

**REQUEST FOR PROPOSAL**

**FOR**

**FLORIDA COMMUNITY SERVICES CORP OF WALTON COUNTY  
SANTA ROSA BEACH, FLORIDA**

**WATER AND WASTEWATER RATE STUDY**

# Regional Utilities



**operated by**

**Florida Community Services Corp of Walton County**

**Return Date and Time:  
September 10, 2019~4:00 P.M. CST**

**Issued:  
August 12, 2019**

## **REQUEST FOR PROPOSAL**

### **FLORIDA COMMUNITY SERVICES CORP OF WALTON COUNTY Water and Wastewater Rate Study**

**Florida Community Services Corp. of Walton County (d/b/a Regional Utilities and here after referred to as “FCSC” or “Company”) is requesting proposals from a qualified consultant to conduct a comprehensive water and wastewater rate review study. This study should independently assess and evaluate FCSC’s existing rates and provide recommendations for funding of the water and wastewater utility operations, capital costs and bonded debt while minimizing rates.**

**The study will be based on a comprehensive review of FCSC’s water and sewer fund budgets, Master Plan, current usage reports, future planned growth, fixed assets and any other information deemed necessary.**

#### **GENERAL INFORMATION**

**FCSC operates the water and wastewater utilities in a franchised area south of the Choctawhatchee Bay and extending from the southwest portion of Walton County beginning in Sandestin, Florida and extending east to the Inlet Beach area. The utility currently services approximately 23,000 water equivalent residential connections and 30,000 wastewater equivalent residential connections. The utility continues to grow at a rate of greater than 5% per year.**

**All requirements set forth in this RFP shall be incorporated into the contract between FCSC and the selected firm, unless otherwise specified in the contract. Additional provisions may be included in the contractual agreement that incorporates the selected consultant’s proposal, general services and other pertinent requirements and details.**

**The selected consultant must be willing to enter into a written agreement with FCSC.**

#### **SCOPE OF WORK**

##### **A. Objectives**

- 1. Provide a comparison of current water and wastewater costs against appropriate industry benchmarks.**
- 2. Provide a review of current rate structure in regards to debt service, operations and maintenance funding, renewal and**

extension funding and capital project funding and make recommendations, as needed.

3. Provide review of future funding with regard to current master plan.

### **B. Study Requirements**

The study is to be performed in conformance with the following policy directions:

1. The review of the rate structure shall be based on cost of service and shall be sufficient to meet the short and long-term revenue requirements of FCSC's water and wastewater funding.
2. The review shall consider and make provisions for the following factors:
  - Current and future cost of producing and distributing water.
  - Current and future cost of wastewater collection, transmission and disposal.
  - Current and future standards and regulations for water and wastewater services.
  - Projected demands.
  - Connection/capacity impact fees for new customers.
  - Availability of supply (seasonal fluctuations and long-term availability).
  - Funding requirement for all current long-term liabilities and debt obligations (bonds and loans).
  - Impact of current and future environmental regulations.
  - Other impacts as identified.
3. Any recommendations shall provide direct identification of revenues appropriated to major funded activities and infrastructure.
4. Any recommendations shall be consistent with industry practice for utility rates in Florida.
5. The benefits of any proposed modifications shall be weighed against the financial impacts of ratepayers.
6. Any recommendations shall result in no decrease in stability of the revenue stream of the Utility Fund, as compared to the current structure. Consideration should be given to funding past and future depreciation (replacement of facilities).

7. Any recommendations shall be easy to administer and understand.
8. FCSC's automated billing system must be able to handle any proposed rate structure.
9. Any recommendations shall be planned for at least five (5) years.
10. The study shall include a comparison for other Florida utilities with similar size and demographics.

