

**NOTICE
OFFER TO RECEIVE BID FOR THE
CHARTER TOWNSHIP OF CHESTERFIELD**

**2019 Water and Sewer Connection Fee Study
Bid No. RFP-2019-DPW-20**

OVERVIEW

The Charter Township of Chesterfield Department of Public Works is requesting proposals for a comprehensive water and sewer connection fee study. This will include evaluating the current water and sewer rate connection fee structures, comparing them to benchmarks in the industry as well as neighboring communities. The purpose of the study is to identify and recommend water and sewer rate connection fee structures that are appropriate for the community we serve.

Also included in this proposal is to review and evaluate the definitions of all water and sewer fees within the ordinances and clarify definitions on how fees should be appropriated and determine how fees should be used (e.g. existing infrastructure maintenance, new infrastructure construction).

The Sewer and Water Department currently utilizes a capacity unit factor table to determine privilege fees that are paid. The Sewer and Water Department would like to include in this study a shift from the capacity unit factor table and utilize meter size to determine privilege fees.

A recommendation on how these fees within the enterprise fund should be appropriated is also required. Currently all funds received in the Water and Sewer Department are deposited into one enterprise fund. The township is required to abide by all rules and regulations and avoid a comingling of funds. The Sewer and Water Department is also required to spend funds according to the township ordinance, state statute, or any other law that the Department must follow.

1. SUBMISSION AND RECEIPT OF BIDS

Sealed bids will be received by the Charter Township of Chesterfield at the office of the Township Clerk, 47275 Sugarbush Road, Chesterfield, Michigan, 48047 **until 10:00 a.m. local time November 12, 2019**. The bids will be publicly opened and read aloud immediately following the 10:00 a.m. deadline.

Bids to receive consideration shall be received prior to the specified deadline time. **NO LATE BIDS WILL BE ACCEPTED.** Bids are considered received when in the possession of the Chesterfield Township Clerk's Office. **All bids must be labeled 2019 Water and Sewer Connection Fee Study.** Bids must be sealed and include a digital copy (e.g. thumb drive) when submitted. Digital copies must be in PDF or TIFF format. Bids must be typewritten or printed in ink and legibly prepared. Bids having erasures or corrections thereon may be rejected unless explained or initialed by bidder. Bids shall be mailed or delivered to the Township Clerk's Office before the stated deadline. The hard copy will be considered the official bid, with the digital copy being the supplement to the digital file.

2. ADDITIONAL BID INFORMATION

Bidders may submit on any item or group of items, provided however, that the unit prices are shown as required. It is the vendor's responsibility to acquire knowledge of any change, modifications or additions to the bid documents. Any vendor who submits a bid and later claims it had no knowledge of any change, modifications or additions made by the Charter Township of Chesterfield to the bid

specifications, shall be bound by the bid, including any changes, modifications or additions made by the Charter Township of Chesterfield to the bid specifications, and that vendor fails to accept the bid award, the Charter Township of Chesterfield may pursue costs and expenses to re-bid the item from that vendor.

The Charter Township of Chesterfield officially distributes bid documents from the Township Clerk's Office upon request or through the MITN website. Only those vendors who obtain bid documents from the Township Clerk's Office or through the MITN website are guaranteed access to receive addendum information, if such information is issued that is not in the original bid documents. Each change or addendum issued in relation to this bid will be on file in the Township Clerk's Office. It shall be the bidder's responsibility to make inquiry as to the changes or addenda issued, unless the addendum is contained in the original bid documents.

3. SPECIFICATIONS

The bidder, if awarded the contract, will be required to furnish the particular item(s) referred to in the specifications or description unless departure or substitution is clearly noted and described in the bid.

The Charter Township of Chesterfield reserves the right to determine if equipment/product or service being bid is equal to the specified equipment/product or service requested.

4. ALTERNATE BIDS

Bidders are cautioned that any alternate bid, unless requested by the Township, or any changes, insertions, or omissions to the terms and conditions, specifications, or any other requirements of this bid, may be considered non-responsive and in the opinion of the Township, may result in rejection of the bid.

5. PRICING

Prices shall be stated in units of quantity specified in the bid document. In case of a discrepancy in computing the amount of the bid, the unit price bid will govern.

6. QUANTITIES

All quantities stated, unless indicated otherwise, are estimates and the Township reserves the right to increase or decrease the quantity at the unit price bid as best fits it need. In addition, the Township reserves the right to make future purchases at the unit price submitted for all Township departments, including the Public Safety Department.

