

Mayor and Council Communication

DATE: 04/28/26

M&C FILE NUMBER: M&C 26-0305

LOG NAME: 60NEWGENAMEND2

SUBJECT

(ALL) Authorize Amendment No. 2 to a Consulting Services Agreement with NewGen Strategies and Solutions, LLC in the Amount of \$75,000.00 for a Revised Contract Amount of \$174,000.00 for On-Call Rate Consulting Services for the Water Department

RECOMMENDATION:

It is recommended that the City Council authorize Amendment No. 2 to City Secretary Contract No. 60467, a Consulting Services Agreement with NewGen Strategies and Solutions, LLC in the amount of \$75,000.00 for a revised contract amount of \$174,000.00 for on-call rate consulting services for the Water Department.

DISCUSSION:

The purpose of this Mayor and Council Communication (M&C) is for the City Council to authorize execution of Amendment No. 2 to City Secretary Contract No. 60467 with NewGen Strategies and Solutions, LLC in the amount of \$75,000.00 for a revised contract amount of \$174,000.00 for on-call rate consulting services.

The Water Department maintains detailed financial water and wastewater rate models that support evaluation of retail rate scenarios and long-term financial planning. The models integrate a wide range of financial and operational variables. Because of the models' technical complexities and the importance of maintaining accuracy in the financial assumptions used to inform rate decisions, periodic specialized support is required to maintain and update the model framework.

The Consulting Services Agreement with NewGen Strategies and Solutions, LLC (NewGen) provides limited, on-call technical assistance related to maintenance, troubleshooting, and periodic enhancements to the Utility's rate models. The services are used only when complex technical issues arise or when structural adjustments to the models are necessary to reflect changing financial, regulatory, or operating conditions. This arrangement allows the Utility to ensure that the analytical tools used to evaluate retail rates remain accurate, reliable and consistent with industry best practices.

On November 13, 2023, the Utility administratively executed the original contract for an initial amount of \$75,000.00. On October 25, 2024, the Utility administratively executed Amendment No. 1 in the amount of \$24,000.00 for a revised contract amount of \$99,000.00 and extended the term to September, 2027. This M&C authorizes Amendment No. 2 in the amount of \$75,000.00 for a revised contract amount of \$174,000.00.

Funding is budgeted in the Consultants and Other Professional Services account within the Water & Sewer Fund for the Water Department.

This amendment will serve ALL COUNCIL DISTRICTS.

FISCAL INFORMATION / CERTIFICATION:

The Director of Finance certifies that funds are available in the current operating budget, as previously appropriated, in the Water and Sewer Fund to support the approval of the above recommendation and execution of the amendment. Prior to any expenditure being incurred, the Water Department has the responsibility to validate the availability of funds.

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