Meeting Date: November 10, 2014

Meeting Type: COW (Committee of the Whole) □ City Council □ Budget Workshop

Item Title: RFP for a Feasibility Study for the Establishment of a Stormwater Utility

Action Requested:

☐ Approval
☐ For discussion
☐ Feedback requested
☐ For your information

Staff Contact: Wayne Zingsheim, Director of Public Works

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Background:
At its October 13, 2014 meeting, the Committee of the Whole was asked to provide direction regarding the issuance of an RFP that would identify an engineering consultant to provide a feasibility study to assist the City in establishing a municipal stormwater utility. After further discussion, staff was directed to revise the RFP to incorporate the Committee’s comments. Alderman Maloney directed the Aldermen to forward any other information they wanted on the RFP to the Procurement Officer by October 16. No additional comments were received.

Staff has made the required revisions and is now looking for consensus to issue the RFP for a feasibility study.

Recommendation:

Budget Implications:

Does Action Require an Expenditure of Funds: ☐ Yes ☐ No

If Yes, Total Cost:

If Yes, is this a Budgeted Item:

☐ Yes ☐ No ☐ Requires Budget Transfer

If Budgeted, Budget Code (Fund, Dept, Object)

Attachments:

• Scope of Work
2.0 SCOPE OF SERVICES

2.01 OBJECTIVE

The City is requesting qualifications and a bid proposal from engineering firms for the completion of a feasibility study for the establishment of a Stormwater Utility. These firms should have experience in stormwater management, stormwater management utility development, public relations and outreach, program organization, stormwater legislation, program administration and funding practices.

The City has implemented a number of stormwater improvements and has identified the need to implement additional improvements. Presently, the City is funding stormwater improvements from the City’s General Fund. Going forward, the City desires to evaluate other options for potentially more stable and sustainable revenue streams that would fund stormwater infrastructure improvements and maintenance.

2.02 PROJECT BACKGROUND

The City utilizes a combined sewer community with a system of combined sewers and relief sewers that provide drainage. Throughout the City, there are known drainage problems areas due to lack of sewer capacity or overland flow routes, or both. Over the past several years, the City has developed a citywide stormwater plan for addressing these problem areas. The citywide plan included development of a comprehensive sewer model of the City’s sewer system and identification of sewer improvement projects, several of which have proceeded to final design and have been constructed.

The City Council has discussed the idea of a Stormwater Utility and has directed City staff to complete a feasibility study to further evaluate and develop a possible implementation strategy for a City Stormwater Utility. This study would include evaluating various means of funding capital and operational improvements, evaluating possible rate structures, identifying stakeholders and obtaining input, and identifying advantages and disadvantages associated with a stormwater utility.

2.03 INFORMATION AVAILABLE

Information that will be available for the project include:

- City of Park Ridge Citywide Sewer Study (July, 2011);
- City of Park Ridge GIS Database;
- City of Park Ridge Finance Department Data (as required).

2.04 PROJECT SPECIFICATION

The project will be delivered in two phases.

**Phase 1**

1) Project Management – Provide overall project management of the work including planning, meeting, coordinating, scheduling, quality control, reporting and invoicing.

   a) Preparing a project implementation plan and baseline schedule for review and approval;

   b) Preparing monthly updates to the project plan and schedule to include project milestones, and, if directed, actual vs. scheduled completion plan and actual vs. scheduled costs;

   c) Attending, if directed, six (6) meetings with the City staff;

   d) Attending, if directed, two (2) briefings to the City Council;

   e) Attending, if directed, two (2) Public Hearings.
2) Current State Analysis and Review for Needs Assessment - Review and analyze topographical maps and existing infrastructure to create a stormwater facility inventory and confirm drainage patterns within the City. This will include interviewing City staff to determine existing stormwater management issues, activities and service levels; to identify existing and future operation, maintenance, and capital costs to develop the City’s stormwater management plan for a 20-year horizon; and to develop at least three 5-year Capital Improvement Program (CIP) budget scenarios. The budget will include the identification of primary sources of revenue, including user charges and debt issuance.

3) Rate Policy and Revenue Analysis - Utilizing a digital map of the City, the County tax database file, a City map showing land use types and/or zoning, digital orthophotography, and the digital planimetric features (building, driveway, and parking lot outlines) for a sample area of the City that provides typical land uses and average impervious areas expected to be found throughout the City, and the average impervious area of a typical single-family residential parcel to calculate preliminary user charge rates.

Select and evaluate up to six alternative stormwater CIP funding mechanisms. For each method to be considered, the following items are to be analyzed:

1. The estimated customer base, in terms of the units defined by the rate method;
2. The estimated rate per residential unit;
3. The estimated rates for selected non-residential properties;
4. A comparison of the amount paid under the proposed user charge method versus the existing property tax-based method;
5. The legality, equitability, ease of explanation and implementation for each proposed method;
6. Credit mechanism for properties with on-site facilities that reduce stormwater quantity or improve water quality for each rate method.

For alternatives that are based on a stormwater utility model, provide the advantages and disadvantages of a stormwater utility.

4) Implementation Requirements - Identify policies to be considered with respect to a Stormwater Utility. It is anticipated that policy issues will include utility management and billing. However, any additional policy issues identified by the City should be analyzed as needed. A concise policy paper for each issue should be prepared for review by the City, identifying the issue, one or more proposed alternative policies, analyses of each of the proposed alternatives, and the recommended alternative.

a) Create a draft of the Stormwater Utility ordinance for review by the City Attorney, including a credit/appeal process. The ordinance may be drafted to incorporate the recommendations of the City with respect to user charge methods and other policy issues;

b) Prepare a proposed timeline for remaining steps to create a stormwater utility.

