

Council Meeting of April 27, 2016

Agenda Item No. 6h

REQUEST FOR COUNCIL ACTION

SUBJECT: Water Resource and Secondary Water Study

SUMMARY: Approve a Professional Services Agreement with Zions Public Finance, Inc. for the Water Resource and Secondary Water Study, in an amount not to exceed \$25,676.00.

FISCAL AND/OR

ASSET IMPACT: Funding is available from the Water Reserve account. A few staff hours were used to research and select the best qualified individual.

STAFF RECOMMENDATION:

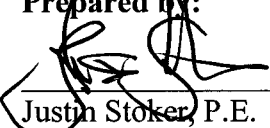
Staff recommends approval of a Professional Services Agreement with Zions Public Finance, Inc. for the Water Resource and Secondary Water Study, in an amount not to exceed \$25,676.00.

MOTION RECOMMENDED:

"I move to adopt Resolution No. 16-67 authorizing the Mayor to execute a Professional Services Agreement with Zions Public Finance, Inc. for the Water Resource and Secondary Water Study, in an amount not to exceed \$25,676.00."

Roll Call vote required

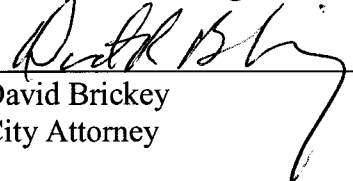
Prepared by:


Justin Stoker, P.E.
Public Works Deputy Director


Recommended by:


Wendell T. Rigby, P.E.
Public Works Director

Reviewed as to Legal Sufficiency:


David Brickey
City Attorney

Recommended by:


Mark R. Palesh
City Manager

BACKGROUND DISCUSSION

In October 2015, the City Council approved the West Jordan Secondary Water Master Plan which identified \$16M in infrastructure for Option 1 or \$72M in infrastructure for Option 2. To supplement the fiscal study that is done as part of the Master Plan, staff recommends consulting with a financial firm to evaluate the entire financial implications of a secondary water project, to identify total cost, potential funding options on path to determining the financial feasibility and potential user rate associated with the secondary water system.

A Request for Proposals was advertised in the classified ads of local newspapers prior to the bid opening on April 18, 2016 at 2:00 pm. Three firms submitted proposals. The proposal evaluation team reviewed the three submittals and the firm of Zions Public Finance, Inc. was selected based on the City's approved evaluation process. A copy of the evaluation matrix is included in this staff report.

Attachments:

- Resolution
- Agreement
- Evaluation Matrix

THE CITY OF WEST JORDAN, UTAH
A Municipal Corporation

RESOLUTION NO. 16-67

A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE A CONTRACT WITH
ZIONS PUBLIC FINANCE INC. FOR THE WATER RESOURCE AND SECONDARY WATER STUDY

Whereas, the City Council of the City of West Jordan has received proposals for the Water Resource and Secondary Water Study with the highest scored proposal being Zions Public Finance Inc. for an amount of \$25,676.00; and

Whereas, the City Council desires to award the contract to Zions Public Finance Inc. which award shall not be binding upon the City of West Jordan unless and until the contract is fully executed by the parties; and

Whereas, the proposed contract between the City of West Jordan and Zions Public Finance Inc., (a copy of which is attached as **Exhibit A**) for the Water Resource and Secondary Water Study in an amount not-to-exceed \$25,676.00 has been reviewed; and

Whereas, the City Council of the City of West Jordan has determined that the attached contract with Zions Public Finance Inc., for an amount not-to-exceed \$25,676.00, is acceptable for the purpose of completing the Water Resource and Secondary Water Study.

NOW, THEREFORE, IT IS RESOLVED BY THE CITY COUNCIL OF WEST JORDAN, UTAH:

- Section 1. The contract for the Water Resource and Secondary Water Study is hereby awarded to Zions Public Finance Inc. which award shall not be binding upon the City of West Jordan until the contract is fully executed by the parties.
- Section 2. After approval as to legal form by the City Attorney, the Mayor is hereby authorized to execute a contract between the City of West Jordan and Zions Public Finance Inc. in an amount not to exceed \$25,676.00.
- Section 3. This Resolution shall take effect immediately.

Adopted by the City Council of West Jordan, Utah, this 27th day of April 2016.

CITY OF WEST JORDAN

ATTEST:

By: _____
Kim V. Rolfe
Mayor

Melanie Briggs
City Recorder

A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE A CONTRACT WITH
ZIONS PUBLIC FINANCE INC. FOR THE WATER RESOURCE AND SECONDARY WATER STUDY

Voting by the City Council	"AYE"	"NAY"
Council Member Dirk Burton	_____	_____
Council Member Jeff Haaga	_____	_____
Council Member Zach Jacob	_____	_____
Council Member Chris McConnehey	_____	_____
Council Member Chad Nichols	_____	_____
Council Member Sophie Rice	_____	_____
Mayor Kim V. Rolfe	_____	_____



AGREEMENT FOR PROFESSIONAL SERVICES

**Between
City of West Jordan
and
Zions Public Finance, Inc.
for the**

Water Resource and Secondary Water Study

THIS AGREEMENT, made this 27th day April 2016 between the City of West Jordan, a municipal corporation (hereinafter referred to as "City"), and Zions Public Finance, Inc. (hereinafter referred to as "Consultant").

WHEREAS, the City desires to obtain consulting services from Consultant, and Consultant desires to provide these services to City. City and Consultant, therefore, agree as follows:

1. **RETENTION AS CONSULTANT.** City hereby retains Consultant, and Consultant hereby accepts such engagement, to perform the services described in Paragraph 2 herein. Consultant warrants it has the qualifications, experience and facilities to properly perform these services.
2. **DESCRIPTION OF SERVICES.** The services to be performed by Consultant shall be as follows:

(1) See attached Proposal. (Exhibit A)

The above services shall be performed in accordance with the City's Request for Proposal inclusive of the Consultant's Proposal dated April 18, 2016 which are incorporated herein by this reference. The Proposal is more fully set forth in Exhibit A which is attached to this Agreement.

3. **COMPENSATION AND PAYMENT.** Except for authorized extra services (pursuant to Paragraph 4), if any, the total compensation payable to Consultant by City for the services described in Paragraph 2 shall not exceed the sum of \$25,676.00 and shall be earned on an hourly basis.

All payments shall be made within thirty (30) calendar days after the Consultant has provided the City with written verification of the actual compensation earned, which written verification shall be in a form satisfactory to the City. Invoices shall be made no more frequently than on a monthly basis, and shall describe work performed.

4. **EXTRA SERVICES.** City shall pay Consultant for extra services which are authorized in writing in addition to the services described in Paragraph 2, in such amounts as mutually agreed to in advance. Unless the City and Consultant have agreed in writing before the performance of extra services, no liability and no right to claim compensation for such extra services or expenses shall exist.

5. **SERVICES BY THE CITY.** The City shall perform the following services:

- (1) Provide to Consultant copies of available information related to the project and project site
- (2) Promptly review Consultants work and provide Consultant with comments, if any, in a timely manner.

6. **PROGRESS AND COMPLETION.** Consultant shall commence work on the services to be performed upon receiving a Notice to Proceed from the City.

7. **OWNERSHIP OF DOCUMENTS.** All drawings, designs, data, photographs, reports and other documentation, including duplication of same prepared by Consultant in the performance of these services, shall become the property of City upon termination of the consulting services pursuant to this agreement and upon payment in full of all compensation then due Consultant. The City agrees to hold the Consultant harmless from all damages, claims, expenses and losses arising out of any reuse of the plans and specifications for purposes other than those described in this Agreement, unless written authorization of the Consultant is first obtained.

8. **PERSONAL SERVICES; NO ASSIGNMENT; SUBCONTRACTOR.** This Agreement is for professional services, which are personal services to the City. The following persons are deemed to be key member(s) of or employee(s) of the Consultant's firm, and shall be directly involved in performing or assisting in the performance of this work:

Matt Millis
Megan Weber
Richard Noble
Michael Chambers
Steve Jones

Should these individuals be removed from assisting in this contracted work for any reason, the City shall have the right to approve the replacement individuals assigned to the project or may terminate this Agreement.

