

Public Notice

Request for Proposals (RFP)

The City of Florence, located in Fremont County, Colorado, Invites Proposals for a Comprehensive Cost of Service and Rate Study of Water Funds

The City of Florence in the State of Colorado is requesting proposals from qualified consultants to conduct a comprehensive cost of service and rate study of the City's water funds.

Proposal packages may be obtained by emailing your request to the City Clerk, Dena Lozano (dlozano@florencecolorado.org).

Interested parties shall submit (5) hard copies and (1) electronic copy of their proposal. Proposals must be received at the City by 4:30 p.m. local time on January 7, 2018.

Any proposals received after this time and date will not be accepted and will be returned to the sender/consultant unopened.

All correspondence shall be in writing and directed to:

Dena Lozano, City Clerk
City of Florence
600 West 3rd Street
Florence, CO 81226
dlozano@florencecolorado.org

Notice
Request for Proposals

WATER RATE STUDY

The City of Florence (hereafter the City) requests proposals from qualified consultants to conduct a comprehensive independent evaluation of the fees and charges of the City's water fund, prepare a written report summarizing alternatives and recommendations, and publicly present such recommendations. We propose the majority of the work for the rate study take place in the February/March timeframe and the presentation of recommendations take place in May 2019. The broad objective of the study is to adequately fund water operations, foreseeable capital costs and debt service with revenue that is derived in an equitable and justifiable manner from new and existing customers.

The scope of work for this project will include the following:

- Independently review financial projection prepared by the City Staff.
- Compare system costs against appropriate benchmark data.
- Recommend one or more alternatives for baseline rate structures to fund operations, capital and debt services and consider annual inflationary adjustments to rates needed.
- Prepare a written report summarizing alternatives and recommendations.
- Present such alternatives and recommendation to the City Council during a public work session or regular meeting.

At minimum, the report resulting from the study should address the following components

- Assessment of the equity of recommended rates for all types of customers, including residential single family, accessory dwelling units, residential multi-family, and commercial.
- Assessment of the impact of the recommended rate structure on responsible water usage and conservation.
- Assessment of potential areas for a service and system charges that are not currently part of the rate structure.
- Recommended methods for communicating utility costs, including utility bill layout and how it might be used to identify actual costs of providing water services under recommended rate structures.
- Recommended operating fund reserve targets.

Required Content of the Proposal

The proposals should contain the following information in the general order listed, and should not exceed 15 pages in length (resume information on personnel may be included in an appendix and will not count towards the 15 page limit):

1. Introductory letter.
2. A description of the project team and the qualifications of the firm to complete this project. Clearly identify the key personnel providing the principal work effort for the project.

3. A discussion describing the consultants understanding and approach to the project objectives and goals.
4. A work plan for accomplishing the project, including descriptions of the tasks to be performed and a summary of the deliverables to be provided to the City.
5. A proposed schedule for completing the required tasks.
6. A summary spreadsheet of the amount of time to be spent on each task identified in the scope of work and the classification of personnel to be used. Identify any special services to be provided by resources outside the firm.
7. A fee proposal estimating all cost to complete the study. Include the hourly rates charged for individuals identified on the project team and a summary of all additional reimbursable expenses to be paid by the city.
8. Information about other work performed by the consultant on projects similar to this project and at least five references from the clients with whom the consultant has performed similar services.

Background

The City of Florence, located in south-central Colorado, has a population of approximately 3,914 and an estimated population in the service area of 5,000 outside users.

Evaluation Process

The City may request additional information to further clarify, explain or validate the contents of any proposal. All supplemental information must be submitted to the City in writing within three working days of the City's request.

The evaluation of proposals shall be based on the following evaluation criteria. The selection committee assigned to evaluate the proposals with use of a numeric scoring sheet.

1. Experience and qualifications of team members.
2. Demonstrated understanding of the project, methodology, scope of work, and plan for delivering desired end product.
3. Plan for managing the project.
4. References
5. Cost of service

Formation of an Agreement with the Consultant for the Selected Proposal

After selecting the preferred proposal, the City may conduct additional negotiations with the consultant to arrive at the best final offer. When both parties are in agreement, a contract will be awarded.

Rejection of Submissions:

The City reserves the right to reject any or all proposals, to waive informalities and irregularities in the proposals received, and accept any portion of any proposal if deemed in the best interest of the City. Non-acceptance of a proposal will mean that one or more of the

other proposals were deemed more advantageous to the City or that all proposals were rejected. The consultant whose proposal was not accepted will be notified after a binding contractual agreement between the City and the selected consultant is executed, or when the City rejects all proposals.

The City of Florence will not be liable for any cost which the consultant may incur in the preparation of their proposals.

Contact for this Proposal

Questions about this proposal should be directed to City Clerk, Dena Lozano who can be reached at 719-784-4848 extension 224 or dlozano@florencecolorado.org.