

**VILLAGE OF DOWNERS GROVE**  
**REPORT FOR THE VILLAGE COUNCIL MEETING**  
**JUNE 7, 2011 AGENDA**

SUBJECT:	TYPE:	SUBMITTED BY:
Contract for Preparation of Stormwater Utility Study and Recommendations	Resolution Ordinance ✓ Motion Discussion Only	Nan Newlon, P.E. Director of Public Works

**SYNOPSIS**

A motion has been prepared authorizing execution of a contract with Municipal & Financial Services Group LLC of Annapolis, Maryland for a Stormwater Utility Study in an amount not to exceed \$64,221.15.

**STRATEGIC PLAN ALIGNMENT**

The goals for 2011 to 2018 identified *Exceptional Municipal Services* and *Top Quality Infrastructure*. The Stormwater Utility Study and Recommendation is a top priority action item for Fiscal Year 2011 as approved by the Village Council on January 11, 2011.

**FISCAL IMPACT**

This item will be paid for from the Stormwater Improvement Fund. Sufficient budget authority exists in the Stormwater Improvement Fund for this expenditure.

**RECOMMENDATION**

Approval on the June 7, 2011 consent agenda.

**BACKGROUND**

The Village is responsible for maintaining a stormwater infrastructure consisting of storm sewers, streams, ponds and wetlands, roadway ditches and drainage structures. Traditionally, the Village has paid for its stormwater infrastructure operation and maintenance and new capital projects through the sale of bonds, supported by property tax and home rule sales tax, and revenues from the General Fund. The Village has had past success with this funding strategy; however, current resources are not sufficient to continue to operate and maintain the stormwater system in compliance with state and federal regulations. Additional information regarding managing the system is attached to this report.

A stormwater utility is to stormwater what a water utility is to drinking water, generating revenues through fees for service, not taxes. A stormwater utility is responsible for funding the operation, construction and maintenance of the stormwater system, for stormwater system planning, and new investment. A stormwater utility generates its revenue through user fees. The revenues from the stormwater charges will go into a separate fund that may only be used for stormwater services.

In 2003, the Village created the Stormwater Utility Exploratory Committee, which identified the need for a master plan that would information about the condition of the Village's stormwater system and the estimated costs for meeting capital, maintenance and regulatory requirements. The resulting plan, completed in 2006, recommended the consideration of a stormwater utility program, which is a fee-based system that would create a consistent revenue source for managing and maintaining the stormwater system.

The goal of the stormwater utility study is to provide a set of recommendations regarding the possible creation of a stormwater utility, including suggested fees and funding sources. A dedicated funding source for stormwater improvements provides the Village with the following benefits:

- Improved public health and safety;
- Improved customer service and a reduced backlog of customer complaints;
- Reduction of long-term capital costs through proactive maintenance;
- Protection of property values;
- Resources to help mitigate flooding; and
- Resources to meet existing and future regulatory requirements.

The Village issued a Request for Proposal (RFP) for the stormwater utility study in March 2011 and received four responses. A staff team reviewed the RFP responses and recommends Municipal & Financial Services Group (MFSG) for this project. MFSG has successfully completed similar work for the cities of Manassas Park and Newport News, Virginia, the City of Camden, New Jersey and the Town of Auburn, Massachusetts and is currently working with the Town of Centreville, Maryland. MFSG also completed the Village's water rate study project in 2010. The key criteria utilized by staff in evaluating the proposals were experience, qualifications of assigned staff and the firm's approach to the project. MFSG is a specialized management consulting practice that has extensive experience in the financial and management needs of public sector infrastructure.

#### **ATTACHMENTS**

Contract Documents

Contractor Evaluation Form

## **Management of the Stormwater System**

Managing the stormwater system consists of the three major operations of maintaining existing infrastructure, completing construction of identified high-priority projects and insuring compliance with increasing State and Federal water quality regulations.

### **Maintenance**

The Village's stormwater infrastructure includes over 128 miles of storm sewers, nearly 12 miles of streams, over 300 ponds and wetlands, 60 miles of roadway ditches, and over 7,000 drainage structures. These components collect, store, and convey stormwater runoff to the East Branch of the DuPage River in one of the three major streams in the Village. When it rains, stormwater runoff drains from pervious and impervious areas and enters the stormwater system at an inlet on a roadway, a stream, a detention pond, or a ditch. A report was completed in 2007 which recommended a maintenance frequency for each of the work items that are integral to maintaining this system, which are accomplished by a combination of in-house activities and contracted work. At this time we are not performing these work items at the frequency that was recommended or that we believe is a best management practice.

### **Infrastructure Improvements**

For the past three years we have been focused on designing and constructing the high priority stormwater projects that were identified in the Watershed Infrastructure Improvement Plan (WIIP). Approximately \$15 million dollars of stormwater improvements have been constructed in this time-frame, and it is anticipated that another \$10 million dollars of high priority projects will be constructed over the next two years.

### **Regulatory Requirements**

The Village's stormwater system discharges are subject to the National Pollutant Discharge Elimination System (NPDES) Stormwater Phase II Municipal Separate Storm Sewer System General Permit. Compliance with this federal regulation requires the Village to conduct additional operation and maintenance activities, such as public education and outreach, illicit discharge detection and elimination, construction site runoff control, post-construction runoff control, pollution prevention/good housekeeping and detention basin inspection. With increasing regulations it has become challenging to complete these tasks with the available financial resources.



## REQUEST FOR PROPOSAL (Professional Services)

Name of Proposing Company: Municipal & Financial Services Group LLC

Project Name: Stormwater Utility Study

Proposal No.: RFP-0-18-2011/TT

Proposal Due: March 25, 2011, 2:00 p.m.

Village Hall 801 Burlington Downers Grove, IL. 60515

Pre-Proposal Conference: None

**Required of Awarded Contractor:**

Certificate of Insurance: Yes

Legal Advertisement Published: March 11, 2011

Date Issued: March 11, 2011

This document consists of 36 pages.

Return **original** and **four duplicate copies** of proposal in a **sealed envelope** marked with the Proposal Number as noted above to:

THERESA H. TARKA  
PURCHASING ASSISTANT  
VILLAGE OF DOWNERS GROVE  
801 BURLINGTON AVENUE  
DOWNERS GROVE, IL 60515  
PHONE: 630/434-5530  
FAX: 630/434-5571  
[www.downers.us](http://www.downers.us)

The VILLAGE OF DOWNERS GROVE will receive proposals Monday thru Friday, 8:00 A.M. to 5:00 P.M. at the Village Hall, 801 Burlington Avenue, Downers Grove, IL 60510.

**SPECIFICATIONS MUST BE MET AT THE TIME THE PROPOSAL IS DUE.**

The Village Council reserves the right to accept or reject any and all proposals, to waive technicalities and to accept or reject any item of any proposal.

The documents constituting component parts of this contract are the following:

- I. REQUEST FOR PROPOSALS
- II. TERMS & CONDITIONS
- III. DETAILED SPECIFICATIONS
- IV. PROPOSAL/CONTRACT FORM

**DO NOT DETACH ANY PORTION OF THIS DOCUMENT. INVALIDATION COULD RESULT.** Proposers MUST submit an original, and 2 additional paper copies of the total proposal. Upon formal award of the proposal this RFP document shall become the contract, the successful Proposer will receive a copy of the executed contract.

## **I. REQUEST FOR PROPOSALS**

### **1. GENERAL**

- 1.1 Notice is hereby given that Village of Downers Grove will receive sealed proposals up to **March 25, 2011, 2:00 p.m.**
- 1.2 Proposals must be received at the Village of Downers Grove by the time and date specified. Proposals received after the specified time and date will not be accepted and will be returned unopened to the Proposer.
- 1.3 Proposal forms shall be sent to the Village of Downers Grove, ATTN: Theresa Tarka, in a sealed envelope marked "SEALED PROPOSAL". The envelope shall be marked with the name of the project, date, and time set for receipt of proposals.
- 1.4 All proposals must be submitted on the forms supplied by the Village and signed by a proper official of the company submitting proposal. Telephone, email and fax proposals will not be accepted.
- 1.5 By submitting this proposal, the proposer certifies under penalty of perjury that they have not acted in collusion with any other proposer or potential Proposer.

### **2. PREPARATION OF PROPOSAL**

- 2.1 It is the responsibility of the proposer to carefully examine the specifications and proposal documents and to be familiar with all of the requirements, stipulations, provisions, and conditions surrounding the proposed services. **DO NOT SUBMIT A PROPOSED CONTRACT. UPON ACCEPTANCE BY THE VILLAGE, THIS RFP DOCUMENT SHALL BECOME A BINDING CONTRACT.**
- 2.2 No oral or telephone interpretations of specifications shall be binding upon the Village. All requests for interpretations or clarifications shall be made in writing and received by the Village at least five (5) business days prior to the date set for receipt of proposals. All changes or interpretations of the specifications shall be made by the Village in a written addendum to our proposer's of record.
- 2.3 In case of error in the extension of prices in the proposal, the hourly rate or unit price will govern. In case of discrepancy in the price between the written and numerical amounts, the written amount will govern.
- 2.4 All costs incurred in the preparation, submission, and/or presentation of any proposal including any proposer's travel or personal expenses shall be the sole responsibility of the proposer and will not be reimbursed by the Village.
- 2.5 The proposer hereby affirms and states that the prices quoted herein constitute the total cost to the Village for all work involved in the respective items and that this cost also includes all insurance, royalties, transportation charges, use of all tools and equipment,

superintendence, overhead expense, all profits and all other work, services and conditions necessarily involved in the work to be done and materials to be furnished in accordance with the requirements of the Contract Documents considered severally and collectively.

**3. MODIFICATION OR WITHDRAWAL OF PROPOSALS**

3.1 A Proposal that is in the possession of the Village may be altered by a letter bearing the signature or name of person authorized for submitting a proposal, provided that it is received prior to the time and date set for the bid opening. Telephone, email or verbal alterations of a proposal will not be accepted.

3.2 A Proposal that is in the possession of the Village may be withdrawn by the proposer, up to the time set for the proposal opening, by a letter bearing the signature or name of person authorized for submitting proposals. Proposals may not be withdrawn after the proposal opening and shall remain valid for a period of ninety (90) days from the date set for the proposal opening, unless otherwise specified.

**4. RESERVED RIGHTS**

4.1 The Village of Downers Grove reserves the exclusive right to waive sections, technicalities, irregularities and informalities and to accept or reject any and all proposals and to disapprove of any and all subcontractors as may be in the best interest of the Village. Time and date requirements for receipt of proposal will not be waived.

**II. TERMS AND CONDITIONS**

**5. VILLAGE ORDINANCES**

5.1 The successful proposer will strictly comply with all ordinances of the Village of Downers Grove and laws of the State of Illinois.

