

Rate Study

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Non-Mandatory Virtual ONLY Pre-Submittal Meeting
Tuesday, June 1, 2021 at 2:00 PM

MAKING SAN ANTONIO
WATERFUL 

Virtual ONLY Pre-Submittal Meeting Set-Up

- This PowerPoint is being provided through WebEx
 - It will be posted on the SAWS website after the meeting
- This meeting is being recorded for firms that were unable to attend
- All attendees must have their devices muted
- Submit questions through the WebEx Chat feature at the bottom or email Roxanne.Lockhart@saws.org
 - Send to Everyone to prevent question duplication
- At the end of the meeting, SAWS will reach each question submitted in the Chat and sent via email and will verbally provide an informal answer
- Formal answers will be provided in an Addendum

Recording

- For those that were unable to attend the Virtual ONLY Pre-Submittal Meeting, reach out to Roxanne Lockhart, Contract Administrator for the recording to listen to the oral statements and discussion.
 - E-mail Roxanne.Lockhart@saws.org

Oral Statement

- Oral statements or discussion during this Pre-Submittal Meeting will not be binding, nor will they change or affect the RFP or the terms or conditions of the contract. Changes, if any will be addressed in writing only via an Addendum.

Meeting Requirement

- If key personnel who would be part of performing the Scope of Services, as outlined in the solicitation, are not currently attending this meeting, it is **required** that they listen to the recording. Reach out via e-mail to Roxanne.Lockhart@saws.org for the recording.
 - **Respondents must acknowledge in the Respondent Questionnaire that key personnel either attended and/or listened to the recording.**

Presentation Overview

- SAWS Processes and Solicitation Requirements:
 - Navigating the SAWS Website
 - Selection Process
 - Evaluation Criteria
 - SMWVB
 - Submitting a Response
 - Key Dates
 - Submittal Deadline
 - Communication Reminders
- Project Scope of Services
 - Purpose
 - Determination of Test Year
 - Determination of Revenue Requirements
 - Cost of Service Analysis
 - Rate Design Alternatives
 - Rate Advisory Committee (RAC)
 - Deliverables
- Questions

Navigating the SAWS Website

<https://www.saws.org>



Pay Your Bill | Start-Stop Service | Report Water Waste | Español

About SAWS | Resources | Work With Us

Use Resources pull down menu to choose Business Center

and Watering Hours / Edwards Aquifer Level: 666.2 Updated 5/27/21

- Business Center
- Procurement Bids
- Developer Resources
- Contract Solicitations
- Future Contract Opportunities

At the menu on the left hand side of the screen, select Contract Solicitations

RFP	R-21-004-RL	Rate Study	6/25/21 2:00 PM	✓	[MORE]
		Contract Administration Department Solicitation Submittal Tips	1/31/23 5:00 PM	✓	[MORE]

To view information about this RFP

Submittal preparation tips
****Recommended****

Rate Study



Navigating the SAWS Website

Rate Study

Solicitation No. **R-21-004-RL**

Status: **Currently Accepting Submissions**

Due Date: **2:00 PM Friday, 6/25/21**

The San Antonio Water System ("SAWS") is requesting proposals from a consultant or consulting firm to perform a comprehensive Rate Study. The purpose of the Rate Study is to analyze and provide recommendations to SAWS about the rate structure for water delivery, water supply, recycled water, and wastewater operations. The utility service area to be studied will include the current water and wastewater service areas of SAWS. The Rate Study will include recommendations regarding the adequacy and most appropriate structure for all rates assessed by SAWS considering such principles as (not all-inclusive nor listed in priority order): conservation, consumption characteristics of various customer classes, cost of service, fairness and equity implications, financial stability, customer affordability, and economic development. The recommendations shall take into account the prioritization of principles made by the City Council, the SAWS Board of Trustees (Board) and the Rate Advisory Committee (RAC). The RAC consists of citizens appointed to make recommendations to the Board about changes to SAWS rate structures

**To receive notifications about this RFP
Recommended**



Non-Mandatory
Pre-Submittal Meeting



Notify Me
Receive updates sent straight to your



Interested Firm List
Firms who have obtained the RFP

Firms who have viewed the RFP

Downloads

[Full RFP Proposal](#)

Note: You will be prompted to login to access the full proposal document.



