



Menlo Park Municipal Water District REQUEST FOR PROPOSAL (RFP)

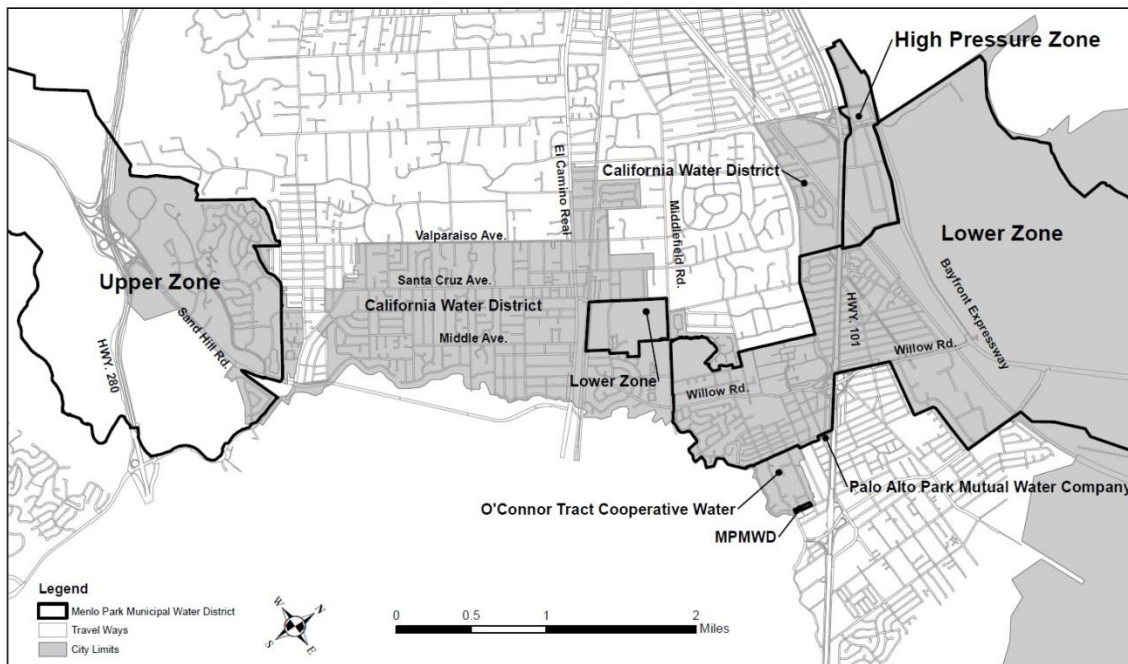
WATER BILLING & CUSTOMER SERVICE

The City of Menlo Park Municipal Water District (City) invites qualified contractors to submit proposals for water billing and customer service. The City is also interested in obtaining costs for meter reading services as an optional task. Contractors that do not provide meter reading services may still respond to this RFP. The City requires the contractor to bill water users in accordance with meter reading and usage tariffs as well as perform other support functions.

INTRODUCTION

The City supplies water to approximately 4,300 homes and businesses in the eastern and western service areas as shown below. The City purchases water from the San Francisco Public Utilities Commission (SFPUC) and provides water to a mixture of residential, industrial, and commercial areas. The remainder of the City receives water from the California Water Company, the O'Connor Tract Cooperative Water District, and the Palo Alto Park Mutual Water Company.

Menlo Park Municipal Water District Water Pressure Zones



The City meters all domestic and irrigation water connections, with about 75% Sensus meters and 25% Neptune meters that are in the process of being replaced. Approximately 95% of the meters are 2" size and smaller. Meters are currently read monthly and bills are mailed weekly. The City performs all maintenance and engineering for the system, and currently contracts out for meter reading, water billing, and customer service. The current contract is effective through

March 31, 2016, and the City is requesting proposals from Contractors to provide similar contract services.

SCOPE OF WORK

To respond to this RFP, Contractors should include a detailed description of all tasks, including those suggested in this Scope of Work and any proposed changes, additions, or recommendations. The description of each task should include the scheduling, personnel, and costs.

As reference, “disconnect” pertains to turning off meters (disconnect water service) and “connect” pertains to turning on meters (connect water service).

