



Request for Proposals (RFP)

Development of 5-year Strategic Plan

December 27, 2017

1.0 Background

1.1 Executive Summary

The Public Utility District No. 1 of Skagit County, Washington (“District”) issues this request for proposals (“RFP”) from qualified firms (“Consultant”) to develop a Strategic Plan that incorporates five-year goals and measurable objectives. The District does not currently have a Strategic Plan in place but understands that the development of a plan will provide us with a tool for making decisions regarding the allocation of labor, materials and equipment to help prioritize budget spending and setting water rates. The District is interested in focusing on our core business functions in order to protect our ability to continue delivering reliable, cost-efficient water service and to provide opportunities for organizational growth and development.

A Strategic Plan encompasses both a baseline assessment of an organization and a “road map” to develop and achieve a planned response to factors which affect an organization’s mission. It defines the purpose of an organization (mission and vision), what it will do and how it will perform (goals and measurable objectives) and under what terms it will operate (values). A Strategic Plan allows an organization to establish direction and priorities, to focus on the critical actions necessary to implement and achieve the mission, improves resource utilization, reduces redundancy, and allows an organization to both establish stability and seek opportunity. A Strategic Plan receives final review and approval by organization management and policymakers (Board of Commissioners) and is developed through a process to assure that objectives can be implemented and achieved with direct action.

The District is interested in having the Consultant develop the Strategic Plan such that it can be updated by the District as often as desired, based on the business and operational needs. The District’s budget for the Strategic Plan is \$40,000 and the Consultant shall develop the work tasks in the proposal based on that budget.

1.2 Overview of Public Utility District No. 1 of Skagit County

The District is a municipal corporation of the State of Washington, established in 1936 for the purpose of providing safe, efficient, reliable and affordable water service to the residents of Skagit County. The District is also authorized under state law to provide sewer services and wholesale telecommunication services. At the current time, there are no active sewer customers, but there are two wholesale fiber-optic customers.

The District currently employs approximately 77 FTEs, which include 67 employees working out of the main campus building on Freeway Drive, and another 10 employees at the water treatment plant. The District operates the largest water system in Skagit County, providing an average of nine million gallons of piped water to approximately 65,000 people every day. The District maintains over 600 miles of pipelines and has over 31 million gallons of water storage volume.

The cities of Mount Vernon, Burlington, and Sedro-Woolley receive the majority of our water. Due to public demand for quality water, the District also provides service to unincorporated and remote areas of the county. The District’s water service area encompasses all of Skagit County, and specifically includes part of Fidalgo Island at the west end of the county and extends as far east as Marblemount. From south to north, the District’s service area starts in Conway and extends north to Alger/Lake Samish.

The District takes great pride in meeting the utility needs of Skagit County’s residential and commercial customers, and holds the following mission, vision, and values:

Mission

To provide quality, safe, reliable and affordable utility services to our customers in an environmentally-responsible, collaborative manner.

Vision

To be recognized as an outstanding regional leader and innovative utility provider that embodies environmental stewardship and sound economic practices.

Core Values

- Quality
- Reliability
- Environmental Responsibility
- Responsive Service
- Low Cost
- Economic Responsibility

2.0 Submittal Format

2.1 General Submittal Requirements

The proposal shall be a single volume of double-sided pages, bound such that they lay flat when opened and shall be no longer than 15 pages (8.5x11 letter size format). Sections shall be indexed and tabbed for easy reference to the material contained within. The front cover, back cover, introductory letter, table of contents, and District submittal pages are not included in the page limit. Consultants must submit:

- Four (4) hard copies; and
- One (1) digital copy

The proposal shall be signed in ink by an authorized representative of the Consultant. Signature on a submittal certifies that it is made without connection with any other person, firm or corporation making a submittal for the same goods and/or services and is in all respects fair and made without collusion or fraud. Signature on a proposal also certifies that the Consultant has read, fully understands and agrees to all solicitation requirements, terms and conditions. No consideration will be given to any claim resulting from submittal without fully comprehending all requirements of the Request for Proposals.

The District reserves the right to request any Consultant submitting a proposal to clarify its submittal and to supply additional information deemed necessary to assist in the selection of a Consultant. The District also reserves the right to clarify, modify or alter any of the requirements herein. In the event of a material modification of the submittal requirements by the District, Consultants selected by the District may be given an opportunity to modify their proposal in the specific areas that are impacted.

