



City of Lompoc

RFP No 2641 ADDENDUM NO. 2

Utility Rate Study

TODAY IS: Saturday, January 07, 2012

Please note the following changes, additions and/or deletions to this procurement named above.

Question 1. On pages 5 and 6 the Scope of Services for the project contains two sections that appear to “overlap”:

8. Attend meetings and conference calls with staff and consultants as needed. Present results to City Council at a public workshop and meetings.

13. The consultant shall present information at briefing meetings with City staff at critical points in the preparation process. In addition, upon completion of the draft report, the consultant shall be prepared to present the study to the City Council, Utility Commission and the residents 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 study.

Should proposers treat these two items as separate? If so, please provide additional information to clarify the difference between these two scope items.

In response to question 1: Number 8 and 13 can be combined. Number 8 represents the need for preparation for presentation to the City Council. Number 13 is an expansion of number 8 in that there may be time needed to present to the Utility Commission and the public in addition to City Council.

Question 2. Scope item 15 notes: “The rate design shall continue to encourage conservation for all customer classes, provide funding for Conservation programs while insuring the ability of the utilities to meet fixed and variable cost obligations.”

It is unclear what product or task is associated with this scope item. One possible task could be the evaluation of existing conservation programs and a projection of future costs and impacts under various utility rate structures. Alternatively, this note can be treated as a condition for scope item 4.

In response to question 2: The retrofit/conservation program is currently funded by development fees. The City’s water conservation program has been successful in lowering the overall demand of water (about 4% per year for the last 3 years). Since both water and wastewater rates are based on water consumption, this factor has impacted the water & wastewater fund revenues. We anticipate the continuance of the conservation program. The effect of the conservation programs on curbing overall water consumption increases should be considered in the rate analysis.

Question 3. It is unclear whether the scope of work includes recommending new wastewater rates charged to Vandenberg Village CSD and Vandenberg Air Force Base.

The 2007 Bond Offering notes that for VVCSD "Adjustments are made each year to reflect actual costs incurred during the prior year", while for VAFB, current rates are noted, but no information is provided regarding adjustments to these rates. The Bond offering also notes how debt service costs are passed along to these agencies.

Should proposers assume that they will be required to project annual adjustments to VVCSD wastewater rates as part of Scope Items 2 and 4? Should proposers assume that the wastewater rates charges to VAFB are fixed?

In response to question 3: No, rates for VVCSD and VAFB are determined by contracts that pay for both their proportionate share of O&M costs based on their use of the plant compared to all plant O&M costs and their proportionate share of debt service costs based on their capacity share of the plant compared to the total capacity of the plant. Vandenberg Village CSD & Vandenberg Air Force Base are part of the Lompoc Regional Wastewater Reclamation Plant and have their own contracts with the City of Lompoc. Vandenberg Village renewed their contract in 2011. The Air Force Base contract will become renewable next year.

The operational costs (except for wastewater collection & customer services) are divided between the City, VVCSD, and Vandenberg AFB according to the proportional amount of volume used & then adjusted according to the BOD & SS from each agency. Last year VVCSD made up 15.23% of the volume and Vandenberg AFB made up 15.12% with the City consisting of 69.66%. Debt service is based on the share of the capacity of the WWTP (5.5 MGD) Vandenberg Air Force Base costs is based on 28.20% and Vandenberg Village CSD costs is based on 16.18%.

Question 4. Does the 10-point minimum font size limit (described on page 7 of the RFP) apply to text that is in headers/footers and/or tables and graphics? Or primarily just body text?

The Lompoc evaluation team will accept 8 pt type in the graphics, headers and footers, but not in the Body Text.

Question 5. Where should we include our proposed project schedule, in section C-3? Scheduling or E. Workplan and Schedule (page 9 of the RFP)?

Please put the proposed project schedule with the Workplan & Schedule.

The standard City Contract attachment A may be downloaded here <http://bit.ly/zTnsZz>

This Addendum must be acknowledged and returned by January 17, 2012 and may be faxed to (805) 735-7628. Thank you.



Ray Ambler
Purchasing and Materials Manager

Bidder's Acknowledgment: I/We the undersigned bidder hereby acknowledge this Addendum to **RFP/BID No. 2641 Addendum No. 1 and No. 2.**

(Please type or print)

COMPANY NAME

SIGNATURE OF AUTHORIZED REPRESENTATIVE

PRINT NAME/TITLE

Date



City of Lompoc

RFP No 2641 ADDENDUM NO. 1

Utility Rate Study

TODAY IS: Tuesday, December 27, 2011

Please note the following changes, additions and/or deletions to this procurement named above.