7. DELIVERY

Bids shall include all charges for delivery, packing, crating, etc. All deliveries will be FOB: Delivered. General delivery hours are 8:00 a.m. to 4:00 p.m. Monday – Friday.

8. TAXES, TERMS AND CONDITIONS

The Charter Township of Chesterfield is exempt from Federal Excise, State Sales Tax and Personal Property Tax. The Township's tax I.D. number is 38-6006891.

9. AWARD

The bid will be awarded to that responsible, responsive bidder whose bid, conforming to this solicitation, will be most advantageous to the Township, with price and other factors considered. **The Charter Township of Chesterfield reserves the right to accept any bid, to reject any or all bids, or waive**

irregularities in any bid in the best interest of the Township. Bidders may submit bids on any item or groups of items provided unit prices are clearly shown and a notation is made on the bid document clearly indicating bidder's intent.

10. WITHDRAWALS OF BIDS

Bids may be withdrawn in person by a bidder, or authorized representative, provided their identity is made known and a receipt is signed for the bid, but only if the withdrawal is made prior to the stated bid deadline. No bid may be withdrawn for at least 90 days after bid opening. In case of error by the bidder in making up a bid, the Township may, by discretion, reject such a bid upon presentation of a letter by the bidder which sets forth the error, the cause thereof and sufficient evidence to substantiate the claim.

11. DEFAULT CONDITIONS

In case of default by the contractor, the Charter Township of Chesterfield may procure the articles or services from other sources and hold the bidder responsible for any excess cost occasioned thereby. In case of error by the bidder relating to a Contract, the Township may, by discretion upon presentation of a written explanation by the bidder substantiating the error, reject the Contract and award to the next qualified bidder. Such error may be subject to default conditions.

12. INFRINGEMENTS AND INDEMNIFICATIONS

The bidder, if awarded a contract, agrees to protect, defend and save the Township and herein, its officials, employees, departments, and agents, harmless against; any demand for payment for the use of any patented material, process, or device that may enter into the manufacture, construction, or from a part of the work covered by either order or contract; and from suits or a charge of every nature and description brought against it for, or on account of, any injuries or damages received or sustained by the parties by or from any of the facts of the contractor, the contractor's employees, or agents; from all liability claims, demands, judgments and expenses to persons or property occasioned, wholly, or in part, by the acts or omissions of the bidder, contractor, agents or employee.

13. BONDING

Bonding is not necessary for this study.

14. INSURANCE (REQUIRED FOR WORK ON OR WITHIN TOWNSHIP PROPER/FACILITIES)

Insurance is not necessary for this study.

15. GENERAL INFORMATION

- See Appendix A for details.
- All invoices shall be sent to:

Accounts Payable
Chesterfield Township Municipal Offices
47275 Sugarbush Rd.
Chesterfield, MI 48047

- Payment of Services
 - Invoice will be paid on a Net-60 basis

- 10% of the project bid will be held until a letter of acceptance is written by the project manager that 100% of the project is completed
 - Once the letter is written the invoice can be billed to the township for payment
 - If an invoice is issued prior to the letter of acceptance, the Net-60 terms will be based on the date of the letter of acceptance and not the date of the invoice

16. PROJECT SCHEDULE

The township would like to see the water and sewer connection fee study completed by March 1, 2020.

RFP Available	October 15, 2019
Deadline for written questions	October 28, 2019
Response to questions on MITN	November 4, 2019
Deadline for RFP Submissions	November 12, 2019
Interview Firms	Week of December 2, 2019
Present Selected Firm to Board	December 17, 2019
Complete Study	March 1, 2020
Present Results to Township Board	March 17, 2020

17. SPECIFICATIONS AND PRICING

N/A

18. FIRM PRICE GUARANTEE

N/A

19. WARRANTY

N/A

20. REFERENCES (Provide three)

<u>Company</u>	<u>Contact Person</u>	<u>Phone #</u>
1. _____	_____	_____
2. _____	_____	_____
3. _____	_____	_____

21. CONTRACT TERMINATION

The Township reserves the right, upon thirty (30) days written notice, to terminate this contract for failure to comply with terms and conditions set forth herein. Nonperformance on the part of the vendor shall constitute breach of contract and shall nullify any and all contractual obligations between the seller and the purchaser.

