

# MARFA

## Request for Proposals Water and Wastewater Rate Study

City of Marfa, Texas

City of Marfa  
113 S. Highland (UPS/FedEX)  
PO Box 787  
Marfa, TX 79843  
Phone: 432-729-4315

RFP Release Date – Thursday, May 19, 2022

RFP Due Date – Friday, June 10, 2022

## **Overview**

The City of Marfa invites qualified professional firms to submit proposals to conduct a cost of service rate study for the City's water and wastewater utility and recommend changes to the rate structure and rate adjustments to fully cover all costs associated with providing water and wastewater service, including costs required to operate the City's collection system and the administrative costs incurred by the City in managing this utility over the next five years.

## **Background**

The City provides water and wastewater services to approximately 1,200 customer accounts through use of a self-supporting water and sewer enterprise fund.

## **Water and Wastewater Treatment**

### **Water**

The City owns and operates its own treatment and distribution system and is the sole provider of water to its residents. Last year the City of Marfa produced 165,666,000 gallons of water.

### **Wastewater**

The City owns and operates the wastewater collection and treatment system within the City.

The average daily influent into the plant last year was 128,778 gallons a day.

The City is authorized to dispose of treated wastewater effluent at daily average flow not to exceed 120,000 gallons a day. Last year we averaged 112,797 gallons per day of effluent disposed into irrigation fields.

## **Water and Wastewater Rate Structure**

The City uses a base minimum water rate for the first 2,000 gallons based on customer class, and a variable rate per 1,000 gallons to all customers based on customer class.

The City uses a base minimum wastewater rate for the first 4,000 gallons based on customer class, and a variable rate per 1,000 gallons to all customers based on customer class.

The City's water and wastewater rates are included in **Attachment A**.

### **Water and Wastewater Billing Software System**

The City currently utilizes ASYST for its billing software but will be converting Tyler Technologies' Incode Version X Billing Software this summer. Historical Data is available for analysis. Once the contract is awarded, the exact format and media for data delivery will be determined.

### **Scope of Work**

In preparing a response to this Request for Proposals (RFP), the Consultant shall address the following specific components that should be included in the scope of work. The final scope of work will be coordinated with the City staff and the selected Consultant.

1. Services to be performed by the Consultant
  - a. Meet with the City Manager, Accountant and Public Utilities Supervisor to go over expectations and get input before development of the proposed rate structure.
  - b. Meet with City Staff members to collect and review available information and review the methodology to be used in the development of the recommended rate structures for wastewater services.
  - c. Review historical account and operational cost information and calculate future costs for a 5 year study period including consumption, capacity and operational forecasts.
  - d. Identify and prioritize Capital Improvement funding needs for a Five-Year CIP budget and facility improvement plans, and other supplemental improvements that the City may deem warranted.
  - e. Develop a forecast of annual revenue requirements.
  - f. Recommend a rate structure, including a winter averaging process, which will generate the level of revenue needs with a distribution of those costs on an equitable basis by customer category. Provide "sample bills" for all customer categories illustrating recommended rates.
  - g. Work with staff to provide a timeline and sample letter in accordance with all state and federal laws providing for notice of wastewater rate increase, if proposed and subsequently adopted.
2. Timeline Requirements
  - a. The Consultant shall begin work by Monday, June 27, 2022 with a completion date of no later than Monday, August 22, 2022.
3. Reporting and Communication
  - a. The Consultant will meet periodically during the on-site field work process with the City Administrator, Accountant and Public Utilities Supervisor to discuss issues, concerns, preliminary findings and recommendations.

- b. The consultant will provide regular updates to the City regarding process on the analyses and recommendations and request any additional information or direct need to complete the project on time and within budget.
  - c. Prior to issuing their final report, the consultant will meet with the City Administrator, Accountant, and Public Works Supervisor to review the draft report and recommendations to be presented to the City Council.
4. Other Considerations
- a. All working papers, reports, and records relating to the work performed under the Professional Services Agreement will be property of the City of Marfa and will be delivered upon completion.
  - b. The consultant will be required to attend at least one City Council meeting to present the rate study and answer any questions either body may have regarding the study or recommendations. Meeting may be in-person or virtual.

## **Proposal Content**

Proposal responses must adhere to the requirements outlined in this section. The original proposal and each subsequent copy must be submitted on paper, properly bound, and appropriately labeled in the following order:

1. **Introduction:** Provide a cover letter and introduction including the name and address of the organization with the name, address, telephone and fax numbers, and e-mail address of the contact person who will be authorized to make representations for the organization. An Executive Summary shall be provided with an overview of the proposal, its highlights, and the approach to successfully completing this project.
2. **Scope of Work and Schedule:** Discuss each task outlined in the “Scope of Work” section above with a cost estimate and cost proposal for the project including a breakdown of costs by each task requested in service to be performed. Include a scope of work and schedule of completion.
3. **Qualifications:** Describe the firm’s resources, experience and capabilities as follows:
  - a. Provide an outline of the firm's background, qualifications, and ability to perform the scope of services required. Identify any sub-contractors proposed for the project.
  - b. Provide a list and/or organizational chart to identify the person(s) who will be primarily responsible for contact with the City.
  - c. Identify all key project personnel, their relationship to the project, relevant qualifications and experience, and their level of effort toward completing all needed tasks. Include a description of specific projects similar to this request

and the specific tasks performed by the project personnel.

