



Date of Council Meeting: June 11, 2013

**TOWN OF LEESBURG
TOWN COUNCIL MEETING**

Subject: Water and Sewer Rate Study

Staff Contact: Amy Wyks, Director of Utilities

Recommendation: I recommend that Town Council authorize the release of a Request for Proposal (RFP) for a water and sewer rate study.

Issue: Should the Town Council consider the issuance of a Request for Proposal (RFP) for a water and sewer rate study?

Fiscal Analysis: The estimated cost to conduct a utility rate study is \$75,000. Sufficient funding is available in the Fiscal Year 2014 budget and an additional appropriation is not necessary.

Background: At the August 11, 2009 Town Council Meeting, Council adopted Ordinance 2009-O-12 that established water and sewer rates that became effective September 1, 2009 with annual increases through July 1, 2014. The current rate schedule is attached for your reference.

The Utility Rate Advisory Committee made a presentation at the Town Council Work Session on April 8, 2013 and recommended a consultant complete a water and sewer rate study. At the Council meeting on April 9, 2013, Motion 2013-020 accepted the Utility Rate Advisory Committee presentation and Council directed staff to develop a Request for Proposal (RFP) to secure the services of a utility rate setting consultant using the URAC presentation as part of the parameters for the scope of work. A draft RFP was submitted and approved by the Utility Rate Advisory Committee for release to consulting firms experienced in conducting water and sewer rate studies and is attached for your review.

Attachment (1) Fee Schedule for Water and Sewer
(2) Final Draft of Water and Sewer Rate Study RFP



**TOWN OF LEESBURG
REQUEST FOR PROPOSALS
WATER AND SEWER RATE STUDY**

Issued **DATE, 2013**

RFP NUMBER: 500640-FY13-13

PROPOSAL DUE DATE: **DATE 2013, 5:00 P.M.**

MAILING ADDRESS: Town of Leesburg
Procurement
25 W. Market Street
Leesburg, VA 20176

PROCUREMENT CONTACT: Kathy S. Elgin, CPPO
Procurement Officer
Phone: 703-737-7176
E-mail: kelgin@leesburgva.gov

CONTRACT ADMINISTRATORS: Norm Butts
Director of Finance
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Table of Contents

I.	Purpose and Background.....	3
II.	Scope of Work.....	5
III.	Proposal Format.....	8
IV.	Evaluation, Selection, and Award Criteria.....	9
V.	Terms and Conditions.....	9
VI.	Submittal Instructions.....	14
VII.	RFP Submission Form.....	15
VIII.	Sample Contract.....	16

I. Purpose and Background

A. Purpose

The Town of Leesburg (the “Town”) is accepting competitive sealed proposals to provide a comprehensive water and wastewater cost of service study and rate design review for the Town’s municipally owned and operated water and wastewater utility system to determine revenue requirements and rate recommendations for FY 2016 and financial projections and recommended rates for fiscal years 2017-2020. These recommendations will be based on an analysis of revenue requirements and a rate impact study for both systems.

The resulting contract will be an hourly rate, not to exceed contract. A preliminary report will be due ninety (90) days after award of contract, followed by four weeks of review by Town staff and the Utility Rate Advisory Committee (URAC) with the final report delivered thirty (30) days after review comments. Final report will be presented to Town Council at a regularly scheduled Council worksession.

B. Background

Leesburg is located in Loudoun County, Virginia, approximately 35 miles northwest of Washington, D.C. The Town has a land area of 11.55 square miles and is the county seat of Loudoun County. The 2012 census indicated the Town’s population to be 45,900. Current estimates are that the Town has a population of more than 46,000. Leesburg is by far one of the fastest growing communities in the Northern Virginia region.

The Town owns and operates its own municipal water and wastewater treatment facilities, which provide water and wastewater collection, distribution and treatment services for all town residents and certain areas located outside of the town’s corporate limits. The Town does not provide water or wastewater treatment for other localities nor does it purchase these services from other providers. However, the Town owns and operates a joint interconnection with Loudoun County Sanitation Authority for emergency purposes.

The Town currently provides utility billing and collection services to 15,347 accounts, utilizing a fixed based radio read network, capable of electronically reading all meters on a daily basis.