22. APPROVAL ACCEPTANCE/ACCEPTANCE OF SPECIFICATIONS

The undersigned herein submits this proposal and agrees to enter into an agreement, if awarded the contract, with the Charter Township of Chesterfield in accordance with the contract documents.

NAME OF BIDDER _____

BUSINESS ADDRESS OF BIDDER _____

BUSINESS TELEPHONE NUMBER OF BIDDER _____

AUTHORIZED SIGNATURE _____

TITLE OF SIGNER _____

DATE OF SIGNATURE _____

FAX NUMBER _____

EMAIL _____

Please contact Kevin J. Johnson, Department of Public Works Assistant Superintendent, with any questions at (586) 649-6352 or at kjohnson@chesterfieldtwp.org.

APPENDIX A



CHESTERFIELD TOWNSHIP WATER AND SEWER CONNECTION FEE STUDY

INTRODUCTION AND SUMMARY

The Charter Township of Chesterfield Department of Public Works is requesting proposals for a comprehensive water and sewer connection fee study. This will include evaluating the current water and sewer rate connection fee structures, comparing them to benchmarks in the industry as well as neighboring communities. The purpose of the study is to identify and recommend water and sewer rate connection fee structures that are appropriate for the community we serve.

Also included in this proposal is to review and evaluate the definitions of all water and sewer fees within the ordinances and clarify definitions on how fees should be appropriated and determine how fees should be used (e.g. existing infrastructure maintenance, new infrastructure construction).

The Sewer and Water Department currently utilizes a capacity unit factor table to determine privilege fees that are paid. The Sewer and Water Department would like to include in this study a shift from the capacity unit factor table and utilize meter size to determine privilege fees.

A recommendation on how these fees within the enterprise fund should be appropriated is also required. Currently all funds received in the Water and Sewer Department are deposited into one enterprise fund. The township is required to abide by all rules and regulations and avoid a comingling of funds. The Sewer and Water Department is also required to spend funds according to the township ordinance, state statute, or any other law that the Department must follow.

SYSTEM REQUIREMENTS

- None

COST BREAKDOWN

- Project cost breakdown will be broken down using form on Page 5 of Appendix A.

TIMELINE

- The township would like to see the water and sewer connection fee study completed by March 1, 2020.

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- A timeline for project completion (e.g. Gantt chart) must be included in the bid package.

CURRENT SYSTEM INFORMATION

- See page titled “Current Ordinance Fees” for all fees involved in the study.
- Provide a list of what information will be requested from Chesterfield Township to complete the study.

FINAL PRODUCT REQUEST

- Provide a working model that the township will be able to manipulate for adjustments in future years to better and more accurately represent connection fees.

PROPOSAL FORMAT

Consultants should organize proposals into the following sections:

- A. Professional Qualifications
- B. Past Involvement with Similar Projects
- C. Proposed Work Plan
- D. Fee Proposal (include in a separate sealed envelope clearly marked “Fee Proposal”)
- E. Authorized Negotiator

The following describes the elements that should be included in each of the proposal sections and the weighted point system that will be used for evaluation of the proposals:

A. Professional Qualifications – 20 points

1. State the full name and address of your organization and, if applicable, the branch office or other subsidiary element that will perform, or assist in performing, the work hereunder. Indicate whether it operates as an individual, partnership, or corporation. If as a corporation, include whether it is licensed to operate in the State of Michigan.
2. Include the name of executive and professional personnel by skill and qualification that will be employed in the work. Show where these personnel will be physically located during the time they are engaged in the work. Indicate which of these individuals you consider key to the successful completion of the project. Identify only individuals who will do the work on this project by name and title. Resumes and qualifications are required for all proposed project personnel, including all subcontractors. Qualifications and capabilities of any subcontractors must also be included.
3. State history of the firm in terms of length of existence, types of services provided, etc. Identify the technical details that make the firm uniquely qualified for this work.

B. Past involvement with Similar Projects – 30 points

The written proposal must include a list of specific experience in the project area and indicate proven ability in implementing similar projects for the firm and the individuals to be involved in the project. The list should include no more than five (5) projects. A complete list of client references must be provided for similar projects recently completed. It shall include the firm/agency name, address, telephone number, project title, and contact person.

C. Proposed Work Plan – 30 points

Provide a detailed and comprehensive description of how the Consultant intends to provide the services requested in this RFP. This discussion shall include, but not be limited to: how the project(s) will be managed and scheduled, how and when data will be delivered to the Township, communication and coordination, the working relationship between the consultant and Township staff, and the company's general philosophy in regards to providing the requested services.