Task 1 – Meter Reading (OPTIONAL)

This is an optional task as the City is investigating the feasibility of performing meter reading in-house (in lieu of contracting out meter reading). Contractors should include meter reading services as a separate optional line item in the cost estimate. Contractors that do not provide meter reading services may still respond to this RFP by stating “not applicable” for this task.

Contractor meter readers shall perform the following duties:

- 1.1 Physically field check, read meters, and record meter readings for each meter within the City’s service area on a monthly basis. Individual monthly readings shall be read plus or minus two (2) days on or about the same date each month. The monthly meter reading schedule may vary because of holidays and weekends. Failure to meet this task within the established timelines, without prior approval from the City, shall result in \$100 penalty per occurrence (meter).
- 1.2 Notify the City for corrective actions that are the City’s responsibility within two (2) days for non-emergencies and within one (1) hour for emergencies. Examples of emergencies are water leaks or other repair issues that could place the City in liability or create significant property damage. Failure to meet this task within the established timelines, without prior approve from the City, shall result in the potential cost of the damage from the non-emergencies or emergencies as determined by the City.
- 1.3 Provide list of potential water service problems that are Contractor meter reader’s responsibility including follow up status weekly. Failure to meet this task within the established timelines, without prior approval from the City, shall result in \$100 penalty per week.
- 1.4 Responsible for:
 - a. Billing Field Investigation
 - b. Disconnect Meters (2” size and smaller)
 - c. Final Reads and Disconnect Meters (2” size and smaller)
 - d. Initial Reads and Connect New Customers (2” size and smaller)
 - e. Cleaning within the meter box in order to read the meter
 - f. Connect Meters (2” size and smaller)
 - g. Reread Meters
 1. A meter is read which results in zero consumption from the previous month’s consumption.
 2. A meter is read which results in an increase of consumption of 20% or more from the previous month’s consumption.
 3. A meter is read and the reading is less than the previous month’s reading.
 4. As requested by the City
 - h. Vacant Account Reactivation

- i. Vacant Account Usage
- 1.5 Connecting and disconnecting meters
 - a. Contractor's meter reader shall be trained by the City's Utility Maintenance Supervisor on proper methods and tools necessary to turn on and turn off meters that are 2" in size and smaller.
 - b. Contractor's meter reader shall be responsible for having the appropriate tools on hand to perform the work.
 - c. Contractor shall provide the City with a list of meters to be disconnected each week.
 - d. Contractor shall disconnect meters on Tuesdays only.
 - e. Contractor shall be responsible for reconnecting meters during business hours and after hours. Contractor shall provide contact information for personnel or companies that will perform the work.
 - f. Contractor shall not remove any meter.

In addition:

- 1.6 Any costs incurred by City to repair existing infrastructure damaged by Contractor or Contractor's meter reader shall be reimbursed to the City (i.e. breaking curb stops when connecting or disconnecting a meter, scratching the meter face while trying to read the meters).
- 1.7 Any costs incurred by City to perform any duties that are the Contractor meter reader's responsibility (i.e. reread meters, connect or disconnect meters 2" size or smaller) shall be reimbursed to the City.
- 1.8 Contractor's meter reader shall have an AMR (Automated Meter Reader) device capable of reading Sensus meters.
- 1.9 Contractor shall submit weekly reports summarizing the number of meters read each day, and the number of rereads each day.
- 1.10 Contractor shall supply the City with a direct number for the Contractor meter reader in case there are field questions.

For informational purposes, the City will be responsible for:

- Cleaning and maintenance to protect the integrity of the meter
- Courtesy Field Investigation
- Disconnect Meters (for meters 3" size and larger)
- Field investigation
- Meter repairs and installation
- Meter exchange
- Reconnect Meters (for meters 3" size and larger)
- Water quality compliance

Task 2 – Billing Services

- 2.1 Contractor shall provide a billing system to implement the tasks described below.
- 2.2 Contractor shall mail monthly bills within five (5) business days of meters being read. Bills will be based on meter readings recorded by the meter readers and in accordance with the actual meter readings and prevailing usage tariffs in effect at the time of billing as presented in the City's current water rate schedule. Contractor shall print customer bills on billing stock with "Menlo Park Municipal Water District" and the City's logo printed on the top of the bill.
- 2.3 Contractor shall accept and process customer payments each business day. Customers shall have the option of paying bills by several means, including mailing the payment to Contractor, paying by credit card, authorizing payment via home banking, or by automatic deduction from customers' bank accounts. If paying by credit card,

