

**South Huron Valley Utility Authority (“SHVUA”)
REQUEST FOR PROPOSALS
Re: Operation and Maintenance of the SHVUA System
May 7, 2018**

1.0 INTRODUCTION

The South Huron Valley Utility Authority (“SHVUA”) is requesting Proposals from firms for the purpose of entering into a contract for the operation and maintenance of the SHVUA Wastewater Treatment Plant (“WWTP”). Currently, the WWTP is operated and managed by Suez N.A. under a contract which expires on December 31, 2018. The Authority intends to enter into a 10-year contract (with one 5-year renewal option) with the selected firm for operation and maintenance of the plant effective January 1, 2019.

2.0 BACKGROUND INFORMATION/SYSTEM DESCRIPTION

The South Huron Valley Wastewater System is located in southern Wayne County and serves approximately 90,000 residents in the Communities of Brownstown Township, Huron Township, Van Buren Township, Flat Rock, Gibraltar, South Rockwood (Monroe County), Woodhaven, and Romulus (sewage transport only). The system was originally operated by the Wayne County Department of Public Works. In 1999, the ownership and operation were transferred to the South Huron Valley Utility Authority. The Authority consists of one appointed representative from each of the seven communities with purchase capacity within the Wastewater Treatment Plant. Romulus is a user of the collection system, but not a member of the Authority.

The WWTP is an A/O biological phosphorus removal (BPR) treatment plant. It was originally constructed in 1986 with a design capacity of 12 Million Gallons per Day (MGD) and was expanded in 2000 to 24 MGD design capacity. The peak influent pumping station capacity is 55 MGD (firm); the primary capacity is also 55 MGD (firm). The secondary capacity is 24 MGD design, 32 MGD peak 24-hour, and 38 MGD peak hourly. An equalization tank was added in 2006. The sodium bisulfite dechlorination facilities were added in the early 1990’s, and the liquid chlorine disinfection facilities were converted to sodium hypochlorite disinfection in 2012, primarily for safety reasons.

An 84-inch diameter outfall sewer from the WWTP travels 6,987 feet underground to the shoreline of the lower Detroit River within the Lake Erie Metropark located at the end of Lee Road. From there, a 78-inch diameter outfall sewer extends 6,300 feet offshore into the southern reaches of the Detroit River. The underwater portion of the outfall (6,300 feet) was placed by divers in 40 foot sections and required the blasting and removal of 120,000 cubic yards of rock. From May - October, the outfall location is marked by three white buoys commonly referred to as “The Three Wise Men” by local fishermen and boaters. The original solids treatment scheme was to thicken and haul to the Wyandotte WWTP for further processing and disposal. However, that practice was abandoned in 1999 in favor of lime stabilization (to a Class B biosolids), storage (via 4 Million Gallon Haag tank install in 2000) and land application of liquid biosolids.

3.0 PROCUREMENT PROCESS AND SCHEDULE

The Authority has established a timeline and schedule for completing the procurement process and hiring a firm to assume responsibility for operation and maintenance of the SHVUA as shown in Table 1. This timeline can be modified at the direction of SHVUA Board.

**Table 1
Procurement Schedule**

Issue Request For Proposals	May 7, 2018
Site Visit and Tour of WWTP	May 21, 2018
Deadline to submit questions and/or requests for supplemental information	May 25, 2018
Date by which SHVUA will respond to questions/suppl. info requests	June 1, 2018
Deadline for submittal of Proposals to SHVUA	June 29, 2018
Date by which SHVUA will transmit written requests for clarification from firms	July 13, 2018
Date for interviews with firms	July 25, 2018
Selection of firm to be awarded a contract	Aug 15, 2018
Contract Negotiation	September, 2018
Contract Award	October 1, 2018
Start Work date	January 1, 2019

The selection process will be based on an evaluation of each firm's Proposal including the firm's qualifications and experience, key staff, the Technical Work Plan and the Cost Proposal. SHVUA reserves the right to request supplemental information or to pose questions to the responding firms as part of its review process. SHVUA intends to conduct interviews after receipt of the Proposals, but reserves the right to cancel interviews if it is determined that a selection can be made without conducting interviews.

It is expected that a contract between SHVUA and the selected firm will be negotiated immediately after the evaluation process has been completed.