- d. Provide a brief outline of the firm's current workload, staffing and ability to meet the schedule and deadlines described in this RFP.
4. References: Identify at least two (2) successfully completed projects of a similar nature, preferably with direct involvement of municipal governments in Texas. Each project listed shall include the name of the agency, project manager, phone number, and description of work performed. Consulting projects currently underway may also be submitted for consideration.
5. Additional Data: This section will be limited to five (5) pages. Proposals may include any other information the Consultant deems essential to the evaluation of the qualifications and proposal statements.

### **Proposal Submittal**

To be considered, please submit six (6) hard copies and one (1) electronic copy, on a USB drive, of your proposal to:

City of Marfa  
Attn: City Secretary  
113 S. Highland Ave. (UPS and FedEx)  
P.O. Box 787 (USPS)  
Marfa, TX 79843

Proposals received after the due date will not be considered.

Questions regarding this proposal may be directed to Mandy Roane, City Manager at 432.729.4315 or by email at [mroane@cityofmarfa.com](mailto:mroane@cityofmarfa.com).

### **Review and Selection Procedure**

The City Council will evaluate each proposal and make a decision at the June 14, 2022 City Council Meeting. The following evaluation criteria will be used in selecting a Consultant:

1. Experience with similar efforts;
2. Commitment of Senior Staff to the Project;
3. Relevant qualifications of key personnel;
4. Familiarity with applicable State and Federal laws;
5. Knowledge of local issues in the City of Marfa and the surrounding region;
6. Proposed schedule and ability to meet applicable deadlines;
7. Overall responsiveness to this RFP.

Please note that the ability of the Consultant to complete the overall project according to all the stated selection criteria will be considered. The lowest cost proposal will not necessarily be selected. The City of Marfa reserves the right to reject any and all proposals and to waive any informality in proposals received.

**Insurance Requirements:**

For the duration of the contract, the service provider must maintain Commercial General Liability insurance with limits of not less than \$1,000,000 per occurrence and \$2,000,000 aggregate, Professional Liability Insurance with limits of not less than \$1,000,000 per occurrence if available to a professional engaged in consultant's regular course of business, Automobile Liability insurance with a minimum limit of \$1,000,000 per accident, and Workers Compensation Insurance as required by the State of Texas.

Service Provider shall maintain liability insurance in an amount of not less than \$1,000,000 per occurrence, naming the City as an additional insured, covering any such unauthorized disclosure of Protected Information caused by a defect or failure of the Software or any electronic communication system maintained or controlled by Service Provider.

The City reserves the right to establish that these insurance requirements be met and complied with prior to any contractual agreement is entered into. The cost of such insurance is the service provider's responsibility. Failure to comply could result in non-award of the contract.

# Attachment A

## City of Marfa

### WATER AND SANITARY SEWER FEES ORDINANCE

#### ORDINANCE NO. 15-05

**ORDINANCE SETTING WATER AND SANITARY SEWER FEES; PROVIDING FOR FINDINGS OF FACT; PROVIDING AN EFFECTIVE DATE; SEVERABILITY; REPEALER; AND PROPER NOTICE AND MEETING.**

**WHEREAS**, the City of Marfa (City) owns and operates its water and sewer utilities; and

**WHEREAS**, the City has authority to operate and regulate sewers and plumbing under Chapter 214 of the Local Government Code; and

**WHEREAS**, the City has the additional authority under Chapter 54 to enact regulations for the health, safety, and welfare of its Residents; and

**WHEREAS**, the City's enactment of Ordinance No. 07-18 requires water and sewer connections under certain circumstances; and

**WHEREAS**, the City's enactment of Ordinance No. 08-01 requires that all owners of properties required to have water and/or sewer connections and/or solid waste service must pay applicable service fees regardless of actual use; and

**WHEREAS**, the City finds that water and sewer fees and classifications set forth below are reasonable; and

**WHEREAS**, the City finds that this ordinance best protects the citizens of the City;

**NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF MARFA, TEXAS: THAT**

#### I. FINDINGS OF FACT

All of the above premises are hereby found to be true and correct legislative and factual findings of the City Council, and are hereby approved and incorporated into the body of this Ordinance as if copied in their entirety.

#### II. WATER SERVICE FEES

A monthly fee for water service shall consist of a fee for water (actual or deemed) and a tap fee.

