

# CALAVERAS COUNTY WATER DISTRICT



Request for  
Statement of Qualification and Proposals  
for  
Cost of Service and  
Financial Analysis Study

April 2022

**Submission Deadline: May 5, 2022 - 4 p.m.**

Calaveras County Water District  
120 Toma Court  
San Andreas, CA 95249

# CALAVERAS COUNTY WATER DISTRICT

## Request for Statement of Qualifications and Proposals for Cost of Service and Financial Analysis Study

### **I. PURPOSE**

The Calaveras County Water District (“District”) is seeking professional consulting services to prepare a Cost of Service and Financial Analysis Study of the District’s water and wastewater systems. The cost-based study will determine the adequacy and sustainability of the water and wastewater funds and systems, assess the systems’ utilization of best financial practices, and determine if the current rate structures are compliant with state laws and regulations. The District intends to award a contract to a consultant that has a history of successfully performing services on similar studies.

### **II. BACKGROUND**

The Calaveras County Water District was organized in 1946 under the laws of the State of California as a public agency for the purpose of developing and administering water resources and wastewater service in Calaveras County. The District is a special district and not associated with the County government. The District boundaries encompass approximately 1,080 square miles of land ranging from the San Joaquin Valley to the Sierra Nevada Mountains. San Andreas, the County seat, is approximately 135 miles east of San Francisco and 65 miles southeast of Sacramento. With elevations starting at 200 feet, the western portion of the County is undergoing a shift from cattle ranching to residential development and agricultural orchard production. The eastern portions range to more than 8,000 feet and host mining, timber, and tourism industries.

Residential development has occurred along the Highway 4 and 26 corridors in eastern Calaveras County, and in the Valley Springs and Copperopolis areas in the western portion; communities that are closer to the valley cities. Population growth has stabilized over the last several years with most residents living in various unincorporated communities. As of the 2020 Census, the County’s population was 45,292.

The District currently provides water service to approximately 13,870 municipal and residential/commercial customers in five major water service areas. The District uses surface water from the Mokelumne, Calaveras and Stanislaus rivers and groundwater in the northwestern portion of the County to service its customers. The District also maintains five major wastewater service areas that provide sanitary sewer services to approximately 5,015 customers.

The District’s current water and wastewater five-year rate plan was adopted in 2018 and benefited the water and wastewater operating funds, which was also the last time an O&M cost of service study was performed. The last incremental increase of the current 2018 five-year rate plan will be implemented as of July 15, 2022. The District has a dedicated water and wastewater Capital Renovation and Replacement (Capital R&R) rate that funds the District’s Capital R&R programs. The current Capital R&R rate component was adopted in 2013. The current rate plan is available for review on the District's website in the Customer Service section at [www.ccwd.org](http://www.ccwd.org).

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### III. SCOPE OF SERVICES

The Scope of Services includes all necessary analysis and documentation to perform a Cost of Service and Financial Analysis of the District's water and wastewater systems. In general, the scope of work shall encompass the following:

**Data Collection and Development:** The consultant shall work with District departments to collect all available data and develop additional data when required to fully support a comprehensive Cost of Service and Financial Analysis of the District's water and wastewater systems and funds.

**Analysis:** The consultant shall determine the adequacy and sustainability of the District's water and wastewater funds and systems. The cost-based study will assess the systems' utilization of best financial practices and determine if the current rate structures are compliant with state laws and regulations. The consultant will evaluate and make recommendations on the sufficiency of the District's reserve and emergency funds, especially in relation to drought issues and water conservation requirements. The study of each system should also consider debt and debt service, mandated programs, and industry trends specific to the services being provided.

**Draft Report:** The consultant shall prepare and provide a report that documents the Cost of Service and Financial Analysis study results, including, but not limited to, a description of the overall methodology, findings, supporting justification, recommended water and wastewater funding levels that provide the legal nexus between services provided and the benefits from those services.

