

**NOTICE OF SPECIAL MEETING
OF THE
SOUTH ORANGE COUNTY WASTEWATER AUTHORITY**

**PC-2 / PC-5 JOINT COMMITTEE
TELECONFERENCE MEETING**

**March 31, 2021
10:00 a.m.**

Join Zoom Meeting by clicking on the link below:

<https://socwa.zoom.us/>

**Meeting ID: 840 1371 8256
Passcode: 534424**

One tap mobile

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+1 312 626 6799 US (Chicago)
+1 929 205 6099 US (New York)

Find your local number: <https://socwa.zoom.us/j/84013718256>

NOTICE IS HEREBY GIVEN that a Special Meeting of the South Orange County Wastewater Authority (SOCWA) PC-2 / PC-5 Joint Committee was called to be held by Teleconference on **March 31, 2021 at 10:00 a.m.** SOCWA staff will be present and conducting the call at the SOCWA Administrative Office located at 34156 Del Obispo Street, Dana Point, California. This meeting is being conducted via Teleconference pursuant to the California Governor Executive Order N-29-20.

MEMBERS OF THE PUBLIC ARE INVITED TO PARTICIPATE IN THIS TELECONFERENCE MEETING AND MAY JOIN THE MEETING VIA THE TELECONFERENCE PHONE NUMBER AND ENTER THE ID CODE. THIS IS A PHONE CALL MEETING AND NOT A WEB-CAST MEETING SO PLEASE REFER TO AGENDA MATERIALS AS POSTED WITH THE AGENDA ON THE WEBSITE AT WWW.SOCWA.COM. ON YOUR REQUEST, EVERY EFFORT WILL BE MADE TO ACCOMMODATE PARTICIPATION IF YOU REQUIRE ANY SPECIAL DISABILITY RELATED ACCOMMODATIONS. PLEASE CONTACT THE SOUTH ORANGE COUNTY WASTEWATER AUTHORITY SECRETARY'S OFFICE AT (949) 34-5452 AT LEAST TWENTY-FOUR (24) HOURS PRIOR TO THE SCHEDULED MEETING TO REQUEST DISABILITY RELATED ACCOMMODATIONS. THIS AGENDA CAN BE OBTAINED IN ALTERNATE FORMATS UPON REQUEST TO THE SOUTH ORANGE COUNTY WASTEWATER AUTHORITY'S SECRETARY AT LEAST TWENTY-FOUR (24) HOURS PRIOR TO THE SCHEDULED MEETING.

AGENDA EXHIBITS AND OTHER WRITINGS THAT ARE DISCLOSABLE PUBLIC RECORDS DISTRIBUTED TO ALL, OR A MAJORITY OF, THE MEMBERS OF THE SOUTH ORANGE COUNTY WASTEWATER AUTHORITY PROJECT COMMITTEE NO. 2 AND NO. 5 IN CONNECTION WITH A MATTER SUBJECT FOR DISCUSSION OR CONSIDERATION AT AN OPEN MEETING OF THE PROJECT COMMITTEE NO. 2 AND NO. 5 ARE AVAILABLE BY PHONE REQUEST MADE TO THE AUTHORITY ADMINISTRATIVE OFFICE AT (949) 234-5452. THE AUTHORITY ADMINISTRATIVE

March 31, 2021

OFFICES ARE LOCATED AT 34156 DEL OBISPO STREET, DANA POINT, CA (“AUTHORITY OFFICE”). IF SUCH WRITINGS ARE DISTRIBUTED TO MEMBERS OF THE PROJECT COMMITTEE 2 AND NO. 5 LESS THAN TWENTY-FOUR (24) HOURS PRIOR TO THE MEETING, THEY WILL BE SENT TO PARTICIPANTS REQUESTING VIA EMAIL DELIVERY. IF SUCH WRITINGS ARE DISTRIBUTED IMMEDIATELY PRIOR TO, OR DURING, THE MEETING, THEY WILL BE AVAILABLE IMMEDIATELY ON VERBAL REQUEST TO BE DELIVERED VIA EMAIL TO REQUESTING PARTIES.

AGENDA

1. Call Meeting to Order

2. Public Comments

THOSE WISHING TO ADDRESS THE **PROJECT COMMITTEE NO. 2 AND No. 5** ON ANY ITEM LISTED ON THE AGENDA SHOULD SUBMIT A “REQUEST TO BE HEARD” FORM TO THE CLERK OF THE BOARD BEFORE THE PRESIDING OFFICER ANNOUNCES THAT AGENDA ITEM. YOUR NAME WILL BE CALLED TO SPEAK AT THAT TIME.

