Request for Qualifications
Project: Comprehensive Wastewater Rate Study
City of Laredo, Texas

The City of Laredo, Texas is requesting qualifications and a statement of interest for professional services to conduct a comprehensive rates, fees, and charges study (Rate Study), from a qualified consultant or consulting firm.

BACKGROUND:

The City of Laredo Utilities Department incorporates automatic water meters for most of its service area with a population of 276,000.

The City of Laredo owns and operates six wastewater treatment plants, which have a combined total design capacity of 29.19 million gallons per day ("MGD"). The Sewer System includes approximately 513 miles of sewer lines and 69 lift stations. The average daily treatment is 20 MGD with a peak flow of 39.2 MGD. Connections to the sewer system as of December 31, 2016 were 65,657. The last Wastewater (Sewer) Rate Study was completed in 2008.

SCOPE OF WORK:

The development of the Rate Study must encompass the elements outlined in: 1)The American Water Works Association (AWWA) Manual M1, Principles of Water Rates, Fees, and Charges, and 2) The Water Environment Foundation’s Wastewater Financing and Charges for Wastewater Systems and should be developed in a similar manner to the existing rates and charges of the City.

The firm is to review the City’s current rate structure and make recommendations on best practices and be prepared to discuss the pros and cons of each and impacts to the various ratepayer classes. The rate model should equitably distribute costs between water and wastewater and between base and volume or fixed and variable and include comparisons of regional and similar size cities. The study should include analysis by normalizing the comparative rates against the local economics, thereby identifying possible differences in production costs to deliver similar services. The firm should inform the City of any upcoming regulatory changes that may affect the City’s rate or rate structure. The City is seeking a user-friendly rate model that can incorporate various fees, CIP estimates as developed from the City’s Master Plan and corresponding debt components with the ability to make adjustments to these amounts and expenses. Allowing these adjustments to the model should allow for dynamic or scenario modeling to the rate structure thereby calculating bond coverage and cash reserves with flexibility over an 8 year period.

SUBMISSION OF PROPOSALS:

Provide Six (6) copies (including one unbound copy suitable for photocopying) of submittals and must contain the following information:

1. One page letter of interest that includes a synopsis and qualifications of the prime firm and sub-consultants, the project manager and primary contact, and the project principle representing the contractual authority of the firm.
2. Profile of firm and relevant rate study experience working on similar projects within the last ten (10) years. Describe the firm’s or team members experience with local governments or other public agencies in the development of similar projects.
3. Resumes of the project manager, principal and staff identified as having a major role in the project.
4. A description of the proposed approach to the development of the Audit. Describe how the consultant proposes to meet the project objectives.
5. A proposed scope of work with project time-line for completion of the project, with milestone identified.
6. Project descriptions for five (5) recent projects of a similar scope performed by the project manager, principal or team members within the last ten (10) years. At least three (3) of the five (5) projects must have been for municipalities within the State of Texas. Provide the name of the client (include contact information), description of services provided, key personnel involved, year the project was completed, and estimated planning or design cost.
7. Disclose any material agreements, relationships, or employment your firm or team members has with any other planning or design firm, government agency or other person or entity that may create a conflict of interest or the appearance thereof.

The City of Laredo will provide its Master Plan after selection of the firm for this Rate Study.

The qualifications must be submitted to the Director no later than Friday, March 10, 2016, 5:00 pm CST. A non-Mandatory pre-RFQ meeting will be held on Tuesday, February 28, 2017, 10:00 a.m. at City of Laredo Utilities Department Conference Room located at 5816 Daugherty Avenue, Laredo, TX 78041. Any questions relating to the RFQ shall be submitted in writing or via email to Michael Rodgers (mrodgers@ci.laredo.tx.us) on or before Friday, March 3, 2017. All addendum and response to questions from consultants will be posted in the City’s website.

Request for qualifications will be evaluated by the Utility Department.

It is expected that the selected consultant should be ready to proceed on or before April 3, 2017.

Riazul Mia, P.E., Director
Utilities Department
5816 Daugherty Ave.
Laredo, Texas 78044