



REQUEST FOR QUALIFICATIONS (RFQ)

**FOR UTILITIES PROFESSIONAL SERVICES WATER
AND SANITARY SEWER COST OF SERVICE, RATE
AND DEBT CAPACITY STUDY**

RFQ NO. 25-010-06-20

INVITATION TO BID

Notice is hereby given that the City of San Juan is seeking sealed proposals for a **UTILITIES PROFESSIONAL SERVICES WATER AND SANITARY SEWER COST OF SERVICE, RATE AND DEBT CAPACITY STUDY** addressed to Lori A. Maldonado, Purchasing Agent, City of San Juan, 512 S. Nebraska Avenue, San Juan, Texas, 78589-2649 no later than Friday, June 20, 2025 at 10:00 a.m., at which time they will be taken to the City Hall Executive Conference Room.

**REQUEST FOR QUALIFICATIONS
FOR UTILITIES PROFESSIONAL SERVICES
WATER AND SANITARY SEWER COST OF SERVICE, RATE AND DEBT
CAPACITY STUDY
CSP NO. 25-010-06-20
ATTN: LORI A. MALDONADO, PURCHASING AGENT
CITY OF SAN JUAN
512 S. NEBRASKA AVENUE
SAN JUAN, TEXAS 78589-2649**

Specifications can be obtained by calling the Purchasing Division at 956-223-2204, by picking them up at the San Juan City Hall, 512 S. Nebraska, San Juan, Texas between the hours of 8:30 a.m. - 4:30 p.m., Monday thru Friday, or by downloading them from the City's web-site at www.sjtx.us.

Be advised that if a firm downloads the bidding documents from the web page and is contemplating on bidding on the proposal the respondent must register with the Purchasing Division so that any changes/additions via Addendum can be forwarded to the firm. Register with the Purchasing Division by e-mail at lmaldonado@sjtx.us. Please include the firm's name, address, phone number and fax number, as well as the contact person name and title in your email and **"UTILITIES PROFESSIONAL SERVICES WATER AND SANITARY SEWER COST OF SERVICE, RATE AND DEBT CAPACITY STUDY CSP NO. 25-010-06-20"** in the email's subject line.

The City of San Juan reserves the right to refuse and reject any or all proposals and to waive any or all formalities or technicalities or to accept the proposal to be the best and most advantageous to the City, and hold the proposal for a period of 90 days without taking any action. Proposals submitted past the aforementioned date and time will not be accepted.

Caution to those submitting bids; those not in the proper form may be rejected.

**CITY OF SAN JUAN
REQUEST FOR SEALED QUALIFICATIONS
FOR UTILITIES PROFESSIONAL SERVICES WATER AND SANITARY SEWER COST
OF SERVICE, RATE AND DEBT CAPACITY STUDY**

PURPOSE OF REQUEST FOR QUALIFICATIONS (RFQ)

The City of San Juan, Texas, invites the submittal of responses to this Request for Qualifications (RFQ) from qualified firm(s) interested in providing Utilities Professional Services as described herein.

OBJECTIVE

The City of San Juan Utilities Department is seeking a response to this Request for Qualifications (RFQ) for qualified consulting firms, with their team, to furnish water and sanitary sewer cost of service, rate and debt capacity study alternatives to include independently analyzing and assessing the City's current water and sanitary sewer rate structures, determine the cost of providing service, and provide recommendations for equitable, sustainable cost recovery by customer class, conservation incentives and a computer model to generate future rates.

It is the intention of the City in going forward with this RFQ and selection process, to retain the services of the best-qualified professionals.

CITY CONTACT

Sealed submittals, one (1) marked as an original and six (2) marked as copies, and one (1) electronic USB are to be prepared in response to this Request for Qualification (RFQ), as well as any questions, clarifications or for general information are to be directed to:

Lori Maldonado, Purchasing Agent
City of San Juan
512 S. Nebraska Ave.
San Juan, Texas 78589
Phone: 956.223.2200
Email: lmaldonado@sjtx.us

The individual above may be contacted for clarification of the specifications of this Request for Qualifications (RFQ) only. All contact shall be made in written format, electronically, fax or regular mail.

