



City of Austin

Purchasing Office, Financial Services Department

P.O. Box 1088, Austin, TX 78767

6/20/2016

NewGen Strategies and Solutions, LLC
David Yanke
3420 Executive Center Drive, Suite 165
Austin, TX 78731
dyanke@newgenstrategies.net

Dear Mr. Yanke:

The Austin City Council approved the execution of a contract with your company for the Residential Customer Rate Advocate for Austin Water in accordance with the referenced solicitation.

Responsible Department:	Austin Water
Department Contact Person:	Joseph Gonzales
Department Contact Email Address:	Joseph.Gonzales@austintexas.gov
Department Contact Telephone:	512-972-0131
Project Name:	Residential Customer Rate Advocate for Austin Water
Contractor Name:	NewGen Strategies and Solutions, LLC
Contract Number:	MA 2200 NA160000128
Contract Period:	Approximately 18 months
Dollar Amount	\$162,550
Extension Options:	none
Requisition Number:	16011500283
Solicitation Type & Number:	RFP CDL2005
Agenda Item Number:	35
Council Approval Date:	6/9/2016

Thank you for your interest in doing business with the City of Austin. If you have any questions regarding this contract, please contact the person referenced under Department Contact Person.

Sincerely,

Danielle Lord
Corporate Purchasing Manager
City of Austin-Purchasing Office

cc: Joseph Gonzales
David Anders
Andy Ramirez
Monica McClure

**CONTRACT BETWEEN THE CITY OF AUSTIN ("City")
AND
NewGen Strategies and Solutions, LLC ("Contractor")
for
Residential Customer Rate Advocate for Austin Water
Contract Number: NA160000128**

The City accepts the Contractor's Offer (as referenced in Section 1.1.3 below) for the above requirement and enters into the following Contract.

This Contract is between NewGen Strategies and Solutions, LLC having offices at 3420 Executive Center Drive, Suite 165, Austin, Texas 78731 and the City, a home-rule municipality incorporated by the State of Texas, and is effective as of the date executed by the City ("Effective Date").

Capitalized terms used but not defined herein have the meanings given them in Solicitation Number Request for Proposal CDL2005.

1.1 This Contract is composed of the following documents:

- 1.1.1 This Contract
- 1.1.2 The City's Solicitation, Request for Proposal, CDL2005 including all documents incorporated by reference
- 1.1.3 NewGen Strategies and Solutions, LLC Offer dated March 31, 2016, including Proposed Project Schedule attached hereto as Exhibit A.

1.2 Order of Precedence. Any inconsistency or conflict in the Contract documents shall be resolved by giving precedence in the following order:

- 1.2.1 This Contract
- 1.2.2 The City's Solicitation as referenced in Section 1.1.2, including all documents incorporated by reference
- 1.2.3 The Contractor's Offer as referenced in Section 1.1.3, including subsequent clarifications.

1.3 Term of Contract. The Contract will be effective from the date signed by the City until such time as all tasks indicated in Tab 4 of Contractor's Proposal and Exhibit A attached hereto have been performed and accepted by the City and may be extended thereafter, subject to the approval of the Contractor and the City's Purchasing Officer or his designee.

1.4 Compensation. The Contractor shall be paid a total not-to-exceed amount of \$162,550 for the initial Contract term as indicated in Tab 5 of Contractor's Proposal. Payment shall be made upon submittal of monthly invoices for time and expenses, and upon approval of the City less a 10% retainage. Retainage sums shall be paid upon submittal of a final invoice at the conclusion of the contract.

1.5 Clarifications and Additional Agreements. The following are incorporated into the Contract.

- 1.5.1 **Ownership of Data.** Sixty days prior to the termination date of the Contract, Contractor and Austin Water representatives shall meet and determine the manner and method for the transfer of contractual data. All data developed, obtained, and analyzed, whether stored in files or electronically, shall be transferred to Austin Water in a manner in which Austin Water prescribes. Austin Water shall continue to have access to all web portals and data beyond the expiration on the Contract term.

This Contract (including any Exhibits) constitutes the entire agreement of the parties regarding the subject matter of this Contract and supersedes all prior and contemporaneous agreements and understandings, whether written or oral, relating to such subject matter. This Contract may be altered, amended, or modified only by a written instrument signed by the duly authorized representatives of both parties.

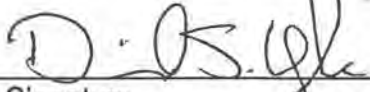
In witness whereof, the parties have caused a duly authorized representative to execute this Contract on the date set forth below.

NewGen Strategies and Solutions LLC

CITY OF AUSTIN

David S. Yanke

Printed Name of Authorized Person



Signature

President - Environmental Protection

Title:

6/13/16

Date:

Monica McClure

Printed Name of Authorized Person



Signature

Corporate Contract Administrator

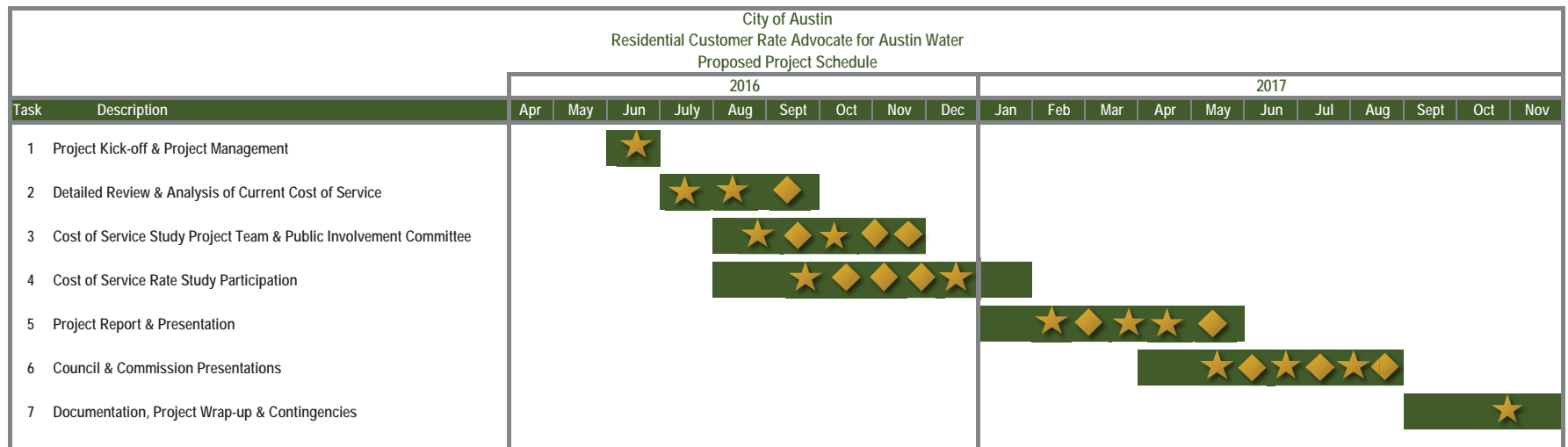
Title:

6/13/16

Date:

Exhibit A – Proposed Project Schedule
Exhibit B - City's Non Discrimination Certificate
Exhibit C – Non-Debarment/Suspension Affidavit

EXHIBIT A



Notes:

- ★ Signifies a Meeting or Multiple Meetings with the AW Cost of Service Project Team, PIC, WIC, Council, or Commission
- ◆ Issuance of Report, Model and/or Presentation

Project schedule based on Council approval of NewGen selection by June 9, 2016 and estimated completion of project by November 2017.

EXHIBIT B
City of Austin, Texas
EQUAL EMPLOYMENT/FAIR HOUSING OFFICE
NON-DISCRIMINATION CERTIFICATION

City of Austin, Texas
Human Rights Commission

To: City of Austin, Texas, ("OWNER")

I hereby certify that our firm conforms to the Code of the City of Austin, Section 5-4-2 as reiterated below:

Chapter 5-4. Discrimination in Employment by City Contractors.

Sec. 4-2 Discriminatory Employment Practices Prohibited. As an Equal Employment Opportunity (EEO) employer, the Contractor will conduct its personnel activities in accordance with established federal, state and local EEO laws and regulations and agrees:

- (B) (1) Not to engage in any discriminatory employment practice defined in this chapter.
- (2) To take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without discrimination being practiced against them as defined in this chapter. Such affirmative action shall include, but not be limited to: all aspects of employment, including hiring, placement, upgrading, transfer, demotion, recruitment, recruitment advertising; selection for training and apprenticeship, rates of pay or other form of compensation, and layoff or termination.
- (3) To post in conspicuous places, available to employees and applicants for employment, notices to be provided by OWNER setting forth the provisions of this chapter.
- (4) To state in all solicitations or advertisements for employees placed by or on behalf of the Contractor, that all qualified applicants will receive consideration for employment without regard to race, creed, color, religion, national origin, sexual orientation, gender identity, disability, veteran status, sex or age.
- (5) To obtain a written statement from any labor union or labor organization furnishing labor or service to Contractors in which said union or organization has agreed not to engage in any discriminatory employment practices as defined in this chapter and to take affirmative action to implement policies and provisions of this chapter.
- (6) To cooperate fully with OWNER's Human Rights Commission in connection with any investigation or conciliation effort of said Human Rights Commission to ensure that the purpose of the provisions against discriminatory employment practices are being carried out.
- (7) To require compliance with provisions of this chapter by all subcontractors having fifteen or more employees who hold any subcontract providing for the expenditure of \$2,000 or more in connection with any contract with OWNER subject to the terms of this chapter.

For the purposes of this Offer and any resulting Contract, Contractor adopts the provisions of the City's Minimum Standard Nondiscrimination Policy set forth below.

**City of Austin
Minimum Standard Non-Discrimination in Employment Policy:**

As an Equal Employment Opportunity (EEO) employer, the Contractor will conduct its personnel activities in accordance with established federal, state and local EEO laws and regulations.

The Contractor will not discriminate against any applicant or employee based on race, creed, color, national origin, sex, age, religion, veteran status, gender identity, disability, or sexual orientation. This policy covers all aspects of employment, including hiring, placement, upgrading, transfer, demotion, recruitment, recruitment advertising, selection for training and apprenticeship, rates of pay or other forms of compensation, and layoff or termination.

Further, employees who experience discrimination, sexual harassment, or another form of harassment should immediately report it to their supervisor. If this is not a suitable avenue for addressing their complaint, employees are advised to contact another member of management or their human resources representative. No employee shall be discriminated against, harassed, intimidated, nor suffer any reprisal as a result of reporting a violation of this policy. Furthermore, any employee, supervisor, or manager who becomes aware of any such discrimination or harassment should immediately report it to executive management or the human resources office to ensure that such conduct does not continue.

Contractor agrees that to the extent of any inconsistency, omission, or conflict with its current non-discrimination employment policy, the Contractor has expressly adopted the provisions of the City's Minimum Non-Discrimination Policy contained in Section 5-4-2 of the City Code and set forth above, as the Contractor's Non-Discrimination Policy or as an amendment to such Policy and such provisions are intended to not only supplement the Contractor's policy, but will also supersede the Contractor's policy to the extent of any conflict.

UPON CONTRACT AWARD, THE CONTRACTOR SHALL PROVIDE A COPY TO THE CITY OF THE CONTRACTOR'S NON-DISCRIMINATION POLICY ON COMPANY LETTERHEAD, WHICH CONFORMS IN FORM, SCOPE, AND CONTENT TO THE CITY'S MINIMUM NON-DISCRIMINATION POLICY, AS SET FORTH HEREIN, OR THIS NON-DISCRIMINATION POLICY, WHICH HAS BEEN ADOPTED BY THE CONTRACTOR FOR ALL PURPOSES (THE FORM OF WHICH HAS BEEN APPROVED BY THE CITY'S EQUAL EMPLOYMENT/FAIR HOUSING OFFICE), WILL BE CONSIDERED THE CONTRACTOR'S NON-DISCRIMINATION POLICY WITHOUT THE REQUIREMENT OF A SEPARATE SUBMITTAL.

Sanctions:

Our firm understands that non-compliance with Chapter 5-4 may result in sanctions, including termination of the contract and suspension or debarment from participation in future City contracts until deemed compliant with the requirements of Chapter 5-4.

Term:

The Contractor agrees that this Section 0800 Non-Discrimination Certificate or the Contractor's separate conforming policy, which the Contractor has executed and filed with the Owner, will remain in force and effect for one year from the date of filing. The Contractor further agrees that, in consideration of the receipt of continued Contract payments, the Contractor's Non-Discrimination Policy will automatically renew from year-to-year for the term of the underlying Contract.

Dated this 13th day of June, 2016

CONTRACTOR

Authorized Signature

Title

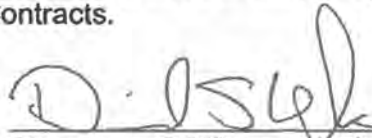
NewGen Strategies + Solutions
D. O'Shea
President - Environmental
Practice
LLC

EXHIBIT C

Non-Suspension or Debarment Certification

The City of Austin is prohibited from contracting with or making prime or sub-awards to parties that are suspended or debarred or whose principals are suspended or debarred from Federal, State, or City of Austin contracts. Covered transactions include procurement contracts for goods or services equal to or in excess of \$25,000.00 and all non-procurement transactions. This certification is required for all Vendors on all City of Austin contracts to be awarded and all contract extensions with values equal to or in excess of \$25,000.00 or more and all non-procurement transactions.

The Contractor hereby certifies that its firm and its principals are not currently suspended or debarred from bidding on any Federal, State or City of Austin Contracts.



Signature of Officer or Authorized Rep. & Date

Printed Name: David S. Yanke

Title: President - Environmental Practice
Rafelis Financial Consultants, Inc.

New Gen Strategies & Solutions
LLC

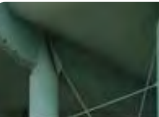
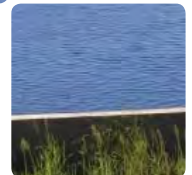
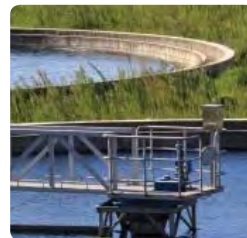
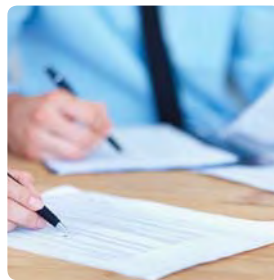
PROPOSAL | April 5, 2016



Solicitation No. CDL2005

Residential Customer Rate Advocate for Austin Water

City of Austin, Texas



PREPARED BY:

**NewGen
Strategies & Solutions**



3420 Executive Center Drive
Suite 165
Austin, Texas 78731
Phone: (512) 479-7900
Fax: (512) 479-7905

April 5, 2016

Ms. Danielle Lord
Purchasing Manager
City of Austin
124 W. 8th Street, Room 308
Austin, TX 78701

Subject: Solicitation No. CDL2005 – Residential Customer Rate Advocate for Austin Water

Dear Ms. Lord:

NewGen Strategies and Solutions, LLC (NewGen) is pleased to have the opportunity to propose our assistance to the City of Austin (City) to provide rate advocacy services as an independent representative for the residential customer class during the performance of the City of Austin Water Department (AW) water, wastewater, and reclaimed water utility cost of service study and related stakeholder engagement process.

It is our understanding that the City desires to retain a qualified consultant to provide independent representation to the residential customer class by participating in the cost of service study in the following ways:

- Review and critique the methodologies and approaches currently employed by AW
- Review and critique methodologies and approaches proposed by the City's rate consultant
- Engage representatives of the residential customer class and related community support groups to gain an understanding of the key issues to be addressed from their perspective
- Participate in the stakeholder engagement process, including the Public Involvement Committee
- Make recommendations on revisions to the cost of service or adjustments to the methodology
- Provide the rationale for all recommendations
- Analyze the impact of recommendations
- Present our findings to various stakeholders

The NewGen Project Team (Project Team) members assembled for this engagement are recognized as experts in cost of service, cost allocation, and rate design in the water and wastewater industry and are routinely requested by utilities and legal counsel to provide litigation support and/or expert testimony regarding these issues before the State of Texas' rate regulatory agencies, including the Public Utility Commission of Texas (PUCT) and the Texas Commission on Environmental Quality (TCEQ). We have experience before the PUCT and the TCEQ preparing and defending water and wastewater rate applications, **as well as challenging rate filings on behalf of ratepayers**. Further, members of the Project

Ms. Danielle Lord
April 5, 2016

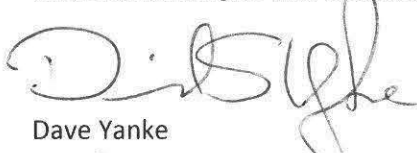
Team have assisted the Office of Public Utility Counsel (OPUC) in reviewing the substantive rules for water and wastewater utilities. Other Project Team members were key participants in Austin Energy's public involvement process, rate review and appeal to the PUCT in 2012.

NewGen provides a comprehensive and unique perspective to this engagement. NewGen not only has extensive municipal cost of service experience, but extensive experience supporting all three perspectives (utility, customer and commission) in utility rate and regulatory proceedings. **Our unique perspective and understanding of key residential customer issues and policy positions will enhance the project by improving stakeholder support and ensuring more defensible results.**

NewGen appreciates the opportunity to propose on this important project. If you have any questions or need additional information regarding this proposal, please contact me at dyanke@newgenstrategies.net or by phone at (512) 649-1254.

Sincerely,

NewGen Strategies and Solutions, LLC

A handwritten signature in black ink, appearing to read 'D. Yanke', is written over the printed name and title.

Dave Yanke
President – Environmental Practice

Table of Contents

TAB 1 – CITY OF AUSTIN PURCHASING DOCUMENTS.....	1
TAB 2 – BUSINESS ORGANIZATION & PROJECT MANAGEMENT STRUCTURE	2
Firm Background	2
Firm Capacity & Project Organization.....	3
TAB 3 – EXPERIENCE & QUALIFICATIONS	4
Project Team Personnel.....	4
Project Experience	6
TAB 4 – CONCEPT & PROGRAM PLAN	19
Sample Work Plan.....	24
Schedule.....	25
Statement of Compliance	26
TAB 5 – COST	27
TAB 6 – BUSINESS EXCEPTIONS	28
INSURANCE COVERAGE	APPENDIX A
PROJECT TEAM RESUMES	APPENDIX B
CLIENT REFERENCES.....	APPENDIX C
SAMPLE WORK PLAN	APPENDIX D
PURCHASING OFFICE EXCEPTIONS FORM	APPENDIX E



CITY OF AUSTIN, TEXAS
Purchasing Office
REQUEST FOR PROPOSAL (RFP)
OFFER SHEET

SOLICITATION NO: CDL2005

DATE ISSUED: March 14, 2016

REQUISITION NO.: 2200 16011500283

COMMODITY CODE: 91897/96600

**FOR CONTRACTUAL AND TECHNICAL
ISSUES CONTACT THE FOLLOWING
AUTHORIZED CONTACTS:**

Primary Point of Contact:

Danielle Lord
Purchasing Manager
Phone: (512) 974-2298
E-Mail: Danielle.Lord@austintexas.gov

Secondary Point of Contact:

Joshua Pace
Buyer II
Phone: (512) 974-3127
E-Mail: Joshua.Pace@austintexas.gov

COMMODITY/SERVICE DESCRIPTION:

Residential Customer Rate Advocate for Austin Water

PRE-PROPOSAL CONFERENCE TIME AND DATE:

March 17, 2016, 3:30PM

LOCATION: Municipal Building, 124 W 8th Street, Room 335.1
Austin, Texas 78701

PROPOSAL DUE PRIOR TO: April 5, 2016 at 2:00PM

PROPOSAL CLOSING TIME AND DATE: April 5, 2016 at 2:00PM

LOCATION: Municipal Building, 124 W 8th Street, Room 308
Austin, Texas 78701

**LIVE SOLICITATION CLOSING ONLINE: For RFP's, only the
names of respondents will be read aloud**

**For information on how to attend the Solicitation Closing online, please
select this link:**

<http://www.austintexas.gov/department/bid-opening-webinars>

When submitting a sealed Offer and/or Compliance Plan, use the proper address for the type of service desired, as shown below:

Address for US Mail (Only)	Address for FedEx, UPS, Hand Delivery or Courier Service
City of Austin	City of Austin, Municipal Building
Purchasing Office-Response Enclosed for Solicitation # CDL2002	Purchasing Office-Response Enclosed for Solicitation # CDL2005
P.O. Box 1088	124 W 8 th Street, Rm 308
Austin, Texas 78767-8845	Austin, Texas 78701
	Reception Phone: (512) 974-2500

NOTE: Offers must be received and time stamped in the Purchasing Office prior to the Due Date and Time. It is the responsibility of the Offeror to ensure that their Offer arrives at the receptionist's desk in the Purchasing Office prior to the time and date indicated. Arrival at the City's mailroom, mail terminal, or post office box will not constitute the Offer arriving on time. See Section 0200 for additional solicitation instructions.

All Offers (including Compliance Plans) that are not submitted in a sealed envelope or container will not be considered.

SUBMIT 1 ORIGINAL AND 6 ELECTRONIC COPIES (FLASH DRIVE ONLY) OF YOUR RESPONSE

*****SIGNATURE FOR SUBMITTAL REQUIRED ON PAGE 3 OF THIS DOCUMENT*****

This solicitation is comprised of the following required sections. Please ensure to carefully read each section including those incorporated by reference. By signing this document, you are agreeing to all the items contained herein and will be bound to all terms.

SECTION NO.	TITLE	PAGES
0100	STANDARD PURCHASE DEFINITIONS	**
0200	STANDARD SOLICITATION INSTRUCTIONS	**
0300	STANDARD PURCHASE TERMS AND CONDITIONS	**
0400	SUPPLEMENTAL PURCHASE PROVISIONS	4
0500	SCOPE OF WORK	*
0600	PROPOSAL PREPARATION INSTRUCTIONS & EVALUATION FACTORS	5
0605	LOCAL BUSINESS PRESENCE IDENTIFICATION FORM – Complete and return	2
0700	REFERENCE SHEET – Complete and return if required	1
0800	NON-DISCRIMINATION CERTIFICATION	**
0805	NON-SUSPENSION OR DEBARMENT CERTIFICATION	**
0810	NON-COLLUSION, NON-CONFLICT OF INTEREST, AND ANTI-LOBBYING CERTIFICATION	**
0835	NONRESIDENT BIDDER PROVISIONS – Complete and return	1
0900	MBE/WBE PROCUREMENT PROGRAM PACKAGE NO GOALS FORM – Complete & return	2
ATT A	ATTACHMENT A- PURCHASING OFFICE EXCEPTIONS FORM	*

* Documents are hereby incorporated into this Solicitation as additional documents with the same force and effect as if they were incorporated in full text.

** Documents are hereby incorporated into this Solicitation by reference, with the same force and effect as if they were incorporated in full text. The full text versions of the ** Sections are available on the Internet at the following online address:

http://www.austintexas.gov/financeonline/vendor_connection/index.cfm#STANDARDBIDDOCUMENTS

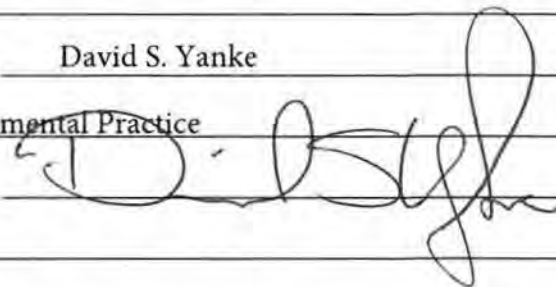
If you do not have access to the Internet, you may obtain a copy of these Sections from the City of Austin Purchasing Office located in the Municipal Building, 124 West 8th Street, Room #308 Austin, Texas 78701; phone (512) 974-2500. Please have the Solicitation number available so that the staff can select the proper documents. These documents can be mailed, expressed mailed, or faxed to you.

INTERESTED PARTIES DISCLOSURE

In addition, Section 2252.908 of the Texas Government Code requires the successful offeror to complete a Form 1295 "Certificate of Interested Parties" that is signed and notarized for a contract award requiring council authorization. The "Certificate of Interested Parties" form must be completed on the Texas Ethics Commission website, printed, signed and submitted to the City by the authorized agent of the Business Entity with acknowledgment that disclosure is made under oath and under penalty of perjury prior to final contract execution.

https://www.ethics.state.tx.us/whatsnew/elf_info_form1295.htm

The undersigned, by his/her signature, represents that he/she is submitting a binding offer and is authorized to bind the respondent to fully comply with the solicitation document contained herein. The Respondent, by submitting and signing below, acknowledges that he/she has received and read the entire document packet sections defined above including all documents incorporated by reference, and agrees to be bound by the terms therein.

Company Name: NewGen Strategies and Solutions, LLC
Company Address: 3420 Executive Center Drive, Suite 165
City, State, Zip: Austin, Texas 78731
Federal Tax ID No: [REDACTED]
Printed Name of Officer or Authorized Representative: David S. Yanke
Title: President - Environmental Practice
Signature of Officer or Authorized Representative: 
Date: March 31, 2016
Email Address: dyanke@newgenstrategies.net
Phone Number: 512-649-1254

*** Proposal response must be submitted with this Offer sheet (pages 1-3)
to be considered for award.***



**ADDENDUM
CITY OF AUSTIN, TEXAS**

Solicitation: CDL2005

Addendum No: 1

Date of Addendum: March 21, 2016

This addendum is to incorporate the following changes to the above referenced solicitation:

I. Questions:

(Q1) Does this solicitation have subcontracting goals? If we are uncertain if or what subcontractors we will use should be still complete the 0900?

(A1) This solicitation does not have any subcontracting goals.

You still must complete the 0900 Form included in the solicitation packet with either "yes" if you have established subcontractors and "no" if you do not have subcontractors established. After award if you decide to utilize subcontractors you must contact the City's Small Minority Business Resources Department (SMBR) to complete a Change Request and the subcontracting paperwork.

(Q2) Can proposals be sent to the Purchasing Office via UPS or FedEx? Can proposals be sent via US Postal Service?

(A2) Yes, carriers deliver directly to the Purchasing Office. USPS delivers to our PO Box, and it may take up to two days for mail from the PO Box to be delivered to the Purchasing Office.

(Q3) The cover page, page one of the offer sheet, states that proposers must submit six electronic copies of the proposal. Is that one flash drive with six copies of the entire proposal, or six flash drives with one copy of the proposal on each flash drive?

(A3) Six flash drives with one copy of the proposal on each flash drive.

(Q4) Does the No Contact Period mean that proposers can contact any City employee?

(A4) No. The only authorized contacts for the solicitation are Danielle Lord and Joshua Pace. There is a caveat, and that is if a firm is going to utilize subcontractors, the firm can contact the City's Small Minority Business Resources Department to discuss the subcontracting process.

(Q5) If a firm has existed less than 5 years with the current name, but existed in Austin for more than 20 years under a different name, should the proposer check no on Section 0605 Local Business Presence?

(A5) Local Business Presence is determined in two ways 1.) if the firm's headquarters exists within the corporate City limits of Austin with no time minimums or 2.) if the firm has a branch office within the corporate City limits for at least 5 years. The answer to this question depends on if the firm with the name change is a branch office or headquarter. If the name change happened to the firm's

headquarters and is in the City's corporate limits then the proposer should select "yes". If the name change happened to the firm and it is now considered a branch office within the City's corporate limits, and this change happened less than 5 years ago then the proposer should select "no". If the name change happened to the firm and it is now considered a branch office within the City's corporate limits, and this change happened 5 years ago or more then the proposer should select "yes".

(Q6) If a firm has a branch office that has been in Austin for only 3.5 years, does the proposer check no on Section 0605 Local Business Presence?

(A6) Yes, the proposer should select "no" because a branch office must exist for at least 5 years in the Austin corporate City limits to receive Local Business Presence points.

(Q7) If a firm that is not a local firm subcontracts with a firm that has been in Austin for more than 5 years, does the proposer get local presence points?

(A7) Yes, and there is a chart explaining the points given for subcontracting local firms in Section 0600, 5. C. Evaluation Factors.

(Q8) If a firm's headquarters is out of state, but a branch is in the state, would that proposer be a non- resident bidder according to 0835? Is this section evaluated?

(A8) A Resident Bidder is a person, firm, or entity whose principal place of business is in the State of Texas, including a Contractor whose ultimate parent company or majority owner has its principal place of business in the State of Texas. If a firm's headquarters is out of state, but their branch is in the state, the proposer will not be a resident bidder.

No, the information for 0835 is not utilized for evaluation purposes or assigned evaluation points.

(Q9) Individual departments do presentations to Council during the budget process. Should the selected vendor be prepared to attend those presentations?

(A9) Possibly. It is anticipated that the vendor would be prepared to attend and present cost of service updates to Council during and at the conclusion of the cost of service process. As a result, there may or may not be a need to attend department budget presentations, but plan for it.

(Q10) In Section 0400, Task 4 doesn't include development of revenue requirements or financial plan. Does the selected vendor develop that, or does Austin Water supply that?

(A10) Austin Water would provide current revenue requirements to the vendor for review.

(Q11) Does the No Contact Period include solicitations or contracts that proposers are currently working on with other City departments?

(A11) No, it only includes this specific solicitation.

(Q12) In Tab 4, regarding the progress payments and 10% retainage, should vendors explain the proposed billing schedule, such as "billed monthly"?

(A12) Yes.

(Q13) If a vendor submits a proposal on both the rate study solicitation and the rate advocacy solicitation, can the vendor convey in the proposals which contract the vendor prefer to be awarded?

(A13) Please submit proposals as you would normally. Treat the solicitations as separate projects. If necessary, the City will have discussions with the short listed vendors for each solicitation during the evaluation process.

(Q14) In Task 2, does the word "current" refer to the information that is gathered during the rate study contract that will be ongoing at the same time?

(A14) No. "Current" refers to the information we have and are using right now from our previous rate study contract.

- II. **Clarifications:** Section 0500 (Scope of Work), Task 7-Documentation, Project Wrap-up & Contingencies, Meeting/Travel Requirements is deleted in its entirety and replaced with the following:
Travel to Austin for one (1) meeting with AW Project Team for project wrap-up discussions and tasks. In addition, the Consultant shall include a contingency of up to two (2) meetings for project task completion unforeseen in **Tasks 1-7**.
- III. **Additional Contacts:** Additional Authorized Contacts have been added to this solicitation for contractual and technical issues. Additional Authorized Contacts include:

Primary Contact (no change):

Danielle Lord
Corporate Purchasing Manager
(512) 974-2298
Danielle.Lord@austintexas.gov

Secondary Contact (no change):

Joshua Pace
Buyer II
(512) 974-3127
Joshua.Pace@austintexas.gov

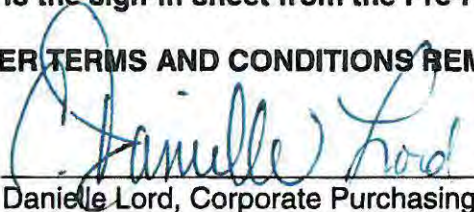
Contract Administrator:

Monica McClure
Contract Administrator
(512) 974-1714
Monica.McClure@austintexas.gov

IV. Attached is the sign-in sheet from the Pre-Proposal Meeting on March 17, 2016 at 3:30 PM.


V. ALL OTHER TERMS AND CONDITIONS REMAIN THE SAME.


APPROVED BY:


Danielle Lord, Corporate Purchasing Manager
Purchasing Office, (512) 974-2298

3/21/16
Date

ACKNOWLEDGED BY:


Name


Authorized Signature

4/5/16
Date

RETURN ONE COPY OF THIS ADDENDUM TO THE PURCHASING OFFICE, CITY OF AUSTIN, WITH YOUR RESPONSE OR PRIOR TO THE SOLICITATION CLOSING DATE. FAILURE TO DO SO MAY CONSTITUTE GROUNDS FOR REJECTION.

Section 0605: Local Business Presence Identification

A firm (Offeror or Subcontractor) is considered to have a Local Business Presence if the firm is headquartered in the Austin Corporate City Limits, or has a branch office located in the Austin Corporate City Limits in operation for the last five (5) years, currently employs residents of the City of Austin, Texas, and will use employees that reside in the City of Austin, Texas, to support this Contract. The City defines headquarters as the administrative center where most of the important functions and full responsibility for managing and coordinating the business activities of the firm are located. The City defines branch office as a smaller, remotely located office that is separate from a firm's headquarters that offers the services requested and required under this solicitation.

OFFEROR MUST SUBMIT THE FOLLOWING INFORMATION FOR EACH LOCAL BUSINESS (INCLUDING THE OFFEROR, IF APPLICABLE) TO BE CONSIDERED FOR LOCAL PRESENCE.

NOTE: ALL FIRMS MUST BE IDENTIFIED ON THE MBE/WBE COMPLIANCE PLAN OR NO GOALS UTILIZATION PLAN (REFERENCE SECTION 0900).

