RESOLUTION - ACTION REQUESTED 2019-189

MEETING: April 9, 2019

TO: The Board of Supervisors

FROM: Dallin Kimble, County Administrative Officer

RE: Troy & Banks Utility Audit

RECOMMENDATION AND JUSTIFICATION:
Approve an Agreement with Troy & Banks to Conduct an Audit of all Utilities Currently Used by the County; and Authorize the County Administrative Officer to Sign the Agreement.

Troy & Banks is a utility and telecommunications consulting company. This agreement authorizes Troy & Banks to conduct an audit or survey of County gas, electric, telecommunications and water/sewer utility service accounts for the purpose of securing refunds, credits and cost reductions on behalf of the County. Findings resulting from discovery of charges or costs in excess of those permitted or allowed by applicable contracts, tariffs, statutes, rules and regulations and/or from overcharges or billing errors will result in refunds or credits to County accounts.

If refunds and/or credits are found to be owed to the County, the agreement establishes a negotiated rate of 24% of those savings will be paid to Troy & Banks for the audited period (typically about three years) and twelve months into the future. The remaining 76% of the savings will be retained by the County. If there are no credits or refunds found to be owed, the County will not be charged a fee for Troy & Banks services.

Given the low risk, positive references and potential for current and future savings, staff is recommending approval of this agreement.

BACKGROUND AND HISTORY OF BOARD ACTIONS:
An audit of this kind has not previously been performed.

ALTERNATIVES AND CONSEQUENCES OF NEGATIVE ACTION:
Do not approve. The County may forfeit potential savings of an unknown amount.

FINANCIAL IMPACT:
Resolution - Action Requested 2019-189

No funds are needed unless savings are found. If savings are found, 24% of the findings will be paid to Troy & Banks. No budgeted funds are required for this agreement.

ATTACHMENTS:
Troy and Banks  (PDF)

RESULT:  ADOPTED [UNANIMOUS]
MOVER:  Rosemarie Smallcombe, District I Supervisor
SECONDER:  Merlin Jones, District II Supervisor
AYES: Smallcombe, Jones, Long, Cann, Menetrey
**Agreement**

This Agreement is entered into as of _________ between Troy & Banks, Inc. ("TB") and

__________________________ (the "Client").

In consideration of the mutual agreements hereafter set forth, TB and Client agree as follows:

1. The Client engages TB to conduct an audit or survey of Client's gas, electric, telecommunications and water/sewer utility ("Utility") service accounts for the purpose of securing refunds, credits and cost reductions resulting from discovery of charges or costs in excess of those permitted or allowed by applicable contracts, tariffs, statutes, rules and regulations and/or from overcharges or billing errors. TB agrees to conduct such audit.

2. Overcharges – For any refunds, credits or rebates obtained by TB for prior overcharges, billing errors or costs in excess of those permitted by applicable contracts, tariffs, statutes, rules or regulations, TB shall be paid 24% of all monies refunded or credited to the Client.

3. Future Cost Reductions - For any reductions in future costs for gas, electric, telecommunications and water/sewer services resulting from TB analysis, the fee is 24% of the amount saved each month for 12 months. TB will document actual monthly savings obtained by analysis of tariff cost applications.

4. TB has made and makes no guarantee or assurance of any credit or refund amount or cost saving results.

5. If Client does not receive refunds, credits, or reductions in future billings, there will be no fee for TB services.

6. This Agreement sets forth the entire understanding and agreement between the parties.

**County of Mariposa**

**Troy & Banks, Inc.**

By: __________________________

Name: Jay D. Kimble

Title: CAO

Telephone: 209 966 3222

Telefax: ______________________

**APPROVED AS TO FORM:**

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STEVEN W. DAHLEM
COUNTY COUNSEL