Any non-written representations, explanations, or instructions given by City Staff are not binding and do not form a part of, or alter in any way, the RFQ, a written agreement pertinent to the RFQ, or the awarding of the contract.

Under no circumstances will private meetings be scheduled between the Utilities Professional Services firm and City Staff prior to submittal deadline.

CONFIDENTIALITY OF RESPONSE CONTENT

Following the agreement award, submittals are subject to release as public information unless the submittal or specific parts of the submittal can be shown with their legal counsel regarding disclosure issues and take the appropriate precautions to safeguard trade secrets or any other proprietary information. The City assumes no obligation or responsibility for asserting legal arguments on behalf of potential responders.

If a responder believes that a submittal or part of a submittal is confidential then the responder shall so specify. The responder shall stamp in bold red letter the term “**CONFIDENTIAL**” on that part of the submittal, which the responder believes to be confidential. Vague and general claims as to confidentiality shall not be accepted. All submittals and parts of submittals that are not marked as confidential will be automatically considered public information after the agreement is awarded.

All submittals become property of the City and will not be returned to the engineering firm.

CONFLICT OF INTEREST

Effective January 1, 2006, Chapter 176 of the Texas Local Government Code (House Bill 914) requires that any vendor or person considering doing business with a local government entity disclose the vendor or person's affiliation or business relationship that might cause a conflict of interest with a local government entity. The Conflict of Interest Questionnaire form is available from the Texas Ethics Commission at www.ethics.state.tx.us. Complete Conflict of Interest Questionnaires may be mailed or delivered by hand to the Purchasing Agent. If mailing a completed form, please mail to:

Lori Maldonado
Purchasing Agent
City of San Juan
512 S. Nebraska
San Juan, Texas 78589

Any attempt to intentionally or unintentionally conceal or obfuscate a conflict of interest may automatically result in the disqualification of the vendor's submittal.

A current list of City of San Juan officers is available in the office of the City of San Juan City Secretary, City Hall or on the City's website at <http://www.sjtx.us>. If you are considering doing business with the City of San Juan and have an affiliation or business relationship that requires you to submit a completed Form CIQ, it must be filed with the records administrator (City Secretary) of the City of San Juan not later than the 7th business day after the date you become aware of facts that require the form to be filed. See Section 176.006, Texas Local Government Code. It is a Class C misdemeanor to violate this provision.

By Submitting a response to a City of San Juan Request for Proposals, Request for Bids, or Request for Qualifications or by conducting business with the City, you are representing that you are in compliance with the requirements of Chapter 176 of the Texas Local Government Code.

LOCAL GOVERNMENT OFFICERS OF THE CITY OF SAN JUAN
As defined by Chapter 176 of the Texas Local Government Code
(Revised 9/1/15)

For purposes of completion of the required Conflict of Interest Questionnaire for the City of San Juan (required by all Vendors who submit bids/proposals), Local Government Officers are:

City of San Juan City Commission:

Mayor:	Mario Garza
Mayor Pro-Tempore:	Marco "Markie" Villegas
Commission Members:	Jesus "Jesse" Ramirez
	Mario Cantu
	Adina "Dina" Santillan
Interim-City Manager:	Tirso Garza

DISQUALIFICATION

The applicant may be disqualified for any of the following reasons:

- The applicant is involved in any litigation against the City of San Juan;
- The applicant is in arrears on any existing contract or has defaulted on a previous contract with the City;
- The applicant is debarred, suspended, or otherwise excluded from or ineligible for participation in State or Federal assistance programs.

DISCLOSURE OF LITIGATION

A litigation summary that briefly describes any claims or lawsuits that have been filed within the last ten (10) years against the respondent individual or firm that relates to the services performed by the respondent individual or firm must be submitted. Identify the claim or lawsuit by naming the adverse party, case number, jurisdiction where filed and current status and/or outcome of the claim or lawsuit. **If no summary is given or if a general statement is given that refers the City to inquire with a respondent individual's counsel or firm's counsel, the RFQ, RFB, RFP or CSP may be considered NON-RESPONSIVE and eliminated from consideration.** This statement may be submitted as a separate document, but must be provided at the same time that the **RFQ, RFB, RFP or CSP** is submitted.

