

Coos Bay/North Bend Water Board

Request for Proposal

Water Rate and System Development Charges Study

Proposal Due: July 22, 2024

**COOS BAY/NORTH BEND WATER BOARD
2305 OCEAN BOULEVARD
P.O. BOX 539
COOS BAY, OREGON 97420**

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COOS BAY/NORTH BEND WATER BOARD

REQUEST FOR PROPOSALS

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The Coos Bay/North Bend Water Board (Water Board) is soliciting proposals from qualified professional firms for Water Rates and System Development Charge Study.

The objective of this study is to develop water rates, and system development charges that reflect current operational costs, provide sufficient revenue to continue the safe and reliable operation of the water system, and provide Capital Improvement Program funding.

Sealed proposals, (include three (3) copies), will be accepted by Monica Kemper, Finance Director, Coos Bay/North Bend Water Board, P.O. Box 539, 2305 Ocean Boulevard, Coos Bay, Oregon 97420 until 5:00 p.m. PST on July 22,2024; and the sealed envelope must be clearly marked on the outside with the wording “Proposal for Water Rates, and System Development Charges Services”.

Proposals may be rejected for not complying with all prescribed public procurement procedures and requirements; and any or all bids or proposals may be rejected for good cause upon finding that it is in the public interest to do so.

Any inquiries regarding this request for proposals should be directed to:

Monica Kemper, Finance Director
Coos Bay/North Bend Water Board
P.O. Box 539
Coos Bay, Oregon 97420
Phone: (541) 267-3128 ext. 225
Fax: (541) 269-5370
e-mail: monica_kemper@cbnbh2o.com

COOS BAY/NORTH BEND WATER BOARD

Water Rates, and System Development Charges Studies SCOPE OF WORK

I. INTRODUCTION

The Water Board is soliciting proposals from qualified professional firms to evaluate the existing water rates, and system development charges. The study is to ensure that existing rates and charges are equitable between customer classes and derived through accepted ratemaking procedures.

II. BACKGROUND INFORMATION

The Water Board provides water service to a population of approximately 36,000 individuals through 13,862 metered water service accounts. All accounts are billed monthly utilizing a uniform rate structure for metered accounts. The Water Board is jointly owned by the City of Coos Bay and North Bend. An appointed Board of Directors consisting of two members from each city, governs the Board. Water is supplied from two surface water reservoir systems and a ground water system. Average daily demand is 3.5 million gallons of water per day (mgd) from the surface water system and 0.5 million gallons of water per day (mgd) from the groundwater system.

III. OBJECTIVES

The professional services provided shall meet the following general objectives:

1. Develop water rates, and system development charges that reflect current operational costs, provides sufficient revenue to continue the safe and reliable operation of the water system, and provide Capital Improvement Program funding that meets present and future financial obligations.
2. Complete the water rates, and system development charges study by November 22, 2024, to be presented to the Board of Directors on December 5, 2024.

Task #1

Data Review and assessment

Conduct project “kick-off” meeting to establish responsibilities, lines of communication and a schedule for project completion. The schedule should include benchmark dates for the tasks. Provide the Water Board with a data request list to conduct the financial and rate and charges analysis. Review the Water Board’s policies, practices, procedures, accounting methods and data reporting capabilities. Review and assess the data and identify areas or omissions that may impact the accuracy of the study.

Task #2

System Development Charges

Review current System Development Charge policy and procedures for compliance with applicable state rules or law. Review current charges for correctness. Calculate updated charges based on current information.

Task #3

Revenue Requirements – Needs Assessment

Review the Water Board’s O&M and CIP cost estimates and determine revenue requirements. Conduct a meeting with Water Board’s Staff to assess the financial viability of these estimates. Revenue requirements will include all O&M costs, annual capital improvement costs that are not supported by SDC’s, debt service costs and any other costs applicable to a publicly owned utility under the Oregon Enterprise Fund laws.

Task #4

Cost of Service Study

Prepare a Cost of Service Study that allocates all components of the Water Board's Water expenditures and revenues, based on actual user classes. Review and develop appropriate outside of city rates for service including current outside of city surcharge.

