DEPARTMENT OF HEALTH

Office of Drinking Water

REQUEST FOR APPLICATION

FOR

SMALL SYSTEM CONSOLIDATION ACTIVITIES

After you review this Request for Application (RFA), please send your name, address, email address and telephone number to our RFA Coordinator in order for your organization to receive any RFA amendments or bidder questions/Department of Health answers.

SUBMITTAL DUE DATE: February 23, 2015

RESPONDER ELIGIBILITY: This RFA is open to those applicants that satisfy the minimum qualifications stated herein and that are available for work in Washington State.

CONTENTS OF THE REQUEST FOR APPLICATION:

1. Introduction and purpose of the RFA
2. General Information for applicants
3. Proposal Contents
4. RFA Attachments

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# INTRODUCTION

## PURPOSE AND BACKGROUND

The purpose of this Request for Application (RFA) is to solicit input from allGroup A water systems that need financial assistance tocomplete consolidation activities.

Consolidation is considered either (1) physically joining together two or more separate water systems, creating one Group A water system as a result; or (2) changing ownership of a water system where the prospective new owner is a public entity. DOH seeks to actively promote consolidation of small Group A water systems into a larger entity with greater technical, managerial, and financial capacity and to reduce wherever feasible the number of Group A water systems and water system owners.

Consolidation activities include but are not limited to: water system planning, feasibility studies, design and engineering, payment of system development charges and other administrative fees, and purchase of materials necessary to complete a service connection*.*

The Department of Health (DOH) is looking for interested parties to do the work described in this request for application. DOH shall award to qualified entities who submit information to DOH in response to this RFA. The maximum grant amount available per project is $30,000. There is no upper limit on the number of projects an applicant may submit for funding.

## Grant Objective

The objectives of this grant are to (1) assist water utilities estimate project costs and benefits for consumers, and make an informed decision on whether to commit to and proceed with consolidation; and (2) pay for connections fees enabling an existing Group A water system to become the direct service customer of an existing Group A water system.

## MINIMUM QUALIFICATIONS

The Responder must be a local governmental entity or a publicly-or privately-owned Group A community water system in the State of Washington. State and federally-owned community systems are not eligible. Responding entities who do not meet these minimum qualifications will be rejected as non-responsive and will not receive further consideration. Any proposal that is rejected as non-responsive will not be evaluated or scored.

Federal and state owned, and noncommunity water systems, are not eligible to apply for this funding. However, such water systems are eligible for consolidation by an eligible responding entity.

## FUNDING

# The maximum grant amount available per project is up to $30,000. Applicants may submit multiple project applications for grant funding. If an applicant is selected to receive grant funds but the offer is withdrawn or declined, the next highest scored applicant/s will be considered to receive grant funds.

# GENERAL INFORMATION

## RFA COORDINATOR

The RFA Coordinator is the sole point of contact in in DOH for the application. All communication between the applicant and DOH upon receipt of this RFA shall be with the RFA Coordinator, as follows:

|  |  |
| --- | --- |
| Name | Eloise Rudolph |
| Mailing Address  Street Address | Department of Health, PO Box 47822, Olympia, WA 98504-7822  OR  Department of Health, 243 Israel Road SE, Tumwater, WA 98501 |
| Phone Number | 360-236-3124 |
| Fax Number | 360-236-2252 |
| Email Address | dwsrf@doh.wa.gov |

Any other communication will be considered unofficial and non-binding on DOH. Applicants are to rely on written statements issued by the RFA Coordinator. Communication directed to parties other than the RFA Coordinator may result in disqualification of the successful grant applicant.

## 2.2 HOW TO SUBMIT AN APPLICATION

Applicants are required to send a Letter of Submittal (Exhibit A) and a completed Questionnaire (Exhibit B). The application, whether emailed, mailed, or hand delivered, must arrive at DOH (see RFA Coordinator information above) no later than 5:00 p.m., local time, on February 23, 2015.

The proposal must be sent to the RFA Coordinator at the address noted in Section 2.1. The envelope or email message should be clearly marked to the attention of the RFA Coordinator.

Applicants mailing proposals should allow normal mail delivery time to ensure timely receipt of their proposals by the RFA Coordinator. Applicants assume the risk for the method of delivery chosen. DOH assumes no responsibility for delays caused by any delivery service.