The District may cancel, reject in whole or in part any submittal, without liability incurred at any time after issuing an RFP, if it is in the District's best interest to do so. Consultants responding to RFPs are responsible for all costs they may incur in connection with submitting a proposal, which includes, but is not limited to: submittal preparation, pre-proposal conference, if any, document submittal, travel, expenses, interviews, presentations, or evaluation of any related documents.

2.2 Performance Period

It is the District's desire to complete this project within three (3) months from the signing of an agreement. Any future phases of the overall project will depend on the results of this first phase and budget availability.

2.3 Submittal Delivery/Closing Date

Submittals with all required information must be submitted to Doug McConnell, Contracts Administrator, either by hand delivery to 1415 Freeway Drive, Mount Vernon, WA or by mail to PO Box 1436, Mount Vernon, WA 98273-1436 by Friday, January 12, 2018, at 3:00 p.m. Pacific Time. Submissions received by the District after the closing date and time will not be opened.

2.4 Questions Regarding the Request for Qualifications

There will only be one point of contact for inquiries during the RFP process. The contact point is the District's Contracts Administrator Doug McConnell, (360) 848-2169, or by email at mccconnell@skagitpud.org. Any questions or issues that may arise regarding the scope, the RFP process, and/or the award process shall be directed to Doug McConnell. Responses to such inquiries shall be given in writing via an addendum to all parties who have obtained the RFP documents from the District.

NOTE: In order to receive an addendum, Consultants must contact Mr. McConnell to be placed on the communication list regarding this RFP.

2.5 Organization of Submittal

Submissions should be prepared and organized in a clear and concise manner and must include all information required by this RFP. Headers, titles, or tabs should be used to identify required information. The submittal shall include the following at a minimum:

Introduction

- Introductory letter indicating the Consultant's interest in offering these services to the District and highlighting its qualifications to perform this engagement. Also, include the availability of the firm to complete all components of the project and any desire to change the proposed schedule.
- Firm name, authorized contact person, address, and telephone number.
- Table of Contents of proposal

Consultant Experience and Workload

- A description of Consultant's experience in developing strategic plans for public agencies.
- A listing of at least three (3) projects the firm has completed that are similar to the project described in this RFP. For each project, provide:
 - Name, address and telephone number of the client
 - Name of the Consultant's project manager and personnel who worked on the project, with a description of their roles.
 - Budget and actual project cost.
 - The elements of the projects that are similar to the project described in this RFP.

Personnel Experience

- Provide an organization chart showing all proposed team members and describing their responsibilities for this project. Include professional qualifications/resumes of each member of the project team.

Project Approach and Schedule

- Provide a write-up on the specific tasks listed in the Scope of Work and your approach on how you will complete each task, given the District's needs. Include proposed dates and milestones.
- Suggestions for additional services that may benefit the District.
- Proposed project management and communications approach for this contract.

3.0 Scope of Work

The District is seeking a consultant to provide services to assist the District in the development of a 5-year Strategic Plan to guide the District's goals and objectives. The specific scope of services for the work under this contract will include the following:

Task One – Interviews with Commissioners, General Manager and Management Staff

- Meet with the General Manager to review the contract and scope of services, identify information needed, and discuss/refine goals and format for the sessions.
- Conduct in-person and/or telephone interviews with Commissioners, General Manager and identified management staff to gather information about desired projects, program, work elements, and policies to be considered in developing the Strategic Plan.
- Review and assess the strength and applicability of the District's existing Mission Statement, Vision Statement, and Core Values.

The deliverables for Task One shall be a schedule and timeline for activity completion, survey documents and questionnaires completed by the participants, and a memo discussing the applicability of the District's existing Mission, Vision, and Values.

Task Two – Development of District Goals and Primary Objectives

- As a result of the interviews and survey questionnaires, the Consultant will identify a list of goals and objectives for consideration by the Board and management staff during a work session on this topic. The work session is intended to prioritize proposed activities, tasks, resources, policies and timeframes.
- Consultant will attend an additional work session with management staff to further refine activities based on prioritization of goals and objectives. Recommended measurable activities with scheduled timeframes will be included in the production of the draft Strategic Plan and are subject to final approval by the Board.