This Agreement is not assignable by Consultant, without the City's prior consent in writing.

9. **HOLD HARMLESS AND INSURANCE.**

A. Indemnity.

Consultant shall defend, indemnify and hold the City, its elected officials, officers and employees, harmless from all claims, lawsuits, demands, judgments or liability including, but not limited to, general liability, automobile and professional errors and omissions liability, arising out of, directly or indirectly, the negligent acts, errors and omissions of the Consultant in performing the services described.

B. Insurance.

Consultant shall, at Consultant's sole cost and expense and throughout the term of this Agreement and any extensions thereof, carry:

- (1) workers compensation insurance adequate to protect Consultant from claims under workers compensation acts;
- (2) professional errors and omissions insurance in the amount not less than \$1,000,000; and
- (3) general personal injury and property damage liability insurance and automobile liability insurance with liability limits of not less than \$1,000,000 for each claimant and \$1,000,000 for each occurrence related to the injury or death of a person or persons and for property damage. The City, its officers and employees, shall be named as an additional insured.

All insurance policies shall be issued by a financially responsible company or companies authorized to do

business in the State of Utah which are carry a Moody's rating of not less than B+. Consultant shall provide City with copies of certificates (on the City certificate form) for all policies reflecting the coverage, with an endorsement that they are not subject to cancellation without thirty (30) calendar days prior written notice to City.

10. **RELATIONSHIP OF THE PARTIES.** The relationship of the parties to this Agreement shall be that of independent contractor(s). In no event shall Consultant be considered an officer, agent, servant or employee of City. The Consultant shall be solely responsible for any worker's compensation, withholding taxes, unemployment insurance and any other employer obligations associated with the described work.

11. **STANDARD OF CARE.** Consultant services shall be performed in accordance with the skill and care ordinarily exercised by members of the same profession performing the same or similar services at the time Consultant's services are performed. Consultant shall, at Consultant's sole expense reperform any services not meeting this standard.

12. **CORRECTIONS.** In addition to the above indemnification obligations, the Consultant shall correct, at its expense, all errors in the work which may be disclosed during the City's review of the Consultant's report or plans. Should Consultant fail to make such correction in a reasonably timely manner, such correction shall be made by the City, and the cost thereof shall be charged to and paid by Consultant. "Errors in the work" as referred to above does not include and shall be in addition to, "redlines" or other standard corrections which are provided to Consultant by City.

13. **TERMINATION BY CITY.** Unless otherwise stated in the Special Terms and Conditions, this contract may be terminated, with cause by either party, in advance of the specified termination date, upon written notice being given by the other party. The party in violation will be given ten (10) working days after notification to correct and cease the violations, after which the contract may be terminated for cause. This contract may be terminated without cause, in advance of the specified expiration date, by either party, upon 30 days prior written notice being given the other party. On termination of this contract, all accounts and payments will be processed according to the financial arrangements set forth herein for approved services rendered to date of termination.

14. **ACCEPTANCE OF FINAL PAYMENT CONSTITUTES RELEASE.** The acceptance by Consultant of the final payment made under this Agreement shall operate as and be a release to City from all claims and liabilities for compensation to, or claimed by, Consultant for anything done, finished or relating to the Consultant's work or services. Acceptance of payment shall be any negotiation of the City's check.

However, approval or payment by the City shall not constitute nor be deemed a release of the responsibility and liability of Consultant, its employees, subcontractors, agents and consultants for the accuracy and/or competency of the information provided and/or work performed; nor shall such approval or payment be deemed to be an assumption of such responsibility or liability by the City for any defect or error in the work prepared by Consultant, its employees, subcontractors, agents or consultants.

15. **WAIVER; REMEDIES CUMULATIVE.** Failure by a party to insist upon the strict performance of any of the provisions of this Agreement by the other party, irrespective of the length of time for which such failure continues, shall not constitute a waiver of such party's right to demand strict compliance by such other party in the future. No waiver by a party of a default or breach of the other party shall be effective or binding upon such party unless made in writing by such party and no such waiver shall be implied from any omission by a party to take any action with respect to such default or breach. No express written waiver of a specified default or breach shall affect any other default or breach, or cover any other period of time, other than any default or breach and/or period of time specified. All of the remedies permitted or available to a party under this Agreement, or at law or in equity, shall be cumulative and alternative, and invocation of any such right or remedy shall not constitute a waiver or election of remedies with respect to any other permitted or available right or remedy.

16. **CONSTRUCTION OF LANGUAGE OF AGREEMENT.** The provisions of this Agreement shall be

construed as a whole according to its common meaning and purpose of providing a public benefit and not strictly for or against any party. It shall be construed consistent with the provisions hereof, in order to achieve the objectives and purposes of the parties. Wherever required by the context, the singular shall include the plural and vice versa, and the masculine gender shall include the feminine or neutral genders or vice versa.

17. **MITIGATION OF DAMAGES.** In all situations arising out of this Agreement, the parties shall attempt to avoid and minimize the damages resulting from the conduct of the other party.

18. **RECORDS ADMINISTRATION.** The Consultant shall maintain, or supervise the maintenance of all records necessary to properly account for the payments made to the Consultant for costs authorized by this contract. These records shall be retained by the Consultant for at least four years after the contract terminates, or until all audits initiated within the four years, have been completed, whichever is later.

19. **GOVERNING LAW.** This Agreement, and the rights and obligations of the parties, shall be governed and interpreted in accordance with the laws of the State of Utah.

20. **CAPTIONS.** The captions or headings in the Agreement are for convenience only and in no other way define, limit or describe the scope or intent of any provision or section of the Agreement.

21. **AUTHORIZATION.** Each party has expressly authorized the execution of this Agreement on its behalf and bind said party and its respective administrators, officers, directors, shareholders, divisions, subsidiaries, agents, employees, successors, assigns, principals, partners, joint ventures, insurance carriers and any others who may claim through it to this Agreement.

22. **REPRESENTATION REGARDING ETHICAL STANDARDS FOR CITY OFFICERS AND EMPLOYEES AND FORMER CITY OFFICERS AND EMPLOYEES.** The Consultant represents that it has not: (a) provided an illegal gift or payoff to a city officer or employee or former city officer or employee, or his or her relative or business entity; (b) retained any person to solicit or secure this contract upon an agreement or understanding for a commission, percentage, brokerage or contingent fee, other than as exempted in the City's Conflict of Interest ordinance; or (c) knowingly influenced (and hereby promises that it will not knowingly influence) a city officer or employee or former city officer or employee to breach any of the ethical standards set forth in the City's Conflict of Interest ordinance, Title 2, Chapter 4 of the City of West Jordan Municipal Code.

23. **EQUAL OPPORTUNITY CLAUSE.** The Consultant agrees to abide by the provisions of Title VI and VII of the Civil Rights Act of 1964 (42USC 2000e) which prohibits discrimination against any employee or applicant for employment or any applicant or recipient of services, on the basis of race, religion, color, or national origin; and further agrees to abide by Executive Order No. 11246, as amended, which prohibits discrimination on the basis of sex; 45 CFR 90 which prohibits discrimination on the basis of age; and Section 504 of the Rehabilitation Act of 1973, or the Americans with Disabilities Act of 1990 which prohibits discrimination on the basis of disabilities. Also, the Consultant agrees to abide by Utah's Executive Order, dated June 30, 1989, which prohibits sexual harassment in the work place.

24. **ENTIRE AGREEMENT BETWEEN PARTIES.** Except for Consultant's proposals and submitted representations for obtaining this Agreement, this Agreement supersedes any other agreements, either oral or in writing, between the parties hereto with respect to the rendering of services, and contains all of the covenants and agreements between the parties with respect to said services. Any modifications of this Agreement will be effective only if it is in writing and signed by the party to be charged.

25. **PARTIAL INVALIDITY.** If any provision in this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions will nevertheless continue in full force without being impaired or invalidated in any way.

