

CENTRAL BASIN MUNICIPAL WATER DISTRICT

DECEMBER 7, 2004 - Finance

Hawkins, Cole

DECEMBER 20, 2004 - Board Meeting

Prepared by: Margaret Moggia

Submitted by: Margaret Moggia

Approved by: Art Aguilar/Richard Nagel

INFORMATION CALENDAR

STANDBY CHARGE CONSULTANT

SUMMARY:

In the early 1990's, Central Basin initiated their efforts to drought-proof the District's region by constructing distribution pipelines to provide recycled water to various industrial and irrigation customers. As a result of the regional drought-proofing effort, Central Basin implemented a recycled water parcel charge that offsets the debt obligations used to finance Central Basin's Water Recycling Program. The total Standby Charge currently generates approximately \$ 3.2 million. In order to administer the Standby Charge Program accurately and cost-effectively, Central Basin contracts with a consultant.

From 1991 to 2003, Reiter Lowry had been the only firm that provided the overall service to effectively administer this Program. However, in 2003 the Board requested staff to send a "Request for Proposals" (RFP) to qualified firms to determine if Central Basin was still achieving a competitive price. Staff sent out 32 RFP's and received two qualified bidders. Staff reviewed the proposals, conducted interviews and evaluated the bidders based on completeness of proposal, project understanding, team experience, contract price, and value added services.

As a recap, the two qualified bidders were Reiter Lowry and MuniFinancial:

	Contract Price (3-year)	Overall Score (Out of 70)
Reiter Lowry	\$ 79,100	68
MuniFinancial	\$132,670	53

Based on overall contract price and scores, staff recommended Reiter Lowry. At the September 2003 Board meeting, the Board approved a three-year agreement with Reiter Lowry. This contract became effective October 1, 2003. During the past fiscal year, Reiter Lowry finalized its merger with Datastream, a software development company, to share resources and reduce overall costs to its customers.

Staff has received a request from the Board to review the Standby Charge consultant and to reconsider MuniFinancial as the Standby Charge consultant.

FISCAL IMPACTS:

Standby Charge Administration services are included in the annual budget.

ENVIRONMENTAL COMPLIANCE:

Not required.

COMMITTEE STATUS:

This item was reviewed by the Finance Committee on December 7, 2004 and agendaized to the December 20, 2004 Board meeting as information for discussion.

RECOMMENDED MOTION:

This item is for information only.

LIST OF EXHIBITS:

None.

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