**3. Future Flow Estimates & Cost Impacts - PowerPoint
[Project Committee 2 & 5]**

Recommended Action: Board discussion and Comments

4. Readiness to Serve Options - PowerPoint

Recommended Action: Board discussion and Comments

5. Draft RFP to Prepare Options for Readiness to Serve Approach

Recommended Action: Board Discussion and Comments

Adjournment

I hereby certify that the foregoing Notice was personally emailed or mailed to each member of the SOCWA Project Committee No. 2 and No. 5 at least 24 hours prior to the scheduled time of the Special Meeting referred to above.

I hereby certify that the foregoing Notice was posted at least 24 hours prior to the time of the above-referenced Project Committee No. 2 and No. 5 meeting at the usual agenda posting location of the South Orange County Wastewater Authority and at www.socwa.com.

Dated this 29th day of March 2021.



Betty Burnett, General Manager/Secretary
SOUTH ORANGE COUNTY WASTEWATER AUTHORITY

Agenda Item

3

Project Committee No. 2 & 5

Meeting Date: March 31, 2021

TO: Project Committee 2 & 5 Board of Directors

FROM: Betty Burnett, General Manager

STAFF CONTACT: Mary Carey, Finance Controller

SUBJECT: **Future Flow Estimates & Cost Impacts**
Readiness to Serve Options
Draft RFP for Readiness to Serve Approach

Overview

Staff has prepared the attached PowerPoint Presentation to highlight the cost impacts that may result from a reduction in flows to the JB Latham Treatment Plant resulting from additional projects of Member Agencies to capture upstream and reuse wastewater. At the February 4, 2021 Board meeting, both SMWD and MNWD described planning now underway for future projects that may reduce flows sent to JBL. Both agencies desire to retain JBL capacity into the future to utilize on an intermittent basis during upstream plant downtime for maintenance and/or during wet weather events.

The table below summarizes the potential changes in JBL plant usage comparing six months actual in the current fiscal year (2020) to budget projections of flow for the coming year and beginning in FY 24/25 lowered flows within intermittent usage.

Actual 2020 (6 mo.) vs. Budget (21/22) vs. Future Projected Flows (24/25)			
Member Agency	July 1, 2020 through December 31, 2020 Flow (mgd)	Projected Budget Flows 2021-22 FY (mgd)	Projected Budgeted Flows Beginning 2024-25 FY (mgd)
CSJC	2.14	2.14	2.14
MNWD*	1.40	1.40	0.50
SCWD	1.81	1.81	1.81
SMWD	<u>3.02</u>	3.42	0.90

*1.4mgd is the constant agreed to by SMWD and MNWD

As the PowerPoint will demonstrate, the current cost sharing structure at SOCWA depends highly on the million gallons per day of flow received and treatment at each of the three treatment plants, including the JBL facility. Flows and solids usage drive each agency share of O&M costs. There

is not currently a working approach to permanently reduced flows allowing for the contribution to the operation and maintenance of facilities ready to serve agencies sending occasional flows.

The PowerPoint covers the comparison of cost changes expected and proposes a staff analysis of fixed and variable costs for redistribution.

Because of the importance of equity to the agencies, staff has also prepared and recommends the Board consider issuing a RFP to select a qualified service provider with an approach to Readiness to Serve options to make recommendations to SOCWA.

Recommended Action: Information and Discussion

SOCWA

PC 2 Facilities Readiness to Serve (RtS)

**March 31, 2021
PC 2 and PC 5 Meeting**

PC 2, JB Latham Facilities Readiness to Serve (RtS)