### **C. Study Elements**

In making its rate structure recommendations, the final report shall explicitly include the following elements and analysis:

1. **Current Rate Structure:** Assess the current rate structure's performance as a baseline for comparing recommended changes.
2. **Equity:** Assess the equity of recommended rates for all types of property ownership.
3. **Conservation Impacts:** Assess the interaction between the water conservation elements of the recommended rate structure and their impacts on the ability to fund water operations, as well as their impact on the economic well-being of the community.
4. **Sensitivity Analysis:** Assess the ability of the revenue stream generated by the recommended rate structures to continue to fully fund system costs and other costs under the impacts of future water quality and environmental regulation and standards. Assessment is to include a sensitivity analysis where the long-term revenue generated under each alternative, as well as the current rate structure, shall be illustrated when confronted with the impacts of growth, drought, mandated requirements under current and upcoming federal and state programs, and major water quality improvements.
5. **Other Service Charges:** Assess existing customer service fee structure and identify other potential areas for service and system charges. Include shut-down activities, plan reviews, water service shut-offs, deposits, vandalism charges, hydrant fees, call back fee, water-theft charges, and any impact fees.

Please recommend changes. Assessment is to note any resulting increase in liability the Company may incur as result of assessing the fees.

6. **Comprehensive Summary and Recommended Rate Structure(s).** Assess performance of each recommended rate structure against current rate structure performance as baseline and provide recommendation on preferred rate structure.
7. **Supporting Data.** Provide data supporting conclusions and observations made for each of the areas above and site within study.

**D. Consultant Services.**

1. Conduct a detailed review of the existing rates and status of the Utilities Fund and develop a general familiarity with the FCSC billing system.
2. Meet or confer with staff as needed and attend one meeting (evening) with the Board of Directors.
3. Conduct analysis as required to address the scope of work.
4. Preliminary Report:
  - Incorporate changes pursuant to comments received at the first presentation.
  - Submit 10 copies.
  - Present preliminary report and tentative rate structures to FCSC staff at a work session.
5. Final Report.
  - Incorporate changes pursuant to comments received at the first presentation.
  - Submit 10 copies, plus one reproducible copy.
  - Provide an electronic file for reproduction.
6. Supply a time schedule for developing the preliminary and final reports. The final report shall be delivered to FCSC by February 10, 2020.

**E. Services by FCSC**

The services to be provided by FCSC will include, but will not be limited to:

1. Furnish all reasonably available records and information, including financial reports, budgets, and consumption information.
2. Provide a loaner copy of the Master Plan.
3. Provide staff support and assistance as required and agreed to in advance of the study.

## **PROPOSAL SUBMITTAL**

A. The following information is to be submitted as part of the proposal. The proposal is not to be more than ten single-sided pages in length including single page resumes of persons to be assigned to the project. Ten copies of the proposals are to be provided. Other material may be attached as deemed appropriate, to include a copy of a rate study performed by the applicant that most closely fits the scope of work outlined above. The ten-page portion of the proposal is to be organized into the following categories and ordered as such:

1. Methodology and Approach to the Project: Describe your approach to the Project: Describe your approach to this project and any special ideas, techniques or suggestions that you think might make the project proceed smoothly.
2. Experience: Describe the experiences of the firm and of the individuals assigned with related projects of a similar nature. Provide at least three references.
3. Qualifications: Describe your staff's unique qualifications and training for this type of work.
4. Level of FCSC staff participation/time required to support and complete the project.
5. Schedule: Describe your plan/schedule for completing the work. A shorter timeline is preferred and will be given added value in the evaluation of the proposals.
6. Price: Lump sum.
7. References: Provide at least three (3) references from previous customers serviced within the last two (2) years.

- B. A copy of a proposed contract may be attached. You should provide evidence of Professional Liability Insurance.
- C. Deadline for submission of proposals:
  - 1. Interested firms should submit proposal by Tuesday, September 10, 2019 ~4:00 p.m. CST to:

Florida Community Services Corp. of Walton County  
(d/b/a Regional Utilities)  
4432 U.S. Highway 98 East  
Santa Rosa Beach, FL 32459  
Attn: Lois Dismukes
  - 2. Proposals should be marked:

FCSC of Walton County Water and Wastewater Rate Study

**SELECTION OF CONSULTANT**

Proposals will be evaluated on the basis of experience, qualifications, your approach to the project, degree of staff time required to complete the project, schedule and price.

