

Request for Proposal

For Special Benefit Assessment Engineering Study

September 26, 2022

Irish Beach Water District

P.O. Box 67

15401 Forest View Road

Manchester, CA 95459



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A. Submission Details

Submission Deadlines

All submissions responding to this request must be submitted to our office as stated below, no later than:

Friday, November 4, 2022
No later than 5:00pm local time

Submission Delivery Address

The delivery address to be used for all submissions is:

Charlie Acker
General Manager
Irish Beach Water District
P.O. Box 67
Manchester, CA 95459
Voice: 707-357-1093
Email: General.Manager@IBWD.org

Submission Questions and Clarifications

You may contact the following person if you have any questions or require clarification on any topics covered in this Request For Proposal (RFP):

Charlie Acker, General Manager
General.Manager@IBWD.org
707-357-1093

Electronic Submissions

Electronic submissions in response to this Request for Proposal will be accepted if they meet the following criteria:

Sent via email to: General.Manager@IBWD.org

Document standards:

- Must be in PDF format
- Confidential information must be sent password protected, with a separate message to provide the password to District staff.

B. Summary & Background

The Irish Beach Water District (“District”) serves approximately 207 developed parcels and another 252 undeveloped parcels in the Irish Beach Development (excluding acreage and Nichols Ranch parcels), which is located four miles north of Manchester, in Mendocino County, California. The District issues this Request for Proposal for professional services to perform engineering and consulting services in conducting an independent study and preparing an engineering report relative to conducting a Proposition 218 balloting procedure to approve assessments necessary to fund the water system improvements.

Background

The District is a Special District that was formed in 1967 to provide water service to residents in Mendocino County. It has a five-member Board of Directors, which serves staggered four-year terms and meets bi-monthly. The District’s customer base is single-family residential customers. The District’s water system consists of a surface water diversion from Irish Gulch Creek and three wells. The storage and distribution facilities include five (5) water tanks and approximately seven miles of pipeline.

District Finances

Currently, the District’s primary revenue sources are water service charges, which consist of a monthly availability charge, water usage charges, as well as fees for new connections to the water system. The District currently does not collect an annual assessment to fund the maintenance of and improvement existing facilities. A previous 15-year capital assessment to 459 parcels ended in 2016. The District is seeking to implement new Proposition 218 compliant assessments to fund the maintenance, replacement, and/or improvement of the facilities listed in Attachment A – Preliminary Project List. Please see the website: IBWD.org for the [current budget](#) and additional information.

C. Project Scope

The following scope of work is an outline of the minimum services to be provided. The proposal should include all services that are necessary for developing a capital improvement plan for a unique and aging water system.

1. Work with District staff to kick off the project, identify information requirements, assemble and organize system information, and establish a project schedule.
2. Assemble, review, and analyze available legal, financial, engineering, and capital asset data that have a bearing on the District’s facilities maintenance and capital improvement plan. Information to examine and review includes, but not limited to, the following:
 - Costs and description of water facilities
 - Facilities maintenance history
 - Preliminary project list
 - Audits and current budget
 - County Assessor’s property data and other real property information
3. Research parcel attributes, parcel ownership information, and determine the special benefits to each parcel in the District. Review assessment diagrams and maps, and prepare updates as needed.

4. Recommend facilities replacement requirements based on review of existing conditions, historical failure data, and current engineering industry standards for predictive failure modeling for small water system facilities. Include recommendations for capital projects required in the near term (1-5 years), mid-term (6-15 years), and longterm (16-20 years) planning horizon in order to effectively provide safe and reliable drinking water to all properties within the District.
5. Prepare expense projections and determine annual revenue requirements for the assessments and services recommended to be funded.
6. Review the examples in Attachment B – Guidance for the Engineering Firm. Prepare a proportional analysis of special benefits to each parcel and recommend an apportionment method. Discuss pros and cons of the recommended method and alternatives with the District. Recommend a legally defensible assessment structure that meets the District’s needs and requirements.
7. Prepare a preliminary draft report discussing your findings and preliminary recommendations for review with District staff. Present and discuss policy alternatives with the District staff before completing the final draft report.
8. Prepare and submit a draft report for review by District staff, Board, and others as requested by the District.
9. Prepare a final Engineer’s Report in accordance with the requirements of Proposition 218 substantiating the proposed assessments and addressing all comments from District review. Submit a tracked changes version comparing draft and final reports.
10. During the project period, be available to discuss progress with District staff and others, as requested by the District. The fee shall include preparing for, and participating in, at least three public meetings at the District, with the Board of Directors, including interactive workshops, Board meetings, and the Public Hearing to present information and answer questions as may be submitted by the District Board and the public regarding the recommendations.

