

**Request for Proposals
For Consulting Services to Conduct a Water Rates and Connection Fee
Study**

**La Plata West Water Authority
P.O. Box 631
Durango, CO 81302**

Release Date: August 9, 2019

Proposals Due: Friday, August 30, 2019 at 5:00 p.m.

Invitation:

The La Plata West Water Authority (“LPWWA” or “Authority”) requests separate sealed proposals for **Water Rates and Connection Fee Study (“Water Rate Study” or “Study”)**. Proposals will be received until **5:00 p.m., local time, Friday, August 30, 2019** by U.S. Mail addressed to:

**LPWWA
P.O. Box 631 Durango, CO 81301**

To arrange for hand delivery by 5:00 p.m. MST, Friday, August 30, 2019, please call Roy Horvath – 970-749-1181.

Project Description:

LPWWA is requesting Proposals for the following services:

Conduct a comprehensive water rate and connection fee study (“Water Rate Study” or “Study”). This will include evaluating existing Subscription (“connection”) and ancillary fee structures, establishing the monthly water usage rate, comparing them to benchmarks in the industry and to structures used by water supply agencies in the Southwest Colorado area, and providing alternative rate and connection fee structures for consideration by the LPWWA Board of Directors. The goal of the Study is to identify water rate and connection fee structures that adequately fund operation and maintenance, capital improvement, and keep water rates and connection fees competitive with neighboring communities. The Water Rate Study will need to be applicable for a ten (10) year time frame beginning in 2020.

Project Schedule:

LPWWA would like to see the Study completed by November 29, 2019.

RFP Release Date	August 9, 2019
Deadline for RFP Submissions	August 30, 2019
Interview and Selection	September 9 & 10, 2019
LPWWA Board Selection of Firm	September 11, 2019
Completed Study	November 29, 2019

Additional Information:

Additional information concerning this Request for Proposals (RFP) is available from:

Renee Lewis – General Management Services
LPWWA

P.O. Box 631
Durango, CO 81301
970-779-1298
reenelewis7@gmail.com

Inquiries:

Any questions or inquiries should be directed **in writing via Email only** to Renee Lewis, General Management Services, by 5:00 p.m. on August 20, 2019. Questions must be emailed to lpwwaboard@gmail.com. Written responses will be emailed out to all interested parties by 5:00 p.m. on August 25, 2019. Verbal inquiries must be followed by written requests for information or clarification. No verbal answers will be considered applicable, only written ones will apply.

Scope of Work:

In general, the scope of the Study includes:

1. Identify, compare, and contrast prevalent water rate and connection fee philosophies and provide benefits and shortfalls of each philosophy as it relates to a rural, historically agricultural, and residential community. In particular, identify, compare, and contrast increasing block rate (tiered) water rate structures used in the Southwest Colorado area. Determine the appropriate water rate and connection fee philosophy for LPWWA.
2. Determine the total annual revenue requirements through 2030, including but not limited to expenditures to other entities for bulk water purchases and existing and projected capital financing taking into account the future growth of LPWWA.
3. Allocate the total annual revenue requirements to the water rates and connection fees by various customer classes.
4. Design water rates that will recover from each class of customer, within practical limits, the cost to serve that class of customer.
5. Review existing ancillary fees to recover costs associated with water billing and utility operations services and recommend appropriate ancillary fees and additional fees not currently being charged.
6. Ensure the rate structure options are easy to understand, administer, and can be accommodated within most standard billing systems. When appropriate, recommend three billing systems that would best accommodate LPWWA needs.
7. Review existing connection fees for new and redevelopment construction and recommend appropriate connection fees. In particular, determine and justify whether it is appropriate to charge connection fee cost allocation for each customer class,

including the relative allocation between customer classes such as Dwelling, Multi Unit Dwelling, Commercial, and Non-Dwelling Unit.

8. Deliver a comparison of the LPWWA current and proposed water rates and connection fees, including the amount of water allowable per tap size, to those of the other water suppliers in the Southwest Colorado area.

Study Requirements:

1. Demonstrate how the recommended water rate and connection fee structure options:
 - a. Equitably distribute costs in proportion to the benefit received by the various rate or fee payers.
 - b. Provide adequate funding for operation, maintenance, replacement, and capital expansion of LPWWA.
2. Provide justifications for any special classes of customers under the recommended water rate and connection fee structure options.
3. Water rate and connection fee structure options should be easy to understand and administer and must be able to be used within most standard billing systems including, but not limited to, potential fill station and bulk rate sales.
4. Ten (10) copies of the Final Water Rate Study shall be provided to the Authority, along with the complete study in a digital form. Anticipate at least one presentation of the study to members of the LPWWA Board of Directors.

