

Christian Valley Park Community Service District

Request for Proposal

for

Rate Study 2023

Publish Date: [insert date]

Proposal Due Date: [insert date]

Christian Valley Park, CSD
P.O. Box 6857
Auburn, CA 95604
530-878-8050

I. INTRODUCTION

i) The Christian Valley Park, Community Service District (CVPCSD) is soliciting proposals from qualified firms to conduct a Rate Study to assist in determining how the District funds the administration, operation, maintenance and capital replacement and improvement of its water system. The District is seeking a multi-year plan to align revenue with expenses, including on-going maintenance, repairs, and upgrades to infrastructure. The study will evaluate all current water rates, system revenue generation and full cost recovery. The study will provide recommendations for revenue structures that will comply with all federal, state and local regulations, and will meet all debt-service requirements. The District anticipates submission of a draft Rate Study no later than Insert Date, to be followed by presentations to the Districts' Budget and Finance Committee, the Board of Directors and the public within one to two months. A final report will be prepared based on input received during these presentations.

ii) The District currently outsources the operation, maintenance, and repair of its water treatment plant and water distribution system with a subcontractor, American River Backflow, experienced with this type of system and all State regulatory requirements. The District is seeking Providers with demonstrated expertise and competence in maintenance, operations, and repair of water treatment plant and distribution line facilities similar in nature to the District's facilities

II. GENERAL INFORMATION

i) The District is registered with the SWRCB with water system number CA3110034. The District provides potable water to approximately 1,800 residents through 632 service connections and has been in operation since the early 1960's. The District purchases raw water from the Placer County Water Agency (PCWA) and receives water from the Bowman Feeder Canal. From there, water enters the District's water treatment plant facilities located on Westridge Circle. Treatment consists of flocculation, sedimentation, prechlorination prior to filtration. Two dual media (anthracite and filter sand) pressure filters remove dirt and other organic material. The water is then post-chlorinated and stored in two 750,000 gallon reservoirs. There is a total of 1.5 MG (million gallons) storage capacity. Currently the treatment facility has the capability to treat up to 1.0 MGD (million gallons per day) in the summer months. Potable water is conveyed to homes through a network of transmission pipelines, which were the original lines placed in 1962. There are three pressure zones within the distribution system.

ii) The facilities are currently operating in compliance with the California State Water Resource Control Board – Division of Drinking Water standards.

III. PROJECT SCOPE OF SERVICES

The scope of required services for this project includes:

TASK 100 – PROJECT MANAGEMENT

Consultant shall propose a project schedule that meets or improves upon the timeline provided in this Request for Proposals.

Consultant shall provide overall project management, including contract administration and budget and schedule tracking. Consultant shall provide internal quality control and quality assurance procedures. Consultant shall assume about five meetings with staff, two public meetings (one each with the District Board and Budget & Finance Committee), and one public outreach workshop under the auspices of the District to gather community input.

TASK 200 – REVENUE REQUIREMENTS AND RATE SCHEDULE

Consultant will conduct a detailed review of the District's operating and capital improvement budgets. Consultant will develop recommended alternatives for a 5-year rate schedule beginning with the fiscal year starting **Insert Date / TBD** that promotes financial sustainability and maintains adequate debt coverage and reserve levels. In order to do so, the Consultant shall develop an understanding the existing rate structure and the assumptions underlying cost distribution to the various cost centers (Service Fee and Water Usage Fee), the District's reserve policies and other financial policies, and the District's existing debt-service requirements. In addition to studying relevant District reports and plans, the Consultant will familiarize themselves with the demographics of the District's ratepayers, and undertake field investigations sufficient to provide the appropriate background for making recommendations.

The rate study shall include the following:

- A detailed cost-of-service analysis.
- A determination of current and future revenue needed to provide water and wastewater services in conformance with current and anticipated changes to standards and regulations, and to undertake ongoing repair, maintenance, and upgrades of infrastructure.
- The development of a parameter-driven budgeting spreadsheet that incorporates the District's existing budgeting constructs and allows modeling for periods of up to 10 years, including but not limited to the following parameters:
 - Revenues under existing water usage rates and connection rates
 - Fixed and variable costs (e.g., utilities, chemicals, vehicles, software, consultants, outreach, travel), and includes a template for showing total operating margin, debt payments (interest and principal), and capital projects.
- An assessment of the existing customer service fee structure, identifying potential areas for new service and system charges, and recommendations regarding potential future charges.
- An exploration of various options for changes from the existing rate structure, including possible options in the list below, which may be altered or refined as the rate study develops based on discussions between District staff and the selected Consultant:
 - Tiered volumetric rates, including one model in which the lowest tier is tied to California's standard for per capita indoor water usage
 - Explore the redistribution of revenue between service charges and volumetric charges to reflect the fixed nature of the majority of the District's operational costs, and to make annual revenue more predictable and less tied to consumption, which can be restricted in times of drought
 - Implementing a drought surcharge to replace the current system of revenue stabilization rates, in which the surcharge is placed into a restricted account that the

District can access if consumption drops due to State mandates in response to drought conditions

- Implementing a capital improvement surcharge the proceeds of which are placed into a restricted account the District can use only to pay for capital improvement projects
- Establish cost-of-service for the District's pressure zones that accounts for differences in pumping/utility costs for different pressure zones, and make a recommendation on whether it is practicable and/or equitable to set different rates for zones

- A demonstration that any recommendations on rate structure meet cash-flow objectives.
- Modeling how alternative rate structures would affect residential households as a function of use pattern (e.g., low-use, median use, high use) and economic status. Determine how the District can fund its low income and/or fixed income customers. rate assistance program, given current state regulations, and provide recommendations on how it might be implemented under various rate structures.
- Recommendations for methods of communicating utility costs to ratepayers, assessing the ease of communication associated with each alternative rate structure, including how the layout of the utility bill might be used to identify actual costs of providing water and sewer services under different rate structures.