EX PARTE COMMUNICATION

Please note that to insure proper and fair evaluation of a submittal, the City prohibits ex parte communication (e.g., unsolicited) initiated by the responder to the Mayor, City Commission, or City Staff to make inquiries about the progress of this selection process. Respondents will be contacted when it is appropriate to do so. Process inquiries may be directed to Lori Maldonado, Purchasing Agent, for the City by calling 956.223.2204 or by e-mail at lmaldonado@sjtx.us.

INDEMNIFICATION

The successful responder shall indemnify, save harmless and exempt the City, its officers, agents, servants, and employees from and against any and all suits, actions, legal proceedings, claims, demands, damages, costs, or fees incident to any work done as a result of this response and arising out of a willful or negligent act or omission of the successful responder, its officers, agents, servants, and employees; provided however, that the successful responder shall not be liable for any suits, actions, legal proceedings, claims, demands, damages, costs, expenses and attorney fees arising out of a willful or negligent act or omission of the City, its officers, agents, servants and employees, or third parties.

LEGAL REQUIREMENTS

All parties offering submittals shall comply with federal, state and local laws and mandates relative to the preparation of submittals and the services to be provided and all applicable federal laws and regulations. Specifically the services to be provided are expected to be in compliance with the: American with Disabilities Act (ADA); Age Discrimination in Employment Act (ADEA); Consolidated Ominbus Budget Reconciliation Act (COBRA); Family and Medical Leave Act (FMLA); Health Portability and Accountability Act of 1996 (HIPPA) and all applicable federal and state requirements, including without limitation, ERISA, the Internal Revenue Code and its Act of 1994 (USERRA), insurance laws and regulations, and state antidiscrimination requirements. All submittals will be presumed to be in compliance with all applicable laws.

SUBMITTAL CONTENTS

The contents of the response submittal by the successful firm and this RFQ will become part of any contract award. The successful firm shall be expected to sign a contract with the City. The response and this RFQ shall be incorporated by reference into the contract as though fully set forth therein.

RIGHT OF RETENTION

The City of San Juan reserves the right to retain all responses submitted and to use any ideas in a submittal regardless of whether that submittal is selected. Submission of a response indicate acceptance by the firm of the conditions contained in this RFQ, unless clearly and specifically noted in the response and confirmed in the contract between the City of San Juan and the firm selected. Under no circumstances shall a responder whose submittal has not been accepted be entitled to any claims for compensation. The City reserves the right to hold a RFQ for 90 days without taking action.

INSURANCE

Certificate of Insurance should be made to the City of San Juan, 512 S. Nebraska, San Juan, Texas 78589 and should reference the operation/project.

All certificates must be received prior to commencement of service/work. All Certificates of insurance shall be approved by the Purchasing Agent prior to the commencement of any work.

In the event the insurance coverage expires prior to the completion of this contract, a renewal certificate shall be issued thirty (30) days prior to said expiration date. The City must be notified at least thirty (30) days prior to any material change in and/or cancellation and/or non-renewals of such policies.

The term "City" shall include The City of San Juan and their employees, officers, officials, agent, and volunteers in respect to the contracted services. Any failure on the part of the City to request required insurance documentation shall not constitute a waiver of the insurance requirement.

The City reserves the right to make reasonable requests or revisions pertaining to the types and limits of that coverage.

During the term of the Contract, the successful respondent/selected firm shall acquire and maintain, for the duration of the contract period the following insurances:

A. Comprehensive Commercial General Liability: The Respondent/Selected Firm shall provide minimum limits of \$1,000,000 each occurrence, \$2,000,000 annual aggregate combined single limit for bodily injury and property damage liability. This shall include premises/operations, independent contractors, products, completed operations, personal and advertising injury, and contractual liability. This insurance shall apply as primary insurance with respect to any other insurance or self-insurance programs maintained by the City and shall name the "City of San Juan" as an additional insured with a waiver of subrogation. The policy of insurance shall be written on an "occurrence" form.

B. Business Automobile Liability: The Respondent/Selected Firm shall maintain limits of no less than \$1,000,000 combined single limit per occurrence for bodily injury and property damage.

Applicable as long as no fragile or perishable products are transported; otherwise, Cargo Insurance is required.

This policy of insurance shall name the "City of San Juan" as an additional insured.