Task #5

Rate Structure Design

Utilizing the required revenues developed in Task #4 and the cost allocation factors developed in Task #3, develop a recommended rate structure and alternative that will guaranty funding availability to operate, maintain and improve the Water Board's systems until 2055.

Task #6

Presentations

The selected consultant will make one formal presentation of the study results to the Water Board of Directors.

Prepare eight (8) copies of a draft report for the Water Board review. After approximately two weeks of receiving Water Board comments on the draft report, the selected consultant will prepare and deliver 8 paper copies and one digital copy of the final report along with a copy of the rate model and five copies of the user manual.

IV. SELECTION PROCEDURES AND SCHEDULE

A selection committee will review the proposals and select the firm that best meets the Water Board's needs. All references submitted may be checked and the results reported to the selection committee. All consultants responding to this RFP will be notified of the results and decision of the selection process.

INDIVIDUAL MEETING. Each consulting firm interested in proposing may request an individual meeting with the Water Board's staff to discuss specific information. This meeting must be scheduled with the Water Board's Finance Director, Monica Kemper, 541-267-3128 ext. 225 or monica_kemper@cbnh2o.com.

V. PROPOSAL FORMAT

The proposal shall be submitted as follows and contain all information in the format designated.

Submit **five (5)** copies of the complete proposal in spiral binding (if possible) and one (1) copy in digital format as well.

The Water Board requests that all proposals are in the following specific format.

Limit the proposal to **fifteen (15) pages**, excluding the Table of Contents and resumes. The transmittal/cover letter is included in the count and shall be limited to two (2) pages. Resume information shall be attached in Appendix A and shall be in alphabetical order. The Scope of Work shall be attached in Appendix B. Do not include pre-printed information, as it will not be evaluated in the selection process. Firms submitting more than the specified number of pages may be considered non-responsive. Lack of response to any of the criteria may constitute a non-responsive proposal.

The proposal shall be printed on 8½” x 11” paper only. No pages shall be larger than 8½” x 11”. Double-sided sheets shall count as two (2) pages. All pages (except the cover letter, Table of Contents, and the Appendices) shall be numbered. Color is discouraged as the proposals may be copied in black and white for distribution to others. The proposal cover shall be written on the letterhead of the proposing company without color or graphics except as normally used in company letters. All text shall be in Times New Roman font, no smaller than 11 point, single-spaced. The proposal should be printed on recyclable paper if possible.

PROPOSAL CONTENTS. Each proposal shall be in the format noted above and follow the organization noted below.

Cover Letter: The cover letter shall outline the commitment of the firm to perform the work and be signed by the principal of the firm as well as the project manager.

Table of Contents

Section 1. Firm Background and list of Subconsultants: The description of lead firm shall be BRIEF. A listing of each subconsultant that will be involved shall be provided and the type of work that the subconsultant will perform shall be designated. The working relationship between all the firms shall be discussed.

Section 2. Understanding of Work: The consultant’s understanding of the work shall be discussed.

Section 3. Project Team: The names and resumes shall be submitted for each key member of the project team. The project team organization shall be shown on a chart/figure, which also indicates the consultant’s contact person who will report to the City and to whom all correspondence will be sent. The chart will show who is responsible for each task outlined in the work plan. The percent availability of each individual to work on the project shall be specified. It is expected that those individuals included in the project team as part of the proposal will stay assigned to the project throughout the project as long as they remain with firm(s) involved. If the individuals leave the firm(s), the Water Board will be provided notification well in advance and will be involved in the selection of a replacement.

Section 4. Related Experience: The proposal shall contain a listing of at least three (3) similar projects that were completed by the team members. Designate the members of the team that have worked on each of the projects. Provide the name and telephone number of a contact person for each of the referenced projects.

Section 5. Project Approach: The project approach shall outline any unique ideas the consultant team has to accomplish the work.

Section 6. Cost and Schedule. The proposal shall include a summary of proposed fees and expenses for the tasks. Include a proposed “not to exceed” cost limit for each of the separate tasks. The costs and fees shall be based on the proposed Scope of Work included in Appendix B. Include a tabulation of hourly rates and expenses to be used on this project. A chart/figure depicting the proposed schedule to complete the work shall be provided divided into the individual tasks identified by the consultant.

Appendix A. Resumes. An alphabetical listing of all individuals proposed for the project shall be included.