Proposals may be transmitted by email. Proposals may not be transmitted using facsimile transmission.

Late proposals will not be accepted and will be automatically disqualified from further consideration. All proposals and any accompanying documentation become the property of DOH and will not be returned.

|  |  |
| --- | --- |
| Estimated Timeline | |
| Action | Date |
| Release of Consolidation Activities Grant Request for Applications | January 5, 2015 |
| Question & Answers. A Q&A conference call is scheduled for January 14 at 3:00 p.m. Submit questions in writing prior to the call to the Consolidation Activities Grant Application Coordinator at [dwsrf@doh.wa.gov](mailto:dwsrf@doh.wa.gov). The conference call number is (1-877-309-2070, Access Code: 228-174-158) | January 14, 2015 at 3:00 p.m. |
| Questions and Answers posted on Department of Health Drinking Water State Revolving Fund Website (<http://www.doh.wa.gov/CommunityandEnvironment/DrinkingWater/WaterSystemAssistance/DrinkingWaterStateRevolvingFundDWSRF.aspx>) | January 21, 2015 |
| Applications due. Applications will be accepted prior to the close of business on the due date and will be reviewed upon receipt. | February 23, 2015 |
| Application details negotiated and grant contracts drafted | Four to eight weeks (estimated) after applications received by Department of Health |
| Begin grant work | Date of execution |

## PROPRIETARY INFORMATION/PUBLIC DISCLOSURE

Proposals submitted in response to this request for application shall become the property of DOH.  All proposals received shall remain confidential until the grant contract, if any, resulting from this RFA is signed by DOH and the apparent successful Grant recipient; thereafter, the proposals shall be deemed public records as defined in Chapter 42.56 of the Revised Code of Washington (RCW).

## REVISIONS TO THE RFA

In the event it becomes necessary to revise any part of this RFA, addenda will be announced on our web site and sent to each applicant.

DOH also reserves the right to cancel or to reissue the RFA in whole or in part, prior to execution of a grant.

## COSTS TO PROPOSE

This is a request for application only and does not constitute a commitment, implied or otherwise, that DOH will take procurement action or make grant awards in this matter. Further, neither DOH nor the State of Washington will be responsible for any costs incurred in furnishing this information.

## HOW PROJECTS WILL BE RATED AND RANKED FOR CONSIDERATION

Our scoring process gives funding priority to projects that provide the greatest reduction in the number of Group A public water systems or water system owners. . We will use the criteria in Appendix C to score all eligible applications.

After we score applications, we rank them from highest to lowest score. If projects receive identical scores, we will use the respective population served by water systems that will no longer be subject to chapter 246-290 WAC as a tiebreaker.

# SUBMITTAL CONTENTS

A conmplete submittal will include a signed Questionnaire (Exhibit A) and Letter of Submittal (Exhibit B). Incomplete submittals will be rejected. These documents must be signed and dated by a person authorized to legally bind the applicant to a contractual relationship.

The Letter of Submittal must contain information that will enable DOH to accurately score each project in the application (see Exhibit C - Scoring Criteria). There is no upper limit on the number of projects an applicant may submit for funding.

Complete, sign, and return the Letter of Submittal and Questionnaire to Department of Health by close of business on February 23, 2015 to the attention of:

Eloise Rudolph, RFA Consolidation Grant Coordinator

Department of Health

Office of Drinking Water

P.O. Box 47822

Olympia, WA 98504-7822

# RFA EXHIBITS

* Exhibit A - Questionnaire
* Exhibit B – Letter of Submittal
* Exhibit C – **For information only.** Consolidation grant project scoring criteria that will be used by DOH. Applicants should not complete Exhibit C themselves.
* Exhibit D – **For information only.** Examples of Scope of Work and other information that will be needed from successful applicants after a project has been selected for grant funding. This information should not be included in the RFA submittal.

EXHIBIT A

QUESTIONNAIRE

Has your entity had a contract terminated for default due to non-performance or poor performance in the last five years? If so, explain below.

Is your entity presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from receiving Federal funds by any Federal department? Is so, explain below.