4.0 SCOPE OF WORK

The scope of work to be undertaken by the selected firm consists of the following Tasks:

- a. Operate the Wastewater Treatment Plant and Pump Stations;
- b. Perform all maintenance (preventive, predictive and corrective) and repairs including recordkeeping utilizing a Computerized Maintenance Management System (CMMS);
- c. Maintain the interceptor system including televising, cleaning, inspection on a 5-year cycle and manhole repairs as needed;
- d. Conduct all sampling and perform lab analyses in accordance with NPDES Permit requirements;
- e. Prepare and submit all reports to Michigan Department of Environmental Quality ("MDEQ") as required by the NPDES Permit;
- f. Administer the Industrial Pretreatment Program in accordance with the approved program procedures including developing/issuing discharge permits, evaluating permittee self-monitoring reports, on-site compliance and sampling investigations, initiating enforcement actions as may be necessary, and assessing surcharges for extra strength waste;
- g. Prepare and submit a Monthly Operations Report to SHVUA Board summarizing the work performed;

- h. Attend SHVUA Board Meetings and participate in the meetings held periodically by the Technical, Subcommittee, and other meetings as required;
- i. Annually update the Asset Management Plan including an inventory of all assets, condition assessments and identification of repair or rehabilitation needs;
- j. Provide troubleshooting in response to problems that may arise;
- k. Acquire and store spare parts and keep records utilizing a CMMS ;
- l. Purchase chemicals and ensure they are properly stored and handled;
- m. Remove and dispose of biosolids and screenings;
- n. Establish operational procedures so as to improve the cost efficiency of operation, including practices to ensure the efficient use of electricity, natural gas, chemicals, water, etc.
- o. Perform all recordkeeping, including financial and technical records relating to the System expenditures and operations & maintenance;
- p. Provide sufficient qualified staff and develop and implement staff training programs, and handle all Human Resource issues such as hiring, establishing pay scales, conducting performance evaluations, and administering employee benefits;
- q. Furnish a Michigan Class "A" wastewater treatment plant operator as required by the NPDES Permit;
- r. Establish and implement safety procedures;
- s. Provide engineering support re: electrical, instrumentation and controls, treatment processes, etc.;
- t. Review permit applications for construction of new sanitary sewer extensions in the Service Area and interface with the Community and its consultants to coordinate issuance of the Part 41 construction permit from MDEQ;
- u. Coordinate with consultants retained by SHVUA to provide access as needed to conduct flow monitoring in the Service Area and to accommodate periodic dye testing and maintenance work;
- v. Coordinate with design consultants retained by SHVUA for new capital improvement projects;
- w. Coordinate with and assist engineering consultants overseeing construction contractors;
- x. Ensure full compliance with all regulatory requirements in the NPDES Permit, including management of on-site stormwater drainage and minimization of wet weather flow blending, and assist the Authority regarding interface with MDEQ on regulatory and compliance issues;
- y. Assist SHVUA in securing NPDES re-issuance and/or modifications to the NPDES Permit;
- z. Assist SHVUA in responding to citizen complaints and/or odor problems;
- aa. Assist SHVUA and/or its consultant with the evaluation of future capital improvements and/or rehabilitation needs;
- bb. Maintain the buildings and the grounds in a neat and presentable manner. This includes grass cutting, landscaping, and snow removal services.
- cc. The Authority will be responsible for collecting revenue from the communities served by the System, making debt service payments for capital improvements, and administering and managing the System.

5.0 PROPOSAL CONTENT AND INSTRUCTIONS

5.1 General Instructions

Proposals must be received by the Authority by **3:00 PM, Friday June 29, 2018** at the following address:

**South Huron Valley Utility Authority
c/o Pentiuk, Couvreur & Kobiljak P.C.
2915 Biddle Avenue, Suite 200
Wyandotte, MI 48192**

Ten (10) printed copies and 10 electronic pdf version on USB flash drive must be submitted by the deadline, and the documents shall be enclosed in a sealed envelope, box or package which is clearly labeled on the outside with the following:

“Proposal for Operation & Maintenance of the SHVUA”

The respondent’s name, address, phone number and contact person name shall be included on the outside of the sealed envelope, box or package. Responses sent by facsimile or electronically (i.e. email) will not be accepted. Submittals received after the above deadline will not be accepted and will be returned to the respondent unopened. SHVUA reserves the right to accept or reject any and all submittals, to re-solicit proposals, and to waive any irregularities.