- customers shall pay the credit card transaction fee percentage applicable to the payment.
- 2.4 Contractor shall be able to establish monthly water allotments for each individual customer and bill for excess use charges for usage above each customer's established water allotment.
 - 2.5 Contractor shall maintain customer records. The City shall have access to customer account information (name, account numbers, meter numbers, service address, mailing address, consumption, water allotment, and balance due) during business hours.
 - 2.6 Contractor shall provide customers the ability to access their account through a website that will show the current bill, monthly usage, account information, payment history for up to 24 months, and monthly water allotments for the current month and the following three months. The website shall also provide a graph showing 24 months historical water consumption compared to other similar City accounts
 - 2.7 Contractor shall allow customer to pay bills online or set up automatic bill payments. For customers using online bill pay and automatic bill pay, within five days of meter reading, Contractor shall notify customers each time a bill is available for viewing and payment. Customers whose checks or automatic bill payments or online payments are rejected for any reason will be charged a rejected payment processing fee. This fee will be added to the customer's account in addition to the original payment amount.
 - 2.8 Contractor shall remit collected funds to the City by direct deposit or wire transfer within one week of collection of payments.
 - 2.9 Contractor shall accommodate changes in the water rates structure (i.e. revising tier structure, adding surcharges) as requested by the City at no additional charge.
 - 2.10 Contractor shall accommodate changes to a customer's monthly water allotment as requested by the City at no additional charge.
 - 2.11 Contractor shall submit monthly invoices to the City's project manager.

Task 3 – Past Due Collections

- 3.1 Contractor shall be responsible for notifying customers (water account holders and tenants) and collecting past due accounts.
- 3.2 Contractor shall provide disconnection notices to customers (water account holders and tenants) whose accounts are past due.
- 3.3 On the disconnection date, Contractor collector shall visit the service address and attempt to collect payment. If payment cannot be made, collector shall post a discontinuance of service notice at every tenant address.
- 3.4 On the disconnection date, for meters 2" size and smaller, Contractor shall visit the service address and disconnect service if payment has not been received.
- 3.5 On the disconnection date, for meters 3" size and larger, Contractor will notify City staff, and City staff shall visit the service address and disconnect service if payment has not been received.
- 3.6 Disconnecting meters
 - a. Contractor's meter reader shall be trained by the City's Utility Maintenance Supervisor on proper methods and tools necessary to disconnect meters that are 2" size and smaller.
 - b. Contractor's meter reader shall be responsible for having the appropriate tools on hand to perform the work.
 - c. On Monday of each week, Contractor shall provide the City with a list of meters to be disconnected the following Tuesday.
 - d. Contractor shall disconnect meters on Tuesdays only.
 - e. Contractor shall not remove any meter.

- 3.7 Contractor shall be responsible for reconnecting meters 2" size and smaller during business hours and after hours. Contractor shall provide contact information for personnel or companies that will perform the work.
- 3.8 Contractor shall remit collected funds to the City by direct deposit or wire transfer within one week of collection of payments.

Task 4 – Data Sharing

- 4.1 Contractor shall maintain 100% secure customer utility account information and payment information at all times. Contractor shall not allow unauthorized users access to utility account data, bank account and credit card numbers, and other payment information.
- 4.2 Contractor shall provide authorized City employees unlimited internet access to water customers' non-confidential account information to view online or download into Excel.
- 4.3 Contractor shall provide the following monthly reports:
 - a. List of individual customer water use and account information
 - b. Consumption summary with number of accounts and customer categories
 - c. List of top 20 customers in each user category based on usage and corresponding account information
 - d. List of non-residential customers with >20% usage compared to the previous month.
 - e. List of residential customers with >20% usage compared to the previous month
 - f. Income statement
 - g. Accounts receivable aging summary
 - h. Accounts receivable account information
 - i. Other reports as requested by the City
- 4.4 Contractor shall include a description of other reports that would be available online and in printed form to the City after implementation of the billing system.
- 4.5 Contractor shall incorporate at least 5 years of historical usage for existing customers into the Contractor's computer system. Data translated must be checked and verified for accuracy.
- 4.6 Contractor shall distribute four (4) City-provided insert mailings per 12 month period at no additional cost.
- 4.7 Contractor shall verify addresses by checking the USPS change of address database every month. Contractor shall report all address and service changes to the City on a monthly basis.
- 4.8 Contractor shall provide a plan of recovery and/or duplication of records in case of an emergency.
- 4.9 Contractor shall retain customer records for a minimum of 5 years.