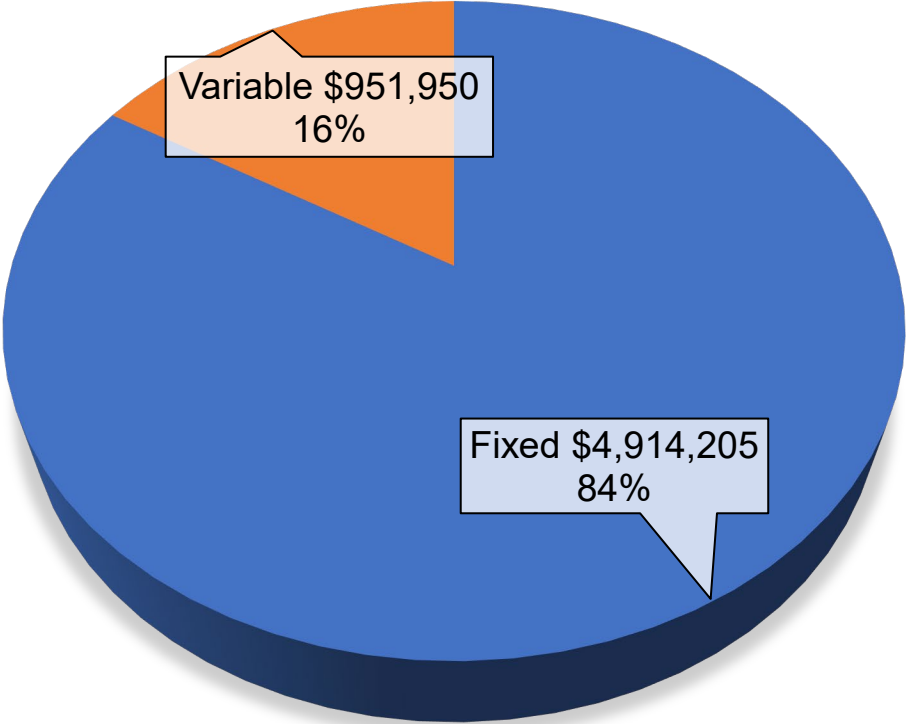
- ❖ Project Committee Costs are Primarily Fixed

Fixed	83.8%	\$4,914,205
Variable	16.2%	951,950
Total	100.0%	\$5,866,155

(FY 20–21 Budget)

- ❖ Labor Costs (including fringe & O/T) are **not** driven by Volume, costs are Fixed due to the nature of a treatment plant activities
- ❖ Labor Costs are 41% of the Project Committee Total Costs
- ❖ Non-Labor costs are also primarily Fixed
- ❖ JB Latham Flows (MGD) owed capacity is 13 MGD; three-year annual daily actual average flows are 6.1.
- ❖ Equipment not in daily use must be maintained which requires O&M, operating expenses
- ❖ Fiscal year Budgets include costs for maintaining equipment not in daily use but kept available for high flow conditions

PC 2, JB Latham Mix of Fixed and Variable Costs



Annual Use Audit Treats All Cost as Variable

- ❖ Fiscal Year Total Costs are Distributed Amongst Member Agencies based on Annual Usage

Member Agency Budget by Wastewater Code

City of San Juan Capistrano	677,456	791,746	(114,290)
Moulton Niguel Water District	447,276	535,384	(88,108)
Santa Margarita Water District	451,720	264,280	187,440
South Coast Water District	543,296	646,668	(103,372)
Total	2,119,748	2,238,078	(118,330)

Net Budget Variance

Liquids		
FY 18-19 Budget	FY 18-19 Actual	Variance
677,456	791,746	(114,290)
447,276	535,384	(88,108)
451,720	264,280	187,440
543,296	646,668	(103,372)
2,119,748	2,238,078	(118,330)

Liquids		
FY 19-20 Budget	FY 19-20 Actual	Variance
818,844	731,830	87,014
529,208	481,437	47,771
271,348	491,400	(220,052)
619,428	555,866	63,562
2,238,828	2,260,533	(21,705)

Currently, there are no cost consequences for flows greater than or less than expected or intermittent

Member agencies who send flows in line with their budgets end up paying more if another agency does not send flows

Member Agency Wastewater Code Allocation %'s

City of San Juan Capistrano	31.96%	35.4%	3.4%
Moulton Niguel Water District	21.10%	23.9%	2.8%
Santa Margarita Water District	21.31%	11.8%	-9.5%
South Coast Water District	25.63%	28.9%	3.3%
Total	100.0%	100.0%	0.0%

Liquids		
FY 18-19 Budget	FY 18-19 Actual	Variance
31.96%	35.4%	3.4%
21.10%	23.9%	2.8%
21.31%	11.8%	-9.5%
25.63%	28.9%	3.3%
100.0%	100.0%	0.0%

Liquids		
FY 19-20 Budget	FY 19-20 Actual	Variance
36.57%	32.4%	-4.2%
23.64%	21.3%	-2.3%
12.12%	21.7%	9.6%
27.67%	24.6%	-3.1%
100.0%	100.0%	0.0%

Member agencies who reduce flows and utilize the plant on an intermittent basis benefit from those using daily capacity