USE ADDITIONAL PAGES AS NECESSARY

OFFEROR:

Name of Local Firm	NewGen Strategies and Solutions, LLC	
Physical Address	3420 Executive Center Drive, Suite 165	
Is your headquarters located in the Corporate City Limits? (circle one)	<input checked="" type="radio"/> Yes ⁽¹⁾	<input type="radio"/> No
or		
Has your branch office been located in the Corporate City Limits for the last 5 years?		
Will your business be providing additional economic development opportunities created by the contract award? (e.g., hiring, or employing residents of the City of Austin or increasing tax revenue?)	<input checked="" type="radio"/> Yes	<input type="radio"/> No

(1) J. Stowe & Co. was established in 2008 and has maintained an office in Austin since that time. In 2012, J. Stowe & Co. changed its name to NewGen Strategies and Solutions. However, the company has maintained the same staff (and hired additional staff as the firm continues to grow). The firm has maintained the same federal tax identification number even as the name of the firm has changed. Therefore, we have had a branch office in Austin since 2008.

Section 0700: Reference Sheet

Responding Company Name NewGen Strategies and Solutions, LLC

The City at its discretion may check references in order to determine the Offeror's experience and ability to provide the products and/or services described in this Solicitation. The Offeror shall furnish at least 3 complete and verifiable references. References shall consist of customers to whom the offeror has provided the same or similar services within the last 5 years. References shall indicate a record of positive past performance.

1. Company's Name City of Waco
Name and Title of Contact Mr. Wiley Stem, Assistant City Manager
Project Name Water and Wastewater Cost of Service and Rate Design Study
Present Address 300 Austin Avenue
City, State, Zip Code Waco, Texas 76702
Telephone Number (254) 299-2489 Fax Number (254) 750-8032
Email Address wileys@ci.waco.tx.us

2. Company's Name City of Fort Worth
Name and Title of Contact Ms. Kara Shuror, Assistant Director Business Services
Project Name Wholesale Water and Wastewater Contract Negotiations
Present Address 1000 Throckmorton Street
City, State, Zip Code Fort Worth, Texas 76102-6311
Telephone Number (817) 392-8819 Fax Number (817) 392-8195
Email Address kara.shuror@fortworthgov.org

3. Company's Name Austin Energy
Name and Title of Contact Mr. Mark Dreyfus, V.P. of Regulatory Affairs and Corporate Communications
Project Name Electric Cost of Service and Rate Design, Expert Testimony
Present Address 721 Barton Springs Road
City, State, Zip Code Austin, Texas 78704
Telephone Number (512) 322-6544 Fax Number (512) 484-5441
Email Address mark.dreyfus@austinenergy.com

SUBCONTRACTOR(S): NewGen does not plan to utilize subcontractors for this engagement.

Name of Local Firm		
Physical Address		
Is your headquarters located in the Corporate City Limits? (circle one)	Yes	No
or		
Has your branch office been located in the Corporate City Limits for the last 5 years	Yes	No

Will your business be providing additional economic development opportunities created by the contract award? (e.g., hiring, or employing residents of the City of Austin or increasing tax revenue?)	Yes	No

SUBCONTRACTOR(S):

Name of Local Firm		
Physical Address		
Is your headquarters located in the Corporate City Limits? (circle one)	Yes	No
or		
Has your branch office been located in the Corporate City Limits for the last 5 years	Yes	No
Will your business be providing additional economic development opportunities created by the contract award? (e.g., hiring, or employing residents of the City of Austin or increasing tax revenue?)	Yes	No

Section 0835: Non-Resident Bidder Provisions

Company Name NewGen Strategies and Solutions, LLC

- A. Bidder must answer the following questions in accordance with Vernon's Texas Statutes and Codes Annotated Government Code 2252.002, as amended:

Is the Bidder that is making and submitting this Bid a "Resident Bidder" or a "non-resident Bidder"?

Answer: Non-resident Bidder⁽¹⁾

- (1) Texas Resident Bidder- A Bidder whose principle place of business is in Texas and includes a Contractor whose ultimate parent company or majority owner has its principal place of business in Texas.
(2) Nonresident Bidder- A Bidder who is not a Texas Resident Bidder.

- B. If the Bidder is a "Nonresident Bidder" does the state, in which the Nonresident Bidder's principal place of business is located, have a law requiring a Nonresident Bidder of that state to bid a certain amount or percentage under the Bid of a Resident Bidder of that state in order for the nonresident Bidder of that state to be awarded a Contract on such bid in said state?

Answer: No Which State: Colorado

- C. If the answer to Question B is "yes", then what amount or percentage must a Texas Resident Bidder bid under the bid price of a Resident Bidder of that state in order to be awarded a Contract on such bid in said state?

Answer: _____

(1) NewGen Strategies and Solutions, LLC is a 37-person firm, incorporated in the state of Colorado. However, we have an 8-person office in Austin, Texas, a 6-person office in Richardson, Texas, and a 1-person office in Amarillo, Texas. Therefore, over 40% of our staff is located in the state of Texas, and over 20% of our total firm staffing is based in the City of Austin.

Section 0900: Minority- and Women-Owned Business Enterprise (MBE/WBE) Procurement
Program No Goals Form

SOLICITATION NUMBER: CDL2005
PROJECT NAME: Residential Customer Rate Advocate for Austin Water

The City of Austin has determined that no goals are appropriate for this project. Even though goals were not assigned for this solicitation, the Bidder/Proposer is required to comply with the City's MBE/WBE Procurement Program, if areas of subcontracting are identified.

If any service is needed to perform the Contract and the Bidder/Proposer does not perform the service with its own workforce or if supplies or materials are required and the Bidder/Proposer does not have the supplies or materials in its inventory, the Bidder/Proposer shall contact the Small and Minority Business Resources Department (SMBR) at (512) 974-7600 to obtain a list of MBE and WBE firms available to perform the service or provide the supplies or materials. The Bidder/Proposer must also make a Good Faith Effort to use available MBE and WBE firms. Good Faith Efforts include but are not limited to contacting the listed MBE and WBE firms to solicit their interest in performing on the Contract, using MBE and WBE firms that have shown an interest, meet qualifications, and are competitive in the market; and documenting the results of the contacts.

Will subcontractors or sub-consultants or suppliers be used to perform portions of this Contract?

No X If no, please sign the No Goals Form and submit it with your Bid/Proposal in a sealed envelope
If yes, please contact SMBR to obtain further instructions and an availability list and perform Good Faith Efforts. Complete and submit the No Goals Form and the No Goals Utilization Plan with your Bid/Proposal in a sealed envelope.
Yes

After Contract award, if your firm subcontracts any portion of the Contract, it is a requirement to complete Good Faith Efforts and the No Goals Utilization Plan, listing any subcontractor, sub-consultant, or supplier. Return the completed Plan to the Project Manager or the Contract Manager.

I understand that even though goals were not assigned, I must comply with the City's MBE/WBE Procurement Program if subcontracting areas are identified. I agree that this No Goals Form and No Goals Utilization Plan shall become a part of my Contract with the City of Austin.

NewGen Strategies and Solutions, LLC

Company Name

David S. Yanke, President - Environmental Practice

Name and Title of Authorized Representative (Print or Type)

Signature

Date

4/4/16

Minority- and Women-Owned Business Enterprise (MBE/WBE) Procurement Program No Goals Utilization Plan
 (Please duplicate as needed)

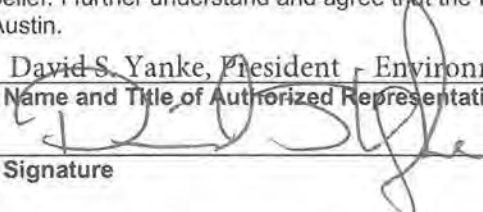
SOLICITATION NUMBER:	CDL2005
PROJECT NAME:	Residential Customer Rate Advocate for Austin Water

PRIME CONTRACTOR / CONSULTANT COMPANY INFORMATION

Name of Contractor/Consultant	NewGen Strategies and Solutions, LLC		
Address	3420 Executive Center Drive, Suite 165		
City, State Zip	Austin, Texas 78731		
Phone Number	512-649-1254	Fax Number	512-479-7905
Name of Contact Person	David S. Yanke		
Is Company City certified?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> MBE <input type="checkbox"/> WBE <input type="checkbox"/> MBE/WBE Joint Venture <input type="checkbox"/>		

I certify that the information included in this No Goals Utilization Plan is true and complete to the best of my knowledge and belief. I further understand and agree that the information in this document shall become part of my Contract with the City of Austin.

David S. Yanke, President - Environmental Practice
 Name and Title of Authorized Representative (Print or Type)


4/4/16
Date

Provide a list of all proposed subcontractors / sub-consultants / suppliers that will be used in the performance of this Contract. Attach Good Faith Effort documentation if non MBE/WBE firms will be used.

Sub-Contractor / Sub-Consultant			
City of Austin Certified	MBE <input type="checkbox"/> WBE <input type="checkbox"/> Ethics / Gender Code: <input type="checkbox"/> Non-Certified		
Vendor ID Code			
Contact Person		Phone Number	
Amount of Subcontract	\$		
List commodity codes & description of services			

Sub-Contractor / Sub-Consultant			
City of Austin Certified	MBE <input type="checkbox"/> WBE <input type="checkbox"/> Ethics / Gender Code: <input type="checkbox"/> Non-Certified		
Vendor ID Code			
Contact Person		Phone Number	
Amount of Subcontract	\$		
List commodity codes & description of services			

FOR SMALL AND MINORITY BUSINESS RESOURCES DEPARTMENT USE ONLY:

Having reviewed this plan, I acknowledge that the proposer (HAS) or (HAS NOT) complied with City Code Chapter 2-9A/B/C/D, as amended.

Reviewing Counselor _____ Date _____ Director/Deputy Director _____ Date _____

TAB 2 – BUSINESS ORGANIZATION & PROJECT MANAGEMENT STRUCTURE

Firm Background

NewGen is a management and economic consulting firm specializing in serving public sector utilities. NewGen provides financial, cost of service (COS), rate design, valuation, strategy, expert witness, stakeholder, and sustainability consulting services to our clients. Our expertise includes litigation support in state and federal regulatory proceedings, utility business and financial planning, and sustainability strategy for water, wastewater, solid waste, electric, and gas utilities.

Legal Name and Corporate Address	NewGen Strategies and Solutions, LLC 225 Union Boulevard, Suite 305 Lakewood, Colorado 80228 Phone: (720) 633-9514
Legal Form of Company	NewGen is a Limited Liability Company formed in the State of Colorado
Year Established	2012
Address of Responsible Office	3420 Executive Center Drive, Suite 165 Austin, Texas 78731 Phone: (512) 479-7900
Authorized Negotiator	Mr. David S. Yanke President-Environmental Practice 3420 Executive Center Drive, Suite 165 Austin, Texas 78731 Phone: (512) 649-1254 Email: dyanke@newgenstrategies.net

NewGen is a 37-person firm in eight offices throughout the United States, with three offices located in Texas. NewGen was created by consultants who are dedicated to our client’s mission and recognized as experts in our respective fields of service. Our assistance is provided with a keen insight into the growing role of stakeholders, resource availability, cost of providing utility services, and economic conditions, thus ensuring an integrated approach to utility operations and services. Our team’s combined capabilities provide the expertise gained from more than 100 water and wastewater cost of service studies performed in the last five years and approximately five to ten regulated utility cases and filings in Texas annually. The NewGen team is exceptionally well suited to represent the residential customer class based on our experience and understanding of the issues involved in a cost of service and rate design study as well as our representation of customer groups in other rate proceedings.

We are a financially stable firm with no corporate debt and sufficient cash reserves to meet our organizational needs. A letter from our insurance provider and copy of our certificate of liability insurance is attached in Appendix A. Many of NewGen’s current employees worked together for many years at R. W. Beck prior to joining NewGen – some for as long as 25 years.¹ Thus, although the firm is relatively

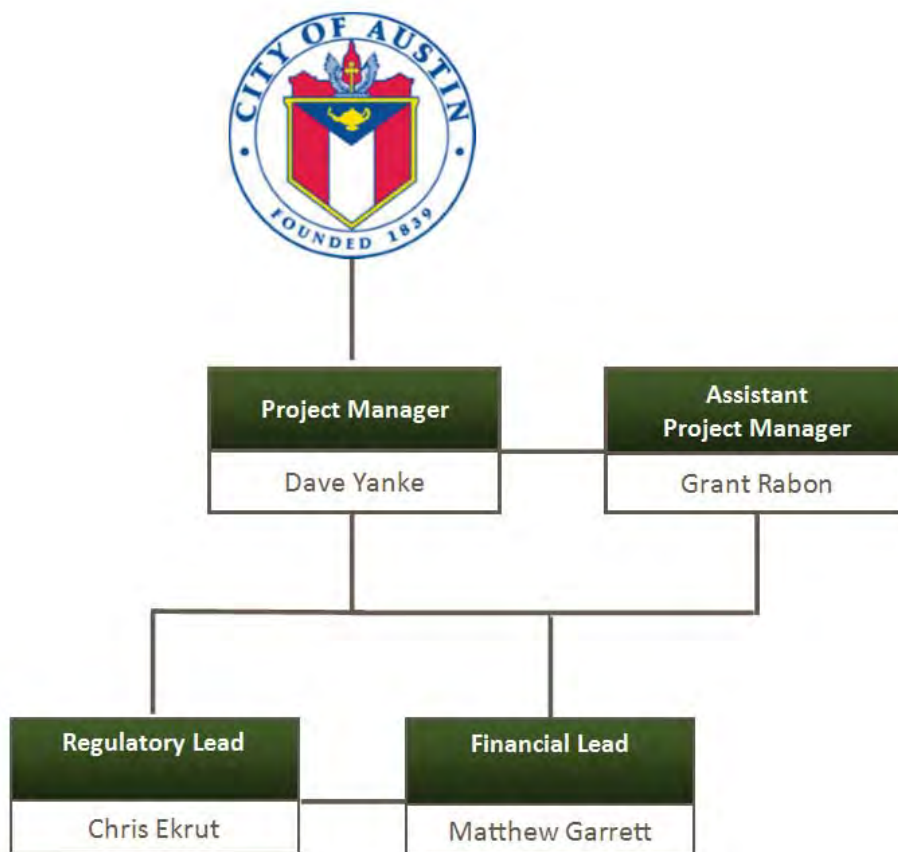
¹ J. Stowe & Co. was established in 2008. In 2012, it changed its name to NewGen Strategies and Solutions, LLC, as more consultants joined J. Stowe & Co. from R. W. Beck after its acquisition by SAIC in 2009. Most of the consultants left R. W. Beck/SAIC beginning in 2012, with additional people joining from SAIC in 2013 and 2014. Over 75% of the employees and owners of NewGen were previously employed at R. W. Beck and/or Reed, Stowe & Yanke, LLC.

new (established in 2012), the key project personnel for this engagement have a long, successful work history and a demonstrated ability to complete projects on time and with deliverables that withstand public, stakeholder, and regulatory scrutiny.

Firm Capacity & Project Organization

The Project Team has the skills, experience, and available capacity to complete the requested scope of work, primarily utilizing personnel in our local Austin office. NewGen is completely committed to ensuring the successful completion of the requested scope of work while complying with the project requirements and supplemental purchase provisions.

The organizational chart of the proposed Project Team is depicted in the graphic below.



The Project Manager, Dave Yanke, will be the primary contact and interface for the City and Austin Water staff for this engagement. The Assistant Project Manager, Grant Rabon, will serve as a secondary contact for the City and Austin Water staff for this engagement. Both the Project Manager and Assistant Project Manager are located in the local Austin office of NewGen and provide proven expert local, in-person and responsive service with little notice and no travel related expenses. Further, our local presence is critical to understanding the factors influencing the utility and makes overall project execution very efficient.

TAB 3 – EXPERIENCE & QUALIFICATIONS

NewGen has evaluated water, wastewater, reclaimed water, solid waste, gas, and electric utilities across the United States and can leverage this experience to represent the interests of the residential customer class. Further, we have deep expertise with customer engagement and stakeholder facilitation as well as affordability analyses. Thus, this opportunity to assist the City and its residential customers is perfectly aligned with our core competencies.

NewGen’s active membership in the following professional organizations enhances our broader market understanding of critical utility issues and key concerns of residential stakeholders:

- American Water Works Association (AWWA)
- Texas Water Conservation Association (TWCA)
- Texas Municipal Utilities Association (TMUA)
- Texas Rural Water Association (TRWA)
- Government Finance Officers Association of Texas (GFOAT)
- Water Environment Federation (WEF)
- Solid Waste Association of north America (SWANA)

NewGen provides a comprehensive and unique perspective to the project with extensive experience supporting all three perspectives (utility, customer, and commission) in utility rate and regulatory proceedings. Our unique perspective and understanding of key residential customer issues and policy positions will enhance the project by improving stakeholder support and ensuring more defensible results.

While active participation in these industry associations facilitates our broader understanding of market trends, it does not ensure the deep understanding and expertise required for effective expert witnesses and regulatory support. A true regulatory and rate proceeding expert has stood before a court of law or regulatory body and had to defend their work against a legal challenge. NewGen is comprised of experts who have successfully provided litigation support and expert witness testimony before the rate regulatory bodies and courts of law within the State of Texas. In addition, members of NewGen have actively participated in rule-makings before the PUCT and have had a direct impact on the crafting and development of the substantive rules and laws of the state under which water and wastewater rates are regulated, as demonstrated by our work for OPUC.

The following certifications are held by members of the Project Team:

- Accredited Senior Appraiser (ASA) designation in Public Utilities from American Society of Appraisers – Grant Rabon
- Certified Government Finance Officer (CGFO #269) – Matthew Garrett
- Texas Certified Public Manager (CPM) – Matthew Garrett

Project Team Personnel

Please refer to Appendix B for each Project Team member’s two-page resume. A short biography for each member of the Project Team is provided on the following pages.

Dave Yanke – Project Manager

Mr. Dave Yanke will serve as the Project Manager and will be the primary contact for the City and Austin Water staff for this engagement. Mr. Yanke has over 25 years of experience in conducting cost of service and rate design studies for water and wastewater utilities. He has conducted cost of service and rate design studies, valuation studies, life cycle cost analyses regarding alternative project delivery options, operations reviews, and privatization analyses for water, wastewater, and municipal solid waste utilities.

Title: President-Environmental Practice
Location: Austin, Texas
Phone: (512) 649-1254
Email: dyanke@newgenstrategies.net

Mr. Yanke has provided numerous presentations regarding the establishment of water and wastewater rates, both in a contested venue (administrative hearings) as well as to boards of directors, city commissions, and city councils. His expertise lies in the ability to convey complex information in a straightforward manner so the clients (i.e., senior management, elected officials, citizens, etc.) understand the issues and drivers for rate adjustments. **Further, Mr. Yanke has been engaged in many water and wastewater projects where residential rate affordability is a critical determinant, including several projects for the North American Development Bank.**

Grant Rabon, ASA – Assistant Project Manager

Mr. Grant Rabon will serve as the Assistant Project Manager and a secondary contact for the City and Austin Water staff for this engagement. Mr. Rabon began his utility consulting career in 2005 with R. W. Beck (and later SAIC after it acquired R. W. Beck), where he worked until he joined NewGen in July 2013. Mr. Rabon has performed or managed numerous retail and wholesale water or wastewater cost of service and rate design studies. He has testified as an expert witness before the PUCT. Further, he has presented multiple times at industry conferences on water and wastewater cost of service and rate design topics.

Title: Executive Consultant
Location: Austin, Texas
Phone: (512) 900-8232
Email: grabon@newgenstrategies.net

Mr. Rabon has addressed the issue of residential water and wastewater rate affordability as a key factor in rate determination in several engagements, including projects for the North American Development Bank and utilities in financial distress (e.g., Jefferson County, Alabama and Xenia Rural Water District).

Chris Ekrut – Regulatory Lead

Mr. Chris Ekrut will serve as the lead for regulatory matters for this engagement. He has been providing financial and management consulting services since 2004, with the majority of his consulting experience centered in the water and wastewater industry. Mr. Ekrut has conducted numerous wholesale and retail water and wastewater rate studies, developed water, wastewater, and stormwater rate models, and assisted in the negotiation and/or litigation involving a number of wholesale water contracts. He has filed expert witness testimony with regards to cost of service determination and rate design, as well as provided litigation support and expert witness testimony before rate regulatory agencies concerning water and wastewater rates. Mr. Ekrut also specializes in the development of Utility Business Plans and has been called on by the Texas

Title: Director
Location: Dallas, Texas
Phone: (972) 232-2234
Email: cekrut@newgenstrategies.net

CITY OF AUSTIN
RESIDENTIAL CUSTOMER RATE ADVOCATE FOR AUSTIN WATER
SOLICITATION No. CDL2005

Section of the American Water Works Association to speak on the importance of business planning for municipal utilities. **Mr. Ekrut recently assisted the OPUC in reviewing and commenting on the proposed filing requirements for water and wastewater utilities at the PUCT, and is currently assisting the consumer advocate in reviewing and contesting two water rate applications by investor-owned utilities within the State. He also presented on the topic of pricing for reclaimed water at the Texas Water Conservation Association conference in March 2013.**

Matthew Garrett, CPM, CGFO – Financial Lead

Mr. Matthew Garrett will serve as the lead financial analyst for this engagement. Mr. Garrett has completed a variety of cost of service and rate design studies for engagements with water, wastewater, and stormwater utilities. Mr. Garrett has also assisted in the completion of impact fee, valuation, litigation support, and feasibility engagements.

Title: Senior Consultant
Location: Dallas, Texas
Phone: (972) 675-7699
Email: mgarrett@newgenstrategies.net

Prior to joining NewGen, Mr. Garrett served over five years as the Director of Finance for the Town of Prosper, Texas where he was responsible for implementing the Town's cost allocation plan during the budgeting processes. In that capacity, he oversaw not only the Budget and Accounting functions, but also managed Human Resources, Utility Billing and Information Technology. Before Prosper, he worked for Collin County for over five years holding the titles of Senior Financial Analyst, HR Supervisor and HRIS Analyst. Mr. Garrett's diverse experience enhances each project with a depth of pragmatic management perspectives.

Project Experience

NewGen is proud of its past work with clients. We have included a small sample of relevant projects along with client contact information. We encourage the City to contact our clients to learn more about the projects and how NewGen helped them accomplish their goals. Further, letters of recommendation and a more complete client listing have been included in Appendix C. Additional project profiles can be provided if desired.

Office of Public Utility Counsel – Quadvest Litigation Support and Residential Rate Advocacy

Client Reference: Mr. Christiaan Siano

Title: Attorney

Address: PO Box 12397, Austin, Texas 78711

Phone: (512) 936-7506

Project Year(s): 2016

Members of the Project Team have been retained by the State's Consumer Advocate, the Office of Public Utility Counsel (OPUC), to review and provide their opinion on the rate application made by Quadvest, L.P. in PUC Docket No. 44809. Quadvest currently serves more than 9,400 primarily residential water connections in nine counties within the State of Texas. In this proceeding, Quadvest is requesting a two-step rate increase



resulting in an additional \$1 million in revenue for the company. Key issues in this case include the utility's rate design as well as the request by Quadvest for a known and measureable change specific to the installation of Automated Meter Reading technology. The case is currently proceeding, with OPUC's testimony being filed in April 2016 and the hearing on the merits scheduled for May 2016.

Various Cities and OPUC – Monarch Litigation Support and Residential Rate Advocacy

Client Reference: Mr. David Frederick

Title: Attorney, Lowerre, Frederick, Perales, Allmon & Rockwell

Address: 707 Rio Grande, Suite 200, Austin, Texas 78701

Phone: (512) 469-6000

Project Year(s): 2008

Client Reference: Mr. Alan Hooks

Title: Mayor, City of Blue Mound, Texas

Address: 301 S. Blue Mound Road, Blue Mound, Texas 76131

Phone: (817) 232-0663

Project Year(s): 2013

Since 2008, members of the Project Team have assisted the cities and ratepayers served by Monarch Water Utilities in reviewing and protesting the rates charged by the investor owned utility. Monarch, which is owned by Southwest Water, was acquired from Tecon Water Company in July 2004. Today, it serves approximately 90 water and wastewater systems within the State of Texas and approximately 23,000 primarily residential water customers. In 2008, members of NewGen assisted the Cities of Kyle, Buda, Blue Mound and the ratepayer group known as Texas Against Monarch's Excessive Rates (TAMER) in reviewing and contesting the 42% water increase and 91% sewer increase. Ultimately, the case was settled prior to a hearing, with customers receiving a reduction in the ultimately requested rates. In conjunction with this proceeding, members of NewGen also assisted Midway Water Utilities, a subsidiary of Monarch, in reaching a similar settlement. In 2013, our Project Team members again assisted the City of Blue Mound in contesting the rates proposed by Monarch in its application. As a result of this proceeding, the Project Team was able to work with both Monarch and Blue Mound in facilitating the sale of the Blue Mound Water and Wastewater System to the City through a settlement of the rate proceeding.



Recently, our Team was retained by the Office of Public Utility Counsel to assist OPUC in reviewing and contesting the most rate filing by Monarch. This proceeding initiating March 1, 2016, and our Team anticipates filing written direct testimony on behalf of OPUC in May 2016.

North American Development Bank – Water and Wastewater Cost of Service and Rate Design Studies

Client Reference: Mr. Rafael Escandon

Title: Director of Project Administration and Technical Services

Address: 203 S. St. Mary's, Suite 300, San Antonio, Texas 78205

Phone: (210) 231-8000

Project Year(s): 2006

Members of the Project Team have worked with the North American Development Bank (NADB) to conduct cost of service and rate design studies for numerous communities along the U.S.-Mexico border. Common themes in these engagements are the need for investment and sensitivity to affordability concerns for residential customers. Many of these projects started prior to 2006 (e.g., City of Eagle Pass, City of La Feria, City of Del Rio, Lower Valley Water District). Although follow-up work for some of these utilities were more recent, only the Nogales project completed in 2006 is described here. Additional information on the other projects, that started prior to 2006, can be provided, if requested.



In 2006, a 20-year cost of service and rate design study for the water and wastewater utility in the City of Nogales, Arizona (Nogales). Nogales is a city of approximately 21,000 residents on the border across from the City of Nogales, Sonora, Mexico. These two cities share the use of the Nogales International Wastewater Treatment Plant (NIWWTP) located in Nogales, with Mexico contributing 9.9 million GPD of flow and Nogales contributing 4.1 million GPD. The Project Team was tasked with assisting NADB in determining what portion of a \$60 million capital investment to upgrade the NIWWTP Nogales could afford to pay with assistance from programs designed to serve economically depressed areas along the US/Mexico border. Members of the Project Team provided NADB and Nogales with the projected financial impact of Nogales's participation in the NIWWTP upgrade construction, operation and maintenance, including analysis of financial limitations due to debt service ratio requirements and rate affordability standards.

Double Diamond Utilities Company – Water and Wastewater Rate Filing

Client Reference: Mr. Randy Gracy

Title: President

Address: 5495 Belt Line Rd., Suite 200, Dallas, Texas 75254

Phone: (214) 706-7801

Project Year(s): 2008, 2013, 2016

Double Diamond Utilities Company (DDU), a subsidiary of Double Diamond Companies, currently operates three water and four wastewater systems among four golf resorts in Texas. In 2008, members of the Project Team were engaged to provide an independent review of a water rate filing, prepared by another consulting firm, which had been contested by DDU's ratepayers. As part of this review, the Project Team noted numerous issues with the application and recommended the utility seek a ruling of just cause to

amend the application. Following this review, DDU entered into mediation negotiations with its ratepayers and requested our assistance during the negotiations. Ultimately, the negotiations did not produce a successful outcome and DDU chose to proceed with the application, as filed, in SOAH Docket No. 582-08-0698.

Based on our assistance in its previous water filing members of the Project Team were again retained by DDU to prepare and file a water rate application and wastewater rate application, SOAH Docket Nos. 582-09-4288 and 582-06-6112, respectively. Members of the Project Team not only prepared and filed the applications, but provided litigation support in both proceedings including assistance with mediation negotiations. While both applications were contested by DDU's ratepayers, mediation negotiations for these proceedings were successful and a substantial portion of the requested rate increases, as well as the requested rate design changes, were agreed to by DDU and its ratepayers.

More recently, in 2013, DDU retained us to evaluate the adequacy of water and sewer rates at three of its four resorts and to provide guidance to management as to which resorts should be included in a rate filing. Based on this review, members of NewGen submitted an application specific to one resort. The rate application was ultimately settled with ratepayers prior to any hearing before the PUC.

King & Spalding, LLC – Wastewater Litigation Support

Client Reference: Mr. John Williams
--

Title: Finance, Syncora Guarantee
--

Address: 135 West 50 th Street, 20 th Floor, New York, New York, 10020

Phone: (212) 478-3575

Project Year(s): 2008-2009

Members of the Project Team worked with the law firm of King & Spalding, LLP, on behalf of municipal bond insurers FGIC, Inc. and Syncora, Inc., in an effort to bring resolution to Jefferson County, Alabama's (Birmingham, Alabama) financial issues. Jefferson County, Alabama was in default on over \$3 billion of outstanding sewer debt. NewGen members worked with King & Spalding to identify potential revenue sources outside of sewer rates and commented on what constitutes just and reasonable rates and rate affordability. As part of this engagement a high-level review of the operations of the County's sewer system was conducted, as well as reviews of previous cost of service and rate design studies and rate and financial pro-formas in support of the debt issuances.

Nueces County Water Control and Improvement District No. 4 – Water Contract Litigation Support

Client Reference: Mr. Mark Young

Title: District Manager

Address: 315 South Ninth Street, Port Aransas, Texas 78373

Phone: (361) 749-5201

Project Year(s): 2010

Members of the Project Team were retained by Nueces County Water Control and Improvement District No. 4 (District) in 2009 – 2010 to assist the District in reviewing the rates proposed to be charged for wholesale treated water service from the City of Corpus Christi, Texas (City). During the review, the Project Team identified a number of errors in the City's methodology for calculated treating water rates including, but not limited to, the incorrect recognition of water loss as well as the inclusion of stormwater costs within the water rate. Members of the Project Team assisted the District in mediated hearings with the City, ultimately resulting in a significant payment to the District to recognize previous funds collected as well as a new, negotiated contract rate which incorporated our suggested changes to the City's rate methodology. NewGen members have continued to assist the District in reviewing the City's rate calculations to ensure adherence to the mediated settlement and, most recently, our Project Team was engaged to review changes the City has proposed to the calculation of raw water rates.



City of Waco, Texas – Water and Wastewater Cost of Service and Rate Design Study Plus Other Financial and Planning Services

Client Reference: Mr. Wiley Stem

Title: Assistant City Manager

Address: 300 Austin Avenue, Waco, Texas 76702

Phone: (254) 750-5640

Project Year(s): 2002, 2003, 2010, 2011, 2015

Members of the NewGen Project Team have been providing consulting services to the City of Waco (City) since 2002, including determining the cost/benefit of reacquiring operational control of the Waco Metropolitan Area Regional Sewage System (WMARSS) wastewater treatment plant, which had been contractually operated by the Brazos River Authority (BRA) under a 1960's agreement with the participating cities (Bellmead, Lacy Lakeview, Robinson, Waco, and Woodway). Based upon the analysis, Project Team members assisted the participating cities by initiating negotiating efforts with BRA to successfully reacquire the WMARSS facilities.



NewGen consultants also served on the Project Team for the WMARSS construction program. The program consisted of the design and construction of over 20 miles of interceptor, lift stations, 8.5 MGD

expansion of the central wastewater treatment plant, and the permitting and construction of a 1.5 MGD satellite plant. In this role, the consultants were responsible for the procurement of design services, construction contracts, and legal services in support of permitting requirements. They also served as the Owner's Representative responsible for all construction and oversight activities associated with the program as well as the communication of the program schedule and budget status to the WMARSS Board.

In 2003, NewGen consultants a retail and wholesale water and wastewater rate study for the City. In 2010, NewGen consultants were retained to update the 2003 retail and wholesale water and wastewater rate study and convert its Microsoft Access rate model into a Microsoft Excel model. As part of the update, the consultants modified the City's inclining block rate structure to remove volumes included in the monthly minimum charges. They also assisted the City in developing and negotiating wholesale water contracts with several entities in McLennan County. NewGen consultants have been requested to perform periodic reviews of the City's rates and, in 2011, conducted a reclaimed water cost of service study for the City.

In 2015, NewGen was hired again to work with the City in reviewing its retail water rates. Based on recently completed Water and Wastewater Master Plans, the City is facing a funding need of approximately \$285 million and \$244 million in water and wastewater capital investment, respectively, over the next 30 years in order to maintain regulatory compliance and provide quality service to its customers. This level of investment will have a significant impact on the citizens of the City, particularly given the challenging economic demographics of the City.