**6. USE OF VILLAGE'S NAME**

6.1 The proposer is specifically denied the right of using in any form or medium the name of the Village for public advertising unless express permission is granted by the Village.

**7. INDEMNITY AND HOLD HARMLESS AGREEMENT**

7.1 To the fullest extent permitted by law, the Proposer shall indemnify, keep and save harmless the Village and its agents, officers, and employees, against all injuries, deaths, losses, damages, claims, suits, liabilities, judgments, costs and expenses, which may arise directly or indirectly from any negligence or from the reckless or willful misconduct of the Proposer, its employees, or its subcontractors, and the Proposer, its employees, or its subcontractors, and the Proposer shall at its own expense, appear, defend and pay all charges of attorneys and all costs and other expenses arising therefrom or incurred in connection therewith, and, if any judgment shall be rendered against the Village in any such action, the Proposer shall, at its own expense, satisfy and discharge the same. This Agreement shall not be construed as requiring the Proposer to indemnify the Village for its own negligence. The Proposer shall indemnify, keep and save harmless the Village only where a loss was caused by the negligent, willful or reckless acts or omissions of the

Proposer, its employees, or its Subcontractors.

## **8. NONDISCRIMINATION**

8.1 Proposer shall, as a party to a public contract:

- (a) Refrain from unlawful discrimination in employment and undertake affirmative action to assure equality of employment opportunity and eliminate the effects of past discrimination;
- (b) By submission of this proposal, the Proposer certifies that he is an "equal opportunity employer" as defined by Section 2000(e) of Chapter 21, Title 42, U.S. Code Annotated and Executive Orders #11136 and #11375, which are incorporated herein by reference. The Equal Opportunity clause, Section 6.1 of the Rules and Regulations of the Department of Human Rights of the State of Illinois, is a material part of any contract awarded on the basis of this proposal.

8.2 It is unlawful to discriminate on the basis of race, color, sex, national origin, ancestry, age, marital status, physical or mental handicap or unfavorable discharge for military service. Proposer shall comply with standards set forth in Title VII of the Civil Rights Act of 1264, 42 U.S.C. Secs. 2000 et seq., The Human Rights Act of the State of Illinois, 775 ILCS 5/1-101et. seq., and The Americans With Disabilities Act, 42 U.S.C. Secs. 12101 et. seq.

## **9. SEXUAL HARASSMENT POLICY**

9.1 The proposer, as a party to a public contract, shall have a written sexual harassment policy that:

- 9.1.1 Notes the illegality of sexual harassment;
- 9.1.2 Sets forth the State law definition of sexual harassment;
- 9.1.3 Describes sexual harassment utilizing examples;
- 9.1.4 Describes the Proposer's internal complaint process including penalties;
- 9.1.5 Describes the legal recourse, investigative and complaint process available through the Illinois Department of Human Rights and the Human Rights Commission and how to contact these entities; and
- 9.1.6 Describes the protection against retaliation afforded under the Illinois Human Rights Act.

## **10. EQUAL EMPLOYMENT OPPORTUNITY**

10.1 In the event of the Proposer's non-compliance with the provisions of this Equal Employment Opportunity Clause, the Illinois Human Rights Act or the Rules and Regulations of the Illinois Department of Human Rights ("Department"), the Proposer may be declared ineligible for future contracts or subcontracts with the State of Illinois or any of its political subdivisions or municipal corporations, and the contract may be canceled or voided in whole or in part, and such other sanctions or penalties may be imposed or remedies invoked as provided by statute or regulation. During the

performance of this contract, the Proposer agrees as follows:

- 10.1.1 That it will not discriminate against any employee or applicant for employment because of race, color, religion, sex, marital status, national origin or ancestry, age, physical or mental handicap unrelated to ability, sexual orientation, sexual identity or an unfavorable discharge from military service; and further that it will examine all job classifications to determine if minority persons or women are underutilized and will take appropriate affirmative action to rectify any such underutilization.
- 10.1.2 That, if it hires additional employees in order to perform this contract or any portion thereof, it will determine the availability (in accordance with the Department's Rules and Regulations) of minorities and women in the area(s) from which it may reasonably recruit and it will hire for each job classification for which employees are hired in such a way that minorities and women are not underutilized.
- 10.1.3 That, in all solicitations or advertisements for employees placed by it or on its behalf, it will state that all applicants will be afforded equal opportunity without discrimination because of race, color, religion, sex, marital status, national origin or ancestry, age, physical or mental handicap unrelated to ability, or an unfavorable discharge from military services.
- 10.1.4 That it will send to each labor organization or representative of workers with which it has or is bound by a collective bargaining or other agreement or understanding, a notice advising such labor organization or representative of the Proposer's obligations under the Illinois Human Rights Act and the Department's Rules and Regulations. If any such labor organization or representative fails or refuses to cooperate with the Proposer in its efforts to comply with such Act and Rules and Regulations, the Proposer will promptly so notify the Department and the contracting agency and will recruit employees from other sources when necessary to fulfill its obligations thereunder.
- 10.1.5 That it will submit reports as required by the Department's Rules and Regulations, furnish all relevant information as may from time to time be requested by the Department or the contracting agency, and in all respects comply with the Illinois Human Rights Act and the Department's Rules and Regulations.
- 10.1.6 That it will permit access to all relevant books, records, accounts and work sites by personnel of the contracting agency and the Department for purpose of investigation to ascertain compliance with the Illinois Human Rights Act and the Department's Rules and Regulations.
- 10.1.7 That it will include verbatim or by reference the provisions of this clause in every subcontract it awards under which any portion of the contract obligations are

undertaken or assumed, so that such provisions will be binding upon such subcontractor. In the same manner as with other provisions of this contract, the Proposer will be liable for compliance with applicable provisions of this clause by such subcontractors; and further it will promptly notify the contracting agency and the Department in the event any subcontractor fails or refuses to comply therewith. In addition, the Proposer will not utilize any subcontractor declared by the Illinois Human Rights Commission to be ineligible for contracts or subcontracts with the State of Illinois or any of its political subdivision or municipal corporations.

## **11. DRUG FREE WORK PLACE**

Proposer, as a party to a public contract, certifies and agrees that it will provide a drug free workplace by:

- 11.1 Publishing a statement: (1) Notifying employees that the unlawful manufacture, distribution, dispensation, possession or use of a controlled substance, including cannabis, is prohibited in the Village's or proposer's workplace. (2) Specifying the actions that will be taken against employees for violations of such prohibition. (3) Notifying the employee that, as a condition of employment on such contract or grant, the employee will: (A) abide by the terms of the statement; and (B) notify the employer of any criminal drug statute conviction for a violation occurring in the workplace no later than five (5) days after such conviction.
- 11.2 Establishing a drug free awareness program to inform employee's about: (1) the dangers of drug abuse in the workplace; (2) the Village's or proposer's policy of maintaining a drug free workplace; (3) any available drug counseling, rehabilitation and employee assistance programs; (4) the penalties that may be imposed upon employees for drug violations.
- 11.3 Providing a copy of the statement required above to each employee engaged in the performance of the contract or grant and to post the statement in a prominent place in the workplace.
- 11.4 Notifying the contracting or granting agency within ten (10) days after receiving notice of any criminal drug statute conviction for a violation occurring in the workplace no later than five (5) days after such conviction from an employee or otherwise receiving actual notice of such conviction.
- 11.5 Imposing a sanction on, or requiring the satisfactory participation in a drug abuse assistance or rehabilitation program by any employee who is so convicted as required by section 5 of the Drug Free Workplace Act.
- 11.6 Assisting employees in selecting a course of action in the event drug counseling, treatment and rehabilitation is required and indicating that a trained referral team is in place.

11.7 Making a good faith effort to continue to maintain a drug free workplace through implementation of the Drug Free Workplace Act.

**12. PATRIOT ACT COMPLIANCE**

The Proposer represents and warrants to the Village that neither it nor any of its principals, shareholders, members, partners, or affiliates, as applicable, is a person or entity named as a Specially Designated National and Blocked Person (as defined in Presidential Executive Order 13224) and that it is not acting, directly or indirectly, for or on behalf of a Specially Designated National and Blocked Person. The Proposer further represents and warrants to the Village that the Proposer and its principals, shareholders, members, partners, or affiliates, as applicable are not, directly or indirectly, engaged in, and are not facilitating, the transactions contemplated by this Agreement on behalf of any person or entity named as a Specially Designated National and Blocked Person. The Proposer hereby agrees to defend, indemnify and hold harmless the Village, and its elected or appointed officers, employees, agents, representatives, engineers and attorneys, from and against any and all claims, damages, losses, risks, liabilities and expenses(including reasonable attorney's fees and costs) arising from or related to any breach of the foregoing representations and warranties.

**13. INSURANCE REQUIREMENTS/INDEMNIFICATION**

13.1 The Proposer shall be required to obtain, from a company or companies lawfully authorized to do business in the jurisdiction in which the project is located, such general liability insurance which, at a minimum, will protect the Proposer from the types of claims set forth below which may arise out of or result from the Proposer's operations under this agreement and for which the Proposer may legally liable:

13.1.1 Claims under workers compensation, disability benefit and other similar employee benefit acts which are applicable to the operation to be performed;

13.1.2 Claims for damages resulting from bodily injury, occupational sickness or disease, or death of the Proposer's employees;

13.1.3 Claims for damages resulting from bodily injury, sickness or disease, or death of any person other than the Proposer's employees;

13.1.4 Claims for damages insured by the usual personal injury liability coverage which are sustained: (1) by a person as a result of an offense directly or indirectly related to employment of such person by the Proposer, or (2) by another person;

13.1.5 Claims for damages, other than to the work itself, because of injury to or destruction of tangible property, including loss of use resulting therefrom;

- 13.1.6 Claims for damages because of bodily injury, death of a person or property damage arising out of ownership, maintenance or use of a motor vehicle;
- 13.1.7 Claims for damages as a result of professional or any other type of negligent action by the Proposer or failure to properly perform services under the scope of the agreement between the Proposer and the Village.
- 13.2 The Proposer shall demonstrate having insurance coverage for a minimum of \$2 million for professional liability (errors and omissions).
- 13.3 As evidence of said coverages, Proposer shall provide the Village with certificates of insurance naming the Village of Downers Grove as an additional insured and include a provision for cancellation only upon at least 30 days prior notice to the Village.
- 13.4 In addition to required insurance coverages, the Proposer shall indemnify and hold harmless the Village and its officers, employees and agents from any and all liability, losses or damages the Village may suffer as a result of claims, demands, suits, actions or proceedings of any kind or nature in any way resulting from or arising out of negligent action on the part of the Proposer or any sub-Proposer to the Proposer under the Proposer's agreement with the Village.

