

NEW YORK CITY WATER BOARD

June 19, 2007

RESOLUTION

WHEREAS, pursuant to Section 1045-g(8) of the New York City Municipal Water Finance Authority Act (the "Act"), the Board is authorized to enter into contracts and to retain private consultants on a contract basis for the purpose of obtaining professional or technical services to assist the Board in carrying out its responsibilities; and,

WHEREAS, on November 17, 2006, the Board authorized the execution and delivery of a contract between the Board and Booz Allen Hamilton ("BAH") in an amount not to exceed \$496,711 to provide assistance in designing and implementing a "Best Practices Model" for the New York City Department of Environmental Protection ("DEP"), Bureau of Customer Services ("BCS") in the interest of providing superior services to customers and efficient revenue collection; and

WHEREAS, on December 20, 2006, the Board entered into a Consulting Agreement with BAH (the "Consulting Agreement") to provide such assistance; and

WHEREAS, on February 26, 2007 upon the recommendation of DEP, the Board authorized an amendment to the Consulting Agreement in an amount not to exceed \$286,875.84 to provide for two additional tasks that were determined to be required in order to address improvements in both collections and customer service delivery; and

WHEREAS, on May 14, 2007 upon the recommendation of DEP, the Board authorized an amendment to the Consulting Agreement in an amount not to exceed \$173,279 to provide for additional necessary services with respect to collections strategy development; and

WHEREAS, DEP has identified the need for additional services involving transformation initiatives that constitute Phase III in the implementation of enhanced customer service and revenue collection programs, as described in Appendix A, attached hereto and incorporated and made a part hereof; and

WHEREAS, DEP has reviewed a proposal submitted by BAH to provide the additional services described in Appendix A for an amount not to exceed \$1,850,461 and has requested the Board to approve an amendment to the Consulting Agreement in such amount for such services; and,

WHEREAS, in accordance with the Water Board's Policy on the Procurement of Goods and Services, in particular, Section 5.i (prior Board approval of contracts where the cumulative value exceeds \$100,000) and Section 6.iv (waiver of competitive solicitation where the procurement is a continuation of existing services and it is desirable for purposes of continuity and compatibility), the Board finds such justification reasonable and appropriate in the present circumstances; it is therefore,

RESOLVED, that the Executive Director is hereby authorized and directed to execute an amendment to the Consulting Agreement, upon such terms and conditions as he may deem reasonable and appropriate, so as to increase the maximum compensation payable to BAH by \$1,850,461 to an amended amount not to exceed \$2,807,327; and be it further

RESOLVED, that the Board's Fiscal Year 2008 Budget is hereby amended to provide for an additional \$850,000 in accordance with the foregoing expenditures.

APPENDIX A

No.	Name of Task	Task Description	Cost
1	Customized Collection Treatment Program Design for Tax Class 1 and Tax Class 4	Integrate recommendations from Task 6 for Tax Class 1 and 4 to develop documents necessary for implementation of customized collection treatment program. Deliverables include roll-out of new dunning notices, applicable decision matrix, as well as Service Termination reengineering process flow with narrative	\$ 169,487
2	Implementation of Delinquency Management Pilot Program	Implement the Delinquency Management (DM) Program that includes refining the current DM program, developing and implementing customer communications (initial notice, DM Program Acceptance Letter), Standard Operating Procedures (SOP) checklists and training materials	\$ 213,613
3	Treatment Program Design for Fatally Flawed accounts after Analysis on Sampling of Accounts	Develop definition/criteria of fatally flawed accounts and develop action plan / policies for those accounts (adjustments based on Average Daily Flow (ADF) analysis, decision matrix, etc) on a routine basis.	\$ 219,898
4	311 Implementation - Implementation of an outbound calling program leveraging DOITT's 311 program	Implement the outbound calling program leveraging DOITT's 311 call center	\$ 58,360
5	Develop Dispute Resolution Process Program	Reengineer the dispute resolution process for walk in and phone service delivery channels. Program will include detailed profile of disputes under 2 years old, remedies for disputes, process efficiencies and an implementation plan to get from 45 days to 30 day response time.	\$ 87,540
6	Resolution for Return Mail	Develop a new process for the resolution of return mail that includes determining gaps in current process pre- and post- return mail processes. Develop reengineered return mail implementation plan.	\$ 43,770
7	Communication Plan	Develop a plan for a roll-out of a new bill, new bill message types and external communications for BCS.	\$ 42,021
8	Operation Performance metrics	Develop template for top 10 reports for upper level management (Commissioner's Office) and top 10 reports for mid level management (BCS Managers). Reports should be developed now to track before and after transformation.	\$ 58,360

9	Standardize Operating Procedures	Develop standardized operating procedures for five areas, to be determined.	\$ 322,686
10	Centralized Billing including SOP for Billing Adjustments	Develop new procedures for centralized billing (including billing adjustments)	\$ 87,540
11	Gather requirements for a new billing system	Gather functional requirements of a new billing system.	\$ 322,686
12	Program Management	Manage overall program in regards to milestones, budget and quality assurance. Provide subject matter expertise and manage risk and weekly status updates. Act as liaison between staff and DEP stakeholders	\$ 224,501
		Total Cost	\$ 1,850,461