While the City has been able to maintain an excellent credit rating despite these demographics, City leadership understands that proactive action is necessary to maintain the affordability of customer water and wastewater rates while executing the capital program. To assist the City, the Project Team prepared a 10-year financial plan for the City's water and wastewater utility, recognizing the impact of debt-funding the majority of the capital plan, as well as the general impact of inflation, low levels of customer growth, and estimated changes in customer demand. This plan also took into account key financial metrics that the City must maintain to ensure the financial stability of the utility including the maintenance of sufficient working cash reserves and appropriate debt service coverage levels.

Based on this financial plan, the Project Team worked with City staff to prepare an initial 10-year water and wastewater rate plan which provides necessary funding for the capital plan and increases the level of fixed charge revenue, while recognizing the overall affordability of rates and the need to continue to encourage water conservation through customer price signals. The developed plan received the unanimous endorsement of the City Council and will serve as an essential guide for the City as it begins to execute its capital program in the coming fiscal year.

City of Temple, Texas – Water and Wastewater Cost of Service and Rate Design Studies

Client Reference: Ms. Traci Barnard

Title: Director of Finance

Address: 2 North Main Street, Temple, Texas 76501

Phone: (254) 298-5631

Project Year(s): 2002, 2006, 2012

In 2002, members of the NewGen Project Team were engaged by the City of Temple to develop a water and wastewater cost of service and rate design study for the City's water and wastewater utility system. The City of Temple provides water service to its retail customers as well as supplies water to three wholesale customers. Mr. Yanke completed the necessary analysis for a thorough and complete retail and wholesale cost of service and rate design study. In addition, the Project Team completed reviews regarding the following issues during the course of the study:



- Water and wastewater funding allocations for capital improvement projects, which included “pay as you go” funding for approximately \$3 million in annual capital improvements
- The City's indirect cost allocation methodology and reimbursement process to the General Fund
- Water and sewer tap fees and all costs incurred in constructing taps such as bores, patch repairs to street pavement cuts, etc.
- Utility deposit policies and charges
- Funding allocation for water and sewer line extensions within the City limits

Mr. Yanke also provided the City of Temple with a rate model, which enabled the City to evaluate a series of “what if” scenarios in performing annual budgetary planning. In 2006, Mr. Yanke assisted the City in updating the water and wastewater rates for the City's FY 2007 using the model developed for the City in 2002.

In 2012, the City retained Mr. Yanke (while at SAIC) to conduct a comprehensive update to the original 2002 study. As part of this study, the Project Team developed a new financial model that allows the City to price its treated effluent that is sold to an independent power producer. They also assisted in pricing the reclaimed water. The City is planning to retain NewGen in 2016 to conduct an update to the comprehensive water and wastewater cost of service study.

City of Garland, Texas – Retail Water and Wholesale and Retail Wastewater Rate Study

Client Reference: Ms. Sharon Bailey

Title: Water Utilities Manager

Address: 200 N. Fifth Street, Garland, Texas 75040

Phone: (972) 205-3282

Project Year(s): 2013

In 2013, members of the NewGen Project Team were engaged by the City of Garland to conduct a water rate study for the City's retail customers and a wholesale and retail rate study for the City's wastewater customers. For the past several years, the City had relied on outside consultants for the majority of the City's required rate analysis. With this study, the City sought to bring rate analysis back in-house and, to that end, requested that NewGen develop Microsoft Excel based rate models for use by City staff. The rate models developed during the project allow City staff to easily update the required financial and customer usage information within the models and to run "what-if" scenarios regarding the long-term funding and execution of capital projects. Coupled with the rate study and rate model development, NewGen assisted in developing a new uniform wholesale wastewater contract. The City currently provides wholesale wastewater service to a number of entities under a variety of contract terms and conditions. These varying contracts make it difficult for City staff to manage service to wholesale wastewater customers and creates significant administrative burden in calculating wholesale wastewater rates. The City is currently working to phase-in the new uniform contract where possible, simplifying contract administration and allowing the City greater control and flexibility in establishing wholesale wastewater rates.



Project Team members have continued to support the City in the operation of the rate models since they were prepared in 2013. As part of the continuing services agreement, NewGen is also currently assisting the City in moving from an all-inclusive sewer flow rate determined for each individual significant industrial user to a standard rate for all users that will employ an industrial strength surcharge. The goal of this project is to provide greater transparency in sewer pricing for industrial users and providing an increased price signal to encourage the reduction of BOD and TSS levels in the waste stream.

City of Killeen, Texas – Utility Financial Consulting Services

Client Reference: Ms. Martie Simpson

Title: City of New Braunfels, Director of Finance (*Former City of Killeen Finance Director*)

Address: 424 S. Castell Avenue, New Braunfels, Texas 78130

Phone: (830) 221-4385

Project Year(s): 2012

NewGen, as a subcontractor to CP&Y, was engaged by the City of Killeen to assist the City in the development of a new financial forecasting and cost of service / rate model for the City's water, wastewater, and drainage utilities. The City is home to Ft. Hood, one of the largest United States Military installations in the world. Given this distinction, the City's utilities are faced with a unique set of circumstances with



regards to utility billing and, specifically, the impact of a transient population. Outside of the impact Ft. Hood has on the local community, the City is also growing at a significant rate which is placing a strain on the utilities' current infrastructure and forcing the City to proactively examine its plans for funding near and long-term capital improvements. Specifically, the City is currently attempting to evaluate the most cost effective water supply options to meet the current and future growth in water demand.

To assist in its planning efforts, the City engaged NewGen in 2012 to develop a user-friendly, Microsoft Excel based tool to assist the City in evaluating the timing, and the funding mechanisms to use for future capital projects, and the impact this funding plan will have on the City's customers. The tools in use by the City prior to this engagement were overly complex and difficult for staff to conduct the necessary "what-if" scenarios needed by decision makers to ensure the City undertakes needed improvements in a cost effective way while minimizing or mitigating the overall impact on customers. The tools provided to the City as part of this project allow the City to evaluate changes in operating and capital costs, customer and volume growth or decline, debt service structure, inflation, capital project financing, and funding sources that determine the impact these variables have on the average monthly bill of the City's customers.

Specifically for the City's drainage utility, the model provided also evaluated the equity in charges between and within the City's drainage utility customer classes. The City currently charges its commercial customers rates based on an eight-tier system of various impervious surface area sizing designations. In some cases, these size ranges were extreme, leading to subsidization within the commercial customer class. Utilizing user-defined assumptions, the model provided to the City performs a high-level realignment of the City's drainage utility fees to assist the City in evaluating the current inequities in the fee structure allowing the City to evaluate the monthly bill impact of moving towards a per equivalent residential unit fee applied to each commercial customer's specific impervious surface area.

City of Fort Worth, Texas – Wholesale Water and Wastewater Contract Negotiations and Customer Engagement

Client Reference: Ms. Kara Shuror

Title: Assistant Water Director

Address: 1000 Throckmorton Street, Fort Worth, Texas 76102-6311

Phone: (817) 392-8819

Project Year(s): 2010, 2015

While at R. W. Beck, Mr. Yanke served as the project manager for a team retained by the City of Fort Worth in 2010 to assist in renegotiating a 20 year wholesale water contract with approximately 30 wholesale water customers. During this study, Project Team members met with wholesale customers prior to the negotiations process to understand the key issues. Quarterly wholesale water customer meetings were also conducted to explain the process for renegotiating the contract and compiling customer concerns. The Project Team was able to successfully assist the City in negotiating the contracts and obtaining 100% consensus of all 30 wholesale customers to sign a standardized wholesale water contract three months prior to the deadline, thus avoiding any potential legal disputes.



In June of 2015, the City of Fort Worth retained the services of NewGen to assist in the negotiation and renewal of wholesale wastewater contracts for 23 wholesale customers. The current contracts will expire in March 2017. Mr. Yanke is serving as the Project Manager and key facilitator with the 23 wholesale wastewater customers. During this project, members of NewGen will meet with the customers prior to the negotiation process to understand key financial, operational, and contractual issues. NewGen will also lead semi-annual wholesale wastewater customer meetings to explain the process of negotiating the contract and to compile customer comments. The NewGen team will also conduct a financial sensitivity analysis associated with each potential modification to the existing wholesale wastewater contract. NewGen facilitated workshops will be conducted not only with City Staff, but also the Wholesale Wastewater Advisory Committee to discuss the impact of each scenario upon existing rates as well as to review the draft uniform wholesale wastewater contract. This project is on schedule to be completed in early spring of 2017.

City of Grapevine, Texas – Water and Wastewater Cost of Service and Rate Design Study

Client Reference: Mr. John S. (Stan) Laster, P.E.

Title: Director

Address: 200 S. Main Street, Grapevine, Texas 76051

Phone: (817) 410-3134

Project Year(s): 2008, 2012

Members of NewGen have provided on-going water and wastewater consulting services to the City of Grapevine since 2008. Beginning in 2008, members of NewGen were engaged by the City to perform cost of service and rate design studies for the City's water and wastewater utility (Utility). Prior to conducting the study, the City had historically maintained a single volumetric rate for water use. Recognizing that this rate design does not encourage water conservation, the City sought to amend its water rate design to include a volumetric rate which utilized inclining rate blocks. The study also took into account the increasing costs incurred by the Utility associated with the on-going contracts for the Utility to receive wholesale treated water and wastewater treatment service from regional supply and treatment systems. Members of NewGen developed a five-year forecast of revenue requirements, including the requirements to maintain debt service coverage and to fund the Utility's planned pay-as-you-go capital improvements program, and presented the City with four (4) different rate options for the Council's consideration. In addition, a custom-built rate model, utilizing Microsoft Excel, was developed and provided to the City to assist staff in annually monitoring water and wastewater rate performance.



Since 2008, the Project Team has continued to support the City in the use and management of the rate model. Specifically, in 2012, NewGen assisted Grapevine in evaluating an amended capital improvement program and met with the City Council to discuss the impact this program would have on customers. As a result of this effort, the Council unanimously endorsed a significant rate increase for FY 2013 which allowed the Utility to issue needed debt to fund the amended capital program.

Lubbock Power and Light – Financial Planning, Cost of Service, and Rate Making

Client Reference: Mr. Andy Burcham

Title: Chief Financial Officer

Address: 301 Broadway, Lubbock, Texas 79401

Phone: (806) 775-3430

Project Year(s): 2012-Present (Energy), 2015 (Water and Wastewater)

In 2012 NewGen began providing utility financial planning, cost of service and rate design services to the City of Lubbock and Lubbock Power and Light (LP&L). In support of LP&L's efforts to more accurately forecast and manage costs, NewGen developed a financial forecasting model and tool for the electric utility. The financial model analyzed, evaluated and optimized the utility's full revenue requirements, potential debt issuances, capital plans and rate changes. The model will be used to perform scenario analysis and evaluate an optimal mix of debt, rate changes and capital for the utility. Using the financial model and scenario analysis results, a cost of service and rate design study was completed to accurately develop customer class costs and subsequent rates. In support of the study, a rates and financial workshop for City Council, LP&L and City staff was included to train staff on the cost of service process and use of the financial model. City and LP&L staff were included in periodic training and progress updates to ensure local utility staff will adopt and utilize the new tools for future rate and financial planning efforts.



NewGen's ongoing assistance to LP&L includes performing financial and economic analysis of transmission alternatives. Specifically, NewGen is assisting LP&L in examining the benefits of joining the Southwest Power Pool (SPP) as a transmission-owning member when its wholesale arrangement with Xcel expires. Alternatively, LP&L has been approached by an Electric Reliability Council of Texas (ERCOT) participant to build a transmission connection to the ERCOT system and move all of its transmission facilities into ERCOT. NewGen is performing economic analyses of these options and advising LP&L in relation to the alternatives.

Finally, in 2015 NewGen was engaged to conduct a comprehensive cost of service and rate design study for the City's water and wastewater utilities.

Austin Energy – Electric Cost of Service and Rate Design, Expert Testimony

Client Reference: Mr. Mark Dreyfus
Title: Vice President of Regulatory Affairs and Corporate Communication
Address: 721 Barton Springs Road, Austin, Texas 78704
Phone: (512) 322-6544
Project Year(s): 2010-2013, 2015

Austin Energy is one of the nation's largest municipal utilities serving over 400,000 customers in and around Austin, Texas. NewGen consultants prepared a comprehensive cost of service and rate design study as well as a 30-year financial forecasting model. The study addressed many challenges faced by AE, such as pricing strategies to support system efficiency, deployment of new technologies, and active support of environmental stewardship. The study was the first in-depth COS and rate review in over 17 years. The study scope of work included:

- The development of a Test Year (TY) revenue requirement
- Development of a comprehensive COS model
- Development of a rate design model
- Support of an extensive public involvement process
- Development of direct and rebuttal testimony on behalf of the City of Austin before the Public Utilities Commission of Texas
- Negotiations assistance in support of the case before the PUCT
- Development of Special Contract Rates

Austin Energy COS and Testimony

- Evaluated utility asset, operational and load data
- Developed 30-year forecast tool and revenue requirement
- Created unbundled COS and allocation of costs to customers
- Developed new and revised existing rates and rate structures
- Provided expert testimony for rate filing with PUCT
- Successfully implemented first COS in 17 years

Financial Planning, Revenue Requirement, and Cost of Service Analysis – NewGen consultants prepared a 30-year financial forecasting model for AE. The financial forecasting model utilizes a variety of inputs including, but not limited to, capital improvement planning, generation resource planning, and AE's plan for funding capital improvements to produce a balance sheet, income statement, statement of cash flows, and governmental fund summary for the utility. In addition, the model also incorporates benchmarking with American Public Power Association (APPA) data as well as scenario reporting allowing AE to evaluate the affordability and impact on customer rates under alternative generation resource plans, funding scenarios, and financial requirements.

In a parallel but separate effort, NewGen team members worked closely with AE staff to develop a TY revenue requirement and COS analysis. The revenue requirement was based on the fiscal year 2009 audited financial statement adjusted to reflect several known and measurable adjustments including weather normalization of load, changes in customer loads, power supply, new Electric Reliability Council of Texas (ERCOT) wholesale power market rules, capital improvement projects, financial policies, etc. All adjustments were well documented and supported with detailed work papers. Once the revenue

requirement was established, an unbundled embedded COS analysis was developed. The COS analysis unbundled AE into production, transmission, distribution, and customer service functions. Each function was further sub-functionalized to reflect important COS differentiators. For example, the production function was sub-functionalized into peaking, intermediate, base load capacity. Once sub-functionalized, costs were classified as either being demand-related, energy-related, customer-related, revenue-related, or directly assigned to a customer class. Classified costs were allocated to each customer class using a variety of allocation factors developed in the study. Customer classes were consolidated and simplified compared to prior rates. Classes were established based on COS principals and customers were moved to the appropriate rate class.

Rate Design - Rate design took into consideration fixed cost recovery strategies in support of AE's aggressive energy efficiency and distributed solar goals. Additionally, rates were unbundled and various pass-through mechanisms were employed to manage the risk of volatile and unpredictable costs associated with ERCOT regulatory requirements. Pass-throughs included the development of a Community Benefit rider that was designed to recover the cost of AE's low-income assistance program, energy efficiency program costs, and street lighting. New utility rates have been designed to send pricing signals aligned with AE's strategic direction that are cost-effective and environmentally responsible while rendering an adequate revenue stream. For each rate class, customers were given several options including a standard rate offering, time-of-use, Green Choice (which is AE's renewable energy rate option), gross metering in support of rooftop solar installations, and for commercial customers, thermal energy storage.

Public Involvement - The public review process was extensive and included a series of public meetings before the Public Involvement Committee (PIC), Electric Utility Commission (EUC), and City Council. The PIC was a committee of utility customers represented by residential, commercial, and industrial customers. NewGen team members led the PIC through the ratemaking process over a six-month period. The PIC process included the development and a series of education presentations and white papers discussing technical and policy considerations important to the study. Upon completion of the PIC process, the study was reviewed and updated. The updated study was presented to the EUC in the fall of 2011. The EUC held a series of public meetings to review and discuss the technical merits of the case. EUC feedback was incorporated into the study and the study was finalized and presented to the City Council. The City Council conducted its own set of public meetings, which concluded with the approval of the proposed rates in the summer of 2012.

Rate Case before PUCT - Because AE serves customers both inside and outside the city limits, customers are under the jurisdiction of the Austin City Council and the PUCT, the latter, if outside the city customers so petition. Outside City customers did petition the PUCT to review the case upon approval of the rates by City Council. In support of AE's filing before the PUCT, NewGen team members created a rate filing package and supporting testimony. Direct testimony was comprehensive and covered development of the TY revenue requirement, consolidation of customer classes, COS, and rate design. Additionally, rebuttal testimony was prepared and NewGen team members supported negotiations throughout the process. The case was successfully settled in the spring of 2013.

2015 Rate Update - NewGen is currently supporting AE in the development of rates to be effective for FY 2017. This has included an update to the COS based on a FY 2014 TY and customer load data. The analysis, and resulting rate design, are to be vetted through a public process that began in January 2016.

TAB 4 – CONCEPT & PROGRAM PLAN

The suggested work plan detailed below contains elements that have been used by NewGen to successfully complete numerous other engagements for customers of water and wastewater utilities.

Task 1 – Project Kick-off & Project Management

Soon after notice to proceed, the Project Team will work with the City to schedule kick-off meetings to meet with AW's Executive Team and Project Team. The purpose of the meetings will be to review and discuss rate advocate objectives, requirements for information, responsibilities, review of analysis, reporting requirements, and deliverable review procedures. In addition, the meetings will help the Project Team to gain a better understanding of the goals and objectives the City desires to achieve from the rate advocate.

One critical question NewGen will want to answer early in the process is what defines affordability for residential rates and, by extension, who gets to make the determination as to what is affordable. At one of these meetings NewGen suggests a workshop specific to affordability where we can lay out all of the measures that are currently used to define affordability and facilitate a discussion to determine the goal. We have experience assisting utilities in defining affordability as demonstrated by our work with the North American Development Bank as well as other projects where we are tasked with increasing utility revenues while maintaining affordability (e.g., King & Spalding/Jefferson County Alabama).

The Project Team will develop a project work plan that conforms to the cost of service rate study deadlines and rate consultant project schedule. This plan, and associated schedule and deadlines, will be submitted to AW for approval and any adjustments, as needed, will be made to finalize the plan before receiving final approval from the AW Executive Team.

Deliverables

- Two (2) to three (3) meetings with AW's Executive Team, Project Team, and other staff
- Project work plan with schedule and deliverables for approval by AW's Executive Team

Task 2 – Detailed Review & Analysis of Current Cost of Service

NewGen will meet with the AW Project Team and review the current cost of service analysis and methodology (i.e., what AW has been doing up until now). At a minimum, this will include a review and critique of data compilation procedures, customer demand and billing information, operating budget detail, revenue requirement identification, cost functionalization, cost allocations, rate design, fixed asset records, system maps and models, and operations data utilized in the cost of service analysis. NewGen will rely on its extensive experience conducting cost of service and rate design studies for other municipally-owned water and wastewater utilities in Texas and defending these rates, when necessary, in regulatory proceedings.

NewGen understands the current approach and methodology could be revised as part of the overall rate review process.

Deliverables

- Two (2) meetings with the AW Project Team to review and analyze the current cost of service methodology and available cost of service information
- Provide a written status report regarding the detailed review and analysis of the current cost of service analysis and methodology

Task 3 – Cost of Service Study Project Team & Public Involvement Committee

NewGen will participate on the Cost of Service Study Project Team and Public Involvement Committee and will carefully review and analyze the rate consultant's cost of service methodology options and recommendations. The Project Team's past experience on previous similar projects will facilitate our ability to critically examine the details of the proposed analyses and ask appropriate probing questions to ensure a defensible outcome. After consultation with the AW Project Team, NewGen will make recommendations, where appropriate, to revise or adjust the rate consultant's methodology or approach. The rationale for any recommendations will be discussed with the AW Project Team as well as the rate consultant.

NewGen will also participate in the development of the cost of service study public involvement plan to include outreach to community advocacy groups representing minority and economically disadvantaged customers. These groups of customers are sometimes excluded and deserve appropriate representation in a process that will impact their ability to afford services critical to their health and sanitary needs. The roles of individuals and groups, as well as task assignments, will be important to define in order to achieve the goals of the public engagement process.

It might prove helpful to pursue options to enhance the participation of selected residential customer groups. This might include communication channels and materials to receive direct input and feedback from residential customers, such as focus group meetings as well as internet, mailed, and phone surveys, as discussed below.

- **Focus group meetings** – These focus group meetings could be conducted outside of the planned PIC process to gauge the residential customers' opinions of AW's current residential rates and rate options. In addition, these focus group meetings will allow NewGen, as well as AW, to gain an insight into the residential customers' understanding of the rate options available to customers, their knowledge of the availability of low-income assistance programs, the effectiveness of AW's communications with its residential customers, and means to enhance communication with the residential customers.

The focus group meetings should be geographically based in order to gather a wide collection of views and opinions that are reflective of AW's diverse residential customer composition. It is anticipated that these focus groups will be organized in conjunction with the cost of service and rate design study and various groups within Austin, such as churches, home owner associations, and social organizations in an effort to achieve an appropriate representation of AW's residential customer class.

- **Internet Survey²** – For those who do not participate in the focus group meetings, an on-line survey could be developed to gain their feedback and input. This survey, like the focus group meetings, will allow NewGen, as well as AW, to gain an insight into the residential customers’ understanding of the rate options available to customers, their knowledge of the availability of low-income assistance programs, the effectiveness of AW’s communications with its residential customers, and means to enhance communication with the residential customers. It is proposed that a flyer be included in residential customers’ monthly mailed bill notifying them of the opportunity to participate in the survey. For customers who may receive bills electronically, a link to the survey could also be provided.
- **Mailed Survey³** – Some residential customers may not have convenient access to the internet or may lack the understanding or familiarity with using the internet. Therefore, these customers’ views and opinions may not be adequately heard. All surveys should record respondents’ zip codes. After a specified time, if the internet survey response rate by zip code is not sufficiently representing all of AW’s service area, it may be necessary to mail surveys to a sample population within a zip code to obtain an adequate observation of AW’s residential customers’ views and opinions.
- **Phone Survey⁴** – After a specified time, if there is a portion of AW’s service area that is not appropriately represented by the internet or mailed surveys, it may be appropriate to utilize phone surveys to obtain representative feedback from under-represented residential customers served by AW. A member of the Project Team has recently completed a targeted phone survey for Austin Energy as part of a study of small commercial customers to learn about their understanding of the rates they are charged and their experiences.

We will work with the AW Project Team to determine which of these options, if any, are appropriate for this engagement. Accordingly, the budget in Tab 5 does not include these options.

Deliverables

- Participate in meetings with the Cost of Service Study Project Team and Public Involvement Committee
- Make written comments and recommendations on the methodology options presented
- Assist in the development of the public involvement plan
- Work with the AW Project Team to identify which, if any, additional options should be pursued to gain appropriate feedback and participation from the residential customer class overall

² Working with AW’s IT group, NewGen will be responsible for developing the content of the survey, in both English and Spanish, and analyzing the results of the survey. AW will be responsible for hosting the internet survey.

³ NewGen will develop the mailed survey, in English and Spanish, along with the sample groups, and will be responsible for analyzing the survey results. AW will be responsible for mailing and receiving the surveys.

⁴ NewGen will work with AW to develop the sample group to be surveyed. NewGen will be responsible for conducting the phone survey and analyzing the survey results.

Task 4 – Cost of Service Rate Study Participation

During the course of the cost of service study, NewGen will identify specific cost of service methodology issues and review these with the AW Executive Team, AW Project Team, and Public Involvement Committee. For example, the two most commonly employed methods for water utility cost allocation are base-extra capacity and commodity-demand. However, it is not uncommon for the base-extra capacity method to yield a lower cost of service for the residential customer class based on the way the commodity-demand method limits the costs divided by total volume of consumption to variable costs (e.g., chemicals and electricity) whereas the base-extra capacity method also includes costs associated with providing service at average annual rates of consumption. Further, as mentioned in the AWWA M1⁵, the base-extra capacity method also identifies the lowest rates possible at perfect load factor (or constant rate of consumption), which can prevent a utility from establishing rates that could result in the sale of water below cost. These concepts will be important to discuss and evaluate as part of representing residential customers.

It will be critical to identify issues while the study is ongoing as there will be less opportunity to address the issues, or correct the analysis, once the study nears completion. As part of this process, NewGen's meetings with representatives of the residential customer class will help determine the general concerns regarding AW's cost of service methodologies and rate design. This will inform recommendations for approaches to be considered by AW and the rate consultant.

NewGen will review, analyze and comment on all the relevant components of the cost of service and rate design as well as suggest alternatives and make recommendations to the rate consultant, AW Project Team, and AW Executive Team. This will include, but will not be limited to, the methodology, issues and concerns regarding:

- The collection and use of customer demand data, inclusive of water consumption and peak demand as well as wastewater flow and strength loading
- The development of revenue requirements, inclusive of operations and maintenance, capital, and debt costs as well as transfers, financial reserves and related financial policies
- The functionalization and classification of the revenue requirement and allocation to customer classes
- The design of rates

NewGen will conduct the necessary analyses of alternatives to quantify and compare the impacts on the relevant components of the cost of service and rate design. Any variances between what NewGen independently develops and what is developed by the rate consultant will be identified, reconciled and explained.

NewGen will be in regular contact with the AW Project Manager throughout the process and will submit monthly progress reports to identify all milestones and deliverables achieved, problems or risks identified or resolved, and any outstanding data requests.

⁵ American Water Works Association, Manual of Water Supply Practices, M1, *Principles of Water Rates, Fees and Charges, Fifth Edition*, 2000, Page 59.

Deliverables

- Up to five (5) meetings with rate consultant, AW Project Team, and AW Executive Team
- Written recommendations and suggested alternatives along with rationale
- Independent analysis, research, and assessments to assist in demonstration of the issues and impact of the suggested solutions
- Detailed monthly progress reports to describe significant achievements and problems which may have an impact on the outcome, schedule, or costs

Task 5 – Project Report & Presentation

The Project Team will develop a draft report summarizing analyses conducted as well as findings, conclusions, recommendations, and associated rationale for all relevant components of the cost of service and rate design study. The risks of potential challenges to various issues will be identified and discussed. The report shall include an Executive Summary and a full discussion of the impacts of the recommendations on revenue requirements, cost of service and rates.

NewGen will present the draft report to the AW Executive Team, AW Project Team, Public Involvement Committees, and the Water and Wastewater Commission. NewGen will also provide the draft report to the rate consultant and, if desired, meet directly with the rate consultant to discuss the report. NewGen will then compile all comments and make revisions to the report, as appropriate. The revised report will be shared with the rate consultant for comment prior to finalizing the report. A final report will then be provided.

Deliverables

- Draft and final reports
- Up to three (3) meetings to present and discuss the draft report
- Ten (10) bound hard copies of the final report, along with a PDF version

Task 6 – Council & Commission Presentations

NewGen will develop a presentation based on the final report and present it to AW Executive Team, AW Project Team, Public Involvement Committees, Water and Wastewater Commission, City management, and the City Council. Draft versions of the PowerPoint presentations will be provided to the AW Project Manager for review, comment and approval prior to finalization.

Deliverables

- Draft and final PowerPoint presentations
- Attend and present final report to Council and Commission
- A revised final report can be developed and provided, if appropriate

Task 7 – Documentation, Project Wrap-up & Contingencies

The Project Team will work with AW staff to complete any final project activities or tasks. The Project Team will also allow a contingency of up to two (2) meetings for project task completion unforeseen in Tasks 1-6.

Throughout the engagement, NewGen will comply with generally accepted American Water Works Association (AWWA) and Water Environment Federation (WEF) guidelines for cost of service rate calculations. If any alternative methodologies are proposed, NewGen will identify them to the AW Project Team and AW Executive Team along with an assessment of the appropriateness and risks involved in the implementation of the alternative methodologies.

Deliverables

- Meeting(s) with AW staff as needed
- Compile and document all comments received and actions taken during the study
- Provide complete supporting documentation and work papers, analyses, and reconciliations of information and analyses performed under the study
- Project wrap-up activities

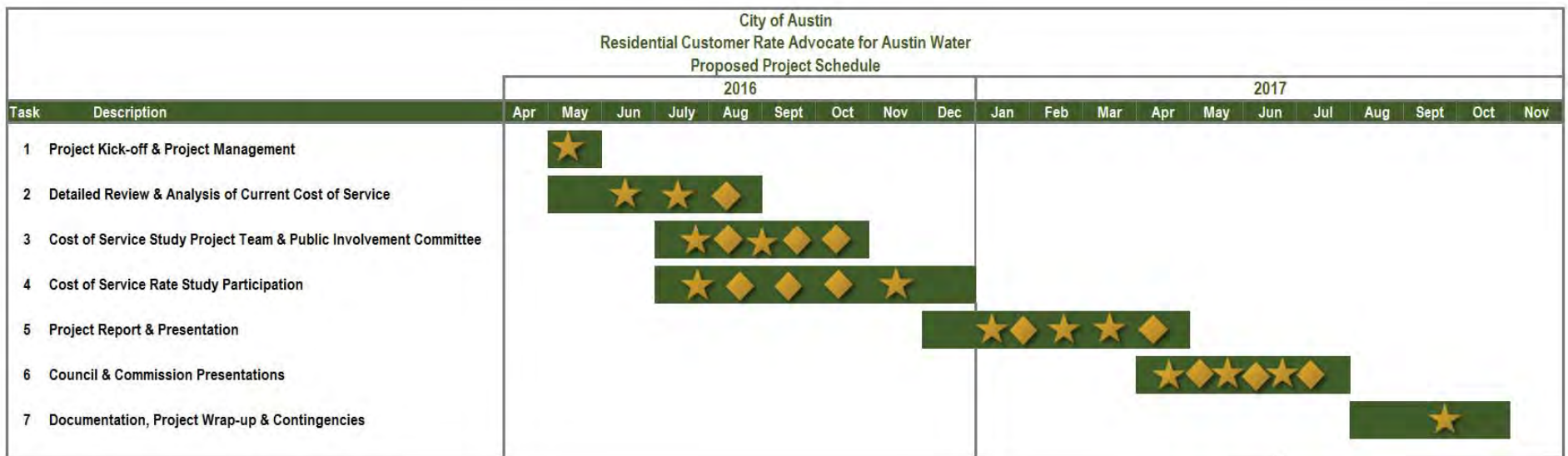
Sample Work Plan

In order to provide AW with the most relevant example of a work plan that demonstrates NewGen's comprehensive understanding of the requested services, we have attached the work plan that was originally submitted by J. Stowe & Co. (our predecessor firm) to the City of Austin for the Austin Energy residential customer independent rate advisor engagement. This is the work plan that would have been conducted by consultants (now members of NewGen) had J. Stowe & Co. not been selected for a different role in Austin Energy's rate review.⁶ Our other, more recent, work plans for similar projects are more limited in scope and, thus, do not capture the comprehensive nature of the work requested by AW. The sample work plan is attached in Appendix D.

⁶ J. Stowe & Co. removed their name for consideration of the Austin Energy residential customer independent rate advisor engagement upon receiving contract award for Component C of the Austin Energy rate review, due to conflict of interest.

Schedule

As shown in the graphic below, NewGen will complete Tasks 1 through 6 within a 15 month timeframe, assuming this conforms with the schedule established by the rate consultant, with Task 7 items wrapping up in time to allow for a final completion of the study for Council recommendation on or before May 1, 2017 and implementation no later than November 1, 2017.



Notes:

- ★ Signifies a Meeting or Multiple Meetings with the AW Cost of Service Project Team, PIC, WIC, Council, or Commission
- ◆ Issuance of Report, Model and/or Presentation

Project schedule based on NewGen receiving Notice to Proceed by April 25, 2016. Timeline will be adjusted according to date of contract award.

Progress Payments

As stated in Tab 5, all services provided by NewGen will be billed at the hourly rates indicated with a monthly invoice submitted for the stated services, plus travel and other out-of-pocket expenses invoiced at cost. We understand the City will retain ten percent (10%) of all invoiced amounts to be paid upon final acceptance by the City.

Statement of Compliance

NewGen is in compliance, and will comply, with all applicable rules and regulations of Federal, State, and Local governing entities, and will comply, with the terms of the Request for Proposal.

TAB 5 – COST

Based on the proposed work plan, the following table shows NewGen’s estimated cost of services based on our understanding of the study and the City’s goals and objectives. All services provided by NewGen will be billed at the hourly rates listed below with a monthly invoice submitted for the stated services, plus travel and other out-of-pocket expenses invoiced at cost. We understand the City will retain ten percent (10%) of all invoiced amounts to be paid upon final acceptance by the City.