C. Umbrella/Excess Liability: Respondent/Selected Firm shall provide umbrella/excess coverage with limits of no less than \$1,000,000 excess of Commercial General Liability, Employer's Liability and Auto Liability.

D. Workers' Compensation: The respondent/selected firm shall provide and maintain workers' compensation insurance for all employees in the full amount required by statute and full compliance with the applicable laws of the State of Texas. Employer's Liability insurance shall be provided in amounts not less than \$1,000,000 per accident for bodily injury by accident; \$1,000,000 policy limit by disease; and \$1,000,000 per employee for bodily injury by disease."

In addition, a Waiver of Subrogation Endorsement shall be provided by the contractor naming the City of San Juan in said policy for Worker's Compensation Insurance. Contractor/Respondent/Selected Firm shall further ensure that all of its sub-contractors maintain appropriate levels of workers' compensation insurance.

E. Professional Services - Insurance Provisions: Errors & Omissions (Professional Liability): \$1,000,000 Each Claim Limit \$1,000,000 Aggregate Limit. If coverage is written on a claims-made basis, the retroactive date shall be on or prior to the date of the contractual Agreement. The certificate of insurance shall state that the coverage is claims-made and include the retroactive date. The insurance shall be maintained for the duration of the contractual Agreement and for four (4) years following completion of the services provides under the contractual Agreement or for the warranty period, whichever is longer. An annual certificate of insurance submitted to the City shall evidence coverage.

F. Deductible Clause: Respondent/Selected Firm to declare self-insured retention or deductible amounts in excess of \$25,000.

G. Other Provisions: All insurance carriers shall be rated A6 or better and be published on a current A.M. Best Rating Guide, or some other recognized equivalent rating service (e.g., Moody's, Standard & Poor's). The City may request a copy of the insurance policy according to the nature of the project. City reserves the right to accept or reject the insurance carrier. All Certificates of Insurance shall be provided on the Acord Form 25. All insurance requirements are imposed and must be complied with by any and all sub-contractors, and/or lower-tier subcontractors. A copy of endorsements providing Additional Insured, Primary Insurance and Waiver of Subrogation wording shall be attached to the certificates of insurance.

SCOPE OF WORK

It is the intent of this RFQ process to identify and engage the most qualified consulting firm to assist the City in achieving sustainable water and sanitary sewer rate structures that: adequately fund operations, debt service, and capital improvements; meet debt service ratio and bond covenant requirements; and ensure that each service is operating on a self-sustaining basis. Expected time to project completion is 90-180 days from the date of contract approval.

A. The City has identified several key requirements that are important components of a cost of service and rate study. The successful proposer will be required to provide, at a minimum, the services below:

- a. Meet with appropriate City staff to familiarize themselves with current practices and procedures, as well as the goals and objectives of the City.
- b. Review relevant materials, reports, studies, etc. developed by/or for the City related to rates including historical cost of service studies, ordinances and relevant contracts.
- c. Discuss options to modify existing rate structures for more stable revenue recovery and ease of administration.
- d. Provide a simplified and straightforward report to communicate and explain the rates to City's customers.
- e. Determine the revenue required to support water and wastewater operations, including current and planned capital for the next five years.

- f. Reevaluate the various rate classes of residential, commercial and industrial customers, their demands for services, and the essential cost of providing service to each class.
 - g. Analyze the impact of peak demands on the cost of providing service.
 - h. Evaluate the best way to charge for these services and the financial impact that each option has on each class. These impacts should be expressed in terms of average monthly bill by year and calculated on historical consumption patterns.
 - i. Provide projected impact that the proposed rate structure will have on future consumption patterns, and the resulting impact on the cost of providing service.
 - j. Develop strategies for implementing significant rate changes in order to reduce the adverse impact on specific customer classes.
 - k. Provide draft and final reports summarizing findings, assumptions, methodology and recommendations.
 - l. Attend City Commission meeting(s) to present study recommendations, as required.
- B. Provide the City with cost of implementing Water Conservation Incentives concurrent with our existing Water Conservation Plan and develop a list of potential Water Conservation Incentives along with costs of implementation. Incentives to include but not limited to:
- a. Showerhead, Aerator and Toilet Flapper Retrofit
 - b. Residential Toilet Replacement Programs
 - c. Landscape Irrigation Conservation and Incentives
 - d. Residential Clothes Washer Incentives
 - e. Water Survey For Single Family and Multi Family Customers
 - f. Rainwater Harvesting
 - g. Greywater Reuse
 - h. Conservation Programs for Industrial, Commercial and Institutional Accounts
- C. Evaluate rates for residential and commercial water service taps, meter cost, meter installation cost, fire system taps, rates for sewer service taps, rates for maintenance of service lines, and maintaining back flow preventers and grease traps.