TASK 300 – FINAL RATE STUDY REPORT

Consultant shall prepare a draft report that provides a detailed analysis of work performed and assumptions made. The report shall provide a clear written analysis of the basis upon which revenue needs were calculated.

Consultant shall incorporate changes pursuant to comments received on the draft report on presentation to the District's Board of Directors. Consultant will present the final report and recommended rates to members of the public at a specific formal public hearing for the rate study.

Final report shall include a budget model spreadsheet and an easy-to-use rate model, preferably in Excel format for use on a Microsoft Windows-based system. Consultant shall provide adequate training for said models.

Consultant shall provide seven (7) hard copies (one wet signature and six copies) and a digital copies of the final report in both Adobe Acrobat (pdf) and Microsoft Word formats.

IV. PROPOSAL REQUIREMENTS

The proposal shall not exceed 13 pages excluding resumes, cover letter, dividers, and front and back covers. Responses to this RFP shall be in the following order and shall include:

1. Executive Summary (1 page maximum)

Summarize the contents of your firm's proposal in a clear and concise manner.

2. Project Description (2 pages maximum)

- i. Explain the objective of the project and how you propose to accomplish the recognized goals.
- ii. Describe the services and deliverables to be provided.
- iii. Include a statement on what makes your firm uniquely qualified.

3. Identification of Prime Consultant Firm and Subconsultants (2 pages maximum)

- i. Legal name and address of the firm.
- ii. Legal form of firm (e.g., partnership, corporation).
- iii. If firm is wholly owned subsidiary of a "parent company," identify the "parent company."
- iv. Name, title, address, email, and telephone number of person to contact concerning the Proposal.
- v. Number of staff and the discipline/job title of each.
- vi. If any Subconsultants are used, provide information for items i.-v. above for each.

4. Project Organization and Experience of the Project Team (3 pages maximum, not including resumes)

- i. Describe proposed project organization, including identification and responsibilities of key personnel, including subconsultants. Attach resumes of key personnel (maximum one page each).
- ii. Describe the experience of the Project Manager and the experience that the proposed personnel have working on past projects as a team.
- iii. Describe project management approach to the work effort, locations where work will be done, responsibilities for coordination with the District, and lines of communication necessary to maintain schedule.
- iv. Describe a proposed schedule showing all facets of work that will meet the District’s objectives and goals in a timely manner. Provide a proposed timeline (Gantt chart) for completion of tasks and subtasks.
- v. Describe the firm’s capacity to perform the work within the time limitations, considering the firm’s current and planned workload and workforce.

5. Consultant’s Past Experience (2 pages maximum)

- i. Describe the firm’s past experience and performance on similar projects.
- ii. Describe the firm’s experience with water systems in the Sierra Foothills of California and/or any other system in California and/or water systems that resemble the District’s demographics and size.

6. Proposed Total Professional Fee and Fee Schedules

- i. Proposed fee shall be organized with appropriate breakdown into subtasks.
- ii. Include the hourly rate of all staff that will be charged directly to the project.
- iii. Proposed fee shall not be the sole basis of award, but will be used to evaluate the Consultant’s understanding of the Scope of Work.

7. Exceptions to this RFP

The Consultant shall certify that it has fully read the RFP and takes no exceptions to this RFP including, but not limited to, the Consultant Services Agreement (attached). If the Consultant does take exception to any portion of the RFP, the specific portion(s) of the RFP to which exception is taken shall be identified and explained.

V. EVALUATION CRITERIA

The evaluation criteria and the respective weights that will be given to each criterion are as follows:

1. Executive Summary	5%
2. Project Description	25%
3. Identification of Prime Consultant Firm and Subconsultants	10%
4. Project Organization and Experience of the Project Team	30%
5. Consultant’s Past Experience	20%
6. Proposed Total Professional Fee and Fee Schedules	10%

VI. SELECTION PROCESS

The District intends to interview the two top-ranked firms.

The District will enter into negotiations with the selected firm. At this time, the District contemplates the use of a Time and Material Not to Exceed contract for the services requested. Negotiations will cover: scope of work,

contract terms and conditions, office arrangements, meeting requirements, proposed schedule, and appropriateness of the proposed fee.

The District will require a professional liability insurance verification for coverage of not less than \$1,000,000.00.

After negotiating a proposed agreement that is fair and reasonable, the District Manager will execute the contract with authorization from the District's Board.

VII. SELECTION SCHEDULE

The District anticipates that the process for selection of firm and awarding of the contract will be according to the following tentative schedule:

Proposal Due Date TBD

Interviews and Negotiation with Selected Firm TBD
Board of Directors Approval (Insert Date)

Final Selection and Notification (Insert Date)

VIII. SUBMITTAL REQUIREMENTS

1. Questions regarding this RFP shall be submitted in writing to Don Elias (don@christianvalley.org).
2. The response Proposal must be received no later than **6:00 p.m.** local time, on or before **(Insert Date)**
3. Please send Proposal via email to Don Elias (don@christianvalley.org) with the subject line "RFP for Christian Valley Park, CSD – 2023 Rate Study".
4. The Proposal should be delivered in a format fully compatible with either Adobe Acrobat (pdf) or Microsoft Word.

Failure to comply with the requirements of this RFP may result in disqualification.