



**CITY OF FORT LAUDERDALE  
City Commission Agenda Memo  
REGULAR MEETING**

**#18-0297**

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**TO:** Honorable Mayor & Members of the  
Fort Lauderdale City Commission

**FROM:** Lee R. Feldman, ICMA-CM, City Manager

**DATE:** April 17, 2018

**TITLE:** Motion to Approve Contract for Water and Sewer Rate Study – Stantec  
Consulting Services Inc. - \$106,550

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**Recommendation**

It is recommended that the City Commission award a contract, in substantially the form attached, for a water and sewer rate study to Stantec Consulting Services Inc. (Stantec) in the amount of \$106,550.

**Background**

The RFP required proposers to create an interactive water and sewer rate model to evaluate the City's current rate structures. It also required them to recommend an alternative rate structure that is logical and equitable amongst each of the properties of various classes and sizes and required service levels. The proposed rate structure must provide a reliable and predictable revenue stream to fund the City's utility operation, including infrastructure requirements. This review will include all parcels/accounts of the City. The analysis must present the estimated impact of the proposed alternative rates and fees for both base (fixed) and usage (variable) charges for every type of account serviced by the City. This analysis should include the use of geographic information systems (GIS) technology, provide a ten-year revenue projection based upon recommended rates, and articulate the impact of the base rate proposal on the elasticity of revenues.

The background of the solicitation process includes the following:

- On January 19, 2018, the Procurement Services Division issued Request for Proposals (RFP) No. 12108-185 – Water and Sewer Rate Study.
- On February 21, 2018, the RFP closed with the two firms below submitting proposals:

- NewGen Strategies and Solutions, Inc.(NewGen)
- Stantec

On March 2, 2018, the evaluation committee, consisting of Susan LeSage, Public Works Business Manager, Chairman; Alicia Sheffield, Accountant II; and Laura Reece, Budget Manager, met with James Hemphill, Acting Assistant Manager, Procurement and Contracts, to evaluate the proposals and rank the firms according to the evaluation criteria. The criteria and rankings are shown in the table below:

Evaluation Criteria	%
Firm's Experience and Qualifications	20
Project Team Experience and Qualifications	10
Understanding of City's Needs	10
Methodology and Approach to Scope of Work	30
Price Proposal	30
Total Points Available	100

Their final ranking is as follows:

1. Stantec
2. NewGen

Stantec proposed the following project approach:

- Update ten-year revenue sufficiency analysis for the Water and Sewer Fund
- Update the cost allocation to property classes
- Evaluate the water and sewer rate structure and develop rates under alternative scenarios
- Present the results to City Management and City Commission
- Prepare a report of the results of the study
- Provide fully functioning Excel-based cost of service and rate modeling tools along with a customized user manual which can be used for future updates

Staff is requesting approval to award a contract with the first ranked firm, Stantec.

**Resource Impact**

There will be a fiscal impact to the City in the amount of \$106,550 for the contract. Funds for this purchase are available in the FY 2018 Budget in the account listed below.

<b>Funds available as of March 15, 2018</b>					
<b>ACCOUNT NUMBER</b>	<b>INDEX NAME (Program)</b>	<b>CHARACTER CODE/ SUB-BJECT NAME</b>	<b>AMENDED BUDGET (Character)</b>	<b>AVAILABLE BALANCE (Character)</b>	<b>PURCHASE AMOUNT</b>
450-PBS060101-3199	Utilities Engineering	Services & Materials/ Other Professional Services	\$2,960,266	\$1,642,752	\$106,550
<b>PURCHASE TOTAL ►</b>					<b>\$106,550</b>

### **Strategic Connections**

This item is a *Press Play Fort Lauderdale Strategic Plan 2018* initiative, included within the Internal Support Cylinder of Excellence, specifically advancing:

- **Goal 12:** Be a leading government organization, managing resources wisely and sustainably.
- **Objective 1:** Ensure sound fiscal management.

This item also furthers the *Fast Forward Fort Lauderdale 2035 Vision Plan*: We are United.

### **Attachments**

Exhibit 1 – Evaluation Tabulation  
 Exhibit 2 – Solicitation  
 Exhibit 3 – Contract  
 Exhibit 4 – Stantec Proposal  
 Exhibit 5 – NewGen Proposal

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