26. **NOTICES.** Any notice required to be given hereunder shall be deemed to have been given by depositing said notice in this United States mail, postage prepaid, or by facsimile with proof of transmission, and addressed as follows:

TO CITY: CITY OF WEST JORDAN
Justin Stoker, P.E.
8000 South Redwood Road
West Jordan, Utah 84088
Facsimile No.: (801) 569-5127

With a copy to the City Attorney
David Brickey, City Attorney
8000 South Redwood Road
West Jordan, Utah 84088
Facsimile No.: (801) 569-5149

TO CONSULTANT: Matt Millis
Zions Public Finance, Inc.
One South Main Street, 18th Floor
Salt Lake City, UT 84111-1904

EXECUTION OF AGREEMENT

In concurrence and witness whereof, this Agreement has been executed by the parties effective on the date and year first above written.

CITY OF WEST JORDAN

ATTEST:

Kim V. Rolfe
Mayor

Melanie Briggs, MMC
City Recorder

APPROVED AS TO LEGAL FORM



City Attorney

CONSULTANT

By: _____

Its: _____

STATE OF _____)

:SS

COUNTY OF _____)

On this ____ day of _____, 2016, personally appeared before me,
_____, who being by me duly sworn did say that he is the
_____ of _____, a corporation, and that the
foregoing instrument was signed in behalf of said corporation by authority of its Board of Directors, and
he acknowledged to me that said corporation executed the same.

NOTARY PUBLIC

My Commission Expires:

Residing in _____ County, _____

EXHIBIT A
(Consultant Proposal)



ZIONS

**CITY OF WEST
JORDAN**

**PROPOSAL TO
PROVIDE
WATER RESOURCE
AND SECONDARY
WATER STUDY**

**PRESENTED BY
ZIONS PUBLIC FINANCE,
INC. AND
HANSEN, ALLEN & LUCE,
INC.**

APRIL 18, 2016

April 18, 2016

City of West Jordan
Attn: Paul Wellington, Purchasing Agent
City Recorder's Office
8000 South Redwood Road, 3rd Floor
West Jordan, UT 84088
Re: Water Resource and Secondary Water Study

Dear Members of the Selection Committee:

Zions Public Finance, Inc. (Zions) enthusiastically submits this proposal to provide consulting services to the City of West Jordan for the preparation of the Water Resource and Secondary Water Study. We are excited to team with Hansen, Allen & Luce, Inc. (HAL). Zions will be responsible for the preparation of financial feasibility study and user rate analysis. HAL will be responsible for reviewing water rights and water supply, costs and system development scenarios. Zions and HAL have worked successfully on many past projects together and look forward to the opportunity to serve the City in this important project.

The strength of this proposal lies in the extensive municipal consulting and financial advisory experience that Zions brings along with the engineering experience of it's partner HAL. Both firms are leaders in their respective industries. Similar projects completed include financial planning and rate analyses for new secondary water system include Herriman City and Saratoga Springs. HAL has prepared the recent Drinking Water Master Plan and the Secondary Water Master Plan for the City. Zions and HAL have teamed on many highly successful projects and look forward to assisting the City with this work.

Our proposal includes a very detailed analysis of the financial feasibility of implementing a secondary water system, evaluating the use of secondary canal rights and reuse options, and a final secondary water rate analysis. We want to be sure that the findings are accurate and defensible as well as clear and concise so that it is easy for decision makers and the public to understand.

We clearly understand the scope of this project as many elements of this feasibility and rate analysis have been conducted for other cities, including those mentioned above. Zions has worked through countless financial projections for culinary and secondary water and understands the balance between the two systems. We have also completed many water rate studies including two secondary rate studies for communities that have installed secondary water meters. HAL has completed your City's Master Plans for both Culinary and Secondary water and understands your systems better than any other engineering firm. Our combined experience will allow us to work through this project fast, efficiently, and with the understanding of what your City needs to make the best decisions regarding the future of secondary water.

Best Regards,



Matt Millis, Vice President
Zions Public Finance, Inc.
801-935-0337
matthew.millis@zionsbank.com

PROJECT TEAM AND QUALIFICATIONS

EXECUTIVE SUMMARY

Zions Public Finance, Inc. (Zions) and Hansen, Allen and Luce, Inc. (HAL) are pleased to present the following scope of services for a Water Resource and Secondary Water Study to the City of West Jordan. Both Zions and HAL are highly skilled and experienced in the areas of rate setting and civil engineering respectively and will bring great insight and enthusiasm to the work. HAL, having already completed the City's Master Plans for Culinary Water and Secondary Water, is very familiar with the history and future plans for the both systems.

The City clearly has important decisions to make regarding the future of the secondary water system. Our analysis will evaluate the costs of three scenarios that include 1) the continued use of culinary water, 2) the development of a secondary water system in the areas currently served with dry pipe, and the 3) development of secondary water for the remaining areas of the City. The feasibility analysis will be conducted to determine the most financially feasible scenario and help the City understand the best and most cost effective ways to fund the selected approach. A rate study will be conducted to determine what rate structuring options will be most applicable and what the costs might be for each secondary water scenario.

The professionals at Zions have worked with HAL on several recent projects including analyses for Saratoga Springs City, the City of South Salt Lake, Riverton City, Highland City, Bear River Water Conservancy District, and Riverside North Garland. Our firms have an excellent working relationship and we look forward to the opportunity to team together again for this upcoming project. Zions will lead the project and provide financial analysis while HAL, having completed both the City's Drinking Water Master Plan and the Secondary Master Plan, will provide engineering expertise and technical oversight.

AVAILABILITY OF THE PROJECT PERSONNEL

The table below summarizes the allocation of the project work load by each project team member. Resumes for each team member are included in the Appendix.

TIME ALLOCATION OF EACH TEAM MEMBER				
Zions - Matt Millis, Project Lead, Financial Analysis	Zions - Megan Weber Report Writing, Administrative	HAL- Richard Noble, Engineering Lead	HAL- Michael Chambers, Engineering	HAL- Steve Jones, Engineering
57%	30%	5%	7%	2%

ZIONS PUBLIC FINANCE, INC.

Zions Municipal Consulting professionals have been the lead consultants on some of the most challenging and visible projects in the State of Utah and are committed to providing our clients with studies that meet their needs and exceed their expectations. By combining our depth of knowledge in public finance and economic consulting, we provide our clients with studies that reflect all possible options and that can be implemented in the marketplace. The project will be led by Matt Millis who has over 15 years experience as a municipal consultant and has calculated over 150 user rate analyses.

Funding Expertise. Matt Millis is a municipal securities registered representative and therefore has a depth of understanding regarding water funding options and how various funding mechanisms impact costs (i.e., interest, issuance fees, etc.). We will have the further assistance of Johnathan Ward, a respected financial advisor to many communities throughout the State of Utah. Johnathan will be available to review the analysis and provide input on the cash flow and funding portions of these studies.

Breadth of Experience. Zions Public Finance, Inc. is comprised of professionals who are well-known and respected throughout the Intermountain West for their depth of experience in impact fee analyses, user rate studies, fiscal impacts, economic development, feasibility studies, redevelopment, real estate development advisory, planning, NEPA documents, public facilitation, and capital facilities finance plans.

HANSEN, ALLEN & LUCE, INC.

Zions submits this proposal to the City with Hansen, Allen & Luce. Over the past 42 years Hansen, Allen & Luce, Inc. (HAL) has been a respected Utah leader in water resources engineering. During that time HAL has worked for over 350 clients on over 3,000 water projects. We specialize in civil, environmental and water resources engineering. Our entire effort is focused on meeting the specialized needs of our many public, private, and industrial clients. We offer a high level of expertise which provides our clients with a significant degree of credibility regarding our engineering recommendations and designs.

HAL specializes in drinking water projects, secondary water and irrigation projects, sanitary sewer projects, and storm water projects for municipalities, local districts, and government entities. By choice, **over 85% of our work is for municipal clients**; water, sewer, or storm water special districts; or County or State Agencies. Most of the other 15% of our work is for industrial clients in providing similar services. We choose to focus on the municipal side and not the development side.

