

**Florida Governmental Utility Authority**  
**Request for Proposals**  
**Utility Operations, Maintenance and Customer Service**  
**September 7, 2018**

**Introduction**

The Florida Governmental Utility Authority (FGUA) is a special purpose unit of government that owns and operates nine individual Enterprise Systems consisting of 89 water and wastewater utility systems across a 13-county area throughout the State of Florida. The systems are currently divided into three regions:

Central Region- includes 62 systems in Alachua, Citrus, Marion, Orange, Putnam, Seminole, Volusia, and Lake Counties

South Region- includes 6 systems in Lee and Hardee Counties

West Region- includes 21 systems in Pasco, Polk and Hillsborough Counties

There are approximately 120,000 connections served by the FGUA. Most customers are provided both water and wastewater services, although there are a number of water and some wastewater only customers. In addition, there are about 3,000 irrigation system connections. The distribution of the customer base is illustrated on the System Map attached.

The FGUA also owns and operates water and wastewater facilities at MacDill Air Force Base in Tampa under a long-term contract with the U.S Government.

This document and resulting procurement only relate to the South Region systems as more fully described below.

**Background**

The current agreement for operations, maintenance and customer services dates back to 2005 with Severn Trent Environmental Services (STES) serving as the contractor. In 2008, a joint venture of US Water/Wade Trim (USWWT) was selected as the FGUA's contractor in Pasco County and shortly thereafter in North Fort Myers. Basic Operations and Maintenance (O&M) and Customer Service and Billing (CS&B) services are provided under the Amended and Restated General Terms and Conditions Agreement for Utility Operations, Maintenance, Billing and Customer Service dated December 19, 2013 (as amended on February 20, 2014). A separate Compensation Agreement has been executed for each of the individual systems or groups of systems as they have joined the FGUA or when agreements have expired. USWWT also performs certain small system improvement projects under \$100,000 for the FGUA under a "right of first proposal" arrangement.

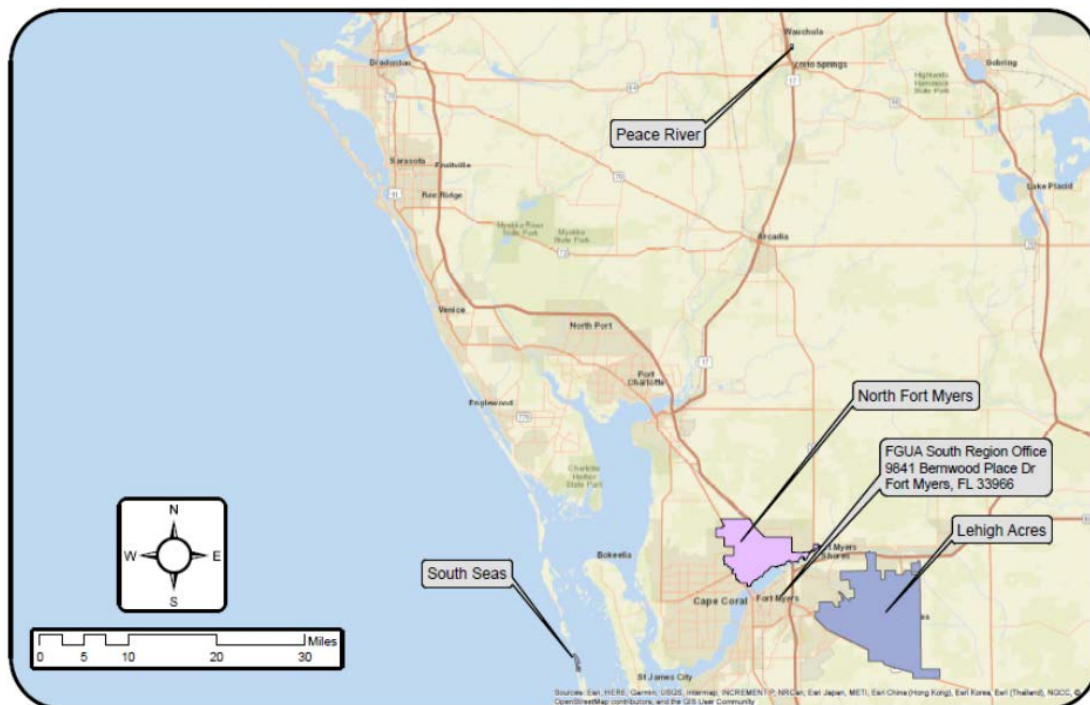
Since 2014, the various compensation agreements (except the MacDill agreement) have been modified and extended to a common termination date of September 30, 2019. The FGUA desires to exercise extensions