Fixed Costs are Avoided if Actual Flows are Less Than Budget

PC 2 FY 18-19 Use Audit Data

MGD Less than Budget			
	FY 18-19 Budget MGD	Actual MGD	MGD Usage +/-
City of San Juan Capistrano	2.12	2.07	(0.051)
Moulton Niguel Water District	1.40	1.40	0.000
Santa Margarita Water District	1.41	0.69	(0.723)
South Coast Water District	1.70	1.69	(0.011)
Total	6.64	5.85	(0.785)

Member Agency Cost Impact			
Member Agency Budget vs. Actual	FY 18-19 Use Audit	Reallocated Actuals based on Distr of Fixed Costs	Fixed Costs (Carried) & Avoided
City of San Juan Capistrano	\$791,746	\$719,373	(\$72,372)
Moulton Niguel Water District	535,384	475,436	(59,948)
Santa Margarita Water District	264,280	465,498	201,218
South Coast Water District	646,668	577,771	(68,897)
Total	\$2,238,078	\$2,238,078	\$0

South Orange County Wastewater Authority Flows Reduction Impact by Member Agency

PC 2 FY 19-20 Use Audit Data

Flows/MGD Reduction

	MGD Change by Member Agency		
	FY 19-20 Use Audit MGD	Future MGD	MGD Usage +/-
City of San Juan Capistrano	2.13	2.13	0.00
Moulton Niguel Water District	1.40	0.50	(0.90)
Santa Margarita Water District	1.43	0.90	(0.53)
South Coast Water District	1.62	1.62	0.00
Total	6.57	5.14	(1.43)

	Member Agency Distribution %'s		
	FY 19-20 Use Audit	Future MGD	Variance
City of San Juan Capistrano	32.37%	41.37%	8.99%
Moulton Niguel Water District	21.30%	9.72%	-11.58%
Santa Margarita Water District	21.74%	17.49%	-4.24%
South Coast Water District	24.59%	31.42%	6.83%
Total	100.00%	100.00%	0.00%

	FY 19-20 Use Audit	Impact of MGD Chg	Member Agency Cost Impact
City of San Juan Capistrano	\$731,830	\$910,300	\$178,470
Moulton Niguel Water District	481,437	213,873	(267,564)
Santa Margarita Water District	491,400	384,971	(106,429)
South Coast Water District	555,866	691,424	135,558
Total	\$2,260,533	\$2,200,567	(\$59,966)

An Approach to Prevent Up and Down Swings in Distribution of Costs by Member Agency

Fixed and Variable Costs Distribution Approach Prevents Up and Down Swings based on Volume/Usage

PC 2 FY 19-20 Use Audit Data

Member Agency Budget vs. Actual

City of San Juan Capistrano
 Moulton Niguel Water District
 Santa Margarita Water District
 South Coast Water District
Total

Allocation %'s	
Owned Capacity	FY 19-20 Use
30.77%	32.37%
23.08%	21.30%
17.31%	21.74%
28.84%	24.59%
100.00%	100.00%

Fixed and Variable Costs Distribution Approach Prevents Up and Down Swings based on Volume/Usage

Member Agency Budget vs. Actual

City of San Juan Capistrano
 Moulton Niguel Water District
 Santa Margarita Water District
 South Coast Water District
Total

FY 19-20 Use Audit Method Adjusted				
FY 19-20 Use Audit	FY 19-20 Use Audit Fixed Costs Distr Ownership	FY19-20 Use Audit Variable Costs Distr Usage	Restated FY 19-20 Use Audit Distribution	Restated FY 19-20 Use Audit Distribution Impact
\$731,830	\$610,708	\$89,283	\$699,992	(\$31,838)
481,437	458,050	58,735	516,785	35,348
491,400	343,573	59,951	403,524	(87,876)
555,866	572,417	67,816	640,232	84,366
\$2,260,533	\$1,984,748	\$275,785	\$2,260,533	(\$0)

Member Agency Budget vs. Actual

City of San Juan Capistrano
 Moulton Niguel Water District
 Santa Margarita Water District
 South Coast Water District
Total