**Presentation of Materials:** The consultant shall present information at briefing meetings with District staff at critical points in the preparation process. Upon completion of the Draft Report, the consultant shall present the study to the District's Finance Committee, the Board of Directors, and District customers in a public format. The presentation capabilities and public involvement processes proposed by the consultant is a key factor in determining the successful proposals for the Cost of Service and Financial Analysis study.

**Proposition 218 Process:** The consultant will provide guidance and advice to District staff to assure the District's compliance with Proposition 218.

**Final Cost of Service and Financial Analysis Presentation:** A final study shall be provided and presented to the District's Board of Directors in a public meeting. It is the District's intent to complete Cost of Service and Financial Analysis of the District's water and wastewater funds and systems concurrently; however, the District reserves the right to pursue each study along a separate timeline.

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The successful consultant must be prepared throughout the analysis to (a) adjust its scope of work to account for possible changes in analysis acceptable to the District; and (b) adjust its methodology to account for local conditions.

## **IV. FORMAT FOR RESPONSE TO REQUEST FOR STATEMENT OF QUALIFICATIONS AND PROPOSAL (RFQ/RFP)**

The response to the "Request for Statement of Qualifications and Proposals" must be made according to the requirements set forth in this section, both for content and sequence. Failure to adhere to these requirements or to include conditions, limitations or misrepresentations may be cause for rejection of the submittal. Use 8-1/2" x 11" sheets (fold outs are acceptable for charts, etc.) and type size must be large enough to be easily legible (shall not be smaller than 10 point). Please deliver the RFQ/RFP in a sealed envelope, labeled as shown below in Item A.

- A. Deliver one (1) complete electronic copy and three (3) complete hard copies of the submittal to the contact person listed below.

Calaveras County Water District  
120 Toma Court  
San Andreas, CA 95249  
RFP 2022-ADM-02

Kate Jesus will serve as the District's contact for the Cost of Service and Financial Analysis RFQ/RFP. The District prefers that any questions, inquiries and matters of coordination regarding this RFQ/RFP be submitted by e-mail to the contact listed below.

Email: [katej@ccwd.org](mailto:katej@ccwd.org)  
Phone: (209) 754-3181

- B. Mandatory Content and Sequence of Submittals:

### **1. Cover Letter**

Section 1 shall be a maximum two-page "Cover Letter" and introduction and shall include the name and address of the organization submitting the proposal, together with the name, address, telephone and fax numbers, and email address of the contact person who will be authorized to make representation for the organization. This cover letter should also state the Principals' acceptance of the District's Standard Professional Services Agreement format as provided in Attachment A. If the Consultant proposes any changes to this format, said proposed changes should be outlined in the cover letter.

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### **2. Table of Contents**

Section 2 shall be a detailed "Table of Contents" and shall include an outline of the submittal, identified by sequential page number and by section reference number and section title as described herein.

### **3. Consultant Qualifications**

Section 3 shall be entitled "Consultant Qualifications" and shall include a description of the consultant firm's resources, experiences, and capabilities as they relate to Cost of Service and Financial Analysis, as well as resumes of the staff to be assigned to this project. Submit in the order identified below:

- a. Background and experience. In this section, describe your firm's background and its organizational structure. Describe the roles and background of the team leader and key team members. Describe capabilities specific to the scope of work within this SOQ/RFP.
- b. Consultants. Describe the background and qualifications for each of the consultants your firm would use in meeting the above capabilities and in preparing the District's water and wastewater Cost of Service and Financial Analysis study.
- c. Cost Control. Describe how your firm will ensure that the project contract amount is not exceeded.

### **4. Description of Analysis**

Section 4 shall be entitled "Description of Analysis" and will describe the methodology that you will utilize to provide the analysis requested in this Request for Statement of Qualifications and Proposal, taking care to account for the possible changes in scope and methodology mentioned in the last paragraph under Scope of Services, above. Please include recent rate study work performed for similar agencies and how they were successful, how that would translate to work for the District, and the challenges faced during those studies. Also include how your approach accounts for recent court rulings and challenges to Prop 218 and how they will follow those rulings.