The Town’s water system consists of approximately 217 miles of water mains ranging in size from 4 to 24 inches. The Town has a modern (12.5 MGD) water treatment plant, which was recently expanded from 5 MGD to the current capacity and is located on the Potomac River. The plant’s Potomac River intake structure is large enough to accommodate an eventual plant production of 15 MGD. In addition to the water treatment plant, the Town’s water system is

supplemented by one well, which has the capacity of providing 500,000 gallons per day. At the present time, system pressures are maintained via five water storage tanks - three elevated storage tanks and two standpipes, which together provide storage capacity of eight million gallons. The system currently provides service to 15,292 customers.

The Town’s wastewater treatment system provides sanitary sewage collection, conveyance and treatment to all town residents and businesses. The wastewater system consists of a modern 7.5 MGD treatment facility, which was upgraded in 2008, with future capabilities to facilitate an expansion to 10 MGD average flow. There are approximately 171 miles of sewer mains ranging in size from 4” to 36”, and nine sewage pumping stations, all owned and maintained by the town. There are presently 15,299 customers served by the town’s sanitary sewage system.

In-town water and sewer rates have increased annually since 2009. They are current as follows:

	Effective 7/1/13	Effective 7/1/14
Water per metered 1,000 gallons	\$4.02	\$4.14
Sewer per metered 1,000 gallons of water	\$5.37	\$5.53
Sewer Only (In Town) Fixed Rate/quarter	\$108.56	\$111.60
High Usage Water rate/1,000 gallons (35% over winter consumption, sewer rate remains constant)	\$5.83	\$6.00
* Qualifying Elderly In-Town	\$3.02	\$3.11
* Qualifying Elderly In-Town High Usage Rate	\$4.37	\$4.50

* Must meet Loudoun County Tax Relief Qualifications

Customers are billed quarterly for metered usage. A fixed charge of \$14.40 per quarter is assessed to each 5/8” service connection (\$7.20 water & \$7.20 sewer). The other quarterly fixed charges based on meter size are as follows and apply equally for water and sewer:

	WATER	SEWER	TOTAL
¾”	\$ 7.92 per quarter	\$ 7.92 per quarter	\$15.84
1”	\$ 10.08 per quarter	\$ 10.08 per quarter	\$20.16
1.5”	\$ 12.96 per quarter	\$ 12.96 per quarter	\$25.92
2”	\$ 20.88 per quarter	\$ 20.88 per quarter	\$41.76
3”	\$ 79.20 per quarter	\$ 79.20 per quarter	\$158.40
4”	\$ 100.80 per quarter	\$ 100.80 per quarter	\$201.16
6”	\$ 151.20 per quarter	\$ 151.20 per quarter	\$302.40
8”	\$ 208.80 per quarter	\$ 208.80 per quarter	\$417.60

A 25% discount on water and sewer charges is available to elderly or disabled residents who are eligible for exemption from town real estate taxes per Loudoun County Tax relief qualifications. There are presently 244 customers receiving these reduced rates.

The last rate review was completed in 2009 by Draper Aden.

On July 1, 1998, the Town implemented an out-of-town water and sewer rate structure. The current rates are as follows:

	Effective 7/1/13	Effective 7/1/14
Water per metered 1,000 gallons	\$5.67	\$5.84
Sewer per metered 1,000 gallons of water	\$8.16	\$8.41
Sewer Only (Out-of-Town) Fixed Rate/quarter	\$162.28	\$166.94
High Usage Water rate/1,000 gallons (35% over winter consumption, sewer rate remains constant)	\$8.22	\$8.47
* Qualifying Elderly Out-of-Town	\$4.25	\$4.38
* Qualifying Elderly Out-of-Town High Usage Rate	\$6.17	\$6.36

* Must meet Loudoun County Tax Relief Qualifications

In addition to water and sewer user fees, the Town also collects water and sewer availability fees from developers before the extension of water and sewer service to any new or expanded premises. The fee for residential units is presently \$4,683 for water and \$7,292 for sewer, for a combined total of \$11,975. Utility connection fees are \$50 each for water and sewer plus an additional charge of \$505 for a 5/8” meter, meter box, setter, and MTU if the contractor makes the connection.

Non-residential fees are a minimum of \$4,683 for water and \$7,292 for sewer and the actual fees are determined based on \$20.20 per gallon per day of estimated sewer flow and \$13.33 per gallon per day of estimated water consumption. Non-residential connection fees are \$50 for water and/or fire line connection, plus the cost for the meter box, meter, setter, and MTU, and \$50 for sewer, if the contractor makes the connection. If the Town forces make the connections, the fee is based on labor, equipment, materials plus 15%.