Signature \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Date \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

EXHIBIT B

LETTER OF SUBMITTAL

1. Applicant Name
2. Applicant Address
3. Applicant Contact Information
   1. Name and Title
   2. Telephone
   3. Email
4. Individual Project Information (describe each project)
   1. Unique project name.
   2. The name and identification number of the existing Group A public water systems involved in the consolidation activity, including the applicant if the applicant is a Group A water system.
   3. The type of consolidation activity to be pursued (for example, “Pay connection fee(s)” or “Fund a feasibility study”).
   4. The estimated cost.
   5. General description of the final outcome of consolidation activities if the proposed activities and objectives were actually implemented and achieved.
   6. Narrative describing the level of interest and expected level of participation of each public water system participating in the proposed consolidation activity. Include any agreement-in-principle, interlocal agreement, or other written documentation indicating an intent to complete the consolidation.
   7. The health, safety, sustainability, and/or water system compliance issue(s) that would be solved through consolidation of water systems or water system ownership.
   8. Water system planning status (for example, “A water system plan has been approved by us within the last 6 years”; or “A Small Water System Management Program has been approved by DOH”).
   9. Any other information we need to accurately score each funding project. See the scoring criteria in Exhibit C.

Signature \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Date \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

EXHIBIT C

SCORING CRITERIA

|  |  |
| --- | --- |
|  | |
| Part 1 – Number of Systems Participating in Consolidation Activites | |
| Three points for each existing Group A water system included in consolidation activities covered under this grant application. Include the applicant if the applicant is a Group A water system participating in activities covered under this grant. |  |
| Total Part 1 Score |  |
| Part 2 – Health, Safety, and Compliance | |
| Points assigned to each existing Group A water system for the following health, safety, and compliance issues solved through proposed consolidation of water systems or water system ownership: |  |
| Four points for each system supplied by surface water that would (1) inactivate its own surface water supply as a result of consolidating with another Group A water system; or (2) transfer water system ownership to a publicly owned Group A community water system. |  |
| Two points for each system requiring treatment of a source for any primary drinking water standard, including E. coli.. |  |
| Two points for each system with an unreliable or inadequate source of supply causing documented episodes of low pressure/water outage. |  |
| Total Part 2 Score |  |
|  | |
| Part 3 - Readiness to Proceed | |
| Points assigned to each existing Group A community water systems for readiness to effectively proceed with a consolidation project: | |
| Four points for each system that has an interlocal agreement or other written commitment to consolidate. |  |
| One and one half points for each system with an approved water system plan or small water system management plan. |  |
| Total Part 3 Score |  |
| Total Score |  |

EXHIBIT D

EXAMPLE SCOPES OF WORK

*SOW Example #1 – Perform feasibility study*

|  |  |
| --- | --- |
| PROJECT TASKS: | The District will conduct administrative, legal, and engineering pre-construction work to facilitate the consolidation of the above noted water system customers into the District. Such work may include:   * Determining water demands and assessing existing infrastructure for each consolidation candidates * Developing conceptual design and cost estimates for infrastructure improvements * Propose a funding plan / cost sharing approach, may include formation of a Utility Local Improvement District and a 2016 Drinking Water State Revolving Loan Fund application. |
| DELIVERABLES: | A feasibility study report on consolidation summarizing completed efforts, updated costs and benefits, proposed project funding mechanisms, and timeline for completion of the next steps in the consolidation process.  Due date: December 31, 2015. |
| PAYMENT: | 1. DOH will provide reimbursement to the District based on invoices (monthly or bimonthly) for costs described above. The District and its contractor are responsible for tracking and maintaining records of expenditures. 2. Total reimbursement for allowable costs not to exceed: $30,000 |

*SOW Example #2 – Payment of connection fees*

|  |  |
| --- | --- |
| PROJECT TASKS: | The District will connect XYZ mobile home park (PWS ID #00000Z) and the ABC industrial park (PWS ID #00000A) to its distribution system by constructing a service line connection from an existing water main. |
| DELIVERABLES: | 1. Documentation that the two service connections were completed, and the wells supplying the mobile home park and industrial park have been physically disconnected from the potable water system. 2. Invoices for material and labor expenses, and connection fee charges.   Due date: December 31, 2015. |
| PAYMENT: | 1. DOH will reimburse the District for its water facilities development charges (and any other District connection fees), material costs for the connection (meter, backflow device, service line piping and valves), local building permit fees, legal fees, and District costs to manage the subcontractor installing the service line. 2. DOH will not reimburse the District for any actual construction-related costs, such trenching, pavement cutting and pavement restoration, traffic control, and taxes associated with construction. 3. Total reimbursement for allowable costs not to exceed: $19,500 |