D. Services to be Provided by the District

The services to be provided by the District include, but are not limited to, the following:

1. **Furnish Data.** Furnish all reasonably available records and information, including reports, asset lists, maps and plans, budgets and audits, as well as pertinent legal documents, and related Board and public presentations.
2. **Customer and Property Owner Data.** Provide lists of property owners, County Assessor’s parcel data, and other real property information required for the determination and assignment of the assessment to each parcel within the District.
3. **Staff Support.** Coordinate work group, and/or Committee meetings, staff meetings, provide staff submittals for Board meeting action items, provide for legal review of methodologies and ballot language as necessary, support and assistance as required and agreed to in advance of the study.

E. Request for Proposal and Project Timeline

Conditions of Request

The following conditions apply to this Request for Proposals:

1. District reserves the right to withdraw this solicitation for a proposal at any time without prior notice. Further, District does not make any representations that any agreement will be awarded to any firm submitting a proposal.
2. District reserves the right to reject any and all proposals submitted in response to this request and reject any sub-consultant or individual working for a consulting firm.
3. All proposals, inquires, responses, or correspondence related to or in reference to this RFP, and all reports, charts, displays, schedules, exhibits, and other documentation submitted by the consultant will become the property of the District and a matter of public record.
4. It is recognized that the formal basis of an agreement between the District and the consultant is a contract, rather than a proposal. In submitting price proposal, consultants must indicate that they are prepared to complete a contract containing all the information submitted in their price proposal. The price proposal will become part of the contract between the District and the successful consultant. If the consultant has a specific contract that they wish to use, the consultant must submit a sample along with the RFP for consideration.

Project Timeline

This Request for Proposal represents the requirements for an open and competitive process. Proposals will be accepted until 5:00 pm local time November 4, 2022. Any proposals received after this date and time will be rejected. All proposals must be signed by an official agent or representative of the company submitting the proposal with the authority to execute contracts.

Evaluation of proposals will be conducted in early November, 2022. If additional information or discussions are needed with any Offerors the review period, the Offeror(s) will be notified.

The Term of the agreement for professional services to be awarded in accordance with this RFP shall be for all services needed for the complete administration of the Proposition 218 process, including the ballot proceeding, to be completed no later than July 2023 to enroll the assessments for the following tax year.

Tentative Timeline

November 4, 2022	Proposals Due by 5:00pm local time
November 2022	Notice to Proceed
February 2023	Preliminary Draft Report Due
March 2023	Final Draft Report Due
April 2023	Board Meeting – Workshop Overview of Draft Report
May 2023	Final Report Due
May 2023	Board Meeting – Review of Final Report
July 2023	Public Hearing

F. Proposal Guidelines

Submitted proposals should include the following components:

