

City of La Feria

Request for Qualifications for the Operation, Maintenance and Management of the City's Water & Wastewater Infrastructure

December 1, 2020

Responses due or before: 4 p.m., local time on December 22, 2020

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- **Introduction**

The City of La Feria is issuing this Request for Qualifications (RFQ) to solicit statements of qualifications (SOQs) from firms capable of providing full-service operations, maintenance and management of the City's water and wastewater treatment and lift stations facilities as described in Section 1.4 of this document.

This RFQ, issued in accordance with the provisions of the laws of the State of Texas, invites qualified firms to submit their qualifications to provide the services described. Subject to approval by the City, the contract term under consideration is for *(five or 10 years)*.

- **Background and Objectives**

The City is currently investigating the operational and financial feasibility of contracting the operation of the system with a contractor experienced in operating these types of facilities. The objectives of this potential outsourcing of operations include:

- Managing operations and maintenance of all facilities as described in Section 1.4.
- Extending the useful life of the facilities.
- Minimizing or eliminating permit excursions.
- Providing technical assistance to address the City's existing assets, future capacity and regulatory issues.
- Removing the City's day-to-day management of operating the system.

Full-service contract operations require the contractor to provide all facility operation and maintenance (O&M) staff. The contractor will be responsible for:

- All aspects of facility management, O&M for all costs including hiring, training and administering all personnel-related issues.
- Furnishing and maintaining vehicles and light-duty vehicles to carry on daily operations.
- Maintaining all heavy-duty service trucks, land, buildings, improvements and permanent equipment. Equipment maintenance shall be performed by the contractor in accordance with the

manufacturer's recommendations, and the contractor will be required to provide proof thereof to the satisfaction of the City.

Required capital expenditures will continue to be the responsibility of the City.

- **Purpose of Solicitation**

In issuing this RFQ, the City is seeking to ensure the overall efficiency and operation of the Facilities by contracting with a firm having the technical and financial resources to perform the required operation, maintenance and management services.

The City's ultimate objectives for operation of the Facilities is to select a Contractor who will provide a strong technical support team, operate in compliance with state and federal regulations, improve maintenance and operational efficiencies. In addition, the City wants to reduce its exposure to risks from potential facility personnel errors related to compliance and safety.

The Annual fee and scope of services be will be negotiated after selection based on clarification of the scope of services and terms and conditions of the agreement.

The City expects to select the most qualified, responsive, resourceful and experienced Contractor based on the review by the City and its evaluation/selection committee. SOQs submitted by firms will be evaluated in accordance with the criteria outlined in Section 4 of this RFQ. The best qualified firm will be selected at the sole discretion of the City based on the review and scoring of the Contractors' submittals. A response to this RFQ is mandatory for consideration.

Upon selection of the finalist, the City will immediately begin scope clarifications, development of a detailed scope of services, price and contract negotiations with the best qualified Contractor. Should the negotiations fail to result in an executed agreement with the best qualified Contractor, the City may elect to terminate negotiations and begin negotiations with the second-best qualified Contractor or cancel the procurement process.

- **Overview of Services**

The City is seeking qualified contractors capable of providing O&M, management and other related services for the facilities. The selected contractor shall be required to provide various services associated with all or a portion of the facilities. This may include, but not be limited to:

- Labor and benefits.
- Process chemicals.
- Laboratory and analytical services.
- Utilities
- Biosolids disposal.
- Routine maintenance of facilities and associated equipment.
- Reporting to regulatory agencies.
- O&M management.

The contractor will be responsible for satisfying the State of Texas regulatory requirements and for operating, maintaining and managing the facilities in compliance with all other applicable local, state

and federal laws and regulations. Services for the O&M and management of the facilities shall be provided in a safe, secure, effective and efficient manner.

Any non-mechanical (i.e., operational) event that results in a regulatory enforcement action during the period of the contracted services will be grounds to terminate the contract for cause.

- **Description of the Facilities**

List all assets with a brief description size of plants, miles of pipe, number of pump stations, number of customers, square miles of service area, etc.