5.2 Pre-Submission Site Tour

The Authority, in conjunction with System Manager, will conduct a tour of the wastewater treatment plant located at 34001 W. Jefferson Ave., Brownstown, Michigan 48173 for prospective respondents on **Monday, May 21, 2018 at 10:00 AM**. Personnel/consultants familiar with the System and the wastewater treatment plant will be in attendance to help answer questions about the facility and the System. Participation in the tour is strongly encouraged, but is not mandatory.

5.3 Content of Proposal

5.3.1 Corporate Profile

Proposals shall include a summary of the company background and a statement as to why the company is qualified to operate and maintain the SHVUA System. Proposals will provide information necessary to demonstrate the financial stability of the company.

5.3.2 Relevant Project Experience

Proposals shall include a description of relevant experience on similar projects involving operation, maintenance and management of mid-size municipal wastewater treatment facilities. Include the name and contact information for a reference person who is familiar with the firm’s performance on each project. Information should be included to describe the scope of work and level of involvement for such projects, along with the operating budget and duration of service. If it is anticipated that other firms will be retained as sub consultants to assist on this project, provide similar information for the sub consultant and describe the firm’s role with respect to this project. Indicate whether the firm and the sub consultant have worked together on other similar projects in the past.

5.3.3 Project Team/Key Staff

Proposals shall identify the Project Manager who will be responsible for coordinating and overseeing the work and who will serve as the key contact person for the firm. Also identify other key staff who will provide services under the contract for various aspects of the work including operation, maintenance, engineering support, regulatory interface, etc. Provide resumes for key staff, and describe the relevant prior experience of key staff with respect to the operations and maintenance of other similar facilities. Specify which individuals are in possession of Wastewater Operator licenses issued by the State of Michigan (provide the class and date of issuance for any Operator licenses).

5.3.4 Understanding of the Project and Summary of Project Approach

Proposals shall describe the firm's understanding of the project and include an explanation of how the firm will provide the required services. Identify and discuss any work tasks which are viewed as key activities for the project, and describe how these items will be managed.

5.3.5 Technical Work Plan

This section of the Proposal should include a description of the firm's Work Plan for completing the Tasks listed in Section 4.0 of this RFP. The Technical Work Plan shall, as a minimum, include:

- a. A **Staffing Plan** which specifies the number and type of personnel that will be assigned to the project and an organization chart showing the names of key personnel, along with a description of the role and responsibilities of the key personnel. The Staffing Plan should note the total number of individuals to be employed in direct day to day operation and maintenance work for the System, and indicate how work shifts will be handled to ensure an appropriate level of staffing on a 24/7 basis. The Staffing Plan should also discuss the extent of involvement of support personnel who may be called in intermittently as needed to provide assistance on various tasks.
- b. eRPortal software is currently used for CMMS at the WWTP. Indicate the name and describe the software/system to be implemented under your proposal if different than eRPortal.
- c. A descriptions of the proposed **Operating Protocols** expected to be used for the wastewater plant, pumping stations and interceptor system. Currently, a 5-Year Cycle is utilized to maintain SHVUA's collection System. It is expected to continue this program moving forward where 20% of SHVUA's system is inspected, cleaned and televised each year.
- d. A description of the **Quality Assurance/Quality Control Program** as it applies to the facility, including operation and maintenance activities and sampling/laboratory analysis work. If laboratory samples are to be analyzed using a Contract Lab, the name and address of the laboratory should be provided. The Proposal should specify the process and timetable to be used to preserve and transport samples to the lab;
- e. A description of the **safety and security measures** expected to be utilized at the facility;
- f. A description of the **staff training program** expected to be undertaken for this facility;
- g. A description of how the firm will assist SHVUA with **regulatory issues** and interface with the MDEQ on permit and compliance issues.
- h. A description of how the **Industrial Pretreatment Program** will be administered;

- i. A discussion of the firm's approach to **minimizing energy consumption** at the facility;
- j. A methodology for providing adequate supporting documentation to the Authority's financial consultant to properly record the financial activity
- k. A **Communication Plan** which describes how the firm will interact with SHVUA on an ongoing basis, including meetings, reports and other communications, and submittal of a Monthly Operational Report, and how the firm will manage the project to ensure that the work is being performed to the satisfaction of the Authority.
- l. The Proposal should include a proposed **Transition Plan** which describes the process and timetable for transferring responsibility smoothly and seamlessly from current contract operator to the new firm.
- m. Documentation of **Insurance Coverage** which is consistent with the requirements set forth in Appendix "A" to this RFP;
- n. **Other topics** which are considered to be significant elements in the firm's plan for fulfilling the scope of work for the project.