of and renegotiate the current agreements with USWWT for the Central and West Region systems and to conduct a competitive procurement for the O&M and Customer Service function for the South Region systems. It is anticipated that the services to be provided will be generally consistent with the current services provided by USWWT, although the FGUA is evaluating acquiring its own billing and customer service software prior to contract initiation. The successful contractor would be required to utilize the FGUA-owned software to carry out the customer service and billing aspects of the contract.

An unusual aspect of the FGUA agreement with its member governments allows for the transfer of ownership to the “host” city or county government at any time with a 180-day notification to the contractor. In such cases, the acquiring government has the option to retain the existing contractor or self-perform and discontinue contracted services. In addition, the FGUA has added systems to the Authority over time and may continue to do so in the future. When this occurs, the operations contractor has provided the advanced due diligence services on an at-risk basis in anticipation of a potential acquisition. This feature of the FGUA requires a high level of flexibility and commitment from the operations contractor as systems may be added or subtracted from the agreements over the life of the contract.

## Description of South Region Systems

The FGUA South Region includes systems located in both Lee and Hardee Counties. One of the original FGUA utilities, Golden Gate Utilities, is located in Collier County, but was acquired by the County on March 1, 2018. The remaining systems include Lehigh Acres, North Fort Myers (including Lake Fairways and Pine Lakes) and two small Aqua Unified systems (Peace River Heights and South Seas) as shown on the map below. The map also shows the location of the South Region Customer Service office in Fort Myers.



The customer base for both the water and wastewater component of each system as of December 2017 are shown on the following table. These systems have experienced limited annual growth of one percent or less over the past few years.

<b>Enterprise System/Sub-System</b>	<b>No. Water Customers</b>	<b>No. Wastewater Customers</b>
Lehigh Acres	12,679	10,475
North Fort Myers	1,844	11,949
Unified Aqua- Peace River	101	97
Unified Aqua- South Seas	NA	73
<b>Total South Region</b>	<b>14,624</b>	<b>22,594</b>

In addition to the customer base shown on the table, the Lehigh Acres and North Fort Myers systems have 26 and 11 irrigation customers, respectively.

The facilities included in each of the systems are summarized below. Lengths of pipelines and number of manholes and fire hydrants are approximations based on the best available data.

#### Lehigh Acres

- Coolidge Ave. WTP No. 1 (3.1 MGD lime softening)
- Water supply wells for Coolidge WTP No. 1: (13 Wells and max ground water withdrawal allocation of 115.97 MG per month)
- Lee Blvd. Booster PS (500,000 GPD) including a 1 MGD interconnect with the City of Ft Myers
- Bolivia Drive Booster PS (2.0 MGD) – Note three (3) inactive supply wells at this location
- 4 ground storage tanks (1.0 MG, 0.5 MG WTP 1, 2.0 MG Bolivia Booster, 0.5 MG Lee Blvd. Booster)
- 1 Elevated Storage Tank (0.250 MG)
- 218 miles of water distribution pipeline
- 1,095 fire hydrants
- Construction Lane WWTP (3.0 MGD AADF in contact stabilization)
- 1 deep injection well; permitted at 18.6 MGD
- public access reuse and percolation ponds
- 65 lift stations
- 108 miles of gravity sewer mains
- 155 miles of force main (size 4-inch to 24-inch)
- 2,198 manholes

#### North Fort Myers – Lake Fairways/ Pine Lakes

- Lake Fairways WTP with 150,000-gallon ground storage tank and 10,000-gallon Hydro-pneumatic tank
- 2 public potable water supply wells
- Fort Myers interconnect (2 MGD)
- Lake Fairways/ Pine Lakes, 129,161 LF of combined water distribution pipeline (size varies from 2-inch to 8-inch)

- 88 fire hydrants
- Lake Fairways WWTP w/Effluent disposal to percolation ponds & Reuse (golf course irrigation)
- 9 lift stations, which are included in NFM Wastewater System quantity totals below, along with associated gravity sewer lines, manholes, and force mains with sizes ranging 4-inch to 8-inch)