- D. Provide the City with the rate model for the Water and Water Reclamation Utilities in an agreed upon electronic format. Provide training for ad-hoc updates.
- E. Deliverables
- a. Commission Presentation(s) (as required)
- Prepare and present power point presentation to City Commission.
 - Presentation shall provide brief summary of Items A, B and C.
 - Presentation shall provide implementation timeline and incentive estimates for at least 3 of the options identified in Item B.
- b. Water and Sanitary Sewer Cost of Service, Rate and Debt Capacity Study
- c. Water and Sanitary Sewer Utility Rate Model
- d. Final Report

All material and models submitted in response to this RFQ becomes the property of the City. Blanket substitution of the proposer's standard contract terms or conditions for the City's proposed Professional Services Contract, terms and conditions will not be permitted.

TERMINATION OF CONTRACT

The City of San Juan reserves the right to terminate the contract if, in the opinion of the City of San Juan, the successful vendor's performance is not acceptable, no funds are available, or if the City wishes, without cause, to discontinue this contract. Termination will be in written form allowing a 30-day notice.

AUTHORIZATION TO BIND RESPONDENT TO STATEMENT OF QUALIFICATIONS

SOQs MUST give full firm name and address of respondent, and be manually signed. Failure to do so will disqualify your SOQ. Person signing response must show title or AUTHORITY TO BIND HIS/HER FIRM IN A CONTRACT. Firm name and authorized signature must appear on each page that calls for this information. The legal status of the Respondent whether corporation, partnership, or individual, shall also be stated in the SOQ. A corporation shall execute the SOQ by its duly authorized officers in accordance with its corporate by-laws and shall also list the state in which it is incorporated. A partnership Respondent shall give full names and addresses of all partners. All partners shall execute the response. Partnership and Individual Respondent/Bidder shall state in the response the names and addresses of all persons with a vested interest therein. The place of residence of each Respondent, or the office address in the case of a firm or company, with county and state and telephone number, shall be given after the signature.

SELECTION PROCESS

The City reserves the right to accept or reject any or all proposals, and to waive any informalities or irregularities in the RFQ process. The City is an equal opportunity employer.

The City will select the most highly qualified provider(s) of the requested services based on demonstrated competence and qualifications and then attempt to negotiate with provider(s) a contract(s) at a fair and reasonable price

All applications will be screened by a selection committee and those applicants selected for a short list may be invited to attend an interview, at the applicants own expense. The City shall not incur any costs for applicant preparation and/or submittal of RFQ.

Selection Committee Members

- Juan Carlos Martinez, Director of Utilities
- Leroy Gonzales, Director of Finance
- Maria "Lulu" Beltran, Assist Director of Finance
- Tirso Garza, Interim-City Manager

The City will evaluate all responses based on the qualifications, background, training, experience, and staff qualifications. The City reserves the right to negotiate the final fee schedule, prior to recommending any Consultant for a contract.

The City's process is as follows:

- A. The selection committee shall screen and rate all of the responses that are submitted. Selection ratings will be based on 100-point scale Ratings shall be based on the following criteria:
 1. Experience40 Points
 2. Project team & experience 30 Points
 3. Previous Projects & references 30 Points
- B. The selection committee will select the most qualified Firms(s) and may invite them for an interview with members of the selection committee or City Commission.
- C. Should an interview be requested, respondents should be prepared for up to 15 minutes of presentation and 15 minutes of questions and answers.
- D. City staff will select the most qualified firm and begin contract negotiations.
- E. When services and fees are agreed upon, the selected Firms shall be offered a consulting contract subject to City Commission approval.

