

**CITY OF LOGAN
REQUEST FOR PROPOSALS
REVIEW OF UNBILLED OR MISBILLED
UTILITY SERVICES**

JUNE 28, 2017

City of Logan
290 North 100 West
Logan UT 84321

REVIEW OF UNBILLED OR MISBILLED UTILITY SERVICES

- I. PURPOSE The City of Logan, hereinafter referred to as the City, seeks proposals in response to this Request for Proposals (RFP) from firms specializing in the analysis and correction of water, wastewater, stormwater and sanitation system underbillings and misbillings, with the intent of improving accountability and rate payer equity, thereby increasing revenue for the City.
- II. SCOPE OF PROJECT
- A. TITLE OF PROJECT – *REVIEW OF UNBILLED OR MISBILLED UTILITY SERVICES.*
- B. OBJECTIVE - The proposer, in conjunction with the Customer Service Staff and Utility Operations staff (hereinafter “City Staff”), will examine certain utility billing and metering functions to identify causes of, and remedies for, inaccuracies in all functions related to utility billings. The proposer will provide the software to analyze raw unjoined account data provided by the City; at no time will the City be responsible for providing data manipulation of any sort. The proposer will provide experienced personnel capable of evaluating all aspects of utility usage where necessary including associated data analysis, thereby identifying variances with the account record; at no time will the City be responsible for providing field personnel for the performance of this function. The City is seeking performance fee based proposals. Specifically, the proposer will identify opportunities for revenue recovery/enhancement through the correction of problems associated with such inaccuracies. The following areas are to be addressed:
1. BILLING SYSTEM DEFICIENCIES AND UNBILLED SERVICES - Billing system deficiencies are defined as any factor adversely affecting total collected revenue by the City on an account. Examples of these factors are:
 - misapplication of the City rate structure
 - billing system accuracy
 - unknown connections
 - account coding errors
 - chronic meter reading errors
 - credits for water not returned to sewer
 - incorrect impervious area records
 2. UNMETERED FIRE LINES - Fire protection systems are to be used within the guidelines of City Ordinance. Fire lines that are used for any unauthorized non-emergency service represent lost revenues to the City. The proposer will be required to have the requisite experience to determine if any unauthorized use of existing fire lines is occurring. The proposer, in conjunction with the City Staff, will develop and implement a program to correct all identified deficiencies and to limit reoccurrence of revenue loss related to fire lines.
 3. METERING - The City routinely conducts testing and repairs of meters within its system. It is anticipated that despite the utility’s diligence, additional field investigation may result in the discovery of potentially

problematic situations. The proposer will be provided billing and consumption history related to known utility consumers so that the proposer may review and research these consumers to verify correct billings. The proposer will provide the requisite manpower, tools, vehicles and equipment to identify problematic conditions in the field.

4. SERVICE THEFT - Theft of service includes illegal connections made to the utility's water distribution and wastewater collection systems and on open meter bypasses in the system. An illegal connection, for example, could consist of a straight pipe connection rather than a metered connection. Locations of all authorized meters and connections will be provided to the successful proposer. To facilitate detection of unauthorized meter bypass use, the Utility will provide information related to those accounts which are "locked", and their associated addresses.

- C. SYSTEM CONCEPT AND SOLUTION - Define in detail your understanding of the issues presented in section B., and your recommended means of addressing them. In addition, provide any other facts or alternative information you deem necessary to evaluate your proposal. Responses to the following questions should be answered in order for your submission to be deemed responsive.

1. What is the relevance of the Utility's historical data to this project?
2. What is your plan to accomplish the stated project objective?
3. Describe within your program the criteria to evaluate City billing policy as it relates to the end users of water and wastewater service of the City.
4. Describe in detail the methodologies and procedures for documentation of revenue recovery attributable to the proposer's actions.
5. How will your program impact the allocation of City Staff time?
6. What equipment or facilities will you require from the City?
7. How long after the award of a contract will you require for mobilization.