#### North Fort Myers

- Del Prado Blvd. WWTP (4.25 MGD extended aeration treatment facility with high level disinfection to produce public access reclaimed water)
- 25 miles (approximate) of reclaimed water distribution pipeline
- One (1) Class I deep injection well permitted at 4.875 MGD
- 107 lift stations
- 62.5 miles of gravity sewer mains sized 6-inch to 12-inch range
- 65 miles of force main, 4-inch to 30-inch size range
- 1,682 manholes

#### Unified Aqua- Peace River

- WTP with Radium removal system blended with non-treated water (ratio 55:45)
- One (1) 5,000-gallon hydro-pneumatic tank
- Liquid chlorine disinfection system
- 6,800 LF of PVC water distribution pipelines (2-inch to 6-inch) and no fire hydrants
- One public potable water supply well with submersible well pump
- WWTP 40,000 GPD with Effluent disposal to Rapid Infiltration Basins
- One (1) lift station
- 5,600 LF of gravity sewer mains
- 1,800 LF of 4-inch force main
- 28 manholes

#### Unified Aqua- South Seas Wastewater System

- WWTP 264,000 GPD Concrete (Marolf), includes the following:
  - One (1) 149,660-gallon equalization tank
  - Influent bar screen
  - One (1) 42,810-gallon contact stabilization tank
  - One (1) 50,000-gallon clarifier
  - Two (2) digesters totaling 71,210 gallons
  - Two (2) disk filters
  - One (1) 9,500-gallon chlorine contact chamber
  - Liquid chlorine for disinfection.
  - Three (3) reject storage tanks totaling 222,270 gallons
  - One (1) 450,000-gallon reuse ground storage tank (tank is not owned by FGUA)
  - One (1) Class V Shallow Injection Well
- 18 lift stations
- 9,180 LF of gravity sewer mains
- 17,820 LF of force main
- 42 manholes

## **Services Required of Contractor**

### Objectives

There are a number of fundamental objectives of the contract in order to maintain the FGUA assets, protect public health and safety, and meet all regulatory requirements of the systems. These objectives include:

- To provide water treatment, water distribution, wastewater collection, wastewater treatment and wastewater effluent disposal and reclaimed water distribution services to the FGUA utility customers without unnecessary interruption.
- To prevent the by-pass or overflow of sanitary wastewater from the collection and transmission systems and treatment plants.
- To collect and treat sanitary wastewater in a manner that meets or exceeds the requirements of applicable law and is at least equivalent to the standard currently provided
- To treat and distribute potable water in a manner that meets or exceeds the requirements of applicable law and is at least equivalent to the standard currently provided.
- To operate all treatment plants at the optimum capability and efficiency to the extent reasonably practical.
- To preserve the capital investment in the utility systems to ensure long-term reliability and efficiency of the facilities by performing adequate preventive and corrective maintenance, upgrades and replacements consistent with industry standards.
- To provide billing functions and responsive customer service on all issues relating to the provision of utility service.

### Operations and Maintenance Services

The O&M services provided by the contractor are outlined in Article 3 of the Draft General Terms Agreement for Utility Operations, Maintenance, Billing and Customer Service- South Region. A copy of this document is attached to this RFP as Attachment 1. The successful proposer shall be required to enter into a single General Terms Agreement, and separate Compensation Agreements for each system, and to perform in accordance with the contract terms and conditions. The Draft General Terms Agreement is included with the RFP package. The FGUA reserves the right to add or delete items or services from the agreement.

### Customer Support Services

The customer service and billing services are outlined in Article 4 of the Draft General Terms Agreement referenced above. The FGUA serves its NFM and Lehigh Acres customers from a 3,360 square foot combined office location in Fort Myers, FL, provided to the Contractor at FGUA expense. This office handles calls, walk in customer traffic related to payments, new residential service requests, customer complaints and billing related functions. The FGUA also provides on-line bill pay, pay by phone and debit payment options. The contractor is responsible to meet these demands with the necessary staff, training and any outside resources required to maintain prescribed service levels.

Key performance indicators are in place to assess performance against industry standards and management staff is housed onsite to address escalated concerns and contract quality control. The contractor must

interact regularly with the designated Community Services Representative and team at large to resolve escalated concerns, investigate billing errors, provide requested reports, etc.

