



2014 Financial Analysis & Rate Study RFP

Questions & Answers

Below are questions that the District received related to the Financial Analysis and Rate Study RFP. Responses are provided for each question received. In some cases, if more than one similar question was received, the District may paraphrase the question to eliminate redundancy. There will not be an opportunity for additional questions prior to the bid due date.

- 1) On page 103 of the document attached to the RFP, the very first item is described as “Retain Tom Ash & Associates as a rate advisor...” with a specified budget of \$40k. What is Tom Ash’s role in relation to this RFP?
 - a. *Tom Ash’s advisory service is broad in assisting the District in establishing water-budget based rates. This includes helping to identify appropriate water-budget tiers (e.g. water units), outreach efforts, and to advise the District as to how other water agencies have implemented this type of rate structure. He will also be providing consulting services on changes needed for the District’s billing system and developing measurements related to customer impacts. The consultant selected from this RFP will participate in a larger team that includes District staff, Tom Ash and possibly additional consultants in the development and implementation of the water-budget based rates. The selected firm from this RFP will be solely responsible for delivering the Scope of Work outlined in the RFP including developing the recommended rates and charges under the direction of District staff.*

- 2) Who makes up the selection committee?
 - a. *The selection committee is comprised of District staff.*

- 3) Is there a date identified for the interviews?
 - a. *Interviews are tentatively scheduled for June 17.*

- 4) Do the water sources for LVMWD listed in Chapter 3 of the 2010 Urban Water Management Plan reflect current water sources?
 - a. *Yes*

- 5) Does LVMWD anticipate any additional (or theoretical) water sources in the future?
 - a. *No.*

- 6) Who completed the last 2 rate studies? Was their performance adequate and what was their average hourly rate?
 - a. *The District utilized Raftelis Financial Consultants, Inc. and Brown and Caldwell for the last two studies.*

- 7) Has stakeholder relations and communication plans be taken into consideration for a water budget program roll out?
 - a. *Yes. See Scope Section "E" and answer to Question 1 above.*

- 8) How many meetings are assumed in this project?
 - a. *See Scope Section "F." Meetings with staff and project team members are in addition to the public meetings. Staff has not determined an exact number of anticipated meetings with District staff. All attendance at any required meeting will be assumed to be included in the cost proposed. Any limitations need to be specifically stated in the proposal response.*

- 9) What is the total budgeted amount for this project?
 - a. *There is not a specific budget for this Scope of Work. The budget is contained with the "Financial Study" item on page 17 of the RFP. It is expected that each proposal will reflect the best price to complete the Scope of work.*

- 10) Has the fixed asset database been cleaned up or corrected?
 - a. *The District maintains fixed asset data.*

- 11) What is your CMMS computerized maintenance management system and financial system being used?
 - a. *Advanced Maintenance Management System (AMMS)*
 - b. *The District utilizes JD Edwards version 9.*

- 12) Has your water affordability been measured?
 - a. *No.*

- 13) Will a price elasticity of demand analysis need to made and considered moving from one rate structure to another?
 - a. *No.*

14) What stakeholders were involved in the water budget decision?

- a. *The Board of Directors has approved the Development of budget-based rates. In addition to information provided in question 1, the consultant may assist in outreach efforts per Scope of Work Section "E".*

15) Any prop 218 concerns or issues?

- a. *See Scope of Work Section "D".*

16) Do you have a financial advisor?

- a. *The selected consultant will be expected to have all resources necessary to deliver the Scope of Work.*

17) Do you have a prop 218 attorney?

- a. *The selected consultant will be expected to have all resources necessary to deliver the Scope of Work.*