1. Cover Letter – The cover letter shall introduce the Consultant and summarize pertinent qualifications. Include the location of the Consultant’s principal office, title, address, relevant telephone numbers, and the names and email addresses of the individual(s) that will be assigned to the Project.
2. Detailed Description of the Consultant’s Qualifications – the Consultant shall provide a detailed description of qualifications, including a brief history of relevant work experience with small community water districts, the types of services provided, and specific examples of experience in providing similar services as those requested in this RFP.
3. Personnel Assigned – This section shall designate the following personnel, and briefly describe their relevant experience and qualifications:
 - Project Manager. The Project Manager shall be designated as the principal in charge (PIC) for the District and shall be responsible for supervising the Project and meeting all Project objectives and deadlines.
 - Principal Engineer: Identify the registered professional engineer, certified by the State of California, who will author and sign the Engineer’s Report. The specific experience of the responsible professional engineer with other similar Proposition 218 benefit assessments should be provided.
 - Additional Personnel: Identify any other individuals who will perform the primary tasks for the Project, the specific tasks/services they will perform.
4. Proposed Services – This section is to provide an outline of the Consultant’s approach and scope of services for completing the Project described above including a detailed schedule for completing the study by May, 2023. Please show the various work tasks along with the important intermediate dates (meetings, submittals, reviews, etc.). Incorporate realistic review periods for District staff in the baseline scheduling.
5. Assessment Defense – In the event of a legal challenge to the assessments for any claims by one or more property owners disputing the special benefits indicated in the Engineering Study, or other allegations challenging the validity of the Engineering Study and its methodology in determining the assessments, describe what services Consultant would provide and the fees for these services.
6. References – Provide two to three public agency clients (include names of contact persons, telephone numbers, email addresses and a brief description of the work performed) for whom Consultant has performed services within the last seven years like those required by this RFP. Do not include information on projects that are not similar in scope and character work scope in this RFP.
7. Proposed Fee Schedule and Total Project Price – The Fee Schedule should reflect the hourly rates of each individual, total costs for all personnel, including any sub-contractors, and all materials, services, and direct costs necessary to complete each element in the scope of work requested in this RFP, as well as the total price for the completion of the project.

G. Proposal Evaluation Criteria

Proposals will be evaluated by a District committee, with final approval by the District's Board. The method of selection will be based on the criteria and considerations set forth below:

1. Demonstrated competence and professional qualifications necessary for satisfactory performance of the services required by the District.
2. Experience in performing similar services with particular focus on benefit assessment engineering studies and assessment services for Proposition 218 benefit assessments for special districts like the District as attested by referenced clients.
3. Demonstrated understanding of the work requested by the District and proposed approach for performing the scope of work.
4. Quality and responsiveness of the proposal to the stated requirements.
5. Background and related experience of the specific individuals to be assigned to this project, particularly experience and compliance with legal requirements of California's Proposition 218 assessments for similar small community water district improvements and services.
6. Total Project Price. As described above, a contract will not be based solely on price, but on a combination of factors as determined to be in the best interest of the District. Given that the expertise required for this RFP is highly specialized, the District reserves the right to negotiate a contract with the firm determined to offer unique and unmatched expertise. After evaluating the proposals, the District reserves the right to further negotiate the proposed scope of work, method of delivery, and financial terms of the contract.

Attachment A – Preliminary Project List

The District is seeking to implement new proposition 218 compliant assessments to fund the maintenance, replacement, and/or improvement of water system facilities. District staff prepared the following preliminary list of projects for consideration.

Proposition 218 Projects: Preliminary Plan							
Time-frame	Quantity	Description	Acquisition Date, FY	Est. Useful Life	Facility Category	Estimated Replacement Cost	Comments
Short	1 Ea.	Tank 3 - 80,000 gal - Bolted Steel on Concrete	2010	40	Storage	\$17,674	Bolted steel tank showing areas of coating damage. Special 2-part paint. exterior needs recoating.
Short	1 Ea.	Tank 0 - 10,000 Gal. Concrete A.G. Tank	1983	40	Storage	\$118,354	10,000 gal ferro cement tank has numerous cracks concrete roof has limited strength. Needs replacement tank.
Mid		Water Treatment Plant Filters & Equipment	1985	20	Distribution	\$70,530	Replaced failing parts as urgent repairs needed. Entire water plant filter assembly is showing age and needs replacement.
Mid	1 Ea.	Tank 4 - 125,000 Concrete Tank - Alta Mesa - Unit IX	1989	40	Storage	\$257,554	Wooden truss structure over tank: inaccessible lower vent screens, deteriorating roof & siding, carpenter ant & termite
Mid	820 LF	6" PVC Pipeline (Unit VII, VIIA, & VIII)	1978	40	Distribution	\$134,847	820 LF - U7 Hunolt to Pomo Lake Dr. 6" thin wall PVC with power lines touching main. Numerous leaks.
Mid	370 LF	6" PVC Pipeline (Unit V)	1978	40	Distribution	\$63,949	370 LF - U5 to Hunolt: Thin wall glue joint PVC through open space field.
Mid	1,200 LF	3" Pipeline, Sch. 80 - From Lot 3 to Tank T3, Unit IX	1989	40	Distribution	\$229,095	Part replaced in Alta Mesa repaving project - remaining 1,200 LF is leaking, jointed PVC.
Mid	1,347 LF	4" A.C. Pipeline (Unit III)	1967	40	Distribution	\$284,692	1,347 LF -U3 Cypress Parkway Loop 4" transite - history of blow-outs.
Mid	670 LF	6" PVC Pipeline (Unit VII, VIIA, & VIII)	1978	40	Distribution	\$148,497	670 LF - U7 Pomo Lake Dr. sub-feed from O'Rorey's Tee to Pump Station A - 6" thin wall glued PVC and numerous leaks.
Long	1 Ea.	New Well A - Wellhead	New	40	Source	\$129,282	Expand system capacity to support build-out
Long	1 Ea.	New Well A - Electrical, controls, pipeline	New	40	Source	\$256,020	Expand system capacity to support build-out
Long	1 Ea.	New Tank A - bolted steel on concrete	New	40	Storage	\$360,961	Expand system capacity to support build-out
Long	1,165 LF	Pipe Project Alta Mesa to Pump Station B	1989	40	Distribution	\$365,753	1,165 LF - 6" Asbestos pipe along Sea Cypress.
Long	600 LF	Pipe Project Alta Mesa to U5	1989	40	Distribution	\$197,978	600 LF - 6" Asbestos pipe along Sea Cypress.
						\$2,635,187	Note: Pipeline cost estimates based on 2017 project costs; may need to be updated.