**14. CAMPAIGN DISCLOSURE**

- 14.1 Any contractor, proposer, Proposer or vendor who responds by submitting a bid or proposal to the Village of Downers Grove shall be required to submit with its bid submission, an executed Campaign Disclosure Certificate, attached hereto.
- 14.2 The Campaign Disclosure Certificate is required pursuant to the Village of Downers Grove Council Policy on Ethical Standards and is applicable to those campaign contributions made to any member of the Village Council.
- 14.3 Said Campaign Disclosure Certificate requires any individual or entity bidding to disclose campaign contributions, as defined in Section 9-1.4 of the Election Code (10 ILCS 5/9-1.4), made to current members of the Village Council within the five (5) year period preceding the date of the bid or proposal release.
- 14.4 By signing the bid documents, contractor/proposer/Proposer/vendor agrees to refrain from making any campaign contributions as defined in Section 9-1.4 of the Election Code (10 ILCS 5/9-1.4) to any Village Council member and any challengers seeking to serve as a member of the Downers Grove Village Council.

**15. SUBLETTING OF CONTRACT**

- 15.1 No contract awarded by the Village shall be assigned or any part sub-contracted without the written consent of the Village Manager. In no case shall such consent relieve the Awarded Proposer from their obligation or change the terms of the contract.

All approved sub-contracts shall contain language which incorporates the terms and conditions of this contract.

**16. TERM OF CONTRACT**

- 16.1 The term of this contract shall be as set forth in the Detail Specifications set forth in Section III below. This contract is subject to the Village purchasing policy with regard to any extensions hereof.

**17. TERMINATION OF CONTRACT**

- 17.1 In the event of the Proposer's nonperformance, breach of the terms of the Agreement, or for any other reason, the Agreement may be canceled, in whole or in part, upon the Village's written notice to the Proposer. The Village will pay the Proposer's costs actually incurred as of the date of receipt of notice of default. Upon termination, the Proposer will deliver all documents and products of whatever kind, and their reproducible originals related to the project, which have been produced to the date of the notice of default.

**18. BILLING & PAYMENT PROCEDURES**

- 18.1 Payment will be made upon receipt of an invoice referencing Village purchase order number. Once an invoice and receipt of materials or service have been verified, the invoice will be processed for payment in accordance with the Village payment schedule. The Village will comply with the Local Government Prompt Payment Act, 50 ILCS 505/1 et seq., in that any bill approved for payment must be paid or the payment issued to the Proposer within 60 days of receipt of a proper bill or invoice. If payment is not issued to the Proposer within this 60 day period, an interest penalty of 1.0% of any amount approved and unpaid shall be added for each month or fraction thereof after the end of this 60 day period, until final payment is made.
- 18.2 The Village shall review in a timely manner each bill or invoice after its receipt. If the Village determines that the bill or invoice contains a defect making it unable to process the payment request, the Village shall notify the Proposer requesting payment as soon as possible after discovering the defect pursuant to rules promulgated under 50 ILCS 505/1 et seq. The notice shall identify the defect and any additional information necessary to correct the defect.
- 18.4 Please send all invoices to the attention of Village of Downers Grove, Accounts Payable, 801 Burlington, Downers Grove, IL 60510.

**19. RELATIONSHIP BETWEEN THE PROPOSER AND THE VILLAGE**

- 19.1 The relationship between the Village and the Proposer is that of a buyer and seller of professional services and it is understood that the parties have not entered into any joint venture or partnership with the other.

**20. STANDARD OF CARE**

- 20.1 Services performed by Proposer under this Agreement will be conducted in a manner

consistent with that level of care and skill ordinarily exercised by members of the profession currently practicing in the same locality under similar conditions. No other representations express or implied, and no warranty or guarantee is included or intended in this Agreement, or in any report, opinions, and documents or otherwise.

20.2 If the Proposer fails to meet the foregoing standard, Proposer will perform at its own cost, and without reimbursement from the Village, the professional services necessary to correct errors and omissions caused by Proposer's failure to comply with the above standard and reported to Proposer within one (1) year from the completion of Proposer's services for the Project.

20.3 For Professional Service Agreements (i.e. Engineer, Proposer): Project site visits by Proposer during construction or equipment installation or the furnishing of Project representatives shall not make Proposer responsible for: (i) constructions means, methods, techniques, sequences or procedures; (ii) for construction safety precautions or programs; or (iii) for any construction contractor(s') failure to perform its work in accordance with contract documents.

**21. GOVERNING LAW**

21.1 This Agreement will be governed by and construed in accordance with the laws of the State of Illinois without regard for the conflict of laws provisions. Venue is proper only in the County of DuPage and the Northern District of Illinois.

**22. SUCCESSORS AND ASSIGNS**

22.1 The terms of this Agreement will be binding upon and inure to the benefit of the parties and their respective successors and assigns; provided, however, that neither party will assign this Agreement in whole or in part without the prior written approval of the other. The Proposer will provide a list of key staff, titles, responsibilities, and contact information to include all expected sub Proposers.

**23. WAIVER OF CONTRACT BREACH**

23.1 The waiver by one party of any breach of this Agreement or the failure of one party to enforce at any time, or for any period of time, any of the provisions hereof will be limited to the particular instance and will not operate or be deemed to waive any future breaches of this Agreement and will not be construed to be a waiver of any provision except for the particular instance.

**24. AMENDMENT**

24.1 This Agreement will not be subject to amendment unless made in writing and signed by all parties.

**25. NOT TO EXCEED CONTRACT**

25.1 The contract price is a "not-to-exceed" cost. At any time additional work is necessary or requested, and the not-to-exceed price is increased thereby, any change, addition or price increase must be agreed to in writing by all parties who have executed the contract.

**26. SEVERABILITY OF INVALID PROVISIONS**

26.1 If any provisions of this Agreement are held to contravene or be invalid under the laws of any state, country or jurisdiction, contravention will not invalidate the entire Agreement, but it will be construed as if not containing the invalid provision and the rights or obligations of the parties will be construed and enforced accordingly.

**27. NOTICE**

27.1 Any notice will be in writing and will be deemed to be effectively served when deposited in the mail with sufficient first class postage affixed, and addressed to the party at the party's place of business. Notices shall be addressed to the Village as follows:

**Village Manager  
Village of Downers Grove  
801 Burlington Ave.  
Downers Grove, IL 60515**

And to the Proposer as designated in the Contract Form.

**28. COOPERATION WITH FOIA COMPLIANCE**

Contractor acknowledges that the Freedom of Information Act may apply to public records in possession of the Contractor or a subcontractor. Contractor and all of its subcontractors shall cooperate with the Village in its efforts to comply with the Freedom of Information Act . 5 ILCS 140/1 et.seq.

**III. DETAILED SPECIFICATIONS**

**A. INTENT OF SOLICITATION**

The Village of Downers Grove (Village) is soliciting competitive proposals from qualified applicants to provide professional services in support of the following general steps toward implementation of a stormwater utility for the Village. Since there is no assurance that a stormwater utility will be approved for implementation, however, proposed tasks should be structured in phases that allow for authorization to proceed at specific milestones, minimizing the unnecessary expenditure of funds and effort should establishment of the utility not occur.

**B. BACKGROUND**

The Village of Downers Grove, located in DuPage County, has a population of approximately 48,000 and consists of approximately 14.5 square miles of land. Downers Grove operates under the Council-Manager form of government; the Mayor and six Commissioners serve for four-year overlapping terms and the Village Manager is appointed by the Council. The Village must adopt a budget by December 31 of each year. The Downers Grove Village Council is aided in governing the Village by various volunteer advisory boards and commissions.

Under the Village Manager's direction are the Finance Department and the Public Works Department. The Finance Department serves residents, officials and all Village departments with financial accountability, timely reporting of financial results and prudent cash management. The department also monitors and analyzes the activities of expenditures and revenues; collects revenues; prepares documentation and coordinates the sale of bonds to fund capital projects; and administers purchasing procedures.

The Public Works Department consists of five operating divisions. The Street Division's primary responsibilities include maintaining all Village streets, including cleaning, patching and plowing 167 centerline miles of streets as well as managing and maintaining the Village's drainage systems. This includes a wide array of activities including cleaning and inspecting 128 miles of storm sewer, maintaining 7,000 catch basins, street sweeping, inspecting and maintaining 12 miles of streams, re-grading and restoring 60 miles of roadside ditches and stormwater storage facility maintenance. Activities also include emergency flood response such as clearing blocked inlets and creeks. Additionally, the Street Division maintains two pump stations.

The Village is regulated under one distinct component of the Stormwater Phase II regulations:

- 1) The Village's storm drain system discharges are subject to the NPDES Stormwater Phase II Municipal Separate Storm Sewer System (MS4) General Permit.

Compliance with this regulation requires the Village to conduct additional operation and maintenance activities, such as public education and outreach, illicit discharge detection and elimination, construction site runoff control, post-construction runoff control, pollution prevention/good housekeeping and detention basin inspection.

In 2006 the Village prepared a Stormwater Master Plan to facilitate compliance with the USEPA NPDES Stormwater Phase II regulations. This master plan helped prioritize the Village's efforts, identified areas for improvement and projected necessary funds for operating and maintaining the stormwater infrastructure. In 2006 the Village also commissioned the preparation of the Watershed Infrastructure Improvement Plan which consisted of four watershed-based studies and identified and prioritized areas of recurring flooding along with proposed remedies and cost estimates for construction. Over the past four years the Village has been working to repair and upgrade old, failing infrastructure and construct new, regional detention facilities. Since 2007 the Village has invested in excess of \$12 million to improve its stormwater system.

Traditionally, the Village pays for its stormwater infrastructure operation & maintenance and capital projects through the sale of bonds and the general tax fund. The Village has had past success using bonds as a funding mechanism for major infrastructure projects. The method is useful for the initial capital improvement, but not for long-term maintenance issues identified in the Stormwater Master Plan.

## **C. SCOPE OF SERVICES**

### Project Planning and Coordination

- Participate in the planning of the entire Stormwater Utility development process including public outreach and education, current & future level of service determination, current & future fee development, and Village billing program;
- Provide professional consulting along the way to assist with management of the process.

### Level of Service Determination

- Develop current level of service documentation for use in this project;
- Project future funding requirements for daily operations and maintenance, and capital maintenance and improvements;
- Develop future level of service to 2020.

### Stormwater Rate Structure Analysis and Proposal

- Provide a cost / revenue analysis utilizing a range of potential utility rates, and identify realistic potential rate methodologies including:
  - Impervious area
  - Impervious area + gross area
  - Gross area / Intensity of development / Land use
  - Base fee & Impervious area rate
  - Others
- Plan and establish criteria for equitable assessment of individual property contribution to stormwater management;
- Develop and present stormwater fee proposal.