1. Q: In the RFP, paragraph 12 of the requested scope requires that *if additional debt is required, we should be prepared to provide certificates or opinions in form acceptable to bond counsel.* Usually, this means the rate consultant would prepare a document (not just a page or two) that becomes incorporated into the overall bond prospectus. In the process of preparing that document, it usually entails at least one or two meetings (including a formal signing ceremony) and numerous phone calls between bond counsel, engineer, and several others who are part of the process. The question is – should we scope and budget for that entire process?

A: If you anticipate the potential for additional work, include in your proposal a separate line item description and the rationale for the possible requirement. That breakdown of the potential additional work will be considered separately and be part of the subject of negotiation of contract terms.

2. Q: “The **Selection Process** portion of the RFP on the upper third of page 11 of 16 says that vendor interviews will be held from”

A: Page 11 of 16 Please substitute interview dates January 23 through January 25, 2012. Also note the complete schedule on page 15 of 16

This Addendum must be acknowledged and returned by January 17, 2012 and may be faxed to (805) 735-7628. Thank you,

Ray Ambler
Purchasing and Materials Manager

Bidder's Acknowledgment: I/We the undersigned bidder hereby acknowledge
this Addendum to **RFP/BID No. 2641 Addendum No. 1.**

(Please type or print)

COMPANY NAME

SIGNATURE OF AUTHORIZED REPRESENTATIVE

AUTHORIZED REPRESENTATIVE

Title

DATE
Document2



**REQUEST FOR PROPOSALS
AND PRICE ESTIMATE
RFP 2641
FOR AN UPDATE OF
THE CITY OF LOMPOC'S UTILITY RATES
FOR WATER AND WASTEWATER**

Submission Deadline: January 17, 2012 – 2 p.m.

If you intend to submit a proposal or just to stay informed of any addendums, changes or modifications to this solicitation please immediately complete the registration on the last page and fax back. Thank you.

**CITY OF LOMPOC
REQUEST FOR PROPOSALS
AND PRICE ESTIMATE
RFP 2641
FOR AN UPDATE OF
THE CITY OF LOMPOC'S UTILITY RATES
FOR WATER AND WASTEWATER**

Introduction

The City of Lompoc (City) is requesting proposal for qualified utility rate consultants to conduct a comprehensive water and wastewater rate study. The study will include recommendation to update the City's water and wastewater utility rates. The intent of the process is to independently assess and evaluate the City's existing water and wastewater rates and provide a fair and reasonable rate structure. The proposed rate design shall adequately fund each utility's operations, capital costs, legislative directives and bonded debt, while minimizing current and future rates to the greatest degree possible. The City intends to award a contract or a combination of contracts to consultant that have a history of successfully performing services on similar rate studies.

The study will be based on a comprehensive review of the City's Water and Wastewater Funds budgets, capital improvement program (CIP), Sewer System Management Plan, Urban Water Management Plan, customer billing classes, current usage data, future planned growth, current legislation (including Proposition 218) and other information deemed necessary. The results of this study and the resulting proposed rate design will provide the foundation for Water and Wastewater rates for the next five (5) years.

Background

The City of Lompoc is a general law city of the State of California located in Santa Barbara County approximately 150 miles northwest of Los Angeles, and has a population of about 42,000 in approximately ten square miles. The City has provided water service to all customers within the city limits since its incorporation in 1888. The City has provided wastewater services to all customers within the City limits since 1916. The wastewater treatment plant has provided services to Vandenberg Air Force Base since 1978 and to the Vandenberg Village Community Services District since 1974. In Fiscal Year 2010-2011, there were approximately 9,600 water connections and 9,700 sewer connections. The water utility can treat up to 10 million gallons per day (MGD) for domestic consumption while the wastewater treatment plant is rated for up to 5.5 MGD. Total annual consumption of domestic water during 2010-2011 was 1,339,700,000 gallons while the annual collections of City generated wastewater was 788,400,000 gallons. The City's water supply is acquired through City

owned wells except for a small surface supply dedicated to an isolated community outside the City limits.