Attachment B – Guidance for the Engineering Firm

The Irish Beach Water District (IBWD) is requesting an engineer's assessment report be prepared to describe how the District could impose an assessment structure to generate sufficient revenue to allow the District to implement a Capital Improvement Plan with projects in the near term (1-5 years), mid-term (6-15 years), and longterm (16 – 20 years) planning horizon.

Benefits Determination and Description of General versus Special Benefits

In preparing the report, the District requests that the engineer include an explanation of general vs. special benefits. The following are examples of explanations that the District has identified as well-defining these principles:

GENERAL: Proposition 218 makes a distinction between general and special benefits provided by a project or service. A general benefit is defined as something that benefits the public, such as libraries or ambulance service. A special benefit is defined as a particular benefit to land and buildings. The XXXXX District provides special benefits to the parcels within the District by delivering surface water, groundwater, and municipal water supplies. These services do not accrue to the public at large and are not considered general benefits. This report proposes a special benefit assessment; therefore, this report must identify all parcels that will have a special benefit conferred upon them and upon which the recommended assessment will be imposed, if adopted.

The assessment structure proposed by the Board of Directors is designed to achieve and maintain equity to landowners who rely on the District's water system, and the benefit of the District to secure and maintain the surface water, groundwater, and municipal water supplies. The District's objective is to provide the necessary services to maintain and improve the water system in an equitable manner and at a reasonable cost to its parcel owners.

DETERMINATION OF BENEFITS: The purpose of this section is to identify the current benefits each parcel receives within the District.

Benefit of the District's Existence: There is a special benefit that is conferred upon all the parcels that fall within the District's boundary. This benefit includes the value of the District's operations and the benefit of the ability of the District to secure and deliver water supplies. The benefit of providing a water supply to properties within the District ties to the original water rights secured. If the District had not been organized, these rights would no longer be enjoyed by landowners located within the District boundaries. If the District did not exist, landowners who now receive surface water supplies may not be living in this area.

Benefit of the District's Surface & Ground Water Supplies: There are multiple benefits provided by the District to the lands located within the District's Service Area. These benefits include preservation and protection of entitlement to water, the benefits from the District's operation and maintenance activities facilitating delivery of surface water, the benefits of storage of groundwater within the District's service area and its accessibility at shallow depths. Lands outside the District Service Area do not receive the same special benefit from District operations and thus are not subject to the proposed assessment.

Benefit of Fire Protection: All parcels benefit from enhanced fire protection, whether it enhances their individual property protection or that of adjacent parcels. While each individual parcel may have a different level of protection from a fire originating on that parcel, all parcels

benefit from fire safety improvements as they reduce potential for fires to spread from one parcel to neighboring parcels. Therefore, this benefit is uniformly distributed across the service area, which will improve the fire protection.