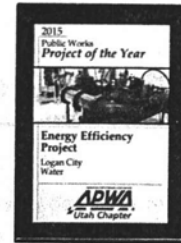
HAL has been recognized as an industry leader in water resources engineering with several awards in the past year including those shown at the right.

Essentially our entire history has been dedicated to meeting the specialized needs of our many repeat water clients. The following list presents HAL's selected Areas of Practice and Professional Services offered within the general water area:

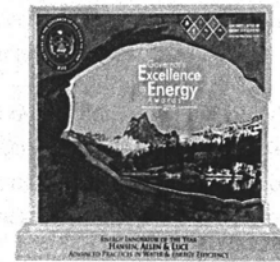
2015 Best of State – Awarded by the State of Utah Best of State organization for HAL's achievement, innovation, creativity, and contribution to the quality of life in Utah in the field of Civil Engineering.



2015 Public Works Project of the Year – Awarded by the American Public Works Association (APWA) Utah Chapter for HAL's innovative engineering work with Logan City.



2015 Energy Innovator of the Year – Awarded by Utah Governor Gary R. Herbert in the 2015 Governor's Excellence in Energy Awards for HAL's advancement of water and energy efficiency in water utilities.



Areas of Practice :		Professional Services :	
Water Resources	Water Quality	Project Leadership	Regulatory Coordination
Hydrology & Hydraulics	Water Rights	Complex Analysis & Studies	Funding Assistance
Surface Water	Water Conservation	Computer Modeling	GIS Applications
Ground Water	Water Reuse	Master Planning	Development Standards
Drinking Water	Hazardous Waste	Water Systems Optimization	Development Reviews
Irrigation Water	The Environment	Design	Source Water Protection
Waste Water		Construction Management	Environmental Permitting
Storm Water		Surveying	Public Involvement
			Litigation Support

"The greatest asset that Hansen, Allen and Luce possess is their integrity and commitment to do what is right, for both the owner and contractor on every project that they are involved with. Their entire staff is very professional, courteous and diligent in their duties."

Philip J. Markham
Public Services Deputy Director
Murray City, Utah

HAL's main offices are located in Midvale, Utah, with branch offices located in American Fork, Brigham City, and Park City, Utah.

HAL puts significant emphasis on empowering our clients to remain in control of their project. We refer to this as "Keeping the client in the driver's seat". This is realized principally by following a principal taught by the founder of the Firm, Dr. Vaughn E. Hansen, who encouraged all employees to continually think of the needs of the client, and to ask ourselves and the client, "How can we help?" We employ a number of client communication techniques including holding regular project coordination meetings with the client, preparing a Memorandum of Understanding after significant project coordination meetings, making regular phone calls or sending frequent emails to the client, and implementing a project status-based invoicing system.

UNDERSTANDING OF PROJECT OBJECTIVES AND GOALS

CULINARY VS SECONDARY WATER FEASIBILITY

Our objective is to produce a defensible and reliable feasibility study that can help the City make the necessary decisions regarding the future of the proposed secondary water system. The first major issue addressed in this analysis is whether the City can acquire lower cost canal water and still develop and finance the secondary water system for less cost than irrigating the dry pipe and undeveloped areas with JWCD water. To answer this first question, HAL will review the secondary water sources that are available, including wastewater reuse, which can economically be acquired and used to feed the proposed secondary water alternatives.

The feasibility analysis will focus on three basic water development scenarios. The first will be based on the continued use of JWCD water for all irrigation within the City minus the few small areas already receiving some secondary water or culinary water from Kearns Improvement District. The second and third scenarios are two secondary water implementation options, one analyzing the use of the dry pipe that is currently installed, and the second reviewing the costs to serve all future undeveloped areas in addition to the dry pipe.

A break-even analysis and present value analysis will show at what point it becomes more feasible to use either of the two secondary water implementation scenarios in comparison to the culinary-only scenario. The financial feasibility element will also analyze different methods of funding the two secondary water implementation scenarios. The funding analysis will include the costs of capital projects, water acquisition opportunities, the operational and capital costs of a culinary and secondary system jointly, the steadily increasing cost of JWCD water, etc.

The table below lays out a few of these factors in regards to the general costs/savings for continuing to only rely on culinary water from JWCD versus developing a secondary water system which would serve a portion of the City.

FACTORS TO BE CONSIDERED IN THE COST BENEFIT ANALYSIS

CONTINUED USE OF CULINARY ONLY (JWCD)		DEVELOPING A SECONDARY WATER SYSTEM	
POTENTIAL COSTS	POTENTIAL SAVINGS	POTENTIAL COSTS	POTENTIAL SAVINGS
- Higher JWCD Pumping Costs per Af to Undeveloped Areas	- No Additional Secondary Infrastructure Construction	- Construction of Additional Secondary Infrastructure	- Use of Less Expensive Secondary Water Source
- Annual Escalation of General JWCD Water Cost	- No Addt'l Secondary O&M and Source Costs	- Addt'l Secondary Water O&M Costs- equipment, staffing, etc.	- Reserve More JWCD Water for Culinary Use
		- Development of Wastewater Reuse Pumping and Transmission	- Potential Reductions in Culinary Capital Projects
		- Acquisition of Addt'l Water Rights	

SECONDARY WATER RATE STRUCTURING OPTIONS AND PROPOSED BILLS

The second major issue is to identify the type of rate structure would be implemented to pay back the costs of development and keep the system financially viable. We will look at different rate structures that cities across Utah have implemented but we'll also focus on metered consumption rate structures as it is anticipated that the City will install secondary meters. An additional related question that

lies outside of the requested scope defined in the RFP could be what would be the impact on the current culinary water rates and impact fees.

RISK ANALYSIS AND MODEL STRESSING

We will also conduct a basic risk analysis to stress the key variables that have the greatest impact on the feasibility model including rates of growth, inflation rates, bond interest rates, water use, and other factors. We want to test the limits of feasibility rather than simply relying on the assumptions that make the project feasible.

Zions and HAL has helped several communities with very similar feasibility studies. For example, in 2011 Herriman City explored options for how to develop their secondary water system. Zions assisted the City with reviewing water rights and production capacity of water sources, reviewing cost and supply options of JWCD water, and developing scenarios to determine if the entire city could be served by the secondary system or if it was only cost effective for certain areas to connect to the system.

IMPACTS UPON CULINARY RATES AND IMPACT FEES

Finally, we cannot forget the importance of the impact on the culinary water system in this analysis. Some of the costs that would invariably be included in the secondary water rate will be recovered in the culinary water rate as well. Although it is not included in the principal scope of work in this analysis, we have included the option of adding in a culinary water rate analysis to counter the impacts of looking at just the secondary water rate. We have prepared a culinary water rate analysis with multiple updates for Herriman City and their new secondary water system. Zions calculated water user rates for lots that had access to secondary water and for those who only had access to culinary water and structured the rates and pricing accordingly. In Herriman it was determined that constructing the system was only cost effective if the developers could build the system and the city could reimburse them for the project over time using impact fee revenues.

PROJECT WORK PLAN

TASK 1: REVIEW AVAILABLE INFORMATION AND STUDIES

The secondary water feasibility study will result in a reliable and defensible analysis using the best data available, reasonable future demand and cost projections, and input from staff and HAL. The City already has an impressive list of data sources listed page 3 of the RFP. We will work closely with the City staff to review the need for and request any additional data.

TASK 2: PERFORM A FINANCIAL FEASIBILITY STUDY

REVIEW OF FULL CULINARY AND SECONDARY WATER SCENARIOS

Zions and HAL will work closely with the City to develop a detailed and dynamic financial model that will project the costs of the three primary scenarios. We will look closely at the proposed operational expenses with City staff to ensure that a sufficient level of staffing, pumping costs, water source expense, and other necessary costs are included in the two secondary implementation scenarios as well as in the culinary water scenario. The culinary water model will be adapted to each secondary water alternative to consider the differing mix of land that would be served by the culinary and secondary systems. The Secondary Water Master Plan and the Drinking Water Master Plan provide clear detail on the capital project needs for both systems. HAL will help to identify the culinary water projects that may be reduced in scale or eliminated with either secondary water implementation scenario.