II. Scope of Work

- A. The offeror will review the Town’s water and sewer system and evaluate the current utility rates and structure to determine if rates are adequate to fund system operations and capital financing requirements for fiscal years 2016 – 2020. The offeror will develop an alternative rate structure based on a tiered rate structure

that insures compliance with all revenue bond covenants and meets the systems necessary revenue requirements so that operating revenue meets operating expenses.

- B. Evaluate the Town's water and sewer system current utility rates and structure to determine if rates are adequate to fund the system operations and capital financing requirements for fiscal years 2016 – 2020. The offeror shall conduct a complete and thorough review of all legal and financial obligations of Town's wastewater and water utility systems related to revenue, paying particular attention to the following:
1. Compliance with revenue bond covenants
 2. The adequacy/equity of the current rate structure with regard to cost of serving various customer classes
 3. Review the adequacy of the approach used in financing capital improvements
 4. Review the adequacy for funding capital projects including evaluation and recommendations for 3R Reserve Fund (i.e., water meter replacement, infrastructure improvements, etc.)
 5. Review frequency of billing cycles and collection policy in an effort to improve cash flow position
 6. Review and update, as necessary, the existing computer based water and sewer rate model utilized by town staff for rate analysis. The existing rate model is designed utilizing Microsoft Excel 2010.
- C. The offeror shall perform the water and sewer rate study in conformance with the following:
1. Provide a comparison of current water and sewer system costs (operations, capital improvements, bonded debt, etc.) against appropriate industry benchmarks and surrounding localities providing the same or similar service.
 2. Recommend water and sewer rate structures that take into consideration the costs of providing service and risks that may be associated with providing the service which are sufficient to meet the short and long-term revenue requirements of the Town's Water and Sewer Funds and reserve funds.
 3. Recommended rate structures shall consider and make provision for the following factors:
 - a. Current and future cost of providing water and sewer services in accordance with established and anticipated standards and regulations;
 - b. Projected demands of a growing community;
 - c. Current water and sewer rate differential between in town and out of town rates.

- d. Age and condition of the treatment plants and projected replacements for supply, treatment, and distribution infrastructure;
 - e. Funding requirements for all current long-term liabilities and debt obligations;
 - f. Impact of current and future water and sewer regulations;
 - g. Consistency with industry practice for utility rate making in Virginia; and
 - h. Other impacts as identified.
4. Provide at least two recommended rate alternatives based upon standard rate practices that meet the factors above and make a recommendation as to which one best meets the criteria.
 5. Benefits of any proposed modifications shall be weighed against the financial impacts on ratepayers.
 6. Justifications for classes of customers under the recommended rate structure shall be demonstrated.
 7. Recommended rate structure shall result in no decrease in stability of the revenue stream or the overall financial stability of the Water and Sewer Funds, as compared to the current structure.
 8. Recommended rate structure shall be easy to administer and understand by both the customer and the Town.
 9. Review the Town's automated billing system to determine if it is capable of administering any proposed rate structure. The Town utilizes software developed by Munis (Tyler Technologies) to maintain its financial and utility account records.
 10. Provide the Town with an easy-to-use electronic rate model in MS Excel which can be readily controlled to take into account alternative scenarios.
- D. The offeror shall review guidance from Town Council. The offeror shall work with the Utility Rate Advisory Committee (URAC) in the development of an alternative rate structure if appropriate. The offeror shall attend and meet with URAC prior to the development of any initial alternative rate structure to discuss the goals moving forward. The offeror shall attend and meet with URAC after developing a draft of any rate structure to explain the alternative rate structures with respect to all proposed rate that are recommended, respond to comments, and answer questions. The offeror shall consider all comments received by URAC and Town Council, and revise the draft of any or several rate structures and recommendations as necessary. Regular updates shall be provided to Town Council and URAC regarding the progress and development of any rate structure or recommendation
- E. In accordance with State law, before any increase can be authorized in utility rates and fees, the town must first hold a public hearing. The successful offeror will be required to attend and participate in all Council meetings and worksessions as well as public hearings where any proposed rate increase would be discussed. The offeror shall revise any proposed rate or rate structure as necessary. The successful offeror will also be required to attend and participate in a minimum of

two URAC meetings. Upon adoption of rates, successful offeror will be required to provide an easy to use rate and fiscal analysis model in Excel 2010 that can be readily adjusted by Town staff.

F. Town provided information – Information to be provided by the Town on request:

1. Historical customer billing records
2. Historical financial data, budgets and capital improvements programs
3. Projected financial data, budgets and capital improvements programs
4. Historical water system production amounts
5. Historical wastewater system operation data
6. Projected water system demand
7. Projected wastewater operational data
8. Detail fixed asset records.