5.3.6 Cost Proposal

Proposals must include a completed cost summary table to show the costs for various line items including Labor; Chemicals; Utilities; Laboratory Supplies and equipment; spare parts, equipment and vehicles; other supplies; contract services (if any); and overhead/profit/miscellaneous and other costs for the first 12 months of the contract. The Cost Proposal must also specify whether the amount will be fixed or adjusted over the 10-year term. If the proposal includes cost escalation, the basis for adjusting the fee should be explained along with the frequency of adjustment (e.g. annual).

The Proposal should specify how the chemical and utility costs were derived and include any assumptions used with respect to unit prices and quantities. Proposers are encouraged to include provisions in their Cost Proposal whereby the Authority can share in future savings which may be achieved as a result of conservation practices or improved operating protocols which reduce chemical usage or power consumption.

Proposals should not include an upfront or mobilization fee. Any upfront fees need to be spread over the term of the contract.

5.3.7 History of Litigation and Non Compliance with Regulatory Requirements

The Proposal must include a description of current or past litigation on other contracts for operation/maintenance of facilities or a certification that the firm has not been involved in any such litigation. In addition, the Proposal must provide a summary of all situations where a facility being operated by the firm has been determined to be in non-compliance with regulatory requirements including, but not limited to, NPDES Permit violations and/or violations of State or Federal Consent Decrees. The Proposal should describe the nature and extent of the violation, the cause of the violation, the duration of the violation, the corrective actions that were undertaken and whether the violation resulted in any fines or penalties. If

finer or penalties were assessed, the Proposal should specify the amount of the fine and indicate whether the fine was paid by the operator or the owner.

5.3.8 Sample Agreement

Each Proposal must include a proposed Contract Agreement which will be the basis for negotiating the contract terms and conditions with the selected firm. The proposed Contract should assume a 10-year term with a 5-year renewal option.

5.3.9 Other Relevant Factors

Proposals may also include other information deemed relevant by the firm for consideration by SHVUA during its review and evaluation process. Alternate proposals using different business models will be considered and evaluated.

5.4 Communication Protocol

No oral communications regarding this RFP are allowed with members of the South Huron Valley Utility Authority, or its consultants and attorney. Written questions and requests for clarification regarding the RFP will only be accepted by email prior to 4:00 PM Friday, May 25, 2018. Emails must be sent to SHVUA System Manager, Firooz Fath-Azam at firoozfath@yahoo.com. SHVUA will issue written responses to questions and clarification requests by close of business, Friday, June 1, 2018.

5.5 Confidentiality

All information provided in the Proposals will be held in confidence by SHVUA and will not be revealed or discussed with competitors until after award of the contract except as provided by law or court decision. All material submitted with the Proposal becomes the property of the Authority and may be returned only at the Authority's option. Proposers must make no distribution of their Proposals other than to the Authority as set forth in Section 5.1 of this RFP. A Proposer who shares cost information from its Proposal with competing Proposers shall be subject to disqualification. Proposals become the property of SHVUA upon submittal, and they may be used by SHVUA for any purpose.

6.0 EVALUATION CRITERIA AND SELECTION PROCESS

Upon receipt of the Proposals, SHVUA will conduct an initial review and determine if additional information is needed to complete the evaluation. If additional information or clarification is deemed necessary, SHVUA will contact the Proposer and identify what information must be provided and the time frame within which that information is to be provided.

SHVUA intends to conduct interviews with Proposers to meet Key Staff and to ask questions about the Proposal. At the start of the interview, firms will be given the opportunity to present and explain their Proposals and describe their approach to the project. However, SHVUA reserves the right to cancel interviews in the event it determines that a selection of the winning firm can be made without conducting interviews.

The Authority will utilize an evaluation process which considers the respondent's qualifications and experience, the Technical Work Plan and the Cost Proposal. SHVUA reserves the sole right to select the firm that it deems to be best suited to provide the services described in this RFP, including waiving any irregularities in any of the Proposals that are received. SHVUA reserves the right to reject any or all bids at its sole discretion.

