


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AWARD RECOMMENDATION

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**TO:** STEVE GIESBRECHT, BOROUGH MANAGER  
**FROM:** KARL HAGERMAN, UTILITY DIRECTOR   
**SUBJECT:** PMPL RATE STUDY – AWARD RECOMMENDATION  
**DATE:** 9/11/2019  
**CC:** DEBBIE THOMPSON, BOROUGH CLERK  
SUE FLANARY, PMPL OFFICE MANAGER  
PROJECT FILE

The Power and Light department recently solicited proposals for the PMPL Rate Study project. The solicitation was for professional services associated with analyzing revenue requirements, determining ongoing reserve levels, performing a Cost of Service Analysis and providing rate design to meet department expenses and achievement of a Capital Improvement Plan.

The solicitation resulted in three proposals being received. All proposals were scored by an evaluation committee, made up of Borough staff. Scoring criteria included ratings on the project manager, the firm's experience in municipal power rate setting, key staff, methodology for the work, available resources to perform the work, cost and their schedule for completion of the study. Below is a summary of the scoring of the proposals.

<u>Firm</u>	<u>Average Score (out of 120 possible points)</u>
D.Hittle and Associates, Inc.	109.3
UFS	89.0
FCS Group	88.7

All proposals had good and weak points, but D.Hittle and Associates' prior work with PMPL and their reasonable cost that was within the budget for this study put them on the top of our list. I have completed negotiations with D.Hittle representative John Heberling and have the following recommendation for the Assembly.

**I recommend that the Borough Assembly authorize the Borough Manager to enter into a contract with the D.Hittle and Associates, Inc. for an amount not-to-exceed \$32,800.00 to provide professional services associated with the PMPL Rate Study project - per the conditions in the Request for Proposals and D.Hittle's responsive proposal.**

The budget for this work is \$35,000.00. Mr. Heberling has committed to completing the study by January 31, 2020 to supply valuable information needed for the Assembly to consider a revenue bond ordinance to fund the Blind Slough hydro facility improvements.

Please let me know if there are any questions. Thank you.