**Original RFP and where Addendums
can be found when posted**

Selection Process

- Submittals received and reviewed for responsiveness
- Selection Committee will score submittals based on established evaluation criteria
- Good Faith Effort Plan will be evaluated and scored separately
- Compensation Proposal will be evaluated and scored separately
- Interviews held, if necessary
- Board Award

Evaluation Criteria

Criteria	Max Points
Project Approach and Quality Assurance/Control	35
Project Team and Team Member Experience	30
Understanding of San Antonio Socio-Political Environment	5
Compensation Proposal	15
Small, Minority, Woman, and Veteran-owned Business (SMWVB) Participation	15
TOTAL	100

Evaluation Criteria

- Project Approach and Quality Assurance/Control
 - Detailed work plan
 - Itemized tasks
 - Resource requirements
 - Proposed timeline (start date of September 20, 2021)
 - Emphasize maximizing efficiencies in procedures in order for SAWS to meet its goal in a timely manner
 - Sample rate model prepared by Respondent for another utility in Microsoft Excel
 - Written document that describe the QA/QC procedures and other technical activities that will be implemented will satisfy the scope of services in this RFP.

Evaluation Criteria

- Project Team and Team Experience
 - Organizational chart identifying each team member and their role in providing scope of services
 - Resumes of not more than 2 pages per person
 - Include experience with water/wastewater rate studies and qualifications
 - Name, title, education, professional experience, and licenses or affiliations
 - Summary of not more than 1 page detailing the unique qualifications of each sub-consultant
 - 3 current and/or previous similar projects in the last 5 years
 - Include name of client, location, duration of assignment, role in the project, valid reference contact (name and verified phone number)

Evaluation Criteria

- Understanding of San Antonio Socio-Political Environment
 - Summary demonstrating Respondent's understanding of the San Antonio socio-political environment which serves as overall context for the comprehensive rate study
 - Address economics, poverty levels, city governance, and water supply issues

Evaluation Criteria

- Compensation Proposal
 - Provided as a separate file form Original proposal
 - Complete Exhibit D -Compensation Proposal Form
 - Total (firm-fixed price)
 - Fee *inclusive* of all tasks, travel expenses, staff hours, overhead, and task expenses
 - Also include a breakdown of positions, staff hours and hourly rates to include overhead, travel expenses, and expenses by task.
 - This will not be taken into consideration for scoring
 - Respondents shall not provide additional notes or disclaimers to the price

Evaluation Criteria

- SMWVB Evaluation (Maximum 15 pts)
 - Complete Exhibit “B” to show Respondent’s commitment to SAWS’ SMWVB policy, which will be based on meeting or exceeding the minimum aspirational SMWVB goal of 40%. All subconsultants should be included, regardless of whether they are SMWVB or non-SMWVB.
 - Firms must have an office in the local area.
 - Firms must have Small Business Enterprise (SBE) Certification to be counted for SMWVB Points (even Minority and Woman-owned firms).
 - Firms must be certified by the South Central Texas Regional Certification Agency or the State of Texas Historically Underutilized Business (HUB) Program.
 - Please contact the SMWVB Program Manager at Marisol.Robles@saws.org for assistance with finding certified subconsultants.

* Can reach out for SMWVB related questions up until the submission deadline

SMWVB - S.P.U.R. System

- Subconsultant Payment Tracking
- Subconsultant addition, substitution, or removal requests

The screenshot shows the homepage of the SMWVB - S.P.U.R. System. At the top left is the San Antonio Water System logo. To the right are links for 'OUR MAIN SITE' and 'CONTACT SUPPORT'. The main header features a large image of industrial water treatment equipment with the text 'Subcontractor Payment & Utilization Reporting System' and a 'Log In' button. Below this are three columns of content: 'System Training' with a 'Training' button, 'About the System' with an 'Information for Vendors' button, and 'Account Access' with 'Account Lookup' and 'Forgot Password' buttons.