5) Final Feasibility Report and Recommendation - Compile a final feasibility report including all technical memoranda, summaries and detailed supporting data. The report should be organized as follows Table of Contents, Executive Summary, Task Sections 2 through 4, Summary of Conclusions and Recommendations, including an Assessment of Utility Feasibility, and an Appendix.

An Assessment of Utility Feasibility should address legal, financial, and administrative aspects of feasibility, including the following:
1) the fiscal impacts on property owners and the equitability of the proposed user charge rates compared to property taxes as a method of funding for stormwater management activities;

2) the effectiveness of a stormwater utility for implementing the water quality aspects of the City's stormwater management program.

The City will review the report and revisions will be made as necessary. Following approval of the report by the City, the Consultant will make a presentation of the study findings to the City Council.

City Council Approval

City Council will meet in Committee of the Whole and then City Council sessions to review and approve the decision to proceed with the establishment of a stormwater utility for the City.

Phase 2

1) Public Education
   a) Writing a press release to publicize an Open House and public hearing on the proposed utility;
   b) Conducting an Open House to provide information on the study and the utility proposal;
   c) Preparing presentation materials for an Open House, such as presentations, display boards, handouts, public comment forms and other materials as deemed necessary by the City;
   d) Attending a public hearing to explain the utility concept and answer questions.

2) Customer Database Completion
   a) Obtaining, from the City the digital map of the City, the latest available County tax database file, and a digital map showing existing land use types for the entire City;
   b) Obtaining from the City building site plans for any new non-residential development that were not already obtained for purposes of the stormwater utility feasibility study;
   c) Using the above data, plus digital aerial photography already obtained for the stormwater utility study, to digitize the building, driveway and parking lot outlines for all non-residential parcels and condominium developments that were not already completed as part of the stormwater utility study;
   d) Computing the impervious area for all non-residential parcels and condominium developments using the digital building, driveway and parking lot outlines;
   e) Assembling a database of all parcels in the City and assigning ERUs to each parcel based on impervious area, land use type and development status;
   f) Performing quality control of the database for land use designations,
   g) Calculating impervious area measurements, identification of vacant parcels and other potential errors;
   h) Coordinating the database preparation with utility billing staff to ensure that the data is in a usable format for entry into the City's utility billing software.

3) Rate Setting
   a) Computing the appropriate service charges rates
   b) Drafting a resolution and service charge rate table for the City to use in establishing the service charges rates.
3.0 EVALUATION CRITERIA AND SUBMITTAL FORMAT

3.01 EVALUATION CRITERIA

The City will rank firms based on expertise in specific areas such as project management and oversight, depth and capability of available staff, and demonstrated experience dealing with stormwater utility projects.

The following scorecard will be used as part of the selection process:

<table>
<thead>
<tr>
<th>CRITERIA</th>
<th>POINTS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Introductory Letter of Interest</td>
<td>0</td>
</tr>
<tr>
<td>General Firm Qualifications</td>
<td>15</td>
</tr>
<tr>
<td>Key Qualifications</td>
<td>35</td>
</tr>
<tr>
<td>Municipal Client References</td>
<td>10</td>
</tr>
<tr>
<td>Total Project Cost</td>
<td>40</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>100</td>
</tr>
</tbody>
</table>

3.02 SUBMITTAL FORMAT

Please provide the following information presented in a clear, comprehensive, and concise manner, illustrating the engineering firm’s capabilities and technical expertise:

1) Introductory Letter of Interest – Content at discretion of bidder.

2) General Firm Qualifications – Provide a statement that portrays the engineering firm's qualifications in relation to the Statement of Work. The response should include the following:
   a) a summary of the engineering firm’s general qualifications including specific disciplines represented that are applicable to the proposed work, number of employees, office locations, etc.;
   b) an outline of the engineering firm’s capacity to carry out the scope and the extent of the work required. State disciplines where any subcontractors will be utilized (survey, GIS, etc.);
   c) a description of the engineering firm’s quality assurance and control program and how the work will be monitored with respect to both budget and time;
   d) the number of personnel (by specialty);
   e) the perspective on your firm’s distinctive competence;
   f) a description of any litigation in which the firm is or was a party within last five (5) years;
   g) a list of any previous contracts that the firm defaulted on and/or was terminated and reasons for the default(s) and/or terminations(s);
   h) an analysis of your firm’s current workload as compared to an average year with details of the firm’s capacity to carry out the scope and extent of the work required.

3) Key Qualifications – Please provide information on staff members who will provide services within the particular category. Note area of expertise/title, as well as years of experience (total) and with the firm. Also include a summary of experience applicable to the proposed work.
4) Municipal Client References – Please provide details for a minimum of five (5) recent major successfully completed municipal stormwater projects, preferably in combined sewer areas that involved combined sewer separation and/or municipal stormwater relief sewers, as well as reference contact (with detailed contact information) where your firm was a primary engineering firm for a stormwater project.

5) Total Project Cost – Please provide an itemized, not-to-exceed Phase 1, Phase 2, and Total Project Cost (please write Total Project Cost out in both words and numbers), including a breakdown of project hours, direct and indirect labor cost for each task, all reimbursable expenses, and fixed fee. Please also provide a rate table for engineering and staff time by the hour, including rates for expenses such as travel. Timeline is the firm’s recommended delivery schedule, based on the City’s proposed project description.

Total Project Cost shall be submitted in a sealed envelope marked “Total Project Cost”.