FY 19-20 Use Audit MGD Adjusted				
FY 19-20 Use Audit	FY 19-20 Use Audit Fixed Costs Distr Ownership	FY19-20 Use Audit Variable Costs Distr Usage	Restated FY 19-20 Use Audit Distribution	Restated FY 19-20 Use Audit Distribution Impact
\$731,830	\$610,708	\$89,277	\$699,985	(\$31,845)
481,437	458,050	20,975	479,025	(2,411)
491,400	343,573	37,756	381,329	(110,071)
555,866	572,417	67,811	640,228	84,361
\$2,260,533	\$1,984,748	\$215,819	\$2,200,567	(\$59,966)

Questions and Discussions

Recommended Action

- ❖ Establish a Methodology for a Facility Readiness to Serve
- ❖ Consider RFP for Facilities Readiness to Serve Rate (RtS Study)



**REQUEST FOR PROPOSALS (RFP)
FOR
READINESS TO SERVE (RtS)
WASTEWATER COST ALLOCATION STUDY**

_____, 2021
Proposals Due – _____
at 2:00 p.m. (local time) electronic only
VIA
Planet Bids

**South Orange County Wastewater Authority
34156 Del Obispo Street
Dana Point, CA 92629
(949) 324-5279**

Attention: Jeanette Cotinola, Procurement/Contracts Administrator

TABLE OF CONTENTS
[To be inserted]

1 INTRODUCTION

South Orange County Wastewater Authority (SOCWA) mission is to collect, treat, beneficially reuse and dispose of wastewater in a manner that protects and respects the environment, maintains the public's health, and meets local, state and federal regulations. SOCWA was created on July 1, 2001 to facilitate and manage the collection, transmission, treatment and disposal of wastewater for more than 500,000 homes and businesses across South Orange County. SOCWA also manages production of recycled water for irrigation and commercial uses, which saves approximately 1.6 billion gallons of domestic water each year that otherwise would be used for those purposes, which is equivalent to 16,259-acre feet of water.

SOCWA is a Joint Powers Authority with ten member agencies, consisting of local retail water agencies and cities that provide water to their residents. It operates three treatment plants and two ocean outfalls, in addition to multiple programs to meet the needs of its member agencies and the requirements of the Clean Water Act and applicable National Pollutant Discharge Elimination System (NPDES) permits.

SOCWA has no taxing authority. All of the funding for SOCWA comes directly from the charges to the member agencies. The Participating Member Agencies are:

- City of Laguna Beach
- City of San Clemente
- City of San Juan Capistrano
- El Toro Water District
- Emerald Bay Service District
- Irvine Ranch Water District
- Moulton Niguel Water District
- Santa Margarita Water District
- South Coast Water District
- Trabuco Canyon Water District.

These Member Agencies participate in Project Committee's (PC's) based on the terms of its Joint Powers Agency Agreement (see below). Currently SOCWA has eight (8) PC's that consist of the following:

- PC 2 – Jay B. Latham Treatment Plant (JBL)
- PC 5 – San Juan Creek Ocean Outfall (SJCOO)
- PC 8 – Pretreatment Program
- PC 12 – Water Reclamation Permits
- PC 15 – Coastal Treatment Plant (CTP)/Advanced Treatment (AWT)
- PC 17 – Joint Regional Wastewater Reclamation (RTP)
- PC 21 – Effluent Transmission Main (ETM)
- PC 24 – Aliso Creek Ocean Outfall (ACCO)

Of the above 8 PC's three (3) are wastewater treatment plants receiving liquids (flows) and solids from three or more Participating Member Agencies. SOCWA's JPA Agreement outlines the method in which costs are shared for

SOCWA's Readiness to Serve
Request for Proposals for RtS Study

both use and upkeep of its facilities. Use of facilities is described as a part of SOCWA budgets as Operations, Maintenance & Environmental Costs (O&M) and upkeep (or costs not related to use) are described as Capital Costs. Budgets are established at the beginning of each fiscal year for O&M and Capital. O&M is based on projected costs with cost sharing among Member Agencies detailed based on estimates of flows and solids likely to be received at each treatment plant. For Capital costs projected costs are included with cost sharing based on ownership of capacity. At the close of each fiscal year actual flows and solids delivered and actual costs incurred are used to make adjustments for each agency and a "Use Audit" is produced. Using this approach SOCWA has provided for equitable cost sharing since construction of the three treatment plants.

Due to the increased value of reclamation of wastewater, the Member Agencies have constructed or have goals to construct additional reclamation projects upstream of the three SOCWA treatment plants. As this has occurred, and is projected to grow as a trend, valuable water resources have been recovered and flows to the three treatment plants have dropped. It is anticipated that new projects currently in development will permanently adjust flows to even lower amounts.