Task 5 – Customer Service

- 5.1 Contractor shall provide new customers a water customer information packet (provided by Contractor) that includes information on MPWWD water rates and conditions of service.
- 5.2 Contractor will provide a local or 800 telephone number for customers to call and speak to a representative of Contractor. Contractor will provide sufficient personnel, including Spanish-speaking personnel, to respond to customer service calls in a timely fashion.
- 5.3 Contractor shall notify the City for customer service requests or problems received which require field work. This will include, but not be limited to leaks, system damages, system low pressures, and water quality matters.
- 5.4 Contractor shall provide the City with a list of monthly reports related to meter reading, billing, customer service provided, summary of customer complaints and service

provided, sales data showing the number of accounts billed and the revenue generated, etc.

- 5.5 Contractor shall provide an automated work order system to be used by the meter reader, City personnel, and Contractor customer service representatives in reporting problems or service requests.

TENTATIVE SCHEDULE

RFP issued	October 6, 2015
Proposals due	November 4, 2015
Interviews	Week of November 16, 2015
Award contract	January 2016
Start contract	April 1, 2016

PROPOSAL CONTENT

Proposals must clearly demonstrate an understanding of the City's objectives. The proposal shall not include unnecessary promotional material, and shall be brief, precise, and organized as follows:

1. Transmittal Letter
Introduce your firm and summarize general qualifications to deliver the requested services. The letter shall be signed by an officer of the firm who is authorized to negotiate a contract with the City.
2. Team Experience
Identify and describe the qualifications and experience of key personnel to be assigned and provide brief resumes, in addition to identifying each person's geographic location. Include specific and detailed descriptions of similar services provided, client name and contact information (including phone and email), length of contract and number of accounts served. Include prior experience with municipal utility operations as it is considered especially relevant.
3. Proposal Overview (5 pages maximum)
Provide a narrative description of the proposal based on the scope of work. Include any issues that you believe will require special consideration. Also identify any unique approaches or strengths you have that may relate to this proposal.
4. Detail Work Plan (10 pages maximum)
Provide a description of the tasks for the implementation of the scope of work. Include the steps needed to complete the tasks and any recommended additions and identify any tasks that Contractor is unable to meet. Provide assumptions used and include any assistance needed from City personnel and required hardware and software if needed. Include a schedule of mobilization and the date when Contractor will be ready to begin reading meters (optional service) and billing customers.
5. Services Cost
Provide a cost estimate, on a task-by-task basis, showing how the cost estimate was calculated. Include a spreadsheet identifying personnel, hourly rates, project responsibilities, and estimated time expected for each task. The budget for Task 1 through 5 must be presented as not-to-exceed, with all overhead/expenses included in the estimated costs.

For the scope of contracted services requested, provide the total cost of the services to be provided at the account billed per week level. Base this on 4,300 billing customers a month, however, the actual number of customers billed may vary per month. This will be the amount the Contractor will be paid monthly for providing all the services described in the scope of services requested above, except for mobilization.

6. Mobilization

Include total mobilization cost for Contractor to set up business to start reading meters (optional task), billing customers, providing customer service, and converting 4,300 existing customers' history into the new program. Provide the total cost with meter reading and without meter reading.

7. References

Provide at least three references (name, company, title, address, telephone number, email) for which your company has provided or is currently providing similar service.

SELECTION PROCESS

Submit four (4) bound copies and one (1) electronic copy of your full proposal no later than **Wednesday, November 4, 2015 at 3:00 p.m.** to:

City of Menlo Park
Attn: Pam Lowe, P.E.
701 Laurel St.
Menlo Park, CA 94025

City staff will review the proposals and select the most qualified firm based on the following criteria:

1. Ability to perform the specific tasks
2. Qualifications of the specific individuals who will work on the project
3. The specific method or techniques to be used
4. Cost
5. References

After reviewing each proposal, the City will notify each Consultant in writing. The City reserves the right to complete the selection project without proceeding to an interview phase, and the City may choose to select a consultant based upon information supplied in the proposal.