- **Description of Procurement Process**

- **Procurement Process and Schedule**

A summary procurement schedule of the major activities associated with this solicitation process is presented below. This schedule is based on the City’s intent to enter into an agreement with the selected contractor.

Activity	Date
Issue RFQ	December 1 , 2020
Receive SOQs of qualifications from contractors	RFQ Date + 21 days
Evaluation of RFQs and selection of the best qualified contractors	RFQ Date + 10 days
Site evaluation and proposal by best qualified contractor	RFQ Date + 22-30 days
Initiate contract negotiations with best qualified contractor	RFQ Date + 31 days
Award contract	RFQ Date + 60 days

- **City Rights and Options**

The City, at its sole discretion, reserves the following rights:

- To supplement, add to, delete from, and change this solicitation document.
- To determine which contractor, if any, should be selected for negotiations.
- To reject any or all SOQs or information received pursuant to this RFQ.
- To supplement, amend, substitute, or otherwise modify this RFQ at any time.
- To cancel this RFQ with or without the substitution of another RFQ or pre-qualification process.
- To request additional data or information after the submittal date, if such data or information is considered pertinent, in the City's sole view, to aid the review and selection process.
- To conduct investigations with respect to the qualifications and experience of each contractor.
- To take any action affecting the RFQ or the services or facilities subject to this RFQ that would be in the best interests of the City.
- To require one or more contractors to supplement, clarify or provide additional information in order for the City to evaluate the SOQs received.
- To waive any defect or technicality in any SOQ received.

- To reject any portion of any submittal and/or reject all submittals, to waive any informalities or irregularities in the submittals or to re-advertise.

- **Expense of Submittal Preparation**

The City accepts no liability for, and the contractors are responsible for, the costs and expenses incurred by the contractors in responding to this RFQ, preparing responses for clarification, attending interviews, participating in contract development sessions, or meeting and presentations required for the contract approval process. Each contractor that enters into the procurement process shall prepare the required materials and submittals at its own expense and with the express understanding that they cannot make any claims whatsoever for reimbursement from the City for the costs and expenses associated with the procurement process.

- **Information Disclosure to Third Parties**

The public disclosure of the contents of each SOQ submitted in response to this RFQ is governed by State of Texas Public Information Act (the "Act"). By responding to this RFQ, contractors waive any challenge to the City's decisions in this regard and hold the City harmless for any release of information as required by the Act.

If any submittal contains confidential, technical, financial, or other types of information, the contractor must clearly label the specific portions sought to be kept confidential and specify the exemption that the contractor is relying upon. Marking all, or substantially all of, a response as confidential may result in the response being considered non-responsive by the City. The City agrees to seek an attorney general seeking withholding in response to any public information request for the submittals provided pursuant to this solicitation document; the contractor recognizes that the seeking of an attorney general opinion does not guarantee that the contents of its submission will be held exempt from public disclosure, despite the labeling of portions of it as confidential.

Contractors recognize and agree that the City will not be responsible or liable in any way for any losses that the contractor may suffer from the disclosure of information or materials to third parties.

- **Questions/Clarifications Request**

No interpretation or clarification of the meaning of any part of this RFQ will be made orally to any contractor. Contractors must request such interpretation or clarification in writing from the City. If any contractor has questions concerning the proposed project, finds discrepancies or omissions in the solicitation document, or otherwise requires clarification, such matters should be submitted in writing no later than December 22, 2020 to:

Jaime S. Sandoval
City Manager
115 East Commercial Ave.
La Feria, Texas 78559
Email: jsandoval@cityoflaferia.com

Note: Only written or email contacts will be acknowledged.

Any and all such interpretations and supplemental instructions will be made in the form of written addenda which will be sent to all recipients of the RFQ and shall become part of this RFQ. Copies of all questions and answers, and any addenda to supplement the RFQ, will be sent by email and U.S. mail to each contractor no later than four days prior to the SOQ due date. Only formal written responses to properly submitted questions will be binding.