The City of Lompoc last contracted to have a rate study and design in 2004. Selected historical consumption billing data will be available to the selected consultant.

The City previously issued Water and Wastewater Revenue Bonds in 1992, 1998, 2005 and 2007 (the "Outstanding Bonds") through the Lompoc Public Financing Authority. The 1992 bonds have been effectively paid off or refinanced by subsequent bond issues – primarily the 1998 bond issue. In addition, the City secured a State Revolving Fund Loan (RLF) in 2007 for a required wastewater treatment plant upgrade. The first payment on the State loan was due and paid on August 31, 2010. In connection with the 2005 and 2007 Bonds and the RLF, the City approved several phased rate increases based on the 2004 rate study. The final increases in rates approved in 2005 were on June 1, 2009 for the Water Utility and June 1, 2010 for the Wastewater Utility. At the time of the planning of the 2007 bonds, the City did not project any additional increases in water rates but projected additional necessary wastewater rate increases of 5.5% in 2010-11 and a 15% rate increase in 2011-12. Neither the 2010-2011 nor the 2011-2012 wastewater increases have been implemented. In 2007, the wastewater rate structure was modified to reflect billing based on six year average water consumption (January to March activity) by customer. The City currently maintains a \$1.9 million rate stabilization fund for the water and wastewater utilities (combined).

The Outstanding Bonds are all secured by a first lien pledge of both water and wastewater net revenues. The State loan is secured by a pledge of wastewater net revenues only. The State loan pledge is subordinate to the lien of the outstanding bonds. The Installment Sale Agreements in connection with the Outstanding Bonds contain a requirement for the issuance of Parity Obligations to the effect that the Net Revenues for the most recent fiscal year and Additional Revenues (both as defined) are at least 125% of the Maximum Annual Debt Service for the existing and proposed new bonds. Additional Revenues are an allowance for Net Revenues due to an increase in charges which have become effective (or adopted but not yet effective). The figures must be certified by an independent consultant. This is referred to as the additional bonds test (ABT). The State loan requires that any future debt issued on a subordinate or parity basis.

The following documents identified above are available on the City's website at <http://www.cityoflompoc.com/purchasing>:

- 2004 Rate Study
- 2007 Bond Offering Statement

Additional Capital Needs

Toward the end of construction of the wastewater plant, it was determined that additional improvements were required that were not contemplated in the 2004 rate study. The first was the replacement of anaerobic digesters with aerobic digesters. That work was funded from existing resources and was completed in August 2009 for an approximate cost of \$4.85 million. In April 2009, the City Council approved a reimbursement resolution stating its intent to reimburse the cost (then estimated at \$6 million) from the proceeds of indebtedness. It was also determined that an oxygenation ditch air blower upgrade would be necessary. In December 2009, the City approved a second resolution declaring its intent to reimburse such costs from the proceeds of indebtedness estimated in the amount of \$7 million. The work was completed in August 2011 at an approximate cost of \$5.8 million. In addition to that completed activity, both the Water and Wastewater Utilities have a 5-year CIP. The 5-year CIP plans are \$3.5 million for the Water Utility and \$6.9 million for the Wastewater Utility. The amounts requested for the 2011-2013 biennial budget were \$1,372,550 and \$900,000 for the Water and Wastewater Utilities respectively. The rate study should reflect the range of costs that the City has expended on those two unexpected projects, as well as the recommended CIP for 2011-2016 and 2016-2026 for both utilities.

Scope of Services

The Scope of Services involves all necessary analyses and documentation to perform the study of the City's utility rates and recommendation of a five-year (5-year) rate schedule for each utility. In general, the scope of work shall involve the following:

1. Review Background Information: For each system (water and wastewater), review key background information including, but not limited to:
 - a. Regulatory requirements, bond covenants and other contractual requirements and operations;
 - b. Historical revenues, operating expenses, debt service requirements, reserve policies (i.e., working capital and renewal and replacement), billing and collection procedures, approved rates and charges, customer information and usage data;
 - c. Source(s) of supply, current system facilities and the proposed capital improvement plan;
 - d. The City's projected revenues, operating expenses, debt service and other funding requirements; and
 - e. Other pertinent data, as necessary.
2. Project operating results reflecting only previously approved rate increases.