### Stormwater Fee Credits, Adjustments, Appeals and Ordinance

- Identify policy issues which need to be addressed such as tax exempt properties, government properties, vacant properties, top 20 rate payers;
- Establish a fair and equitable system of fee credit and adjustments in accordance with lesser demands upon the drainage system;
- Establish a reasonable system of incentives to encourage the management of stormwater on site by individual property owners;
- Assist in establishing a stormwater fee appeal mechanism;
- Assist in developing the Village ordinance necessary to establish the utility and system of credits and adjustments.

### Billing Methodology

- Working with municipal billing and related planning staff, review and recommend a billing methodology.
- Investigate the following billing system options:
  - Existing Village water bill

- Tax bill
- Stand alone bill
- Address the following issues related to billing:
  - Billing frequency
  - Billing database source
  - Billing recipient (e.g., the owner or the tenant)
  - Long term database management
  - Procedure for handling delinquencies

#### Public Relations, Education and Presentations

- Assist with public relations activities to achieve public participation in the process;
- Assist in public meetings, presentations, and guidance for staff;
- Produce high quality presentation materials for the public process
- Provide a minimum of four (4) presentations to the Village Council.

#### Stormwater Utility Release to Village

- Assist in training Village customer service representatives including water billing and stormwater management utility staff on responding to questions and complaints regarding the new utility;
- Establish a mechanism to add and bill for new annexations, developments, or changes to impervious surface;
- Assist in training the billing staff to collect the fee for the first 120 days, after initial billing; and
- Document the process at the successful conclusion of the project.

The plan, process, procedure and workings of the completed stormwater utility must be conducted in compliance with all applicable laws and regulations of the State of Illinois and ordinances of the Village of Downers Grove.

#### **D. INFORMATION AVAILABLE**

Proposing firms should assume that the following information is available for the successful consultant's use in executing the project:

- Historical and budgeted operating & maintenance expenses for stormwater
- Historical and budgeted capital expenses for stormwater
- The Village's 2006 Stormwater Master Plan
- The Village's 2007 Watershed Infrastructure Improvement Plan (WIIP)
- A GIS parcel layer containing ownership, address and parcel identification
- Current zoning and future land use
- Existing water utility database accounts
- A GIS primary building layer (does not include accessory structures)

- Village's current NPDES Phase II MS4 Permit Stormwater Management Plan from 2009
- Village's NPDES Phase II MS4 Annual Reports from 2005-2010
- Aerial photography from 2009

## E. PROPOSAL SUBMITTAL

### Technical Proposal

The following information is to be submitted as part of the proposal. The proposal is not to be more than 25 pages in length including single page resumes of persons to be assigned to the project. Five copies of the proposal are to be provided. Other material may be attached as deemed appropriate, to include a copy of a stormwater utility study performed by the applicant that most closely fits the scope of work outlined above. The proposal shall be submitted in two parts, consisting of a "Non-Price Proposal" and a "Price Proposal". The proposal is to be organized as follows:

1. **Approach to the Project:** Describe your approach to this project and any special ideas, techniques or suggestions that you think might make the project proceed smoothly.
2. **Experience:** Describe the experience of the firm and of the individuals assigned with related projects of a similar nature. Provide at least three references for recent projects of similar scope.
3. **Qualifications:** Describe your staff's unique qualifications and training for this type of work.
4. **Schedule:** Describe your plan/schedule for completing the work.
5. **Fee:** The firm shall submit an estimated summary of the level of effort (hours of work) allocated for each discipline per task described in the Scope of Work as part of the proposal. **The fees associated with the Scope of Work per level of effort for discipline and task shall be submitted under separate cover in a sealed envelope.**

## F. SELECTION OF CONSULTANT

A technical review committee will evaluate the proposals. The following criteria (listed in alphabetical order) will be used to evaluate consultants' proposals:

- Capability and qualifications of consulting firm and key project personnel to handle the project in terms of workload, experience, and efficient staff utilization.
- Fee
- Recent successful stormwater utility studies completed and implemented with analysis of results
- Technical approach in evaluating and setting rate structures.
- Understanding of the project.

Final selection will be based on the evaluation of proposals unless it is deemed necessary by the committee to conduct interviews. The consultant determined best qualified to perform this project will be recommended to the Village Council for contract award.

The Village of Downers Grove reserves the right to reject any and all proposals for any reason deemed appropriate by the Village.

## **IV. PROPOSER'S RESPONSE TO RFP (Professional Services)**

### **A. UNDERSTANDING AND APPROACH**

This section of our proposal presents a discussion of our understanding of the study and our proposed workplan for the successful completion of the study.

#### *1. Understanding*

The Village of Downers Grove, founded in 1832, is located in DuPage County approximately 19 miles west of downtown Chicago. The Village includes a population of roughly 50,000 people. The Village operates under a council-manger form of government. The Village provides stormwater management throughout the Village. The Street Division within the Department of Public Works is responsible for maintaining all streets which includes key stormwater management activities including cleaning and inspecting storm sewer lines, cleaning and inspecting catch basins, street sweeping, inspecting and maintaining streams and maintaining roadside ditches and stormwater storage facility maintenance. The Village's stormwater system discharges are subject to the NPDES Stormwater Phase II Municipal Separate Storm Sewer System General Permit. As a result in 2006 the Village prepared a Stormwater Master Plan to ensure compliance with the NPDES regulations. At the same time the Village authorized the completion of a Watershed Infrastructure Improvement Plan. These two plans laid the groundwork for significant capital investments made over the last four years to repair and upgrade the stormwater system.

The Village does not have a dedicated revenue stream for funding stormwater operating and capital expenses. The Village has used bonds to fund capital investments in the stormwater system and General Fund tax dollars to repay these loans and fund operations and maintenance of the system. At this time, the Village would like to hire an independent consulting firm to evaluate the current level of stormwater service provided by the Village, to determine a required future level of service and develop a dedicated fee-based revenue stream for the stormwater system. The consultant will also serve to manage and direct the process of development of the stormwater utility including outreach and education. In summary, the Village is requesting a comprehensive study that will transition the current Village stormwater program to a fully functioning self-supporting utility with a clear operational and financial plan and a dedicated revenue stream.

#### *2. Project Workplan*

In its RFP, the Village set forth seven primary tasks that constitute the scope of services for the study. To address these tasks and complete a comprehensive stormwater utility study, we propose a classic low-risk workplan consisting of seven tasks. It should be noted that in addition to the specific tasks listed below, MFSG will serve as project manager to guide and direct the study and to serve as industry expert. It should be noted that a number of the tasks listed below will need to take place concurrently.

##### *Task 1 - Project Initiation*

Immediately upon notice to proceed, we will prepare and deliver a data request to the Village. We will review prior studies and documentation, to formulate quickly an understanding of both the letter and the spirit of the policies and procedures which govern the construction and operation of the Village's stormwater system.

When a substantial amount of data has been collected and analyzed, we will participate in a formal kickoff meeting with the Village's staff, to introduce key players, re-validate the workplan and schedule, identify any key dates and establish the formal and informal reporting relationships needed for the successful completion of the study. The meeting will also be used to determine the desired level of involvement throughout the study from the public (i.e. potential for development of an advisory committee) and the City Council.

### *Task 2 - Level of Service and Determination of Revenue Requirements*

MFSG will determine the current level of service provided by the Village in relation to the stormwater system. The current level of service will be determined based on review of the historical investments (both operating and capital) made by the Village in relation to the stormwater system and discussions with Village staff related to the current operations. It is important to note that integrated municipal stormwater management typically requires staffing and resource commitments outside the traditional public works and engineering divisions. In order to fully evaluate the current Village stormwater program and ultimately develop defensible costs of service needs for a stormwater utility moving forward it is important to ensure that all costs related to the stormwater operations are captured. Once the full costs of providing stormwater at the current level of service have been determined we will develop a forecast of future funding requirements based on maintaining the current level of service as well as an anticipated enhanced level of service based on likely new regulatory requirements and any known gaps in current operating and capital investments. The annual revenue requirements (operating and capital costs) related to the stormwater system will be forecasted until 2020.

### *Task 3 - Rate Structure Analysis*

The defined levels of service will serve as the basis for the amounts of revenue that need to be recovered from residents and businesses within the Village. How the revenue is collected from residents and businesses will be evaluated based on a detailed rate structure analysis. The Village has identified the majority of "typical approaches" used to implement stormwater fees. We will evaluate these rate structures and identify others. The rate structure alternatives will be evaluated based on (but not limited to) the following: administrative simplicity, availability of data, equity, customer class impact, ease of understanding and maintenance of the structure. One of the key considerations for any of the rate structures is the ability of the Village to actually implement the structure. Therefore the evaluation of the rate structure must be completed in conjunction with the evaluation of the billing methodology. For all the rate structure alternatives we will present the potential resident and business impacts for various types of properties. Based on the evaluation of the structures, MFSG will develop a recommended structure and with supporting documentation for the selection of the recommended alternative.

### *Task 4 - Billing Methodology*

Working with the Village's municipal billing staff, we will evaluate the capabilities and limitations of the various software packages operated by the Village to ascertain the feasibility of issuing a stormwater management bill as a separate line item on the existing water bill, as a separate non-tax item on a property tax bill or as a standalone bill, as well as the costs of any needed upgrades / enhancements.

There are certain inherent advantages/disadvantages related to specific billing approaches – for example, using a property tax system would provide cash for the Village's stormwater program "up front" since property taxes are generally billed in advance and have a high collectability rate, while using the utility billing system generally collects cash after the service is provided, and utility bills have a higher delinquency rate than property tax bills. Conversely, the property tax database may not have complete or accurate data about tax-exempt properties, requiring upgrades to the database if this approach were used. The principal challenge for each alternative will be the ease of downloading and manipulating the relevant data to calculate the amount to

be billed to a specific address; this could require “crosswalks” between water / sewer account numbers, street addresses, parcel / lot numbers and the data descriptors related to specific lots in the real property system (e.g., use of the parcel, acreage, impervious acreage, etc.). Among the evaluation factors to be considered will be the ease of updating the relevant databases, whether or not there is already in place a process to “automatically” update a database, the limitations (if any) on the timing / frequency of bills if certain billing systems are used, planned upgrades / replacements for existing software packages (to assure compatibility going forward) and the costs of billing (e.g., more frequent bills mean better cash flow but higher processing costs and postage).

The capabilities of the utility billing system and real property billing system will be identified, documented and evaluated from the perspective of implementation cost, ongoing operating cost and administrative simplicity. Ultimately we will develop a recommended approach for billing the stormwater fee taking each of the considerations mentioned above into account. Based on the recommended approach, we will develop and document the required implementation actions related to billing. MFSG will also develop a procedure for maintenance of the stormwater database including additions for new developments, annexations or modifications to properties.