Submitting a Response

- Electronic Submittals Only
- Follow naming convention (per file) as noted in the Submittal Response Checklist
- 30 page limit per proposal not including required forms
- RFP is subject to revision via written Addenda any time before the submittal deadline, check website
 - Addenda will be available through the SAWS website
- Contract Exceptions, if any, must be included with the response

Submitting a Response

- Respondent to acknowledge that key personnel attended and/or heard the recording of this Pre-Submittal Conference
- Thoroughly read the RFP
- Ensure submittal is complete, organized, and consistent with scope
- Use Submittal Response Checklist
- Be very specific and avoid “boiler plate” responses
- Maximize points by addressing all items in the order they are identified in the RFP
- Use the most current information included with Addendums (and forms should there be any new ones issued)

Key Dates

- May 21, 2021
- June 1, 2021
- June 8, 2021 by 2:00 p.m.
- June 15, 2021 by 4:00 p.m.
- June 25, 2021 by 2:00 p.m.
- July 2021
- July 2021
- September 4, 2021
- September 20, 2021

RFP Released
Pre-submittal Conference
Written Questions Due
Q & A Posted to Website
Proposals Due*
Proposals Evaluated
Interviews, if necessary
SAWS Board Consideration and Award
Start Work

*Will be corrected via Addendum so all times indicate 2:00 p.m.

Note: The dates listed above are subject to change without notice

Submittal Deadline

- Submittal deadline is June 25, 2021 no later than 2:00 p.m.
- Solicitation number, solicitation name, date and time of the deadline should be clearly identified on the subject line of email.
- Electronic submissions only
- Submittals should be sent via email to contracting@saws.org
- Two (2) files only, titled per the Submittal Response Checklist
- Late responses will not be accepted and will be returned unopened.

Communication Reminders

- There should not be any communication regarding this solicitation with the following:
 - SAWS Project Manager
 - SAWS Technical Representative
 - Any other SAWS staff, managers, directors, or VPs
 - City Council member or staff
 - SAWS Board of Trustees
- This includes phone calls, emails, letters, or any direct or indirect discussion of the RFP.
 - If submitting for this RFP and doing work for SAWS, indicate this when speaking with SAWS staff, but refrain from discussing the projects listed in this Solicitation
- This is in place from release of the RFP to Board Award.

Scope of Services

- Purpose
 - Analyze and provide SAWS with recommendations regarding the rate structures to support water delivery, water supply, recycled water, and wastewater operations
- Determination of Test Year
 - Analyze recent historical financial results as well as SAWS revenue and cost projections for 2021 and 2022 and make recommendations about the appropriate underlying assumptions to serve as the basis (Test Year) for the Rate Study

Scope of Services

- Determination of Revenue Requirements
 - Review the operating and capital improvements program (CIP) budgets and related revenue requirements models and SAWS major financial policies and objectives related to revenue requirements
 - Review of determinations of revenue requirements using either the Cash Basis and Utility Basis for Inside-City-Limits and Outside-City-Limits service
 - Evaluate current SAWS rates and rate structures in terms of the ability of these rates to generate adequate revenue to meet requirements from the proper source

Scope of Services

- **Cost of Service Analysis**

- Recommend and implement a plan for assigning or allocating each component of revenue requirements to specific utility functions, for classifying revenue requirements, and for allocating revenue requirements to specific customer classes, taking into account:
 - analysis of historical demand levels, price elasticity of demand, and income elasticity with price elasticity, with an evaluation and projection of the key components of demand, including numbers and types of customers, daily and hourly demand, and peaking factors
 - appropriate classification and allocation of existing Utility Plant in Service; debt service requirements, and maintenance and operation expense requirements
 - recommendations made by the RAC during their review of the 2020 cost of service analysis
- Analyze costs associated with Sewer Surcharge Fees, Fireline Charges, and Liquid Water Disposal Fees
- Cost of Service analysis should be completed by end of 2021