MINIMIZE THE COST OF FUNDING CAPITAL INFRASTRUCTURE

In regards to the forecasting of debt and capital projects, our model will seek to minimize the overall Weighted Average Cost of Capital (WACC) combining inflationary costs, standard and state agency debt, grants, pay-as-you-go financing, exactions, impact fees, and other capital funding resources.

Zions has developed a financial model for Park City used to evaluate different water quality treatment scenarios with differing levels of capital and operations expense. We have been able to use the highly detailed and dynamic model to develop the projects and operations options and funding plans that have resulted in the lowest cost to users. This same approach would be utilized in this work for West Jordan.

TASK3: PERFORM A RATE STUDY

SECONDARY WATER USER RATES

The secondary rate analysis element will be objective and unbiased, use industry standard feasibility and rate methods including the general rate making methodologies from the American Water Works Association. The resulting analysis will be presented in a way that can facilitate public education utilizing simple concepts and terms that will be understood.

We can use billing data for the culinary water system as a proxy for the secondary water demands and make general recommendations for metered secondary water rates assuming that the City will likely install secondary water meters. The final result of the water rate analysis will be a comparison of what users would be anticipated to pay for secondary water rates within the areas that would receive secondary water under the two implementation scenarios.

IMPACT ON CULINARY WATER RATES AND IMPACT FEES

It is important to note that if the City implements a secondary water rate it will impact the existing culinary water rates. To gain a complete picture of what the total change in water rates throughout the City will be with secondary water developed then the culinary rates need to be adjusted as well. If desired, we can discuss options with the City to review the culinary water user rate. Our analysis will have to consider the corresponding changes in the financial plans for culinary water with each of the two secondary water implementation plans. We estimate that the addition of a culinary water user rate analysis would require a modest increase to the scope proposed herein.

TASK 4: PROVIDE A SUMMARY AND RECOMMENDATIONS

At the conclusion of the work, Zions and HAL will prepare the final recommendations based on the findings of the work performed. A written analysis detailing the work process, assumptions, and conclusions will be prepared. A final PowerPoint presentation will be prepared. It is very important that the analysis be clear and concise so that all reviewing the document, particularly those who will be making critical decisions, are well informed of the approach and findings. Our focus on clarity will aid the City if material is needed for public involvement processes.

ANTICIPATED DELIVERABLES

The anticipated deliverables for this project will include up to ten copies of the final reports and a final PowerPoint presentation to the City Council with the findings of the study. It is anticipated that three to four planning meetings will be required to complete the scope of work. Public outreach meetings and in-depth culinary water rate analysis are not included in the scope.

PROJECT SCHEDULE

PROPOSED TIMELINE

Zions has consistently demonstrated the ability to develop a schedule and then deliver a product on time. We confidently stand by our record in both the areas of feasibility studies and utility rate studies as well as our history in municipal finance. Our timeline management plan generally consists of a bi-weekly meeting or call with the City as work is progressing. Occasionally, progress can slow as required information may not be readily available from the City, consulting engineers, or other participants. We will maintain clear communication with the City if it appears that a lack of information may extend our proposed timeline.

Project Week	1	2	3	4	5	6	7	8	9	10	11	12
Review Available Information and Studies												
Review Water Use, Planning Data and Master Plan												
Refine Project Objectives, Outcomes, and Timeline												
Prioritize Potential Water Sources and Reuse												
Review Water Quality and Treatment Needs for Potential Water Sources												
Perform a Financial Feasibility Study												
Analyze Culinary Water Delivery Costs to the Proposed Western Secondary Area												
Analyze Costs Related to Secondary Water Implementation Scenarios												
Analyze Water Sources to Determine Most Cost-Effective Source												
Study Available Funding Sources That May Reduce City Costs												
Perform a Secondary Rate Study												
Develop Secondary Water Rate Guiding Policies and Objectives												
Develop a Rate Revenue Requirement for Two Implementation Alternatives												
Create User Rate Structures for Each Implementation Alternative												
Discuss Full Range of Options and Recommend Best Secondary Rate Structure												
Discuss Impacts of a Secondary Water Rate on the Current Culinary Water Rates												
Provide Presentations to the Council and Staff												
Prepare Presentations for Council Summarizing Findings												
Communicate the Financial Feasibility and Benefits of Each Alternative												
Prepare Written Analysis, Tables, Appendices, Research, Editing												
Print and Bind Final Analysis												

PERSONNEL TIME ALLOCATION

The table below demonstrates the allocation of time for each project team member according to project phase and task.

WATER RESOURCE AND SECONDARY WATER STUDY						
Phase and Tasks	Matt Millis, Project Lead, Financial Analysis	Megan Weber Report Writing, Admin	-Richard Noble, Lead Engineer	Michael Chambers, Engineer	Steve Jones, Engineer	Total Hours
Time Allocation	57%	30%	5%	7%	2%	
Review Available Information and Studies						
Review Water Use, Planning Data and Master Plan	1	4	2	-	-	7
Refine Project Objectives, Outcomes, and Timeline	1	3	1	-	-	5
Prioritize Potential Water Sources and Reuse	4	3	2	2	-	11
Review Water Quality and Treatment Needs for Potential Water Sources	3	-	-	4	-	7
Perform a Financial Feasibility Study						
Analyze Culinary Water Delivery Costs to the Proposed Western Secondary Area	10	3	1	2	4	20
Analyze Costs Related to Secondary Water Implementation Scenarios	15	8	2	2	-	27
Analyze Water Sources to Determine Most Cost-Effective Source	10	5	2	4	-	21
Study Available Funding Sources That May Reduce City Costs	8	3	-	-	-	11
Perform a Secondary Rate Study						
Develop Secondary Water Rate Guiding Policies and Objectives	3	1	-	-	-	4
Develop a Rate Revenue Requirement for Two Implementation Alternatives	10	5	-	-	-	15
Create User Rate Structures for Each Implementation Alternative	8	2	-	-	-	10

Discuss Full Range of Options and Recommend Best Secondary Rate Structure	15	6	-	-	-	21
Discuss Impacts of a Secondary Water Rate on the Current Culinary Water Rates	10	5	-	-	-	15
Provide Presentations to the Council and Staff						
Prepare Presentations for Council Summarizing Findings	4	1	-	-	-	5
Communicate the Financial Feasibility and Benefits of Each Alternative	12	4	-	-	-	16
Prepare Written Analysis, Tables, Appendices, Research, Editing	6	10	-	-	-	16
Print and Bind Final Analysis	1	2	-	-	-	3
	121	65	10	14	4	214

NEED FOR SPECIAL SERVICES

It is not anticipated that any special services will be needed from any firms or resources outside of Zions and HAL.

INFORMATION ON SIMILAR WORK AND CLIENT REFERENCES

Listed below are a number of clients for whom our team has prepared user rate analyses, feasibility studies or other financial analysis. Each reference is able to comment on our professional credentials, experience, and performance. A summary of the work performed for four of these clients are found below.

ZIONS CLIENT REFERENCES		
Mr. Clint McAfee Water Department Manager Park City, UT Phone: 435-615-5339	Mr. Justun Edwards Director of Water Services Herriman City, UT Phone: 801-446-5323	Mr. Nathan Crane City Manager Highland City, UT Phone: 801-756-5751
Ms. Voneene Jorgensen District Manager Bear River Water Conservancy District, UT Phone: 435-723-7034	Mr. Spencer Kyle Assistant City Manager City of Saratoga Springs, UT Phone: 801-766-9793	Mr. Mark Anderson City Manager Heber City, UT Phone: 435-654-0757

Herriman Secondary Water Feasibility Study and User Rate Analysis.