The net effect of the permanent drop in flows is that costs for O&M (based on plant use) will become greater for agencies that are not removing flows from the treatment facilities. Of additional importance, each of the agencies with increased reclamation plans has indicated a desire to retain capacity in the treatment plants and in wet weather or upstream reclamation facility outage conditions each seeks to use the 3 SOCWA treatment plants on an intermittent basis. The result is that the 3 treatments must continue to incur O&M costs in order to be ready to serve when called upon to take flows/solids but on a more intermittent basis.

Due to these plans and elections, SOCWA must consider its historical cost sharing methods in order to equitably distribute the costs of remaining ready to serve intermittent flows.

1.1 General Information

SOCWA is seeking proposals from qualified consultants to draft a work plan to conduct a comprehensive Wastewater Readiness to Serve (RtS) study. SOCWA may choose multiple consultants to provide workplans which may then be used to conduct the final RtS study. The intent of the study is to independently assess and evaluate the Authorities existing approach to the sharing of O&M costs and provide a fair and reasonable structure that will adequately fund the Authorities O&M costs. The results of this study and the proposed method will provide the Authority's RtS approach into the future. The study will be based on a comprehensive review of the Authority's current expenses and historical statements of revenue and expense, current year budgets, use audits, historical

SOCWA's Readiness to Serve
Request for Proposals for RtS Study

usage data, infrastructure master plans, budgeted capital improvements, future intermittent use of the Authority treatment plants, and any other information deemed necessary

All proposals must be received electronically via Planet Bids by **2:00 p.m. on _____**. Please refer to Section 3, Proposal Format and Section 4.3, Proposal Due Date and Delivery for details.

Proposals received after the deadline will not be considered. This RFP and the successful Proposer's response will be included in any contract awarded from this RFP; modifications will be determined by and between SOCWA and the successful Proposer. SOCWA reserves the right to accept or reject any or all proposals.

1.2 Background

SOCWA is seeking intuitive ideas to develop options for its Member Agencies to fund the costs of the maintenance and operation of the facilities necessary to collect, treat, and dispose of the wastewater generated from home or business in South Orange County and surrounding areas.

As described above, Section 6.3.1 of the current JPA reads as follows:

"O&M Costs/Capital Components. It is agreed as follows: (a) all operations and maintenance costs directly related to the use of the Project facilities, including necessary improvements, repairs, adjustments, replacements and incidental accounting and administrative costs in connection therewith, shall be paid by each Member Agency using the Project facilities in proportion to its use; and (b) the maintenance costs not directly related to use of the Project facilities, including necessary capital improvements, repairs, adjustments, replacements and extraordinary or standby maintenance, and incidental accounting and administrative costs in connection therewith, shall be paid by the Participating Member Agencies in proportion to their respective percentage share of the ownership of capacity in said Project facilities. Any change of the foregoing may be made by the unanimous consent of all of the Participating Member Agencies."

Currently SOCWA's budget is divided into "Functional Departments.

- (a) Operations & Maintenance which includes Environmental Compliance and Safety
- (b) Engineering (Capital Construction, Related Work & Labor)
- (c) Information Technology (IT)
- (d) Non-Capital Engineering
- (e) Administration services including:
 - Payroll
 - Accounts Payable
 - Contracts and Procurement
 - Human Resources (HR)
 - Financial Reporting

SOCWA's Readiness to Serve
Request for Proposals for RtS Study

- Financial Audits
- Budgets & Use Audits
- JPA Compliance
- Clerk of the Board

(f) General Fund (a shared portion of Administrative services)

2 SCOPE OF SERVICES

Development of the workplan will include the following elements:

1. Work with SOCWA to clearly identify the needs for the RtS study. The Consultant shall conduct a cursory review of financial statements for the past five years and have up to four (4) meetings with key staff to discuss needs and address questions related to the workplan.
2. Provide options and approaches for the RtS study. Using the information from No. 1 above, the Consultant shall provide reasoning and information to support options for the RtS study or investigate and explain reasoning should the RtS study be considered unnecessary.
3. Investigate similar local agency Readiness to Serve approaches that can be used as a model for SOCWA. The Consultant shall provide a cursory review of two local agencies that use a Readiness to Serve cost approach to charge for their services. In order of preference, the agencies shall be from Orange County, Southern California, or California.
4. Provide a cost to complete the RtS study. The Consultant shall provide a scope and cost for completing the RtS study.
5. Items No. 1 through 4 shall be provide in a written technical memorandum and summarized in a PowerPoint presentation.
6. Provide a cost for a minimum of one (1) meeting to present to SOCWA's Finance Committee and one (1) meeting to present to SOCWA's Board of Directors.