### **5. Work Plan and Schedule**

The "Work Plan" will outline how the consultant's team intends to perform the Cost of Service and Financial Analysis study. Additionally, the consultant will provide a list of other services available to the District and the prescribed hourly rate for those services not covered by the basic monthly service agreement.

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### **6. Cost Estimate**

Section 6 shall be entitled "Cost Estimate" and shall provide a breakdown of costs by hour and by task contained in the Work Plan. Provide a total "not to exceed" amount inclusive of ancillary costs, such as copying, travel, phone, etc. The only reimbursable cost will be the printing and binding of the final report for each of the District's Cost of Service and Financial Analysis studies. The District reserves the right to negotiate the scope of work, overall price estimate and hourly rates prior to entering into a contract with the selected firm(s).

Consultants are required to propose a fee for a combined water and wastewater study.

### **7. Experience Summary**

Section 7, "Experience Summary," shall briefly describe knowledge and experience in conducting water and wastewater Cost of Service and Financial Analysis studies for other agencies, along with a discussion comparing similarities with this project. Include professional references, including names and telephone numbers for each sample project.

### **8. Additional Data (this section shall be limited to two pages)**

Section 8 shall be entitled "Additional Data" and shall include any other data the consultant deems essential to the evaluation of the qualifications and proposal statements. Where appropriate, please link the data back to information contained in Sections 1 through 7. If there is no additional data, this section will consist of the statement, "We wish to present no additional data."

## **V. SELECTION PROCESS**

Evaluations of all qualification statements, work plans and cost estimates will consist of two steps. The selection committee will be comprised of representatives from the Calaveras County Water District.

The first step will consist of evaluating the proposals for the purpose of ranking the most qualified proposing firms and to recommend either one firm or a combination of firms for District's Board of Directors approval. The District "may" conduct interviews from May 16, 2022, through May 20, 2022. Since the District reserves the right to negotiate the final cost with a selected firm, the cost estimate will not be the most significant consideration in the first step of the District's selection process.

The second step involves the District negotiating with the proposing firm that it ranks as the most qualified to perform the services. The District desires to negotiate the final price for the

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engagement, details of scope of services, contract terms and conditions. Should the District not be able to negotiate the price and other conditions to its satisfaction, it may choose to negotiate with another qualified proposing firm.

## VI. DISTRICT NOTICES

Any questions related to this RFQ/RFP are to be directed by email to the District's contact person identified herein.

**All consultant firms responding to this RFQ/RFP should note the following:**

- a. All work performed for the District, including all documents and computer software files associated with the project, will become the exclusive property of the Calaveras County Water District. The proposals must indicate if consultant anticipates using software that is proprietary in nature and therefore cannot be legally released to the District.
- b. The District reserves the right to: 1) reject all submittals, 2) request clarification of any submitted information, 3) not enter into any agreement, 4) not select any consultant, 5) cancel this process at any time, 6) amend this process at any time, 7) issue similar RFPs or RFQs in the future, and/or 8) request additional information during the selection process.
- c. The selected consultant is expected to perform and complete the project in its entirety.
- d. Any and all costs arising from preparation of this RFQ/RFP and participation in the selection process incurred by any consultant firm shall be borne by the firm without reimbursements by the District.

## VII. TIMING AND SCHEDULE

All responses to this RFQ/RFP must be submitted to the District's contact person identified herein on or before the specified deadline. The District will then review the responses and schedule interviews with the firm(s) who best meets the criteria outlined above.

The proposed schedule is as follows:

Submission deadline	May 5, 2022 – 4 p.m.
Interviews	May 16 through May 20, 2022
Preliminary selection	By May 25, 2022
Negotiation of contract	May 26 to May 31, 2022
Award of contract	June 8, 2022, Board of Directors meeting
Project to commence	No later than July 1, 2022