Contact with City officials (other than Jaime S. Sandoval, City Manager) is not allowed and will be considered as grounds for disqualification from the selection process.

- **Equal Opportunity Requirements**

The selected contractor, in the performance of all services, will not discriminate based on age, race, color, religion, sex, sexual orientation, gender identity, national origin, veteran status, or disability.

- **Submittal of SOQs**

- **General Instructions and Submittal Deadline**

Contractors are requested to submit one original and two (2) copies of the SOQ to:

Jaime S. Sandoval
City Manager
115 East Commercial Ave.
La Feria, Texas 78559

SOQs are due on December 22, 2020 by 4 p.m. local time. No facsimile copies will be accepted. The package should be clearly labeled "Statement of Qualifications for the Operation, Maintenance and Management of the City's Water Treatment Plant, Wastewater Plant and Lift Stations Facilities."

- **Document Organization**

The SOQs must provide the following information and be organized into sections that include at least the following:

- Cover Letter.
- Corporate Profile.
- Financial Qualifications.
- Qualifications.
- General Approach to Operation & Maintenance of Water and Wastewater Facilities.
- Appendices (primarily for supporting financial information).

Narrative pages are to be on 8 ½ x 11 paper and all materials shall be bound into one volume. A clear and concise presentation of information is encouraged.

Contractors are required to organize the information requested in this RFQ in accordance with the format outlined. Failure of the contractor to organize the information required by this RFQ as outlined may result in the City, at its sole discretion, disqualifying the contractor from further consideration.

- Cover Letter

The SOQs must include a letter of transmittal attesting to its accuracy. The cover letter should provide the name, address and telephone number, and web address of the contractor along with the name, title, address and telephone numbers of the executive that has the authority to contract with the City.

- Corporate Profile

- Include the full name, tax identification number, main office address, telephone, and the web address of the contractor and the principal contact person. This shall include a description of the firm or organization (corporation, partnership, joint venture, etc.) that will serve as the contracting party. A project organization chart clearly delineating lines of authority within the organization is required. The history, ownership, organization, and background of the contractor shall also be provided.
- If the contractor is a joint venture, the required information shall be submitted for each member of the joint venture firm. The contractor shall describe the history of the relationships among team members, including a description of past working relationships.
- The SOQ shall also identify which portions of the work, if any, will be subcontracted. If subcontractors are proposed, the proposed contractual relationships between the contractor and all major partners and subcontractors relative to the project shall be outlined in the SOQ.
- Identify when the contractor was organized and, if a corporation, where incorporated, and how many years engaged in providing contract O&M and management services under that name.
- Provide a description of the circumstances, if any, related to any City employee, City Council member, or other officer, employee or person that is payable in whole or in part from the City that has or had any direct or indirect personal interest in the contractor.

- Financial Qualifications:

The contractor must:

- Demonstrate annual company revenues from full service municipal contract operations contracts for the management, O&M of water and wastewater facilities of at least \$50 million.
- Be able to furnish liability and property damage insurance of not less than \$2 million combined single limits for bodily and/or property damage. Submit evidence of the ability to provide coverage in this amount.

- Qualifications

This section establishes standards of experience that the City requires for a contractor to be considered qualified. The City, at its sole discretion, will decide if a contractor meets the standards. Full-service municipal public-private contracts for O&M and management means, at a minimum, providing all labor and management, paying all O&M expenses, and guaranteeing performance including regulatory agency compliance.