- (a) The water fee shall be based upon the following charge and rates and shall be charged monthly for water in the City for residential and commercial users:
1. From 0 to 2,000 gallons the charge is \$4.00
  2. 2,001 gallons to 5,000 gallons rate is \$3.30 per 1,000 gallons
  3. 5,001 to 12,000 gallons rate is \$3.74 per 1,000 gallons
  4. 12,001 to 25,000 gallons rate is \$4.40 per 1,000 gallons
  5. 25,001 to 100,000 gallons rate is \$4.84 per 1,000 gallons
  6. Over 100,000 gallons rate is \$5.24 per 1,000 gallons
- (b) The water fee shall be based upon the following charge and rates shall be charged monthly for water outside the City for residential and commercial users:
1. From 0 to 2,000 gallons the charge is \$6.00
  2. 2,001 gallons to 5,000 gallons rate is \$4.95 per 1,000 gallons
  3. 5,001 to 12,000 gallons rate is \$5.61 per 1,000 gallons
  4. 12,001 to 25,000 gallons rate is \$6.60 per 1,000 gallons
  5. 25,001 to 100,000 gallons rate is \$7.26 per 1,000 gallons
  6. Over 100,000 gallons rate is \$7.86 per 1,000 gallons
- (c) The tap fee for any user connected to public water and/or required to be connected to public water inside the City shall be \$10.00 per connection. And, the minimum monthly bill for such user, within the city will be \$14.00. The tap fee for any user connected to public water and/or required to be connected to public water outside the City shall be \$15.00 per connection. And, the minimum month bill for such consumer outside the city will be \$21.00. The minimum bill including, but not limited to, the tap fee and water fee is required to be paid regardless of whether any water is used or the connection to public water is made.

### III. SANITARY SEWER FEES

The monthly fee for sanitary sewer service shall consist of a minimum base fee and a fee for calculated sewer service use. Sewer charges shall be based upon the amount of water used by the customer. An average monthly water usage shall be calculated for each customer. The average monthly water usage shall be based upon the three lowest months of water usage during the prior November thru March period. The average monthly water usage shall be calculated at least once a year, usually in May.

- (a) The minimum monthly base fee for any user connected to public sewer or required to be connected to public sewer inside the City shall be \$15.00 per connection. The minimum base fee covers the first 4,000 gallons and is required to be paid regardless of whether any sewer service is used or the connection to public sewer is made.



- (b) In addition to the minimum monthly base fee, the monthly fee for sewer use in the City by residential and commercial users shall be \$10.00 for each 1,000 gallons over the 4,000 gallon base fee. This monthly fee for sewer use is based upon the calculated average monthly water use.
- (c) The minimum monthly base fee for any user connected to public sewer or required to be connected to public sewer outside the City shall be \$22.50 per connection. The minimum base fee covers the first 4,000 gallons and is required to be paid regardless of whether any sewer service is used or the connection to public sewer is made.
- (d) In addition to the minimum monthly base fee, the monthly fee for sewer use outside the City for residential and commercial users shall be \$15.00 for each additional 1,000 gallons over the 4,000 gallon base. This monthly fee for sewer use is based upon the calculated average monthly water use.
- (e) For new customers who do not have sufficient history of actual water use to calculate the average monthly use, the City Administrator shall have the authority to establish a monthly fee for sewer use. This monthly fee shall not be less than \$20.00 for users inside the City and \$30.00 for users outside the City and shall remain in effect until such time sufficient history exists to calculate the average monthly use.
- (f) The minimum monthly base fees set forth above will be effective with the October bills that will be sent out around November 1, 2015.

#### **IV. EFFECTIVE DATE**

The Ordinance shall be and become effective immediately upon and after its passage and publication as may be required by governing law.

#### **V. REPEALER**

All ordinances or parts of ordinances in force when the provisions of the Ordinance becomes effective which are inconsistent or in conflict with the terms and provisions contained in this Ordinance are hereby repealed only to the extent of such conflict.

#### **VI. SEVERABILITY**


Should any part, sentence or phrase of this Ordinance be determined to be unlawful, void or unenforceable, the validity of the remaining portions of this Ordinance shall not be adversely affected. No portion of this Ordinance shall fail or become inoperative by reason of the invalidity of any other part. All provisions of this Ordinance are declared to be severable.

**VII. PROPER NOTICE AND MEETING**

It is hereby officially found and determined that the meeting at which this Ordinance was passed was open to the public and that public notice of the time, place and purpose of said meeting was given as required by the Open Meetings Act, chapter 551 of the Texas Government Code.

**PASSED AND APPROVED** on this 13th day of October, 2015  
by the City Council of the City of Marfa, Texas.

**CITY OF MARFA, TEXAS**

  
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**Daniel P. Dunlap, Mayor**

**ATTEST:**

  
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**James R. Mustard, Jr., City Secretary**