INSURANCE REQUIREMENTS

The selected Consultant must have \$1 million General Liability Insurance, \$1 million Auto Insurance, and Worker's Compensation Insurance as required by California statutes, and \$1 million Errors and Omissions Insurance. The selected Consultant will be required to provide original Certificates of Insurance evidencing the insurance coverage and naming the City as additional party insured.

The following minimum insurance coverage is required in order to execute a contract with the City of Menlo Park:

1. Commercial/General Liability Insurance minimum coverage: \$1,000,000 per occurrence, \$2,000,000 aggregate.

2. Automobile Liability Insurance minimum coverage: \$1,000,000 for each occurrence combined single limit, or \$1,000,000 for any one person and \$1,000,000 for any one accident, and \$300,000 property damage
3. Workers Compensation and Employers' Liability Insurance minimum coverage: Limits as required by the Labor Code of the State of California and employers liability limits of \$1,000,000 per accident
4. Professional Liability Insurance protecting the contractor against claims arising out of the negligent acts, error and omissions of contractor pursuant to the agreement, minimum coverage: \$1,000,000 combined single limit. Said professional liability insurance is to be kept in force for not less than one year after completion of services described in the contract.

The City of Menlo Park shall be named as additionally insured on contractor's insurance policy or policies. Upon notice of contract award, contractor shall provide the City with a certificate of insurance coverage evidencing the above coverage limits, including a copy of all declarations of exclusions, prior to execution of contract. To the full extent permitted by law, contractor agrees to defend, indemnify and hold City, its employees, agents and officers harmless from any and all claims, damages and liability in any way occasioned by or arising out of the contractor's negligent performance of services under this agreement, breach of contract or construction defects arising out of contractor's work.

COMPENSATION

The Consultant will be required to sign the City's Standard Agreement for Services (attached). Compensation shall be based on a fixed amount per account billed per week

QUESTIONS?

For questions regarding this Request for Proposal, please contact:

Pam Lowe, P.E.

Senior Civil Engineer

650-330-6745

phlowe@menlopark.org.

Standard Agreement for Services

AGREEMENT WITH INDEPENDENT CONTRACTOR No. _____

Contractor Name and Address

Contractor: Upon completion of work or agreed-upon work periods, mail invoice with above Agreement Number to:

Department: Public Works – Engineering

Attention:

Address: 701 Laurel Street

City, State, Zip: Menlo Park, CA 94025

Phone: (650) 330-6740

Miscellaneous Consulting Services Related to _____

It is agreed between the City of Menlo Park, California, and Contractor as follows:

1. Services to be performed by Contractor. In consideration of the payments hereinafter set forth, Contractor shall perform services for City in accordance with terms, conditions and specifications set forth herein and in Exhibit "A" attached hereto for the City of Menlo Park.

2. Contract Term. The term of this agreement shall be from _____ to _____ unless mutually agreed upon by City and Contractor in writing.

3. Payments. In consideration of the services rendered in accordance with all terms, conditions and specifications set forth herein and in Exhibit "A," City shall make payment to Contractor in the manner specified herein and in Exhibit "A." Payments shall be monthly (or weekly as determined by the City) for the invoice amount or such other amount as approved by City. City shall have the discretion to approve the invoice and the work completed statement. City shall have the right to receive, upon request, documentation substantiating charges billed to City. City shall have the right to perform an audit of the Contractor's relevant records pertaining to the charges. In the event that the City makes any advance payments, Contractor agrees to refund any amounts in excess of the amount owed by the City at the time of contract termination. The City reserves the right to withhold payment if the City determines that the quantity or quality of the work performed is unacceptable. In no event shall total payment for all services under this agreement exceed \$ _____ unless mutually agreed upon in writing by the City and Contractor.

4. Relationship of the Parties. Contractor agrees and understands that the work/services performed under this agreement are performed as an Independent Contractor and not as an employee of the City and that Contractor acquires none of the rights, privileges, powers or advantages of City employees.