III. Proposal Format

Proposals are to be submitted in a format that allows uniform review and easy access to information by the Evaluation Team. A Table of Contents shall be provided and pages and exhibits numbered in an organized manner.

The items to be addressed in the proposal are listed below. All proposals shall provide a delineation of capabilities to satisfy the requirements of this request. Emphasis should be on completeness and clarity of content. Proposals should contain no more than 30 double-sided pages. Covers, dividers (i.e., sheets that are blank on both sides), and any addenda will not be counted as part of the sheet count.

A. Introductory Letter of Interest

B. Qualifications and Experience

1. Provide specific information regarding your firm's experience. Focus on past and present experience with projects or contracts similar to the scope of this one.
2. Provide your firm's client references, including the name, address and telephone number of a contact person along with a brief description of the project for which similar planning consultation services were provided.
3. Describe your firm's availability, response and staffing for this project.
4. Include a resume or description of qualifications and specific experience for each project team member. Identify key individuals to be assigned to this project and their role.

C. Project Management - Provide a one-page description of project management to include project staffing, sub-consultants, if any and your firm's management approach to ensure quality control and completion of the project within specified time frames.

D. RFP Submission Form - See Section VII.

IV. Evaluation, Selection, and Award Criteria

The evaluation and selection of the rate consultant will be based on the criteria set forth below.

The Town intends to award this contract on the basis of competitive negotiation as outlined in the Virginia Public Procurement Act – Section 2.2-4301.3.b “Competitive Negotiations.” Based on the Proposal Evaluation Criteria listed below in Section IV, the Evaluation Team will determine the highest-ranked offerors. Offerors may be required to make an oral presentation of their proposal. Non-binding hourly rates and man-hour estimates will be requested at the time of interview. The Evaluation Team will schedule the time and location for this presentation, if it is necessary. After the presentations, the firms will be re-ranked. Negotiations will be conducted with the Offeror ranked first. If these negotiations are unsuccessful, they will be formally concluded and the second ranked firm will be contacted. The contract will be awarded to the firm whose overall proposal, interviews and final offers are deemed to be in the best interest of the Town.

- A. Past experience of the assigned staff on relevant projects.
- B. Qualifications and experience of the firm(s) to successfully perform a rate study.
- C. Reputation of the firm(s) and assigned staff with past clients.
- D. Overall completeness and quality of the proposal.

The contract for these services will be based on hourly rates for services provided with a not-to-exceed limit for the rate study.

V. Terms and Conditions

- A. Rejection of Proposals – The Town reserves the right to reject any or all proposals, to waive any informality in any proposals or reject any item or combination of items.
- B. Contract Execution – In the event that the offerors to whom the proposal is awarded does not execute the contract included herein within 30 days after the notice of intent to award, the Town may give notice to award the proposal to the next most qualified offeror, or to call for new proposals, and may proceed accordingly. Any exceptions to the standard contract included herein must be included in your proposal.
- C. Inquiries – All inquiries concerning this RFP must be directed, **in writing**, to the Procurement Contact listed on the cover page of this RFP. The last date questions will be entertained is five days prior to the due date noted on the cover page of this RFP. A copy of all written questions received, and subsequent responses provided, will only be emailed to those firms that provided valid email addresses in the bidder registration process on the Town’s Bid Board found at www.leesburgva.gov. Responses will also be posted on the bid board of the Town’s website.

