



Meeting Date: June 27, 2024 **Agenda Type:** Consent Items for Action

From: John Warren **Reviewed by:** Ashley Van Booven
Finance Manager Director of Finance

Submitted by: Dawn Schriever **Approved by:** Ryan Kelso
Chief Financial Officer Chief Executive Officer

RECOMMENDED ACTION: Authorize CEO or His Designee to Negotiate and Execute a Professional Services Agreement with Raftelis Financial Consultants, Inc. DBA Raftelis for a Water, Wastewater, and Electric Rate Design Review

BACKGROUND

New Braunfels Utilities (“NBU”) reviews the sufficiency of its rates through the development of the annual financial operating plan. NBU most recently analyzed rates as part of a Two-Year Rate Plan for Fiscal Years 2024 through 2025, which was approved by City Council on April 10, 2023.

On a periodic basis, NBU may request an outside consultant to complete a water, wastewater, and electric rate design review. In order to engage a consultant, NBU issued a request for proposals (“RFP”) on January 29, 2024, from qualified consultants to perform a water, wastewater, and electric rate design review and to provide related community education. The purpose of the rate design is to review NBU’s revenue requirements, analyze NBU’s current rate structure and provide recommendations, if needed, to NBU about modifying the rate structure for water, wastewater, and electric utilities.

NBU received three (3) proposals in response to the RFP. NBU staff evaluated the proposals and selected Raftelis Financial Consultants, Inc. (“Raftelis”) as the responsible offeror whose proposal was the most advantageous to NBU, considering the relative importance of price and the other evaluation factors included in the RFP. The scoring matrix is included as an exhibit attached herein. Raftelis will complete the services by July 31, 2025.

NBU staff recommends that the NBU Board approve a Professional Services Agreement with Raftelis. This agreement is being presented to the Board because the total amount of the agreement exceeds \$250,000.

FINANCIAL IMPACT

The total financial impact of the Professional Services Agreement with Raftelis is \$290,309.00. The services are budgeted within the NBU Fiscal Year 2025 Budget.

LINK TO STRATEGIC PLAN

Financial Excellence

EXHIBITS

1. Professional Services Agreement with Raftelis Financial Consultants, Inc.
2. NBU Scoring Matrix RFP 24-0046