NewGen Strategies & Solutions Cost Proposal

Name / Role	Hours	Billing Rate (\$/Hour)	Cost
Dave Yanke / Project Manager	214	265	\$ 56,710
Grant Rabon / Assistant Project Manager	166	210	34,860
Chris Ekrut / Regulatory Lead	108	235	25,380
Matthew Garrett / Financial Lead	230	180	41,400
Total Professional Labor	718		\$ 158,350
Administrative Support			\$ 1,700
Total Labor			\$ 160,050
Travel Expense			2,500
Other Out-of-Pocket Expenses (e.g., supplies, materials, printing, etc.)			0
Total Not-to-Exceed Cost			\$ 162,550

Note: Valid for a period of one hundred and eighty (180) calendar days, subsequent to the RFP closing date.

TAB 6 – BUSINESS EXCEPTIONS

NewGen has no exceptions to Solicitation No. CDL2005. The completed Purchasing Office Exceptions Form (Attachment A) can be found in Appendix E.

Mr. Yanke brings over 25 years of financial consulting insight to his public sector water, wastewater, and solid waste clients. His experience includes the conduct of operational reviews, system valuations, feasibility and privatization analyses, and cost of service and rate design studies for water, wastewater and solid waste utilities.

Having effectively guided numerous repeat clients through a wide variety of operational and financial challenges, Mr. Yanke serves as a trusted advisor in an ever-changing marketplace. In addition, he has conducted numerous water, wastewater and solid waste related research projects on such topics as regionalization and Texas-Mexico border infrastructure needs. Drawing on his operational experience, Mr. Yanke uniquely blends technical expertise with his business perspectives when providing economic and financial advice to these clients.

Mr. Yanke joined Reed-Stowe & Company, Inc. in February 1991. In October 2000, the company was renamed Reed, Stowe & Yanke, LLC (RS&Y) and in March of 2003 was sold to R. W. Beck, Inc., which was subsequently sold to SAIC in 2009 and finally spun off in 2013 into Leidos where Mr. Yanke most recently served as a Vice President. In April 2014, Mr. Yanke joined NewGen Strategies and Solutions as a partner leading the municipal solid waste practice, in addition to serving his water and wastewater clients. Effective January 1, 2015 Mr. Yanke was named President of the Environmental Practice, overseeing the provision of water, wastewater, stormwater, and solid waste services to NewGen's clients.

EDUCATION

- Texas A&M University, College Station, Master of Business Administration
- University of Wisconsin, Madison, Bachelor of Business Administration

EXPERIENCE

Some of the following projects were completed by Mr. Yanke while employed at his prior firms.

Water and Wastewater Experience

Listed below are clients for whom Mr. Yanke has either managed or assisted in the conduct of water and wastewater cost of service and rate design studies, valuation studies, feasibility analyses, damage calculations, and/or litigation support services. (Many of these clients have retained Mr. Yanke, to conduct follow-up studies in later years.)

Cities

- | | |
|--------------------------|------------------------|
| ▪ Bartlesville, Oklahoma | ▪ Fort Worth, Texas |
| ▪ Bellaire, Texas | ▪ Gilmer, Texas |
| ▪ Borger, Texas | ▪ Greenville, Texas |
| ▪ Copperas Cove, Texas | ▪ Hobbs, New Mexico |
| ▪ Del Rio, Texas | ▪ Huntsville, Texas |
| ▪ Denton, Texas | ▪ Kilgore, Texas |
| ▪ Donna, Texas | ▪ La Feria, Texas |
| ▪ Douglas, Arizona | ▪ Lacy Lakeview, Texas |

Dave Yanke

President – Environmental Practice

- Eagle Pass, Texas
- Edmond, Oklahoma
- Longview, Texas
- Los Fresnos, Texas
- Nogales, Arizona
- Palestine, Texas
- Paris, Texas
- Pharr, Texas
- Primera, Texas
- Richmond, Virginia
- Laredo, Texas
- Lewisville, Texas
- Rowlett, Texas
- San Antonio Water System
- Stillwater, Oklahoma
- Sugar Land, Texas
- Temple, Texas
- Tyler, Texas
- Weatherford, Texas

Water Supply Corporations, Districts, and Authorities

- Blackland Water Supply Corporation
- El Oso Water Supply Corporation
- Greater Kelly Development Authority
- Johnson County Special Utility District
- Lower Valley Water District
- Lower Colorado River Authority
- Manville Water Supply Corporation
- Rockett Special Utility District
- Tarrant Regional Water District
- Texas Water Development Board
- United States Marine Corps
- United States Navy Southwest Division
- Walker County Rural Water Supply Corporation
- Webb County, Texas

Listed below are several water and/or wastewater utilities Mr. Yanke has assisted in addressing operations, management and regionalization issues:

- La Joya Water Supply Corporation
- Yuma County, Arizona

TESTIMONY

- Filed written testimony with regard to the El Oso Water Supply Corporation vs. Karnes City water rate dispute. District Court Cause Number 94-08-00134-CVK.
- Filed written testimony with regard to the City of Lacy Lakeview vs. City of Waco wholesale water dispute. SOAH Docket No. 582-97-0178.
- Filed written testimony with regard to Greater Ouachita Water Company filing for an adjustment in water and sewer rates and for approval or non-opposition to the issuance of bonds. Louisiana Public Service Commission. Docket No. U-25962.
- Filed written testimony with regard to a Petition from Multi-County Water Supply Corporation to Appeal the Wholesale Water Rate Increase of the City of Hamilton. SOAH Docket No. 582-09-2557.

Mr. Rabon has over ten years of experience managing projects for electric, water, wastewater, and solid waste utility engagements. His educational background facilitates a unique understanding of the financial implications for technical projects. Further, he is one of less than 30 individuals in the nation with an ASA designation in Public Utilities from the American Society of Appraisers.

EDUCATION

- Master of Business Administration, The University of Texas at Austin, McCombs School of Business
- Bachelor of Science in Chemical Engineering, Texas A&M University, College Station

PROFESSIONAL CERTIFICATIONS

- Accredited Senior Appraiser (ASA) designation in Public Utilities from American Society of Appraisers

EXPERIENCE

Some of the following projects were completed by Mr. Rabon while employed by SAIC Energy, Environmental & Infrastructure, LLC (formerly R.W. Beck).

Mr. Rabon has over ten years of experience performing financial evaluations for electric, water, wastewater, and solid waste utilities to safeguard their financial integrity either through the conduct of financial feasibility studies, valuations/appraisals or comprehensive cost of service analyses. Rates designed as a result of these engagements equitably recover the full cost of service, including special consideration for affordability and best practice rate structures.

Key projects include:

- **Austin Energy Cost of Service and Testimony** – Conducted a comprehensive, unbundled cost of service analysis for the electric utility and designed equitable rates to achieve the City of Austin’s goals, including improving fixed cost recovery while incentivizing conservation through a five-tier rate structure and providing support for distributed generation, such as rooftop solar. Filed direct testimony on behalf of the City of Austin d/b/a Austin Energy at the Public Utility Commission of Texas in defense of the electric rates adopted by Austin City Council (PUC Docket No. 40627). Later, in 2015, conducted various analyses on issues of critical importance to Austin Energy, such as a financial reserves study and review of small commercial rates, and assisted Austin Energy staff in an update to the cost of service and rate design.
- **Electric Wholesale Rate Damages** – Calculated damages owed to three electric cooperatives and one municipally owned utility as part of a wholesale rate dispute with the Lower Colorado River Authority in Travis and Kerr County, Texas District Courts. This included recreating billing determinants and the development of a market access rate. (Cause No. D-1-GN-12-002156 and Cause No. 12-1001-B)
- **Utility Acquisition and Regulated Rate Filing** – Conducted a fair market value appraisal of an investor-owned utility, including 13 water systems and 27 wastewater systems, in support of an acquisition of some of these systems by Greater Ouachita Water Company (GOWC). Subsequently conducted a comprehensive cost of service analysis for the existing water and wastewater utilities of GOWC and developed rates to recover all costs, including the acquisition and necessary capital improvements. Filed required schedules with the Louisiana Public Service Commission in support of the acquisition and rate request. (LPSC Docket No. U-32803)

Grant Rabon

Executive Consultant

- **Lower Colorado River Authority Wholesale Water Benchmarking and Rate Analysis** – Performed a benchmarking analysis to identify best practices among wholesale water entities around the nation, with an emphasis on innovative rate structures and water conservation efforts. A long-term rate analysis was conducted to incorporate projected capital projects to expand the water supply over a 90 year horizon under various rate structures.
- **Greenville Electric Utility System (GEUS) Electric Transmission Filing** – Quality assurance review of a comprehensive cost of service analysis for the transmission function and regulated rate filing with the Public Utility Commission of Texas.
- **San Antonio Water System (SAWS) Project Delivery Financial Modeling** – Developed a financial feasibility model to evaluate the relative capital and operational costs under various project delivery options for a 20 million-gallon-per-day brackish groundwater desalination facility, including traditional DBB, DB, DBO and a customized DBOOT.
- **Utility Valuation** – Various projects to determine the fair market value of utilities for acquisitions as well as analyses to evaluate municipalization or privatization of utilities. Also conducted water service area valuations to determine compensation for decertification of areas covered by certificates of convenience and necessity.
- **Other Cost of Service and Rate Design Studies** – Conducted one or more comprehensive cost of service and rate design studies for the following entities:
 - City of Athens, Texas
 - City of Bryan, Texas
 - City of Del Rio, Texas
 - City of Greenville, Texas
 - City of Longview, Texas
 - City of New Braunfels, Texas
 - City of Nogales, Arizona
 - City of Olathe, Kansas
 - City of Peoria, Arizona
 - City of Pflugerville, Texas
 - City of Sioux Falls, South Dakota
 - City of Stillwater, Oklahoma
 - City of Sugar Land, Texas
 - City of Tempe, Arizona
 - City of Temple, Texas
 - City of Tucson, Arizona
 - City of Vernon, California
 - City of Weatherford, Texas
 - Greater Ouachita Water Company, Louisiana
 - Manville Water Supply Corporation, Texas
 - North Slope Borough, Alaska
 - Pima County, Arizona
 - Rockett Special Utility District, Texas
 - Saint Tammany Parish, Louisiana
 - Snohomish County, Washington
 - Walker County Special Utility District, Texas

PRESENTATIONS

- “Keeping Your System Financially Fit; Learn How to Set Good Water Rates”, Texas Rural Water Association’s 43rd Annual Convention, March 2012
- “Regionalization Efforts: A Louisiana Case Study”, AWWA WEF 2013 Utility Management Conference, March 2013
- “CCN Valuations: Financial Considerations Related to Decertification and Expedited Release”, Texas Rural Water Association’s Fall Management Conferences, October and November 2014
- “Water Rates 101”, Texas Rural Water Association’s Office Professionals Conference, June 2015

Mr. Ekrut currently serves as Director of NewGen Strategies and Solutions, LLC Environmental Practice. He has been in this role since September 2012. Prior to joining NewGen Strategies & Solutions, Mr. Ekrut joined J. Stowe & Co. (now NewGen) as a Senior Consultant in May 2008 and was subsequently promoted to Manager in December 2009. Prior to joining J. Stowe & Co., Mr. Ekrut was employed by R.W. Beck, Inc. as a Staff Consultant beginning in June 2005, after earning his Masters in Public Administration from the University of North Texas and graduating with honors.

EDUCATION

- Masters of Public Administration, University of North Texas
- Bachelor of Arts in Public Administration, West Texas A & M University

EXPERIENCE

During his career, Mr. Ekrut has assisted in conducting a variety of engagements including cost of service and rate design studies, as well as expert witness testimony and litigation support in rate matters, for numerous water, wastewater, water reuse, stormwater, electric, and natural gas utilities. He is also a recognized expert in utility business planning and has spoken on business, financial, and capital project implementation planning before the Texas Section of the American Water Works Association. A sampling of Mr. Ekrut's experience is included below:

The following lists entities Mr. Ekrut has assisted with regards to Cost of Service and/or Rate Design engagements.

- | | |
|-----------------------------------|--|
| ▪ Town of Addison, Texas | ▪ City of Mansfield, Texas |
| ▪ City of Aledo, Texas * | ▪ City of McGregor, Texas |
| ▪ City of Amarillo, Texas | ▪ City of Mexia, Texas |
| ▪ City of Bellaire, Texas | ▪ City of Murphy, Texas |
| ▪ City of Bonham, Texas | ▪ Navajo Tribal Utility Authority |
| ▪ City of Burkburnett, Texas * | ▪ Nueces County Water Control and Improvement District No. 3 |
| ▪ City of Burnet, Texas * | ▪ Nueces County Water Control and Improvement District No. 4 |
| ▪ Canyon Regional Water Authority | ▪ City of Paris, Texas * |
| ▪ City of Cedar Park, Texas | ▪ Pittsburgh Water and Sewer Authority |
| ▪ City of Cisco, Texas | ▪ City of Portland, Texas |
| ▪ City of Coleman, Texas | ▪ Possum Kingdom Water Supply Corporation |
| ▪ Double Diamond Utilities Co. * | ▪ Town of Prosper, Texas * |
| ▪ City of Farmersville, Texas * | ▪ City of Roanoke, Texas |
| ▪ City of Gainesville, Texas * | ▪ City of Seagoville, Texas |
| ▪ City of Garland, Texas | ▪ City of Terrell, Texas * |
| ▪ City of Glenn Heights, Texas * | ▪ Trophy Club Municipal Utility District No. 1 |
| ▪ City of Graham, Texas | ▪ City of Tyler, Texas * |
| ▪ City of Grapevine, Texas * | ▪ City of Waco, Texas * |
| ▪ City of Killeen, Texas | ▪ City of Weatherford, Texas * |
| ▪ Town of Lakeside, Texas | ▪ City of Willow Park, Texas |
| ▪ City of Lancaster, Texas * | |
| ▪ City of League City, Texas | |
| ▪ City of Lewisville, Texas | |

* Engaged for multiple studies

Chris D. Ekrut

Director, Environmental Practice

Electric Utility Experience

- Assisted Austin Energy in modifying and refining the utility's excel-based financial forecasting model.

Expert Witness Testimony Development and/or Litigation Support

- SOAH Docket Nos. 582-02-1652, 582-03-1820, 582-03-1821, & 582-03-1824 – Applications of McKinney, Melissa, and Anna and North Collin Water Supply Corporation to Amend CCN Nos. 10194, 11482, 12976, 11035 and Sewer CCN No. 20898 and of the City of Melissa to Obtain a Sewer CCN in Collin County
- SOAH Docket No. 582-06-1366, Woodcreek Ratepayers Coalition Petition to Appeal the City of Woodcreek's Decision to Establish Water and Sewer Rates Charged by Aqua Utilities
- SOAH Docket No. 582-06-2023, Application of the Town of Lindsay to Amend Water and Sewer Certificates of Convenience and Necessity Nos. 13025 and 20927
- SOAH Docket No. 582-07-2049, Petition of BHP Water Supply Corporation Appealing the Wholesale Water Rate Increase of Royse City, Texas and Request for Interim Rates
- SOAH Docket No. 582-08-1318, Application of Mustang Special Utility District to Decertify a Portion of Sewer Certificate of Convenience and Necessity No. 20867 From AquaSource Development, Inc. DBA Aqua Texas Inc., and to Amend Sewer CCN No. 20930 In Denton County, Texas
- SOAH Docket No. 582-08-0698, Application of Double Diamond Utilities Company to Change its Water Tariff
- SOAH Docket No. 582-08-1341, Application of Monarch Utilities I, L.P., to Change Water and Sewer Rates and Tariffs
- SOAH Docket No. 582-08-2580, Appeal by Midway Water Utilities, Inc. CCN No. 11571, From the Ratemaking Actions of the City of Oak Point
- SOAH Docket No. 582-09-4288, Application of Double Diamond Utilities Company, Inc. to Change its Water Tariff
- SOAH Docket No. 582-09-6112, Application of Double Diamond Utilities Company, Inc. to Change its Sewer Tariff
- SOAH Docket No. 582-12-5332, Application of Upper Trinity Regional Water District for Water Use Permit No. 5821
- SOAH Docket No. 582-14-2854, Petition of Fort Belknap Water Supply Corporation and Graham East Water Supply Corporation to Appeal the Wholesale Water Rate increased imposed by the City of Graham
- SOAH Docket No. 473-15-037, Application of Double Diamond Utilities Co. for a Water and Sewer Rate / Tariff Change (37752-R and 37753-R)
- Expert Assistance to Office of Public Utility Counsel ("OPUC") for the following PUC Rulemaking Project Nos.
 - PUC Project No. 43871
 - PUC Project No. 43876
 - PUC Project No. 43967
 - PUC Project No. 44462
 - PUC Project No. 44706

Mr. Ekrut's resume has been condensed to comply with City of Austin's RFP CDL 2002 specifications. Full resume and work history is available upon request.

Mr. Garrett joined NewGen Strategies and Solutions in October 2013. Prior to joining NewGen, he served as the Finance Director for Prosper, Texas for over five years. In that capacity, Matthew oversaw not only the Budget and Accounting functions, but also managed Human Resources, Utility Billing and outsourced Information Technology contracts. Before his time in municipal government, he was employed by Collin County for five years holding the titles of Senior Financial Analyst, HR Supervisor, and HRIS Analyst.

Mr. Garrett's diverse experience enhances each project with a depth of pragmatic management perspectives.

Education

- Master of Business Administration, University of Texas at Dallas
- Bachelor of Business Administration in Management, Texas A&M University

Certifications

- Certified Government Finance Officer (CGFO #269), GFOAT
- Texas Certified Public Manager (CPM), Texas State University

Experience

NewGen Strategies & Solutions

During his career with NewGen, Mr. Garrett has contributed to a variety of cost of service and rate design studies for engagements with water, wastewater, storm water and electric utilities. He has also assisted in the completion of several impact fee, valuation, feasibility analyses, litigation support, and other special projects.

A sampling of Mr. Garrett's consulting experience is included below:

- Water, Wastewater, Impact Fee, and or Storm Water Drainage Cost of Service and Rate Design Studies:
 - Burnet, Texas
 - Trophy Club MUD No. 1
 - Roanoke, Texas
 - Willow Park, Texas
- Conducted review for Pittsburgh, Pennsylvania evaluating appropriateness of rates and subsidies as calculated by Pennsylvania American Water Company for its service areas within the City.
- Assisted Victoria, Texas in the development of appropriate rates and outlining proposed terms and conditions of a potential run-of-the-river raw water lease of its permitted, but unused water rights.
- Assisted Trophy Club MUD No. 1 in analysis of Westlake's offer to purchase Solana Area utilities.
- Assisted San Jacinto River Authority in identifying and documenting work flow processes, ultimately providing recommendations where improvements should be considered prior to implementation of a new computerized maintenance management system.
- Assisted US Army Electric Rate Study project with data extraction and summary analysis.
- Assisted Heath, Texas in determining the appropriate compensation for the acquisition of service area within City limits served by or certificated to Forney Lake Water Supply Corporation.

Matthew Garrett, MBA, CGFO

Senior Consultant

- Assisted Leander, Texas in determining a fair value for a prospective acquisition of service area in the City's corporate limits or ETJ with service provided by Chisholm Trail Special Utility District/City of Georgetown.
- Assisted in litigation support for Mustang MUD in case brought by Town of Providence Village regarding conveyance of assets from Providence Village Water Control and Improvement District.
- Assisted a coalition of cities with review of Suddenlink cable franchise fees for appropriateness and to identify any additional revenues due to the cities.

Town of Prosper, Texas

Directed all aspects of the Town finances including budget preparation and monitoring, financial reporting, creating fiscal transparency, debt issuance, purchasing, payroll administration, utility billing, collections and cash management. Act as investment officer for the Town and chairman of the Town Council Finance Committee. Forecast future revenues and funds needed for appropriations. Coordinate with the Prosper Economic Development Corporation on various tax abatement/incentive offerings. Assist Town department heads with IT solutions including efficient system utilization, application software and related hardware. Direct Human Resources function.

Collin County, Texas

Mr. Garrett served Collin County in multiple capacities; his experience includes performance-based-budgeting techniques and review of twenty-two departments with combined expenditure budgets totaling seventy-two million dollars. Present lower cost options to achieve equal or greater benefits. Provide scheduled and ad hoc analysis of outcome metrics compared to costs, providing recommendations to senior management and Commissioner Court. Coordinate the Growth and Vision Task Force. Manage Pay for Performance program. Create and implement communications strategy. Lead supervisor and employee training. Build relationships with line management to instill ownership of initiatives. Facilitate supervisor and employee focus groups. Staff and supervise HR Generalist activities. Map existing workflows and recommend process improvements through automation and reengineering of payroll and HR functions. Act as liaison between HR and IT on joint projects. Create and run reports for all HR functions. Research federal and state law for compliance. Audit payroll system.

Speaking Engagements

Ante Up: Rational Budget Reductions When You Are Short on Chips, Government Finance Officers Association of Texas (GFOAT) Conference, April 2009

Utility Management and Revenue Considerations, New and Emerging City Managers Roundtable North Central Texas Council of Governments (NCTCOG), February 2014

When in Drought! Utility Rate Making Part 1 – Revenue Requirements and Cost of Service, Government Finance Officers Association of Texas (GFOAT) Conference, April 2014

When in Drought! Utility Rate Making Part 2 – Rate Structure and Design, Government Finance Officers Association of Texas (GFOAT) Conference, April 2014

APPENDIX C

CLIENT REFERENCES



March 18, 2016

Dear Austin Water & Wastewater Rates Selection Committee:

I am writing this letter to describe the services that Mr. Dave Yanke has provided to the Fort Worth Water Department (Department) during the past five years. Specifically, he has provided assistance with renewing our wholesale water contracts with 30 wholesale customers in 2010, and he is currently assisting us in renewing 23 wholesale wastewater contracts which need to be renewed by March 2017, when they expire.

Mr. Yanke was a partner at R. W. Beck when he was retained in 2010 as part of a team to assist the Department in renewing its standard wholesale water customer contracts with 30 different customers. The customers ranged from D/FW International Airport to the many cities that surround Fort Worth. Mr. Yanke provided support on a number of issues, but specifically focused on leading the workshops with the wholesale customers to explain changes that the Department wanted to make to the contract and obtaining their feedback. Working in conjunction with outside legal counsel, an engineering firm, Department staff and the City legal department, a uniform wholesale water contract was developed and signed by all 30 wholesale customers, three months prior to the contracts expiring.

Mr. Yanke and his firm, NewGen Strategies and Solutions LLC, were retained in 2015 to assist with similar issues, only this time dealing with the Department's 23 wholesale wastewater contracts. The current contracts expire in March 2017 and the NewGen Project Team (consisting of NewGen, an engineering firm and legal counsel), are working with the Department staff to incorporate and negotiate changes to the original wholesale contracts that date back to 1987. Mr. Yanke is the project manager for NewGen and is, once again, serving as the facilitator and engaging the wholesale customers in a series of workshops.

I highly recommend Mr. Yanke and his firm, NewGen Strategies and Solutions, for their expertise in conducting water and wastewater cost of service and rate design studies, and specifically with regard to assisting in the facilitation of discussions with the City of Austin's wholesale customers. I found his water rates knowledge and personable demeanor to be key assets in assisting our Department in engaging the wholesale water and wastewater customers. Should you have any questions or would like to speak further about this recommendation please contact me at 817-392-8819.

Sincerely,

Kara Shuror
Assistant Director

**WATER DEPARTMENT
BUSINESS SERVICES**

The City of Fort Worth * 1000 Throckmorton Street * Fort Worth, Texas 76102
817-392-8220 * Fax 817-392-8195

March 18, 2016

Subject: Letter of Recommendation for NewGen

To Whom It May Concern:

In late 2010, Austin Energy (AE) engaged R. W. Beck to assist in a comprehensive cost of service and rate design study – the first in over 17 years, including a meaningful public involvement process and, ultimately, the defense of City Council approved rates at the Public Utility Commission of Texas (PUCT), which concluded in a 2013 settlement. Also in 2010, AE engaged J. Stowe & Co. to function as AE's independent advisor as well as provide an independent evaluation of R. W. Beck's analyses and results. During the project, R. W. Beck was acquired and changed its name to SAIC and, later, key members of the team left to join J. Stowe & Co. and form NewGen Strategies & Solutions (NewGen). Many of the key consultant personnel from R. W. Beck and J. Stowe & Co. responsible for the successful completion of Austin Energy's rate review from 2010 to 2013 are now at NewGen, and I will refer to them as NewGen or the NewGen team in this letter.

The key services provided by the NewGen team included:

- **Cost of Service** – NewGen conducted a comprehensive cost of service analysis, including the development of a test year revenue requirement, functionalization of the revenue requirement, classification of costs and allocation of costs to newly developed customer classes on an equitable, cost-causal basis. Imbedded in the determination of a reasonable revenue requirement were a myriad of policy issues that NewGen helped AE navigate. The allocation of cost responsibility was also subject to policy guidance. Selecting the proper policies to guide the analysis was crucial to achieving the City of Austin's goals. NewGen's industry experience and knowledge of the PUCT requirements were of great value to this process.
- **Rate Design** – NewGen advised AE on crafting rates based on principles aligned with our strategic objectives, including balancing competing objectives to achieve our overall goals. Among other issues, rate design took into consideration fixed cost recovery strategies to facilitate our support for energy efficiency and conservation while maintaining the financial stability of the utility. NewGen assisted us in unbundling rates and developing pass through charges, which help to manage volatile and sometimes unpredictable costs.
- **Public Involvement Committee** – R.W. Beck facilitated six meetings with stakeholders participating in a Public Involvement Committee (PIC) composed of utility customers representing residential, commercial and industrial interests. Before each PIC meeting a white paper on different issues was developed by staff now part of the NewGen team. The white papers were provided to the PIC participants for consideration and discussion at each meeting. White papers included topics such as industry accepted practices for developing customer classes, financial policies and requirements, allocating production demand related expenses, and proper rate design. These were data intensive reports on sometimes very technical issues that were drafted to be accessible to the PIC participants. The PIC meetings were facilitated by R.W. Beck and allowed for structured but engaging discussions on key issues for consideration in the rate review. This allowed AE to gain direct input from stakeholders to gauge the relative balance between competing objectives.
- **Presentation Support** – NewGen provided support to AE as we presented our findings and recommendations to the Electric Utility Commission and, later, the City Council. This included attending public meetings, when appropriate.

- **Rate Filing Package** – Once the City Council approved rates were appealed to the PUCT, NewGen joined AE in meeting with PUCT staff to gain a mutual understanding of how AE would present its case given the absence of specific filing instructions for a municipally-owned utility. NewGen assisted AE in developing a rate filing package to satisfy the expected PUCT requirements. They performed analyses in support of AE's policies, and assisted AE and legal counsel in preparing for PUC review.
- **Testimony** – NewGen provided direct written testimony on behalf of AE at the PUCT. Their industry experience helped bring credibility to AE's positions on a variety of contentious issues.
- **Response to Interrogatories** – NewGen helped AE respond to interrogatories from intervenors on very tight, administratively prescribed deadlines.
- **Negotiation Assistance** – NewGen provided assistance and advice to AE and performed analyses to support a negotiated settlement to the rate appeal.

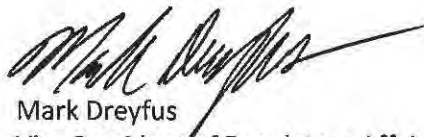
It is important to note that the NewGen team was often asked to provide analysis and deliverables with very limiting time constraints. Timelines in this process were dominated by internal deadlines, external stakeholder demands, governing body oversight and regulatory mandates. NewGen was very responsive to AE's requests and consistently delivered quality results to withstand public and regulatory scrutiny on numerous tight deadlines throughout the process.

Further, in 2015 the NewGen team won a competitive procurement to assist AE with regulatory consulting services, including the current rate update. NewGen has provided analysis of various issues, such as appropriate rate design for small commercial customers and evaluating the impact of AE's inclining block rate structure on residential energy use. Additionally, with NewGen's assistance, AE's rate filing package and report on proposed rates were made public in January 2016. AE is engaging in a public review process involving an independent hearings examiner and intervenors, similar to the process at the PUCT.

In summary, NewGen has served as a valued resource and advisor to AE since 2010. Their industry experience and knowledge of the regulatory environment have provided great value in assisting Austin Energy and helping to affirm the City of Austin's policies and decisions at the PUCT. Further, they have proven their ability to be responsive to our needs and deliver high-quality results under difficult deadlines.

I welcome the opportunity to discuss our experience with NewGen at your convenience.

Sincerely,



Mark Dreyfus
Vice President of Regulatory Affairs and Corporate Communication
Austin Energy



Utility Billing
300 W Walker
League City, TX 77573

Main: 281.554.1000
Direct: 281.554.1336

www.leaguecity.com

March 21, 2016

Ms. Tonya Hall
Purchasing Department
City of McKinney
1550 S. College Street
Building D
McKinney, Texas 75069

**Subject Letter of Reference for NewGen Strategies & Solutions, LLC.
Bid No. 16-55RFP Water and Wastewater Rate Study**

Dear Ms. Hall:

Members of the NewGen Strategies & Solutions assisted the City of League City, Texas in performing a Water and Wastewater Rate Study from June 2014 through January 2015. The impetus for this Study was two-fold. First, League City has experienced and is projected to continue to experience tremendous growth in the coming years. An examination of rates was necessary to ensure sufficient resources to fund the City's extensive capital improvement program which, at this time, is primarily debt funded. Second, the City's wholesale water supplier, the Gulf Coast Water Authority, continues to increase costs on an annual basis. The recovery of these cost increases is essential to maintaining the financial resources needed to operate and maintain the City's internal infrastructure.

Prior to the Study conducted by NewGen, the City had not reviewed rates since 2008. While rate revenues had performed adequately for the most part, the City maintained a flat volumetric rate structure. Given the new drought of record experienced by the State, the City felt it important to modify the water rate structure to an inclining block structure, thereby sending a better conservation price signal to customers. NewGen was instrumental in assisting the City in developing this new inclining block structure while ensuring the maintenance of the utility's overall revenue stability.

As follow-on to the Rate Study, the City again retained NewGen in late 2015 to perform a Wholesale Water Rate Study for some potential wholesale water customers. This on-going work includes an examination of appropriate wholesale rates under both pressurized and non-pressurized service. Further, NewGen is currently assisting the City in evaluating the potential purchase of a local, investor-owned utility whose system is located within our municipal limits.

Ms. Tonya Hall
March 21, 2016
Page 2

Should you have questions regarding this letter, please feel free to contact me at the following:

Ms. Nancy Massey
Utility Billing Manager
League City, Texas
281-554-1336
nancy.massey@leaguecity.com
NewGen Strategies & Solutions Dates of Service: June 2014 to Present

Sincerely,

A handwritten signature in cursive script that reads "Nancy Massey". The signature is written in dark ink and has a fluid, connected style. It is positioned below the "Sincerely," and above the printed name and title.

Nancy Massey
Utility Billing Manager
City of League City, Texas



GARLAND

TEXAS MADE HERE

March 24, 2016

Ms. Tonya Hall
Purchasing Department
City of McKinney
1550 S. College Street
Building D
McKinney, Texas 75069

**Subject – Letter of Reference for NewGen Strategies & Solutions, LLC.
Bid No. 16-55RFP Water and Wastewater Rate Study**

Dear Ms. Hall:

NewGen Strategies & Solutions has been assisting Garland Water Utilities in evaluating Water and Wastewater rates since January 2013. As part of their efforts, NewGen has assisted the City of Garland with a number of projects as detailed below:

- **Retail Water and Wholesale and Retail Wastewater Rate Study**
In 2013, NewGen conducted a full Retail Water and Wholesale and Retail Wastewater Rate Study for the City. As part of this Study, NewGen evaluated the financial condition of the utility in light of ever increasing charges from NTMWD, as well as the impact of long-term capital improvement needs. NewGen provided recommendations on both retail and wholesale rate adjustments reflective of the City's wholesale agreements.
- **Development of Water and Wastewater Rate Models**
As part of the 2013 Rate Study, NewGen developed supportive cost of service and rate models for the water and wastewater utility in Microsoft Excel. Prior to this study, the City had relied on its third-party consultant for all rate analysis. The models provided by NewGen have allowed the City to conduct our own analysis internally. This includes calculation of wholesale wastewater rates reflective of our contractual agreements. NewGen continues to provide technical support to these models and assists the City in annually reviewing its water and wastewater rates reflective of the continued cost increases passed on by NTMWD.
- **Development of Wholesale Wastewater Contract**
As part of the 2013 Study, NewGen also assisted Garland in developing a new, uniform wholesale wastewater contract. We are currently in the process of phasing in this contract to standardize the terms and conditions under which wholesale wastewater service is provided.
- **Evaluation of Wholesale Service Opportunities**
Over the last several years, NewGen has also assisted Garland in evaluating a potential wholesale service opportunity outside of the City's current municipal boundary. This analysis has included an estimation of the financial impact of service on the City's existing customers, as well as the estimated rates required to the wholesale customer's retail connections.

