



CITY OF LODI

COUNCIL COMMUNICATION

AGENDA TITLE: Adopt a resolution authorizing the City Manager to extend the Consulting Services Agreement with Borismetrics to provide professional services to the Electric Utility Department through December 2003 (\$60,000) (EUD)

MEETING DATE: July 16th, 2003

PREPARED BY: Electric Utility Director

RECOMMENDED ACTION: That the City Council authorize the City Manager to extend the Consulting Services Agreement with Borismetrics to provide professional services to the Electric Utility Department through December 2003 (\$60,000).

BACKGROUND INFORMATION: The Electric Utility Department faces a number of issues related to the fast paced and volatile energy industry, which require professional assistance in order to efficiently, manage and position the utility.

The Electric Utility Department has hired Boris Prokop thru a consulting agreement with his company, Borismetrics, to perform the management and higher analysis duties of the former Business Planning Manager and the former Rates and Resources Manager. Borismetrics is uniquely qualified to provide the needed expertise by virtue of its direct experience and familiarity with the issues facing the City of Lodi and other California electric utilities.

The services that Mr. Prokop has provided under the current contract have proved to be very beneficial to the Electric Utility Department. The need and value of the services are even more necessary during this environment of California electric industry uncertainty. As part of his activities, he has implemented new analysis tools including a monthly revenue tracking and projection model, a power purchase tracking and projection model and a Cost of Service model. In order to preserve the continuity of his knowledge in the areas of rates and power supply for the City of Lodi and given the rapid change in the electric utility industry, there is a need to maintain the services by extending the contract budget. This would carry his work thru the end of the calendar year, December 2003. At the discretion of the Utility Director this full amount may not be utilized.

FUNDING: 160603

Funding Approval: 
Vicky McAthie, Finance Director

APPROVED: _____


H. Dixon Flynn - City Manager

CONSULTING SERVICES AGREEMENT EXTENSION

Borismetrics

Billing Address

PO Box 2746
Lodi, CA 95241
(425) 922-2853

This Current Consulting Services Agreement between Borismetrics, (hereinafter "Borismetrics") and City of Lodi, Electric Utility, whose place of business is located at 1331 S. Ham Lane, Lodi, CA 95242 (hereinafter "CLIENT") for the Project generally described as Rates, Cost of Service and Power Supply Assistance is extended by Lodi City Council Resolution. No. ***** adopted July 16, 2003. This extension has a increased budget of \$60,000 above the current contract budget. All other contract provisions are unchanged except that the hourly billing rate for Principal is reduced form \$120/hour to \$100/hour.

Borismetrics, Inc.

City of Lodi

By: Boris Prokop

By _____

Title: Principal

Title: City Manager

Date: _____

Date: _____

APPROVED AS TO FORM:

By: Randall A. Hays
Randall A. Hays, City
Attorney

ATTEST:

By: _____
Susan Blackston, City Clerk

RESOLUTION NO. 2003-127

A RESOLUTION OF THE LODI CITY COUNCIL AUTHORIZING THE CITY
MANAGER TO EXTEND THE CONSULTING SERVICES AGREEMENT WITH
BORISMETRICS TO PROVIDE PROFESSIONAL SERVICES IN THE AREAS OF
POWER SUPPLY AND RATES TO THE ELECTRIC UTILITY DEPARTMENT

WHEREAS, the Electric Utility Department faces a number of issues related to the fast-paced and volatile energy industry, which require professional assistance in order to efficiently manage and position the utility through this transition period; and

WHEREAS, Boris Prokop was hired through a consulting agreement with his company, Borismetrics, to perform the management and higher analysis duties of the former Business Planning and Marketing Manager and the former Rates and Resources Manager; and

WHEREAS, Borismetrics is uniquely qualified to provide the needed expertise by virtue of its direct experience and familiarity with the issues facing the City of Lodi and other California electric utilities; and

WHEREAS, the services that Mr. Prokop has provided under the current contract have proved to be very beneficial to the Electric Utility Department. The need and value of the services are even more necessary during this environment of California electric industry uncertainty. Mr. Prokop has implemented new analysis tools including a monthly revenue tracking and projection model, a power purchase tracking and projection model, and a Cost of Service model; and

WHEREAS, in order to preserve the continuity of his knowledge in the areas of rates and power supply for the City of Lodi and given the rapid change in the electric utility industry, there is a need to maintain the services by extending the contract budget. This would carry his work through the end of the calendar year, December 2003. At the discretion of the Utility Director this full amount may not be utilized.

NOW, THEREFORE, BE IT RESOLVED that the Lodi City Council does hereby authorize the City Manager to extend the consulting services agreement with Borismetrics to provide professional services in the areas of power supply and rates to the Electric Utility Department at a cost not to exceed \$60,000.00 through December 2003.

Dated: July 16, 2003

I hereby certify that Resolution No. 2003-127 was passed and adopted by the Lodi City Council in a regular meeting held July 16, 2003, by the following vote:

AYES: COUNCIL MEMBERS – Beckman, Hansen, Howard, and Land
NOES: COUNCIL MEMBERS – None
ABSENT: COUNCIL MEMBERS – Mayor Hitchcock
ABSTAIN: COUNCIL MEMBERS – None



SUSAN J. BLACKSTON
City Clerk