The deliverable for this Task Two will be a draft and final memo identifying goals, objectives, activities/tasks, resources needed, and schedules and timelines for activity completion.

Task Three – Development of a Five-year Strategic Plan

- Prepare an administrative draft of the Strategic Plan for review by management staff and refine the document as needed prior to the presentation of a Draft Plan for consideration by the Board.
- Produce a Final Draft Strategic Plan for review and approval or modification by the District Board within three months of the start of the project, dependent upon the availability of Board and staff. Consultant will present and discuss the plan at a public hearing of the Board, with the intent of adopting the Final 5-year Strategic Plan.

The deliverables for Task Three will include an administrative draft and final draft of the Strategic Plan, and six hard copies and an electronic copy of the Final Strategic Plan.

4.0 Evaluation of Proposal

4.1 Method of Evaluation

A panel of District staff members will review the submission based on the criteria listed below and make a recommendation for award. Proposals shall be evaluated based on the following criteria:

1. Consultant Experience and Workload (45 points maximum)
 - Experience and qualifications of the Consultant in performing strategic plans for public sector clients. Provide a description of success with similar projects. (30 points)
 - The Consultant’s ability to incorporate this contract into its present workload in order to complete the plan within the desired three-month duration. (10 points)
 - The Consultant’s project management methodology. (5 points)
2. Experience of the Personnel Assigned to the Team (25 points maximum)
 - Significant consideration will be given to the individual qualifications of the team members identified in the proposal, including years of experience, years with the firm, and experience with similar projects.

3. Project Approach and Schedule (20 points maximum)
 - This includes a demonstrated understanding of the objectives, scope, and purpose of the contract, with a specific explanation of how the consultant proposes to achieve the District’s goals. Innovative suggestions that may increase the value of the Consultant to the District will also be considered.
4. Interview (10 points maximum)
 - Consultants may be requested to take part in an interview to answer questions from the District’s review panel.

The panel may make a recommendation at the appropriate level for a contract award. Upon approval of this recommendation, District staff will coordinate with the selected firm to complete the attached Agreement for Professional Services.

4.2 Tentative Evaluation Schedule

The schedule of events set out herein represents the District’s best estimate of the schedule that will be followed.

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|---|-------------------|
| Release of RFP | December 27, 2017 |
| Last Date for Request for Clarifications | January 9, 2018 |
| Closing Date of RFP | January 12, 2018 |
| Responses Evaluated | January 19, 2018 |
| Possible Interviews | January 24 – 26 |
| Finalize Scope of Work, Negotiations and Contract Execution | February 14, 2018 |

PROPOSAL SIGNATURE PAGE

Name of Corporation _____

Mailing Address _____

City/State/Zip Code _____

Receipt is hereby acknowledged of addendums(s) No(s). _____, _____, and _____

Individual designated as the point of contact for any questions or concerns related to evaluation of this proposal:

Name of Representative _____

Telephone _____ Email _____

Federal Employee Tax Identification Number _____

Person authorized to bind corporation to the Terms and Conditions of this response:

Authorized Person _____

Title _____

Telephone _____ Email _____

Authorized Signature _____

Appendix A

Agreement for Professional Services

AGREEMENT

Project # WO-1234-01

(Insert "Small Works", "Work Order", etc. and corresponding # on above line)

THIS CONTRACT is made and entered into by and between **PUBLIC UTILITY DISTRICT NO. 1 OF SKAGIT COUNTY** (Owner) and _____ (Consultant) whose names are subscribed hereto.

WITNESSETH:

WHEREAS the Owner has caused the preparation of certain Contract Documents entitled **DEVELOPMENT OF 5-YEAR STRATEGIC PLAN**

WHEREAS the Owner has developed a scope of work, requested a proposal, has received and analyzed said proposal, and has duly given notice of Acceptance of Proposal to the Consultant all of which are made a part hereof and which constitute the whole Contract between the Owner and the Consultant.

