

CITY OF MILWAUKEE REQUEST FOR
PROPOSALS
SEWER/WATER LINE WARRANTY PROGRAM

RESPOND NO LATER THAN:
4:00p.m. CST on Tuesday, January 21, 2014

MAKE ALL INQUIRIES TO:
DAN THOMAS
City of
MILWAUKEE
DEPARTMENT OF
PUBLIC WORKS
Phone: 414-286-3307
Fax:414-286-0537
Email: dan.thomas@milwaukee.gov

SEWER/WATER LINE WARRANTY PROGRAM

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I. GENERAL INFORMATION

A. PURPOSE

The purpose of this request for proposal is to provide added services to citizens of the City of MILWAUKEE by seeking proposals from firms interested in providing warranty services for resident owned water and sewer line laterals, which are the responsibility of the homeowner. The proposal shall also outline the amount and timing of revenues payable to the City of Milwaukee in exchange for its participation in the warranty program.

The City of Milwaukee contemplates the execution of an agreement between the City and the selected vendor setting forth the respective parties responsibilities to the other and governing the terms of the warranty program with regard to the citizens of Milwaukee.

NOTE: In the City of MILWAUKEE the homeowner is responsible from the curb stop on the water service and from the main on the sewer lateral.

B. PROPOSAL SUBMISSION

1. The sealed proposals must be submitted not later than 4:00 p.m. on **Tuesday, January 21, 2014** to:
Dan Thomas
Department of Public Works
841 N. Broadway Room 501
MILWAUKEE, WI
53202
2. One (1) original and five (5) copies of the Proposal shall be in a sealed envelope and must be marked prominently on the outside "PROPOSAL - SEWER/WATER LINE WARRANTY PROGRAM".
3. Proposal must be mailed or hand delivered. No faxed or e-mailed proposals will be accepted.
4. Proposals will be handled confidentially by the City during the pre-award process.
5. The proposal shall be binding for a period of sixty (60) days from the due date for submission.
6. The City of MILWAUKEE will not be responsible for any expenses incurred by a proposer in connection with this procurement.
7. If necessary, interviews will be scheduled by the Evaluation Committee with one or more of the proposers.

C. QUESTIONS

Any questions regarding this Request for Proposals should be directed in writing or via email to dan.thomas@milwaukee.gov by 2:00 p.m. on January 8, 2014. Inquiries received after 2:00 p.m. on January 8, 2014, will not receive responses. No telephone calls with questions will be taken. Responses to questions will be issued in the form of an Addendum by January 15, 2014.

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II. GENERAL CONDITIONS

- A. No verbal information to proposers will be binding on the City. The written RFP package will be considered clear and complete, unless written attention is called to any apparent discrepancies or incompleteness before the opening of the proposals. All alterations to the RFP package will be made in the form of written addenda which will be mailed and/or faxed to all proposers. These addenda shall then be considered to be part of the RFP package.
- B. Submission of a proposal will be considered as conclusive evidence of the proposer's complete examination and understanding of the RFP package.
- C. The City of MILWAUKEE reserves the right to reject any and all proposals submitted and to request additional information from any Proposer and the right to waive minor irregularities in the procedures or proposals if it is deemed in the best interests of the City of MILWAUKEE. The City may elect, at its sole and absolute discretion, to award a Contract based on the initial proposals, or, to open negotiations, either written or oral, with one or more proposers to address performance, technical, pricing, delivery, or other provisions. If negotiations are opened, the City may elect, at its sole and absolute discretion, to conclude negotiations at any time if it is determined to be in its best interest, or they will be closed upon settlement of all questions and clarifications. A proposer may then be requested to provide a best and final offer with new pricing based on the negotiations. Proposals may be rejected and negotiations terminated based on the negotiations. Contract award will be based on the proposal submitted, as well as any and all negotiations conducted. The City further reserves the right to reject all proposals and seek new proposals when such procedure is considered to be in the best interest of the City.
- D. The award will be made to that responsive and responsible proposer whose proposal, conforming to the RFP package; will be most advantageous to the City, price and other factors considered, such as delivery time, quality, service, etc. The award may or may not be made to the firm with the lowest cost.
- E. After notice from the City, the selected proposer has fourteen (14) days to enter into a contract upon receipt of a Notice of Award. If a contract is not executed by the selected proposer, then the City reserves the right to retract the Notice of Award and enter into a contract with another proposer.
- F. Proposals must be written in ink or typewritten. Unsigned proposals will not be accepted. Proposers are expected to examine all instructions, specifications, drawings, sites, installation, etc. Failure to do so will be at the Proposer's risk.
- G. No proposal will be accepted from or contract awarded to any person, firm or corporation that is in arrears or is in default to the City upon any contract, or that is a defaulter, as surety or otherwise, upon any obligation to the City or who had failed to faithfully perform any previous contract with the City. Where a work is to be performed by a subcontractor, the proposer must provide the name of the subcontractor and ensure that subcontractor fit and capable to perform the required work.