Appendix B. Scope of Work. A detailed Scope of Work to complete the work shall be provided as the basis to begin negotiations. The Cost provided in Section V. shall be based on this Scope of Work.

VI. INTERVIEW

The top three successful firms may be required to present oral presentations to a selection committee.

VII. DELIVERY OF PROPOSAL

Sealed proposals, including five (5) copies of the complete proposal in spiral binding (if possible) and one (1) copy in digital format, will be accepted by Monica Kemper, Finance Director, Coos Bay/North Bend Water Board, P.O. Box 539, 2305 Ocean Boulevard, Coos Bay, Oregon 97420 until 5:00 p.m. PST on July 22, 2024; and the sealed envelope must be clearly marked on the outside with the wording “Proposal for Rates and Charges Study Services”.

Firms mailing their proposals should allow mail delivery time to ensure timely receipt of their material. Postmarks will not qualify as timely receipt of the proposal. Faxed copies will not be accepted. All proposals become the property of the Water Board and will not be returned.

Proposals received after the deadline for receipt will not be considered and will be returned to the sender unopened.

VIII. VENDOR INSURANCE AND IDEMNIFICATION

The consultant will, at its expense, obtain and maintain during the period of their contract with the Board, in a form and with companies satisfactory to Board, the following insurance coverage:

1. Workers' Compensation insurance to meet fully the requirements of Oregon Workers' Compensation laws applicable in connection with the death, disability or injury of Auditor's officers, agents, servants or employees arising directly or indirectly out of the performance of this contract, with a waiver of subrogation in favor of Board, the City of Coos Bay and the City of North Bend;
2. Commercial General Liability Insurance with a combined single limit of not less than One Million Dollars (\$1,000,000) per occurrence and an aggregate limit of Two Million Dollars (\$2,000,000) for injury to or death of persons and damage to or loss or destruction of property. In addition, said policies shall be endorsed to name the Board, the City of Coos Bay and the City of North Bend and their divisions, directors, officers and employees as additional insured's and shall include a severability of interests provision and shall include a waiver of subrogation in favor of the City of Coos Bay, the City of North Bend and the Board;
3. Commercial Auto Liability Insurance or Hired and Non-owned Auto Liability insurance with a combined single limit of not less than One Million Dollars (\$1,000,000) each occurrence for injury to or death of persons and damage to or loss or destruction of property. Said policy or policies shall be endorsed to name the Board, and its divisions, directors, officers and employees as additional insured's and shall include a severability of interests provision and shall include a waiver of subrogation in favor of the City of Coos Bay, the City of North Bend and the Board;
4. Professional Liability Insurance, including errors and omissions coverage, with limits of not less than \$1,000,000.00 per occurrence and \$1,000,000.00 policy aggregate.

5. If consultant's policies lapse or are canceled at any time during the term of the contract with the Board, Board shall have the right to immediately terminate all of consultant's activities until such insurance requirements have been fully satisfied by consultant.
6. Consultant shall furnish certificates of insurance to the Board c/o General Manager Ivan D. Thomas, certifying the existence of such insurance. Each insurance policy required by Section 3 and 4 shall be endorsed to state that coverage shall not be suspended, voided, canceled, reduced in coverage or limits or not renewed without thirty (30) days advance written notice to the Board.

With respect to the insurance required by paragraphs 2, 3, and 4, consultant agrees to waive all rights of subrogation in favor of the Board and each additional insured as identified herein, and all such insurance shall be primary and without right of contribution from any insurance maintained by the Board.

The Board reserves the right to review, investigate and reject insurance companies proposed to be used by consultant if they are determined inadequate to provide the necessary coverages as herein specified. All insurance required herein to be purchased and maintained by consultant shall be obtained from an insurance company licensed or authorized in the State of Oregon to issue the insurance policies for the limits and coverages required herein.

The insurance coverage required herein shall in no way limit the consultant's liability under its contract with the Board.