Scope of Services

- Rate Design Alternatives

- Develop fair and equitable rate structures recovering costs for the Test Year for water delivery, water supply, wastewater, and recycled water core businesses, respectively, based on the principle of cost-of-service recovery
- Provide multiple results from various rate design structure options including:
 - Alternative residential wastewater rate structure that bills based on the lower of the customer's Average Winter Consumption or actual water usage in any given month
 - Rate structure that incorporates lower rates for qualified affordability customers as opposed to the current method of applying discounts to affordability customers.
 - Other rate design options that align with industry best practices

Rate Advisory Committee (RAC)

Structure

Members represent different parts of the SAWS customer base

Examples:

- Council Districts
- Neighborhood Association
- Business Leader/Chamber
- High User
- Developer / Economic Development
- Academics
- Industrial (SA Manufacturers Assn.)
- Apartment/Multi-Family
- Environmentalist
- Community Activist
- At Large – Outside City Limits
- Affordability Customers

Rate Advisory Committee (RAC)

- Mission

- The mission of the Rate Advisory Committee is to assemble a diversity of perspectives that represent our community to evaluate and advise on water, sewer, and recycled water rate structures
- Focus is on evaluating various rate structures based on community values and objectives

- Timeline

- The RAC conducted 8 meetings from Sept 2019 – Feb 2020 when meetings were suspended due to COVID 19
- RAC will resume meetings in Jan 2022 and will meet 6-8 times through May 2022
- RAC recommendations should be presented to SAWVS Board by June 2022
- Consultant will assist staff in the preparation of material for the RAC meetings and attend all meetings. Consultant may be required to make presentation during the meetings.

Rate Structure Design Objectives

Recommended by RAC in 2020

Classification	Objective
Essential	Affordability
	Conservation
Very Important	Minimize Customer Impacts/Rate Stability
	Cost of Service Based Allocations
	Revenue Stability
Important	Simple to Understand
	Equity
Least Important	Drought Management
	Practicality of Implementation

Deliverables

- **Models:**
 - Several models may need to be developed during the process of rate design. All models will become the property of SAWWS, and the appropriate personnel will be trained on the operation of said models.
- **Final reports:**
 - Should include executive summaries that highlight major issues and decisions, a comprehensive rate design section that details all methodologies, assumptions, public input, and calculations, and a background section that includes all data used in the development of recommended and alternative designs.

Additional Requirements

- All invoices from the selected Consultant and sub-consultants must include the following information relative to the period of time being invoiced:
 - Breakdown of staff hours expensed by position associated with each task referenced in the scope of services, and
 - Breakdown of all non-personnel expenses associated with each task with copies of all travel receipts provided as back-up.
- Preference for Respondent with demonstrated experience conducting multiple water/wastewater rate studies for utilities in Texas, Oklahoma, New Mexico, Arizona, Colorado, Utah, Nevada, and/or California

Background SAWS Financial Information

- See the following hyperlinks to the SAWS website for more detailed financial information:
 - Financial statements: <https://www.saws.org/about-saws/financial-reports/comprehensive-annual-financial-report-cafr/>
 - Budget documents: <https://www.saws.org/about-saws/financial-reports/annual-budget-reports/>
 - Water and Sewer Rates: <https://www.saws.org/service/water-sewer-rates/>
 - 2019 Cost of Service and Rate Design Study – RAC Committee Report: https://apps.saws.org/who_we_are/community/rac/
 - 2015 Rate Design Study: https://apps.saws.org/who_we_are/community/rac/

Questions

- WebEx Chat questions and answers will be included in the Addendum.
- Questions must be submitted in writing no later than June 8, 2021 by 4:00 PM, via e-mail, to:

Roxanne Lockhart

Contract Administration Department

San Antonio Water System

Roxanne.Lockhart@saws.org

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