



Memorandum

DATE: December 16, 2009

TO: Board of Public Works

FROM: Mark Radtke, Director of Public Works *MR*
Thomas Stoffel, Comptroller *ts*

RE: Recommendation to Accept Proposal for Engineering Services for Sewer User Charge Update

The City of Menasha funds the cost of providing sanitary sewer service in its service area through a monthly user charge. A User Charge System (UCS) provides an equitable distribution of system costs to the sewer users. Menasha's UCS was last updated in 2006. It is necessary to update the UCS again due to several factors, including the increased charge from Neenah Menasha Sewerage Commission for operation of the wastewater treatment plant, charges to the fund for the defense of the case involving PCB deposition in the Fox River, and increased costs attributed to forthcoming additional rehabilitative sewer system work required in our Compliance Agreement with WisDNR.

Attached is a copy of the Request for Proposals (RFP) submitted to seven engineering firms. The RFP describes the project intent and scope of services. We received proposals from three of the seven firms. Most of those that chose not to submit a proposal indicated they have not had enough experience performing UCS updates. Following are the fixed cost prices of the three submitted proposals.

Kaempfer & Associates, Inc.	\$4,800.00	30 calendar days to complete
McMahon Engineers/Architects	\$9,700.00	45 calendar days to complete
AECOM	\$10,000.00	45 calendar days to complete

Based on their qualifications submittals, all three firms have the expertise to complete this update. We recommend the acceptance of the proposal from Kaempfer & Associates, Inc. in the amount of \$4,800.00.

Enclosure

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November 24, 2009

Request for Proposal for Engineering Services/User Charge System Update

The City of Menasha is requesting proposals for providing engineering services to assist the City with an update of its user charge system for wastewater management services. The City of Menasha shall receive sealed proposals until 3:00 p.m. on Thursday, December 10, 2009.

The proposal shall contain the following information:

Section 1 Project Organization

- Listing of User Charge System services undertaken by firm including references (Community, Contact, Phone Number).
- Team members who will be participating in the work. Provide a copy of the resumes for the team members.

Section 2 Description of Project

- A description of the project is presented in Attachment "A". All of the work elements in the description of project shall be completed to comply with the City of Menasha requirements.

Section 3 Scope of Services

- The scope of services to be provided by the engineering firm to assist the City with its User Charge System update is presented in Attachment "B".

Section 4 Compensation

- Provide a fixed price cost for providing the professional services for the User Charge System update and associated work described in the project description and scope of services. This may either be a lump sum price or a time and expense basis with a "not to exceed" price.
- Identify any field and special studies not included in the fixed price required for the User Charge System update and the estimated cost for the services. Field and special studies would be compensated on a time and expense basis if approved by the City.
- A current schedule of hourly billing rates shall be provided for any proposals including a time and expense basis component.

Section 5 Insurance

The Engineer shall maintain during the life of this agreement, public liability and damage insurance which shall protect the Engineer and the City of Menasha from claims for injuries, including accidental death, as well as from claims for property damages which may arise from the performance of work under this agreement, and the limit of liability for such insurance shall be as follows:

1. Comprehensive general liability insurance, including personal injury liability, blanket contractual liability, and broad form property damage liability. The combined single limit for bodily injury and property damage shall be not less than \$1,000,000.
2. Automobile bodily injury and property damage liability insurance covering owned, non-owned, rented, and hired cars. The combined single limit for bodily injury and property damage shall be not less than \$1,000,000.
3. Statutory workers compensation and employer's liability insurance for the State of Wisconsin.
4. The City of Menasha shall be named as an additional insured on the Certificate of Insurance as it relates to the work under this Agreement.

Please contact me if you have any questions.

Sincerely,



Mark Radtke, P.E.
Director of Public Works

MR/cs
Enclosure

ATTACHMENT "A"

2009 User Charge System Update

Description of Project

The User Charge System (UCS) is intended to provide for an equitable distribution of the debt retirement costs, operation and maintenance costs, and replacement costs of the wastewater collection system and Neenah-Menasha Sewerage Commission (NMSC) wastewater treatment plant (WWTP). It is necessary to update the UCS every two to three years to ensure adequate revenue is obtained from sewer users to cover the wastewater management system obligations of the City. The last update was performed in 2006.

The distribution of variable sewer user charges will be based on the volume and strength of wastewater discharged to ensure a proportional distribution of costs to each sewer user. The wastewater discharges and revenue requirement in 2008 and 2009 will be used to establish the sewer user charges.

The project includes updating the UCS. The work will include obtaining and analyzing the wastewater flows and loadings discharged by sewer users in the City and water use data; evaluating the water meters used for sewer volume billing; establishing the current number of user charge meter equivalents in the sewer system; and calculation of domestic strength wastewater characteristics. The work will include analyzing the wastewater collection system and NMSC operation and maintenance cost data and debt retirement cost data for 2008 and 2009. Operation and maintenance costs may be allocated to both volume charge and fixed charge. Unit treatment costs will be updated and the allocation of debt retirement costs and replacement fund costs will be performed. The results of the UCS update will be summarized in a memorandum to the City and will be presented at a City Council meeting.

ATTACHMENT "B"

Scope of Services

The Engineer shall provide professional services to assist the City in updating the wastewater management facilities. The detailed tasks involved in this part of the work are as described herein and shall be provided by the Engineer.

- Task 1.01 -- Meet with the City to determine project requirements, provide updates of the project progress, and discuss any relevant issues concerning the project.
- Task 1.02 -- Evaluate the regulatory requirements for establishing an equitable UCS.
- Task 1.03 -- Obtain wastewater management system operation and maintenance budgets and audited financial statement from City. Obtain water use data and inventory of water meters used for sewer billing from Menasha Utilities.
- Task 1.04 -- Analyze budgets, debt retirement schedules, operation and maintenance cost data, water use data, water meter inventory, and wastewater flow and loading characteristics. Prepare summary of system costs.
- Task 1.05 -- Identify wastewater flows and loadings discharged to the City of Menasha Collection System and NMSD WWTP by City sewer users.
- Task 1.06 -- Calculate domestic strength wastewater characteristics.
- Task 1.07 -- Review existing methodology for cost distribution and calculation of fixed charges and volume charges.
- Task 1.08 -- Identify and review with City staff any changes needed in the distribution of operation and maintenance costs to fixed and variable (volume) charges.
- Task 1.09 -- Develop fixed charges and volume charges to meet the obligations of the City.
- Task 1.10 -- Determine the volume charge for domestic strength wastewater.
- Task 1.11 -- Meet with City staff to identify any changes needed for surcharging significant sewer users.
- Task 1.12 -- Identify any sewer users that should be added or deleted from significant sewer user list.
- Task 1.13 -- Prepare comparison of present and proposed sewer user charges.

- Task 1.14 -- Update the UCS and prepare a memorandum summarizing the results of the UCS update.
- Task 1.15 -- Review draft update with the City. Revise draft update to incorporate City comments.
- Task 1.16 -- Provide 20 copies of the UCS and summary memorandum to the City for review and approval.
- Task 1.17 -- Present UCS update to the Department of Public Works and City Council.

Schedule:

The work will be started upon authorization by the City of Menasha. This authorization is expected to be given by January 31, 2010. The work shall be completed within 45 days of authorization to proceed.