3. Comment as to the extent to which the projected revenues meet projected operating and capital needs satisfy bond covenants and required and/or recommended reserve levels.
4. Project rate increases and recommended structure needed to meet operating requirements, capital improvements, regulatory obligations, and reserve funding levels assuming no additional obligations.
5. Propose a methodology for annual inflationary adjustments in compliance with Proposition 218.
6. Identify various scenarios for additional debt and alternative rate design structures. The alternatives should consider the utility's fiscal health as well as ratepayer impacts. Additional debt scenarios will be developed in conjunction with the City and KNN Public Finance, the City's Fiscal Advisor.
7. For each debt or rate scenario, assess the sensitivity of the projected results to changes in certain key variables.
8. Attend meetings and conference calls with staff and consultants as needed. Present results to City Council at a public workshop and meetings.
9. Report (s): The consultant shall prepare a draft and a final report which include the following:
 - a. A brief description of each system, including facilities, plant capacity, etc.
 - b. Source(s) of supply (including a description of water rights/entitlements including status of City's assertion to water rights); historical and projected net sustainable yield and statement the consultant's opinion as to the expected sufficiency to meet demand;
 - c. Service area description, including population;
 - d. Overview of financial operations over the last 5 years, including factors attributable to the rate covenant shortfall and corrective recommendations;
 - e. A description of the capital improvement program, including State and Federal regulatory requirements, a 5 year summary of proposed capital expenditures and a statement regarding the sufficiency of improvements to meet operating needs and regulatory requirements and reasonableness of the cost estimates;
 - f. The comprehensive revenue, expense projection described above;
 - g. The rate comparison described above.

10. The consultant will provide guidance and advice to City staff to assure compliance with the Proposition 218 process as it applies to water and wastewater services. The consultant will include the preparation and completion of the Proposition 218 process as a service to the City. It is the intent of the City to complete and adopt, if at all, the Water and Wastewater rates together at the conclusion of the Proposition 218 process at a public hearing.
11. An initial report outlining the borrowing/no borrowing scenarios will be necessary. If the City determines it is advantageous to issue additional debt, then a final report will be necessary for the bond sale. The report will be used by the City, its financial advisor, disclosure counsel in connection with the issuance of the additional debt and may also be reviewed by rating agencies, bond insurers and prospective purchasers. The report may be included, in whole or in part, and/or may be referenced in the official statement for such bonds.
12. Certifications, Opinions, Consents: If additional debt is issued, then the consultant will be required to provide certificates or opinions in form acceptable to bond counsel necessary to meet additional bonds tests under financing documents. The consultant may also be required to consent to the use of or reference to the report in the official statement and to certify that the consultant has read such references and that there are no material omissions.
13. The consultant shall present information at briefing meetings with City staff at critical points in the preparation process. In addition, upon completion of the draft report, the consultant shall be prepared to present the study to the City Council, Utility Commission and the residents 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 study.
14. The benefits of any proposed modifications shall be weighted against the financial impacts on ratepayers. Analyze the proposed rates for customer impacts and develop alternate rates modeled to address financial impacts on ratepayers. The analysis is to include:
 - a. Preparation of typical bill comparisons for each proposed rate structure for representative customer classes using the current rate schedules as a baseline
 - b. Compare customer class and proposed rate structures with neighboring water and wastewater agencies.

15. The rate design shall continue to encourage conservation for all customer classes, provide funding for Conservation programs while insuring the ability of the utilities to meet fixed and variable cost obligations.
16. The Utilities Department is exploring a recycled water system. The proposal can include a separate rate study to identify an initial rate design on this proposed new service.
17. Provide a user friendly model prepared in Microsoft Excel reflecting the rate designs proposed such that City staff can track actual results against the predicted results from the study. The model will be the property of the City and may be used by the City for any purpose.
18. The successful consultant must be prepared throughout the analysis to:
 - a. Adjust its scope of services to account for possible changes in rate structures acceptable to the City; and
 - b. Adjust its methodology to account for local conditions.

Format for response to Request for Proposal (RFP)

Complete the Proposer Contact Information Sheet (attached) and fax to (805) 735-7628. Purchasing will provide any clarifications and addendums to this RFP directly to all consultants who have completed this form in addition to publishing them on the City's Purchasing website.

The response to the RFP 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 ½" x 11" sheets (foldouts are acceptable for charts, etc) and type size must be no smaller than 10 point). Please deliver the RFP in a sealed envelope, labeled as shown below in Item 1.