Herriman City recently constructed a secondary water system in its western area and asked Zions to complete a user rate and an impact fee analysis to help fund the improvements. The City has several developed areas that currently are served with culinary water but can now be converted to secondary water. Conversion areas are in addition to many undeveloped areas where developers are installing the secondary water distribution lines. Zions helped the City to revise their rates to accurately charge users for their use of culinary water and secondary water and encourage existing users to convert to secondary water. Some of the challenges of this analysis were accounting for the changing impact on the culinary water system with the construction of a secondary water system, how to most effectively finance the secondary water improvements through bonding or pay-as-you-go financing, and how to establish a level of service for a system that they have not had previously.

City of Saratoga Springs, City-Wide User Rates and Impact Fees.

Zions and HAL has worked with the City of Saratoga Springs on their city-wide culinary and secondary impact fees and user rates. Saratoga Springs City developed their secondary water system with water meters on a portion of the total connections. The City funded the addition of secondary water meters on all of the secondary connections in order to bill according to usage. Zions helped the City develop a new rate structure based on consumption utilizing the consumption data the City had available from the existing metered connections and updated the revenue and expense projections. Zions worked with the City Council on how to implement the rate structure gradually over time to give the system’s users time to adjust their consumption based on the new consumption tiers.

Highland City, User Rates and Impact Fees.

Zions and HAL are currently completing a city-wide secondary user rate and impact fee analysis. Highland City's secondary water system is in need of significant financial planning to ensure bond coverage and building up cash reserves. The rate structure currently in place is adequate but costs need to be updated to reflect inflation and other factors and plan funding for essential capital projects. Zions has identified multiple funding and project scenarios to help the City Council identify their best mix of essential projects based on whether the City wants to cash or bond fund each project.

Park City, Financial Model for Water and Storm.

Zions was hired by Park City to complete in depth financial modeling for the water and storm systems. The result was a dynamic, detailed financial model which allows us to test variables in forecasting O&M, growth, units of demand, project timing, portion of annual projects which need to be bond funded, and sensitivity analysis considering alternative revenues such as impact fees. The City has been very satisfied with the financial model and their ability to test variable scenarios such as five water quality options including O&M and capital.

HANSEN, ALLEN & LUCE INC. EXPERIENCE

Position/Name/Education/Registration/Experience	Representative Project Experience
<p><u>Water Resources & Planning</u> Richard M. Noble, P.E. B.S. Civil & Environmental Engineering Professional Engineer - Utah 36 Years Experience</p>	<ul style="list-style-type: none"> ▪ West Jordan, Utah – Secondary Water Master Plan Update (2015) ▪ American Fork, Utah – Pressurized Irrigation System Master Plan & Implementation ▪ South Jordan, Utah – Secondary Water System Master Plan ▪ Saratoga Springs, Utah –Secondary Water Impact Fee Facility Plan ▪ Centerfield, Utah – Pressurized Irrigation System ▪ Manti Reservoir & Irrigation Company, Utah – Pressurized Irrigation System ▪ Levan Irrigation Company, Utah – Pressurized Irrigation System ▪ Peoples Canal Company, Manila, Utah – Peoples Canal Piping Project ▪ Piute Reservoir & Irrigation Company, Utah – Piute Dam Rehabilitation (ASDSO National Rehabilitation Project of the Year, 2005) ▪ Gunnison Irrigation Company, Utah – Dairy Dam
<p><u>Hydraulic Modeling</u> Steven C. Jones, M.S., P.E. M.S. Civil & Environmental Engineering Professional Engineer – Utah 16 Years Experience</p>	<ul style="list-style-type: none"> ▪ West Jordan, Utah – Secondary Water Master Plan Update (2015) ▪ West Jordan - Secondary Water Master Plan ▪ Spanish Fork City - Drinking Water Master Plan, PI System Master Plan, Water Rights Study ▪ Association of South Valley Communities - Water Reuse Master Plan ▪ South Jordan - Water Master Plan, Water Rights Study and 40 year Plan ▪ Granger Hunter Improvement District - Drinking Water Master Plan and Sewer Master Plan ▪ Salt Lake City - Groundwater Development Master Plan ▪ Salt Lake County - East Side Canal Study
<p><u>Cost Estimates & Water Quality</u> Michael M. Chambers, P.E., P.M.P. M.S. Civil & Environmental Engineering Professional Engineer – Utah, California 23 Years Experience</p>	<ul style="list-style-type: none"> ▪ West Jordan, Utah – Secondary Water Master Plan Update (2015) ▪ Managed the water quality monitoring for multiple public water systems throughout San Diego County and Southern California ▪ Project Manager for Cache Water Restoration Project. Project includes enclosing several existing irrigation canals in precast concrete box culverts (6'x5' and 5'x5'), reinforced concrete pipe (66" and 30"), and HDPE pipe (4" to 20") and a 42-inch PVC C-905 connection pipeline. ▪ Project Manager for this terminal reservoir design project for the CUWCD Water Development Project (CWP)

SEALED ATTACHMENT: PROPOSED FEES

TOTAL PROPOSED FEE

Given the scope described herein and assuming all necessary data is readily available from the City, the proposed not-to-exceed price for the water resource and secondary water study is \$25,676. There are no additional expenses anticipated unless the scope of work were expanded or modified under the direction of the City.

It should be noted that if a secondary user rate is implemented as a result of this analysis it will have a significant impact on the City's existing culinary water user rate. We have not included the cost of a culinary water user rate analysis in the proposed fee as it is outside the scope of the RFP; however, if the City desires to update it at this time Zions can calculate the culinary water user rate for an additional fee of \$8,000 to \$12,000 depending upon the desired scope.

WATER RESOURCE AND SECONDARY WATER STUDY						
Phase and Tasks	Zions - Matt Millis, Project Lead, Financial Analysis	Zions - Megan Weber Report Writing, Administrative	HAL- Richard Noble, Engineering Lead	HAL- Michael Chambers, Engineering	HAL- Steve Jones, Engineering	Total Fee
Hourly Rate	\$ 135	\$ 75	\$ 178	\$ 154	\$ 134	
Review Available Information and Studies						
Review Water Use, Planning Data and Master Plan	1	4	2	-	-	\$ 791
Refine Project Objectives, Outcomes, and Timeline	1	3	1	-	-	538
Prioritize Potential Water Sources and Reuse	4	3	2	2	-	1,428
Review Water Quality and Treatment Needs for Potential Water Sources	3	-	-	4	-	1,019
Perform a Financial Feasibility Study						
Analyze Culinary Water Delivery Costs to the Proposed Western	10	3	1	2	4	\$ 2,597
Analyze Costs Related to Secondary Water Implementation Scenarios	15	8	2	2	-	3,288
Analyze Water Sources to Determine Most Cost-Effective Source	10	5	2	4	-	2,695
Study Available Funding Sources That May Reduce City Costs	8	3	-	-	-	1,305
Perform a Secondary Rate Study						
Develop Secondary Water Rate Guiding Policies and Objectives	3	1	-	-	-	\$ 480
Develop a Rate Revenue Requirement for Two Implementation	10	5	-	-	-	1,725
Create User Rate Structures for Each Implementation Alternative	8	2	-	-	-	1,230
Discuss Full Range of Options and Recommend Best Secondary Rate	15	6	-	-	-	2,475
Discuss Impacts of a Secondary Water Rate on the Current Culinary Water Rates	10	5	-	-	-	1,725
Provide Presentations to the Council and Staff						
Prepare Presentations for Council Summarizing Findings	4	1	-	-	-	\$ 615
Communicate the Financial Feasibility and Benefits of Each Alternative	12	4	-	-	-	1,920
Prepare Written Analysis, Tables, Appendices, Research, Editing	6	10	-	-	-	1,560
Print and Bind Final Analysis	1	2	-	-	-	285
	121	65	10	14	4	214
Total Proposed Project Expense	\$ 16,335	\$ 4,875	\$ 1,780	\$ 2,149	\$ 537	\$ 25,676



CITY OF WEST JORDAN

REQUEST FOR PROPOSALS FOR

WATER RESOURCE AND SECONDARY WATER STUDY

The City of West Jordan is requesting proposals from financial firms to complete a fiscal analysis and rate study of West Jordan's secondary water system. This study is to be accomplished in a single phase. The basic issues and requirement for the study are outlined in the following:

BACKGROUND

West Jordan City began as a small rural community with a water system that served a small population of residents and farm homes established in the area. The City experienced extensive growth beginning in the 1970's with the addition of numerous residential subdivisions and a growing commercial and industrial base. Today the City of West Jordan is among the fastest growing communities in the State and has a population of approximately 115,000.