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- H. Unless otherwise specified, all formal proposals submitted shall be binding for sixty (60) calendar days following bid opening date and may be extended at the agreement of both parties.

I. COMPLIANCE WITH LAWS

The contractor shall at all times observe and comply with all laws, ordinances, regulations and codes of the federal, state, City and other local government agencies, which may in any manner affect the preparation of proposals or the performance of the contract.

J. CONTRACT TERMINATION

A contract may be canceled by the City by giving the Vendor written notice of intent to cancel.

K. EQUAL EMPLOYMENT

In all hiring or employment made possible by or resulting from an eventual agreement, there will not be any discrimination against any qualified employee or qualified applicant for employment because of sex, race, religion, color, national origin or ancestry, disability, lawful source of income, marital status, sexual orientation, gender identity or expression, past or present membership in the military service, familial status, or based upon affiliation with, or perceived affiliation with, any of these protected categories. This requirement shall apply to but not be limited to the following: employment, upgrading, demotion or transfer, recruitment or recruitment advertising, lay-off or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship. The Vendor shall include or cause to be included in each subcontract covering any of the services to be performed under an eventual agreement a provision similar to the above paragraph, together with a clause requiring such insertion in further subcontracts that may in turn be made.

L. INDEMNIFICATION

The Contractor shall assume all risks and responsibilities for casualties of every description in connection with the work, except that he shall not be held liable or responsible for delays or damage to the work caused by acts of God, acts of public enemy, acts of government, quarantine restrictions, general strikes throughout the trade, or by freight embargoes not caused or participated in by the Contractor. The Contractor shall have charge and control of the entire work until completion and acceptance of the same by the City.

M. INSURANCE

The proposer, prior to contract execution, shall provide, at its own expense, the following insurance to the City of MILWAUKEE, evidenced by Certificates of Insurance. Each Certificate shall require that notice be given thirty (30) days prior to cancellation or material change in the policies to the Department of Public Works. All liability policies shall name the City of MILWAUKEE, its officers, agents and employees as additional insureds. This coverage shall be reflected on the Certificates of Insurance. Certificates of Insurance should be provided annually.

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Nothing contained in this section shall be construed as limiting the extent of the proposer's responsibility for payment of damages resulting from its operations under the contract.

1. Worker's Compensation - including Occupational Disease and Employer's Liability Insurance.
 - a. Statutory - amounts and coverage as required by applicable State of Wisconsin Workmen's Compensation and Occupational Disease Laws.
 - b. Employer's Liability- \$500,000 each occurrence.
 - Accident \$100,000 each
 - Disease \$500,000 minimum policy limit
 - Disease \$100,000 each employee
2. Liability

- a. The Firm/Proposer shall maintain a General Liability policy which includes the following coverages:

1. Comprehensive
2. Premises - Operations
3. Contractual Insurance
4. Independent Contractor or Subcontractor

The Comprehensive General Liability policy shall have a bodily injury and property damage combined single limit of liability of \$1,000,000 minimum, per occurrence.

- b. Automobile Liability insurance with minimum limits of \$500,000 per occurrence. This insurance shall include bodily Injury and property damage for the following coverages:

1. Owned
2. Non-Owned
3. Hired Vehicles

- c. Excess/Umbrella
Proposer shall obtain minimum coverage limits of \$2,000,000 per occurrence. The additional limits above the Comprehensive General Liability and Automobile Liability and Automobile Liability policies.

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All policies shall name the City of MILWAUKEE, its officers, agents, and employees as additional insured. This coverage shall be reflected on the Certificates of Insurance.