#### *Task 5 - Policy Issues, Credits, Adjustments and Appeals*

There are a number of policy issues and practical details that will need to be considered and addressed during the course of the study. These issues / details include (but are not limited to) the following:

- Suggested exemptions (if any),
- Inclusion / exclusion of certain customer classes (and the related impact on other customers’ bills),
- Inclusion / exclusion of public rights-of-way and easements from eligibility for the stormwater fee,
- Credits for onsite stormwater mitigation, and
- Customer appeals (grounds for appeals and process to file / grant appeals).

Each of these issues will be discussed with the Village staff related to how each could be handled. In most cases, municipalities do not offer exemptions nor do they exclude specific customer classes from the fee however these options will be reviewed to determine if this would be appropriate for the Village. Additionally, most municipalities exclude public-rights-of-way and easements from the fee, as the Village would be charging itself. The last two issues including credits and appeals will be very important and must be fully developed for the successful implementation of a stormwater fee.

The implementation of stormwater fees have faced legal challenge in most states around the country. One of the common themes resulting from these challenges has been that the fees are really a tax since they are often based on property size. To counter this argument there must be an element of voluntary use related to the fee. Hence, the need to allow for credits for parcel owners who can demonstrate that they have implemented best management practices to reduce or mitigate the runoff from their impervious area. MFSG will develop a credit system for the Village that can be practically implemented and administered. This will include considerations such as the rain barrel program implemented by the Village and other incentives that may encourage management of stormwater on individual properties. Lastly, a mechanism (process and procedure) for appeals will be developed. To a certain extent, the appeals process will be more or less complex depending on the billing basis selected. If all residential properties are billed the same amount, then there will be fewer appeals than if each residential property is billed on the specific impervious acreage of that home’s lot. The appeals process must be simple, fair and timely, as well as being perceived as having the same attributes.

### *Task 6 - Implementation and Reporting*

Once the preferred rate structure alternative and billing methodology has been selected, MFSG will assist the Village with implementing the fee. The implementation will include developing the necessary ordinance related to the fee and training the Village customer service representatives and stormwater management staff on how to respond to questions and complaints. This will include providing support following the first billing period. MFSG will develop a final report that will present the process used to complete the study, our findings, conclusions and recommendations and key implementation considerations.

### *Task 7 - Outreach and Education*

A key component of the implementation of a stormwater fee is educating the public as well as key policy level individuals primarily the Village Council. MFSG will assist the Village with public relations activities such as the formation of a community advisory committee, materials for mailers, website materials and other items. To educate the Village Council, we will develop presentations for Council meetings / workshops that would occur during the study coinciding with the major tasks included in our workplan. We anticipate four presentations to the Village Council. MFSG will develop high quality, concise and easily understood presentation materials to facilitate the workshops.

Should the Village decide to form a community advisory committee we would suggest that the Council workshop materials be presented to this group during the process to solicit input from the public. We would recommend that the Village consider providing information to the Council and the public as early in the study process as possible. The education process should not begin at the end of the study as it is important to get input and buy-in from the public and elected officials during the study.

## **B. STORMWATER UTILITY EXPERIENCE**

### *City of Manassas Park, VA - Stormwater Management Program: Establishment of a Stormwater Utility*

Manassas Park is located in Northern Virginia, south of Interstate 66 and just off VA 28. Like all Virginia incorporated municipalities, it is an independent city and not part of any county. It is bordered by the City of Manassas and Prince William County. The City's population was estimated to be 10,990 in the year 2003, and the City spans approximately two and a half square miles.

The City engaged MFSG to provide advice and technical assistance in the establishment of a stormwater utility. The City currently contains approximately 39 stormwater management ponds, storm sewers and stream channels that are used for stormwater drainage. Many ponds are owned and maintained by the City; others are owned and maintained by the individual developments or homeowners associations (HOAs) for their locations.

The establishment of a stormwater utility as an enterprise fund allows the City to adequately charge for the costs incurred to maintain adequate stormwater infrastructure and facilities to meet the increased environmental requirements of the Chesapeake Bay cleanup program. The utility also defines and monitors the level of maintenance required at individually owned stormwater management ponds.



A comprehensive review of existing state and federal standards was completed to review the adequacy of the existing stormwater capital improvement program as well as to identify additional required capital expenses. MFSG also identified and isolated current stormwater related annual costs from the City's operating and capital

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budgets. Revenue requirements were determined and methodologies for collecting revenues were analyzed. Identification and review of billing mechanisms (impervious acreage) was completed and unit costs (residential ERUs / square footage) were developed. Criteria and methodologies for identifying and quantifying site-specific stormwater management activities and programs that qualify for credits against stormwater management fees were also recommended.

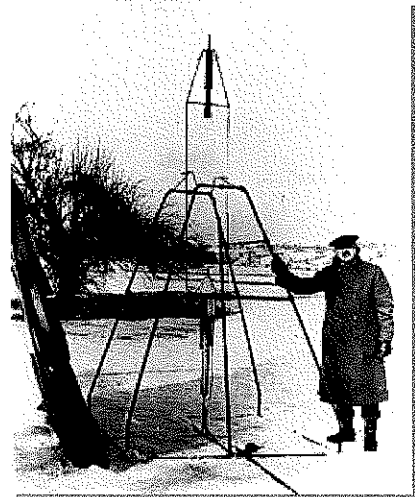
Client Contact:

Kathy Gammell, Public Works Director, 717.476.0562/ kathleenrg@q.com (current contacts; recently retired)

### *Auburn, MA - Development of Stormwater Utility*

This town of 16,000 was settled in the mid-1700s and is the site of Dr. Robert Goddard's first rocket launch in 1926. The Town hired MFSG (as a subcontractor to an engineering firm) to establish its stormwater management program as an enterprise fund and self-supporting utility. The Town is located on physically-impaired rivers, and is required to develop enhanced and expanded stormwater management programs over a specific schedule. The tasks in our scope of work included:

- Reviewing and refining information developed to date on stormwater related costs including O&M costs from its current budget; a proportionate share of Town overhead costs and support services; and capital costs (cash-financed capital costs plus proportionate share of debt service on stormwater bonds).
- Reviewing / documenting anticipated capital costs for stormwater, using the Stormwater Master Plan as a starting point.
- Reviewing the developed GIS database that could be used for allocation and billing of costs, including real property records, GIS / land use files and commercial property information.
- Developing criteria and methodologies for identifying and quantifying on-site and site-specific stormwater management activities and programs that qualify for credits against the stormwater management fees; developing simplified method for calculating credits.
- Developing costs of service for stormwater management programs, including O&M, annualized capital and reserve contribution costs on a detailed basis for the next five fiscal years (i.e., FY 2010-2011 thru FY 2015-2016) and reflecting such costs in a financial spreadsheet model.
- Identifying geographic areas / parcels for inclusion or exclusion from the service area of the stormwater utility.
- Developing preliminary unit costs (per household, per impervious acre, per square foot, etc.) and sample bills for typical parcels.
- Preparing a draft business plan ("final report")



Client Contact:

Eileen Pannetier, P.E., PhD, President / CEO, Comprehensive Environmental, Inc.

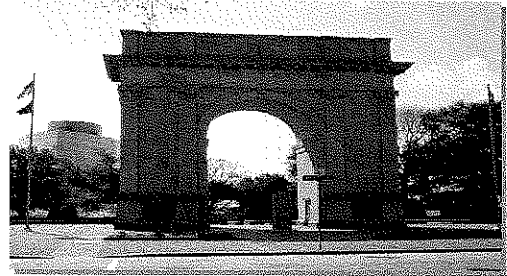
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508.281.5160/ epannetier@ceiengineers.com

### *City of Newport News, VA – Stormwater, Solid Waste and Wastewater Cost of Service Study*

The City of Newport News is at the southwestern end of the Virginia Peninsula, on the north shore of the James River at its confluence with the Chesapeake Bay and Atlantic Ocean. MFSG, working with the City's engineers, developed a comprehensive cost of service and rate study for the City's stormwater, solid waste and wastewater utilities. The study analyzed the current rate structures and current methodology of each utility fee:

- Stormwater is charged on an ERU (equivalent residential unit) basis for 46,000 residential customers and according to impervious area for commercial customers
- Solid Waste is charged by bin size
- Wastewater is charged to 55,000 customer accounts on a unit cost basis tied to metered water consumption



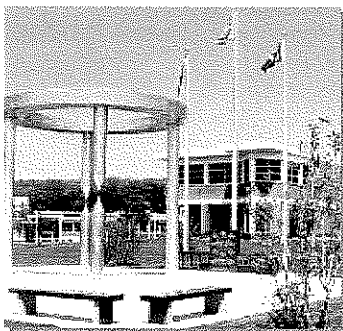
The study examined operating and maintenance expenses, debt service, operating and repair / renewal / rehabilitation reserves and capital improvement programs of \$25 million for stormwater, over \$3 million for solid waste and \$19 million for wastewater while taking into account unit and growth projections over a ten year planning period. The study was completed in early 2009.

#### Client Contact:

Judi Hines, Assistant Director of Public Works, 757.269.2710/ jhines@nngov.com

### *Village of Orland Park, IL – Stormwater, Water and Sewer Cost of Service/ Rate Study*

The Village of Orland Park, with a population of about 57,000, is located west of the southern shore of Lake Michigan; the City of Chicago is about twenty miles northeast of Orland Park. The Village owns water distribution and wastewater collection systems that serve about 21,000 customer accounts within the incorporated Village and 1,500 customer accounts outside corporate limits.



The Village hired MFSG to develop a cost of service and rate methodology for stormwater, water and sewer funds. MFSG developed a comprehensive financial model to facilitate the cost of service analysis. The financial model included the operating and capital budgets for Village operations as well as necessary reserves. The financial model was utilized to examine three methods of assessing the cost of providing stormwater to the Village residents. The methods considered for charging for stormwater included basing the fee on the following:

- Billed water usage (the current method)
- Impervious acreage per customers
- Assessed property value, as an Ad Valorem tax.

After discussion with Village staff, the Village decided to continue to charge stormwater fees based on billed

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water usage. This option was selected primarily because impervious acreage data was not available at the time. The financial model developed during the study will allow the Village to move to a charge based on impervious acreage should the data required become available. MFSG recommended significant increases to the stormwater fee based on the actual cost of providing this service to Village residents. The recommendations presented by MFSG were unanimously adopted by the Village Board of Trustees.

