

NOTICE REQUEST FOR PROPOSALS

WATER AND WASTEWATER RATE STUDY

The City of Salida (hereafter the City) requests proposals from qualified consultants to conduct a comprehensive independent evaluation of the fees and charges of the City's Water and Wastewater Enterprise Fund, prepare a written report summarizing alternatives and recommendations, and publicly present such recommendations.

The broad objective of the study is to adequately fund water and wastewater 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 projections prepared by City staff.
- Compare system costs against appropriate benchmark data.
- Recommend one or more alternatives for baseline rate structures to fund operations, capital and debt service and consider annual inflationary adjustments to rates needed.
- Prepare a written report summarizing alternatives and recommendations.
- Present such alternatives and recommendations to the City Council during a public work session or regular meeting.

At a 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, commercial, irrigation only and second homeowners.
- Assessment of the impact of the recommended rate structure on responsible water usage and conservation.
- Assessment of potential areas for 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 and wastewater services under recommended rate structures.
- Recommended operating fund reserve targets.

Background

The City of Salida, located in south-central Colorado, has a population of approximately 5,300. The City provides utility services to approximately 2,700 water customers and 3,100 wastewater customers. The service area for wastewater customers includes both the City of Salida and the Town of Poncha Springs.

The following reports and studies are available for reference in conducting the new rate study.

- Water Rate Study, March 2011
- Water System Capital Improvement Report, May 2011
- Wastewater Rate Study, May 2009
- 2008 Water Conservation Plan

Proposals

Proposals will be received until 4:00 p.m. on February 19, 2014 at City Hall, 448 E. 1st Street, Suite 112, Salida, CO 81201. The City reserves the right to reject all proposals, or to reject any proposal in part or in whole, and to award the proposal to the most responsive and responsible firm as deemed in the best interest of the City. Further, the right is reserved to waive any formalities or informalities contained in this proposal.

At a minimum, proposals should include the following:

1. Name, address, phone, email and website address of firm and primary contact for this project.
2. Description of your approach to this project and any special techniques or suggestions to make the project effective.
3. Describe the experience and qualifications of the firm and individuals who would be assigned to this project.
4. Provide at least three client references for similar projects (Entity, contact name, phone and email address)
5. Provide a budget with sufficient detail to understand costs associated with each major area of work and describe any alternative approaches that would change the total costs.

Evaluation Process

Prior to awarding a services contract, staff will evaluate the proposals and consider the qualifications of potential service providers by reviewing the substance, appropriateness and quality of the proposal and checking references from other clients. The total cost of the proposals is a significant consideration but not the only factor in awarding the contract.

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.

Contact for this Proposal

Questions about this proposal should be directed to Jan Schmidt, Finance and Administrative Services Director, who can be reached at 719-530-2623 or jan.schmidt@cityofsalida.com