



Legislation Details (With Text)

File #: 2021-0659 **Version:** 0 **Name:** 2021 Water and Sewer Rate Study Consultant - Approval
Type: MOTION **Status:** PASSED
File created: 9/2/2021 **In control:** Board of Trustees
On agenda: **Final action:** 9/7/2021
Title: 2021 Water and Sewer Rate Study Consultant - Approval

Code sections:

Attachments: 1. RFP 21-035 Tabulation, 2. 21-035 Audit Report 8_20_2021, 3. NewGen Strategies & Solutions - Proposal, 4. Baxter & Woodman - Proposal, 5. SL-serco - Proposal, 6. Addendum B - Contract Signed

| Date | Ver. | Action By | Action | Result |
|----------|------|--------------------|---------------------|--------|
| 9/7/2021 | 0 | Board of Trustees | | |
| 9/2/2021 | 0 | Finance Department | INTRODUCED TO BOARD | |

Title/Name/Summary

2021 Water and Sewer Rate Study Consultant - Approval

History

At the July 6, 2021, Committee of the Whole meeting, staff presented a draft request For proposals (RFP) that included three (3) work efforts: Evaluation of the Village’s meter replacement program, leak detection system, and a rate study. Village Board feedback was incorporated into the RFP.

On July 30, the Village issued the request for proposals. Three firms provided proposals. One firm (SL-Serco) provided a proposal for work efforts 1 and 3 (meter replacement program evaluation and rate study). Two firms (Baxter & Woodman and NewGen Strategies and Solutions, LLC) provided proposals for work effort 3 (rate study) only. No firms provided proposals for the leak detection system.

Work Effort 1: Meter Replacement Program Evaluation

Because the Village received only one (1) proposal, staff are contacting other qualified firms to determine why they did not submit a proposal. Once that has been investigated, staff will recommend a path forward for work effort 1.

Work Effort 2: Leak Detection System

Because there were no proposals for this work effort, staff recommends that this project be deferred to a later date.

Work Effort 3: Rate Study

The Village received three (3) proposals to conduct the rate study: Baxter & Woodman, Inc. (\$70,000), NewGen Strategies and Solutions, LLC (\$48,890, and SL-Serco, Inc. (\$70,000). Village staff reviewed the proposals, and focused their time and attention on NewGen Strategies and Solutions (NewGen), which was the lowest cost proposal (\$48,890) compared to \$70,000.

In 2015, the Village hired Municipal & Financial Services Group (MFSG) to conduct the Village’s rates study. In 2019, MFSG merged with NewGen, and the same individuals who worked on the Village’s engagement in 2015 would again be heading up the current rate study - they are familiar with the Village’s

rate model.

Several references were checked based on recent work conducted by the firm, and all responses were very positive. Staff recommends that NewGen be awarded the contract for work effort #3, rate study, for a not to exceed fee of \$48,890, subject to Village Attorney review, plus a 10% contingency, which would be utilized for work outside the stated scope of work.

Financial Impact

The 2021 budget includes \$60,000 to complete a water and sewer rate study for the Village. The total cost of the proposal plus the contingency is within the 2021 budgeted amount.

Recommended Action/Motion

I move to approve the proposal by NewGen Strategies & Solutions, LLC, for the preparation of a water, sewer and storm water sewer rate study at a cost not to exceed \$48,890;

And,

Move to approve 10% contingency for work outside the stated scope of work;

And,

To authorize the Village Manager to execute all related contracts subject to Village Attorney review.