### Billing Software

It is currently planned for the FGUA to select, acquire and maintain the Billing System software prior to the initiation of the South Region contract. The successful contractor will then be required to utilize the FGUA-owned software to carry out the customer service and billing aspects of the contract. As an alternative to that approach, the FGUA would like to evaluate the benefits of having the contractor provide and maintain the software. The price proposal discussed later in this RFP includes an alternate for the Contractor to provide the customer service and billing software system.

### **Purpose of Request**

This Request for Proposals is the final step in the procurement process for contractor selection. Prior to the RFP step, the FGUA issued a Request for Expressions of Interest (RFEI) on November 6, 2017 and conducted meetings with each of the seven firms who submitted Expressions of Interest on January 10 and 11, 2018. A Request for Qualifications (RFQ) was issued on May 1, 2018, with five firms submitting Statements of Qualifications (SOQs). An RFQ Evaluation Committee appointed by the FGUA reviewed and scored the SOQs utilizing selection criteria and weighting factors as outlined in the RFQ. A short-list of three firms with the highest scores was recommended to the FGUA Board of Directors and the short list was approved at the July 19 Board meeting. The three short-listed firms have been notified of their selection and are hereby invited to participate in this RFP process on an equal basis (no carryover of SOQ scoring).

The purpose of the RFP is to solicit Proposals from the short-listed firms. No other firms will be allowed to submit proposals in response to this RFP and any such proposals received will not be considered. The RFP process as detailed below will result in the selection of one prime contractor to Operate, Maintain and provide Customer Service and Billing services to the FGUA customers in the South Region. The final selection will result in a five-year contract with an optional five-year extension at the discretion of the FGUA.

### **Electronic Data Room**

The FGUA recognizes that respondents to this RFP will need access to significant operational, maintenance and customer service information in order to prepare a comprehensive proposal, including the pricing of the services required. To accommodate that need, a number of relevant documents have been uploaded into an Electronic Data Room (EDR) for your use during proposal preparation. The EDR has been created on a File Transfer Protocol (FTP) platform and may be accessed by a link at <https://gsg.sharefile.com/Authentication/Login>. The User name and password will be provided as part of the RFP distribution email.

The documents currently located in the EDR include:

1. Current General Terms Agreement with USWWT
2. Current/Amended Compensation Agreements
  - a. Lehigh Acres
  - b. North Fort Myers
  - c. South Seas and Peace River
3. FY18 FGUA Approved Budget & CIP
4. FY19 FGUA Preliminary Budget & CIP
5. CIP Support Information
6. FY17 Comprehensive Annual Financial Report (CAFR)
7. Vehicle Lease Agreements and Amendments
8. Standard Construction Agreement
9. Lehigh/NFM Office Lease
10. Agreements with Local Governments (Bulk, Disconnect, etc.)
11. Reclaimed Water Agreements
12. Siemens Contracts
13. FGUA-owned Equipment
14. Operating Permits
15. Monthly Operating Reports (last three years)
16. Wellfield pumping data (last three years)
17. Consulting Engineers Bond Reports
18. Meter reading and billing summary
19. 2017 Consumer Confidence Report (each system)
20. Notices of Violation (NOVs) over last three years
21. System Maps
22. Maintenance Management System records (each system)
23. Key Performance Indicators (KPIs) with existing contractor
24. Record of customer complaints (last two years)
25. Black & Veatch O&M Contract Pricing Review
26. FY17 South System R&R information
27. FGUA Procurement Policy

Any additional information needed may be requested in writing to the Procurement Liaison, and if the information is available, will be provided by addendum.

## **Procurement Schedule**

The tentative schedule for the RFP and future contract negotiation and approvals is shown below and is subject to modification. The RFP step requires a detailed approach, staffing plan and price submittals from the short-listed entities from which a “best value” selection process will be used by FGUA to evaluate the proposals and select the contractor that best fit the needs of the FGUA. Additional details will be provided concerning the site visits in September shortly after the release of this RFP.

Release RFP	September 7, 2018
Site visits	September 17-19, 2018
Questions due from firms	September 28, 2018
FGUA responses to questions	October 5, 2019
Receive Proposals	October 19, 2018
Interviews	Week of October 29, 2018
Notification of intent to award	November 9, 2018
Contract negotiations	November/December
Board approval of contract	January 17, 2019
Begin as-needed transition period	April 1, 2019
Initiate contract services	October 1, 2019

## Submittal Content and Format

Proposals should follow the following format and contain the information as outlined below.