- D. COMPENSATION - Compensation will be based on a specified percentage of documented future and retroactive revenue recovery resulting from the project. For the purpose of this RFP, increased revenue shall mean the difference between the amount of monthly income received by the City on an account subsequent to and prior to corrective action, excluding taxes and franchise fees, being taken on all unbilled or misbilled utility services under audit provided by the City, including retroactive collections made as a result of work by the proposer. The proposer is responsible for all direct and indirect costs associated with the performance of the work necessitated under this RFP, except for service and meter installations, replacements, and repairs, which shall be performed by the City. **Compensation will be made based on a percentage of all increase revenue for a term of thirty-six (36) months thereafter.**

- III. RESPONSE FORMAT - In order to be considered responsive, the proposer shall organize the response in the following manner:

- A. PROPOSAL RESPONSE FORMAT

1. Transmittal letter - This letter shall be no longer than one page in length, addressed to the contact person, and signed by the representative of the proposer authorized to represent the firm contractually. This letter shall contain the name, phone number, mailing address, and email address of the

primary contact person who is authorized to negotiate contract terms and render binding decisions of contract matters.

2. Table of Contents - A table of contents should follow the transmittal, should list all titles, sections, and major subsections. All pages of the Proposal should be sequentially numbered.
3. Executive Summary - This shall be of three pages or less, and shall provide a summation of the Proposal in succinct terms.
4. Business Organization and Project Management Structure - State the full name and address of your organization and identify the parent company if you are a subsidiary or division of a larger organization. Specify the branch office or other subordinate element that will perform or assist in performing the necessary work. Indicate whether you operate as a partnership, corporation or individual. Provide a general explanation and chart which specifies project leadership, reporting responsibilities and how the proposer will interface with City Staff.
5. Prior Experience - The City requires the proposer to have successfully engaged in a minimum of three (3) projects of this nature within the last ten years. Respondents shall submit reference information (name, telephone number and address) related to each project. Only projects equivalent to that contemplated by the City in this RFP shall be listed.
6. Personnel - Identify all key personnel who will be involved in the project, and include resumes. List only those persons who will be directly involved.
7. Implementation Plan - Define in detail your understanding of the System Concept and Solution as described in this RFP. Include your work program, by task, as well as any related charts, diagrams, etc. helpful in understanding the proposed operational methodology.
8. Compensation Proposal based on requirements of Section II-D.
9. Proof of ability to comply with Insurance Requirements as shown on Exhibit A. Certificates of Insurance will be required from the successful proposer before contract signing.
10. Provide a contract for review and consideration by the City. The City reserves the right to request modifications to said contract or to administer a contract of its choosing.

IV. PROPOSAL EVALUATION - This procurement will comply with the applicable City policies.

- A. This evaluation will include all pertinent matters contained within this RFP. Award of a contract may be made without discussions with firms after Proposals are received. The City reserves the right to accept or reject any recommendations made and/or solutions proposed, or reject all Proposals and to resolicit for Proposals in such an event. Proposals should therefore be submitted on the most favorable terms.
- B. The City intends to receive, review, and evaluate Proposals according to the general procedures as outlined in this RFP. The evaluation will determine if proposer has met the criteria of the RFP to be considered as “qualified to perform the work”. The items to be considered are not limited to, but include the following:

1. System Concept and Solution Proposed - The grasp of the issues and their solutions, responsiveness to terms and conditions, completeness and thoroughness of the technical data and documentation.
2. Demonstrated Applicable Experience - This will include documentation of successful revenue recovery in three or more previous engagements and also include total years performing this service.
3. Personnel Qualifications.
4. Evidence of good organization and management practices.
5. Compensation Proposal

V. PROPOSAL SUBMISSION PROCEDURE - An unbound one-sided, 8 1/2 x 11" original and three (3) copies (a total of 4) of the complete proposal response must be received by July 21, 2017 at 5:00 p.m., MST.

