

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF UNION CITY  
AUTHORIZING THE CITY MANAGER TO EXECUTE AN AGREEMENT WITH  
UTILITY COST MANAGEMENT LLC (UCM) FOR UTILITY BILL AUDITING  
SERVICES**

**WHEREAS**, Union City adopted a five-year strategic plan in September 2019 to establish goals and strategies to guide the City Council's agenda, which includes Goal A: Financial Stability and Sustainability - to foster fiscal health through disciplined long-term planning, heightened efficiency, increased revenue, and cost recovery; and

**WHEREAS**, City staff met with Utility Cost Management LLC (UCM) to discuss the possible engagement of their firm to conduct a utility bill analysis; and

**WHEREAS**, UCM is a company that analyzes utility bills of cities and private companies and seeks to recover overcharges and identify possible future savings on the client's behalf, cumulatively generating over \$250 million in refunds and savings through its expertise with the utility regulatory environment and analysis of utility bill data; and

**WHEREAS**, UCM proposes to conduct an analysis of the City's historical billing information from the City's electricity, gas, water, sewer and refuse collection accounts, identifying mistakes and savings, and interpreting utility regulations to ensure the City is not paying more than required; and

**WHEREAS**, UCM will submit a report summarizing the findings of its review, and an explanation of the grounds for all refunds and savings opportunities identified for each account, including calculations of the estimated refunds and savings expected to be achieved; and

**WHEREAS**, UCM will, upon the City's authorization, prepare all forms required to initiate changes to the utility accounts and will take all the necessary steps to implement the recommended changes; and

**WHEREAS**, UCM's fee compensation is structured as a percentage of actual refunds received or savings realized, after clients receive those refunds or savings. Therefore, if their analysis does not generate refunds or cost savings, the City pays nothing to UCM; and

**WHEREAS**, if any refunds are made to the City by the utility company, the City would pay UCM 42% of the refund amount. If future savings can be realized, UCM would be paid 42% of the savings realized by the City for a period of three years. After the three-year period, the City would realize 100% of the ongoing savings.

**NOW THEREFORE, BE IT RESOLVED** that the City Council does hereby authorize the City Manager to execute an agreement, in a form approved by the City Attorney, with Utility Cost Management, LLC, for utility bill auditing services, as described in Exhibit A – Proposed Scope of Work and Compensation Schedule.

**BE IT FURTHER RESOLVED**, that the agreement will authorize UCM to access the City's utility bills and obtain information relating to the City's utility accounts directly from the utility provider.

**BE IT FURTHER RESOLVED**, that the agreement will authorize UCM to act on the City's behalf to obtain any refunds, credits or future savings identified through their analysis, upon approval by the City.

**PASSED, APPROVED, AND ADOPTED** by the City Council of the City of Union City at a regular meeting held on the 8<sup>th</sup> day of March 2022, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

APPROVED:

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CAROL DUTRA-VERNACI  
Mayor

ATTESTED:

APPROVED AS TO FORM:

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ANNA M. BROWN  
City Clerk

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KRISTOPHER J. KOKOTAYLO  
City Attorney