1. A cover letter indicating the name and address of the company or organization, including parent company ownership and relevant subsidiary company information. The letter should also indicate the principal individual (including contact information) with whom the FGUA can communicate with throughout the RFP process. The cover letter should also summarize why your firm should be selected for this important engagement by the FGUA.
2. A section describing the key personnel and staffing plan for the FGUA project. Key personnel should include:
  - a. A designated Area Manager for the South Region;
  - b. Operations, Maintenance and Customer Service leads;
  - c. Corporate support both from a management and technical perspective.

The section should include a proposed organization chart, and summary of experience for each of the key personnel, as well as their time commitment (percentage basis) to serve the FGUA over the 5-year contract period. Please provide a complete staffing plan for your entire team and describe how you will recruit and hire (or transfer) the necessary personnel to accomplish the assignment. The staffing plan and time commitments indicated should be reflected in your pricing section below.

3. A section describing your detailed approach to delivering the services required under the contract. Any intended use of subcontractors or outside vendors should be outlined as part of the approach. This section should include specifics on each of the following services provided:
  - a. Basic utility operations and maintenance, including administration of the AMS;
  - b. Customer Service and Billing support;
  - c. Public outreach and community involvement;
  - d. Transition from current contractor;
  - e. Recommended approach to asset renewal and replacement (R&R);
  - f. Support for capital program development/delivery;
  - g. Due diligence for future system acquisition.



Your detailed approach should be consistent with the scope of services outlined in the Draft General Terms Agreement, and your pricing section should reflect the level of effort required by that scope.

4. A section describing any innovative approaches (including processes, technologies, systems, or capital projects) you believe would benefit the FGUA's South Region. Include ideas related to any area of service provision or suggest capital investments with reasonable return on investment potential resulting in future operational cost savings. Include examples of where you have done this in previous engagements and how this would be applicable to the South Region facilities. The cost/benefit of any innovative ideas or approaches should be outlined in this section, but not be included in your price proposal below.
5. A price proposal presenting your price to provide the required services for fiscal year 2020, starting on October 1, 2019. Pricing is divided into four major components:
  - a. Base Service Fee for Operations and Maintenance.
  - b. Base Service Fee for Customer Service and Billing.
  - c. Mark-up on direct cost of Renewal and Replacement, assuming a one-year R&R budget of approximately \$ 1.4 M (direct cost only) for the South Region.
  - d. Alternate to provide customer service and billing software as part of the contract.For your convenience, and to ensure consistency among the submittals, Attachment 2 provides additional guidance and a template for the price proposal format. Please include any assumptions you made in the development of your pricing as part of your submittal.
6. Appendices as follows:
  - a. Appendix A - Resumes of Key Personnel. Maximum two-page resumes for each of the key personnel identified above.
  - b. Appendix B - Exceptions to Draft General Terms Agreement. Please detail any exceptions taken or modifications suggested to the draft agreement provided. Only noted exceptions and modifications will be subject to negotiation during the contract negotiation phase with the successful proposer.
  - c. Appendix C – Computations for Pricing. Please provide spreadsheets or other backup calculations used to derive the pricing shown in the price proposal. Also include the specifications and other relevant detail concerning the Customer Service and Billing Software included in your alternate.
  - d. Appendix D – Performance Bonds. Provide a letter from your Surety Company confirming that they will provide a Performance Bond in an amount equal to one year of the Base Service Fees.

## **Submittal Requirements**

Please submit five (5) hard copies and one electronic copy (CD or thumb drive) of the proposal by 2:00 pm Eastern Daylight Time on October 19, 2018 to the FGUA at:

Government Services Group, Inc.  
280 Wekiva Springs Road  
Suite 2070  
Longwood, FL 32779  
Attn: Stephen M. Spratt

The proposal should be submitted in a bound document on 8½” by 11” paper, single-sided, with a minimum font size of 11 and 1” margins. Tables, photos and graphics may utilize smaller font sizes provided the text is easily readable. Items 1 through 5 above are considered the body of the proposal and may not exceed fifty (50) pages. Graphical information or tables may be presented on 11” by 17” pull-out pages (included as part of the 50-page limit). There is no page limit for the appendices.