- D. Understanding of RFP – Offerors shall thoroughly examine and be familiar with the RFP. The failure or omission of any offeror to receive or examine this document shall in no way relieve any offeror of obligations with respect to this proposal or the subsequent contract. The submission of a proposal shall be taken as prima facie evidence of compliance with this paragraph.
- E. Assignment of Contract – The firm is prohibited from assigning, transferring, conveying, subletting, or otherwise disposing of this contract or its rights, title or interest therein or its power to execute such contract or its rights, title or interest therein or its power to execute such contract to any other person, company or corporation without the consent and approval in advance and in writing by the Town Manager or the Town’s Procurement Officer.
- F. Exceptions to RFP – Offerors taking exception to any part or section of this RFP shall clearly indicate such exceptions in their proposal. Failures to indicate any exceptions shall be interpreted as the offeror’s intent to fully comply with the RFP as written. Conditional or qualified proposals are subject to rejection in whole or in part.
- G. Laws and Regulations – Any contract awarded shall comply fully with all local, state and federal laws and regulations. Any litigation arising from this contract will be conducted in a court within the Commonwealth of Virginia. Firms must comply with all registration and licensing requirements.
- H. Collusion among Offerors – More than one proposal from an individual, firm, partnership, corporation or association under the same or different name will be rejected. Reasonable grounds for believing that an offeror has an interest in more than one proposal for the work contemplated will cause rejection of all proposals in which the offeror is interested. Any or all proposals will be rejected if there is any reason for believing that collusion exists among the offerors. Participants in such collusion may not be considered in future proposals for the same work. Each offeror, by submitting a proposal and the attached RFP Submission Form, certifies that it is not a party to any collusive action.
- I. Qualification Of Offerors – Each Offeror may be required, before the award of any contract, to show to the complete satisfaction of the Evaluation Team that it has the necessary facilities, abilities, and financial resources to furnish the service or material specified herein in a satisfactory manner, and the offeror may also be required to show past history and reference which will enable the Evaluation Team to be satisfied as to the offeror’s qualifications. Failure to qualify according to the foregoing requirements will justify proposal rejection.
- J. Liability – The successful Offerors will not be held responsible for failure to perform the duties and responsibilities imposed by the contract due to legal strikes, fires, civil disobedience, riots, rebellions, acts of God and similar

occurrences beyond the control of the successful offeror that make performance impossible or illegal, unless otherwise specified in the agreement.

- K. Relation To Town – It is the intent of the parties hereto that the successful offeror shall be considered as an independent contractor and that neither it nor its employees shall, under any circumstances, be considered servants or agents of the Town and that these bodies shall be at no time legally responsible for any negligence on the part of said successful offeror, its servants or agents, resulting in either bodily or personal injury or property damage to any individual, firm, or corporation.
- L. Expenses Incurred in Preparing Proposal – The Town accepts no responsibility for any expense incurred in the proposal preparation and presentation. Such expenses are to be borne exclusively by the offeror.
- M. Offeror Responsibility – Before submitting a proposal, each offeror shall make all investigations and examinations necessary to ascertain all conditions and requirements affecting the full performance of the contract. No pleas of ignorance of such conditions and requirements resulting from failure to make such investigations and examinations will relieve the successful offeror from its obligation to comply in every detail with all provisions and requirements of the contract documents or will be accepted as a basis for any claim whatsoever for any monetary consideration on the part of the successful offeror.
- N. Protest Of Award Or Decision To Award – An Offeror may protest an award or decision to award a contract under procedures as set forth in the Town of Leesburg Procurement Policy.
- O. Ethics In Public Contracting – This specification incorporates by reference, but is not limited to, the provisions of law contained in the Virginia Conflict of Interest Act, the Virginia Governmental Frauds Act, Articles 2 and 3 of Chapter 10 of Title 18.2, and the Virginia Public Procurement Act, Article 6, of Chapter 43 of Title 2.2 of the Code of Virginia.
- P. Insurance Requirements – Offeror shall secure at its own expense general liability insurance in an amount not less than \$2,000,000 solely contained in a Commercial General Liability Policy or in combination with an Umbrella or Excess Policy. Included shall be coverage for Bodily Injury and Property Damage resulting from the operations, products, and completed operations of the contractor. Offeror shall also carry automobile insurance in an amount not less than \$2,000,000 solely contained in a Commercial Auto Policy or in combination with an Umbrella or Excess Policy. Offeror shall also carry Workers Compensation insurance, which meets the statutory requirements of the Commonwealth of Virginia. In addition, Offeror shall also carry other insurance coverage deemed by the Town to be appropriate to his agreement.

The above-mentioned coverage shall be placed with an insurance carrier licensed to do business in the Commonwealth of Virginia. The carrier must have an AM Best Rating of A or better. A Certificate of Insurance identifying coverage and naming the Town of Leesburg as additional insured shall be furnished to the Town. Liability coverage shall contain wording prohibiting cancellation of coverage, failure to renew, or reduction in limit without the insurer first giving 30 days prior written notice of such action to the Town.