The contractor must:

- Have existing full-service public-private contracts, similar to the City's, for O&M and management of both water and wastewater treatment facilities, collection and distribution systems that have been in effect for at least five years. Preference will be given to facilities in the State of Texas.
 - Provide details of three projects, including information about the contracted scope of services, contract start date, and client reference.
 - Have experience working with the Texas Commission on Environmental Quality and the Texas Department of Health.
 - Have a strong record of health, safety, and environmental compliance. Provide the contractor's current Occupational Safety and Health Administration (OSHA) Lost Time Incident Rate (LTIR), Recordable Incident Rate (RIR) and Experience Modification Rate (EMR), and information about any health, safety, or environmental violations within the last five years. Describe the contractor's approach to meeting and guaranteeing permit compliance.
 - Experience operating plants during capital upgrades and replacements.
 - Experience in successfully transitioning projects and the associated public employees into the private sector. Site specific examples of transition experience that are comparable to the City's facilities and provide references.
 - Describe the contractor's experience in preparing for or responding to emergency situations and in assisting communities to address critical needs in these situations. Identify the number of the contractor's employees in the region that could supplement the efforts of existing onsite staff should the need arise.
 - Having technical resources located within 1 hour from the City to assist with emergencies and temporary manpower needs.
- **General Approach to Operation & Maintenance of Water and Wastewater Facilities**

Describe the contractor's general approach to Operation & Maintenance of the water and wastewater facilities as well as collection and distribution systems.

- **Review and Evaluation**

Submissions received in response to the RFQ will be evaluated based on the contractor's:

- Corporate capabilities and ability to perform the proposed services.
- Experience in providing these and/or similar services.
- General approach to management, O&M.
- Financial qualifications.

Each contractor's submission will be reviewed for completeness and responsiveness to the RFQ requirements. Based on its review and evaluation of the SOQs, the City will select the most qualified contractor to begin negotiations. The selection will be based on the contractor's demonstrated ability to technically and financially perform the services outlined in this document. Specifically, SOQs will be evaluated based upon the criteria presented in the subsequent paragraphs.

- Evaluation Criteria**

In evaluating the RFQ, the City will utilize the requirements outlined in this section to identify the contractor best qualified to perform the services.

Corporate Profile Qualifications — The contractor will be evaluated based on the breadth of its capabilities, project organization structure, and years of experience providing similar services. The contractor shall demonstrate that the company, either under its current name or its predecessor, has provided similar O&M services for a minimum of five years.	20%
Experience and Technical Qualifications. The contractor's experience will be evaluated based upon its past history (such as number of projects, plant sizes, etc.) of successfully providing O&M services for similar and nearby facilities. The response will be evaluated based on the number of facilities operated and maintained under similar scenarios and the number of contracts, duration of the contracts, and size of the facilities serviced. References will be contacted in order to verify satisfactory performance on other similar projects.	45%
General Approach to Management, Operation and Maintenance of Water and Wastewater Facilities. This includes strategies for wet weather operations and staffing plan, transition plan, sludge management, emergency response plans and capital improvements approach.	25%
Financial Qualifications. Financial information will be evaluated to determine the overall capacity of the contractor to carry out the contractual commitments for the requested services. At a minimum, the contractor must demonstrate tangible net worth, in each of the past three years, of at least \$3 million. The contractor also will be evaluated based upon its ability to secure a performance bond in the amount of the annual service fee to provide services in accordance with the agreement. The contractor shall demonstrate that the company, or any affiliate of the company, has never filed for bankruptcy.	10%

- Evaluation of Statements of Qualifications**

Each SOQ will be reviewed against the terms of this RFQ to determine if the submittal is complete and responsive and how well the contractor satisfies the evaluation criteria.

The City may reject any submittal found to be incomplete, unresponsive, or not in compliance with the format requirements set forth in this RFQ. A submittal may be determined to be unresponsive if any aspect is found to be unacceptable or contrary to the best interests of the City.

The City regards the submission of the SOQ in response to the RFQ as the most important factor in the selection of a contractor to provide services for the O&M and management of the current scope of services and its capabilities to provide innovative improvements at a future date. The City reserves the right to reject any and all responses to the RFQ and is under no obligation to award a contract.

The City intends to select the best qualified contractor and to negotiate an agreement and price with this firm. However, should the negotiation with the best qualified contractor not produce an acceptable contract arrangement, the City will request to begin negotiations with the next best qualified contractor.

The responsibility for the final selection and negotiation rests solely with the City.