### Client Contact:

Sarah Schueler, Assistant Finance Director, 708.403.6192/ sschueler@orland-park.il.us

### *District of Columbia Water and Sewer Authority – Stormwater User Fee Study*

MFSG, working with O'Brien & Gere Engineers and PEER Consultants, performed in the late 1990s a preliminary stormwater user fee study to examine the costs (current and future) of stormwater and CSO programs and potential mechanisms to recover the capital and operating costs of these programs. The project's activities addressed several key issues:

- Cost of stormwater and CSO programs by drainage basin in the District of Columbia;
- Alternative cost recovery mechanisms, including:
  - Special taxing districts – easy to administer, high collection rate, inexpensive to implement, tax-exempt entities escape paying proportionate share of costs, customer bill not directly related to amounts of runoff generated; burden falls heavily on homeowners
  - Surcharge on water and sewer bill – easy to administer, high payment rate, customer bill not directly related to amount of runoff generated, low water users escape proportionate share of costs
  - User fee based on surface area – direct correlation to runoff generated, if customer bill is tied to impervious area of parcel; captures proportionate share of costs from customer; could utilize DC real property tax billing system for customer billing; relied on (at the time) questionable / missing data in DC real property system

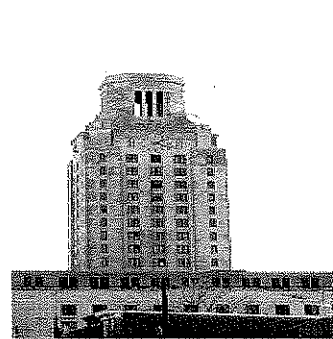
Estimated customer bills were calculated for each of the billing alternatives. The study recommended the short-term use of billed water consumption as the basis for a stormwater fee until such time as the District of Columbia's real property database could be validated and updated, together with the development of other related databases to support a stormwater fee. DC/WASA subsequently implemented an impervious acreage stormwater charge based on the recommendations of this study.

### Client Contacts:

Paul Bender, Deputy General Manager / CFO (at the time), 571.225.7932/ pbender99@gmail.com  
Kamlesh Parekh, Project Manager, 202.787.2415/ kamlesh\_parekh@dcwasa.com

### *City of Camden, NJ – Stormwater, Water and Sewer Cost of Service / Rate Study*

Camden is located in south central New Jersey on the Delaware River. Philadelphia is located to the northwest on the opposite shore of the river. The City has a population of approximately 75,000. The City has been economically distressed for a number of years and is currently in State receivership. The City's stormwater, water and sewer systems are operated under contract by United Water. The City has made significant capital investments in its water, sewer and stormwater system over the last few years



and is now facing the issue of paying off the debt incurred to fund these investments.

The City engaged MFSG to develop a cost of service and rate methodology for the City's stormwater, water and sewer funds. MFSG developed a comprehensive financial model to facilitate the cost of service analysis. The financial model determines the true cost of operating the stormwater, water and sewer systems. The actual costs of operating these systems is projected for the next ten years with specific emphasis placed on assuming a gradual increase ("ramp up") in the costs related to stormwater due to compliance with new regulatory standards adopted by NJDEP. The financial model can be utilized to examine various methods for allocating stormwater costs among the residents and businesses within the City. The City currently includes the cost of operating the stormwater system in the water and sewer bills. The City implemented a separate stormwater fee based on billed water usage until reliable impervious acreage data is available. The implications of adopting a fee based on impervious acreage rather than water usage are key considerations for the City since this will reallocate the cost of operating the stormwater system among its citizens and will affect certain customers differently since water usage does not directly correlate to impervious area.

Extensive public outreach efforts were incorporated into the project, including several neighborhood meetings, meetings with key stakeholders, large user groups, civic groups and elected officials. Radio and public television call-in shows were also used as part of the project.

Client Contact:

Fred Martin, Senior Administrative Analyst, 609.314.7567/ f\_ddiemmartin@verizon.net  
(current contact information – recently retired)

### C. QUALIFICATIONS

This section of our proposal discusses the qualification of our firm and the specific project team that we will use to perform the water rate study for the Village.

#### *1. Qualifications of Firm*

The Municipal and Financial Services Group (MFSG) is a specialized management consulting practice that was established in 1976 and was for many years part of the management consulting department of national or regional CPA firms or engineering firms. MFSG focuses on the financial and management needs of public sector infrastructure (especially in environmentally related areas such as water, wastewater, stormwater and solid waste utilities) and in the efficient delivery of public sector services.

The practice was organized in 2002 as a women-owned business (WBE), operating as a separate firm, incorporated in Maryland as a limited liability corporation (LLC). MFSG is certified as an MBE/WBE by the States of Maryland and Delaware and is also recognized as such by the Commonwealth of Kentucky. While there has inevitably been some staff turnover during the 29 years since the practice was established, core senior personnel have been with the firm for at least 20 years. Other key personnel in the group have worked on client projects for the practice for at least ten years.

#### *2. Qualifications of Key Project Personnel*

We believe that the successful completion of the work specified by the Village in its RFP requires strong functional skills in municipal finance, accounting, utility engineering and economics, combined with a thorough knowledge of and experience in environmental programs, municipal utility operations and rate-setting. We have assembled and will commit to the specific performance of a very senior project team, all of whom have worked together on multiple projects over several years:

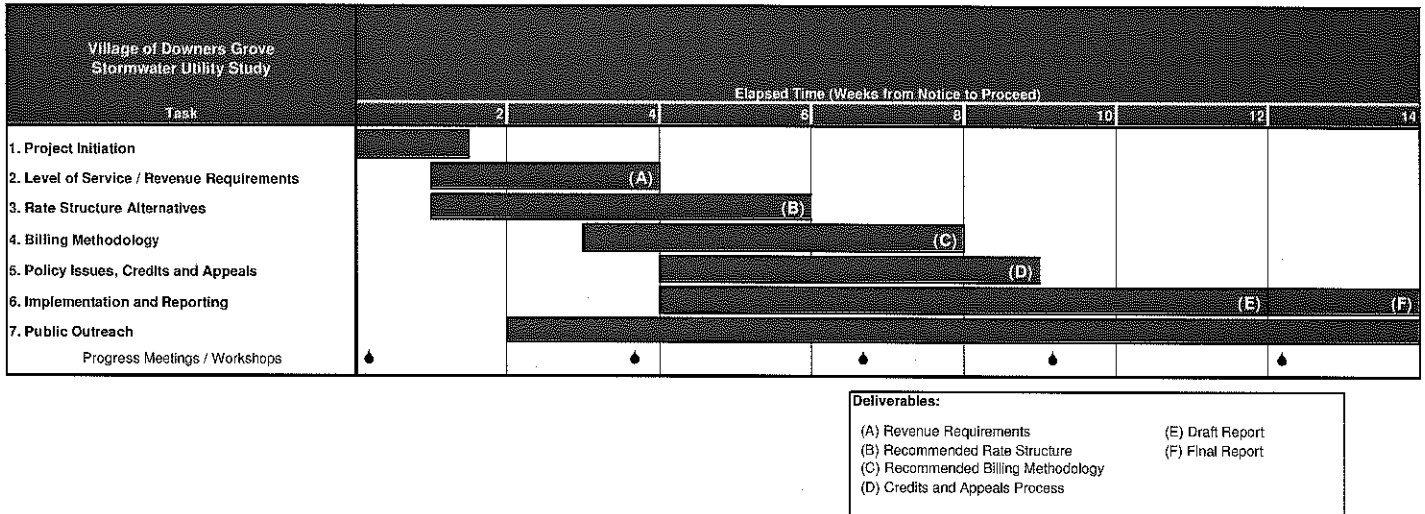
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- **David A. Hyder (Project Manager)**, a Senior Manager in the Municipal & Financial Services Group, has twelve years experience in water, wastewater and stormwater systems. He is a dean's list engineering graduate of Michigan State University with an MBA in finance from the Carey School of Business at Johns Hopkins University. He has served as project manager for numerous cost of service and rate studies for cities, counties and special purpose authorities and commissions in Maryland, Illinois, New York, Pennsylvania, Virginia, Florida, North Carolina, Kansas, Missouri, Massachusetts, New York, New Hampshire and Connecticut. He has served as project manager for water rate studies for the Villages of Downers Grove, Orland Park, Morton Grove and Glenview, Illinois. He has served as project manager for several stormwater utility studies including, the City of Camden, NJ, Orland Park, IL, and Centreville, MD. He is an active member of AWWA's Rates and Charges Committee.
- **Edward J. Donahue III, CMC (Technical Advisor/Project Officer)** established the Municipal & Financial Services Group more than 30 years ago and has served as its director ever since. His relevant experience includes cost of service, rate and feasibility work for more than 75 clients, including work for cities, counties and special purpose authorities and commissions in Alaska, Connecticut, Delaware, the District of Columbia, Illinois, Kentucky, Maine, Maryland, Massachusetts, New York, North Carolina, Ohio, Pennsylvania, Virginia and others. Recent client work includes rate work for the City of Wilmington, New Hanover County and the Lower Cape Fear Water & Sewer Authority in North Carolina; a governance study for the District of Columbia Water & Sewer Authority; organizational and operational advice for the Anchorage Water & Wastewater Utility; a financial feasibility study for the Town of Leesburg, Virginia; cost of service and rate studies for Glenview and Orland Park, Illinois; and water rate work for the Town of Manchester, Connecticut.
- **Lisa (Zitomer) Gresehover, (Financial Model/Rate Simulations)** is a Manager of the Municipal & Financial Services Group, applying engineering, environmental and financial skills to a broad range of infrastructure projects for clients. Prior to her management-consulting career, she worked for a large environmental engineering planning and design firm. She has served as project manager for stormwater utility and rate studies for the City of Manassas Park and Newport News in Virginia. She is a general member of AWWA and a member of the AWWA Chesapeake Section Public Education Committee.

Full resumes for the key personnel identified above appear at end of this proposal.

**D. SCHEDULE**

We propose to deliver a preliminary report to the Village approximately twelve weeks after notice to proceed, followed by a draft final report delivered two weeks after the final Village Council workshop. Specific deliverables and their due dates are shown on the proposed workplan shown below.



**E. RESUMES**

The following section of our proposal provides one-page resumes of the key personnel completing the study.

**DAVID HYDER – PROJECT MANAGER**

**PROFESSIONAL PROFILE**

Mr. Hyder is a Senior Manager in the Municipal & Financial Services Group, applying engineering, environmental and financial expertise to a broad range of infrastructure projects for clients. Mr. Hyder has twelve years of professional experience. He has developed analytical financial models and user manuals for client use. Prior to his management consulting career, he worked for a large electrical and electronics manufacturing company.

**TECHNICAL EXPERTISE**

- Financial Modeling
- Water and Sewer System Design
- Cost of Service/Rates and Fees Design
- Specialized Cost Accounting
- Demand/Usage Projections
- Operational Audits

**SELECTED CONSULTING EXPERIENCE**

Cost of Service/Rate Studies

Lead Consultant for cost of service and rate studies for water, wastewater, stormwater and solid waste utilities. Responsibilities include development of cost of service cash flow model, rate and fee design and customer impact analysis. Cost of service and rate studies completed for various clients within state of Illinois.