1. Deliver of three (3) complete hard copies of the submittal to the address listed below.

<p><u>US Mail:</u> City of Lompoc Attn: Purchasing Division P.O. Box 8001 Lompoc, CA 93438</p>	<p>or</p>	<p><u>Hand delivery, FedEx, UPS, etc:</u> City of Lompoc Attn: Purchasing Division 1300 West Laurel Avenue Lompoc, CA 93436</p>
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Melinda Wall, Financial Services Manager, will serve as the City's contact for the rate study. The City prefers that any questions, inquiries and matters of coordination regarding the required services be submitted by e-mail to the contact listed below.

m_wall@ci.lompoc.ca.us

Phone: (805) 875-8237

Any questions or inquiries related to the RFP process should be directed to Ray Ambler, Purchasing and Materials Manager

r_ambler@ci.lompoc.ca.us

Phone: (805) 875-8003

2. Proposals in the form of telegrams, telephone calls, facsimiles, e-mails or telex will not be accepted. Late proposals will not be accepted. A proposal will be late if it has not been received by the City's Purchasing Division by 2 p.m. on January 17, 2012.
3. Delivery of the hard copy proposal by January 17, 2012 at 2:00 p.m. will constitute acceptable delivery. The City requires the delivery of one (1) electronic version of the completed response to the RFP for review purposes. The City requests that this delivery be made subsequent to the deadline for the hard copies of the RFP to both City contacts listed above but no later than two business days following the deadline for the hard copies of the response to the RFP. The delivery of the requested electronic copy via e-mail to the City's contacts will not invalidate the successful delivery of the response to the RFP, as long as the hard copy is received by the date and time specified.
4. Mandatory Content and Sequence of Submittals:
 - a. 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 signature, name, title, address, telephone and fax numbers, and e-mail address of the contact person(s) empowered to bind the firm and to make representation for the organization. This cover letter should also state the firm's acceptance of the City's Contract for Consulting Services agreement format as provided in Attachment A. If the firm proposes any changes to this format, said proposed changes should be outlined in the cover letter.
 - b. 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.

c. 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 appropriate City utility rate studies, as well as resumes of the staff to be assigned to this project. Submit in order identified below:

1. 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 RFP.
2. Consultants. Describe the background and qualifications for each of the consultants your firm would use in meeting the above capabilities and in preparing these City utility rate studies.
3. Scheduling. Delineate the schedule you propose for each of the City utility rate studies.
4. Cost Control. Describe how your firm ensures that the project contract amount is not exceeded.

d. 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 RFP, taking care to account for the possible changes in scope and methodology mentioned in the last paragraph under Scope of Services, above.

e. Workplan and Schedule

Section 5 shall be entitled "Workplan" and will outline how the consultant's team intends to prepare and complete the City utility rate studies.

f. Price Estimate

Section 6 shall be entitled "Price Estimate" and shall provide a breakdown of costs by hour and by task contained in the Workplan in Section 5. 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 of the rate studies. The City reserves the right to negotiate the scope of work, overall price estimates and hourly rates prior to entering into a contract with the selected firm.

g. Experience Summary

Section 7 shall be entitled "Experience Summary" and shall briefly describe knowledge and experience in conducting City utility rate 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.

h. Additional Data

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 key data back to information contained in Sections 1 thru 7. If there is no additional data, this section will consist of the statement, "We wish to present no additional data." This section shall be limited to two pages.

Selection Process

The goal of the selection process is to recommend a consultant for City Council approval. The selection committee will be comprised of representatives from the City of Lompoc and will use the following weighted evaluation criteria.

1. Qualifications, background, and prior experience of the firm in performing services for similar projects. 10 evaluation points
2. Experience, organization, and technical skills of the firm and key people to successfully accomplish the project's scope of services and objectives. 10 evaluation points
3. Overall project design and methodology. The firm's technical approach to the work, task breakdown and staffing will be considered. 10 evaluation points
4. The responsiveness of the RFP to the tasks to be performed as identified in the "Scope of Services" section. 5 evaluation points
5. The timeliness and speed with which the consultant can complete the scope of work. 10 evaluation points
6. The comprehensiveness and rationale of the project work plan, project schedule and identification of key deliverables. 10 evaluation points
7. Past performance on contracts with business or government agencies in terms of quality of work and compliance with schedules. This will be evaluated based on a check of references. 15 evaluation points
8. Proposer's ability to communicate technical information in a clear and simple manner. 10 evaluation points
9. An evaluation of the proposed project costs. 20 evaluation points