- Q. Business, Professional, And Occupational License (BPOL) – All firms conducting business for the Town of Leesburg are required to be licensed in accordance with the Town’s “Business, Professional, and Occupational Licensing (BPOL) Tax” Ordinance (excerpt below). Wholesale and retail merchants without a business location in Leesburg, Virginia are exempt from this requirement. Questions concerning the BPOL Tax should be directed to the Department of Finance, telephone 703-771-2717.
- R. Other Licenses and Permits – The Offeror shall pay all Town, County, State, and Federal taxes required by law enacted at the time proposals are received and resulting from the work or traceable work thereto, under whatever name levied.
- S. Ownership of Documents – The Offeror agrees that all information, finished or unfinished documents, data, studies, surveys, drawings, maps, specifications, models, photographs, records, reports and other material gathered and/or prepared by or for it under the terms of the Contract shall, at the Town’s option, be delivered to, become, and remain the property of the Town. The Town shall also have the right to use and reproduce the data and reports submitted hereunder, without additional compensation to the Offeror.
- T. Employment Discrimination By Contractors Prohibited – Every contract in excess of \$10,000 shall include the following provisions:
 - 1. During the performance of a contract, the Offeror shall agree that he will not discriminate against any employee or applicant for employment because of race, religion, color, sex or national origin, age, disability or any other basis prohibited by federal or state law relating to discrimination in employment in the solicitation and award of public contracts except where religion, sex or national origin is a bona fide occupational qualification reasonably necessary to the normal operation of the Contractor; that he will post in conspicuous places, available to employees and applicants for employment, notices setting forth nondiscrimination practices, and that he will state, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, that he is an equal opportunity employer. Notices, advertisements and solicitations placed in accordance with federal law, rule or regulation shall be deemed sufficient to meet this requirement.

2. The Offeror will include the provisions of the foregoing paragraphs in every subcontract or purchase order in excess of \$10,000 so that the provisions will be binding upon each subcontractor or vendor.
- U. Drug Free Workplace – Pursuant to section 2.2-4312 of the VPPA. Drug-free workplace to be maintained by contractor; required contract provisions. – All public bodies shall include in every contract over \$10,000 the following provisions:
During the performance of this contract, the Offeror agrees to (i) provide a drug-free workplace for the contractor’s employees; (ii) post in conspicuous places, available to employees and applicants for employment, a statement notifying employees that the unlawful manufacture, sale, distribution, dispensation, possession, or use of a controlled substance or marijuana is prohibited in the contractor’s workplace and specifying the actions that will be taken against employees for violations of such prohibition; (iii) state in all solicitations or advertisements for employees placed by or on behalf of the Offeror that the Offeror maintains a drug-free workplace; and (iv) include the provisions of the foregoing clauses in every subcontract or purchase order of over \$10,000, so that the provisions will be binding upon each subcontractor or vendor.
For the purposes of this section, “*drug-free workplace*” means a site for the performance of work done in connection with a specific contract awarded to a Offeror in accordance with this chapter, the employees of whom are prohibited from engaging in the unlawful manufacture, sale, distribution, dispensation, possession or use of any controlled substance or marijuana during the performance of the contract.
- V. Faith Based Organizations – Pursuant to Section 2.2-4343.1 of the VPPA – The Town does not discriminate against faith-based organizations.
- W. Payment Clauses – Pursuant to Section 2.2-4354 of the VPPA –
1. Within seven days after receipt of amounts paid to the Offeror by the Town for work performed by the subcontractor under the resulting contract the Offeror will:
 - a. Pay the subcontractor for the proportionate share of the total payment received from the agency attributable to the work performed by the subcontractor under that contract; or
 - b. Notify the agency and subcontractor, in writing, of his intention to withhold all or a part of the subcontractor’s payment with the reason for nonpayment.
 2. Individual contractors must provide their social security numbers and proprietorships, partnerships, and corporations to provide their federal employer identification numbers.

3. The Offeror will pay interest to the subcontractor on all amounts owed by the Offeror that remain unpaid after seven days following receipt by the Offeror of payment from the Town for work performed by the subcontractor under that contract, except for amounts withheld as allowed in subdivision 1.
4. “Unless otherwise provided under the terms of this contract, interest shall accrue at the rate of one percent per month.”
The Offeror will include in each of its subcontracts a provision requiring each subcontractor to include or otherwise be subject to the same payment and interest requirements with respect to each lower-tier subcontractor.
A contractor’s obligation to pay an interest charge to a subcontractor pursuant to the payment clause in this section shall not be construed to be an obligation of the Town. A contract modification shall not be made for the purpose of providing reimbursement for the interest charge. A cost reimbursement claim shall not include any amount for reimbursement for the interest charge.