## **Selection Criteria**

The selection of a contractor for the South Region is based on a “best value” procurement process, in which price is one of a number of selection criteria. An RFP Evaluation Committee will be appointed by the FGUA to review and evaluate the proposals. The Committee will score the proposals according to the following criteria and relative weighting factors:

1. Strength of Key Personnel and Staffing Plan (25 points)
2. Detailed Service Approach (30 points)
3. Innovation (10 points)
4. Pricing (20 points)
5. Interview (15 points)

Interviews will be conducted with all three firms by the RFP Evaluation Committee as noted in the Procurement Schedule. The purpose of the interview is to seek clarifications from each firm on the specifics of your proposal, and to have the opportunity to ask questions of the key personnel in attendance. Detailed instructions on the dates, timing, format, attendance and expectations for the interview process will be provided at a later date.

At the conclusion of the interviews, the RFP Evaluation Committee will discuss the three proposals and interviews and score each firm at a public meeting. The Committee will provide scores, rankings and recommendations to the FGUA Board at their meeting on November 8. The FGUA Board reserves the right to make a final determination of selection with consideration of, but not necessarily consistent with, the recommendations of the Evaluation Committee.

## **Cone of Silence**

The RFP announcement resumes the formal procurement process for the services outlined herein. From this point until Board approval of award, no FGUA Board Member, Government Services Group (GSG) staff member, or any other official of the FGUA (except as specified below), may be contacted concerning this solicitation by any employee, representative or lobbyist on behalf of any company or organization participating in this solicitation. This restriction is further described in the FGUA Procurement Policy,

which is located in the EDR. Violation of this so-called “cone of silence” will result in disqualification of the company from the procurement process.

## **Inquiries**

Any questions related to this RFP should be provided in writing and sent by email to the Procurement Liaison, Janelle Kusiolek, at [JKusiolek@govmserv.com](mailto:JKusiolek@govmserv.com) prior to COB on September 28, 2018. All responses will be provided by addendum prior to COB on October 5, 2018. The FGUA is not responsible for oral interpretations provided by any FGUA representative or GSG employee.

Any addenda to this RFP will be issued through the FGUA web site at <https://www.fgua.com/>.

## **Additional Information**

This is an inquiry only. By responding to this RFP with a written submission or otherwise participating in the process as outlined in this RFP, each submitting party expressly agrees that no contract of any kind is formed under, or arises from, this RFP and that no legal obligations as between any one or more proponents and the FGUA will arise.

The processes and procedures provided in the FGUA Procurement Policy, including procedures for the correction and withdrawal of proposals and procurement challenges, are applicable to this solicitation process. Each respondent is solely responsible for its own costs and expenses in preparing and submitting a response to this RFP and participating in the RFP process, including the provision of any additional information or attendance at meetings or interviews.

The FGUA reserves the right, before recommending any award, to conduct additional research into any organization or to take any other necessary action, such as background checks, to determine if the proposer is satisfactorily able to perform and reserves the right to reject any or all proposals and to cancel the solicitation at any time.

Proposers should be aware that all submissions provided are generally considered public records subject to public disclosure upon conclusion of the solicitation process, and shall **not** be afforded confidentiality, unless otherwise provided by law.

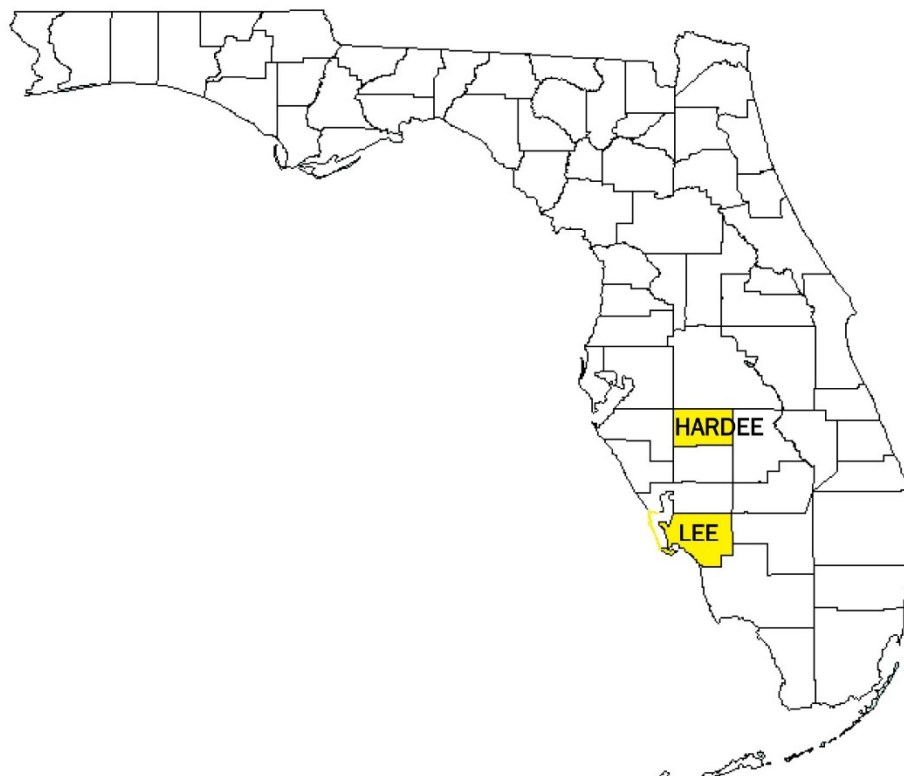
If information is submitted with a proposal that is deemed “confidential,” the proposer must stamp those pages of the submission that are considered confidential and exempt from the Florida public records law with the applicable statutory citation. The proposer must provide sufficient documentation demonstrating why such documents should be deemed confidential in accordance with Florida law.