3. Professional Liability

Provide evidence of professional liability coverage of \$2 million dollars shall be furnished to the City of Milwaukee, Department of Public Works.

Nothing contained in this section shall be construed as limiting the extent of the Contractor's responsibility for payment of damages resulting from the operations under the contract.

P. PUBLIC RECORDS LAW INFORMATION

Records shall be maintained in accordance with requirements prescribed by the City with respect to all matters covered by an eventual agreement. Both parties understand that the City is bound by the Wisconsin Public Records Law, and as such, all the terms of an eventual agreement are subject to and conditioned on the provisions of Wis. Stat. Section 19.21, et seq. The selected Vendor acknowledges that it is obligated to assist the City in retaining and producing records that are subject to the Wisconsin Public Records Law, and that the failure to do so shall constitute a material breach of an eventual agreement, and that the selected Vendor must defend and hold the City harmless from liability under that law. Except as otherwise authorized, these records shall be maintained for a period of seven years after receipt of the final payment under the eventual agreement.

Q. TRANSFERS AND ASSIGNMENTS

1. Contractor shall not, without written consent from the City of MILWAUKEE, assign, hypothecate or mortgage this agreement. Any attempted assignment, hypothecation or mortgage without consent shall render this agreement null and void.
2. Neither this agreement nor any interest therein shall be transferable in proceedings in attachment or execution against proposer or in voluntary or involuntary proceedings in bankruptcy or insolvency or receivership taken by or against Contractor, or by any process of law including proceedings under Chapter X and XI of the Bankruptcy Act.
3. The eventual agreement shall be binding on the heirs, successors, and assigns of the selected vendor. The selected vendor shall not assign, sublet, or transfer its interest or obligations under the provisions of the eventual agreement without the prior written consent of the City.

III. SCOPE OF WORK

A. SCOPE

1. The City of MILWAUKEE is seeking a proposal that will be beneficial to both the Citizens of the City of MILWAUKEE and the City. The proposal

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should identify all services, costs, and benefits to the Citizen of the City of MILWAUKEE and the City. The following items should be considered when preparing the proposal:

The proposer must be prepared to provide the service for one (1) year. The City reserves the right to extend the contract for a maximum of two (2) additional one (1) year terms.

- a. The successful proposer will be responsible for the management of all aspects of the warranty program, including billing, receiving service calls, scheduling contractors, etc.
- b. The successful proposer will be able to comply with a 25% requirement of Small Business Enterprise Participation (SBE Program). Details of the SBE program can be found here: <http://city.milwaukee.gov/mpw/divisions/administrative/ContractAdministration.htm>
- c. The City of MILWAUKEE will provide a list of water utility customers for use in the sales/marketing campaigns.
- d. **The proposer shall organize the Proposal so that the percentage elements as outlined below are clearly identifiable.**

B. QUALIFICATIONS 30%

1. The successful proposer must demonstrate the following:
 - a. Knowledge and experience in the water and wastewater business;
 - b. Experience in customer service and response;
 - c. Experience in operation of a 24-hour Call Center handling customer claims;
 - d. The capacity, either in-house or through third party contractors, to respond to a claim within a 24-hour period;
 - e. The ability to address customer sign-ups and cancellations.
 - f. The ability to market the program to increase participation.
 - g. The ability to transfer data to the City regarding customer claims, payments, denials, royalties or any other data required by the City.

C. DELIVERABLES 40%

1. Generally describe the proposed sewer/water service line protection program including the following:
 - a. What is covered?
 - b. What is not covered?
 - c. What is the deductible? Will there be options of levels of deductibles offered?
 - d. Is any plumbing covered inside the home or is the program limited to the outside sewer/water service line?
 - e. Is damage to landscaping (i.e. grass, flowers, bushes) covered?
If so, are there any limits?
Are damaged underground sprinklers or dog fences covered?
Are landscaping repairs guaranteed and if so, how long?
 - f. Please describe any coverage limits or caps and how they apply.
 - g. Are you willing to lock in a set customer fee for the term if not, how are fee increases handled?
 - h. Generally explain any compensation/royalties that would be paid to the City of

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Milwaukee as customers enroll in the program as well as a general description of current compensation/royalty arrangements with other municipal clients.