A 1.2 square mile area in the northwest portion of the City, also known as Oquirrh Shadows, was annexed into the City about five years ago. This area has a population of approximately 10,000 and receives its water from the Kearns Improvement District. This leaves a population of over 100,000 receiving water from the City of West Jordan. The population projection for build out in the City is about 170,000, resulting in a population of 160,000 served by the city water system.

The City holds water rights and currently produces between 15%-20% of the total water supply from city wells and purchases the balance from the Jordan Valley Water Conservancy District (JVWCD). City wells produce about 3500 acre-feet of water per year, and a small amount of water comes from surface waters from streams flows along the Wasatch Mountains and treated at the Metropolitan Water Treatment Plant.

Historically water use in West Jordan has increased 5.5% per year over the last 20 years. At the current time the City delivers about 21,000 acre-feet of culinary water each year. The costs of new water resources to support the City are continually going up and the availability of new water resources are limited.

Several studies have been completed in the past to evaluate the feasibility of a secondary water system, but to date, the City of West Jordan only operates a limited secondary water system to irrigate selected parks and open spaces. West Jordan City has considered developing a seasonal pressurized water distribution system to support outdoor irrigation needs on a number of

occasions in the past. This type of water delivery system would help relieve demand on the culinary water system and reduce the consumption of culinary quality water resources.

During the years 2001 through 2006, the City required new residential developments to construct a secondary water piping system (dry pipes) with services to each lot. To date, the water resources to support such a system, as well as the major infrastructure features such as transmission pipelines, storage facilities and pumping facilities, have not been put in place or budgeted for. A recent update to the Secondary Water Master Plan (2015) identified areas and infrastructure needs from an engineering standpoint, but doesn't specifically address in detail the funding options for such a system. It is anticipated that the Master Plan 2015 Update will be heavily referenced and the engineering cost estimates used, to provide financial alternatives for paying for the upfront capital costs, budgeting for operational costs, and planning for anticipated revenues to be able determine the financial viability of the system.

Based upon the Secondary Water Master Plan in 2015 there are two implementation options, the first is to provide water to all of the neighborhoods with dry pipe systems, and the second option to provide secondary water to the dry pipe neighborhoods and the future developments across the approximate 30% of undeveloped land in the City. As previously mentioned the Master Plan also includes a brief fiscal review, for which we wish greater detail and analysis.

CURRENT ISSUES

To meet the needs of a growing community with increasing population, the City desires a detailed financial plan to accompany the Secondary Water Master Plan to greater understand financial needs of implementing the Secondary Water Master Plan. This financial study is necessary to plan and budget for the funding of the system. The City depends on the JWCD for culinary water, and expects to continue that relationship. In fact the City expects to increase water purchase contracts with JWCD to meet our needs. There is interest to evaluate alternative water sources that could be economically developed to supplement water supply needs and to offset future increased dependence on the JWCD. Thus both culinary and secondary water sources are of interest to the City.

Construction of a "dry pipe" secondary water distribution system has been constructed for all residential developments built between 2001 and 2006. The City needs to identify the financial feasibility of the infrastructure requirements against the potential water rates to complete a secondary water system. Additional questions include the new construction and operational costs, and methods of funding. The City is seeking a financial study that will focus on both options provided in the 2015 Master Plan update, providing service to the existing areas with dry pipe systems in place (the area west of 4800 West), and a full build out condition. The financial study will rely heavily on the Master Plan and is meant to expound upon the fiscal study contain therein.

STUDY OBJECTIVES

1. Review the current Secondary Water Master Plan and other applicable studies available on the proposed irrigation system to understand the scope and financial impacts of the proposed secondary water system.

2. Conduct a review of the water rights, including canal water resources held by the City. Evaluate current use of water rights and recommend sources the city should place a greater emphasis on obtaining. With the technical advice of city staff, consider other potential sources of water such as “reuse” water from recycled wastewater effluent from a financial standpoint to determine which water sources would provide the most cost effective solution for a proposed secondary water systems.
3. Elaborate on the costs to construct and operate a secondary water system in West Jordan west of 4800 West, and determine funding options. Perform a rate study to determine the rate that would need to be implemented to address capital and operational costs, together with the various funding mechanisms available.

AVAILABLE INFORMATION

Previous studies have been prepared for the City of West Jordan regarding water resources and secondary water systems. A digital copy of the Master Plan 2015 Update is available to any and all interested parties to assist in preparing proposals. The remainder of this information will be available to the selected consultant. The studies available are as follows:

- Current population figures for the City and city projections for future population estimates
- Copy of water purchase contracts with the Jordan valley water Conservancy District
- 20 year historical records of water use in the City
- List of water rights held by the City
- Map of City showing locations of all water diversion sites
- Records of ground water production rates over the history of current ground water wells
- Record of surface water production rates over recent years
- Water use projections prepared by City staff
- List of all canal water shares held by the City and location of current use
- Copy of water conservation report with current goals and objectives.
- Secondary Water Master Plan, Update 2015; (Hansen Allen & Luce, October 2015)
- Secondary Water System Master Plan: West Jordan City; (Hansen Allen & Luce/ Montgomery Watson Harza, July 2001)
- Secondary Water System Feasibility Study in the South West Area of Salt Lake Country: (Jordan Valley Water Conservancy District, July 1996)
- Water Reuse Feasibility Study; West Jordan City; (Hansen Allen & Luce, August 1995)
- Preliminary Secondary Water System Study; West Jordan City; (Hansen Allen & Luce; May 1998)
- Map of City showing locations where secondary water system (dry pipes) has been constructed.

STUDY TASKS

1. REVIEW AVAILABLE INFORMATION AND STUDIES
 - a. Review available records and reports of water use, water production, water purchase contracts and ground water studies. Become familiar with the current water resource issues of West Jordan.

- b. Review potential water sources that are available to serve a secondary system with regards to quantity and their current and future costs. This includes but is not limited to canal shares, well production, additional water rights, wastewater reuse, et cetera.
- c. With the assistance of city staff and outside professionals, understand the water quality issues surrounding the various sources of water, which sources may require treatment, and costs associated with treatment.

2. PERFORM A FINANCIAL FEASIBILITY STUDY

- a. Analyze the current and projected costs of culinary water specific to the west side of the city where a secondary water system is proposed.
- b. Analyze the capital and operational costs related to the implementation of a secondary water system.
- c. Analyze the various sources of water to determine the most cost effective source. Consider purchase costs, potential ongoing pumping costs, and water treatment costs associated with the various water sources.
- d. Study available funding sources, such as impact fees, that could be used to reduce the city costs in implementing the secondary water system.

3. PERFORM A RATE STUDY

- a. With the analyses performed in Task 2, perform a water rate study that would determine the water rate that would need to be charged to users of a potential secondary water system to be able to cover costs associated with construction of infrastructure and on-going maintenance costs. Allow flexibility to address the immediate supply of the current “dry pipe” residents, but allow it to expand to potentially address all areas identified as full build out in the Master Plan.
- b. In addition to rate values, provide options and recommend a rate structure that could be implemented to cover anticipated costs.

4. PROVIDE A SUMMARY AND RECOMMENDATIONS

- a. Provide a summary and recommendations to all the appropriate aspects related to a financial feasibility and rate study for the West Jordan Secondary Water system.