SOCWA anticipates the RtS study scope of work (to become included as an attachment) to include activities outlined below; however, proposers should develop a plan of work they believe will most effectively meet SOCWA's objectives. The Wastewater RtS study will require the selected Consultant to perform all necessary analyses and documentation to develop an approach and recommend a RtS method. In general, the scope of work shall involve a comprehensive review of the Authority's wastewater enterprise fund's historical and projected revenues, usage, expenses, and allocations to member agencies for facilities and services utilized on a consistent basis and during periods of intermittent use, along with other information deemed pertinent. The RtS study scope shall also include a minimum of one Finance Committee and a minimum of one Board of Directors presentation which shall include a Question and Answer session immediately following the presentation which shall be held via Zoom.

3 PROPOSAL FORMAT

3.1 Approach / Methodology

Provide a brief description, in a fashion that shows your understanding and ability,

SOCWA's Readiness to Serve
Request for Proposals for RtS Study

of how you intend to approach and/or accomplish each item listed in the scope of services. You may include suggested alternatives or additions to tasks and expectations listed in the scope of services. Please specify what work will be done in-person at SOCWA's offices.

3.2 Professional Qualifications and Experience

Provide a description of professional qualifications including relevant background experience working with public agencies.

Provide three client references with phone numbers for similar services within the past five years. A minimum of two references must be from a public agency. Specify the client, location, Proposer's project team, scope of work, and an example of similar work performed.

3.3 Firm Organization and Project Team

The proposal should include information about the Proposer's organization, including but not limited to type of ownership (sole proprietor, partnership, corporation, etc.), number of years in business, listing of primary services provided, and size of firm. The proposal should identify key personnel proposed and roles for this project. Include biographies and experience on similar projects.

3.4 Proposed Project Schedule

The proposal will include a projected schedule for items listed in scope of work. The project is anticipated to start on _____ and be completed no later than _____. The consultant will present the plan at the SOCWA Board of Directors Board Meeting in _____.

3.5 Proposed Costs

Indicate costs, hourly and/or if project specific, and expected hours required for completing each task to complete the study. Include any additional costs for projects or tasks you may feel will be helpful that are not listed in the provided scope.

4 SELECTION PROCESS

4.1 Qualifications

All proposals received by the deadline will be evaluated by SOCWA. Only information which is received in response to the RFP or any subsequent interview will be evaluated. SOCWA will judge the responses of each proposing firm in the several critical areas. Selected Proposers may be invited to an oral interview.

4.2 Selection Criteria

SOCWA will select the most qualified proposal based on the following factors. Responses to the RFP should address the qualities and criteria that are listed below at a minimum:

1. Mandatory Elements (20%)

- a. Experience in Current Government/Municipal Wastewater Rate Studies
- b. Adherence to Instructions on Preparing and Submitting Proposal

SOCWA's Readiness to Serve
Request for Proposals for RtS Study

2. Technical Quality (50%)

Expertise and Experience

- a. Firm's Past Experience with shared wastewater treatment services having multiple public agency partners.
- b. Firm's Past Experience and Performance on Comparable Assignments establishing intermittent use charges
- c. Quality of Firm's Personnel Assigned to the project.

Engagement Approach

- a. Demonstrated Understanding of the Scope of Work
- b. Sequencing of the Proposed Work
- c. Adequacy of Proposed Staffing Plan for Various Segments of Engagement

3. Cost of Proposal (30%)

- a. Proposed Fees
- b. Additional Value Added

While SOCWA desires to achieve the most cost-effective services, the emphasis is on the ability to best meet the needs stated in this RFP, and not necessarily the lowest cost proposal.

4.3 Proposed Selection Process and Project Schedule

4.3.1 Selection Process

Staff will recommend to the Board of Directors the Proposing Firm who achieved the most points during the evaluations of proposals by the evaluation team.