- a. \$-0- to \$45,000 20 evaluation points
- b. \$45,001 to \$55,000 18 evaluation points
- c. \$55,001 to \$65,000 15 evaluation points
- d. \$65,001 to \$75,000 10 evaluation points
- e. \$75,001 to \$85,000 5 evaluation points
- f. \$85,000 and higher 0 evaluation points

Evaluations of all qualification statements, work plans and price estimates will consist of two steps of selection.

The **first step** will consist of evaluating the proposals for the purpose of ranking the most qualified proposing firms. Following evaluation of the written proposals, the highest rated firms in the competitive range may be invited for an interview. The City will conduct vendor interviews from January 9 through January 12. Since the City reserves the right to negotiate the final price with a selected firm, the price estimate will not be the most significant consideration in the first step of the City's selection process.

The second step involves the City negotiating with the proposing firm that it ranks as the most qualified to perform the engagement. The City desires to negotiate the final price for the engagement, details of scope of services, timeline for completion of the engagement, contract terms and conditions. Should the City not be able to negotiate the price and other conditions to its satisfaction, it may choose to negotiate with another qualified proposing firm.

City Notices

Any questions related to this RFP are to be directed by e-mail to the City's contact person identified herein.

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

1. Firms should immediately complete the Proposer Contact Information Sheet (attached) and fax to (805) 735-7628. Purchasing will maintain a list of proposers during the RFP process. Purchasing will provide any clarifications and addendums to this RFP directly to all consultants who have completed this form.
2. All work performed for the City of Lompoc, including all documents and computer software files associated with the project, will become the exclusive property of the City of Lompoc. The proposals must indicate if consultant anticipates using software that is proprietary in nature and therefore cannot be legally released to the City.
3. The City of Lompoc reserves the right to:

- a) reject all submittals
 - b) request clarification of any submitted information
 - c) not enter into any agreement,
 - d) not select any consultant
 - e) cancel this process at any time
 - f) amend this process at any time
 - g) issue similar RFPs or RFQs in the future
 - h) request additional information during the selection process
4. The consultant shall carefully examine this RFP and any addenda that may be posted on the City's website. The consultant shall seek clarification of any the responsibility of the consultant to check the City's website to determine if any addenda have been posted to the website prior to the bid opening date. As noted in Item #1 above, immediately complete the Proposer Contact Information Sheet (attached) and fax to (805) 735-7628 to be added to the active list of bidders to receive all addendums and clarifications that may be issued during this RFP process. 7
5. The City's website address is <http://www.cityoflomdoc.com>. Click on Departments, Management Services, Purchasing. Then click on Current Bids and Tabulation download page for information on this RFP. The direct link to the Purchasing Department's web page of the City of Lompoc where you can find additional information on this RFP is <http://www.cityoflomdoc.com/purchasing>

Additional information that is currently available here includes:

RFP 2641 Utility Rate Study	http://bit.ly/vziYH5
2004 Rate Study	http://bit.ly/u8Y5MF
2007 Bond Offering	http://bit.ly/sLuzk3

6. The selected consultant is expected to perform and complete the project in its entirety.
7. Any and all costs arising from preparation of this RFP and participation in the selection process incurred by any consultant firm shall be borne by the firm without reimbursements by the City of Lompoc.
8. The City may require selected consultant to submit additional data or information the City deems necessary to substantiate the costs presented by the proposer. The City may also require selected consultant to revise one or more elements of its proposal in accordance with contract negotiations. The City reserves the right to evaluate proposals for a period of ninety (90) days before deciding which proposal, if any, to accept.

9. The selected consultant shall furnish the City certificates of insurance prior to execution of the contract demonstrating that the following coverage is in effect and in accordance with the specifications.

a) Workers' Compensation

The selected consultant shall provide and maintain in full force Workers' Compensation Insurance in accordance with the State of California, with Statutory Limits throughout the life of any contract entered herein. The selected consultant agrees to indemnify, defend and hold harmless the City and its agents from any and all claims/actions that may arise by reason of injury to any employee of the selected consultant.

