

Addendum #1



Project Information

Project Name: WS Rates and Financial Modeling Services

Bid Number: F22-01-003

Date: February 4, 2022

Project Manager: Erik Dial & Kalen Myers

Addendum Questions

Question #1 Can you tell me what software the water and sewer cost of service models are built in?

Answer Microsoft Excel

Question #2 Regarding the timeline for requested services: The RFP lists a variety of tasks in Section II, A. Scope of Services, including some that are identified as "on-call." The RFP further identifies a contract period ending date of December 31, 2025 (Section II, B. Period of Award.) Section IV D. requests a specific timeline or schedule and cost for each task in the identified Scope of Services.

a. Is there a specific order that the City would like to see the identified tasks scheduled, or at least an estimated time period for the next anticipated annual or other rates adjustment?

b. For the cost proposal, our consulting rates are subject to annual reassessment. Is it acceptable to include a reasonable estimated percentage increase in our provided rates assuming that the work may span a number of calendar years, or would you accept an annual estimated increase with a not to exceed rate?

Answer A. We would hire consultants through work orders that fall under these services. We will need to see a schedule and cost for items within each work order when Greeley engages with the consultant for that particular work order.
B. Yes, this makes sense.

Question #3 Are there specific reasons why the City is considering a transition from a hybrid revenue requirements approach to an all cash basis approach in the future?

Answer The hybrid revenue requirements approach has been difficult to manage and difficult to communicate to Greeley's outside city customers. Greeley is actively investing in its water system and the changes in system value create variability to customer affected by the utility basis that are difficult to explain. Staff's opinion is that transitioning to strictly a cash basis will provide better clarity to the City's water customers regarding how their rates are determined and provide for simpler communication.

Question #4 Is it the City's preference to retain and maintain its existing water and sewer cost of service models or is it open to alternative model options?

Answer The City's preference is to retain, maintain, and enhance its existing water and sewer cost of service models.

Question #5 Would you like us to include Exhibit 4 Debarment/Suspension Certification Statement as part of our proposal submission? If so, which section should include it in?

Answer Yes. Exhibit 4 is required to be submitted as part of your proposal. Include it at the end of your proposal.

RFP Changes: RFP language generalized to incorporate broader areas of financial modeling and planning support for divisions of city government beyond Water and Sewer. These include but are not limited to debt planning, CIP planning and financial support for other enterprise funds. A second round of inquiries has been added and all RFP deadlines extended to the dates and times indicated on the revised RFP.

This Addendum #1 Consists of the following documents:

1) The above answers to the first round of questions

2) Addendum#1 RFP #F22-01-003 Financial Modeling and Rate Services

3) Addendum#1 Exhibit 2 Sample Master Consultant Contract with Work Orders

4) Addendum#1 Exhibit 3 Sample Insurance Certificate