- i. Explain how you will work with The City of Milwaukee IT staff to implement and handle data exchange? What systems of data exchange are currently being utilized or available for this purpose.
 - j. Provide examples of any monthly, quarterly or annual reports that would be sent to the City of Milwaukee.
 - k. Once the contract is awarded, how long do you anticipate it will take to roll out the sewer/water service line program?
 - l. Are royalties paid to the City negotiable? If so, under what terms.
2. Claims process
- a. Please describe the claims process.
 - b. Are customer calls answered 24 hours per day, 7 days per week?
If so, where is the call center?
If not, how are calls handled after normal business hours and/or weekends, holidays?
 - c. Describe situations or instances where claims can be denied.
 - d. Do you solicit customer feedback or evaluations upon the conclusion of a claim?
If so, include a sample customer evaluation form.
 - e. How do you handle customer complaints, including billing, contractor and claims handling issues? Describe any appeals process available if a customer is not satisfied.
 - f. Describe your experience with respect to whether a customer remains enrolled in the program after they have experienced a claim.
 - g. How quickly will a contractor be dispatched once a claim is made?
3. Marketing
- a. How do customers enroll in the program? (include any promotional materials sent to customers describing the proposed program)
 - b. Please describe the expected type of participation from the City of Milwaukee in marketing the proposed program.
 - c. Does the proposed program require a minimum number of customers to sign up before the program is initiated?
 - d. Can customers enroll in the program monthly, annually or for multiple years?
If multi-year terms are offered, is the term price fixed upfront?
 - e. Describe what customer billing and payment options are available.
4. Contractors
- a. Please describe how contractors sent to customers homes to make water service line repairs are selected.
 - b. Describe quality control measures used to monitor selected contractors performance.
 - c. Please describe how enrolled customers are protected from a contractor filing a lien against their property for any work done as a part of this program.
 - d. Describe how long the repairs are guaranteed.
 - e. Do you or the contractor guarantee the repairs?

D. PRICING 30%

The proposer shall identify the monthly charges (pricing and coverage structure) to SEWER/WATER LINE WARRANTY PROGRAM

the Citizens of the City of MILWAUKEE and the benefits (royalties) to the City of MILWAUKEE. Include variable pricing structures (i.e. coverage or deductible options) if applicable.

Minimum royalty payments to the City of Milwaukee must be at least 33% of gross premium revenues.

IV. EVALUATION AND AWARD CRITERIA

- A. In general, proposal will be weighted/evaluated in terms of:
1. The proposer's **Qualifications** will be rated and will contribute to **30%** of the final ranking.
 2. The proposer's **Deliverables** will be rated and will contribute to **40%** of the final ranking.
 3. The proposer's **Pricing** will be rated and will contribute to **30%** of the final ranking.
- B. The award will be made by written notification within 30 days of the receipt of all proposals. Submission of a proposal shall be representation that the submitting firm understands the scope of the project.
- C. Interviews may be held with one or more firms before a final selection is made. The award may or may not be made to the lowest cost proposal.

V. AUTHORITY TO DISTRIBUTE RFP PACKAGES

- 9.1 The City of MILWAUKEE Contracts Office is the sole entity authorized to provide this RFP package to interested companies or individuals. Firms who are working from a RFP package obtained from any other source may have an incomplete set of documents. The City assumes no responsibility for any error, omission, or misinterpretation resulting from a company's use of an incomplete RFP package.
- 9.2 Firms who have received the RFP package from a source other than the City's Contracts Office are advised to contact the office to provide their company name, mailing address, telephone number, fax number, contact name and contact e-mail address. This will ensure that the company receives all RFP related communications and documents, including addenda.

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VI. TIMELINE FOR PERFORMANCE

	Event Calendar
December 9, 2014	City to issue RFP
January 3, 2014	Last date and time for service provider to submit questions regarding the project or the RFP Questions must be submitted in writing
January 8, 2014	The City of Milwaukee will respond in writing to the submitted questions
January 21, 2014 4:00 p.m. CST	Date and time for submission of Proposals
January 22, 2014 to January 31, 2014	Evaluation of Proposals and Interviews may be held with service provider of The City of Milwaukee's choice
February 7, 2014	Notice to the Proposers of Final Decision