*SOW Example #3 – Feasibility Study/Water System Plan Amendment Completed in Phases*

Phase 1 Scope of Work: At a minimum, the scope of work for the feasibility study shall include the following elements:

1. Summarize the approved number of connections, the limiting factor(s) in determining the approved number of connections, and current water facilities inventory information for each of the seven water systems named above. DOH will provide this information to the Contractor upon request.
2. Identify the combined estimated cost to continue to operate and maintain the seven water systems named above, including regulatory costs. Such costs shall include source and distribution system monitoring requirements; operator certification and cross connection control personnel; treatment costs necessary to achieve and maintain compliance (e.g., nitrate); electrical power; existing total debt and annual debt repayment costs; and an allowance for repair and replacement.
3. Identify the future service area of the integrated single system.
4. Identify water rights held by each of the seven named water systems.
5. Identify which systems are capable of delivering the minimum needed fire flow and duration, as established by the local fire authority.
6. Identify major new infrastructure components, such as source(s), storage reservoir(s), booster pump station(s), and/or transmission lines necessary to provide safe and reliable water service throughout the consolidated service area in conformance with local ordinances and with chapter 246-290 WAC, including the facilities’ approximate location and size/capacity.
7. Prepare a map suitably sized for public display of the proposed consolidated service area and the approximate location and size/capacity of the consolidated system’s major infrastructure components.
8. Identify financing options to construct the needed infrastructure identified above, including funding sources, funders’ criteria for loan/grant, projected interest rate, application requirements, and loan/grant approval timeframe.
9. Identify the total estimated cost (annualized, per connection) to operate and maintain the proposed consolidated water system, and compare with the combined estimated costs to continue to operate these seven systems separately.
10. Describe the legal processes and requirements that must be followed to permit consolidation of the seven public water systems, including (as applicable) water right transfer, obtaining property easements, amending the Coordination Act service area boundaries, and service meters.
11. Lead and public meeting with the affected service population, present the findings and recommendations of the feasibility study, and provide a copy of the minutes of the community meeting.

Deliverable: Compile the above information into a feasibility study acceptable to DOH.

Due date: December 31, 2015

Payment: For completion of Phase 1, total reimbursement for allowable costs not to exceed $19,500.

Phase 2 Scope of Work: Water System Plan Amendment

If the feasibility study concludes that consolidation of two or more systems is feasible, and if DOH and the administrative leaders of each of the same two or more water systems concur, then this contract provides for the preparation of a water system plan amendment for the proposed consolidated water system. Prior to proceeding with preparation of a water system plan amendment, the District must receive written authorization from DOH. It is expected that much of the information generated in the feasibility study (Task 1) will be included in the amendment.

Scope of Work: Prepare a water system plan amendment, meeting the minimum requirements of WAC 246-290-100. The District and the District’s engineering consultant shall participate in a pre-planning conference with DOH prior to developing a water system plan amendment.

1. Prepare and submit to DOH three copies of the draft water system plan amendment within 60 days of receiving written authorization to proceed from DOH. If there are any comments on the draft water system plan amendment, three copies of the revised document addressing each of the comments shall be submitted to DOH within 60 days of the date of the comment letter.

Deliverable: A water system plan amendment meeting all approval requirements.

Due date: June 30, 2016 (second submittal, if necessary)

Payment: For completion of Phase 2, total reimbursement for allowable costs not to exceed $10,000.

Contract information that will be required:

1. Grantee Jurisdiction
   1. Name
   2. Address
2. Grantee Contact
   1. Name and Title
   2. Telephone
   3. Email
3. Water System ID Number
4. TAX ID Number
5. UBI Number
6. Statewide Vendor Number
7. Data Universal Numbering Systems (DUNS) Number