IX. IDEMNIFICATION

Certify that the firm selected shall indemnify, defend, save and hold harmless the Indemnified Parties (defined below) from and against any and all liability, demands, claims, losses, costs (including but not limited to reasonable outside attorneys' fees (collectively, "Claims") and, in the case of item (b) below, royalty payments) and expenses arising from or in connection with:

1. claims for personal injury (including death) and/or property loss or damage to a third party occurring or arising in any manner out of or in connection with:
 - (a) the Contractor's negligence in the performance of the Work,
 - (b) the breach of this Contract by Contractor, or
 - (c) any negligent act or omission or the willful misconduct of Contractor, its directors, officers, agents or employees, or the negligent presence of Contractor, its directors, its officers, agents or employees upon or about the property, premises or right-of-way of the Board, arising directly or indirectly out of or in connection with the negligent performance by Contractor of any of its obligations, operations or activities under this Contract, including, but not limited to any claims for injury to persons or property, nuisance, environmental damage, provided, however, that if, under the law applicable to enforcement of this Contract, an agreement to indemnify against the indemnitee's own negligence is invalid, then in that event Contractor's obligation to indemnify the Board under this section shall be reduced in proportion to the negligence of the Board, if any, which proximately contributed to such injury, death, loss or damage;
2. any claim of infringement of patent rights arising from the use of any of the articles,

materials, equipment, or designs furnished in connection with the Work or named in this Agreement except with respect to internet-based executions

3. workers' compensation and unemployment taxes, and any related fines and penalties related to consultant's employees or subcontractors retained by consultant to provide any work hereunder;

4. any claims, fines, penalties or other charge or loss arising from any alleged violation of any statute, code, or ordinance or regulation of the United States or of any state, county or municipal government that results in whole or in part, directly or indirectly, from the activities of consultant's officers, agents, employees or subcontractors related in any way to this Agreement except to the extent that such liabilities arise from a breach of the Board's representations and warranties at Section 8.2 below, or from any act or omission of consultant, its officers, agents, employees or subcontractors contributing to such violation and, except as such arises out of materials or information provided by the Board that are in breach of the Board's representations and warranties at Section 8.2 below, regardless of whether such activities, acts or omissions are intentional or negligent, and regardless of any specification by the Board without actual knowledge that it might violate any such statute, code, ordinance or regulation (these laws, ordinances and regulations, include, without limitation, all laws, ordinances and regulations relating to air, water, noise, solid waste and other forms of environmental protection, contamination or pollution, as well as all laws, ordinances and regulations relating to discrimination on the basis of disability).

As used in the above paragraph, the terms "Indemnified Parties" and "Indemnified Party" shall mean and include, collectively and singularly, (i) The City of Coos Bay, The City of North Bend and the Coos Bay - North Bend Water Board, (ii) any direct or indirect subsidiary of the Cities or the Board, (iii) any officer, director, Commissioner, employee, shareholder or agent of the Cities or the Board or of any of their direct or indirect subsidiaries and their divisions, directors, officers and employees.

Consultant further agrees to defend at its own expense any actions or proceeding brought against the City of Coos Bay, the City of North Bend or the Board, or their officers, agents, servants, and employees, or any of them, based on an indemnification obligation of Consultant set forth above and to pay all expenses to satisfy all judgments which may be rendered against them or any of them in connection therewith, except that Contractor shall not be liable under this clause only if said liability of consultant shall arise by reason of the negligence of the Cities or the Board or any of their respective officers, agents, servants, or employees.

Coos Bay/North Bend Water Board

SELECTION CRITERIA

Evaluation Criteria

Your proposal will be evaluated on the likelihood of meeting the Water Board's objectives. The evaluation will be based on the technical and administrative capabilities in relation to the needs of the project/task. The following criteria (as marked) are those that will be applied in the evaluation of your proposal.

Technical Approach

Max. Points: 45 Grade _____

The proposal will be evaluated to assess the offer's approach to accomplish the objectives set forth in the Statement of Work/Scope. The offer shall focus on the methodologies it proposes to accomplish the stated objectives with descriptions of types of data, data sources, data gathering, and processing procedures to be used in the project. The offeror shall also provide a definitive schedule outlining the specific time for each objective to be completed.

Recent Experience & Reputation

Max. Points: 45 Grade _____

Recent experience in special areas associated with the project and specifically in projects comparable to the proposed project. Quality of projects previously undertaken. Reputation for personal and professional integrity and competence.

Cost

Max. Points: 10 Grade _____

Based on the Lowest Cost Proposal.

TOTAL GRADE _____