Description of Planned Maintenance and Capital Improvement Projects

In addition, the District requests the engineer describe the degree of Board discretion in prioritizing projects based on environmental and cost factors, as well as unforeseen geotechnical issues. Moreover, the District is interested in the engineer's recommendations regarding inclusion of the costs of Prop 218 procedures and elections in overall Capital Improvement Plan cost estimates. We found the following descriptions to be helpful illustrations.

Capital Improvement costs include costs associated with capital expenditures made by the District. These expenditures include both routine capital outlays for items such as replacement of existing facilities and will also fund major system improvement projects. While future grant programs may be available, the Board of Directors may exercise their discretion to use such funding to accelerate completion of the proposed capital improvement program. The Board of Directors has the discretion to select which capital improvements are prioritized and initiated, as well as deciding whether to fund capital improvements through cash flow or to apply assessment revenue.

Table XXXXX summarizes the deferred water system maintenance items currently identified, as well as water system improvement projects that will increase water quality, system reliability, and/or system capacity. It should be noted that this list is tentative, in that as other maintenance and system improvement items become apparent, the Board of Directors will prioritize work to be performed in the best interest of maintaining a functional, dependable, and efficient water system.

The District's planned and budgeted activities and work items may require adjustment, elimination, increase, or decrease of certain line items in response to any or all the following circumstances:

- Unforeseen water system facility site conditions.
- Changes in State and Federal standards and regulations.
- Changes in water system maintenance and improvement requirements, and/or
- Estimated construction costs and District budget/cash flow constraints.

Proportionality Analysis

Finally, the District requests that the engineer supply an explanation of the apportionment methods considered, and the rationale for the recommended method. In addition, we are requesting that the engineer evaluate the Single-Family Equivalent method for apportioning assessment costs between developed and undeveloped parcels as well as commenting on any other method deemed to be appropriate for a district of IBWD's size and composition. Moreover, the District is requesting a description of the process that will be used to adjust assessments based on parcel status. For guidance, the following are examples of the proportionality analysis descriptions from engineering reports adopted by other agencies that the District believes would be helpful to building community understanding of such analysis.

ASSESSMENT APPORTIONMENT: In the process of determining the appropriate method of assessment, various alternatives were considered. For example, an assessment only for all residential improved property was considered but was determined to be inappropriate because vacant properties also receive special benefits from the assessments. Moreover, a fixed or flat assessment for all properties of similar type was deemed to be inappropriate because properties

less likely to be affected by improvements would be assessed the same as properties more likely to be affected. Hence, the appropriate method of assessment should be based on the use of the property and the level of potential benefit to property.

METHOD OF APPORTIONMENT: The next step in apportioning Assessments is to determine the relative special benefit for each property. This process involves determining the relative benefit received by each property in relation to a single-family home, or, in other words, based on Single-Family Equivalents (SFE). This SFE methodology is commonly used to distribute Assessments in proportion to estimated special benefit and is recognized as providing the basis for a fair and appropriate distribution of assessments. For the purposes of this Engineer's Report, all properties are assigned an SFE value, which is each property's relative benefit in relation to a single-family home on one parcel. In this case, the "benchmark" property is the single-family detached dwelling which is one Single Family Equivalent or one SFE.

VACANT/UNDEVELOPED PROPERTIES: The benefit to undeveloped properties is determined to be proportional to the corresponding benefits for similar type developed properties, but at a lower rate due to the lack of improvements on the property. A measure of the benefits accruing to the underlying land is the average value of land in relation to Improvements for developed property. An analysis of the assessed valuation data from properties in the XXXXXX Water District found that approximately XX% of the assessed value of improved properties is classified as the land value. It is reasonable to assume, therefore, that approximately XX% of the benefits are related to the underlying land and XX% are related to the improvements and the day-to-day use of the property. Using this ratio, the SFE factor for vacant/undeveloped parcels is 0.31 per parcel.

PARCEL CHANGES: The District is responsible for a parcel-by-parcel analysis, to determine the special benefit and assessment amount for each parcel in the District. Each year, the District will analyze and recalculate individual benefits and corresponding assessments for each parcel, incorporating parcel splits and combinations, initiation of development, etc. The District shall use the property tax assessment data obtained from the County of XXXXXXXX, as well as requests for connection to the water system as the basis for the recalculation.