The proposer agrees to comply, at its own expense, with all federal, state, and local laws and regulations, including federal, state and local laws, codes, statutes, ordinances, rules, regulations and requirements

applicable to the utility operations, billing, and customer services, including but not limited to those dealing with taxation, workers' compensation, equal employment and safety. The proposer acknowledges and agrees, in accordance with § 287.134, F.S., the Rehabilitation Act of 1973 as amended, the Americans with Disabilities Act of 1990 (ADA), and the ADA Amendments Act of 2008 (ADAAA), that in performing the Agreement with the FGUA hereunder, no person on the grounds of race, religion, color, age, sex, national origin, disability or marital status shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination.

The proposer shall not discriminate against any employee or applicant for employment because of race, religion, color, age, sex, national origin, disability or marital status. The Bidder shall make affirmative efforts to ensure that applicants are employed and that employees are treated during employment without regard to their race, religion, color, age, sex, national origin, disability or marital status.

## CUSTOMER MAP – APRIL 2018 SOUTH REGION



SOUTH REGION					
	System Name	County	Approx. # of connections		
			W	WW	IRR*
ENTERPRISE SYSTEM - LEHIGH ACRES					
	Lehigh Acres	Lee	12,619	10,421	24
ENTERPRISE SYSTEM - NORTH FORT MYERS					
1	Lake Fairways	Lee	958	905	
2	North Fort Myers	Lee		10,159	
3	Pine Lakes	Lee	847	847	
ENTERPRISE SYSTEM - UNIFIED AQUA					
1	Peace River Heights	Hardee	102	97	
2	South Seas	Lee		73	

\* COMBINED # IRRIGATION CONNECTIONS (POTABLE AND REUSE WATER)

**Attachment 1**  
**Draft General Terms Agreement for Operations, Maintenance,  
Billing and Customer Service- South Region**

(See PDF file included with RFP distribution email)

## Attachment 2

### Price Proposal Template and Additional Guidance

In order to achieve consistency in the price proposal responses from the three firms, a standard template has been developed as presented below.

<b>FGUA Operations, Maintenance and Customer Service Procurement Price Proposal Template FY 2020</b>			
Category	Operations and Maintenance	Customer Service and Billing	Total
<b>Base Service Fee</b>			
Salaries and Wages			
Direct Labor Overhead			
Utilities			
Chemicals			
Vehicles and Equipment			
Office Supplies			
Outside Services			
Sludge Disposal			
Travel			
Computer/IT			
Insurance and Bonds			
Other (specify)			
Subtotal- Cost of Service			
Corporate Overhead @ ____%			
Profit @ ____%			
<b>Total Base Service Fee</b>			
<b>Renewals and Replacements</b>			
R&R Direct Cost			\$ 1,420,000
Markup on R&R @ ____%			
<b>Total R&amp;R Budget</b>			
<b>Alternate 1- Billing System Software</b>			
Purchase Price			
Annual Seat Licenses @ ____ /seat			
Additional Maintenance Costs per year			

## Guidance for Price Proposal Submission

There are three elements to the required price submittal:

- Base Service Fee for both O&M and CS&B.
- Provide a percentage markup on the direct cost of materials, supplies, and subcontractors for R&R, assuming a direct cost budget of \$1.42 million for the South Region.
- An alternate for providing and maintaining the customer billing system software.

