

MEMO

To: Mike Foreman/City Manager & City Council

From: Mark Sollenberger /Water & Wastewater Director

Date: January 5, 2018

Re: Recommendation for Water & Sewer Rate Study Proposal Award.

Late in 2017 the water and wastewater departments sent out a request for proposal (RFP), and received proposals on December 21, 2017, for a water and sewer rate study. This was done by the city staff to address concerns that the present rate structure for both of these enterprise funds may not be adequate to meet the anticipated costs for compliance with present and future CDPHE (Colorado Health Department) regulations, and the present water and wastewater 10 year plans for capital improvement projects and equipment replacement. This rate study will be funded (50/50) by the water and sewer funds O&M accounts 50-65-358 and 60-66-358 respectively.

There were five proposals received from various consultants with both financial and/or engineering experience for such rate studies. The city staff has reviewed all of the proposals, and wishes to make a recommendation to the city council to award this project to RFC (Raftelis Financial Consultants, Inc.) with a not to exceed bid of \$49,794.00. The staff feels RFC is the best candidate to complete this rate study for the city, because of their project teams experience, and previous rate study work that they did for the city. The staff would like to make this award contingent upon further acceptable negotiations between city staff and RFC Inc. to resolve and clarify exactly what the city feels will be the full scope of work and refine costs to provide the city with the best project results. I have included a proposal tab on the next page for your review.

