered to the terms of the Wholesale Water Sales Agreement.
4. The Wholesale Water Sales Agreement between the City and the wholesale customers requires a third party audit of cost allocation at least once every five years. It requires the Water Bureau hire a consultant to conduct an audit of the Water Bureau costs allocation in the Wholesale Rate Model to ensure continued consistency with the terms of the Wholesale Water Sales Agreement. This is the second cost allocation audit to be conducted.
5. A formal Request for Proposal was conducted under RFP WTR 115 in accordance with Chapter 5.68 of the Code of the City of Portland. There were three responsive proposals received. The evaluation committee selected Raftelis Financial Consultants, Inc. as the successful proposer.
6. The Water Bureau requires a contract with Raftelis Financial Consultants, Inc. in an amount not exceed \$169,490 with a contract term of one year. A total of 17.3% of the work under this contract will be performed by a minority, women and emerging small business.
7. Funding of \$125,000 is available in the FY 2014-15 Budget. Additional funding of \$45,000 is included in the FY 2015-16 Requested Budget.

NOW, THEREFORE, the Council directs:

- a. That the Chief Procurement Officer is authorized to execute on behalf of the City a contract with Raftelis Financial Consultants, Inc. in a form in accordance with the contract attached as Exhibit A.

- b. The Mayor and Auditor are hereby authorized to draw and deliver checks chargeable to the Water Fund when demand is presented and approved by the proper authorities.

MAR 11 2015

Passed by the Council,

Commissioner Nick Fish
Cecelia Huynh
February 10, 2015

Mary Hull Caballero
Auditor of the City of Portland.

By  Deputy

Agenda No.
ORDINANCE NO. 187048
Title

Authorize a contract with Raftelis Financial Consultants, Inc. ~~and provide payment~~ for the Water Bureau Cost Allocation Audit Project in the amount of \$169,490 (Ordinance)

<p>INTRODUCED BY Commissioner/Auditor: Commissioner Nick Fish</p> <p>COMMISSIONER APPROVAL</p> <p>Mayor—Finance and Administration - Hales</p> <p>Position 1/Utilities - Fritz</p> <p>Position 2/Works - Fish <i>Nick Fish</i></p> <p>Position 3/Affairs - Saltzman</p> <p>Position 4/Safety - Novick</p> <p>BUREAU APPROVAL</p> <p>Bureau: Water</p> <p>Bureau Head: David G. Shaff <i>David G. Shaff</i></p> <p>Prepared by: Cecelia Huynh</p> <p>Date Prepared: February 10, 2015</p> <p>Impact Statement</p> <p>Completed <input checked="" type="checkbox"/> Amends Budget <input type="checkbox"/></p> <p>Portland Policy Document</p> <p>If "Yes" requires City Policy paragraph stated in document.</p> <p>Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p> <p>City Auditor Office Approval: required for Code Ordinances</p> <p>City Attorney Approval: required for contract, code, easement, franchise, comp plan, charter</p> <p>Council Meeting Date March 4, 2015</p>	<p>CLERK USE: DATE FILED FEB 27 2015</p> <p style="text-align: center;">Mary Hull Caballero Auditor of the City of Portland</p> <p>By: <i>Mary Hull Caballero</i> Deputy</p> <p>ACTION TAKEN:</p> <p>MAR 04 2015 PASSED TO SECOND READING MAR 11 2015 9:30 A.M.</p>
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<p style="text-align: center;">AGENDA</p> <p>TIME CERTAIN <input type="checkbox"/></p> <p>Start time: _____</p> <p>Total amount of time needed: _____ (for presentation, testimony and discussion)</p> <p>CONSENT <input type="checkbox"/></p> <p>REGULAR <input checked="" type="checkbox"/></p> <p>Total amount of time needed: 10 minutes (for presentation, testimony and discussion)</p>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th style="width: 30%;">FOUR-FIFTHS AGENDA</th> <th colspan="2">COMMISSIONERS VOTED AS FOLLOWS:</th> </tr> <tr> <th></th> <th>YEAS</th> <th>NAYS</th> </tr> <tr> <td>1. Fritz</td> <td>1. Fritz <input checked="" type="checkbox"/></td> <td></td> </tr> <tr> <td>2. Fish</td> <td>2. Fish <input checked="" type="checkbox"/></td> <td></td> </tr> <tr> <td>3. Saltzman</td> <td>3. Saltzman <input checked="" type="checkbox"/></td> <td></td> </tr> <tr> <td>4. Novick</td> <td>4. Novick <input checked="" type="checkbox"/></td> <td></td> </tr> <tr> <td>Hales</td> <td>Hales <input checked="" type="checkbox"/></td> <td></td> </tr> </table>	FOUR-FIFTHS AGENDA	COMMISSIONERS VOTED AS FOLLOWS:			YEAS	NAYS	1. Fritz	1. Fritz <input checked="" type="checkbox"/>		2. Fish	2. Fish <input checked="" type="checkbox"/>		3. Saltzman	3. Saltzman <input checked="" type="checkbox"/>		4. Novick	4. Novick <input checked="" type="checkbox"/>		Hales	Hales <input checked="" type="checkbox"/>	
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