VI. Submittal Instructions

- A. One original and four copies of the proposal must be received by the due date by the person at the address specified on the cover page. Proposals must be placed in a sealed envelope bearing the name of the offeror, the offerors address and the title and due date of the proposal. The proposal shall be signed in the name of the offeror and bear the signature of the person duly authorized to bind the firm in a contract. The name, address, and phone number of the point of contact shall be identified.
- B. Late Proposals - It is the responsibility of the offeror to insure that the proposal arrives on time and at the proper location. Late proposals will not be considered.

VII. RFP Submission

SECTION I – COMPANY IDENTIFICATION AND OWNERSHIP DISCLOSURE

Company _____
Address _____
Contact Person _____ Title _____
Telephone No. _____ Fax No. _____ Email _____
Organized under the laws of the State of _____
Principal place of business at _____
Federal Id Number _____ Registered Agent _____

Following are the names and addresses of all persons having ownership of 3% or more in the company (attach more sheets if necessary):

Name	Address
_____	_____
_____	_____
_____	_____

The Town of Leesburg requests, as a matter of policy, that any consultant or firm receiving a contract of award resulting from a formal solicitation issued by the Town shall make certification as specified below. Receipt of such certification, shall be a prerequisite to the award of contract and payment thereof.

SECTION II – EMPLOYEES NOT TO BENEFIT - I (we) hereby certify that if the contract is awarded to our firm, partnership, or corporation, that no employee of the Town of Leesburg, or members of his/her immediate family, including spouse, parents or children has received or been promised, directly or indirectly, any financial benefit, by way of fee, commission, finder’s fee, political contribution or any similar form of remuneration on account of the act of awarding and/or executing this contract.

SECTION III – CONFLICTS OF INTEREST - This solicitation is subject to the provisions of VA Code Ann. Section 2.1-639.2 et seq., the State and Local Government Conflict of Interests Act. The Offeror [] is [] is not aware of any information bearing on the existence of any potential organizational conflict of interest.

SECTION IV – COLLUSION - I certify that this offer is made without prior understanding, agreement, or connection with any corporation, firm, or person submitting an offer for the same services, materials, supplies, or equipment and is in all respects fair and without collusion or fraud. I understand collusive bidding is a violation of the State and federal law and can result in fines, prison sentences, and civil damage awards. I hereby certify that the responses to the above representations, certifications, and other statements are accurate and complete. I agree to abide by all conditions of this RFP and certify that I am authorized to sign for my company.

Signature _____ Date _____
Name (Printed) _____ Title _____

OFFEROR MUST RETURN THIS FORM WITH PROPOSAL

Sample Contract The following is an example professional services contract and is for information purposes only.

CONTRACT NO.

[SOLICITATION TITLE]

This **CONTRACT** (the “**CONTRACT**”) is made this ____ day of _____, 20____, by and between the **TOWN OF LEESBURG, VIRGINIA** (the “**TOWN**”), a municipal corporation, and _____, a _____ having a usual place of business at _____ (the “**CONTRACTOR**”).

The Contractor and the Town, in consideration of the mutual covenants, promises, and agreements herein contained, agree as follows:

1. **Provision of Services.** **The Contractor hereby agrees to provide the following services to the Town:**

2. **Contract Documents.** The Contract Documents consist of this Contract, the RFP, the Town Purchase Order and the _____ proposal, dated _____. Where the terms of this Contract and the Contractor’s proposal are at variance, the provisions of this Contract shall prevail.

3. **Contract Term.** The term of this Contract for services will be ninety days. A preliminary report will be due forty-five (45) days after award of contract, followed by two weeks of review by Town staff with the final report (paper copy and CD) delivered thirty (30) days after review comments.

4. **Contract Amount.** In return for the services identified above, the Town certifies that sufficient funds are budgeted and appropriated and shall compensate the Contractor within thirty (30) days after receipt of a proper invoice for the amount of payment due or thirty (30) days after receipt of services, whichever is later, and in accordance with paragraph numbered 5 of this Contract.

The contract for services during construction will be awarded on a “cost plus fixed fee,” based on hourly rates for services provided with an upper, not to exceed limit for professional services. The total project cost shall not exceed amount.

5. **Method of Payment.** The Contractor shall submit invoices to the Town with all supporting documentation and shall be reimbursed as follows:

[PAYMENT TERMS OR SCHEDULE]

Payment will be made upon receipt of an invoice, which details the hours worked and services performed. The invoice must be mailed to the address specified below and must reference the purchase order number.

Town of Leesburg, 25 W Market St, Leesburg, VA 20176.