- F. Should negotiations be unsuccessful, the City shall enter into negotiations with the next, highest ranked Firm. The process shall continue until an agreement is reached with a qualified Firm.
- G. This RFQ does not commit the City to pay for any direct and/or indirect costs incurred in the preparation and presentation of a response. All finalist(s) shall pay their own costs incurred in preparing for, traveling to and attending the interviews.

ADDITIONAL INSTRUCTIONS, NOTIFICATIONS AND INFORMATION

- A. **No Gratuities** – Respondents will not offer any gratuities, favors, or anything of monetary value to any official or employee of the City of San Juan for the purpose of influencing this selection. Any attempt by a respondent to influence the selection process by any means other than disclosure of qualifications and credentials through the proper channels, will be grounds for exclusion from the selection process. Accordingly, contacts with members of the City Staff, which are outside of the establish process should not be initiated.
- B. **All Information True** – By submitting a response, respondents represent and warrant to the City that all information provided in the response submitted shall be true, correct and complete. Respondents who provide false, misleading or incomplete information, whether intentional or not, in any of the documents present to the City of San Juan for consideration in the selection process may be excluded.
- C. **Interviews** – After the initial evaluation of the statements of qualifications, respondents will be notified of their status in the selection process. Respondents who are “shortlisted” should expect and anticipate subsequent interviews which will most likely focus not only on the respondents who would be directly involved in the project. “Short listed” respondents may be asked to make a presentation to the City Commission. If a presentation to the Commission is requested, it will be necessary that additional RFQ response submittals be provided by the “short listed” respondent.
- D. **Cost of Responses** – The City will not be responsible for the costs incurred by anyone in the submittal of responses.
- E. **Contract Negotiations** – This RFQ is not to be construed as a contract or as a commitment of any kind. If this RFQ results in a contract offer by the City the specific scope of work, associated fees, and other contractual matters will be determined during contract negotiations. To ensure that the appropriate Staff is assigned to the Project, the City intends to make the inclusion of a “key persons” clause a part of the contract negotiations.
- F. **No Obligation** – The City reserves the right to evaluate the responses submitted; waive any irregularities therein; select candidates for the submittal of more detailed or alternate proposals; accept any submittal or portion of submittal; reject any or all respondents submitting responses, should it be deemed in the City’s best interest; or cancel the entire process.

G. Professional Liability Insurance – The respondent shall have the appropriate liability insurance written by an insurer authorized to transact insurance in the State of Texas.

To enable the City to efficiently evaluate the responses, it is important that the respondents follow the required format in preparing their responses. Responses that do not conform to the prescribed format may not be evaluated.

One (1) marked original and two (2) marked copies and one (1) electronic format USB of the responses shall be bound to ensure pages are not lost. Pages shall be no larger than letter size (8 ½" by 11") or, if folded to that dimension, twice letter size (11" by 17") each section (defined below) shall be separated by a tabbed divider. Elaborate covers and permanent binders are not required.

LETTER OF INTEREST

RFQ: 25-010-06-20 Professional Services Water and Sanitary Sewer Cost of Service, Rate and Debt Capacity Study

The undersigned firm submits the following information (this RFQ submittal) in response to that Request for Qualifications (as amended by any Addenda), issued by the City of San Juan, Texas ("City") to perform professional services in the preparation of an evaluation for water and sanitary sewer cost of service, rate and debt service study. Enclosed, and by this reference incorporated herein and made a part of this RFQ, are the following:

- Completed RFQ Letter Of Interest form
- Completed Conflict Of Interest form (if applicable)

Firm is responsible for calling the City to determine if any addendums have been issued.

Firm also understands that the City is not bound to select any firm for the final pre-qualified list and may reject any responses submitted.

Firm further understands that all costs and expenses incurred by it in preparing this RFQ and participating in this process will be borne solely by the firm, and that the required materials to be submitted will become the property of the City and will not be returned.

Firm agrees that the City will not be responsible for any errors, omissions, inaccuracies, or incomplete statements in this RFQ. Firm accepts all terms of the RFQ submittal process by signing this letter of interest and making the RFQ submittal.

This RFQ shall be governed by and construed in all respects according to the laws of the State of Texas.

Firm's Name: _____

Authorized Signature: _____

Print Name: _____

Date: _____

Telephone: _____

Fax: _____

E-Mail: _____