- A. The original and all copies must be submitted in a sealed envelope or container stating on the outside; proposer's name, address, telephone number, due date, due time, the RFP title; Review of Unbilled or Misbilled Utility Services. The sealed package shall be submitted to:
City of Logan
Lori Mathys, Purchasing Agent
290 North 100 West
Logan UT 84321
- B. Proposers are responsible for informing any commercial delivery service, if used, of all delivery requirements and for insuring that the required address information appears on the outer container used by such service.
- C. The Proposal must be signed by an officer of the company, who is legally authorized to enter into a contractual relationship in the name of the proposer.
- D. The submission of a proposal by a proposer will be considered by the City as constituting an offer by the Proposer to perform the required services at the stated fees.
- E. Any Proposal received after the RFP closing date will be considered non-responsive and will be returned unopened to the respondent.

VI. SELECTION PROCEDURE - All proposals will be subject to the following:

- A. Each Proposal will be reviewed to determine if it is responsive to the submission requirements outlined in the RFP. A responsive Proposal is one which follows the requirements of the RFP, includes all required documentation, is submitted in the form outlined in the RFP, is of timely submission, and has the appropriate signatures required. Failure to comply with these requirements may deem your proposal non-responsive.
- B. An Evaluation Committee will be responsible for reviewing and evaluating the Proposals received to determine that each proposer has met the qualifications of this RFP.
- C. Upon completion of the Proposal evaluation, the Committee may request an oral presentation(s), from any proposer warranting further consideration. Upon completion of any oral presentation, the Committee may re-evaluate the Proposal based upon the written combined with the oral input.

VII. ADDITIONAL REQUIREMENTS

- A. CONTACT PERSON - The contact person for this RFP is Lori Mathys, Purchasing Agent. Any requests for additional information or clarification regarding this RFP should be addressed writing to lori.mathys@loganutah.org, no later than 5:00 p.m., MST, July 17, 2017. Responses to these inquiries will be posted at http://www.loganutah.org/bid_detail_T11_R74.php. It is the responsibility of the proposers to access this location for all additional information regarding the RFP. Furthermore, proposers are advised that from the date of the release of this RFP until award of the contract, NO contact with City personnel related to this RFP is permitted, except as authorized by the contact person. Any such unauthorized contact shall not be used as a basis for responding to this RFP and also may result in the disqualification of the proposer's submittal.
- B. CONTRACT INCORPORATION - Respondent should be aware that the contents of the successful Proposal will become a part of the subsequent contractual documents. Failure of the respondent to accept this obligation may result in the cancellation of any award.
- C. FAILURE TO COMPLY - Failure to comply with the Proposal Response Format detailed in this RFP may result in the respondent's proposal being rejected as non-responsive.
- D. PROPOSAL ACCEPTANCE PERIOD - All Proposals must include a statement that they are valid for a minimum period of ninety (90) days subsequent to the RFP closing date.
- E. RELEASE OF INFORMATION - Submission of information received by the City from respondents relative to this RFP shall not be released by the City during the Proposal evaluation process or prior to contract award.
- F. PROPRIETARY INFORMATION - If information in the Proposal is to be considered proprietary, the respondent is required to identify such information accordingly. By submission to this RFP, proposer agrees that information not labeled proprietary shall be made available upon public request, after a contract has been awarded.
- G. COST INCURRED IN RESPONDING - All costs directly or indirectly related to the response by a proposer to this RFP shall be the sole responsibility of and shall be borne by the respondent. This includes any cost associated with any oral presentation required by the City during the qualification process, prior to the opening of the sealed Price Proposal.