5. Insurance and Indemnity. Contractor, at its own expense, shall provide and keep in force, commercial liability insurance insuring against liability for bodily injury and property damage arising out of its work in an amount of not less than One Million Dollars (\$1,000,000.00) for injury to, or death of one person in any one accident or occurrence, and in an amount of not less than One Million Dollars (\$1,000,000.00) for injury to, or death of more than one person in any one accident or occurrence, and in the amount of not less than One Million Dollars (\$1,000,000.00) per occurrence in respect to damage to property. City shall be named as an additional insured on Contractor's insurance policy Contractor shall provide City with a certificate of insurance coverage evidencing said coverage, including a copy of all declarations of exclusions, prior to commencing work. The Contractor shall maintain Automobile Liability Insurance pursuant to this Contract in an amount of not less than One Million Dollars (\$1,000,000) for each occurrence combined single limit or not less than One Million Dollars (\$1,000,000) for any one (1) person, and one million dollars (\$1,000,000) for any one (1) accident, and three hundred thousand dollars, (\$300,000) property damage. Contractor shall maintain a policy of professional liability insurance, protecting it against claims arising out of the negligent acts, errors, or omissions of contractor pursuant to this Agreement, in the amount of not less than One Million Dollars (\$1,000,000) combined single limit. Said professional liability insurance is to be kept in force for not less than one (1) year after completion of services described herein. To the full extent permitted by law Contractor agrees to defend, indemnify and hold City, its employees, agents, and officers, harmless from any and all claims, damages, and liability in any way occasioned by or arising out of the contractor's negligent performance of services under this agreement, breach of contract or construction defects arising out of Contractor's work.

6. Non-assignability. Contractor shall not assign this Agreement or any portion thereof to a third party without the prior written consent of City, and any attempted assignment without such prior written consent in violation of this Section shall automatically terminate this Agreement.

7. Termination of Agreement. The City may, at any time, terminate this Agreement, in whole or in part, for the convenience of City, by giving written notice specifying the effective date and scope of such termination. In the event of termination, all finished or unfinished documents, data, studies, maps, photographs, reports, and materials (hereinafter referred to as materials) prepared by Contractor under this Agreement shall become the property of the City and shall be promptly delivered to the City. Upon termination, the Contractor may make and retain a copy of such materials. Contractor shall be entitled to receive payment for work/services provided prior to termination of the Agreement. Such payment shall be that portion of the full payment which is determined by comparing the work/services completed to the work/services required by the Agreement.

8. Worker's Compensation Insurance. Contractor agrees and understands that the City does not provide Worker's Compensation Insurance to, or on behalf of, the Contractor for the work/services performed, but that said insurance is the sole responsibility of the undersigned.

9. Payment of Permits/Licenses. Contractor shall obtain any license, permit, or approval if necessary from any agency whatsoever for the work/services to be performed, at his/her own expense, prior to commencement of said work/services or forfeit any right to compensation under this Agreement.

10. Non-Discrimination. No person shall illegally be excluded from participation in, denied the benefits of, or be subjected to discrimination under this Agreement on account of their race, sex, color, national origin, religion, age, or disability. Contractor shall ensure full equal employment opportunity for all employees under this Agreement.

11. Retention of Records. Contractor shall maintain all required records for three years after the City makes final payment and all other pending matters are closed, and shall be subject to the examination and /or audit of the City, a federal agency, and the state of California.

12. Merger Clause. This Agreement, including Exhibit "A" and "B" attached hereto and incorporated herein by reference, constitutes the sole Agreement of the parties hereto and correctly states the rights, duties, and obligations of each party as of this document's date. Any prior agreement, promises, negotiations, or representations between the parties not expressly stated in this document are not binding. All subsequent modifications shall be in writing and signed by the City. In the event of a conflict between the terms, conditions, or specifications set forth herein and those in Exhibit "A" attached hereto, the terms, conditions, or specifications set forth herein shall prevail.

THIS CONTRACT IS NOT VALID UNTIL SIGNED BY BOTH PARTIES

Public Works Director

Date

Attest: City Clerk

Date

Contractor Name Printed

Contractor Signature

Date

Contractor's Tax I.D. Number or Social Security Number

Attachment: Exhibit A – Scope of Work
Exhibit B – Dispute Resolution