- **Wastewater Surcharge Evaluation**

NewGen also recently assisted the City in evaluating its current method of charging industrial wastewater customers. Currently, the City charges an "all-in" volumetric rate which varies by industrial customer and is reflective of the cost of providing service to said customer. With the assistance of NewGen, the City has examined the possibility of moving to an industrial strength surcharge, thereby standardizing the charges to industrial customers and providing them incentive to improve the quality of wastewater discharged into the City's system.

Should you have questions regarding this letter, please feel free to contact me at the following:

Ms. Sharon Bailey
Financial Manager
Garland Water Utilities
972-205-3282
SBailey@garlandtx.gov
NewGen Strategies & Solutions Dates of Service: January 2013 to Present

Sincerely,



Sharon Bailey
Financial Manager
Garland Water Utilities



Water Utility Services

P.O. Box 2570

Waco, Texas 76702-2570

254 / 750-8040

Fax: 254 / 750-8032

March 21, 2016

Ms. Tonya Hall
Purchasing Department
City of McKinney
1550 S. College Street
Building D
McKinney, Texas 75069

**Subject – Letter of Reference for NewGen Strategies & Solutions, LLC.
Bid No. 16-55RFP Water and Wastewater Rate Study**

Dear Ms. Hall:

Members of the NewGen Strategies & Solutions Project Team have a long history of assisting Waco Water Utilities in evaluating Wholesale and Retail Water and Wastewater rates. As members of Reed, Stowe, & Yanke; R.W. Beck; J. Stowe & Co., and now as NewGen, the City of Waco has long relied on the services of NewGen's principal consultants to assist in ensuring the long-term stability and viability of our water and wastewater utility.

Over the years, NewGen has assisted the City in conducting a number of projects including, but not limited to, Wholesale and Retail Water, Wastewater, and Reuse Rate Studies; Feasibility Studies; AMI Procurement; and Capital Program Management. Most recently in 2015, the City retained members of NewGen to again review the City's retail water rates. The need for this review was based on the City's recently completed Water and Wastewater Master Plans.

Based on the Master Plans, the City is facing a funding need of approximately \$285 million and \$244 million in water and wastewater capital investment over the next 30 years in order to maintain regulatory compliance and provide quality service to our customers. Coupled with this need, Waco faces some challenging socioeconomic conditions which require the City to carefully monitor the affordability of water and wastewater service.

As part of their work efforts, NewGen developed a 10-year financial plan for the City's water and wastewater utility, recognizing the impact of debt-funding the majority of the capital plan, as well as the general impact of inflation, low levels of customer growth, and estimated changes in customer demand. This plan also took into account the City's key financial metrics; specifically the maintenance of sufficient working cash reserves and appropriate debt service coverage levels.

Ms. Tonya Hall
March 21, 2016
Page 2

NewGen presented the financial plan to our City Council which ultimately gave their unanimous endorsement of the recommended plan. Since its initial development, the financial and rate plan has been further updated by NewGen to reflect changing CIP projects and prioritizations.

Should you have questions regarding this letter, please feel free to contact me at the following:

Lisa Tyer
254-750-8079
LisaT@wacotx.gov

Sincerely,

A handwritten signature in black ink, appearing to read "Lisa Tyer", with a stylized flourish at the end.

Lisa Tyer
Director of Water Utility Services
City of Waco, TX

NEWGEN STRATEGIES AND SOLUTIONS, LLC
CLIENT LISTING

NewGen has unparalleled professional experience in providing financial, managerial, and economic consulting services to public sector utilities. Members of our Project Team have assisted an extensive list of clients in conducting wholesale and/or retail water, wastewater, storm water, solid waste, electricity, and natural gas cost of service and rate design studies. We often provide other financial and/or management consulting services to these same clients on an as needed basis.

Municipalities which have engaged members of our Project Team (in both the Austin and Dallas offices) for water, wastewater, and solid waste services include, but are not limited to, the following:

Water and Wastewater Services

- Town of Addison, Texas – Mr. Eric Cannon, Finance Director (972) 450-7050
Water Rate Study, *2013*
- City of Aledo, Texas – Mr. Ken Pfiefer, City Administrator (817) 441-7016
Water/Wastewater Rate Study, *2010, 2011, 2013, 2014*
- Argyle Water Supply Corporation – Mr. Randall Davis, General Manager (940) 464-7713
Rate and Impact Fee Study, *2012*
- City of Bartlesville, Oklahoma – Mr. Mike Bailey, Administrative Director (918) 338-4212
Water and Wastewater Cost of Service Study, *2014*
Solid Waste Cost of Service Study, *2011*
- City of Blue Mound, Texas – Mr. Alan Hooks, Mayor (817) 232-7097
Valuation, *2015*
- City of Bonham, Texas – Mr. Dave Struchtemeyer, Finance Director (903) 583-7555
Water/Wastewater Rate Study, *2014*
- Booth, Ahrens & Werkenthin, P.C. – Mr. Mike Booth (512) 472-3263
Trophy Club Litigation Support, *2013*
- City of Borger, Texas – Mr. Eddie Edwards, City Manager (806) 273-0902
Multiple Water and Wastewater Cost of Service and Feasibility Studies, *1995, 1997, 1998, 2010, 2013*
- City of Brenham, Texas – Mr. Lowell Ogle, Director of Public Utilities (979) 337-7593
Cost of Service and Water Rate Study, *2012*
- Buena Vista-Bethel Special Utility District – Mr. Joe Buchanan, General Manager (972) 937-1212
Water Cost of Service and Impact Fee/Rate Design Study, *2015*
- City of Burkburnett, Texas – Mr. Gordon Smith, Director of Public Works (940) 569-2263
Water Rate Study, *2014, 2015*
- City of Burnet, Texas – Mr. David Vaughn, City Manager (512) 756-6093
Water Rate Study, *2012, 2013*

NEWGEN STRATEGIES AND SOLUTIONS, LLC
CLIENT LISTING

- Canyon Regional Water Authority – Mr. David Davenport, Executive Director (830) 609-0543
Water Rate Study, 2012
- Carollo Engineers – Mr. Jeff Stovall, Senior Technologist (806) 681-8275
Barton Springs Edwards Aquifer Conservation District Brackish Groundwater Feasibility Study, 2016
- City of Coleman, Texas – Mr. Paul Cetoe, City Manager (325) 625-5114
Water Rate Study, 2012
- City of Conroe, Texas – Mr. Collin Boothe, Director of Finance, (936) 522-3049
Water and Wastewater Rate Consulting Services, 2016
- CP&Y, Inc. – Mr. John Levitt, P.E. (214) 640-1709
Killeen, Texas Drainage Study, 2012, Water Rate Study, 2012, 2013
Roanoke, Texas Economics and Rates, 2014
- City of Denton, Texas – Mr. Tony Puente, Assistant Finance Director (940) 349-7283
Economics and Rates Cost Allocation Model, 2012, 2013
- Double Diamond Utilities, Inc. – Mr. Randy Gracy, President (214) 706-7801
Water Rate Study, 2010, 2011, 2012, 2013, 2014
Regulatory and Litigation Support, 2015
- City of Farmersville, Texas – Mr. Ben White, City Manager (972) 782-6151
Economics and Rates Water Rate Study, 2014
- City of Fate, Texas – Ms. Li Jen Lee, Finance Director (972) 771-4601 ext. 111
Water and Wastewater Cost of Service and Rate Design Study, 2016
- City of Forest Hill, Texas – Mr. Sheyi Ipaye, City Manager (817) 568-3000
Economics and Rates, 2014
- City of Forney, Texas – Mr. Brian Brooks, City Manager (972) 564-7301
Strategy and Sustainability Utility Service Plan, 2014
- City of Fort Worth, Texas – Ms. Kara Shuror, Assistant Director (817) 392-8819
Wholesale Water Contract Assistance, 2010
Water and Wastewater System Privatization Analysis, 2013
Bio-solids Forensic Audit, 2015
Wholesale Wastewater Contract Assistance, 2015-2017
- City of Garland, Texas – Ms. Sharon Bailey, Finance Manager (972) 205-3210
Cost Allocation Study, 2012
Economics and Rates Cost Allocation Study, 2012

NEWGEN STRATEGIES AND SOLUTIONS, LLC
CLIENT LISTING

- City of Glenn Heights, Texas – Ms. Trudy Lewis, City Manager (972) 223-1690
Water Rate Study, *2010*
- City of Graham, Texas – Mr. David Casteel, City Manager (940) 549-3322
Water Rate Study Rate Model Review, *2012, 2013, 2014*
- City of Grapevine, Texas – Mr. Kent Conkel, Director of Utilities (817) 410-3330
Water Rate Study Rate Model Review, *2012*
- Greater Ouachita Water Company – Mr. Tommy Sparks, President (318) 398-2204
Multiple Water and Wastewater Cost of Service and Rate Design Studies, *2007, 2013*
Water System Facility Appraisals, *2010, 2014*
- Herrera & Boyle, PLLC – Ms. Kim Boyle (512) 474-1492
Litigation Support Southwest Water Rate Dispute, *2012, 2013*
- City of Hobbs, New Mexico – Mr. Tim Woomer, Utilities Director (575) 397-9315
Water and Wastewater Cost of Service Studies, *1996, 2001, 2003, 2013*
- Johnson County Special Utility District – Mr. Terry Kelley, General Manager (817) 760-5200
Wholesale Water Rate Study, *2015*
- Kimley-Horn and Associates, Inc. – Mr. Jeff Whitacre, Associate
City of McKinney Impact Fee Study, *2013*
City of Frisco Economics and Rates Impact Fee Study, *2014*
City of Killeen Economics and Rates Transportation Utility Study, *2014*
City of Flower Mound Economics and Rates Impact Fee Study, *2015*
- Lake Fork Water Supply Corporation – Ms. Rachel Anderson, Office Manager (903) 383-7643
Water Cost of Service and Rate Design Study, *2015*
- City of Lakeside, Texas – Mr. Norman Craven, Interim Town Administrator (817) 237-1234
Valuation Water Rate Study, *2012*
- City of Lancaster, Texas – Ms. Opal Robertson, City Manager (972) 218-1300
Economics and Rates Water Rate Study, *2013, 2014*
- City of League City, Texas – Ms. Nancy Massey, Utility Billing Manager (281) 554-1336
Economics and Rates, *2014*
- City of Lewisville, Texas – Mr. Clifford Howard, Fiscal Services Manager (972) 219-3422
Castle Hills Economics and Rates Rate Review, *2015*
- City of Mansfield, Texas – Mr. Joe Smolinski, Director of Water Utilities (817) 477-2248
Water Rate Study, *2013*

NEWGEN STRATEGIES AND SOLUTIONS, LLC
CLIENT LISTING

- Manville Water Supply Corporation – Mr. Greg Teggegan, (512) 856-2488 ext. 230
Multiple Retail and Wholesale Cost of Service and Rate Design Studies; and Impact Fee Studies, *2001, 2011, 2013*
- Mathews & Freeland, LLP – Mr. Joe Freeland (512) 404-7800
Oak Hollow Valuation Water Rate Study, *2012*
- City of Murphy, Texas – Ms. Linda Truitt, Finance Director (972) 468-4119
Economics and Rates Cost of Service and Rate Study, *2014*
- Navajo Tribal Utility Authority – Mr. Thomas Nelson, Chief Financial Officer (928) 729-5727
Economics and Rates Tariff Manual Update, *2014*
Economics and Rates Water/Wastewater Rate Study, *2015*
- Nueces County WCID #3 – Mr. James Schwartz, Interim General Manager (361) 387-4549
Economics and Rates Water Rate Study, *2015*
- Office of Public Utility Council – Ms. Laurie Barker (512) 936-7500
Regulatory and Litigation Support, *2015*
- City of Paris, Texas – Mr. Gene Anderson, Finance Director (903) 784-9241
Economics and Rates Water and Wastewater Rate Study, *2014, 2015*
- City of Pflugerville, Texas – Ms. Lauri Gillam, Assistant City Manager, (512) 990-6101
Water and Wastewater Cost of Service and Rate Design Study
- Pittsburg Water & Sewer Authority – Mr. Joey Tolbert, Interim Director of Finance (412) 255-8800
Economics and Rates Audit, *2013, 2014*
- City of Portland, Texas – Ms. Michel Sorrell, Finance Director (361) 777-4500
Economics and Rates Water Rate Study, *2014*
- Town of Prosper, Texas – Ms. Kim Galvin, Interim Finance Director (972) 569-1019
Economics and Rates Water Rate Study, *2012, 2013, 2014*
- City of Reno, Texas – Mr. Buddy Heuberger, Mayor (903) 491-5867
Water Rate Study, *2012*
- City of Roanoke, Texas – Ms. Vicki Rodriguez, Finance Director (817) 491-2411
Economics and Rates Water Rate Study, *2014*
- Rockett Special Utility District – Ms. Kay Phillips, General Manager (972) 617-3524 ext. 212
Retail and Wholesale Water Cost of Service and Rate Design Study, *2012, 2016*
Certificate of Convenience and Necessity (CCN) Valuation Analysis, *2012*
- City of Seagoville, Texas – Mr. Patrick Harvey, Finance Director (972) 287-2050
Water Rate Study, *2013*

NEWGEN STRATEGIES AND SOLUTIONS, LLC
CLIENT LISTING

- Shannon, Gracey, Ratliff & Miller, LLP – Mr. Wes Maness (817) 299-2843
Litigation Support Arlington-Gas Well, 2012, 2014
- Sharyland Water Supply Corporation – Ms. Sherilyn Dahlberg, General Manager (956) 585-6081
CCN Valuation Analysis, 2015
Water Cost of Service and Rate Design Study, 2016
- City of Sugar Land, Texas – Ms. Jennifer Brown, Director of Finance (281) 275-2236
Multiple Water and Wastewater Cost of Service Studies, 2006, 2010, 2012
- City of Temple, Texas – Ms. Traci Barnard, Director of Finance (254) 298-5631
Multiple Water and Wastewater Cost of Service Studies, 2002, 2006, 2012
- City of Terrell, Texas – Mr. Steve Rodgers, City Engineer (972) 551-6607
Water Rate Study, 2013
- Trinity River Authority – Ms. Julie Hunt, Assistant Regional Manager (817) 493-5100
Bio-solids Market Analysis, 2016
- Trophy Club Municipal Utility District – Ms. Jennifer McKnight, General Manager (682) 831-4600
Water Rate Study, 2013, 2014
- City of Tyler, Texas – Mr. Greg Morgan, Director of Utilities (903) 531-1234
Water Rate Study, 2013
- City of Waco, Texas – Mr. Wiley Stem, Assistant City Manager (254) 750-5640
General Services Water Rate Study, 2012, 2013
General Rate Consulting Water Rate Study, 2012
Cost of Service and Water/Wastewater Rate Study, 2013, 2014
- City of Weatherford, Texas – Ms. Sharon Hayes, Assistant City Manager (817) 598-4270
Economics and Rates Cost of Service Rate Study, 2013, 2014
- City of Willow Park, Texas – Mr. Matt Shaffstall, City Administrator (817) 441-7108
Water Rate Study, 2013, 2014

Solid Waste Services

- Houston-Galveston Area Council – Ms. Cheryl Mergo, Sustainable Development Program Manager (713) 993-4520
Commercial Food Waste Recycling in the H-GAC Region, 2015
(Mr. Yanke has conducted numerous studies – environmental enforcement, economic impact of recycling, waste stream forecast and characterization, etc. for Ms. Mergo since 1997)
- City of Huntsville, Texas – Ms. Esther Herklotz, Solid Waste Superintendent, (936) 291-5400

NEWGEN STRATEGIES AND SOLUTIONS, LLC
CLIENT LISTING

Local Solid Waste Management Plan and Rate Studies, *2002, 2014*

- City of New Braunfels, Texas – Mr. Mike Mundell, Solid Waste Manager (918) 338-4212
Solid Waste Cost of Service and Rate Design Study, *2012*
Commercial Cardboard/Paper Recycling Feasibility Analysis, *2014*
Single-stream Recyclables Processor Procurement, *2016*
- City of Santa Fe, New Mexico – Ms. Shirlene Sitton,¹ Director (505) 955-2200
Comprehensive Solid Waste Cost of Service Analysis, and Assessment and Management Study (City Component), *2013-2014*
- Santa Fe County, New Mexico – Mr. Craig O’Hare, Energy Programs Specialist (505) 992-3044
Comprehensive Solid Waste Cost of Service Analysis, and Assessment and Management Study (County Component), *2013-2014*
Solid Waste Procurement, *2015*
- Santa Fe Solid Waste Management Agency – Mr. Randall Kippenbrock, P.E., Executive Director (505) 424-1850 ext. 100
Comprehensive Solid Waste Cost of Service Analysis, and Assessment and Management Study (Agency Component), *2013-2014*
Materials Recovery Facility Processor/Pricing Negotiations, *2015*
Development of a Solid Waste Reserve Fund Policy, *2016*
- City of Scottsdale, Arizona – Mr. Gabe Fragoso, Solid Waste Manager (480) 312-5608
Solid Waste Cost of Service and Rate Design Study, *2016*
- City of Superior, Wisconsin – Ms. Jean Vito, Finance Director (715) 395-7291
Solid Waste Cost of Service and Rate Design Study, *2013*
Landfill Valuation, *2014*
Solid Waste Collection and Landfill Sale Procurements, *2015*
- City of Tucson, Arizona – Mr. Andrew Quigley, Director (520) 791-3175
Multiple Cost of Service and Rate Design Studies, *2000, 2003, 2008, 2016 (pending)*
Container Maintenance Cost of Service, *2014*
Materials Recovery Facility (MRF) Pricing Formula, *2015*
Solid Waste Collection Costs Analysis, *2015*

¹ Ms. Sitton is the new Environmental Services Director and was not there at the time the Study was completed, but is familiar with the scope and level of effort provided by NewGen.

Comprehensive Water, Wastewater, and Solid Waste Cost of Service and Rate Design Studies

- City of Green River, Wyoming – Mr. Chris Meats, Director of Finance (307) 872-6125
Comprehensive Cost of Service and Rate Design Study, 2016 (*just started the study*)
- City of Nacogdoches, Texas – Ms. Pam Curbow, Finance Director (936) 559-2526
Water, Sewer, and Solid Waste Cost of Service and Rate Design Study, 2015-2016

APPENDIX D

SAMPLE WORK PLAN



I. WORK PROGRAM

A. Tasks

This section of our Proposal summarizes our plan to successfully fulfill the duties and responsibilities of the Residential Rate Advisor as set forth in System Concept and Solution above.

Phase 1 – Participation in Public Involvement

August 2010 – October 2010

1. Meet with AE to discuss the Residential Rate Advisor's role and responsibilities, reporting requirements, and deliverables.
2. Develop and submit a project work plan outlining the task assignments and project work schedule.
3. Develop communication channels and materials to receive input and feedback from residential customers. It is anticipated that communication channels will include, focus group meetings, and internet, mailed, and phone surveys.¹ Information from the surveys will be tabulated and summarized and provided to AE.

Focus group meetings² – it is proposed that focus group meetings be conducted to gauge the residential customers' opinions of AE's current residential rates and rate options. In addition, these focus group meetings will allow J. Stowe & Co., as well as AE, to gain an insight of the residential customers' understanding of the rate options available to customers, their knowledge of the availability of low-income assistance programs, the effectiveness of AE's communications with its residential customers, and means to enhance communication with the residential customers.

The focus group meetings should be geographically based in order to gather a wide collection of views and opinions that are reflective of AE's diverse residential customer composition. It is anticipated that these focus groups will be organized in conjunction with the cost of service and rate design study's Component B consultant and various social groups within Austin, such as churches, home owner associations, and social organizations in an effort to achieve an appropriate representation of AE's residential customer class.

Internet Survey³ – for those who do not participate in the focus group meetings, it is proposed that an on-line survey be developed to gain their feedback and input. This survey, like the focus group meetings, will allow J. Stowe & Co., as well as AE, to gain an insight of the residential customers' understanding of the rate options available to customers, their knowledge of the availability of low-income assistance programs, the effectiveness of AE's communications with its

¹ These communication channels with the residential customers will commence in August 2010, but will most likely extend beyond the October 2010 timeframe.

² In conjunction with Component B consultant, J. Stowe & Co. will organize the focus group meetings and develop the content for the meetings. It is proposed that Component B consultant will record and document the meeting presentations and customer responses.

³ Working with AE's IT group, J. Stowe & Co. will be responsible for developing the content of the survey, in both English and Spanish, and analyzing the results of the survey. AE will be responsible for hosting the internet survey.



residential customers, and means to enhance communication with the residential customers. It is proposed that a flyer be included in residential customers' monthly mailed monthly bill notifying them of the opportunity to participate in the survey. For customers who may receive electric bills electronically, a link to the survey could also be provided.

Mailed Survey⁴ – some residential customers may not have convenient access to the internet or may lack the understanding or familiarity of using the internet, therefore, these customers' views and opinions may not be adequately heard. It is proposed for the on-line survey that the respondent's zip code be a required field. After a specified time, the internet survey response rate by zip code will be reviewed. Depending upon the response rate and desired penetration of the survey, it may be necessary to mail surveys to a sample population within a zip code to obtain an adequate observation of AE's residential customers' views and opinions.

Phone Survey⁵ – some residential customers may not have convenient access to the internet or may lack the understanding or familiarity of using the internet, therefore, these customers' views and opinions may not be adequately heard. It is proposed for the on-line survey that the respondent's zip code be a required field. After a specified time, the internet survey response rate by zip code will be reviewed. Depending upon the response rate and desired penetration of the survey, it may be necessary to mail surveys to a sample population within a zip code to obtain an adequate observation of AE's residential customers' views and opinions.

November 2010 – December 2011

1. Participate in all Public Involvement Committee and Lower-income Customer Committee meetings.
2. Review materials supplied to the Public Involvement and Lower-income Customer Committees.
3. Identify issues and the corresponding impacts within the materials supplied to the Public Involvement and Lower-income Customer Committees.
4. Provide recommendations to AE staff and Executive Team regarding electric rate issues impacting residential customers.
5. Produce a preliminary draft report containing findings and recommendations regarding revenue requirements and rates based on a FY 2009 test year. The preliminary draft report will include, but not be limited to, the following:
 - a. Discussion of the potential impacts on residential customers
 - b. Rationale for the recommended methodologies and rate designs

⁴ J. Stowe & Co. will develop the mailed survey, in English and Spanish, along with the sample groups, and will be responsible for analyzing the mailed surveys. AE will be responsible for mailing and receiving the surveys.

⁵ J. Stowe & Co. will work with AE to develop the sample group to be surveyed. J. Stowe & Co. will be responsible for conducting the phone survey and analyzing the survey results. Phone surveys will be conducted in English or Spanish, as appropriate.



- c. Rationale for any variances from the cost of service and rate design consultants
- d. Discussion of the potential challenges to the rates
- e. Discussion of AE's public involvement efforts
6. Present the preliminary draft report to AE staff and Executive Team.
7. Compile comments and assess necessary revisions to the preliminary draft report.
8. Finalize the preliminary draft report and present to AE staff and Executive Team.

Phase 2 – Additional Services

January 2012 – October 2012

1. Review and analyze the cost of service and rate design study based on FY 2011 test year.
2. Produce a preliminary draft report containing findings and recommendations regarding revenue requirements and rates based on a FY 2011 test year. The preliminary draft report will include, but not be limited to, the following:
 - a. Discussion of the final proposed cost of service allocation and rate design methodologies
 - b. Discussion of AE's public involvement efforts
3. Compile comments and assess necessary revisions to the draft report.
4. Finalize the preliminary draft report and present to AE staff and Executive Team.
5. Participate in presentations and hearings before the City Council.

After October 2012

1. If requested, serve as an expert witness before jurisdictional bodies.

Throughout Project

1. Attend meetings and make presentations as requested by AE.
2. Compile and record all comments and documents received and actions taken during the project.
3. Maintain and supply supporting documentation and work papers developed during the project.
4. Provide monthly progress reports to AE detailing significant achievements or problems that may have an impact on project schedule or costs.

B. Technical Factors

The following lists the technical factors that will be considered for the Residential Rate Advisor.

- a. Adjusted Test Year Revenue Requirements
J. Stowe & Co. will conduct a review of the reasonableness and necessity of the test year revenue requirements, and any adjustments made to the historical test year data, developed by the cost of service and rate design consultants. J. Stowe & Co. will conduct its review of the revenue requirements in recognition of PUCT Substantive Rule 25, Subchapters I and J. J. Stowe & Co. will also examine the prudence,



reasonableness, and necessity of the test year adjustments in accordance with the “known and measureable” ratemaking concept and in accordance with PUCT rules and precedent. J. Stowe & Co. will analyze the potential impact the adjusted revenue requirements will have on residential customers and provide recommendations to AE.

b. Adjusted Test Year Operating Data

J. Stowe & Co. will examine the test year operating data used by the cost of service and rate design consultants for any anomalies, seasonality, or any other “non-normal” operating activities. These may include adjustments for customer growth, weather normalization and reductions in usage by certain customer classes. J. Stowe & Co. will analyze the potential impact the test year operating data will have on residential customers and provide recommendations to AE.

c. Cost Functionalization

J. Stowe & Co. will examine the cost of service and rate design consultant’s functionalization of cost among AE’s functional components. J. Stowe & Co. will analyze the potential impact the proposed functionalization of costs will have on residential customers and provide recommendations to AE.

d. Cost Classification

J. Stowe & Co. will review the cost classifications developed by the cost of service and rate design consultant and for reasonableness and analyze the potential impact the proposed classification of costs will have on residential customers and provide recommendations to AE.

e. Customer Class Identification

If changes to the current customer classes are proposed that affect residential customers, J. Stowe & Co. will analyze the potential impact the proposed customer class modifications will have on residential customers and provide recommendations to AE.

f. Customer Class Fully Allocated Cost of Service

J. Stowe & Co. will analyze the cost allocations utilized by the cost of service and rate design consultant and the justifications for using said allocations. J. Stowe & Co. will assess the potential impact the proposed cost allocations will have on residential customers and provide recommendations to AE.

g. Rate Design

There are many competing objectives that an electric utility may desire from its rate design. J. Stowe & Co. will analyze the rates recommended by the cost of service and rate design consultant to assess the potential impact on residential customers and provide recommendations to AE.



C. Deliverable Reports

a. Progress Reports

Progress reports will be submitted monthly to AE. It is currently anticipated that the progress reports will be submitted by the 10th day of each month.

b. Draft Reports

Preliminary draft reports will be submitted for Phase 1 and Phase 2, if requested. It is anticipated that the final two months of Phase 1 (November and December 2011) will be for the development and presentation of draft and final reports. Therefore, the preliminary draft report for Phase 1 will be provided and presented to AE in November 2011. Assuming the cost of service and rate design consultant achieves the March 1, 2012 deadline for the preliminary cost of service and rate design and J. Stowe & Co. is requested to provide services for Phase 2, a draft report for Phase 2 will be provided in April 2012.

c. Final Reports

Final reports will be submitted for Phase 1 and Phase 2, if requested. It is anticipated that the final two months of Phase 1 (November and December 2011) will be for the development and presentation of draft and final reports. Assuming the timely receipt of comments from AE on the preliminary draft report, the final report for Phase 1 will be provided and presented to AE in December 2011. Assuming the cost of service and rate design consultant achieves the May 1, 2012 deadline for the final cost of service and rate design and J. Stowe & Co. is requested to provide services for Phase 2, a final report for Phase 2 will be provided in June 2012.

D. Applicable Software Tools

J. Stowe & Co. has computer, e-mail, and internet resources available for each of its professional and administrative staff. J. Stowe & Co. also has encrypted and password protected on-site and off-site data storage capabilities to ensure security and backup of its data files. J. Stowe & Co. utilizes Microsoft Office Suite, which includes Excel and Access, the primary software programs used in cost of service and rate design model development. Our consultants are well seasoned in the use of Excel and Access, having developed and critiqued countless cost of service and rate design models developed in these software programs. In addition to the Microsoft Office Suite, J. Stowe & Co. employees utilize Central Desktop, an on-line, collaborative software package. This software allows us to develop project specific, web-based workspaces, accessible securely by members of the Project Team and Client. Each workspace represents a collaborative, on-line environment between our consultants and clients in which project specific files and information can be maintained and shared and on-going discussions can be held and recorded. The software also allows for the maintenance of a project calendar as well as milestone and task reporting. J. Stowe & Co. also uses Microsoft Project for project scheduling and management and is currently in the process of implementing Microsoft SharePoint for use by our staff.

APPENDIX E
PURCHASING OFFICE EXCEPTIONS FORM

ATTACHMENT A



CITY OF AUSTIN PURCHASING OFFICE EXCEPTIONS

Solicitation Number: CDL2005

The City will presume that the Offeror is in agreement with all sections of the solicitation unless the Offeror takes specific exception as indicated below. The City, at its sole discretion, may negotiate exceptions to the sections contained in the solicitation documents or the City may deem the Offer non-responsive. The Offeror that is awarded the contract shall sign the contract with the accepted or negotiated sections.

Place this attachment in Tab 6-Business Exceptions of your Proposal. Copies of this form may be utilized if additional pages are needed.

☒ Accepted as written.

☐ Not accepted as written. See below:

Indicate:

- ☐ **0300 Standard Purchase Terms & Conditions**
- ☐ **0400 Supplemental Purchase Provisions**
- ☐ **0500 Scope of Work**

Page Number

Section Number

Section Description

Alternative Language:

Justification:



CITY OF AUSTIN, TEXAS
Purchasing Office
REQUEST FOR PROPOSAL (RFP)
OFFER SHEET

SOLICITATION NO: CDL2005

DATE ISSUED: March 14, 2016

REQUISITION NO.: 2200 16011500283

COMMODITY CODE: 91897/96600

**FOR CONTRACTUAL AND TECHNICAL
ISSUES CONTACT THE FOLLOWING
AUTHORIZED CONTACTS:**

Primary Point of Contact:

Danielle Lord
Purchasing Manager
Phone: (512) 974-2298
E-Mail: Danielle.Lord@austintexas.gov

Secondary Point of Contact:

Joshua Pace
Buyer II
Phone: (512) 974-3127
E-Mail: Joshua.Pace@austintexas.gov

COMMODITY/SERVICE DESCRIPTION:

Residential Customer Rate Advocate for Austin Water

PRE-PROPOSAL CONFERENCE TIME AND DATE:

March 17, 2016, 3:30PM

LOCATION: Municipal Building, 124 W 8th Street, Room 335.1
Austin, Texas 78701

PROPOSAL DUE PRIOR TO: April 5, 2016 at 2:00PM

PROPOSAL CLOSING TIME AND DATE: April 5, 2016 at 2:00PM

LOCATION: Municipal Building, 124 W 8th Street, Room 308
Austin, Texas 78701

**LIVE SOLICITATION CLOSING ONLINE: For RFP's, only the
names of respondents will be read aloud**

**For information on how to attend the Solicitation Closing online, please
select this link:**

<http://www.austintexas.gov/department/bid-opening-webinars>

**When submitting a sealed Offer and/or Compliance Plan, use the proper address for the type of service desired, as
shown below:**

Address for US Mail (Only)	Address for FedEx, UPS, Hand Delivery or Courier Service
City of Austin	City of Austin, Municipal Building
Purchasing Office-Response Enclosed for Solicitation # CDL2005	Purchasing Office-Response Enclosed for Solicitation # CDL2005
P.O. Box 1088	124 W 8 th Street, Rm 308
Austin, Texas 78767-8845	Austin, Texas 78701
	Reception Phone: (512) 974-2500

**NOTE: Offers must be received and time stamped in the Purchasing Office prior to the Due Date and Time. It is the
responsibility of the Offeror to ensure that their Offer arrives at the receptionist's desk in the Purchasing Office prior to the
time and date indicated. Arrival at the City's mailroom, mail terminal, or post office box will not constitute the Offer arriving
on time. See Section 0200 for additional solicitation instructions.**

All Offers (including Compliance Plans) that are not submitted in a sealed envelope or container will not be considered.

SUBMIT 1 ORIGINAL AND 6 ELECTRONIC COPIES (FLASH DRIVE ONLY) OF YOUR RESPONSE

*****SIGNATURE FOR SUBMITTAL REQUIRED ON PAGE 3 OF THIS DOCUMENT*****

This solicitation is comprised of the following required sections. Please ensure to carefully read each section including those incorporated by reference. By signing this document, you are agreeing to all the items contained herein and will be bound to all terms.