EXHIBIT A

CITY OF LOGAN INSURANCE AND BOND REQUIREMENTS

FOR: REVIEW OF UNBILLED OR MISBILLED UTILITY SERVICES

The Contracting party shall procure and maintain for the duration of the contract insurance and bonds against claims or liability which arises out of or in connection with the performance of the work hereunder by the Contracting party, his agents, representatives, employees or subcontractors. The cost of such insurance and bonds shall be included in the Contracting party's bid or proposal.

A. TYPES AND MINIMUM LIMITS OF INSURANCE

Contracting party shall maintain limits not less than:

1. **GENERAL LIABILITY:** \$2,000,000 combined single limit per occurrence, personal injury and property damage, \$3,000,000 aggregate. Broad Form Commercial General Liability is required. (ISO 1993 or better) to include Products - Comp/OP aggregate of \$2,000,000. Limits to apply to this project individually.
2. **PROFESSIONAL LIABILITY:** \$2,000,000 per occurrence.
3. **AUTOMOBILE LIABILITY:** \$2,000,000 per occurrence. "Any Auto" coverage is required.
4. **WORKERS' COMPENSATION and EMPLOYERS LIABILITY:** Workers' Compensation statutory limits as required by the Workers Compensation Act of the State of Utah and Employers Liability limits at a minimum of \$100,000 per occurrence.
5. **PAYMENT and PERFORMANCE BONDS:** Contracting party shall provide payment and performance bonds in a form acceptable to the City and in the full amount of the contract.

B. DEDUCTIBLES AND SELF-INSURED RETENTIONS

Any deductibles or self-insured retention exceeding 5% of the policy limits must be declared to and approved by Logan City. At the option of Logan City, either (1) the insurer may be required to reduce or eliminate such deductibles or self-insured retention as respects Logan City, its officers, officials and employees; or (2) the Contracting party may be required to procure a bond guaranteeing payment of losses and related investigations, claim distribution and defense expenses.

C. NOTICE OF ACCIDENT, INJURY, OR DAMAGE

Contracting party shall agree to promptly disclose to Logan City, all incidents or occurrences of accident, injury, and/or property damage covered by the insurance policy or policies.

D. OTHER INSURANCE PROVISIONS

The policies are to contain, or be endorsed to contain, the following provisions:

- I. General Liability and Automobile Liability Coverages

A. Logan City, its officers, officials, employees and volunteers are to be covered as additional insureds as respects: liability arising out of activities performed by or on behalf of the contracting party; products and completed operations of the Contracting party; premises owned, leased, hired or borrowed by the Contracting party. The coverage shall contain no special limitations on the scope of protection afforded to Logan City, its officers, officials, employees or volunteers.

B. The Contracting party's insurance coverage shall be primary insurance as respects to Logan City, its officers, officials, employees and volunteers. Any insurance or self-insurance maintained by Logan City, its officers, officials, employees or volunteers shall be in excess of the Contracting party's insurance and shall not contribute with it.

C. Any failure to comply with reporting provisions of the policies shall not affect coverage provided to Logan City, its officers, officials, employees or volunteers.

D. The Contracting party's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respects to the limits of the insurer's liability.

E. ACCEPTABILITY OF INSURERS

Insurance and bonds are to be placed with insurers admitted in the State of Utah with an A. M. Best rating of not less than A-: IX, and in the limits as listed in this document, unless approved by the City's Risk Manager, or his designee, **a minimum of five (5) business days prior to bid or proposal deadline.**

F. VERIFICATION OF COVERAGE

Contracting party shall furnish Logan City with certificates of insurance and with original endorsements effecting coverage required by this clause. The certificates and endorsements are to be signed by a person authorized by that insurer to bind coverage on its behalf. The certificates and endorsements are to be on forms acceptable to Logan City before work commences. Logan City reserves the right to require complete, certified copies of all required insurance policies, with all endorsements, at any time.

G. SUBCONTRACTORS

Contracting party shall include all subcontractors as insureds under its policies or shall furnish separate certificates and endorsements for each subcontractor. All coverages for subcontractors shall be subject to all of the requirements stated herein.pur