The limit of Workers' Compensation and Employer's Liability Insurance coverage shall be at least:

Workers' Compensation	Statutory Limit
Each Accident	\$1,000,000
Disease – Policy Limit	1,000,000
Disease – Each Employee	1,000,000

b) Public Liability and Property Damage

The selected consultant shall maintain during the life of any contract entered into public liability and property damage insurance in which the City shall be named as an additional insured, and which shall protect the selected consultant or any subconsultant performing work covered by the contract from claims for personal injury, including accidental death as well as for claims of personal damages which may arise from the operation under any contract entered into whether such operations shall be performed by the selected consultant or any subconsultant, or by anyone directly or indirectly employed by any one of them.

The limit of coverage shall be at least:

Professional Liability (E & O)	
Per occurrence or claim	\$1,000,000
Aggregate	2,000,000
General Liability	
General Aggregate	2,000,000
Products Comp/OP AGG	2,000,000
Personal & Adv Injury – per occurrence	1,000,000
Each Occurrence	1,000,000
Fire Damage (any one fire)	50,000
Medical Expense (any one person)	5,000

Automotive Liability

Any vehicle, combined single vehicle 1,000,000

In addition, the following applies for Commercial General Liability (CGL): Insurance Services Office Form CG 00 01 covering CGL on an "occurrence" basis for bodily injury and property damage, including products-completed operations, personal injury and advertising injury, with limits no less than \$1,000,000 per occurrence. The general aggregate limit shall apply separately to this project/location and the general aggregate limit shall be twice the required occurrence limit.

The following applies for Automobile Liability: Insurance Services Office Form Number CA 0001 covering, Code 1 (any auto), or if Consultant has no owned autos, Code 8 (hired) and 9 (non-owned), with limit no less than \$1,000,000 per accident for bodily injury and property damage.

Professional Liability (Errors and Omissions) Insurance should be appropriate to the Consultant's profession, with limit no less than \$1,000,000 per occurrence or claim, \$2,000,000 aggregate.

The issuing insurance company must have A.M. Best rating no less than A-VII. All said insurance policies, as described in this section, shall provide that the same is non-cancelable except upon thirty-days' (30-days') written notice to the City.

The selected consultant will be required to indemnify, defend and hold harmless City, and each of its officers, employees and agents from all claims, costs (including reasonable attorney's fees and court costs), expenses, losses, liabilities and judgments ("Damages"), personal injury or death arising out of or caused by any acts or omissions of consultant, its officers, employees, subconsultants or agents, in the performance of this contract; provided, that the obligation to indemnify and hold harmless shall only be to the extent consultant or any of its officers, employees, subconsultants or agents caused the Damages, personal injury or death.

10. Within ten (10) calendar days after being notified by the City of award, the successful consultant shall submit the following documents to the City contact:

- a) Three signed copies of the Contract for Consultant Services agreement executed by the successful consultant.
- b) Evidence of the required insurance coverage.
- c) A completed Internal Revenue Service Form W-9.

11. Failure of the successful consultant to make a timely submission of documents may result in a rescission of acceptance of the proposal by the City and in award of contract to another consultant.

Timing And Schedule

All responses to this RFP must be submitted to the City's contact person identified herein on or before the specified deadline. The City will then review the responses and schedule interviews with the consultants who best meet the criteria outlined above.

The proposed schedule is as follows:

Submission deadline	January 17, 2012 – 2 p.m.
Interviews	January 23 through January 25, 2012
Preliminary selection	January 26, 2012
Negotiation of contract	January 30 to February 2, 2012
Award of contract	February 7, 2012 City Council meeting
Project to commence	February 8, 2012
Project due date	March 30, 2012
Presentation to Council	April 17, 2012 City Council meeting
Prop 218 notice delivery	By May 4, 2012
Prop 218 Public Hearing	June 19, 2012
Effective date for rates	August 1, 2012

“Registered Proposer Contact Sheet”

Request for Proposals No. 2641

Utility Rate Review

Submission Deadline: January 17, 2012 at 2:00 P.M.

If you intend to submit a proposal or just to stay informed of any addendums, changes or modifications to this solicitation please complete this form (print or type your information) and fax the completed sheet to (805) 735-7628

Company Name	Signature Of Authorized Representative
Address	Name And Title (Please Print)
City, State And Zip Code	Email Address
Phone Number	Web Page
Fax Number	Date