



CITY OF BISHOP

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www.ca-bishop.us/CityofBishopPublicWorks.htm

Request For Proposals

2008 Water and Sewer Rate Study

Release: 1 May 2008

Closes: 1 June 2008

Contact: David Grah, Director of Public Works

General: The City of Bishop requests proposals from consultants to conduct a review of water and sewer rates. The primary objectives of the study are to determine if a rate adjustment is warranted and to explore inflation basis for future rate increases.

Background: The City of Bishop is a general law city that has a permanent population of about 3,500. Bishop is located in a remote rural part of the State of California. The City's economic base is mostly recreation and government.

The City of Bishop has owned and operated the water and sewer system for city residents since about 1903, the year the city was founded. Through these systems and related administrative and financial processes, the city intends to provide water and sewer services responsibly and economically as possible today and into the future. Water and sewer rates in the City of Bishop are "flat rate" and based on Single Family Residential Unit Equivalencies (SFRUE). Although Bishop has a flat rate system, there are about 50 meters, installed on both residential and commercial accounts, but the meter information is not used for billing or rates. There are currently billings for about 3,300 SFRUE's.

A "Water and Sewer Service Charges Study" was done in 2003 by Boyle Engineering in response to financial concerns with both the water and sewer funds at that time (<http://www.ca-bishop.us/PublicWorks/2003BoyleRateStudy.pdf>). Based on that study and based on comments received, a series of four rate increases was put in place starting 1 July 2004 and ending 1 July 2007. A provision of the rate increase series was that "In 2008 the [Public Works] department will provide a comprehensive [water and sewer rate] review including

engineering, capital improvement program and progress toward meeting capital funding programs." This Request For Proposals (RFP) is to provide this required rate review.

The City of Bishop has just completed master plans for its water and sewer systems (<http://www.ca-bishop.us/Misc/WaterMasterPlan2008.pdf> and <http://www.ca-bishop.us/Misc/SewerMasterPlan2008ForWeb.pdf>). The master plan process identified current deficiencies, identified alternatives to address these efficiencies, and suggested capital improvement to address the deficiencies. In addition, in late 2007 the Rural Community Assistance Corporation (RCAC) performed a limited financial review of Bishop's water and sewer programs (<http://www.ca-bishop.us/PublicWorks/RCACStudy.pdf>). Other data, including financial statements, is available for the consultant's use for this study.

For the purposes of this study it should be assumed that the existing SFRUE flat rate system continues. A rough budget of \$20,000 has been established for the consultant work on this project.

General Scope of Work:

1. Represent city on the subject of the rate study at public meetings and hearings including Water and Sewer Commission and Bishop City Council meetings. Present the study at these meetings. At least two meetings should be included in proposal.
2. Research, gather, and review existing information including revenues and liabilities.
3. Use about a 10 fiscal year time horizon. City of Bishop fiscal years are July to June.
4. Summarize existing City of Bishop rate structure.
5. Present rates structures and rates for comparable agencies.
6. Develop assumptions for levels of outside grant funding through time.
7. Present two options to automatically escalate rates for inflation.
8. Review cost estimates presented in master plans for capital projects and suggest adjustments as necessary.
9. Obtain City of Bishop business license (about \$50).
10. Follow generally accepted industry practices for cost-of-service studies guidelines such as those suggested in American Water Works Association

publication "Avoiding Rate Shock: Making the Case for Water Rates" and presented in the State Water Resources Control Board Division of Clean Water Programs Revenue Program Guidelines (March 1998 Revision).

11. Present study in the report form.
12. Allow for two review and revisions cycles including report outline and draft report.
13. Provide report in both paper and electronic formats including editable files.

Proposal: A qualifying proposal must include:

1. Brief description of firm, contact person, address, telephone number, and e-mail address.
2. Description of approach to work, of report, and how proposed scope compares to general scope of work described in this RFP.
3. Resumes of staff involved.
4. Examples including projects, dates, and scope of similar work, especially on similar projects for small agencies.
5. Three references.
6. Proposed work schedule.
7. Estimate of cost.

Proposals must be received no later than 1500 (3 pm) on the closing date for this Request for Proposals. Send proposals to:

David Grah
Director of Public Works
City of Bishop
377 West Line Street
Bishop, California 93514
publicworks@ca-bishop.us

Proposals shall be submitted either in a sealed envelope (3 paper copies and 1 electronic copy) or by email which is clearly marked with the title of the Request for Proposal.

Selection Process: The consultant will be selected based on the experience and ability of the firm and staff to accomplish the scope of work, based on the proposal, and considering the effective use of City funds. The City is particularly

interested in receiving proposals from female, minority, and locally-owned small businesses. Each firm will be rated using the following criteria and rating schedule.

Evaluation Criteria	Possible Rating Points
Experience with similar work for small municipalities.	20
Quality of proposed products.	20
Able to deliver product cost effectively and in a timely way.	20
High level of technical expertise and able to dedicate qualified staff to effort.	20
Able to maintain excellent client service over life of project.	20
Total	100

The City reserves the right to reject any or all proposals. The City will attempt to negotiate a contract with the highest rated firm. Interviews, perhaps by telephone, are anticipated about 3 weeks after the RFP close. The highest rated firm is expected to be identified about a week after than followed by contract negotiations and contract approval by the Bishop City Council at one of its regular meetings that are twice a month.