Final selection will be based on the evaluation of proposals unless it is deemed necessary to conduct interviews of closely ranked consultants. The consultant determined best qualified to perform this project will be recommended to the Board of Directors for contract award.

Cost of the preparation and submittal of proposals is an operation cost of the proposer and FCSC will not be responsible for any such costs incurred.

Non-conforming proposals will be considered non-responsive and may be rejected.

Submission of a proposal by a proposer does not in any way commit the Company to enter into an agreement with the proposer or any other proposer.

All responses, inquires, and correspondence relating to the RFP and all reports, charts, displays, schedules, exhibits, and other documentation produced by any proposer and submitted to FCSC as part of this RFP process, or otherwise, may be considered public information if applicable by law.

FCSC has the right to accept or reject any and all proposals.

FCSC reserves the right to make investigations of the qualifications of the proposer or any of its agents, as it deems appropriate.

**Terms and Conditions:**

1. All responses shall become the property of FCSC of Walton County.
2. Proposals shall be prepared simply, providing straightforward responses to satisfy the requirements of this RFP.
3. Each firm shall examine all parts of this RFP and shall determine all matters relating to the interpretation of such documents. Only those firms that have received and responded to this RFP will be considered.
4. A response to this RFP does not constitute a bid; therefore FCSC retains the right to contact any or all proposers after submittal to obtain supplemental information and/or clarification.
5. FCSC reserves the right to accept or reject any and all proposals received, to waive irregularities or technicalities, and to request re-submission or re-advertisement for all or any part of the RFP. FCSC's Board of Directors shall be the sole judge of the proposal and resulting negotiated agreement that is in FCSC's best interest and the Board's decision shall be final.
6. Signatures of all persons signing shall be in ink in longhand. Affixing, in the margin immediately opposite any correction, the initials of the person signing the proposal, shall authenticate corrections.
7. The proposer warrants by virtue of the proposal, terms and conditions quoted in this proposal will be firm for acceptance for a period of 120 days from the date of the proposal opening, unless otherwise stated by the Company respondent.
8. The proposer and his employees shall be prohibited from unlawful drug possession, use, dispensation, distribution or manufacture of controlled substances. Those reporting for work under the influence of alcohol or drugs will be immediately removed from the Company premises.
9. The proposer hereby agrees to indemnify and save harmless FCSC from and against any and all liability, claims, demands, damages, fines, fees on appeal of any kind an nature arising or growing out of or in any way connected with the performance of the contract whether by act or omission of the contractor, its agents, servants or employees or because of or due to the mere existence of the contract between the parties.



10. Prior to the RFP due date and time, a proposal may be withdrawn or corrected only upon proper identification being presented by the person who has signed the proposal. After proposal due date and time, a proposer cannot withdraw or correct a proposal.

**Request for Additional Information:**

The proposer shall furnish such additional information as the Company may reasonably require. This includes information that indicates financial resources, as well as ability to provide and maintain services. FCSC reserves the right to make investigations of the qualifications of the proposer or any of its agents, as it deems appropriate.

**Addendum and Amendment to Request for Proposals:**

If it becomes necessary to revise or amend any part of this RFP, the revision will be furnished by written Addendum to all prospective proposers who received a RFP.

**Billings and Payments:**

Payments are made to vendors three times monthly on or around the 10<sup>th</sup>, 20<sup>th</sup> and 30<sup>th</sup>. FCSC will not pay any start up or other implementation costs until all required coverages/services have been bound/contracted.

**No Collusion:**

By offering submission to this RFP, the proposer certifies the proposer has not divulged to, discussed or compared the competitive proposal with other proposers or parties.