Financial/Management

*City of Camden – Water, Sewer and Stormwater Study (2009)* – Project manager for cost of service and rate study for the City of Camden. Key component of the study was the development of a funding mechanism for stormwater.

*City of Cleveland - Comprehensive Financial Plan (2010)* - Project manager responsible for completion and oversight of five-year financial plan for Division of Water and Water Pollution Control. Responsibilities include management of five sub-consultants, timely completion of financial plan, reporting and implementation of plan. Lead proposal effort including establishment of long-term relationship with client, authoring of the proposal and development of interview materials / presentation.

*South Eastern Public Service - Financial Feasibility Study (2009)* - Project manager for financial feasibility study for sale and privatization of waste-to-energy facilities. Responsibilities include financial evaluation of vendor bids for purchase of waste-to-energy facilities and selection of preferred vendor. Evaluation facilitated with the development of financial feasibility analysis modeling the upfront purchase price of the assets compared to the ongoing stream of payments to the vendor for system operations. Financial analysis modeled terms and conditions of detailed 300-plus page operating agreement.

*Prince William County Service Authority - Financial Services (2010)* - Project manager for completion of various tasks for PWCSA including: completion of cost of service study, development of policies and procedures for cash reserves, development of appropriate reinvestment levels based on review of system assets, benchmarking and strategic planning.

Engineering/Planning

Completion of water and wastewater master planning studies and treatment plant designs, including specifications and drawings, for various clients within Mid-Atlantic region.

**MEMBERSHIPS:** Government Finance Officers Association  
American Water Works Association

**EXPERIENCE:** 12 Years

**EDUCATION:** MBA, 2002, Finance, Johns Hopkins University  
BS, 1998, Civil/Environmental Engineering, Michigan State University

**REGISTRATION:** Engineer in Training, ASCE

**LISA (ZITOMER) GRESEHOVER – FINANCIAL ANALYSIS**

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**PROFESSIONAL PROFILE**

Ms. Gresehover is a Manager in the Municipal & Financial Services Group, applying engineering, environmental and financial skills to a broad range of infrastructure projects for clients. Ms. Gresehover has eight years of professional experience. Prior to her management consulting career, she worked for a large environmental engineering planning and design firm.

**TECHNICAL EXPERTISE**

- Financial Modeling
- Planning and Design of Sewer Systems; Storm, Sanitary, and Combined
- Hydraulics
- Statistical Flow Analysis

**SELECTED CONSULTING EXPERIENCE**

Analyst for the water and sewer rate study for water and sewer community systems (small owned and/or operated systems separate from central system) for Loudoun County Sanitation Authority, MD. Developed cash-based financial model to review actual expenses and revenues for each individual system and combined systems as a whole.

Evaluated raw water rates and current rate structure under cash basis for Lower Cape Fear Water and Sewer

Authority, NC. Rate alternatives included the development of a “take or pay” contracts as well as the current unit rate structure.

Availability fee design workshop was presented for Town of Lovettsville, VA Council and management staff. AWWA-approved methodologies for availability fee calculation, projected high-growth rate, legal issues of costs included in availability fee calculation and ramification of current infiltration and inflow (I&I) correction study on capacity in Town’s wastewater treatment plant were among the major issues discussed at workshop.

Development of stormwater management utility as enterprise fund in the City of Manassas Park, VA; analyst for development of stormwater rates, including identification of undocumented operation and maintenance expenses, review of available databases with real property and land information, identification of activities and programs that qualify for credits against a stormwater management fee.

Analyst for a study identifying and evaluating possible funding options for the City of Salisbury, MD’s water and sewer service area extensions outside the City’s existing central system.

Analyst for West Manheim Township, PA for the valuation of an aging water distribution system using alternative valuation techniques (book value, replacement cost, stream of earnings, original cost), including preliminary unit rate calculations for water under two scenarios: retention of ownership with major upgrades; or sale to an investor-owned utility.

Cost of Service/Rate Studies

Analyst for cost of service and rate studies for water and wastewater utilities. Responsibilities include development of cost of service cash flow model, rate and fee design and customer impact analysis. Cost of service and rate studies completed for various clients in the Midwest and Northeast.

**MEMBERSHIPS:** AWWA (Chesapeake and Pennsylvania Sections)  
Member of AWWA Chesapeake Section Customer Service/Community Relations Committee)

**REGISTRATION:** Engineer in Training, anticipated P.E. certification Spring 2009

**EXPERIENCE:** 8 Years

**EDUCATION:** Chemical/Environmental Engineering, Pennsylvania State University, 2002

***EDWARD J. DONAHUE – TECHNICAL ADVISOR***

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**PROFESSIONAL PROFILE**

Mr. Donahue serves as President of the Municipal & Financial Services Group. Mr. Donahue has more than thirty-five years of experience, including twenty-five years of management consulting. His career includes work as Financial Manager of R&D Operations for Westinghouse Electric Corporation and as a senior systems accountant at the U.S. Environmental Protection Agency.

**TECHNICAL EXPERTISE**

- Financial Planning and Analysis
- Strategic Planning
- Management Audits and Operational Reviews
- Litigation Support
- Regulatory Analysis

**SELECTED CONSULTING EXPERIENCE**

Financial Planning and Analysis - development of financial alternatives, capital improvement plans and financial feasibility studies for operating and capital costs, such as:

- Cost of service/rate studies for more than 80 utilities (water, sewer, electric, solid waste, stormwater)
- Impact fees/capacity fees/system development charges
- Evaluation of contracts and proposals; negotiation support for change orders and claims
- Financial feasibility studies/debt affordability studies

## Village of Downers Grove

- Bond-related studies (cash flow simulations, arithmetic verifications, arbitrage compliance, parity tests, etc.)
- Tax revenue and expenditure analyses (tax and annexation disputes)

Tax-Exempt Financing - Use of creative approaches to finance economic development and industrial facilities with tax-exempt debt, and the use of special taxing districts (tax increment financing districts [TIF], special community benefit districts [SCBDs], etc. to facilitate desirable development, including:

- Automotive coatings facilities
- Paper manufacturing facilities
- Electric, steam and chilled water systems
- Senior living communities

Management and Organization - evaluation of performance, efficiency and effectiveness of organizations; establishment of new organizations or consolidation of existing organizations or departments, including development of organizational structures and staffing needs, job descriptions, compensation programs, capital and operating budgets, revenue analysis, etc.

Asset Management - development of asset management processes and systems for infrastructure, including: inventories; definition of service levels; condition assessments; identification and specification of software packages; life cycle costing analyses; development of planned and preventive maintenance systems and programs.

Strategic Planning - development of strategic and long-range plans for non-profit and for-profit organizations.

**MEMBERSHIPS:** American Water Works Association (Past Chairman, Finance, Accounting and Management Controls Committee; Chairman, GASB 34 Task Force)  
Community Associations Institute  
Government Finance Officers Association  
Institute of Management Consultants (Past President, D.C. Chapter)

**EXPERIENCE:** 38 Years

**EDUCATION:** MBA, 1971 - Finance (Government-Business Relations),  
George Washington University  
B.S., 1968 - Accounting, Johns Hopkins University

**REGISTRATION:** Certified Management Consultant (U.S., Canada)

**V. PROPOSAL/CONTRACT FORM**

**\*\*\*THIS PROPOSAL, WHEN ACCEPTED AND SIGNED BY AN AUTHORIZED SIGNATORY OF THE VILLAGE OF DOWNERS GROVE, SHALL BECOME A CONTRACT BINDING UPON BOTH PARTIES.**

**Entire Block Must Be Completed When A Submitted Bid Is To Be Considered For Award**

**PROPOSER:**

Municipal & Financial Services Group LLC  
Company Name

Date: 3/22/11

911 A Commerce Road  
Street Address of Company

David.Hyder@mfsgllc.com  
Email Address

Annapolis, MD 21401  
City, State, Zip

David Hyder  
Contact Name (Print)

410.266.9101  
Business Phone

410.266.9101  
13-Hour Telephone

410.266.5545  
Fax

Edward J. Donahue  
Signature of Officer, Partner or  
Sole Proprietor

Edward J. Donahue President  
Print Name & Title

ATTEST: If a Corporation

\_\_\_\_\_  
Signature of Corporation Secretary

**VILLAGE OF DOWNERS GROVE:**

\_\_\_\_\_  
Authorized Signature

ATTEST:

\_\_\_\_\_  
Title

\_\_\_\_\_  
Signature of Village Clerk

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

In compliance with the specifications, the above-signed offers and agrees, if this Proposal is accepted within **90** calendar days from the date of opening, to furnish any or all of the services upon which prices are quoted, at the price set opposite each item, delivered at the designated point within the time specified above.



**VENDOR W-9 REQUEST FORM**

The law requires that we maintain accurate taxpayer identification numbers for all individuals and partnerships to whom we make payments, because we are required to report to the I.R.S all payments of \$600 or more annually. We also follow the I.R.S. recommendation that this information be maintained for all payees including corporations.

Please complete the following substitute W-9 letter to assist us in meeting our I.R.S. reporting requirements. The information below will be used to determine whether we are required to send you a Form 1099. Please respond as soon as possible, as failure to do so will delay our payments.

**BUSINESS (PLEASE PRINT OR TYPE):**

**NAME:** MANAGEMENT & FINANCIAL SERVICES GROUP (DBA) MUNICIPAL & FINANCIAL SERVICES

**ADDRESS:** 911 A COMMERCE ROAD

**CITY:** ANNAPOLIS

**STATE:** MARYLAND

**ZIP:** 21401

**PHONE:** 410.266.9101 **FAX:** 410.266.5545

**TAX ID #(TIN):** 52-2215040

(If you are supplying a social security number, please give your full name)

**REMIT TO ADDRESS (IF DIFFERENT FROM ABOVE):**

**NAME:** \_\_\_\_\_

**ADDRESS:** \_\_\_\_\_

**CITY:** \_\_\_\_\_

**STATE:** \_\_\_\_\_ **ZIP:** \_\_\_\_\_

**TYPE OF ENTITY (CIRCLE ONE):**

- |                      |   |
|----------------------|---|
| Individual           | Limited Liability Company -Individual/Sole Proprietor |
| Sole Proprietor      | <u>Limited Liability Company-Partnership</u>          |
| Partnership          | Limited Liability Company-Corporation                 |
| Medical              | Corporation   |
| Charitable/Nonprofit | Government Agency                                     |

**SIGNATURE:** Edward J. Morahan

**DATE:** 3/21/11

**PROPOSER'S CERTIFICATION**

With regard to Stormwater Utility Study, proposer Municipal & Financial Services Group  
(Name of Project) (Name of Proposer)

hereby certifies the following:

1. Proposer is not barred from bidding this contract as a result of violations of Section 720 ILCS 5/33E-3 (Bid Rigging) or 720 ILCS 5/33E-4 (Bid-Rotating);
2. Proposer certifies that it has a written sexual harassment policy in place and is in full compliance with 775 ILCS §12-105(A)(4);
3. Proposer certifies that it is in full compliance with the Federal Highway Administrative Rules on Controlled Substances and Alcohol Use and Testing, 49 C. F.R. Parts 40 and 382 and that all employee drivers are currently participating in a drug and alcohol testing program pursuant to the Rules.
4. Proposer further certifies that it is not delinquent in the payment of any tax administered by the Department of Revenue, or that Proposer is contesting its liability for the tax delinquency or the amount of a tax delinquency in accordance with the procedures established by the appropriate Revenue Act. Proposer further certifies that if it owes any tax payment(s) to the Department of Revenue, Proposer has entered into an agreement with the Department of Revenue for the payment of all such taxes that are due, and Proposer is in compliance with the agreement.