6. **Applicable Law and Courts.** This contract resulting from this solicitation shall be governed in all respects by the laws of the Commonwealth of Virginia and any litigation with respect thereto shall be brought in the Circuit Court of Loudoun County. The Contractor shall comply with applicable federal, state and local laws and regulations.
7. **Assignment of Contract.** This Contract shall not be assignable by the Contractor in whole or in part without the prior written consent of the Town.
8. **Audit.** The Contractor shall retain all books, records, and other documents relative to this Contract for five (5) years after final payment, or until audited by the Town, whichever is sooner. The agency, its authorized agents, and/or State auditors shall have full access to and the right to examine any of said materials during said period.
9. **Indemnification.** Contractor agrees to indemnify, defend and hold harmless the Town, its officers, agents, and employees from any claims, damages and actions of any kind or nature, whether at law or in equity, arising from or caused by any services of any kind or nature furnished by the Contractor, provided that such liability is not attributable to the sole negligence of the Town.
10. **Notice.** The following persons shall be contact persons for the parties, and notice given them, by certified return receipt requested mail to the addresses shown, shall constitute valid notice under the requirements of this agreement:

1. For TOWN:

2. For Contractor:

The parties may amend such addresses by written notice to the opposite party at the given address.

11. **Termination by Town**

- A. By Town without cause. The Town may terminate this Contract for any reason upon ten (10) days notice and upon payment of any and all sums already earned under the terms of Paragraphs numbered 4 and 5 of this Contract and reasonable expenses incurred in reliance upon the Contract.

Notwithstanding the foregoing, the Offeror agrees that any resulting contract shall be subject to annual appropriations of the Leesburg Town Council and that non-appropriation of sufficient funding to continue the contract will result in its automatic termination once existing funding is exhausted.

- B. By Town with Cause. The Town may terminate this contract for cause if the Offeror is in material breach of this Contract fails to adequately remedy such a breach after written notice from the Town and a 14-day period to cure the breach. If this Contract is terminated by the Town for cause, the Town may withhold any further payments to the Offeror until it determines its damages and may sue the Offeror for any damages caused by the breach.
- C. If this contract is terminated by the Town, the Offeror shall, within seven days thereafter, deliver to the Town all Contract Deliverables, as specified in paragraph 13.D., regardless of the current state of completion. In such case, the Offeror grants an irrevocable right to the Town to use the Contract Deliverables without additional compensation to the Offeror, but the Offeror will not be liable for any change or alterations to the Contract Deliverables or for their use in an incomplete state.
- D. If the Town terminates this Contract for cause and it is later determines that such termination was not justified, then the termination shall be converted into one for without cause under paragraph 11.A. and any liability of the Town shall be limited solely to the liability provided by that paragraph for a termination without cause.

12. Integration Clause. This contract shall constitute the whole agreement between the parties. There are no promises, terms, conditions, or obligations other than those contained herein, and this Contract shall supersede all previous communications, representations or agreements, written or verbal, between the parties hereto related to the subject of this Contract.

In witness whereof, the parties below execute this Contract as of the date first above written.

TOWN OF LEESBURG

[ENTER NAME OF CONTRACTOR]

AUTHORIZED
SIGNATURE _____
NAME _____
TITLE _____

AUTHORIZED
SIGNATURE _____
NAME _____
TITLE _____

PRESENTED: June 11, 2013

RESOLUTION NO. 2013-

ADOPTED: _____

A RESOLUTION: AUTHORIZING A REQUEST FOR PROPOSALS (RFP) TO CONDUCT
A WATER AND SEWER RATE STUDY

WHEREAS, the Utility Rate Advisory Committee made a presentation on April 8, 2013; and

WHEREAS, Motion 2013-020 at the Council Meeting on April 9, 2013 accepted the Utility Rate Advisory Committee presentation and directed staff to develop a Request for Proposal (RFP) to secure the services of a utility rate setting consultant using the URAC presentation as part of the parameters for the scope of work; and

WHEREAS, a draft RFP was submitted and approved by the Utility Rate Advisory Committee for release to consulting firms experienced in conducting such studies; and

WHEREAS, the Request for proposal (RFP) will be issued and duly advertised per section 15.2-2100-2105 of the Code of Virginia.

THEREFORE, RESOLVED by the Council of the Town of Leesburg in Virginia that the Town Manager is hereby authorized to release an RFP to conduct a water and sewer rate study.

PASSED this ___ day of _____ 2013.

Kristen Umstattd, Mayor
Town of Leesburg

ATTEST:

Clerk of Council