SECTION NO.	TITLE	PAGES
0100	STANDARD PURCHASE DEFINITIONS	**
0200	STANDARD SOLICITATION INSTRUCTIONS	**
0300	STANDARD PURCHASE TERMS AND CONDITIONS	**
0400	SUPPLEMENTAL PURCHASE PROVISIONS	4
0500	SCOPE OF WORK	*
0600	PROPOSAL PREPARATION INSTRUCTIONS & EVALUATION FACTORS	5
0605	LOCAL BUSINESS PRESENCE IDENTIFICATION FORM – Complete and return	2
0700	REFERENCE SHEET – Complete and return if required	1
0800	NON-DISCRIMINATION CERTIFICATION	**
0805	NON-SUSPENSION OR DEBARMENT CERTIFICATION	**
0810	NON-COLLUSION, NON-CONFLICT OF INTEREST, AND ANTI-LOBBYING CERTIFICATION	**
0835	NONRESIDENT BIDDER PROVISIONS – Complete and return	1
0900	MBE/WBE PROCUREMENT PROGRAM PACKAGE NO GOALS FORM – Complete & return	2
ATT A	ATTACHMENT A- PURCHASING OFFICE EXCEPTIONS FORM	*

* Documents are hereby incorporated into this Solicitation as additional documents with the same force and effect as if they were incorporated in full text.

** Documents are hereby incorporated into this Solicitation by reference, with the same force and effect as if they were incorporated in full text. The full text versions of the ** Sections are available on the Internet at the following online address:

http://www.austintexas.gov/financeonline/vendor_connection/index.cfm#STANDARDBIDDOCUMENTS

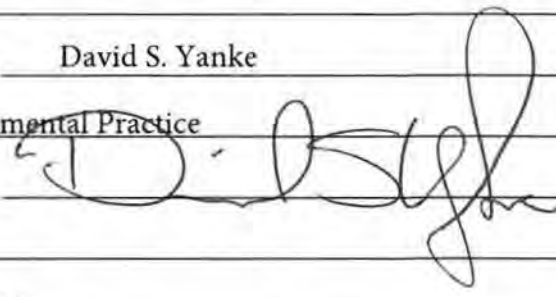
If you do not have access to the Internet, you may obtain a copy of these Sections from the City of Austin Purchasing Office located in the Municipal Building, 124 West 8th Street, Room #308 Austin, Texas 78701; phone (512) 974-2500. Please have the Solicitation number available so that the staff can select the proper documents. These documents can be mailed, expressed mailed, or faxed to you.

INTERESTED PARTIES DISCLOSURE

In addition, Section 2252.908 of the Texas Government Code requires the successful offeror to complete a Form 1295 "Certificate of Interested Parties" that is signed and notarized for a contract award requiring council authorization. The "Certificate of Interested Parties" form must be completed on the Texas Ethics Commission website, printed, signed and submitted to the City by the authorized agent of the Business Entity with acknowledgment that disclosure is made under oath and under penalty of perjury prior to final contract execution.

https://www.ethics.state.tx.us/whatsnew/elf_info_form1295.htm

The undersigned, by his/her signature, represents that he/she is submitting a binding offer and is authorized to bind the respondent to fully comply with the solicitation document contained herein. The Respondent, by submitting and signing below, acknowledges that he/she has received and read the entire document packet sections defined above including all documents incorporated by reference, and agrees to be bound by the terms therein.

Company Name: NewGen Strategies and Solutions, LLC
Company Address: 3420 Executive Center Drive, Suite 165
City, State, Zip: Austin, Texas 78731
Federal Tax ID No. [REDACTED]
Printed Name of Officer or Authorized Representative: David S. Yanke
Title: President - Environmental Practice
Signature of Officer or Authorized Representative: 
Date: March 31, 2016
Email Address: dyanke@newgenstrategies.net
Phone Number: 512-649-1254

*** Proposal response must be submitted with this Offer sheet (pages 1-3)
to be considered for award.***

**CITY OF AUSTIN
PURCHASING OFFICE
STANDARD PURCHASE TERMS AND CONDITIONS**

By submitting an Offer in response to the Solicitation, the Contractor agrees that the Contract shall be governed by the following terms and conditions. Unless otherwise specified in the Contract, Sections 3, 4, 5, 6, 7, 8, 20, 21, and 36 shall apply only to a Solicitation to purchase Goods, and Sections 9, 10, 11 and 22 shall apply only to a Solicitation to purchase Services to be performed principally at the City's premises or on public rights-of-way.

1. **CONTRACTOR'S OBLIGATIONS**. The Contractor shall fully and timely provide all Deliverables described in the Solicitation and in the Contractor's Offer in strict accordance with the terms, covenants, and conditions of the Contract and all applicable Federal, State, and local laws, rules, and regulations.
2. **EFFECTIVE DATE/TERM**. Unless otherwise specified in the Solicitation, this Contract shall be effective as of the date the contract is signed by the City, and shall continue in effect until all obligations are performed in accordance with the Contract.
3. **CONTRACTOR TO PACKAGE DELIVERABLES**: The Contractor will package Deliverables in accordance with good commercial practice and shall include a packing list showing the description of each item, the quantity and unit price. Unless otherwise provided in the Specifications or Supplemental Terms and Conditions, each shipping container shall be clearly and permanently marked as follows: (a) The Contractor's name and address, (b) the City's name, address and purchase order or purchase release number and the price agreement number if applicable, (c) Container number and total number of containers, e.g. box 1 of 4 boxes, and (d) the number of the container bearing the packing list. The Contractor shall bear cost of packaging. Deliverables shall be suitably packed to secure lowest transportation costs and to conform with requirements of common carriers and any applicable specifications. The City's count or weight shall be final and conclusive on shipments not accompanied by packing lists.
4. **SHIPMENT UNDER RESERVATION PROHIBITED**: The Contractor is not authorized to ship the Deliverables under reservation and no tender of a bill of lading will operate as a tender of Deliverables.
5. **TITLE & RISK OF LOSS**: Title to and risk of loss of the Deliverables shall pass to the City only when the City actually receives and accepts the Deliverables.
6. **DELIVERY TERMS AND TRANSPORTATION CHARGES**: Deliverables shall be shipped F.O.B. point of delivery unless otherwise specified in the Supplemental Terms and Conditions. Unless otherwise stated in the Offer, the Contractor's price shall be deemed to include all delivery and transportation charges. The City shall have the right to designate what method of transportation shall be used to ship the Deliverables. The place of delivery shall be that set forth in the block of the purchase order or purchase release entitled "Receiving Agency".
7. **RIGHT OF INSPECTION AND REJECTION**: The City expressly reserves all rights under law, including, but not limited to the Uniform Commercial Code, to inspect the Deliverables at delivery before accepting them, and to reject defective or non-conforming Deliverables. If the City has the right to inspect the Contractor's, or the Contractor's Subcontractor's, facilities, or the Deliverables at the Contractor's, or the Contractor's Subcontractor's, premises, the Contractor shall furnish, or cause to be furnished, without additional charge, all reasonable facilities and assistance to the City to facilitate such inspection.
8. **NO REPLACEMENT OF DEFECTIVE TENDER**: Every tender or delivery of Deliverables must fully comply with all provisions of the Contract as to time of delivery, quality, and quantity. Any non-complying tender shall constitute a breach and the Contractor shall not have the right to substitute a conforming tender; provided, where the time for performance has not yet expired, the Contractor may notify the City of the intention to cure and may then make a conforming tender within the time allotted in the contract.
9. **PLACE AND CONDITION OF WORK**: The City shall provide the Contractor access to the sites where the Contractor is to perform the services as required in order for the Contractor to perform the services in a timely and efficient manner, in accordance with and subject to the applicable security laws, rules, and regulations. The Contractor acknowledges that it has satisfied itself as to the nature of the City's service requirements and specifications, the location and essential characteristics of the work sites, the quality and quantity of materials, equipment, labor and facilities necessary to perform the services, and any other condition or state of fact which could in any way affect performance of the Contractor's obligations under the contract. The Contractor hereby releases and holds the City

**CITY OF AUSTIN
PURCHASING OFFICE
STANDARD PURCHASE TERMS AND CONDITIONS**

harmless from and against any liability or claim for damages of any kind or nature if the actual site or service conditions differ from expected conditions.

10. WORKFORCE

- A. The Contractor shall employ only orderly and competent workers, skilled in the performance of the services which they will perform under the Contract.
- B. The Contractor, its employees, subcontractors, and subcontractor's employees may not while engaged in participating or responding to a solicitation or while in the course and scope of delivering goods or services under a City of Austin contract or on the City's property .
 - i. use or possess a firearm, including a concealed handgun that is licensed under state law, except as required by the terms of the contract; or
 - ii. use or possess alcoholic or other intoxicating beverages, illegal drugs or controlled substances, nor may such workers be intoxicated, or under the influence of alcohol or drugs, on the job.
- C. If the City or the City's representative notifies the Contractor that any worker is incompetent, disorderly or disobedient, has knowingly or repeatedly violated safety regulations, has possessed any firearms, or has possessed or was under the influence of alcohol or drugs on the job, the Contractor shall immediately remove such worker from Contract services, and may not employ such worker again on Contract services without the City's prior written consent.

- 11. COMPLIANCE WITH HEALTH, SAFETY, AND ENVIRONMENTAL REGULATIONS:** The Contractor, its Subcontractors, and their respective employees, shall comply fully with all applicable federal, state, and local health, safety, and environmental laws, ordinances, rules and regulations in the performance of the services, including but not limited to those promulgated by the City and by the Occupational Safety and Health Administration (OSHA). In case of conflict, the most stringent safety requirement shall govern. The Contractor shall indemnify and hold the City harmless from and against all claims, demands, suits, actions, judgments, fines, penalties and liability of every kind arising from the breach of the Contractor's obligations under this paragraph.

12. INVOICES:

- A. The Contractor shall submit separate invoices in duplicate on each purchase order or purchase release after each delivery. If partial shipments or deliveries are authorized by the City, a separate invoice must be sent for each shipment or delivery made.
- B. **Proper Invoices must include a unique invoice number, the purchase order or delivery order number and the master agreement number if applicable, the Department's Name, and the name of the point of contact for the Department.** Invoices shall be itemized and transportation charges, if any, shall be listed separately. A copy of the bill of lading and the freight waybill, when applicable, shall be attached to the invoice. The Contractor's name and, if applicable, the tax identification number on the invoice must exactly match the information in the Vendor's registration with the City. Unless otherwise instructed in writing, the City may rely on the remittance address specified on the Contractor's invoice.
- C. Invoices for labor shall include a copy of all time-sheets with trade labor rate and Deliverables order number clearly identified. Invoices shall also include a tabulation of work-hours at the appropriate rates and grouped by work order number. Time billed for labor shall be limited to hours actually worked at the work site.
- D. Unless otherwise expressly authorized in the Contract, the Contractor shall pass through all Subcontract and other authorized expenses at actual cost without markup.
- E. Federal excise taxes, State taxes, or City sales taxes must not be included in the invoiced amount. The City will furnish a tax exemption certificate upon request.

**CITY OF AUSTIN
PURCHASING OFFICE
STANDARD PURCHASE TERMS AND CONDITIONS**

13. PAYMENT:

- A. All proper invoices received by the City will be paid within thirty (30) calendar days of the City's receipt of the Deliverables or of the invoice, whichever is later.
- B. **If payment is not timely made, (per paragraph A), interest shall accrue on the unpaid balance at the lesser of the rate specified in Texas Government Code Section 2251.025 or the maximum lawful rate; except, if payment is not timely made for a reason for which the City may withhold payment hereunder, interest shall not accrue until ten (10) calendar days after the grounds for withholding payment have been resolved.**
- C. If partial shipments or deliveries are authorized by the City, the Contractor will be paid for the partial shipment or delivery, as stated above, provided that the invoice matches the shipment or delivery.
- D. The City may withhold or set off the entire payment or part of any payment otherwise due the Contractor to such extent as may be necessary on account of:
 - i. delivery of defective or non-conforming Deliverables by the Contractor;
 - ii. third party claims, which are not covered by the insurance which the Contractor is required to provide, are filed or reasonable evidence indicating probable filing of such claims;
 - iii. failure of the Contractor to pay Subcontractors, or for labor, materials or equipment;
 - iv. damage to the property of the City or the City's agents, employees or contractors, which is not covered by insurance required to be provided by the Contractor;
 - v. reasonable evidence that the Contractor's obligations will not be completed within the time specified in the Contract, and that the unpaid balance would not be adequate to cover actual or liquidated damages for the anticipated delay;
 - vi. failure of the Contractor to submit proper invoices with all required attachments and supporting documentation; or
 - vii. failure of the Contractor to comply with any material provision of the Contract Documents.
- E. Notice is hereby given of Article VIII, Section 1 of the Austin City Charter which prohibits the payment of any money to any person, firm or corporation who is in arrears to the City for taxes, and of §2-8-3 of the Austin City Code concerning the right of the City to offset indebtedness owed the City.
- F. Payment will be made by check unless the parties mutually agree to payment by credit card or electronic transfer of funds. The Contractor agrees that there shall be no additional charges, surcharges, or penalties to the City for payments made by credit card or electronic funds transfer.
- G. The awarding or continuation of this contract is dependent upon the availability of funding. The City's payment obligations are payable only and solely from funds Appropriated and available for this contract. The absence of Appropriated or other lawfully available funds shall render the Contract null and void to the extent funds are not Appropriated or available and any Deliverables delivered but unpaid shall be returned to the Contractor. The City shall provide the Contractor written notice of the failure of the City to make an adequate Appropriation for any fiscal year to pay the amounts due under the Contract, or the reduction of any Appropriation to an amount insufficient to permit the City to pay its obligations under the Contract. In the event of non or inadequate appropriation of funds, there will be no penalty nor removal fees charged to the City.

- 14. TRAVEL EXPENSES:** All travel, lodging and per diem expenses in connection with the Contract for which reimbursement may be claimed by the Contractor under the terms of the Solicitation will be reviewed against the City's Travel Policy as published and maintained by the City's Controller's Office and the Current United States General Services Administration Domestic Per Diem Rates (the "Rates") as published and maintained on the Internet at:

<http://www.gsa.gov/portal/category/21287>

**CITY OF AUSTIN
PURCHASING OFFICE
STANDARD PURCHASE TERMS AND CONDITIONS**

No amounts in excess of the Travel Policy or Rates shall be paid. All invoices must be accompanied by copies of detailed itemized receipts (e.g. hotel bills, airline tickets). No reimbursement will be made for expenses not actually incurred. Airline fares in excess of coach or economy will not be reimbursed. Mileage charges may not exceed the amount permitted as a deduction in any year under the Internal Revenue Code or Regulations.

15. FINAL PAYMENT AND CLOSE-OUT:

- A. If an MBE/WBE Program Compliance Plan is required by the Solicitation, and the Contractor has identified Subcontractors, the Contractor is required to submit a Contract Close-Out MBE/WBE Compliance Report to the Project manager or Contract manager no later than the 15th calendar day after completion of all work under the contract. Final payment, retainage, or both may be withheld if the Contractor is not in compliance with the requirements of the Compliance Plan as accepted by the City.
- B. The making and acceptance of final payment will constitute:
 - i. a waiver of all claims by the City against the Contractor, except claims (1) which have been previously asserted in writing and not yet settled, (2) arising from defective work appearing after final inspection, (3) arising from failure of the Contractor to comply with the Contract or the terms of any warranty specified herein, (4) arising from the Contractor's continuing obligations under the Contract, including but not limited to indemnity and warranty obligations, or (5) arising under the City's right to audit; and
 - ii. a waiver of all claims by the Contractor against the City other than those previously asserted in writing and not yet settled.

16. SPECIAL TOOLS & TEST EQUIPMENT: If the price stated on the Offer includes the cost of any special tooling or special test equipment fabricated or required by the Contractor for the purpose of filling this order, such special tooling equipment and any process sheets related thereto shall become the property of the City and shall be identified by the Contractor as such.

17. RIGHT TO AUDIT:

- A. The Contractor agrees that the representatives of the Office of the City Auditor or other authorized representatives of the City shall have access to, and the right to audit, examine, or reproduce, any and all records of the Contractor related to the performance under this Contract. The Contractor shall retain all such records for a period of three (3) years after final payment on this Contract or until all audit and litigation matters that the City has brought to the attention of the Contractor are resolved, whichever is longer. The Contractor agrees to refund to the City any overpayments disclosed by any such audit.
- B. The Contractor shall include section a. above in all subcontractor agreements entered into in connection with this Contract.

18. SUBCONTRACTORS:

- A. If the Contractor identified Subcontractors in an MBE/WBE Program Compliance Plan or a No Goals Utilization Plan the Contractor shall comply with the provisions of Chapters 2-9A, 2-9B, 2-9C, and 2-9D, as applicable, of the Austin City Code and the terms of the Compliance Plan or Utilization Plan as approved by the City (the "Plan"). The Contractor shall not initially employ any Subcontractor except as provided in the Contractor's Plan. The Contractor shall not substitute any Subcontractor identified in the Plan, unless the substitute has been accepted by the City in writing in accordance with the provisions of Chapters 2-9A, 2-9B, 2-9C and 2-9D, as applicable. No acceptance by the City of any Subcontractor shall constitute a waiver of any rights or remedies of the City with respect to defective Deliverables provided by a Subcontractor. If a Plan has been approved, the Contractor is additionally required to submit a monthly Subcontract Awards and Expenditures Report to the Contract Manager and the Purchasing Office Contract Compliance Manager no later than the tenth calendar day of each month.

**CITY OF AUSTIN
PURCHASING OFFICE
STANDARD PURCHASE TERMS AND CONDITIONS**

- B. Work performed for the Contractor by a Subcontractor shall be pursuant to a written contract between the Contractor and Subcontractor. The terms of the subcontract may not conflict with the terms of the Contract, and shall contain provisions that:
- i. require that all Deliverables to be provided by the Subcontractor be provided in strict accordance with the provisions, specifications and terms of the Contract;
 - ii. prohibit the Subcontractor from further subcontracting any portion of the Contract without the prior written consent of the City and the Contractor. The City may require, as a condition to such further subcontracting, that the Subcontractor post a payment bond in form, substance and amount acceptable to the City;
 - iii. require Subcontractors to submit all invoices and applications for payments, including any claims for additional payments, damages or otherwise, to the Contractor in sufficient time to enable the Contractor to include same with its invoice or application for payment to the City in accordance with the terms of the Contract;
 - iv. require that all Subcontractors obtain and maintain, throughout the term of their contract, insurance in the type and amounts specified for the Contractor, with the City being a named insured as its interest shall appear; and
 - v. require that the Subcontractor indemnify and hold the City harmless to the same extent as the Contractor is required to indemnify the City.
- C. The Contractor shall be fully responsible to the City for all acts and omissions of the Subcontractors just as the Contractor is responsible for the Contractor's own acts and omissions. Nothing in the Contract shall create for the benefit of any such Subcontractor any contractual relationship between the City and any such Subcontractor, nor shall it create any obligation on the part of the City to pay or to see to the payment of any moneys due any such Subcontractor except as may otherwise be required by law.
- D. The Contractor shall pay each Subcontractor its appropriate share of payments made to the Contractor not later than ten (10) calendar days after receipt of payment from the City.

19. WARRANTY-PRICE:

- A. The Contractor warrants the prices quoted in the Offer are no higher than the Contractor's current prices on orders by others for like Deliverables under similar terms of purchase.
- B. The Contractor certifies that the prices in the Offer have been arrived at independently without consultation, communication, or agreement for the purpose of restricting competition, as to any matter relating to such fees with any other firm or with any competitor.
- C. In addition to any other remedy available, the City may deduct from any amounts owed to the Contractor, or otherwise recover, any amounts paid for items in excess of the Contractor's current prices on orders by others for like Deliverables under similar terms of purchase.

20. WARRANTY – TITLE: The Contractor warrants that it has good and indefeasible title to all Deliverables furnished under the Contract, and that the Deliverables are free and clear of all liens, claims, security interests and encumbrances. The Contractor shall indemnify and hold the City harmless from and against all adverse title claims to the Deliverables.

21. WARRANTY – DELIVERABLES: The Contractor warrants and represents that all Deliverables sold the City under the Contract shall be free from defects in design, workmanship or manufacture, and conform in all material respects to the specifications, drawings, and descriptions in the Solicitation, to any samples furnished by the Contractor, to the terms, covenants and conditions of the Contract, and to all applicable State, Federal or local laws, rules, and regulations, and industry codes and standards. Unless otherwise stated in the Solicitation, the Deliverables shall be new or recycled merchandise, and not used or reconditioned.

- A. Recycled Deliverables shall be clearly identified as such.

**CITY OF AUSTIN
PURCHASING OFFICE
STANDARD PURCHASE TERMS AND CONDITIONS**

- B. The Contractor may not limit, exclude or disclaim the foregoing warranty or any warranty implied by law; and any attempt to do so shall be without force or effect.
 - C. Unless otherwise specified in the Contract, the warranty period shall be at least one year from the date of acceptance of the Deliverables or from the date of acceptance of any replacement Deliverables. If during the warranty period, one or more of the above warranties are breached, the Contractor shall promptly upon receipt of demand either repair the non-conforming Deliverables, or replace the non-conforming Deliverables with fully conforming Deliverables, at the City's option and at no additional cost to the City. All costs incidental to such repair or replacement, including but not limited to, any packaging and shipping costs, shall be borne exclusively by the Contractor. The City shall endeavor to give the Contractor written notice of the breach of warranty within thirty (30) calendar days of discovery of the breach of warranty, but failure to give timely notice shall not impair the City's rights under this section.
 - D. If the Contractor is unable or unwilling to repair or replace defective or non-conforming Deliverables as required by the City, then in addition to any other available remedy, the City may reduce the quantity of Deliverables it may be required to purchase under the Contract from the Contractor, and purchase conforming Deliverables from other sources. In such event, the Contractor shall pay to the City upon demand the increased cost, if any, incurred by the City to procure such Deliverables from another source.
 - E. If the Contractor is not the manufacturer, and the Deliverables are covered by a separate manufacturer's warranty, the Contractor shall transfer and assign such manufacturer's warranty to the City. If for any reason the manufacturer's warranty cannot be fully transferred to the City, the Contractor shall assist and cooperate with the City to the fullest extent to enforce such manufacturer's warranty for the benefit of the City.
22. **WARRANTY – SERVICES:** The Contractor warrants and represents that all services to be provided the City under the Contract will be fully and timely performed in a good and workmanlike manner in accordance with generally accepted industry standards and practices, the terms, conditions, and covenants of the Contract, and all applicable Federal, State and local laws, rules or regulations.
- A. The Contractor may not limit, exclude or disclaim the foregoing warranty or any warranty implied by law, and any attempt to do so shall be without force or effect.
 - B. Unless otherwise specified in the Contract, the warranty period shall be at least one year from the Acceptance Date. If during the warranty period, one or more of the above warranties are breached, the Contractor shall promptly upon receipt of demand perform the services again in accordance with above standard at no additional cost to the City. All costs incidental to such additional performance shall be borne by the Contractor. The City shall endeavor to give the Contractor written notice of the breach of warranty within thirty (30) calendar days of discovery of the breach warranty, but failure to give timely notice shall not impair the City's rights under this section.
 - C. If the Contractor is unable or unwilling to perform its services in accordance with the above standard as required by the City, then in addition to any other available remedy, the City may reduce the amount of services it may be required to purchase under the Contract from the Contractor, and purchase conforming services from other sources. In such event, the Contractor shall pay to the City upon demand the increased cost, if any, incurred by the City to procure such services from another source.
23. **ACCEPTANCE OF INCOMPLETE OR NON-CONFORMING DELIVERABLES:** If, instead of requiring immediate correction or removal and replacement of defective or non-conforming Deliverables, the City prefers to accept it, the City may do so. The Contractor shall pay all claims, costs, losses and damages attributable to the City's evaluation of and determination to accept such defective or non-conforming Deliverables. If any such acceptance occurs prior to final payment, the City may deduct such amounts as are necessary to compensate the City for the diminished value of the defective or non-conforming Deliverables. If the acceptance occurs after final payment, such amount will be refunded to the City by the Contractor.
24. **RIGHT TO ASSURANCE:** Whenever one party to the Contract in good faith has reason to question the other party's intent to perform, demand may be made to the other party for written assurance of the intent to perform. In the event

**CITY OF AUSTIN
PURCHASING OFFICE
STANDARD PURCHASE TERMS AND CONDITIONS**

that no assurance is given within the time specified after demand is made, the demanding party may treat this failure as an anticipatory repudiation of the Contract.

25. **STOP WORK NOTICE:** The City may issue an immediate Stop Work Notice in the event the Contractor is observed performing in a manner that is in violation of Federal, State, or local guidelines, or in a manner that is determined by the City to be unsafe to either life or property. Upon notification, the Contractor will cease all work until notified by the City that the violation or unsafe condition has been corrected. The Contractor shall be liable for all costs incurred by the City as a result of the issuance of such Stop Work Notice.
26. **DEFAULT:** The Contractor shall be in default under the Contract if the Contractor (a) fails to fully, timely and faithfully perform any of its material obligations under the Contract, (b) fails to provide adequate assurance of performance under Paragraph 24, (c) becomes insolvent or seeks relief under the bankruptcy laws of the United States or (d) makes a material misrepresentation in Contractor's Offer, or in any report or deliverable required to be submitted by the Contractor to the City.
27. **TERMINATION FOR CAUSE:** In the event of a default by the Contractor, the City shall have the right to terminate the Contract for cause, by written notice effective ten (10) calendar days, unless otherwise specified, after the date of such notice, unless the Contractor, within such ten (10) day period, cures such default, or provides evidence sufficient to prove to the City's reasonable satisfaction that such default does not, in fact, exist. The City may place Contractor on probation for a specified period of time within which the Contractor must correct any non-compliance issues. Probation shall not normally be for a period of more than nine (9) months, however, it may be for a longer period, not to exceed one (1) year depending on the circumstances. If the City determines the Contractor has failed to perform satisfactorily during the probation period, the City may proceed with suspension. In the event of a default by the Contractor, the City may suspend or debar the Contractor in accordance with the "City of Austin Purchasing Office Probation, Suspension and Debarment Rules for Vendors" and remove the Contractor from the City's vendor list for up to five (5) years and any Offer submitted by the Contractor may be disqualified for up to five (5) years. In addition to any other remedy available under law or in equity, the City shall be entitled to recover all actual damages, costs, losses and expenses, incurred by the City as a result of the Contractor's default, including, without limitation, cost of cover, reasonable attorneys' fees, court costs, and prejudgment and post-judgment interest at the maximum lawful rate. All rights and remedies under the Contract are cumulative and are not exclusive of any other right or remedy provided by law.
28. **TERMINATION WITHOUT CAUSE:** The City shall have the right to terminate the Contract, in whole or in part, without cause any time upon thirty (30) calendar days' prior written notice. Upon receipt of a notice of termination, the Contractor shall promptly cease all further work pursuant to the Contract, with such exceptions, if any, specified in the notice of termination. The City shall pay the Contractor, to the extent of funds Appropriated or otherwise legally available for such purposes, for all goods delivered and services performed and obligations incurred prior to the date of termination in accordance with the terms hereof.
29. **FRAUD:** Fraudulent statements by the Contractor on any Offer or in any report or deliverable required to be submitted by the Contractor to the City shall be grounds for the termination of the Contract for cause by the City and may result in legal action.
30. **DELAYS:**
- A. The City may delay scheduled delivery or other due dates by written notice to the Contractor if the City deems it is in its best interest. If such delay causes an increase in the cost of the work under the Contract, the City and the Contractor shall negotiate an equitable adjustment for costs incurred by the Contractor in the Contract price and execute an amendment to the Contract. The Contractor must assert its right to an adjustment within thirty (30) calendar days from the date of receipt of the notice of delay. Failure to agree on any adjusted price shall be handled under the Dispute Resolution process specified in paragraph 48. However, nothing in this provision shall excuse the Contractor from delaying the delivery as notified.
- B. Neither party shall be liable for any default or delay in the performance of its obligations under this Contract if, while and to the extent such default or delay is caused by acts of God, fire, riots, civil commotion, labor disruptions, sabotage, sovereign conduct, or any other cause beyond the reasonable control of such Party. In

**CITY OF AUSTIN
PURCHASING OFFICE
STANDARD PURCHASE TERMS AND CONDITIONS**

the event of default or delay in contract performance due to any of the foregoing causes, then the time for completion of the services will be extended; provided, however, in such an event, a conference will be held within three (3) business days to establish a mutually agreeable period of time reasonably necessary to overcome the effect of such failure to perform.

31. INDEMNITY:

A. Definitions:

- i. "Indemnified Claims" shall include any and all claims, demands, suits, causes of action, judgments and liability of every character, type or description, including all reasonable costs and expenses of litigation, mediation or other alternate dispute resolution mechanism, including attorney and other professional fees for:
 - (1) damage to or loss of the property of any person (including, but not limited to the City, the Contractor, their respective agents, officers, employees and subcontractors; the officers, agents, and employees of such subcontractors; and third parties); and/or
 - (2) death, bodily injury, illness, disease, worker's compensation, loss of services, or loss of income or wages to any person (including but not limited to the agents, officers and employees of the City, the Contractor, the Contractor's subcontractors, and third parties),
- ii. "Fault" shall include the sale of defective or non-conforming Deliverables, negligence, willful misconduct, or a breach of any legally imposed strict liability standard.

B. THE CONTRACTOR SHALL DEFEND (AT THE OPTION OF THE CITY), INDEMNIFY, AND HOLD THE CITY, ITS SUCCESSORS, ASSIGNS, OFFICERS, EMPLOYEES AND ELECTED OFFICIALS HARMLESS FROM AND AGAINST ALL INDEMNIFIED CLAIMS DIRECTLY ARISING OUT OF, INCIDENT TO, CONCERNING OR RESULTING FROM THE FAULT OF THE CONTRACTOR, OR THE CONTRACTOR'S AGENTS, EMPLOYEES OR SUBCONTRACTORS, IN THE PERFORMANCE OF THE CONTRACTOR'S OBLIGATIONS UNDER THE CONTRACT. NOTHING HEREIN SHALL BE DEEMED TO LIMIT THE RIGHTS OF THE CITY OR THE CONTRACTOR (INCLUDING, BUT NOT LIMITED TO, THE RIGHT TO SEEK CONTRIBUTION) AGAINST ANY THIRD PARTY WHO MAY BE LIABLE FOR AN INDEMNIFIED CLAIM.

32. INSURANCE: (reference Section 0400 for specific coverage requirements). The following insurance requirement applies. (Revised March 2013).

A. General Requirements.

- i. The Contractor shall at a minimum carry insurance in the types and amounts indicated in Section 0400, Supplemental Purchase Provisions, for the duration of the Contract, including extension options and hold over periods, and during any warranty period.
- ii. The Contractor shall provide Certificates of Insurance with the coverages and endorsements required in Section 0400, Supplemental Purchase Provisions, to the City as verification of coverage prior to contract execution and within fourteen (14) calendar days after written request from the City. Failure to provide the required Certificate of Insurance may subject the Offer to disqualification from consideration for award. The Contractor must also forward a Certificate of Insurance to the City whenever a previously identified policy period has expired, or an extension option or hold over period is exercised, as verification of continuing coverage.
- iii. The Contractor shall not commence work until the required insurance is obtained and until such insurance has been reviewed by the City. Approval of insurance by the City shall not relieve or decrease the liability of the Contractor hereunder and shall not be construed to be a limitation of liability on the part of the Contractor.
- iv. The City may request that the Contractor submit certificates of insurance to the City for all subcontractors prior to the subcontractors commencing work on the project.

**CITY OF AUSTIN
PURCHASING OFFICE
STANDARD PURCHASE TERMS AND CONDITIONS**

- v. The Contractor's and all subcontractors' insurance coverage shall be written by companies licensed to do business in the State of Texas at the time the policies are issued and shall be written by companies with A.M. Best ratings of B+VII or better.
- vi. The "other" insurance clause shall not apply to the City where the City is an additional insured shown on any policy. It is intended that policies required in the Contract, covering both the City and the Contractor, shall be considered primary coverage as applicable.
- vii. If insurance policies are not written for amounts specified in Section 0400, Supplemental Purchase Provisions, the Contractor shall carry Umbrella or Excess Liability Insurance for any differences in amounts specified. If Excess Liability Insurance is provided, it shall follow the form of the primary coverage.
- viii. The City shall be entitled, upon request, at an agreed upon location, and without expense, to review certified copies of policies and endorsements thereto and may make any reasonable requests for deletion or revision or modification of particular policy terms, conditions, limitations, or exclusions except where policy provisions are established by law or regulations binding upon either of the parties hereto or the underwriter on any such policies.
- ix. The City reserves the right to review the insurance requirements set forth during the effective period of the Contract and to make reasonable adjustments to insurance coverage, limits, and exclusions when deemed necessary and prudent by the City based upon changes in statutory law, court decisions, the claims history of the industry or financial condition of the insurance company as well as the Contractor.
- x. The Contractor shall not cause any insurance to be canceled nor permit any insurance to lapse during the term of the Contract or as required in the Contract.
- xi. The Contractor shall be responsible for premiums, deductibles and self-insured retentions, if any, stated in policies. Self-insured retentions shall be disclosed on the Certificate of Insurance.
- xii. The Contractor shall provide the City thirty (30) calendar days' written notice of erosion of the aggregate limits below occurrence limits for all applicable coverages indicated within the Contract.
- xiii. The insurance coverages specified in Section 0400, Supplemental Purchase Provisions, are required minimums and are not intended to limit the responsibility or liability of the Contractor.