Submittal Guidelines:

The proposal response submitted shall contain all information as requested herein and any additional information necessary to summarize the overall benefit of the proposal to LPWWA. Proposing firms should submit one (1) original unbound proposal marked “original”, nine (9) copies, and one (1) electronic version in PDF format of the proposal no later than 5:00 p.m. on Friday, August 30, 2019. Electronic versions of proposals shall be submitted to lpwwaboard@gmail.com. Proposing firms will be expected to allow adequate time for delivery of their proposals either by package carrier, postal service, or other means, “Water Rate Study Proposal” should be clearly marked on the outside of the packaging, and sealed securely.

Submittals should be directed to LPWWA P.O. Box 631 Durango, CO 81302 and lpwwaboard@gmail.com respectively. The submittal of a proposal shall be taken as evidence that the proposing individual/firm has full knowledge of the scope, nature, quality, and quantity of the project to be performed and the detailed requirements and conditions under which the project is to be performed. This solicitation does not commit LPWWA to award a contract, to pay any cost incurred with the preparation of a proposal, or to procure or contract for services or supplies.

LPWWA reserves the right to accept or reject any or all proposals received in response to this request, to negotiate with any qualified source, or cancel in whole or part this proposal process if it is in the best interest of the Authority to do so. Subsequent to contract negotiations, prospective consultants may be required to submit revisions to their proposals. All proposers should note that any contract pursuant to this solicitation is dependent upon the approval of the LPWWA Board of Directors.

LPWWA reserves the right to waive non-substantial irregularities in any proposal, to request additional information for the purposes of clarification, and to extend the submission due date for: to modify, amend, reissue, or rewrite this document; and to procure any or all services by other means. LPWWA may modify, clarify, or interpret the RFP by sending an addendum to each firm that originally received or requested an RFP. Any such addendum shall become part of the RFP and of any contract awarded. The proposer may make modifications to a proposal already submitted to LPWWA, but must submit a written request to withdraw its proposal in order to make the modifications. It is the responsibility of the proposer to ensure that modified proposals are resubmitted in accordance with the RFP submittal deadline.

A proposer may withdraw its proposal by submitting a written request to withdraw prior to 4:00 p.m. on August 30, 2019, in which event the proposal will be returned to the proposer.

All proposals should include the following background information:

A Letter of Submission shall include the name, address, and telephone number of the person(s) who is authorized to legally represent the firm. Any confidential material contained in the proposal shall be clearly indicated and marked as "Confidential."

Firms must provide a background on its experience in water rate studies; of particular interest, engagements involving communities that have characteristics similar to LPWWA.

- A narrative that presents services the firm would provide detailing the approach, methodology, deliverables, and client meetings to be provided.
- Identification of the personnel to be assigned to this engagement including a résumé of related experience.
- A timeline for preparation and implementation of the Water Rate Study.
- A summary of professional liability, errors and omission insurance coverage the firm maintains.
- A list of public agency references for projects of a similar nature to this project. A description of past projects to include client, location, contact person, contact information (telephone/e-mail address), and a brief summary description of the project.
- Provide the project cost for services in an itemized work format. The project cost for services shall be a “not-to-exceed cost for services.”

General requirements of the selected proposing firm:

- Enter into a contract with LPWWA. (These documents and proposal submittals become part of the contract).
- Maintain insurance coverage for the duration of the contract period.
- Prohibited from assigning or subcontracting the whole or any part of the contract without the prior written consent of LPWWA.
- Shall not hire, discharge, promote, demote, or otherwise discriminate in matters of compensation, terms, conditions, or privileges of employment against any person otherwise qualified solely because of race, creed, sex, national origin, ancestry, physical or mental disability, color, or age.
- Contractor shall be in compliance with the applicable provisions of the Americans with Disabilities Act of 1990 as enacted and from time to time amended and any other applicable federal, state, or local laws and regulations. A signed, written certificate stating compliance with the Americans with Disabilities Act may be requested at any time during the life of this Agreement or any renewal thereof.
- Operate as an independent contractor and will not be considered employee(s) of LPWWA.
- Successful consultant will be paid on actual invoices as work is completed.