

Item: 2

Utilities Audit

INFORMATION ITEM

Project Name: UTILITIES AUDIT	Date: 06/22/2006
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Prepared for: July 6, 2006 Budget Board Committee	

BACKGROUND:

- The Authority has researched and identified Cost Control Associates as a utilities consultant to perform a complete audit on utility bills and to review the spending patterns for cost saving opportunities.
- Cost Control Associates will examine the bills of existing energy, gas and water suppliers to identify errors, submit claims and obtain refunds. Cost Control Associates will review tariff rates and if additional rates and other savings opportunities are identified from current suppliers, Cost Control Associates will submit their cost saving recommendations in writing. Upon WMATA's approval, the recommendations will be fully implemented.

BUDGET IMPACT:

- The Utilities Audit is a cost savings program slated to begin on August 1, 2006
- All costs to the Authority will be a percentage of the verifiable refunds and savings.
- Presently, the Authority's average annual utilities expense is \$59 million dollars (\$35 million for propulsion power and \$20 million for electricity, \$2.8 million for gas, and \$1.5 million for water).
- This Firm will review suppliers' contracts for accuracy and to determine the best rates and services, which could lead to a higher estimated savings.

ACTION(S) TAKEN:

- Contract is awarded to Cost Control Associates for a three (3) year period beginning August 1, 2006 by riding on an existing competitively awarded contract by the County of Dallas Purchasing Department, a member of the National Association of Counties (NACo) under RFP #2005-131-1713.