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INTERNAL MEMO

TO: Ron Hayes, Assistant Manager - Finance 
RH

FROM: Mike Harne, Assistant Director – Transportation 
MH

DATE: February 24, 2023

SUBJECT: **Sole Source/Standardization Purchase Request**

The City of Lancaster has determined that a utility audit is necessary to investigate the significant increase to our electricity bills over the last two fiscal years. Additionally, auditing services may be required to investigate other utilities utilized by the City.

Utility auditing is a process that saves money every month by identifying errors and overcharges by the utility provider, as well as determining lower rates that better match the City's needs. Pacific Utility Audit specializes in auditing water, sewer, gas, electric, telephone and trash bills for businesses and properties located in California, Oregon, Washington and Nevada. They have been specializing in this unique area of utility auditing since 1989.

Pacific Utility Audit is the only utility auditing company on the west coast that conducts on-site inspections of all of client's properties. Half of all utility billing errors that they find are identified in the field. Their field teams locate every utility meter billed to verify that it belongs to their client, as well as its use, size, multiplier, lumen rating, etc. and whether or not it is being billed correctly. We find that field auditing sets Pacific Utility Audit apart from other vendors. City staff investigated every vendor in California that provides this service, as well as several large nationwide vendors, seventeen (17) in total, and found no other vendor that has field inspections as part of their auditing services. Therefore, we respectfully request to sole source utility auditing services through Pacific Utility Audit.

Signature: 
Michael Harne (Feb 27, 2023 07:52 PST)

Email: mharne@cityoflanasterca.org

Signature: 
Ron Hayes (Mar 1, 2023 09:49 PST)

Email: rhayes@cityoflanasterca.org









Pacific Utility Audit Memo

Final Audit Report

2023-03-01

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