



**Item No. 7-2**

**REVISED  
ACTION ITEM**  
December 16, 2015

**TO: Board of Directors**

**FROM: Planning & Operation Committee**  
(Directors Osborne, Barbre & Hinman)

Robert Hunter, General Manager

Staff Contact: Hilary Chumpitazi

**SUBJECT: Selection of a Consultant for Rate Study Services**

**STAFF RECOMMENDATION**

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Staff recommends the Board of Directors authorize the General Manager to enter into a professional services contract with Raftelis Financial Consultants, Inc. for Rate Study Services.

**COMMITTEE RECOMMENDATION**

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Committee will discuss this item on December 14, 2015 and make a recommendation to the Board.

**DETAIL REPORT**

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Staff prepared and issued a Request for Proposal (RFP) for Rate Study Services and posted it to the District's website as well as sent it to the following consultants:

- A&N Technical Services, Inc.
- AKM Consulting Engineers, Inc.
- Black & Veatch
- Brown & Caldwell
- Carollo Engineers
- CDM Smith
- Hazen & Sawyer
- HF&H Consultants
- Municipal & Financial Services Group
- Raftelis Financial Consultants

The RFP schedule is below:

<b>Project Timeline</b>	
Task Item	Completion Date
1. MWDOC release of RFP to vendors	October 29, 2015
2. Deadline for written questions regarding RFP	November 6, 2015
3. Proposal due date	November 16, 2015 Close of Business
4. Staff committee meeting to review and shortlist consultants for interviews	November 25, 2015
5. Interviews with shortlisted consultants	December 10, 2015
6. Recommendation to the Planning & Operation Committee	December 14, 2015
7. Authorization by MWDOC Board	December 16, 2015
8. Contract Execution	December 17, 2015

In addition to specific technical and schedule requirements, the RFP specified the necessity and importance of meetings with MWDOC's Board of Directors and member agencies.

### **Proposals and Proposal Evaluation**

MWDOC received four proposals by the closing date:

- Municipal & Financial Services Group
- Raftelis Financial Consultants, Inc.
- Black & Veatch Corporation
- Carollo Engineers

All four proposals received were responsive to the RFP, were from well-qualified firms and met the initial qualifying criteria. All four proposals were reviewed and scored independently by a committee of staff consisting of Robert Hunter, Harvey De La Torre, Joe Berg and Hilary Chumpitazi.

The staff committee convened to review and share their rankings of the proposals and select contractors to shortlist for interviews. The committee unanimously decided to interview two firms: Black & Veatch Corporation and Raftelis Financial Consultants, Inc. The cost proposals for these two contractors were \$120 apart. The lower cost proposal was received from Raftelis at \$64,900. Both shortlisted firms were required to submit four examples of workshop PowerPoints; two for Boards and two for the general public. The quality of the proposals were quite high and the interviews highlighted both common

elements and distinct differences between the shortlisted firms. The members of the staff committee unanimously voted for Raftelis Financial Consultants, Inc.

**Recommendation**

Staff's recommendation is to proceed with a contract with Raftelis Financial Consultants, Inc. to provide rate study services. Their proposal stood out based on the following qualities the committee felt were important for MWDOC to have a successful rate study.

1. The Raftelis project team is local and has local knowledge with many of their clients being in Southern California, including a few member agencies.
2. The foundation of their reputation in our community is well known. They understand how to interact with our Board and our member agencies.
3. Raftelis enunciated a more thorough knowledge of MWDOC, our operations and our issues, as well as a more comprehensive approach to a range of potential rate structures for possible consideration.