4.3.2 Project Schedule

RFP Solicitation Package Released	_____
Written Inquiry Submissions Due	_____
Inquiries Answered By	_____
Proposals Due	_____ by 2:00 PM
Proposals Submitted	via SOCWAs Planet Bids
Portal	
Proposal Evaluations	Week of _____
Consultant Interviews	Week of _____
_____	Start of Consulting Services & Kick-off Meeting
_____	Completion of RtS Rate Study
_____	Presentation at Board Meeting

4.3.3 Contract and Other Required Documents

By _____, the successful Proposer shall submit the following documents to SOCWA:

- 1. A Consultant Services Agreement executed in triplicate will be sent for signature. (A sample agreement is attached to this Request for Proposals, and its terms and conditions are incorporated by reference).
- 2. Evidence of the required insurance coverage.

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Failure of the successful Proposer to make a timely submission to SOCWA may result in a rescission of acceptance of the proposal by SOCWA and award of contract to another proposer.

4.3.4 Disclaimer

This RFP does not commit SOCWA to award a contract or to pay any costs incurred in the preparation of a proposal in response to this Request.

SOCWA reserves the right to accept or reject any or all proposals received, to negotiate with qualified proposers or to cancel the Request.

SOCWA may require the Proposer to submit additional data or information SOCWA deems necessary to substantiate the costs presented by the proposer. SOCWA may also require the proposer to revise one or more elements of its proposal in accordance with contract negotiations.

SOCWA reserves the right to evaluate proposals for a period of 90 days before deciding which proposal, if any, to accept.

4.4 Award of Agreement

It is expected that any award of an agreement for services will be made by SOCWA's General Manager.

PLEASE NOTE: SOCWA does not pay for services before it receives them. Therefore, do not propose contract terms that call for up-front payments or deposits. Monthly invoices shall be submitted by the 15th of the month for the previous months work to SOCWA for work completed and at the satisfaction of SOCWA. SOCWA reimburses direct expenses only at actual cost – not cost plus some percentage or markup.

5 CONDITIONS OF REQUEST

5.1 General Conditions

SOCWA reserves the right to cancel or reject all or a portion or portions of the request for proposals without notice. Further, SOCWA makes no representations that any agreement will be awarded to any professional submitting a proposal. SOCWA reserves the right to reject any and all proposals submitted in response to this request or any addenda thereto. SOCWA also reserves the right to reject any sub-Consultant or individual working on a Consultant team and to replace the sub- Consultant or individual with a mutually acceptable replacement. Any changes to the proposal requirements will be made by written addendum.

5.2 Liability of Costs and Responsibility

SOCWA shall not be liable for any costs incurred in response to this request for proposals. All costs shall be borne by the person or professional responding to the request. The person or professional responding to the request shall hold SOCWA harmless from any and all liability, claim or expense whatsoever

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incurred by or on behalf of that person or professional. All submitted material becomes the property of SOCWA.

The selected lead Consultant will be required to assume responsibility for all services offered in the proposal whether or not they possess them within their professional abilities. The selected lead Consultant will be the sole point of contact with regard to contractual matters, including payment of any and all charges resulting from the contract.

5.3 Validity

The proposing firm agrees to be bound by its proposal for a period of 90 days commencing on _____, during which time SOCWA may request clarification or correction of the proposal for the purpose of evaluation. Amendments or clarifications shall not affect the remainder of the proposal, but only that portion so amended or clarified.

5.4 Professional Services Agreement

A sample SOCWA Professional Services Agreement has been provided in the Appendix for the proposing firm's review and comment. If a proposing firm wishes to take exception to any of the terms and conditions contained in the Professional Services Agreement, these should be identified specifically; otherwise it will be assumed the Proposer is willing to enter into the agreement as it is written. Failure to identify contractual issues of dispute can later be the basis for SOCWA disqualifying a proposing firm. Any exceptions to terms, conditions, or other requirements must be clearly stated. Otherwise, SOCWA will consider that all items offered are in strict compliance with the RFP, and the successful proposing firm will be responsible for compliance. SOCWA will consider such exceptions as part of the evaluation process, which may constitute grounds for rejection of the proposal. The Professional Service Agreement will not be executed by SOCWA without first being signed by the proposing firm.

5.5 Oral and Written Explanations

SOCWA will not be bound by oral explanations or instructions given at any time during the review process or after the award. Written inquiries regarding the details of the RFP shall be submitted on the Planet Bids Portal on or before _____. SOCWA will post written responses on its Planet Bids Portal on or before _____.

5.6 Proposer's Representative

The person signing the proposal must be a legal representative of the firm authorized to bind the firm to an agreement in the event of the award.

5.7 Insurance

All proposing firms should meet and maintain the minimum insurance requirements for the length of the agreement. See the provided sample contract for specific details regarding insurance requirements.