ADDENDUM TO RFP DOCUMENTS

REQUEST FOR PROPOSAL: Financial Consultant

ADDENDUM # 1

DATE: April 21, 2020

To All Potential Bidders:

This addendum is issued to modify the previously issued request for proposal (RFP) documents and/or given for informational purposes, and is hereby made a part of the RFP documents. Please attach this addendum to the documents in your possession. Per the RFP, section 4.3 Addenda, “Any addenda issued by Authority shall be in writing, shall become a part of this RFP, and shall be acknowledged and responded to by Proposer.”

1. Question: Which firms directly received a copy of the Request for Proposals?

Response: The following firms directly received an invitation to bid on the RFP. Any other firm not on the list is able to compete.

- Bartle Wells Associates
- CSG Consultants, Inc.
- Clear Source Financial Consulting
- DTA (formerly David Taussig and Associates)
- Francisco & Associates, Inc.
- HDR, Inc.
- HF&H Consultants
- MGT Consulting Group
- Matrix Consulting Group
- NBS
- Raftelis Financial Consultants, Inc.
- Regional Government Services Authority (JPA)
- SCI Consulting Group

2. Question: In the description of Task 1 provided in the RFP (Exhibit A, page 1 of 2), it is specified that the financial analysis of the costs to implement the 2016 Municipal Regional NPDES Permit requirements will not include capital improvement needs. We have the following clarifying questions regarding this statement:
a. Why are capital costs excluded from the analysis?

Response:
The various jurisdictions do not have a capital needs assessment. The firm may wish to provide guidance on what should be included in future capital needs assessments, including costs associated with the Clean Water Program such as compliance with the MRP and those associated with ongoing capital needs for the jurisdictions that may not align directly with the Clean Water Program, such as replacement of existing pipe, managing flow volumes, etc.

b. It is the intention of the Authority to have your selected consultant to complete a projection of revenue requirements, funding sources, and rate and fee methodologies only for O&M costs?

Response:
The original concept focused on a projection of revenue requirements, funding sources, and rate and fee methodologies for O&M costs. Proposers may consider providing an estimate to include a capital cost methodology and analysis related to green infrastructure, trash capture and or other capital needs as required by the MRP to enhance their proposals.

c. In order to complete a comprehensive analysis of the cost of member agency compliance with the NPDES requirements, it will be necessary to project both O&M and capital costs. Will the Authority provide projected capital costs for each member agency?

Response:
The Authority will provide current operating costs and scope of services within the participating jurisdictions’ budgets. The firm should analyze these costs to ensure completeness and accuracy, and make recommendations for adjustments. The Authority will provide information on progress efforts each jurisdiction has made towards compliance with the MRP with respect to capital costs. The firm may wish to provide an analysis and recommendations for additional capital projects to achieve unmet MRP goals. The final scope of work will be negotiated with the successful proposer.

3. Question:

a. Regarding Task 1 in the scope of service, does the Authority know what the costs are that are described in the bullet points, or does the consultant need to develop those cost estimates to include in this study?

Response:
The Authority knows the cost associated with funding the county-wide Santa Clara Valley Clean Water Program (SCVURPPP) and the Authority operations. The internal City/Town staff and implementation cost required to support stormwater-related activities may not holistically be known by all four member agencies.

b. Bullet point 3 in the Task 1 scope of services states that the analysis will not include capital improvement needs – why is that? Are there no identified CIP needs at this point, or will that be evaluated at some point in the future?

Response: See response to questions 2.a., 2.b. and 2.c. above.
c. Regarding bullet #4 in the Task 3 scope of services, do you have certain agencies that you are interested in specifically, and by what criteria should we measure the terms neighboring and comparable? For example, within a certain vicinity of the Authority, # of parcels in the service area, size of the system, etc.

Response: We do not have specific agencies that we would prefer benchmarking. Examples seem reasonable however, consultants will be asked to advise the Authority on best industry standard comparisons.

d. For Task 4 in the scope of services, does the Authority have a preference for the consultant who completed the 2018 Staffing and Salary Review to do this work, or are you looking for a new perspective?

Response: The Authority does not a preference for any consultant in completion of the proposed work. All proposals will be evaluated objectively, and without prejudice, based on criteria outlined in Section 10 of the RFP.

4. The RFP requests timelines for each of the four tasks. Do you have a completion date for the entire project?

Response: There is no set timeline for the project. Consultants should propose a schedule consistent with the time needed to complete work.

5. The RFP requests separate fee estimates for each task. Is there a budget for the entire project?

Response: There is no set budget for the project. The Authority will utilize its consultant services budget to fund the final scope of work. The Board directed staff to conduct the RFP and to return to the Board for final contract approval.