### Base Service Fee

The Base Service Fee includes all labor, utilities, chemicals, supplies and outside services needed to provide the services outlined in the draft General Terms Agreement. Each category is described in more detail below. Not all categories are applicable to both O&M and CS&B services. The numbers presented are for fiscal year 2020, beginning on October 1, 2019.

*Salaries and Wages.* All direct salary and wages paid to employees as detailed in your staffing plan, including anticipated overtime. This category includes all labor charged to the contract, including the labor force needed to execute the assumed \$1.42 million of R&R work in FY 2020.

*Direct Labor Overhead.* Overhead assigned to the above direct labor costs based on payment of federal and state requirements and benefits paid to employees. Such costs include, but are not limited to, FICA, FUTA, SUTA, Workers Compensation, Health Insurance, Life Insurance, 401K contributions, and continuing education.

*Utilities.* The cost of all utilities (except electric), including telephone, internet service, and SCADA. Electricity will be treated as a pass-through cost and paid by the GUA, and should not be included in your price proposal.

*Chemicals.* All chemicals needed for the operation and maintenance of the facilities, including treatment plant chemicals, corrosion inhibitors, disinfectants, odor control, lubricants, laboratory chemicals, and cleaning supplies.

*Vehicles and Equipment.* The purchase and/or lease costs for any vehicles and equipment owned and operated by the contractor. A detailed listing of all vehicles and equipment included in this category should be provided in Appendix C of your submittal. Include the cost of fuel and maintenance. Equipment available from the FGUA is provided in the EDR.

*Office Supplies.* Includes all office and laboratory supplies, including equipment leases and postage/shipping costs.

*Outside Services.* This category includes contracts for services and supplies not directly provided by the contractor or its' labor force. Examples include uniforms and safety equipment, sampling services, compliance testing and analysis, meter calibration, radio service, tools, materials and supplies, building and



grounds maintenance, special equipment maintenance, trash removal, meter reading and Sunshine One locates.

*Sludge Disposal.* The total cost of sludge removal and disposal from the wastewater treatment facilities.

*Travel.* Travel related costs to include mileage paid to employees, costs associated with professional conference attendance, FGUA Board meetings, customer outreach events and meetings, workshops or other related costs.

*Computers/IT.* Includes hardware, software, IT support, systems administration and maintenance fees associated with all computer and IT equipment and service functions, including field connectivity devices such as iPads.

*Insurance and Bonds.* Annual costs related to the purchase of insurance and performance bonds as specified in the Draft General Terms Agreement and consistent with FGUA policies.

*Other.* Define and include any other costs not provided in the categories outlined above.

*Overhead and Profit.* Specify a percentage applied to the Base Service Fee costs for both corporate overhead and profit, and apply those percentages as shown on the template.

#### Renewals and Replacements (R&R)

The Draft General Terms Agreement details the various types of R&R to be included in this contract, including Minor R&R (direct costs per event of \$1,500 or greater but less than \$7,500) and Major R&R (direct costs per event \$7,500 or greater but less than \$100,000). Basic R&R (direct costs less than \$1,500 per event) are included in the Base Service Fee.

A budget will be established at the beginning of each fiscal year for the Minor and Major R&R costs. Based on the current expenditures for R&R in the South Region, we are assuming the direct cost for FY 2020 at \$1.42 million. It is expected that all R&R will be performed with the employees included in the Base Service Fee, however a percentage markup on the direct cost of materials, supplies, and subcontractors should be specified and applied to the assumed cost. Subcontractors for R&R activities will be limited to those specialized activities outlined in the Draft General Terms Agreement.

#### Billing System Software

The FGUA is evaluating whether to purchase and maintain its own billing system software in the future or assign that responsibility to the contractor. The RFP requests that your proposal specify and price a Customer Service and Billing system software package that best fits the needs of the FGUA as an alternate bid item. Include all aspects of the cost, including purchase price or leasing arrangement, the cost of licenses and how many will be required, and any other software maintenance or training costs not included above. The FGUA requires that the customer service and billing software offered by the proposing contractor meets the existing minimum requirements as outlined in the Draft General Terms Agreement. Additionally,

software presented must be a) appropriate for use by a utility the size of the combined FGUA systems, and  
b) must be either a Harris Enterprise Software Solution product or Opus 21 (the current vendor).