Consultants shall be evaluated on the clarity, thoroughness, and content of their responses to the above items.

D. Fee Proposal - 20 points

Fee schedules shall be submitted in a separate, sealed envelope as part of the proposal. Fee quotations are to include the names, titles, hourly rates, overhead factors, and any other relevant details. The proposal should highlight key staff and positions that would likely be involved with projects. Consultants shall be capable of justifying the details of the fee proposal relative to personnel costs, overhead, how the overhead rate is derived, material and time.

E. Authorized Negotiator

Include the name, phone number, and e-mail address of persons(s) in your organization authorized to negotiate the agreement with the Township.

Bid Proposal

Water Connection Fees	_____
Sewer Connection Fees	_____
Total	_____

Current Ordinance Fees

<u>Ordinance</u>	<u>Description</u>	<u>Current Fee</u>
64-181	Hydrant Meter Permit Fee	\$40.00
64-181	Hydrant Meter Cash Bond:	
	3/4" Meter	\$500.00
	1" Meter	\$750.00
	3" Meter	\$1,550.00
<u>Ordinance</u>	<u>Description</u>	<u>Current Fee</u>
64-182	Connection Fee:	
	5/8" x 3/4" Service	\$480.00
	1" Service	\$520.00
	1 1/2" Service	\$700.00
	2" Service	\$950.00
	>2" Service	\$1,250.00
<u>Ordinance</u>	<u>Description</u>	<u>Current Fee</u>
64-182	Service Shut-Off and Turn-On - Requested by User	\$40.00
64-222	Shut-Off/Discontinue Service	\$25.00
	Periodic/Seasonal Shut-Off	\$40.00
<u>Ordinance</u>	<u>Description</u>	<u>Current Fee</u>
64-183	Water Privilege Fee	\$750.00
64-184	Water Debt Service Charge:	
	First 65'	\$2,600.00
	Additional 10' or Portions Thereof	\$400.00
64-214	Sewer Privilege Fee	\$2,000.00
64-215	Sewer Debt Service Charge:	
	First 65' - Sewer Abuts	\$3,575.00
	First 65' - Sewer Opposite Property	\$2,575.00
	Additional 10' or Portions Thereof	\$550.00
<u>Ordinance</u>	<u>Description</u>	<u>Current Fee</u>
64-213	Sewer Connection Fee (Inspection Fee)	\$50.00
64-217	Drain Connection Fee	\$50.00
<u>Ordinance</u>	<u>Description</u>	<u>Current Fee</u>
64-221	Billing (Late Fee)	10%
<u>Ordinance</u>	<u>Description</u>	<u>Current Fee</u>
NEW	After Hours Turn-On Fee	N/A
NEW	Final Bill Fee	N/A
64-53(k)(4)	Sump Pump Connection Fee	\$200.00

Anticipated New Ordinance Fee Structure

<u>Ordinance</u>	<u>Description</u>	<u>Current Fee</u>
64-181	Hydrant Meter Permit Fee	\$40.00
64-181	Hydrant Meter Cash Bond:	
	3/4" Meter	\$500.00
	1" Meter	\$750.00
	3" Meter	\$1,550.00
<u>Ordinance</u>	<u>Description</u>	<u>Current Fee</u>
64-182	Connection Fee:	
	5/8" x 3/4" Service	\$480.00
	1" Service	\$520.00
	1 1/2" Service	\$700.00
	2" Service	\$950.00
	→2" Service	\$1,250.00
	2" Compound Service	NEW
	3" Compound Service	NEW
	4" Compound Service	NEW
	6" Service	NEW
	8" Service	NEW
<u>Ordinance</u>	<u>Description</u>	<u>Current Fee</u>
64-182	Service Shut-Off and Turn-On - Requested by User	\$40.00
64-222	Shut-Off/Discontinue Service	\$25.00
	Periodic/Seasonal Shut-Off	\$40.00
<u>Ordinance</u>	<u>Description</u>	<u>Current Fee</u>
64-183	Water Privilege Fee	\$750.00
64-184	Water Debt Service Charge:	
	First 65'	\$2,600.00
	Additional 10' or Portions Thereof	\$400.00
64-214	Sewer Privilege Fee	\$2,000.00
64-215	Sewer Debt Service Charge:	
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<u>Ordinance</u>	<u>Description</u>	<u>Current Fee</u>
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NEW	Final Bill Fee	N/A
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