B. Specific Coverage Requirements: Specific insurance requirements are contained in Section 0400, Supplemental Purchase Provisions

33. **CLAIMS:** If any claim, demand, suit, or other action is asserted against the Contractor which arises under or concerns the Contract, or which could have a material adverse affect on the Contractor's ability to perform thereunder, the Contractor shall give written notice thereof to the City within ten (10) calendar days after receipt of notice by the Contractor. Such notice to the City shall state the date of notification of any such claim, demand, suit, or other action; the names and addresses of the claimant(s); the basis thereof; and the name of each person against whom such claim is being asserted. Such notice shall be delivered personally or by mail and shall be sent to the City and to the Austin City Attorney. Personal delivery to the City Attorney shall be to City Hall, 301 West 2nd Street, 4th Floor, Austin, Texas 78701, and mail delivery shall be to P.O. Box 1088, Austin, Texas 78767.
34. **NOTICES:** Unless otherwise specified, all notices, requests, or other communications required or appropriate to be given under the Contract shall be in writing and shall be deemed delivered three (3) business days after postmarked if sent by U.S. Postal Service Certified or Registered Mail, Return Receipt Requested. Notices delivered by other means shall be deemed delivered upon receipt by the addressee. Routine communications may be made by first class mail, telefax, or other commercially accepted means. Notices to the Contractor shall be sent to the address specified in the Contractor's Offer, or at such other address as a party may notify the other in writing. Notices to the

**CITY OF AUSTIN
PURCHASING OFFICE
STANDARD PURCHASE TERMS AND CONDITIONS**

City shall be addressed to the City at P.O. Box 1088, Austin, Texas 78767 and marked to the attention of the Contract Administrator.

35. **RIGHTS TO BID, PROPOSAL AND CONTRACTUAL MATERIAL**: All material submitted by the Contractor to the City shall become property of the City upon receipt. Any portions of such material claimed by the Contractor to be proprietary must be clearly marked as such. Determination of the public nature of the material is subject to the Texas Public Information Act, Chapter 552, Texas Government Code.
36. **NO WARRANTY BY CITY AGAINST INFRINGEMENTS**: The Contractor represents and warrants to the City that: (i) the Contractor shall provide the City good and indefeasible title to the Deliverables and (ii) the Deliverables supplied by the Contractor in accordance with the specifications in the Contract will not infringe, directly or contributorily, any patent, trademark, copyright, trade secret, or any other intellectual property right of any kind of any third party; that no claims have been made by any person or entity with respect to the ownership or operation of the Deliverables and the Contractor does not know of any valid basis for any such claims. The Contractor shall, at its sole expense, defend, indemnify, and hold the City harmless from and against all liability, damages, and costs (including court costs and reasonable fees of attorneys and other professionals) arising out of or resulting from: (i) any claim that the City's exercise anywhere in the world of the rights associated with the City's ownership, and if applicable, license rights, and its use of the Deliverables infringes the intellectual property rights of any third party; or (ii) the Contractor's breach of any of Contractor's representations or warranties stated in this Contract. In the event of any such claim, the City shall have the right to monitor such claim or at its option engage its own separate counsel to act as co-counsel on the City's behalf. Further, Contractor agrees that the City's specifications regarding the Deliverables shall in no way diminish Contractor's warranties or obligations under this paragraph and the City makes no warranty that the production, development, or delivery of such Deliverables will not impact such warranties of Contractor.
37. **CONFIDENTIALITY**: In order to provide the Deliverables to the City, Contractor may require access to certain of the City's and/or its licensors' confidential information (including inventions, employee information, trade secrets, confidential know-how, confidential business information, and other information which the City or its licensors consider confidential) (collectively, "Confidential Information"). Contractor acknowledges and agrees that the Confidential Information is the valuable property of the City and/or its licensors and any unauthorized use, disclosure, dissemination, or other release of the Confidential Information will substantially injure the City and/or its licensors. The Contractor (including its employees, subcontractors, agents, or representatives) agrees that it will maintain the Confidential Information in strict confidence and shall not disclose, disseminate, copy, divulge, recreate, or otherwise use the Confidential Information without the prior written consent of the City or in a manner not expressly permitted under this Agreement, unless the Confidential Information is required to be disclosed by law or an order of any court or other governmental authority with proper jurisdiction, provided the Contractor promptly notifies the City before disclosing such information so as to permit the City reasonable time to seek an appropriate protective order. The Contractor agrees to use protective measures no less stringent than the Contractor uses within its own business to protect its own most valuable information, which protective measures shall under all circumstances be at least reasonable measures to ensure the continued confidentiality of the Confidential Information.
38. **PUBLICATIONS**: All published material and written reports submitted under the Contract must be originally developed material unless otherwise specifically provided in the Contract. When material not originally developed is included in a report in any form, the source shall be identified.
39. **ADVERTISING**: The Contractor shall not advertise or publish, without the City's prior consent, the fact that the City has entered into the Contract, except to the extent required by law.
40. **NO CONTINGENT FEES**: The Contractor warrants that no person or selling agency has been employed or retained to solicit or secure the Contract upon any agreement or understanding for commission, percentage, brokerage, or contingent fee, excepting bona fide employees of bona fide established commercial or selling agencies maintained by the Contractor for the purpose of securing business. For breach or violation of this warranty, the City shall have the right, in addition to any other remedy available, to cancel the Contract without liability and to deduct from any amounts owed to the Contractor, or otherwise recover, the full amount of such commission, percentage, brokerage or contingent fee.

**CITY OF AUSTIN
PURCHASING OFFICE
STANDARD PURCHASE TERMS AND CONDITIONS**

41. **GRATUITIES:** The City may, by written notice to the Contractor, cancel the Contract without liability if it is determined by the City that gratuities were offered or given by the Contractor or any agent or representative of the Contractor to any officer or employee of the City of Austin with a view toward securing the Contract or securing favorable treatment with respect to the awarding or amending or the making of any determinations with respect to the performing of such contract. In the event the Contract is canceled by the City pursuant to this provision, the City shall be entitled, in addition to any other rights and remedies, to recover or withhold the amount of the cost incurred by the Contractor in providing such gratuities.
42. **PROHIBITION AGAINST PERSONAL INTEREST IN CONTRACTS:** No officer, employee, independent consultant, or elected official of the City who is involved in the development, evaluation, or decision-making process of the performance of any solicitation shall have a financial interest, direct or indirect, in the Contract resulting from that solicitation. Any willful violation of this section shall constitute impropriety in office, and any officer or employee guilty thereof shall be subject to disciplinary action up to and including dismissal. Any violation of this provision, with the knowledge, expressed or implied, of the Contractor shall render the Contract voidable by the City.
43. **INDEPENDENT CONTRACTOR:** The Contract shall not be construed as creating an employer/employee relationship, a partnership, or a joint venture. The Contractor's services shall be those of an independent contractor. The Contractor agrees and understands that the Contract does not grant any rights or privileges established for employees of the City.
44. **ASSIGNMENT-DELEGATION:** The Contract shall be binding upon and enure to the benefit of the City and the Contractor and their respective successors and assigns, provided however, that no right or interest in the Contract shall be assigned and no obligation shall be delegated by the Contractor without the prior written consent of the City. Any attempted assignment or delegation by the Contractor shall be void unless made in conformity with this paragraph. The Contract is not intended to confer rights or benefits on any person, firm or entity not a party hereto; it being the intention of the parties that there be no third party beneficiaries to the Contract.
45. **WAIVER:** No claim or right arising out of a breach of the Contract can be discharged in whole or in part by a waiver or renunciation of the claim or right unless the waiver or renunciation is supported by consideration and is in writing signed by the aggrieved party. No waiver by either the Contractor or the City of any one or more events of default by the other party shall operate as, or be construed to be, a permanent waiver of any rights or obligations under the Contract, or an express or implied acceptance of any other existing or future default or defaults, whether of a similar or different character.
46. **MODIFICATIONS:** The Contract can be modified or amended only by a writing signed by both parties. No pre-printed or similar terms on any the Contractor invoice, order or other document shall have any force or effect to change the terms, covenants, and conditions of the Contract.
47. **INTERPRETATION:** The Contract is intended by the parties as a final, complete and exclusive statement of the terms of their agreement. No course of prior dealing between the parties or course of performance or usage of the trade shall be relevant to supplement or explain any term used in the Contract. Although the Contract may have been substantially drafted by one party, it is the intent of the parties that all provisions be construed in a manner to be fair to both parties, reading no provisions more strictly against one party or the other. Whenever a term defined by the Uniform Commercial Code, as enacted by the State of Texas, is used in the Contract, the UCC definition shall control, unless otherwise defined in the Contract.
48. **DISPUTE RESOLUTION:**
- A. If a dispute arises out of or relates to the Contract, or the breach thereof, the parties agree to negotiate prior to prosecuting a suit for damages. However, this section does not prohibit the filing of a lawsuit to toll the running of a statute of limitations or to seek injunctive relief. Either party may make a written request for a meeting between representatives of each party within fourteen (14) calendar days after receipt of the request or such later period as agreed by the parties. Each party shall include, at a minimum, one (1) senior level individual with decision-making authority regarding the dispute. The purpose of this and any subsequent meeting is to attempt in good faith to negotiate a resolution of the dispute. If, within thirty (30) calendar days after such meeting, the parties have not succeeded in negotiating a resolution of the dispute, they will proceed directly to mediation as

**CITY OF AUSTIN
PURCHASING OFFICE
STANDARD PURCHASE TERMS AND CONDITIONS**

described below. Negotiation may be waived by a written agreement signed by both parties, in which event the parties may proceed directly to mediation as described below.

- B. If the efforts to resolve the dispute through negotiation fail, or the parties waive the negotiation process, the parties may select, within thirty (30) calendar days, a mediator trained in mediation skills to assist with resolution of the dispute. Should they choose this option, the City and the Contractor agree to act in good faith in the selection of the mediator and to give consideration to qualified individuals nominated to act as mediator. Nothing in the Contract prevents the parties from relying on the skills of a person who is trained in the subject matter of the dispute or a contract interpretation expert. If the parties fail to agree on a mediator within thirty (30) calendar days of initiation of the mediation process, the mediator shall be selected by the Travis County Dispute Resolution Center (DRC). The parties agree to participate in mediation in good faith for up to thirty (30) calendar days from the date of the first mediation session. The City and the Contractor will share the mediator's fees equally and the parties will bear their own costs of participation such as fees for any consultants or attorneys they may utilize to represent them or otherwise assist them in the mediation.
49. **JURISDICTION AND VENUE:** The Contract is made under and shall be governed by the laws of the State of Texas, including, when applicable, the Uniform Commercial Code as adopted in Texas, V.T.C.A., Bus. & Comm. Code, Chapter 1, excluding any rule or principle that would refer to and apply the substantive law of another state or jurisdiction. All issues arising from this Contract shall be resolved in the courts of Travis County, Texas and the parties agree to submit to the exclusive personal jurisdiction of such courts. The foregoing, however, shall not be construed or interpreted to limit or restrict the right or ability of the City to seek and secure injunctive relief from any competent authority as contemplated herein.
50. **INVALIDITY:** The invalidity, illegality, or unenforceability of any provision of the Contract shall in no way affect the validity or enforceability of any other portion or provision of the Contract. Any void provision shall be deemed severed from the Contract and the balance of the Contract shall be construed and enforced as if the Contract did not contain the particular portion or provision held to be void. The parties further agree to reform the Contract to replace any stricken provision with a valid provision that comes as close as possible to the intent of the stricken provision. The provisions of this section shall not prevent this entire Contract from being void should a provision which is the essence of the Contract be determined to be void.
51. **HOLIDAYS:** The following holidays are observed by the City:

<u>Holiday</u>	<u>Date Observed</u>
New Year's Day	January 1
Martin Luther King, Jr.'s Birthday	Third Monday in January
President's Day	Third Monday in February
Memorial Day	Last Monday in May
Independence Day	July 4
Labor Day	First Monday in September
Veteran's Day	November 11
Thanksgiving Day	Fourth Thursday in November
Friday after Thanksgiving	Friday after Thanksgiving
Christmas Eve	December 24
Christmas Day	December 25

If a Legal Holiday falls on Saturday, it will be observed on the preceding Friday. If a Legal Holiday falls on Sunday, it will be observed on the following Monday.

**CITY OF AUSTIN
PURCHASING OFFICE
STANDARD PURCHASE TERMS AND CONDITIONS**

52. **SURVIVABILITY OF OBLIGATIONS:** All provisions of the Contract that impose continuing obligations on the parties, including but not limited to the warranty, indemnity, and confidentiality obligations of the parties, shall survive the expiration or termination of the Contract.

53. **NON-SUSPENSION OR DEBARMENT CERTIFICATION:**

The City of Austin is prohibited from contracting with or making prime or sub-awards to parties that are suspended or debarred or whose principals are suspended or debarred from Federal, State, or City of Austin Contracts. By accepting a Contract with the City, the Vendor certifies that its firm and its principals are not currently suspended or debarred from doing business with the Federal Government, as indicated by the General Services Administration List of Parties Excluded from Federal Procurement and Non-Procurement Programs, the State of Texas, or the City of Austin.

54. **EQUAL OPPORTUNITY**

- A. **Equal Employment Opportunity:** No Offeror, or Offeror's agent, shall engage in any discriminatory employment practice as defined in Chapter 5-4 of the City Code. No Offer submitted to the City shall be considered, nor any Purchase Order issued, or any Contract awarded by the City unless the Offeror has executed and filed with the City Purchasing Office a current Non-Discrimination Certification. Non-compliance with Chapter 5-4 of the City Code may result in sanctions, including termination of the contract and the Contractor's suspension or debarment from participation on future City contracts until deemed compliant with Chapter 5-4.
- B. **Americans with Disabilities Act (ADA) Compliance:** No Offeror, or Offeror's agent, shall engage in any discriminatory employment practice against individuals with disabilities as defined in the ADA.

55. **INTERESTED PARTIES DISCLOSURE**

As a condition to entering the Contract, the Business Entity constituting the Offeror must provide the following disclosure of Interested Parties to the City prior to the award of a contract with the City on Form 1295 "Certificate of Interested Parties" as prescribed by the Texas Ethics Commission for any contract award requiring council authorization. The Certificate of Interested Parties Form must be completed on the Texas Ethics Commission website, printed, and signed by the authorized agent of the Business Entity with acknowledgment that disclosure is made under oath and under penalty of perjury. The City will submit the "Certificate of Interested Parties" to the Texas Ethics Commission within 30 days of receipt from the successful Offeror. The Offeror is reminded that the provisions of Local Government Code 176, regarding conflicts of interest between the bidders and local officials remains in place. Link to Texas Ethics Commission Form 1295 process and procedures below:

https://www.ethics.state.tx.us/whatsnew/elf_info_form1295.htm

56. **BUY AMERICAN ACT-SUPPLIES (Applicable to certain Federally funded requirements)**

- A. Definitions. As used in this paragraph –
- i. "Component" means an article, material, or supply incorporated directly into an end product.
 - ii. "Cost of components" means -
 - (1) For components purchased by the Contractor, the acquisition cost, including transportation costs to the place of incorporation into the end product (whether or not such costs are paid to a domestic firm), and any applicable duty (whether or not a duty-free entry certificate is issued); or

**CITY OF AUSTIN
PURCHASING OFFICE
STANDARD PURCHASE TERMS AND CONDITIONS**

- (2) For components manufactured by the Contractor, all costs associated with the manufacture of the component, including transportation costs as described in paragraph (1) of this definition, plus allocable overhead costs, but excluding profit. Cost of components does not include any costs associated with the manufacture of the end product.

iii. "Domestic end product" means-

- (1) An unmanufactured end product mined or produced in the United States; or
- (2) An end product manufactured in the United States, if the cost of its components mined, produced, or manufactured in the United States exceeds 50 percent of the cost of all its components. Components of foreign origin of the same class or kind as those that the agency determines are not mined, produced, or manufactured in sufficient and reasonably available commercial quantities of a satisfactory quality are treated as domestic. Scrap generated, collected, and prepared for processing in the United States is considered domestic.

iv. "End product" means those articles, materials, and supplies to be acquired under the contract for public use.

v. "Foreign end product" means an end product other than a domestic end product.

vi. "United States" means the 50 States, the District of Columbia, and outlying areas.

- B. The Buy American Act (41 U.S.C. 10a - 10d) provides a preference for domestic end products for supplies acquired for use in the United States.
- C. The City does not maintain a list of foreign articles that will be treated as domestic for this Contract; but will consider for approval foreign articles as domestic for this product if the articles are on a list approved by another Governmental Agency. The Offeror shall submit documentation with their Offer demonstrating that the article is on an approved Governmental list.
- D. The Contractor shall deliver only domestic end products except to the extent that it specified delivery of foreign end products in the provision of the Solicitation entitled "Buy American Act Certificate".

Section 0400: Supplemental Purchase Provisions

The following Supplemental Purchasing Provisions apply to this solicitation:

1. **EXPLANATIONS OR CLARIFICATIONS:** (reference paragraph 5 in Section 0200)
All requests for explanations or clarifications must be submitted in writing to the Purchasing Office no later than 3PM, one (1) week prior to the solicitation opening date. Questions may be made via email to Danielle.Lord@austintexas.gov.
2. **INSURANCE:** Insurance is required for this solicitation.
 - A. **General Requirements:** See Section 0300, Standard Purchase Terms and Conditions, paragraph 32, entitled Insurance, for general insurance requirements.
 - i. The Contractor shall provide a Certificate of Insurance as verification of coverages required below to the City at the below address prior to contract execution and within fourteen (14) calendar days after written request from the City. Failure to provide the required Certificate of Insurance may subject the Offer to disqualification from consideration for award
 - ii. The Contractor shall not commence work until the required insurance is obtained and until such insurance has been reviewed by the City. Approval of insurance by the City shall not relieve or decrease the liability of the Contractor hereunder and shall not be construed to be a limitation of liability on the part of the Contractor.
 - iii. The Contractor must also forward a Certificate of Insurance to the City whenever a previously identified policy period has expired, or an extension option or holdover period is exercised, as verification of continuing coverage.
 - iv. The Certificate of Insurance, and updates, shall be mailed to the following address:

City of Austin Purchasing Office
P. O. Box 1088
Austin, Texas 78767
 - B. **Specific Coverage Requirements:** The Contractor shall at a minimum carry insurance in the types and amounts indicated below for the duration of the Contract, including extension options and hold over periods, and during any warranty period. These insurance coverages are required minimums and are not intended to limit the responsibility or liability of the Contractor.
 - i. **Worker's Compensation and Employers' Liability Insurance:** Coverage shall be consistent with statutory benefits outlined in the Texas Worker's Compensation Act (Section 401). The minimum policy limits for Employer's Liability are \$100,000 bodily injury each accident, \$500,000 bodily injury by disease policy limit and \$100,000 bodily injury by disease each employee.
 - (1) The Contractor's policy shall apply to the State of Texas and include these endorsements in favor of the City of Austin:
 - (a) Waiver of Subrogation, Form WC420304, or equivalent coverage
 - (b) Thirty (30) days Notice of Cancellation, Form WC420601, or equivalent coverage
 - ii. **Commercial General Liability Insurance:** The minimum bodily injury and property damage per occurrence are \$500,000 for coverages A (Bodily Injury and Property Damage) and B (Personal and Advertising Injury).
 - (1) The policy shall contain the following provisions:
 - (a) Contractual liability coverage for liability assumed under the Contract and all other Contracts related to the project.
 - (b) Contractor/Subcontracted Work.
 - (c) Products/Completed Operations Liability for the duration of the warranty period.

- (d) If the project involves digging or drilling provisions must be included that provide Explosion, Collapse, and/or Underground Coverage.
 - (2) The policy shall also include these endorsements in favor of the City of Austin:
 - (a) Waiver of Subrogation, Endorsement CG 2404, or equivalent coverage
 - (b) Thirty (30) days' Notice of Cancellation, Endorsement CG 0205, or equivalent coverage
 - (c) The City of Austin listed as an additional insured, Endorsement CG 2010, or equivalent coverage
- iii. **Business Automobile Liability Insurance:** The Contractor shall provide coverage for all owned, non-owned and hired vehicles with a minimum combined single limit of \$500,000 per occurrence for bodily injury and property damage. Alternate acceptable limits are \$250,000 bodily injury per person, \$500,000 bodily injury per occurrence and at least \$100,000 property damage liability per accident.
 - (1) The policy shall include these endorsements in favor of the City of Austin:
 - (a) Waiver of Subrogation, Endorsement CA0444, or equivalent coverage
 - (b) Thirty (30) days' Notice of Cancellation, Endorsement CA0244, or equivalent coverage
 - (c) The City of Austin listed as an additional insured, Endorsement CA2048, or equivalent coverage.
- iv. **Professional Liability:** The Contractor shall provide coverage, at a minimum limit of \$100,000 per claim, to pay on behalf of the assured all sums which the assured shall become legally obligated to pay as damages by reason of any negligent act, error, or omission arising out of the performance of professional services under this Contract.
 - (a) If coverage is written on a claims-made basis, the retroactive date shall be prior to or coincident with the date of the Contract and the certificate of insurance shall state that the coverage is claims-made and indicate the retroactive date. This coverage shall be continuous and will be provided for 24 months following the completion of the contract.
- C. **Endorsements:** The specific insurance coverage endorsements specified above, or their equivalents must be provided. In the event that endorsements, which are the equivalent of the required coverage, are proposed to be substituted for the required coverage, copies of the equivalent endorsements must be provided for the City's review and approval.

3. **TERM OF CONTRACT:**

- A. The Contract term shall be contingent upon the project timeline/schedule proposed by the awarded Contractor, and may be extended thereafter subject to the approval of the Contractor and the City Purchasing Officer or his designee.
- B. Upon expiration of the Contract term, the Contractor agrees to hold over under the terms and conditions of this agreement for such a period of time as is reasonably necessary to complete the project (not to exceed 120 days unless mutually agreed on in writing).

4. **INVOICES and PAYMENT:** (reference paragraphs 12 and 13 in Section 0300)

- A. Invoices shall contain a unique invoice number and the information required in Section 0300, paragraph 12, entitled "Invoices." Invoices received without all required information cannot be processed and will be returned to the vendor.

Invoices shall be mailed to the below address:

	City of Austin-Austin Water
Attn:	Joseph Gonzales
Address	625 East 10 th Street, Suite 500
City, State Zip Code	Austin, TX 78701

B. The Contractor agrees to accept payment by either credit card, check or Electronic Funds Transfer (EFT) for all goods and/or services provided under the Contract. The Contractor shall factor the cost of processing credit card payments into the Offer. There shall be no additional charges, surcharges, or penalties to the City for payments made by credit card.

5. **RETAINAGE:** The City will withhold ten percent (10%) retainage until completion of all work required by the Contract. The Contractor's invoice shall indicate the amount due, less the retainage. Upon final acceptance of the work, the Contractor shall submit an invoice for the retainage to the City and payment will be made as specified in the Contract. Payment of the retainage by the City shall not constitute nor be deemed a waiver or release by the City of any of its rights and remedies against the Contractor for recovery of amounts improperly invoiced or for defective, incomplete or non-conforming work under the Contract.

6. **NON-COLLUSION, NON-CONFLICT OF INTEREST, AND ANTI-LOBBYING:**

- A. On November 10, 2011, the Austin City Council adopted Ordinance No. 20111110-052 amending Chapter 2.7, Article 6 of the City Code relating to Anti-Lobbying and Procurement. The policy defined in this Code applies to Solicitations for goods and/or services requiring City Council approval under City Charter Article VII, Section 15 (Purchase Procedures). During the No-Contact Period, Offerors or potential Offerors are prohibited from making a representation to anyone other than the Authorized Contact Person in the Solicitation as the contact for questions and comments regarding the Solicitation.
- B. If during the No-Contact Period an Offeror makes a representation to anyone other than the Authorized Contact Person for the Solicitation, the Offeror's Offer is disqualified from further consideration except as permitted in the Ordinance.
- C. If an Offeror has been disqualified under this article more than two times in a sixty (60) month period, the Purchasing Officer shall debar the Offeror from doing business with the City for a period not to exceed three (3) years, provided the Offeror is given written notice and a hearing in advance of the debarment.
- D. The City requires Offerors submitting Offers on this Solicitation to certify that the Offeror has not in any way directly or indirectly made representations to anyone other than the Authorized Contact Person during the No-Contact Period as defined in the Ordinance. The text of the City Ordinance is posted on the Internet at:
<http://www.ci.austin.tx.us/edims/document.cfm?id=161145>

7. **WORKFORCE SECURITY CLEARANCE AND IDENTIFICATION (ID):**

- A. Access to the Austin Water Department building by the Contractor, all subcontractors and their employees will be strictly controlled at all times by the City. Security badges will be issued by the Department for this purpose. The Contractor shall submit a complete list of all persons requiring access to the Austin Water building at least thirty (30) days in advance of their need for access. The City reserves the right to deny a security badge to any Contractor personnel for reasonable cause. The City will notify the Contractor of any such denial no more than twenty (20) days after receipt of the Contractor's submittal.
- B. Where denial of access by a particular person may cause the Contractor to be unable to perform any portion of the work of the contract, the Contractor shall so notify the City's Contract Manager, in writing, within ten (10) days of the receipt of notification of denial.

- C. Contractor personnel will be required to check in at the security desk when entering or leaving the Austin Water building and security badges must be on display at all times when in the building. Failure to do so may be cause for removal of Contractor Personnel from the worksite, without regard to Contractor's schedule. Security badges may not be removed from the premises.
- D. The Contractor shall provide the City's Contract Manager with a list of personnel scheduled to enter the building, seven days in advance. The list shall identify the persons by name, date of birth, driver's license number, the times that they will be inside the building and the areas where they will be working. Only persons previously approved by the City for the issuance of security badges will be admitted to the building.
- E. The Contractor shall comply with all other security requirements imposed by the City and shall ensure that all employees and subcontractors are kept fully informed as to these requirements.

8. **INTERLOCAL PURCHASING AGREEMENTS:**

- A. The City has entered into Interlocal Purchasing Agreements with other governmental entities, pursuant to the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code. The Contractor agrees to offer the same prices and terms and conditions to other eligible governmental agencies that have an interlocal agreement with the City.
- B. The City does not accept any responsibility or liability for the purchases by other governmental agencies through an interlocal cooperative agreement.

9. **CONTRACT MANAGER:** The following person is designated as Contract Manager, and will act as the contact point between the City and the Contractor during the term of the Contract:

Joseph Gonzales

Austin Water Department

625 East 10th Street, Suite 500

Austin, TX 78701

Phone: (512) 972-0130

*Note: The above listed Contract Manager is not the authorized Contact Person for purposes of the **NON-COLLUSION, NON-CONFLICT OF INTEREST, AND ANTI-LOBBYING Provision** of this Section; and therefore, contact with the Contract Manager is prohibited during the no contact period.

CITY OF AUSTIN PURCHASING OFFICE SCOPE OF WORK

SOLICITATION NO. RFP CDL2005

Residential Customer Rate Advocate for Austin Water

1.0 Purpose

The City of Austin (City) seeks to contract with a qualified Contractor experienced in advocating on behalf of residential customers. The Contractor shall provide rate advocacy services as an independent representative for the City of Austin Water Department (AW) residential customer classes during the performance of the water, wastewater and reclaimed water utility cost of service study.

2.0 Background

The City of Austin Water Department (AW) has conducted three cost of service rate studies. Each study contained extensive cost analysis, public involvement programs, and specific cost of service methodologies in order to develop water, wastewater and reclaimed rates. A summary of these previous studies are outlined below:

- In 1992, as a condition of a rate settlement with the City's wholesale customers, AW completed a Cost of Service Rate Study with CH2M Hill to develop cost of service methodologies to equitably distribute costs to each customer class.
- In 1999, AW and Black and Veatch completed a detailed Cost of Service Rate Study to develop a multi class rate structure that equitably distributed costs to each customer class.
- In 2007, AW and Red Oak Consulting completed a detailed Cost of Service Rate Study to develop cost of service methodologies that covered issues regarding cost of service variances, promotion of water conservation, and inflow and infiltration cost allocation. Information related to the most recent Cost of Service Rate Study can be found on AW's website. <https://www.austintexas.gov/departments/cost-service-study>

In April 2013, four wholesale customers challenged their water rates implemented in February 2013. This challenge was originally the jurisdiction of the Texas Commission on Environmental Quality (TCEQ), but in September 2014, the jurisdiction was changed to the Public Utility Commission (PUC) by legislative action. Additionally, these customers challenged the City's wastewater rates implemented in November 2013. These PUC rate challenges went to a hearing before the State Office of Administrative Hearings (SOAH) in February 2015. In October 2015, the City received a directive from the PUC to set rates below the Fiscal Year 2014 rates that were in effect prior to the rate challenge.

3.0 Tasks/Requirements

3.1 Contractor's Responsibilities

The Contractor shall:

- 3.1.1 Provide residential classes which includes customers who participate in the Customer Assistance Program (CAP), independent representation in the comprehensive cost of service study to be completed by the AW rate consultant prior to November 1, 2017.
- 3.1.2 Participate in the cost of service study by reviewing current cost of service and rate design methodologies, discussing and analyzing alternative methodologies, participating on the AW's Project Team and Public Involvement Committee.
- 3.1.3 Develop and provide recommendations on adjustments or revisions to the AW's cost of service rate consultant, Project Team, Executive Team, Public Involvement Committee, Water and Wastewater Commission, and City Council.
- 3.1.4 Provide written reports on methodology and rate design issues to the AW Executive Team.
- 3.1.5 Disclose any conflicts of interest that may interfere with or call into question the ability to effectively represent the AW ratepayers.

4.0 **Tasks, Meeting/Travel Requirements, & Deliverables**

The Contractor shall complete the following tasks and milestones during the performance of the cost of service study and rate design:

TASK 1–Project Kickoff & Project Management	
	Task 1 Overview
	<ul style="list-style-type: none">Meet with AW's Executive Team and Project Team to review and discuss rate advocate objectives, requirements for information, responsibilities, review of analysis, reporting requirements, and deliverable review procedures.
	<ul style="list-style-type: none">Review the requirements of the project work plan in compliance with the cost of service rate study deadlines and rate consultant project schedule.
	<ul style="list-style-type: none">Develop, submit, and receive approval of a project work plan in compliance with the cost of service rate study deadlines and rate consultant project schedule.
	<ul style="list-style-type: none">Receive approval from the AW Executive Team on the project schedule and deadlines.
	Meeting/Travel Requirements
	<ul style="list-style-type: none">Travel to Austin for two (2) to three (3) meetings with the AW Executive and Project Team for the first project kickoff meeting, development and submission of work plan.
	Deliverables
	<ul style="list-style-type: none">Meet and identify the AW Executive Team and Project Team that shall be coordinated with during this project.
	<ul style="list-style-type: none">Submit project work plan with schedule for AW Executive approval.

TASK 2–Detailed Review & Analysis of Current Cost of Service

	Task 2 Overview
	<ul style="list-style-type: none"> Meet with AW Project Team to initiate performance of a detailed review and analysis of the current cost of service methodology and available cost of service information. This shall include but is not limited to; data compilation procedures, customer demand and billing information, operating budget detail, revenue requirement identification, cost functionalization, cost allocations, rate design, fixed asset records, system maps and models, and operations data.
	Meeting/Travel Requirements
	<ul style="list-style-type: none"> Travel to Austin for two (2) meetings with AW Project Team for the review and analysis of the current cost of service methodology.
	Deliverables
	<ul style="list-style-type: none"> Provide written status report regarding the detailed review and analysis for approval by AW.
	<ul style="list-style-type: none"> Facilitate a meeting to review and analyze the current cost of service methodology and available cost of service information.

TASK 3–Cost of Service Study Project Team & Public Involvement Committee

	Task 3 Overview
	<ul style="list-style-type: none"> Participate on the Cost of Service Study Project Team and Public Involvement Committee to review and analyze the rate consultant's cost of service methodology options and recommendations.
	<ul style="list-style-type: none"> Discuss, analyze, and propose recommendations on revisions or adjustments to the consultant's methodology.
	<ul style="list-style-type: none"> Participate in the development of the cost of service study public involvement plan which outlines roles, assignment of tasks, details public involvement efforts, and develops approaches to incorporate outreach to community advocacy groups, which includes minority and economically disadvantaged customers.
	Meeting/Travel Requirements
	<ul style="list-style-type: none"> Travel to Austin for up to eighteen (18) meetings with Cost of Service Study Project Team and Public Involvement Committee to discuss the rate consultant's methodology options and recommendations and assist in the development of the cost of service study public involvement plan.
	Deliverable
	<ul style="list-style-type: none"> Make written recommendations on the new methodology options being presented. Assist in the development of the roles, assignment of tasks, public involvement efforts, and develops approaches to incorporate outreach to community advocacy groups, which includes minority and economically disadvantaged customers for the Cost of Service Study Project Team and Public Involvement Committee.

