

STAFF REPORT UTILITY MEETING

AGENDA DATE: April 29, 2025

DEPARTMENT: Electric Utility

TITLE:

Professional Service Agreement with Leidos Engineering, LLC for Electric Utility Rate Related Services

SUMMARY:

Leidos Engineering, LLC (Leidos) has provided their services to the City since 2020. Services provided include tasks such as analyses of the Power Cost Adjustment (PCA), analysis and recommendations on the Rate Stabilization Fund, rate design for existing and proposed customer classes, cost of service studies, analysis of utility costs, review of energy related performance trends, and revenues.

The City is desirous of continuing their services, most importantly with the upcoming cost of service study which is due to be updated to reflect changes in cost over recent years.

BACKGROUND AND JUSTIFICATION:

On March 5, 2020, the City entered an agreement with the Leidos Engineering, LLC (Leidos) for Electric Utility Rates and Cost of Service Study, which the City awarded after a competitive solicitation process (RFP#20-202). The City desires to continue using the professional service of Leidos for the Electric Rate Related Services; which under the City's procurement code, section 2-112(c), authorizes the selection of a consultant to provide professional services with a distinctive field of expertise without competitive selection.

Based on the Leidos' past experience with providing the desired services to the City since 2020 and their extensive familiarity and knowledge with the electric utility's cost of service, rate structure, and City Commission's preferences, and distinctive field of expertise, the City desires contract with Leidos to continue their services on behalf of the City.

Leidos has provided the City with a written proposal to provide Electric Rate Related Services; and City Staff has determined their proposal to be reasonable and acceptable.

The proposed Professional Services Agreement is for an initial term of three (3) years with a not to exceed amount of \$45,000 per year for the initial term.

MOTION:

Move to approve/disapprove the Professional Service Agreement with Leidos Engineering, LLC for Electric Utility Rate Related Services in the amount of \$45,000.

ATTACHMENT(S):

Fiscal Impact Analysis
Professional Service Agreement

FISCAL IMPACT ANALYSIS

Five Year Summary of Fiscal Impact:

Fiscal Years	2025	2026	2027	2028	2029
Inflows/Revenues					
Appropriated (Budgeted)	0	0	0	0	0
Program Income	0	0	0	0	0
Grants	0	0	0	0	0
In Kind	0	0	0	0	0
Outflows/Expenditures					
Appropriated (Budgeted)	0	0	0	0	0
Operating	\$45,000	\$45,000	\$45,000	0	0
Capital	0	0	0	0	0
Net Fiscal Impact (If not budgeted)	0	0	0	0	0
No. of Addn'l Full-Time Employee Positions	0	0	0	0	0

Contract Award - Existing Appropriation (Budgeted)	
	Expenditure
Department	Electric Utility
Division	Administration
GL Description	Professional Services/Other
GL Account Number	401-6010-531.31-90
Project Number	N/A
Requested Funds	\$45,000
Remaining Balance	\$134,312.15
Source of Revenue (i.e. Paygo. Current Revenue, Bond Money, Grants, etc.)	Current Revenue