PROPOSAL FORMAT

The proposals should contain the following information in the general order listed, and should not exceed 10 pages in length (resume information on personnel may be included in an appendix and will not count towards the ten page limit):

- Introductory letter
- A description of the project team and the qualifications of the firm to complete this project. Identify the availability of the project personnel by showing the percent of time the team members have to work on this project. (Resumes of each project team member should be included in a proposal appendix).
- A description of the project describing the consultants understanding of the project objectives and goals.
- A work plan for accomplishing the project, including descriptions of the tasks to be performed and a summary of the deliverables to be provided to the City.
- A proposed schedule for completing the required tasks. (Gantt chart is preferred presentation method.)
- A summary spreadsheet of the amount of time to be spent on each task identified in the scope of work and the classification of personnel to be used. This summary spreadsheet shall show the hours to be spent on each task and the classification of personnel to be assigned to do each task. Identify any special services to be provided by resources outside of the firm.
- Information about other work performed by the consultant on projects similar to this project and at least five references from other clients with whom the consultant has performed similar services.
- In a *separate sealed envelope*, a “Professional Fee Proposal” estimating all costs to complete the study with subtotals by task as identified in the scope of work. Also, include the hourly rates charged for individuals identified on the project team and a summary of all the additional reimbursable expenses considered necessary that are to be paid by the City.

All firms submitting a proposal must also submit a “Conflict of Interest and Non-Disclosure Certification”. This is a required item and proposals will be disqualified if they do not have this Certification included in their proposal.

SUBMITTAL REQUIREMENT

Five (5) copies of the technical proposal shall be submitted to the City by 2:00 p.m. on April 18, 2016. Proposals shall be submitted to the West Jordan City Recorder’s office, West Jordan City Hall, (3rd floor) 8000 South Redwood Road, West Jordan, UT 84088. Questions pertaining to this request for proposals should be directed to the City’s Purchasing Agent, Paul Wellington at (801) 569-5107, e-mail paulwe@wjordan.com. Contact with the Mayor, City Council, City Manager, or any staff members other than the Purchasing Agent, will disqualify your proposal.

A selection committee will review submittal material.

PROPOSAL EVALUATION

The successful consultant will be selected in accordance with the City procurement policy. Selection criteria to be used by the selection team include the following:

Criteria:

- a. Appropriate level of training, experience, expertise and personal availability of key project personnel.
- b. Ability to perform the work, with respect to personnel availability, adequacy, present workload, available equipment and facilities.
- c. Local office, local firm presence and availability of project personnel for meetings and communications with City personnel.
- d. Quality of the work plan.
- e. Project schedule.
- f. Past performance on similar projects for other owners, and for the City in particular.
- g. Previous work that reflects special expertise or groundwork available for the proposed project.
- h. The professional services fee proposal and reimbursable cost proposal.

The evaluation process will be based solely on these factors. No other factors or criteria will be used in the evaluation. The evaluation process will include a numeric-scoring sheet as follows:

1. Experience and qualifications	20 %
2. Demonstrated understanding of the project	20%
3. Methodology to deliver the desire end product	20%
4. Plan for managing the project	10%
5. Cost	<u>30%</u>
	100

FORMATION OF THE AGREEMENT WITH THE SELECTED APPLICANT:

After selecting an applicant, the City may conduct additional negotiations with the contractor to arrive at a final contract. When both parties are in agreement, a contract will be awarded.

REJECTION OF PROPOSALS:

The City reserves the right to reject any or all proposals received, and to select the proposal deemed to be the most advantageous and in the best interest of the City. Non-acceptance of a proposal will mean that one or more others were deemed more advantageous to the City or that all proposals were rejected. Applicants, whose proposals are not accepted, will be notified after a binding contractual agreement between the City and the selected applicant is executed, or when the City rejects all proposals.

PROPOSAL VALIDITY TIME:

Proposals containing less than 60 days acceptance time will not be considered.

PROPRIETARY INFORMATION:

Applicants may mark any specific information contained in their proposal which they wish considered as proprietary and not to be disclosed to the public. All proposals submitted become the property of the City and will not be returned.

Offerors are advised that Utah law and City ordinances provide that, upon full execution of a contract subsequent to an RFP, the contents of the awarded proposal accepted by the City shall be subject to public disclosure and may become public records subject to examination by any interested parties in accordance to the Government Records Access Management Act (GRAMA), Utah Code Ann. 63-2-101 et seq. and City ordinance. Trade secrets and proprietary information, recognized by the City as such, may be protected from public disclosure if offeror clearly identifies, in writing, any part of their proposals which they claim to be proprietary information, trade secrets or other commercial information, or non-individual financial information that may be protected under GRAMA. Proposals in total will not be considered proprietary. All materials submitted by an offeror in response to the City's RFP will become the property of the City upon delivery and will be managed in accordance with GRAMA.

Offerors may mark any specific information contained in their proposal which they wish considered as proprietary and not to be disclosed to the public. All proposals submitted become the property of the City and will not be returned.

The Government Records Access and Management Act (GRAMA), Utah Code Ann., Subsection 63G-2-305, provides in part that:

The following records are protected if properly classified by a government entity:

(1) trade secrets as defined in Section 13-24-2 if the person submitting the trade secret has provided the governmental entity with the information specified in Section 63G-2-309 (Business Confidentiality Claims);

(2) Commercial information or non-individual financial information obtained from a person if:

(a) Disclosure of the information could reasonably be expected to result in unfair competitive injury to the person submitting the information or would impair the ability of the governmental entity to obtain necessary information in the future;

(b) The person submitting the information has a greater interest in prohibiting access than the public in obtaining access; and

(c) The person submitting the information has provided the governmental entity with the information specified in Section 63G-2-309;

(6) records the disclosure of which would impair governmental procurement proceedings or give an unfair advantage to any person proposing to enter into a contract or agreement with a governmental entity, except that this Subsection (6) does not restrict the right of a person to see bids submitted to or by a governmental entity after bidding has closed;

GRAMA provides that trade secrets, commercial information or non-individual financial information may be protected by submitting a Claim of Business Confidentiality.

To protect information under a Claim of Business Confidentiality, the bidder must:

1. Provide a written Claim of Business Confidentiality *at the time the information (proposal) is provided to West Jordan*, and
2. Include a concise statement of reasons supporting the claim of business confidentiality (Subsection 63G-2-309(1)).
3. Submit an electronic “redacted” (excluding protected information) copy of your proposal response. Copy must clearly be marked “Redacted Version.”

A Claim of Business Confidentiality may be appropriate for information such as client lists and non-public financial statements. Pricing and service elements may not be protected. An entire proposal may not be protected under a Claim of Business Confidentiality. The claim of business confidentiality must be submitted with your proposal on the form which may be accessed at:

<http://www.purchasing.utah.gov/contract/documents/confidentialityclaimform.doc>

To ensure the information is protected, the bidder must clearly identify in the Executive Summary and in the body of the proposal any specific information for which a bidder claims business confidentiality protection as "PROTECTED."

Proposal Review

Project:

Water Resource & Secondary Water Study

Review Team:

Roger P., Justin S., Craig F.

Review Date Deadline:

Rating Weights (% of total weighted percentage)(example, if weighted % =15%, possible points = 15) (score each proposal area up to percentage weight: ie., between 1-15 pts, 0-5 Fair, 6-10 Good, and 11-15 Exceptional) Costs shall be evaluated together as a group.

Consultant	Weighted %	TischlerBise	Zions Public Finance Inc. & HAL	Lewis, Young, Robertson & Burningham
Experience & qualifications	20	16.33	17.33	15.67
Demonstrated understanding of the project	20	11.67	17.00	12.00
Methodology to deliver the desire end product	20	14.33	17.33	15.00
Plan for managing the project	10	8.67	11.33	8.67
SUBTOTAL	70	51.00	63.00	51.33
Cost	30	12.81	18.62	30.00
TOTAL SCORE	100	63.81	81.62	81.33
Total Hours		221	214	118
Total Proposal Cost		\$37,340.00	\$25,676.00	\$15,940.00
RANK				
Cost Rating (\$/hour average)		\$168.96	\$119.98	\$135.08