TASK 4–Cost of Service Rate Study Participation

	Task 4 Overview
	<ul style="list-style-type: none"> Participate in the identification of specific cost of service methodology issues to be discussed by the AW Executive Team, Project Team, and Public Involvement Committees during the cost of service study.
	<ul style="list-style-type: none"> Meet with representatives of the residential customer and develops approaches to incorporate outreach to community advocacy groups, which includes minority and economically disadvantaged customers, as needed, to determine general concerns regarding the AW's cost of service methodologies and rate design.
	<ul style="list-style-type: none"> Review AW rate consultant's methodology issues, concerns, and recommendations relating to customer demand information including water consumption and wastewater flow projection methodologies, water demand peaking factor and sewage strength assumptions and calculations. Discuss alternatives, analyze, and make recommendations to the AW rate consultant, Project Team, and Executive Team regarding cost of service methodologies relating to customer demand information, assumptions, and calculations.
	<ul style="list-style-type: none"> Review AW rate consultant's methodology issues, concerns, and recommendations relating to AW's operating and capital revenue requirements, financial policies, and current determinations of cost of service revenue requirements. Discuss alternatives, analyze, and make recommendations to the AW rate consultant, Project Team, and Executive Team regarding cost of service methodologies relating to revenue requirement determination.
	<ul style="list-style-type: none"> Review AW rate consultant's methodology issues, concerns, and recommendations relating to AW's revenue requirement functionalization methodologies. Discuss alternatives, analyze, and make recommendations to the AW rate consultant, Project Team, and Executive Team regarding cost of service methodologies relating to revenue requirement functionalization.
	<ul style="list-style-type: none"> Review AW rate consultant's methodology issues, concerns, and recommendations relating to the AW's revenue requirement allocation methodologies. Discuss alternatives, analyze, and make recommendations to the AW rate consultant, Project Team, and Executive Team regarding cost of service methodologies relating to revenue requirement cost allocations.
	<ul style="list-style-type: none"> Review AW rate consultant's methodology issues, concerns, and recommendations relating to AW's revenue requirement classifications methodologies. Discuss alternatives, analyze, and make recommendations to the AW rate consultant, Project Team, and Executive Team regarding cost of service methodologies relating to revenue requirement cost classifications.
	<ul style="list-style-type: none"> Review AW rate consultant's methodology issues, concerns, and recommendations relating to AW's rate design methodologies. Discuss alternatives, analyze, and make recommendations to the AW rate consultant, Project Team, and Executive Team regarding cost of service methodologies relating to rate design.
	<ul style="list-style-type: none"> Conduct necessary reviews, analyses, and assessments of alternative cost of service methodologies to compare impacts to revenue requirements, functionalization, cost allocations, cost classifications, and rate design results.
	<ul style="list-style-type: none"> Reconcile differences with the AW cost of service rate consultant on analysis conducted independently. Reconciliations shall be reflected in a final review of revenue requirement and allocation methodologies to be prepared by the Rate Advocate.
	<ul style="list-style-type: none"> Produce monthly progress reports as requested to the AW Project Manager appointed by the City. The reports shall describe significant achievements and problems which have potential effect on project schedule or costs. The reports shall be sufficiently detailed to assure that directions being pursued are in

	compliance with established and/or projected systems.
	Meeting/Travel Requirements
	<ul style="list-style-type: none"> Travel to Austin up to five (5) meeting with AW rate consultant, Project Team, and Executive Team to participate in cost of service rate study.
	Deliverables
	<ul style="list-style-type: none"> Provide monthly written recommendations and alternatives to AW rate consultant, Project Team, and Executive Team.
	<ul style="list-style-type: none"> Conduct additional analysis, research, and assessments independently to assist in team guidance,
	<ul style="list-style-type: none"> Prepare detailed monthly progress reports to describe significant achievements and problems which may have an impact on the outcome, schedule, or costs.

TASK 5–Project Report & Presentation

	Task 5 Overview
	<ul style="list-style-type: none"> Produce preliminary written draft report containing recommendations for revenue requirement and cost allocation methodologies. The report shall include an Executive Summary and a full discussion of the impacts of these recommendations on revenue requirements and rates. These recommendations shall be accompanied by a discussion of the rationale for recommended methodologies and rate designs, rationale for variances from the AW rate consultant's recommendation, and the potential for challenges of recommended rates. The report shall include both the recommended cost allocation and alternatives for which the analyses were conducted.
	<ul style="list-style-type: none"> Present to the AW Executive Team, Project Team, Public Involvement Committees, and the Water and Wastewater Commission. Compile comments and assess necessary revisions to the report.
	<ul style="list-style-type: none"> Provide to the AW cost of service rate consultant a written report with the AW compiled comments and implemented revisions to the draft recommendation report prior to submittal of the final report to various groups.
	<ul style="list-style-type: none"> Prepare final written project report which shall contain compiled revisions.
	<ul style="list-style-type: none"> Provide a minimum of 10 bound hard copies of the project report, along with a PDF version to AW Project Team.
	Meeting/Travel Requirements
	<ul style="list-style-type: none"> Travel to Austin for up to three (3) meetings to present preliminary draft report.
	Deliverables
	<ul style="list-style-type: none"> Present and complete draft and final cost of service rate study reports.
	<ul style="list-style-type: none"> Submit an electronic copy of the presentation to the AW Project Manager, prior to the meeting, for review and approval.
	<ul style="list-style-type: none"> Attend all meetings and make presentations as required by the AW Executive Team and Project Team.

TASK 6–Council & Commission Presentations	
	Task 6 Overview
	<ul style="list-style-type: none"> Produce final report, including an Executive Summary and items outlined in the draft report requirements above, and present to the AW Executive Team, Project Team, Public Involvement Committees, Water and Wastewater Commission, City management, and the City Council.
	<ul style="list-style-type: none"> Develop final report presentations for Council and Commission meetings.
	Meeting/Travel Requirements
	<ul style="list-style-type: none"> Travel to Austin up to three (3) times for meetings of the Council or Commission regarding results of the cost of service study.
	Deliverables
	<ul style="list-style-type: none"> Attend and present final results to Council and Commission.
	<ul style="list-style-type: none"> Submit an electronic copy of the presentation to the AW Project Manager, prior to the meeting, for review and approval.
	<ul style="list-style-type: none"> Attend all meetings and make presentations as required by the AW Executive Team and Project Team.
	<ul style="list-style-type: none"> Produce final written report, including Executive Summary.

TASK 7–Documentation, Project Wrap-up & Contingencies	
	Task 7 Overview
	<ul style="list-style-type: none"> Compile and document all comments received and actions taken during the study.
	<ul style="list-style-type: none"> Provide complete all supporting documentation and work papers, analyses, and reconciliations of information and analyses performed under the study.
	<ul style="list-style-type: none"> Comply with generally accepted American Water Works Association (AWWA) and wastewater guidelines for cost of service rate calculations. If any alternative methodologies are proposed, identify those to the AW Project Team and the Executive Team along with an assessment of the appropriateness and risks involved in the implementation of the alternative methodologies.
	<ul style="list-style-type: none"> Work with AW Project Team to complete any final project activities or tasks.
	<ul style="list-style-type: none"> Be available for additional two (2) meetings with AW Project Team related to the completion of project tasks, if deemed necessary by AW Project Team.
	Meeting/Travel Requirements
	<ul style="list-style-type: none"> Travel to Austin for one (1) meeting with AW Project Team for project wrap-up discussions and tasks. In addition, the Consultant shall include a contingency of up to two (2) meetings for project task completion unforeseen in Tasks 1-8.
	Deliverable

	<ul style="list-style-type: none"> • Complete project wrap-up and contingency trips.
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5.0 **Acceptance of Work**

- 5.1 Successful completion of this project shall depend on timely completion of the identified project work products related to the 7 project tasks, meeting/travel requirements, deliverables, and schedule considerations listed above.
- 5.2 The Contractor shall submit detailed monthly reports to the AW Project Manager appointed by the City. The reports shall describe significant achievements and problems which have potential effect on project schedule or costs. The reports shall be sufficiently detailed to assure that directions being pursued are in compliance with established and/or projected systems.

Section 0600: Proposal Preparation Instructions and Evaluation Factors

1. PROPOSAL FORMAT

All Proposals shall be submitted in the following format:

Submit 1 original and 6 electronic copies of your Proposal on a flash drive. The original shall be submitted on 8.5 x 11 inch paper, bound or in a 3-ring binder. The original Proposal shall be clearly labeled as "original" and shall include the original signature of the person authorized to sign on behalf of the Proposer.

Proposals shall be organized in the information sequence described below. Use tabs to divide each part of your Proposal and include a Table of Contents with page numbers linking the content of the Proposal. Proposers shall provide all details in the Proposal described below and any additional information you deem necessary to evaluate your Proposal.

Tab 1 - City of Austin Purchasing Documents

Complete and submit the following documents:

- a. Signed Offer Sheet (pages 1-3)
- b. Signed Addendums (all pages)
- c. Completed and Signed Section 0605 – Local Business Presence Identification Form
- d. Completed Section 0700-Reference Sheet
- e. Completed and Signed Section 0835 – Non-Resident Bidder Provisions
- f. Completed and Signed Section 0900 – Minority- and Women-Owned Business Enterprise (MBE/WBE) Procurement Program No Goals Form

**If you will be utilizing subcontractors, you must contact the Small and Minority Business Resources Department (SMBR) at (512) 974-7600 to obtain a list of MBE and WBE firms available to perform the service and include the completed 0900 No Goals Utilization Plan with your proposal packet. Include the 0900 No Goals Utilization Plan in Tab 1d. You can download the 0900 No Goals Utilization Plan at <http://www.austintexas.gov/department/standard-bid-documents>*

Tab 2 - Business Organization & Project Management Structure

Provide the following information:

- a. Full name and address of your company and identify parent company if you are a subsidiary. Indicate whether you operate as a partnership, corporation, or individual. Include the State(s) in which incorporated or licensed to operate. How long has your company been in business?
- b. Names and contact information for key personnel that will be assigned to the awarded contract. Authorized Negotiator: Include name, address, and telephone number of person in your organization authorized to negotiate Contract terms and render binding decisions on Contract matters.
- c. Your company's organizational capacity to fulfill the requirements contained with the Section 0500, Scope of Work and Section 0400, and Supplemental Purchasing Provisions. Include your company's mission, financial resources, organizational stability, dedicated resources, industrial knowledge, and unique knowledge, skills, and abilities.
- d. A general explanation and chart which specifies project leadership and reporting responsibilities; and interface the team with City project management and team personnel. If proposal includes subcontractors, identify their placement in the primary management structure, and provide internal management description for each subcontractor.
- e. Signed letter, on company letterhead, from the respondent's insurance producer certifying that the respondent is capable of meeting the insurance requirements stated in the Supplemental Purchase

Provisions (Section 0400).

Tab 3 - Experience & Qualifications

Provide the following information:

- a. Your company's experience, qualifications, and expertise. List all professional organizations for which your company is a member. Highlight any special certifications or qualifications that may be relevant.
- b. Your company's relevant experience providing services described in the Scope of Work and providing services to governmental agencies. Do not include experience prior to 2006. Supply the project title, year, and reference name, title, present address, and phone number of principal person for whom prior projects were accomplished. Letters of Recommendation that your company has received may be included.
- c. Names and qualifications of all personnel who will be actively engaged in this project. Identify key persons by name and title, state the primary work assigned to each person, and provide resumes for all personnel that will perform work under the resulting contract (limit 2 page per person). Do not include the experience of personnel who did not actively participate.

Tab 4 – Concept & Program Plan

Provide the following information:

- a. A detailed understanding of the requirements presented in the Scope of Work and any additional information you deem necessary to evaluate your proposal.
- b. A sample of a prior work model your company developed for a customer with similar project scope and size within the last five years or sooner. Specifically explain what your approach and methodology was to incorporate outreach to community advocacy groups, such as minority and economically disadvantaged customers (example, utilizing Spanish speakers for outreach efforts and activities).
- c. Your program plan for accomplishing the required work, and include time-related displays, graphs, and charts as necessary to show your estimated schedule and timeline for full operational management. Include in your program plan information such as tasks, sub-tasks, milestones, reporting intervals, progress updates, and decision points. Specifically address:
 1. A timeframe in number of months that you anticipate will be needed to complete Tasks 1-7.
 2. A description of your work program by tasks. Detail the steps you will take in proceeding from Task 1-7. The technical factors that will be considered for completing these tasks, and the depth to which each will be treated.
 3. The degree of definition provided in each element or component of your plan.
 4. The points at which written, deliverable reports will be provided.
 5. The amount of progress payments you are requesting upon successful completion of milestones or tasks, deducting ten percent (10%), which will be paid upon final acceptance by the City.
 6. A statement of your compliance with all applicable rules and regulations of Federal, State and Local governing entities. The Proposer shall state his compliance with terms of this Request for Proposal (RFP).

Tab 5- Cost

- a. Your method of costing may or may not be used but should be described. A firm fixed price or not-to-exceed Contract is contemplated, with progress payments as mutually determined to be appropriate. Your cost method shall specifically include:
 1. Manpower. Itemize to show the following for each category of personnel with separate hourly rates:
 - Manager, senior consultant, analyst, subcontractors (if applicable), etc.
 - Estimated hours for each category of personnel.

- Rate applied for each category of personnel.
 - Total cost.
2. Itemize cost of supplies and materials.
 3. Other itemized direct costs.
 4. If applicable, general and administrative burden. Indicate base used, percentage, and total cost relative to this procurement.
 5. Travel expenses. All travel lodging expenses in connection with the Contract for which reimbursement may be claimed by the Contractor under the terms of the Solicitation will be reviewed against the City's Travel Policy as published and maintained by the City's Controller's Office and the Current United States General Services Administration Domestic Per Diem Rates (the "Rates") as published and maintained on the Internet at:

http://www.gsa.gov/Portal/gsa/ep/contentView.do?contentId=17943&contentType=GSA_BASIC

No amounts in excess of the Travel Policy or Rates shall be paid. All invoices must be accompanied by copies of detailed receipts (e.g. hotel bills, airline tickets). No reimbursement will be made for expenses not actually incurred. Airline fares in excess of coach or economy will not be reimbursed. Mileage charges may not exceed the amount permitted as a deduction in any year under the Internal Revenue Code or Regulations.

Meeting should be consolidated as much as possible to minimize travel costs.

6. Printing. State separately the cost of furnishing copies of the final report.
7. Total cost schedule.

Tab 6 - Business Exceptions

- a. Detail any business exceptions that you will require on the Purchasing Office Exceptions Form (Attachment A).
2. **NON-COLLUSION, NON-CONFLICT OF INTEREST, AND ANTI-LOBBYING:**
- A. On November 10, 2011, the Austin City Council adopted Ordinance No. 20111110-052 amending Chapter 2-7, Article 6 of the City Code relating to Anti-Lobbying and Procurement. The policy defined in this Code applies to Solicitations for goods and/or services requiring City Council approval under City Charter Article VII, Section 15 (Purchase Procedures). During the No-Contact Period, Offerors or potential Offerors are prohibited from making a representation to anyone other than the Authorized Contact Person in the Solicitation as the contact for questions and comments regarding the Solicitation.
 - B. If during the No-Contact Period an Offeror makes a representation to anyone other than the Authorized Contact Person for the Solicitation, the Offeror's Offer is disqualified from further consideration except as permitted in the Ordinance.
 - C. If a Respondent has been disqualified under this article more than two times in a sixty (60) month period, the Purchasing Officer shall debar the Offeror from doing business with the City for a period not to exceed three (3) years, provided the Respondent is given written notice and a hearing in advance of the debarment.
 - D. The City requires Offerors submitting Offers on this Solicitation to provide a signed Section 0810, Non-Collusion, Non-Conflict of Interest, and Anti-Lobbying Affidavit certifying that the Offeror has not in any way directly or indirectly made representations to anyone other than the Authorized Contact Person during the No-Contact Period as defined in the Ordinance. The text of the City Ordinance is posted on the Internet at: <http://www.ci.austin.tx.us/edims/document.cfm?id=161145>

3. **PROPOSAL ACCEPTANCE PERIOD:** All proposals are valid for a period of one hundred and eighty (180) calendar days subsequent to the RFP closing date unless a longer acceptance period is offered in the Proposal.

4. **PROPRIETARY INFORMATION:** All material submitted to the City becomes public property and is subject to the Texas Open Records Act upon receipt. If a Proposer does not desire proprietary information in the proposal to be disclosed, each page must be identified and marked proprietary at time of submittal. The City will, to the extent allowed by law, endeavor to protect such information from disclosure. The final decision as to what information must be disclosed, however, lies with the Texas Attorney General. Failure to identify proprietary information will result in all unmarked sections being deemed non-proprietary and available upon public request.

PROPOSAL PREPARATION COSTS & EXCEPTIONS: All costs directly or indirectly related to preparation of a response to the RFP or any oral presentation required to supplement and/or clarify a proposal which may be required by the City shall be the sole responsibility of the Proposer. Be advised that exceptions to any portion of the Solicitation may jeopardize acceptance of the Proposal.

5. **EVALUATION FACTORS & AWARD**

A. The City reserves the right to award make multiple awards by service offerings, location, unique qualifications or experience, or any combination deemed most advantageous to the City.

B. **Competitive Selection:** This procurement will comply with applicable City Policy. The successful Proposer will be selected by the City on a rational basis. Evaluation factors outlined in Paragraph C below shall be applied to all eligible, responsive Proposers in comparing proposals and selecting the Best Offeror. Award of a Contract may be made without discussion with Proposers after proposals are received. Proposals should, therefore, be submitted on the most favorable terms.

C. **Evaluation Factors** -100 points

(1)	Experience & Qualifications	30 points
(2)	Concept & Program Plan	30 points
(3)	Cost	30 points
(4)	Local Business Presence	10 points

The City seeks opportunities for businesses in the Austin Corporate City Limits to participate on City contracts. A firm (Offeror or Subcontractor) is considered to have a Local Business Presence if the firm is headquartered in the Austin Corporate City Limits, or has a branch office located in the Austin Corporate City Limits in operation for the last five (5) years. The City defines headquarters as the administrative center where most of the important functions and full responsibility for managing and coordinating the business activities of the firm are located. The City defines branch office as a smaller, remotely located office that is separate from a firm's headquarters that offers the services requested and required under this solicitation. Points will be awarded through a combination of the Offeror's Local Business Presence and/or the Local Business Presence of their subcontractors. Evaluation of the Team's Percentage of Local Business Presence will be based on the dollar amount of work as reflected in the Offeror's MBE/WBE Compliance Plan or MBE/WBE Utilization Plan. Specify if and by which definition the Offeror or Subcontractor(s) have a local business presence.

Team's Local Business Presence	Points Awarded
Local business presence of 90% to 100%	10
Local business presence of 75% to 89%	8
Local business presence of 50% to 74%	6
Local business presence of 25% to 49%	4
Local presence of between 1 and 24%	2
No local presence	0

The City will score offers on the basis of evaluation factors 1-4 above. The City may elect to conduct interviews for short-listed Proposers. Interviews may be conducted at the discretion of the City. Maximum 25 points.

Section 0605: Local Business Presence Identification

A firm (Offeror or Subcontractor) is considered to have a Local Business Presence if the firm is headquartered in the Austin Corporate City Limits, or has a branch office located in the Austin Corporate City Limits in operation for the last five (5) years, currently employs residents of the City of Austin, Texas, and will use employees that reside in the City of Austin, Texas, to support this Contract. The City defines headquarters as the administrative center where most of the important functions and full responsibility for managing and coordinating the business activities of the firm are located. The City defines branch office as a smaller, remotely located office that is separate from a firm's headquarters that offers the services requested and required under this solicitation.

OFFEROR MUST SUBMIT THE FOLLOWING INFORMATION FOR EACH LOCAL BUSINESS (INCLUDING THE OFFEROR, IF APPLICABLE) TO BE CONSIDERED FOR LOCAL PRESENCE.

NOTE: ALL FIRMS MUST BE IDENTIFIED ON THE MBE/WBE COMPLIANCE PLAN OR NO GOALS UTILIZATION PLAN (REFERENCE SECTION 0900).

USE ADDITIONAL PAGES AS NECESSARY

OFFEROR:

Name of Local Firm	NewGen Strategies and Solutions, LLC	
Physical Address	3420 Executive Center Drive, Suite 165	
Is your headquarters located in the Corporate City Limits? (circle one)	<input checked="" type="radio"/> Yes ⁽¹⁾	<input type="radio"/> No
or		
Has your branch office been located in the Corporate City Limits for the last 5 years?		
Will your business be providing additional economic development opportunities created by the contract award? (e.g., hiring, or employing residents of the City of Austin or increasing tax revenue?)	<input checked="" type="radio"/> Yes	<input type="radio"/> No

(1) J. Stowe & Co. was established in 2008 and has maintained an office in Austin since that time. In 2012, J. Stowe & Co. changed its name to NewGen Strategies and Solutions. However, the company has maintained the same staff (and hired additional staff as the firm continues to grow). The firm has maintained the same federal tax identification number even as the name of the firm has changed. Therefore, we have had a branch office in Austin since 2008.

Section 0700: Reference Sheet

Responding Company Name NewGen Strategies and Solutions, LLC

The City at its discretion may check references in order to determine the Offeror's experience and ability to provide the products and/or services described in this Solicitation. The Offeror shall furnish at least 3 complete and verifiable references. References shall consist of customers to whom the offeror has provided the same or similar services within the last 5 years. References shall indicate a record of positive past performance.

1. Company's Name City of Waco
Name and Title of Contact Mr. Wiley Stem, Assistant City Manager
Project Name Water and Wastewater Cost of Service and Rate Design Study
Present Address 300 Austin Avenue
City, State, Zip Code Waco, Texas 76702
Telephone Number (254) 299-2489 Fax Number (254) 750-8032
Email Address wileys@ci.waco.tx.us

2. Company's Name City of Fort Worth
Name and Title of Contact Ms. Kara Shuror, Assistant Director Business Services
Project Name Wholesale Water and Wastewater Contract Negotiations
Present Address 1000 Throckmorton Street
City, State, Zip Code Fort Worth, Texas 76102-6311
Telephone Number (817) 392-8819 Fax Number (817) 392-8195
Email Address kara.shuror@fortworthgov.org

3. Company's Name Austin Energy
Name and Title of Contact Mr. Mark Dreyfus, V.P. of Regulatory Affairs and Corporate Communications
Project Name Electric Cost of Service and Rate Design, Expert Testimony
Present Address 721 Barton Springs Road
City, State, Zip Code Austin, Texas 78704
Telephone Number (512) 322-6544 Fax Number (512) 484-5441
Email Address mark.dreyfus@austinenergy.com

SUBCONTRACTOR(S): NewGen does not plan to utilize subcontractors for this engagement.

Name of Local Firm		
Physical Address		
Is your headquarters located in the Corporate City Limits? (circle one)	Yes	No
or		
Has your branch office been located in the Corporate City Limits for the last 5 years	Yes	No

Will your business be providing additional economic development opportunities created by the contract award? (e.g., hiring, or employing residents of the City of Austin or increasing tax revenue?)	Yes	No

SUBCONTRACTOR(S):

Name of Local Firm		
Physical Address		
Is your headquarters located in the Corporate City Limits? (circle one)	Yes	No
or		
Has your branch office been located in the Corporate City Limits for the last 5 years	Yes	No
Will your business be providing additional economic development opportunities created by the contract award? (e.g., hiring, or employing residents of the City of Austin or increasing tax revenue?)	Yes	No

Section 0835: Non-Resident Bidder Provisions

Company Name NewGen Strategies and Solutions, LLC

- A. Bidder must answer the following questions in accordance with Vernon's Texas Statutes and Codes Annotated Government Code 2252.002, as amended:

Is the Bidder that is making and submitting this Bid a "Resident Bidder" or a "non-resident Bidder"?

Answer: Non-resident Bidder⁽¹⁾

- (1) Texas Resident Bidder- A Bidder whose principle place of business is in Texas and includes a Contractor whose ultimate parent company or majority owner has its principal place of business in Texas.
(2) Nonresident Bidder- A Bidder who is not a Texas Resident Bidder.

- B. If the Bidder is a "Nonresident Bidder" does the state, in which the Nonresident Bidder's principal place of business is located, have a law requiring a Nonresident Bidder of that state to bid a certain amount or percentage under the Bid of a Resident Bidder of that state in order for the nonresident Bidder of that state to be awarded a Contract on such bid in said state?

Answer: No Which State: Colorado

- C. If the answer to Question B is "yes", then what amount or percentage must a Texas Resident Bidder bid under the bid price of a Resident Bidder of that state in order to be awarded a Contract on such bid in said state?

Answer: _____

(1) NewGen Strategies and Solutions, LLC is a 37-person firm, incorporated in the state of Colorado. However, we have an 8-person office in Austin, Texas, a 6-person office in Richardson, Texas, and a 1-person office in Amarillo, Texas. Therefore, over 40% of our staff is located in the state of Texas, and over 20% of our total firm staffing is based in the City of Austin.

TAB 5 – COST

Based on the proposed work plan, the following table shows NewGen’s estimated cost of services based on our understanding of the study and the City’s goals and objectives. All services provided by NewGen will be billed at the hourly rates listed below with a monthly invoice submitted for the stated services, plus travel and other out-of-pocket expenses invoiced at cost. We understand the City will retain ten percent (10%) of all invoiced amounts to be paid upon final acceptance by the City.

NewGen Strategies & Solutions Cost Proposal

Name / Role	Hours	Billing Rate (\$/Hour)	Cost
Dave Yanke / Project Manager	214	265	\$ 56,710
Grant Rabon / Assistant Project Manager	166	210	34,860
Chris Ekrut / Regulatory Lead	108	235	25,380
Matthew Garrett / Financial Lead	230	180	41,400
Total Professional Labor	718		\$ 158,350
Administrative Support			\$ 1,700
Total Labor			\$ 160,050
Travel Expense			2,500
Other Out-of-Pocket Expenses (e.g., supplies, materials, printing, etc.)			0
Total Not-to-Exceed Cost			\$ 162,550

Note: Valid for a period of one hundred and eighty (180) calendar days, subsequent to the RFP closing date.

Section 0900: Minority- and Women-Owned Business Enterprise (MBE/WBE) Procurement
Program No Goals Form

SOLICITATION NUMBER: CDL2005 ✓
PROJECT NAME: Residential Customer Rate Advocate for Austin Water ✓

The City of Austin has determined that no goals are appropriate for this project. Even though goals were not assigned for this solicitation, the Bidder/Proposer is required to comply with the City's MBE/WBE Procurement Program, if areas of subcontracting are identified.

If any service is needed to perform the Contract and the Bidder/Proposer does not perform the service with its own workforce or if supplies or materials are required and the Bidder/Proposer does not have the supplies or materials in its inventory, the Bidder/Proposer shall contact the Small and Minority Business Resources Department (SMBR) at (512) 974-7600 to obtain a list of MBE and WBE firms available to perform the service or provide the supplies or materials. The Bidder/Proposer must also make a Good Faith Effort to use available MBE and WBE firms. Good Faith Efforts include but are not limited to contacting the listed MBE and WBE firms to solicit their interest in performing on the Contract, using MBE and WBE firms that have shown an interest, meet qualifications, and are competitive in the market; and documenting the results of the contacts.

Will subcontractors or sub-consultants or suppliers be used to perform portions of this Contract?

No X If no, please sign the No Goals Form and submit it with your Bid/Proposal in a sealed envelope ✓
If yes, please contact SMBR to obtain further instructions and an availability list and perform Good Faith Efforts. Complete and submit the No Goals Form and the No Goals Utilization Plan with your Bid/Proposal in a sealed envelope.
Yes _____

After Contract award, if your firm subcontracts any portion of the Contract, it is a requirement to complete Good Faith Efforts and the No Goals Utilization Plan, listing any subcontractor, sub-consultant, or supplier. Return the completed Plan to the Project Manager or the Contract Manager.

I understand that even though goals were not assigned, I must comply with the City's MBE/WBE Procurement Program if subcontracting areas are identified. I agree that this No Goals Form and No Goals Utilization Plan shall become a part of my Contract with the City of Austin.

NewGen Strategies and Solutions, LLC

Company Name

David S. Yanke, President - Environmental Practice

Name and Title of Authorized Representative (Print or Type)

Signature

Date

✓ 4/4/16

Minority- and Women-Owned Business Enterprise (MBE/WBE) Procurement Program No Goals Utilization Plan
(Please duplicate as needed)

SOLICITATION NUMBER: CDL2005

PROJECT NAME: Residential Customer Rate Advocate for Austin Water

PRIME CONTRACTOR / CONSULTANT COMPANY INFORMATION

Name of Contractor/Consultant	NewGen Strategies and Solutions, LLC		
Address	3420 Executive Center Drive, Suite 165		
City, State Zip	Austin, Texas 78731		
Phone Number	512-649-1254	Fax Number	512-479-7905
Name of Contact Person	David S. Yanke		
Is Company City certified?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> MBE <input type="checkbox"/> WBE <input type="checkbox"/> MBE/WBE Joint Venture <input type="checkbox"/>		

I certify that the information included in this No Goals Utilization Plan is true and complete to the best of my knowledge and belief. I further understand and agree that the information in this document shall become part of my Contract with the City of Austin.

David S. Yanke, President, Environmental Practice
Name and Title of Authorized Representative (Print or Type)

Signature

Date

4/4/16

Provide a list of all proposed subcontractors / sub-consultants / suppliers that will be used in the performance of this Contract. Attach Good Faith Effort documentation if non MBE/WBE firms will be used.

Sub-Contractor / Sub-Consultant			
City of Austin Certified	MBE <input type="checkbox"/> WBE <input type="checkbox"/> Ethics / Gender Code: <input type="checkbox"/> Non-Certified		
Vendor ID Code			
Contact Person		Phone Number	
Amount of Subcontract	\$		
List commodity codes & description of services			

Sub-Contractor / Sub-Consultant			
City of Austin Certified	MBE <input type="checkbox"/> WBE <input type="checkbox"/> Ethics / Gender Code: <input type="checkbox"/> Non-Certified		
Vendor ID Code			
Contact Person		Phone Number	
Amount of Subcontract	\$		
List commodity codes & description of services			

FOR SMALL AND MINORITY BUSINESS RESOURCES DEPARTMENT USE ONLY:

Having reviewed this plan, I acknowledge that the proposer (HAS) or (HAS NOT) complied with City Code Chapter 2-9A/B/C/D, as amended.

Reviewing Counselor

Date

Director/Deputy Director

Date

4/7/16

4-7-16



GOAL DETERMINATION FORM

Buyer Name/Phone	Danielle Lord 512-974-2298	PM Name/Phone	Joseph Gonzales 512-974-01
Sponsor/User Dept	Austin Water	Sponsor Name/Phone	
Solicitation Number	CDL2004	Project Name	Residential Customer Rate A
Contract Amount	100,000	Ad Date (if applicable)	3/7/16 & 3/14/16
Procurement Type			
Nonprofessional Services			
Project Description			
Provide rate advocacy services as an independent representative for the City of Austin Water Department (AW) residential customer classes during the performance of the water, wastewater and reclaimed water utility cost of			
Project History: Was a solicitation previously issued? If so, were goals established? Were subcontractors/subconsultants utilized? Include prior Solicitation No.*			
Yes, under solicitation #STA0701 with no goals established or subcontracting utilized.			
List the scopes of work (commodity codes) for this project. <i>(Attach commodity code breakdown by percentage; eCAPRIS printout acceptable.)*</i>			
91897-UTILITIES: GAS, WATER, ELECTRIC CONSULTING 99%, 96600-PRINTING AND RELATED SERVICES 1%			
Buyer Confirmation		Date	

FOR SMBR USE ONLY			
Date Received	03/02/2016	Date Assigned to BDC	3/2/2016
<i>In accordance with Chapter 2-9(A-D)-19 of the Austin City Code, SMBR makes the following determination:</i>			
<input type="radio"/> Goals	% MBE	% WBE	
<input type="radio"/> Subgoals	% African American	% Hispanic	
	% Asian/Native American	% WBE	
<input type="radio"/> Exempt from MBE/WBE Procurement Program		<input checked="" type="radio"/> No Goals	
This determination is based upon the following:			
Insufficient Subcontracting Opportunities			
If Other was selected, provide reasoning:			
MBE/WBE/DBE Availability			
(11) Certified M/WBEs available to bid as primes.			
Subcontracting Opportunities Identified			
Limited subcontracting opportunity.			

	3/4/16
SMBR Staff	Signature/Date
	3-8-16
SMBR Director (or Designee)	Date