

December 14, 2011

**REQUEST FOR PPROPOSALS
RFP 11-15**

**FOR CONDUCTING A WATER RATE STUDY FOR THE CITY OF MARQUETTE AND
CHARTER TOWNSHIP OF MARQUETTE MICHIGAN**

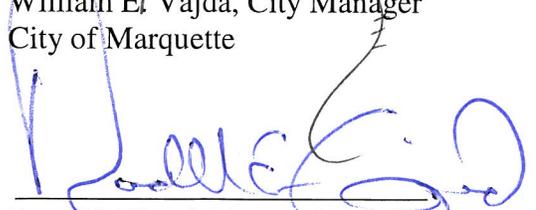
Deadline and Request for Proposal opening will be on **January 17, 2012 at 2:00 pm**. Location of the RFP opening will be at Marquette City Hall, Room 102A, 300 W Baraga Ave. RFP must be in a sealed envelope clearly identifying the RFP number and title. No fax or electronic bids will be accepted. RFP can be found on the City website at www.mqtcty.org/bids

Mail 12 copies of the RFP to:

City of Marquette
RFP-11 15
Attn: Mary Schlicht
Finance Dept.
300 W. Baraga Avenue



William E. Vajda, City Manager
City of Marquette



Randell Girard, Township Manager
Charter Township of Marquette

REQUEST FOR PPROPOSAL

INTRODUCTION

The City of Marquette and the Charter Township of Marquette entered into a twenty (20) year water supply agreement with a renewal option, thereby replacing an agreement adopted in 1970 for water supply purposes. Following a dispute litigated in Circuit Court, this agreement was renewed by the Township for an additional 20 years. The City and Township own and operate an integrated water system and Michigan statute provides for the sale of water outside of municipal limits. The parties desire that the water systems shall be operated pursuant to the terms of the attached agreement (EXHIBIT A).

DESCRIPTION OF ENTITIES

The City of Marquette has approximately 5,832 customers, classified as follows:

Residential/Small Commercial	5,452
Industrial	181
Non-tax	140
Public Authority	38
City Departments	21

The Charter Township of Marquette has approximately 1075 customers, all of which are classified residential or commercial.

For technical inquiries or further information, contact:

Kirk Page
Superintendent of Public Works
Charter Township of Marquette
Tel. 906.228.6220 ext. 106
Fax 906.228.7337
Mobile 906.361.0262

Curt Goodman
Superintendent of Water & Wastewater
City of Marquette
Tel. 906.225.4055
Fax 906.228.0487
Mobile 906-381-8008

SCOPE OF WORK

The scope of work includes the following general outline of tasks to be performed by the consultant in the water rate study.

Phase I – Develop Methodology (Basis)

The consultant shall conduct an independent initial review of each party's cost of providing water service to the other, pursuant to paragraph 6 of the 2009 Water Supply Contract, and the City and Township financial and operational records. The City and Township will designate key staff to address questions developed during the review process. After the initial review has been conducted, the consultant shall present to the City and Township for approval a plan for the rate study based upon the actual cost of service as determined under the utility basis of rate making, to determine whether or not rate adjustments are indicated.

Phase II – Rate Design

The consultant shall proceed to establish a rate structure to be based upon the cost of service as determined under the utility basis of rate making in Phase I. The rate structure shall include the rates which the City is entitled to charge the Township as well as the back flow credit that the Township shall be entitled to charge the City.

Phase III – Final Report and Recommendation

A final report and recommendation from the consultant will be due 45 days from contract award. The content and format of the report shall be consistent with the plan outline developed in Phase I and shall include any other observations, recommendations and exhibits that will help illustrate and summarize the findings of the rate study.

PREPARATION OF PROPOSAL

FIRM BACKGROUND

1. The consultant should include materials describing the firm's background and experience; include references, and any subcontractors that will be used.
2. The consultant should include information regarding its experience in applying the utility basis of rate making and the methodology and approach it generally uses in conducting municipal water studies.

PERSONNEL QUALIFICATIONS

Resumes of all personnel who will be working directly on the Water Rate Study should be submitted along with the designation of a project manager.

SELECTION CRITERIA

Two representatives each from the City of Marquette and Charter Township of Marquette will act as the selection committee. The following factors will be considered in the selection process:

1. The proposal will be reviewed and evaluated as to content and completeness.
2. If the proposal is complete and the consultant is deemed qualified, he or she may be interviewed by the selection committee.
3. A review and evaluation of the proposal in its entirety will consider experience, reputation, financial capacity, and the professional and management ability demonstrated or determined during the proposal process. Firms with experience determining water rates which have been in dispute are desirable. The selection committee may select for further negotiation the consultant whom it deems to be most qualified and whose proposal offers the best opportunity through negotiation to achieve for the City and Township the highest quality consultant services for the most appropriate price.
4. After the consideration and negotiation process outlined above, the selection committee will recommend to the City Commission and the Township Board, the best qualified firm it believes will provide the professional services most beneficial to the successful development of a cost of service rate structure.
5. Upon selection, the City, Township and successful consultant will promptly enter into a contract. If a contract is not promptly executed by the successful consultant, then the City and Township may choose to negotiate, select and award a contract to any other responsible firm.
6. The City and Township are not liable for any cost incurred by a consultant prior to the acceptance of a proposal and award of a contract.

RESERVATION OF RIGHTS

1. The City of Marquette and Charter Township of Marquette reserves the right to waive or disregard any informality, irregularity or deficiency in any proposal received.
2. The City and Township reserve the right to reject any or all proposals received for whatever reason it deems appropriate.
3. The City and Township reserve the right to require the successful participant to furnish a full performance bond or to retain five (5%) percent of all progress payments until completion.