Official Notice #31-2013
Water Rate Consultant Services for the Milwaukee Water Works

QUESTIONS AND ANSWERS FROM
MANDATORY PRE-PROPOSAL MEETING
Friday, March 22, 2013
Frank P. Zeidler Municipal Building Conference Room, Room 102

NOTICE TO PROPOSERS: A REVISED VERSION OF THE REQUEST FOR PROPOSALS, INCORPORATING THESE CHANGES, WILL BE PLACED ON THE WEB SITE LATER THIS AFTERNOON OR WEDNESDAY MORNING.

QUESTIONS AND ANSWERS:

Q1: Will Milwaukee Water Works (MWW) make available a list of certified contractors and types of services they provide from Office of Small Business Development?
A1: The Small Business Enterprise (SBE) requirement has been waived. However, the list of certified contractors has been placed on the website. (Any firm that had a former designation of minority or women is also certified under SBE.)

Q2: Can the 18% requirement be any mix of the M/W/SBE?
A2: The SBE requirement has been waived. However, the list of certified contractors has been placed on the website. (Any firm that had a former designation of minority or women is also certified under SBE.)

Q3: Are both of your email addresses available in this documentation?
A3: They are listed on the agenda, and again here: carrie.lewis@milwaukee.gov and earl.smith@milwaukee.gov.

Q4: It says on page 12 of the RFP – is there any particular reason why it states the cost of service study will be based on the M-1 1991 edition? Is there any reason why that 1991 edition is specified?
A4: No. It should be the most recent edition.

Q5: It states the proposal is limited to 40 pages plus cover page, cover letter and appendices. Are the required forms part of the 40 pages?
A5: No.

Q6: On page 16 of the RFP there is talk of the performance bond and payment bond; on page 17 under Errors and Omission there is talk of an insurance policy of $25 million; and under Specifications, there is a surety bond mentioned. All of those refer to structure projects. I assume all those relate to construction projects and that is fairly typical. Is there any reason why those are included in this thing? I called our insurance broker and they said that an Errors and Omission policy of $25 million is something that no insurance company would write for this type of project. Is there some reason why?
A6: The Fidelity Bond requirement has been removed. The Umbrella Liability has been reduced from $5,000,000 to $2,000,000 for bodily injury/personal injury and also for each occurrence. The Errors and Omissions Policy of $25,000,000 has been replaced with a Professional Liability Insurance requirement of $5,000,000.

Q7: And a liability policy for $5 million?
A7: See Addendum #3 for revisions to these requirements.

Q8: Will you let us all know about those answers, about the insurance bonds?
A8: Every single answer that you get from us will be in writing and will be posted on the website and you can access it at your convenience, just like it says on the agenda. (See Addendum #3.)

Q9: When are the questions due?
A9: March 28, 2013 at 4:45 p.m.

Q10: Will you respond to these questions as you receive them or all at once?
A10: They will be answered as received.

Q11: Is there any flexibility with the SBE percentage on the SBE participation, given the nature of the project?
A11: The SBE requirement has been waived.

Q12: Will proposers be interviewed as part of the evaluation process?
A12: Only if additional information is needed. We believe this to be unlikely.

Q13: Is the standard contract available on the website or can you make available the standard contract language?
A13: Yes. See the website for the "Standard Professional Services Contract".

Q14: In the past year or two there have been some studies that you have done related to rate work. Can you make those studies available? And, can you tell us who did those projects for you?
A14: *Corrected answer: Contracts were issued for two relevant studies. For both projects, the Scope of Work to which the consultants responded and the name of the firm to which the project was awarded have been placed on the website. Portions of the final reports for both projects will be made available to the successful proposer.*

Q15: You mentioned that the Public Service Commission (PSC) in your last rate case ended up recommending different consumption rates, commodity rates for all your wholesale customers. Is that something that you are stuck with?
A15: I don't think so. I believe it is up to MWW to propose a rate design.

Q16: Have you established a budget for this project?
A16: No.

Q17: You mentioned that one of the studies was completed. And, that the other one had not yet been completed. For the incomplete study you mentioned, can you tell us who is doing that?
A17: Yes. That report is posted on the website as "Customer Demand Study Scope of Work".

Q18: You mentioned the last rate case. Did you handle that in-house?
A18: No. The PSC took our rate application and they did the revenue requirements, cost of service and developed the rate design.

Q19: Do you have special counsel you work with, legal counsel?
A19: The City Attorney's office does provide some resources. In the last rate case we did hire an outside counsel to assist.

Q20: And that would be a separate contract with you and the City Attorney and outside counsel?
A20: It would be a separate contract between the City Attorney and outside counsel, and not part of this contract.

Q21: If we were awarded this project we would be seeking a lot of data. Would staff be made available to utilize and provide data services?
A21: We will be filing the MWW 2012 Annual Report with the PSC within the next week or so. This populates data into the rate application form. And, yes, we keep very good records and it would be in our best interest to help the consultants by providing data.

Note added after meeting: MWW will provide ""raw" data in electronic format but anticipates that the consultant will perform data manipulation. It would be in the proposer's best interest to provide details on exactly what assistance they would anticipate from MWW staff.

Q22: When that Annual Report is filed will it be available?
A22: It will be available on the PSC website after April 1st.

Q23: What report is that?
A23: The Annual Report. Every utility in the state is required to file a report annually with the PSC and it is due on April 1st. It is available on the PSC website - you just look up the website and under the utility and Annual Report, and you will find it there.

Q24: Is the information regarding the last rate case available?
A24: Yes, its location is described in the RFP.

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