NOW, THEREFORE, it is hereby agreed that:

1. The Consultant shall furnish the work, pay all costs, and perform all requirements of this Contract in the manner specified in the attached proposal dated January 12, 2018.
2. Said Proposal calls for time and material pricing set forth in (1) above with a not to exceed price without Owner written approval. The Owner shall pay to the Consultant a total contract amount computed from the unit prices in said Proposal and the actual quantities of units furnished. Based upon the unit prices in the Consultant's Proposal the estimated Total Contract Amount including Washington State Sales Tax is _____/100 Dollars (\$_____).
3. Owner will pay invoices to the Consultant within 30 days of receiving monthly invoices based on actual quantities of work performed.
4. The attached Indemnification Agreement is hereby made part of this agreement.
5. Either party hereto may terminate this agreement upon thirty (30) days written notice either personally delivered or mailed postage-prepaid by certified mail, return receipt requested, to the party's last known address for the purposes of giving notice under this paragraph. If this agreement is so terminated, the parties shall be liable only for performance rendered or costs incurred in accordance with the terms of this agreement prior to the effective date of termination.

IN WITNESS WHEREOF, two (2) identical counterparts of this Contract, each of which shall for all purposes be deemed an original hereof, have been duly executed by the parties hereto.

CONSULTANT

**PUBLIC UTILITY DISTRICT NO. 1
OF SKAGIT COUNTY**

Type Signee Name, Title
Mailing Address
Mailing City St Zip

George Sidhu, P.E., General Manager
Post Office Box 1436, 1415 Freeway Drive
Mount Vernon, WA 98273

Date _____

Date _____

INDEMNIFICATION AGREEMENT

The Consultant agrees to defend, indemnify, and hold the District harmless from any and all claims, demands, losses, and liabilities to or by third parties arising from, resulting from, or connected with work performed or to be performed under this Contract by the Consultant, its agents, employees, and subcontractors, even though such claims may prove to be false, groundless or fraudulent, to the fullest extent permitted by law and subject to the limitations provided below.

The Consultant's duty to indemnify the District shall not apply to liability for damages arising out of bodily injury to persons or damage to property caused by or resulting from the sole negligence of the District or the District's agents or employees. The Consultant's duty to indemnify the District for liability for damages arising out of bodily injury to persons or damage to property caused by or resulting from the concurrent negligence of Consultant, its agents, employees, or subcontractors and/or the District or the District's agents or employees, shall apply only to the extent of negligence of Consultant, its agents, employees, or subcontractors.

With respect to claims against Consultant by the District pursuant to this Contract only, Consultant expressly waives any immunity that may be granted it under the Workers' Compensation, Industrial Insurance or like statutes and/or any administrative regulations issued pursuant thereto. This waiver does not include or extend to any claims by Consultant's employees directly against Consultant.

Further, Consultant's defense and indemnification obligations under this Contract shall not be limited in any way by any limitation on the amount or type of damages, compensation or benefits payable to or for any third party under Workers' Compensation, Industrial Insurance or like statutes and/or any administrative regulations issued pursuant thereto.

Consultant's duty to indemnify the District for liabilities or losses, other than for bodily injury to persons or damage to property caused by or resulting from negligence, shall apply only to the extent of the fault of Consultant, its agents, employees, or subcontractors, except in situations where fault is not a requirement for liability, in which case indemnity will be provided to the extent the liability or loss was caused by Consultant or its agents, employees, or subcontractors.

Consultant's duty to defend, indemnify and hold the District harmless shall include, as to all claims, demands, losses and liabilities to which it applies, the District's actual attorneys' fees and costs incurred in connection with defending such claim(s) including, without limitation, consultant and expert witness fees and expenses and personnel-related costs in addition to costs otherwise recoverable by statute or court rule.

THE UNDERSIGNED HEREBY CERTIFY THAT THIS AGREEMENT WAS MUTUALLY NEGOTIATED.

CONSULTANT

PUBLIC UTILITY DISTRICT NO. 1
OF SKAGIT COUNTY, WASHINGTON

By: _____
Name/Title of Signee

By: _____
George Sidhu, P.E., General Manager

Dated: _____

Dated: _____

The Consultant shall cause each of its subcontractors (and suppliers to the extent any perform any work on the Project site) to execute an Indemnification Contract substantially in the form of the foregoing by which each such entity or person assumes to the District all obligations Consultant assumes to the District as set forth above.