*Edward J. Donahue III*

BY: Edward J. Donahue III  
Proposer's Authorized Agent

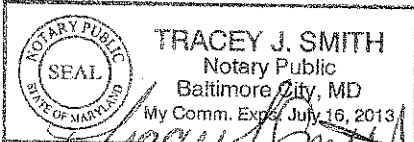
5 2 2 2 1 5 0 4 0

**FEDERAL TAXPAYER IDENTIFICATION NUMBER**

or \_\_\_\_\_  
Social Security Number

Subscribed and sworn to before me  
this 2<sup>nd</sup> day of March, 2011.

*Tracey J. Smith*  
\_\_\_\_\_  
Notary Public

  
*Tracey J. Smith*

(Fill Out Applicable Paragraph Below)

**(a) Corporation**

The Proposer is a corporation organized and existing under the laws of the State of Maryland, which operates under the Legal name of Management & Financial Services Group LLC, and the full names of its Officers are as follows:

President: Edward J. Donahue III

Secretary: Sara A. Hyder

Treasurer: David A. Hyder

and it does have a corporate seal. (In the event that this bid is executed by other than the President, attach hereto a certified copy of that section of Corporate By-Laws or other authorization by the Corporation which permits the person to execute the offer for the corporation.)

**(b) Partnership**

Signatures and Addresses of All Members of Partnership:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

The partnership does business under the legal name of: \_\_\_\_\_ which name is registered with the office of \_\_\_\_\_ in the State of \_\_\_\_\_.

**(c) Sole Proprietor**

The Supplier is a Sole Proprietor whose full name is: \_\_\_\_\_ and if operating under a trade name, said trade name is: \_\_\_\_\_ which name is registered with the office of \_\_\_\_\_ in the State of \_\_\_\_\_.

5. Are you willing to comply with the Village's preceding insurance requirements within 13 days of the award of the contract?

Insurer's Name Wright Gardner Insurance

Agent Carina Barnhart

Village of Downers Grove

Street Address 100 West Antietam Street

City, State, Zip Code Hagerstown, MD 21740

Telephone Number 410.733.1236

**I/We affirm that the above certifications are true and accurate and that I/we have read and understand them.**

Print Name of Company: Municipal & Financial Services Group

Print Name and Title of Authorizing Signature: Edward J. Donahue III President

Signature: Edward J. Donahue III

Date: 3/24/11

**Suspension or Debarment Certificate**

Non-Federal entities are prohibited from contracting with or making sub-awards under covered transactions to parties that are suspended or debarred or whose principals are suspended or debarred. Covered transactions include procurement for goods or services equal to or in excess of \$100,000.00 contractors receiving individual awards for \$100,000.00 or more and all sub-recipients must certify that the organization and its principals are not suspended or debarred.

By submitting this offer and signing this certificate, the Proposer certifies to the best of its knowledge and belief, that the company and its principals:

1. Are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from covered transactions by any federal, state or local governmental entity, department or agency.
2. Have not within a three-year period preceding this proposal been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or contract under a public transaction, or convicted of or had a civil judgment against them for a violation of Federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
3. Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State, or local) with commission of any of the offenses enumerated in paragraph (2) of this certification: and
4. Have not within a three-year period preceding this application/proposal/contract had one or more public transactions (Federal, State or local) terminated for cause or default.

**If the Proposer is unable to certify to any of the statements in this certification, Proposer shall attach an explanation to this certification.**

Company Name: Municipal & Financial Services Group

Address: 911 A Commerce Road

City: Annapolis Zip Code: 21401

Telephone: ( 410 ) 266-9101 Fax Number: ( 410 ) 266-5545

E-mail Address: Edward.Donahue@mfgllc.com

Authorized Company Signature: Edward J. Donahue III

(Print )Name: Edward J. Donahue Title of Official: President

Date: 3/24/11

**Campaign Disclosure Certificate**

Any contractor, proposer, Proposer or vendor who responds by submitting a bid or proposal to the Village of Downers Grove shall be required to submit with its bid submission, an executed Campaign Disclosure Certificate, attached hereto.

The Campaign Disclosure Certificate is required pursuant to the Village of Downers Grove Council Policy on Ethical Standards and is applicable to those campaign contributions made to any member of the Village Council.

Said Campaign Disclosure Certificate requires any individual or entity bidding to disclose campaign contributions, as defined in Section 9-1.4 of the Election Code (10 ILCS 5/9-1.4), made to current members of the Village Council within the five (5) year period preceding the date of the bid or proposal release.

By signing the bid documents, contractor/proposer/Proposer/vendor agrees to refrain from making any campaign contributions as defined in Section 9-1.4 of the Election Code (10 ILCS 5/9-1.4) to any Village Council member and any challengers seeking to serve as a member of the Downers Grove Village Council.

Under penalty of perjury, I declare:

Proposer/vendor has not contributed to any elected Village position within the last five (5) years.

Edward J. Donahue  
Signature

Edward J. Donahue  
Print Name

Proposer/vendor has contributed a campaign contribution to a current member of the Village Council within the last five (5) years.

Print the following information:

Name of Contributor: \_\_\_\_\_  
(company or individual)

To whom contribution was made: \_\_\_\_\_

Year contribution made: \_\_\_\_\_ Amount: \$ \_\_\_\_\_

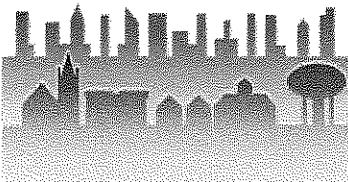
\_\_\_\_\_  
Signature

\_\_\_\_\_  
Print Name

# Village of Downers Grove

## Business and Fee Proposal to Complete a Stormwater Utility Study

Prepared by



**Municipal & Financial  
Services Group**  
911-A Commerce Road  
Annapolis, MD 21401  
410.266.9101

March 25, 2011

This section of our proposal presents our business proposal to perform a stormwater utility study for the Village of Downers Grove in response to the Village's RFP. While we have read the terms and conditions set forth in the Village's RFP, and take no exception thereto, the following presents some key facts and information relevant to this proposal.

## **1. General**

This proposal was prepared in the Annapolis, Maryland office of MFSG, a Maryland limited liability corporation, under the direction of David A. Hyder, a senior manager within the firm. Mr. Hyder is designated as the principal point of contact for matters related to this procurement. He is empowered to represent, negotiate for, and bind and commit the firm:

Municipal & Financial Services Group, LLC  
911-A Commerce Road  
Annapolis, Maryland 21401  
410.266.9101 voice  
410.266.5545 facsimile  
david.hyder@mfsgllc.com  
Taxpayer ID #52-2215040

MFSG is a women-owned business certified as such by the State of Maryland (MBE Certification DOT-MBE-03-191), by the State of Delaware (Certificate #DE04100493) and is recognized as a WBE by the State of Kentucky. The firm is also certified as a Small Business by the State of Maryland (ID #1522215040).

The firm operates from one office, and has a permanent staff of ten professionals.

## **2. Period of Proposal**

This proposal is valid for 120 days from the date of its submission and may be extended by mutual written agreement.

## **3. Independence**

MFSG is independent of the Village of Downers Grove and is aware of no circumstance that would create a conflict of interest, either real or perceived, or of any fact or circumstance that would impair our independence with regard to the Village.

## **4. Basis of Cost Proposal**

We develop our cost proposals by estimating the number of hours of effort that will be required by key individual/classification of employee and multiplying this number by the standard hourly rate that has been established for each administrative classification of employee. To this estimate of professional fees, we add estimated out-of-pocket expenses (e.g., travel, telephone, printing, express services, etc.) at actual cost, with no profit or overhead added to out-of-pocket expenses. Any discounts received (car rentals, hotels, etc.) are passed through to the client.

## 5. Cost Proposal

Our not to exceed fee (including all professional fees and out-of-pocket expenses) for the scope of work requested by the Village of Downers Grove are set forth below and are based on the workplan and deliverables set forth in our proposal:

Village of Downers Grove Stormwater Utility Study	Level of Effort (Hours)					Cost Estimate		
	Donahue	Hyder	Greshover	MFSG Staff	Total	Professional Fees	Expenses	Total Cost Estimate
Task								
1. Project Initiation	-	8	8	-	16	\$ 3,200		\$ 3,200
2. Level of Service / Revenue Requirements	4	14	18	24	60	\$ 10,300		\$ 10,300
3. Rate Structure Analysis	4	12	22	24	62	\$ 10,550		\$ 10,550
4. Billing Methodology	4	12	22	16	54	\$ 9,550		\$ 9,550
5. Policy Issues, Credits and Appeals	4	8	12	16	40	\$ 6,900		\$ 6,900
6. Implementation and Reporting	4	10	16	20	50	\$ 8,550		\$ 8,550
7. Outreach and Education	-	16	22	14	52	\$ 9,200		\$ 9,200
<b>Total</b>	<b>20</b>	<b>80</b>	<b>120</b>	<b>114</b>	<b>334</b>	<b>\$ 58,250</b>	<b>\$ 2,913</b>	<b>\$ 61,163</b>
<i>Hourly Rates</i>	<i>\$ 250</i>	<i>\$ 225</i>	<i>\$ 175</i>	<i>\$ 125</i>				

Out-of-pocket expenses, as defined for purposes of this proposal, include all costs other than professional fees (transportation, parking, tolls, meals, printing, delivery services, etc.). Our estimated costs are predicated on five meetings with the Village staff and Council.

Our fee proposal assumes a comprehensive stormwater utility study. It is not uncommon for localities to opt for a phased approach to a stormwater study due to the cost of a full study and due to the fact that sometimes the fees are not implemented. We are certainly amenable to a phased approach should the Village decide to move in this direction. However we are of the opinion that this phased approach would result in higher overall costs for the Village regardless of who completes the study. The length of the overall study would also be significantly extended should a phased approach be utilized.