Qualifications and Experience Evaluation:

Factors for evaluating and rating the qualifications and experience include:

- A proven ability to operate and maintain complex municipal wastewater treatment facilities as evidenced by prior successful contract operations projects;
- Corporate financial and technical resources sufficient to support the management of a project of this magnitude;
- Favorable references from satisfied clients;
- Adequate insurance coverage

Project Team/Key Staff Evaluation:

Factors for evaluating and rating the Project Team and Key Staff include:

- A proven ability to effectively manage mid-size municipal wastewater systems as evidenced by prior successful projects;
- Ability to provide qualified team of individuals with the capability to handle a wide range of issues and problems including but not limited to treatment process management and troubleshooting, SCADA and controls, and operation and maintenance of mechanical equipment.

Technical Work Plan Evaluation:

Factors for evaluating and rating the Technical Work Plans include:

- Clear understanding of the Scope of Work;
- Comprehensive and thorough description which explains how the firm will effectively and efficiently operate and maintain the System;
- Ability to comply with all permit terms and conditions and familiarity with regulatory requirements;
- A well organized and complete description of how the firm intends to undertake and complete each of the Tasks listed in the Scope of Work;

Cost Proposal Evaluation:

Factors for evaluating and rating the Cost Proposals include:

- Labor Cost for the Scope of Work as compared to other firms;
- Ability to conserve costs for utilities and chemicals based on operational practices and cost sharing of savings that may be realized with SHVUA;
- Proposed annual escalation factor.

7.0 SUPPLEMENTAL INFORMATION

The following information on SHVUA website (http://www.brownstown-mi.org/public_works_SHVUA.html) is available as a supplement to the RFP to assist firms in preparing their proposals:

- Introduction
- List of communities and representatives/alternates
- SHVUA Consultants and Contractors
- Consolidated Service Agreement
- Communities plant & interceptor purchase capacities
- AMP executive summary
- Board meeting dates
- SHVUA procurement policy
- SHVUA ACH Policy

- SHVUA Custodial Risk Statement
- SHVUA Fund Reserves Policy
- SHVUA Investment Policy
- Community flows 2008-2017
- SHVUA History and Development, part 1
- SHVUA History and Development, part 2
- NPDES permit MI0043800
- Sewer use ordinance
- 5-year (2018-22) O&M Budget
- CIP 5-year plan (2018-22)
- 2017 Flows Look back Report
- 2017 SHVUA Financial Report II
- FOIA Policy
- 5-Year Capital Improvements Plan
- 20-Year Capital Improvements Plan

APPENDIX "A"

MINIMUM INSURANCE REQUIREMENTS

1. Statutory Worker's Compensation Insurance for all of the firm's employees working at SHVUA Facilities as required by law.
2. Insurance for bodily injury and/or property damage with \$5,000,000.00 combined single limits, per occurrence and in the aggregate which will be met through a combination of \$2,000,000.00 of Commercial General Liability Insurance and \$3,000,000.00 of Umbrella Liability Insurance.
3. Pollution Legal Liability Insurance for pollution related liability with \$3,000,000.00 per occurrence and \$6,000,000.00 in the aggregate.
4. Adequate property insurance for equipment and real and personal property, including but not limited to extended coverage.
5. Waiver and release all of its rights and any subrogation rights such as it or its insurers may now or in the future have against the other and its affiliates and their respective directors, officers, employees and agents for any loss or damage to the items such party is insuring under the paragraphs above resulting from any and all risks and losses, however and whenever arising, including, but not limited to, the losses and risks of fire or other extended coverage or extended perils, business interruption, transit damages or losses, vandalism, and malicious mischief and other risks.
6. Provide Commercial Automobile Liability Insurance for bodily injury and/or property damage with \$5,000,000.00 combined single limits per occurrence and in the aggregate for its owned and hired vehicles.
7. Furnish certificates of insurance as written evidence of a contract or contracts of insurance with a reliable company or companies authorized to do business in the State of Michigan by which contracts both the firm and SHVUA are insured against any claim, demand or loss for injury to person or damage to property resulting from, growing out of or connected with the construction, operation or maintenance of the System or its facilities. The Authority shall be named insured on all such policies of insurance required. Each certificate of insurance shall contain a statement that the Authority shall be given written notice not less than ten (10) days prior to cancellation, termination or other material change to said policies. Upon request, the actual policies shall be provided to SHVUA.
8. Agree to save and hold harmless the Authority and its agents, representatives, officers, successors or assigns from any and all liability arising out of performance under the Agreement, including but not limited to any and all damage to property and any and all injuries to persons.
9. Documentation as to the financial strength of insurance carriers and evidence of licensure by the Michigan Insurance Bureau.