

Request for Qualifications

For

The Purchase, Upgrade, Operations and Maintenance of

City of Ansonia Wastewater Assets

**Purpose of the Request for Qualifications (RFQ)**

The City of Ansonia has issued this RFQ to explore the sale of its wastewater assets to a private regulated utility and to generate a list of the most qualified utility companies. This RFQ is not intended to commit the city to a wastewater asset sale. This RFQ is to solicit firms interested in a full ownership model, not contracted operations.

**Instructions for Submission**

Please submit four (4) sealed hard copies to Diana Branch Town and City Clerk, 253 Main Street, Ansonia, CT 06401 by the due date below.

**All responses are due before January 16, 2024 at 3pm**.

**Minimum Criteria for Interested Utility Companies**

Any firms responding to the RFP must meet the following criteria:

* Currently operate as a public service company focused on water and/or wastewater
* Currently regulated by the CT Public Utilities Regulatory Authority
* Must currently serve more than 5,000 customers in Connecticut
* Exceeded $20M/yr of capital project work in each of the last 5 years

**Intent to Propose, Available Data, and Site Visits**

* All parties interested in responding to the RFQ are encouraged to notify John P. Marini or Sheila O’Malley via email at [jmarini@mzslaw.com](mailto:jmarini@mzslaw.com) or [somalley@ansoniact.org](mailto:somalley@ansoniact.org)
* All prospective bidders must attend a MANDATORY site visit to be held at the City’s Water Pollution Control Facility at North Division Street, Ansonia, Connecticut 06401. **Beginning at 9am on January 4, 2023.**
* Any additional questions shall be submitted in writing via email to: [jmarini@mzslaw.com](mailto:jmarini@mzslaw.com) and [somalley@ansoniact.org](mailto:somalley@ansoniact.org) **The deadline for questions is January 11, 2024**
* **Copy of current appraisal will be included with this RFQ**
* Answers to questions will be published in an Addendum. As part of the response, identify possible benefits to the city and its citizens. These may include:
* **Reduced risk:** Operating a wastewater system has become increasingly technical and regulated. Many systems in the region have already outsourced their sewer operations. Ownership of the system by a firm with more technical and financial resources than the WPCA, should result in rate stability over the long term, and reduced risk for the City.
* **Reduce Debt and Eliminate Future Municipal Borrowing:** While the WPCA owns the wastewater assets and is responsible for the operation of the system, the debt incurred for upgrading the system is backed by the city. A sale would eliminate the need for future borrowing by the city for wastewater and sale proceeds could retire existing debt.
* **Fund Other Projects:** Sale proceeds could also be used to fund other City capital projects without additional borrowing.

**Provisions for the Contractual Relationship with the Selected Firm**

1. The City will enter into an exclusivity agreement with the most qualified firm to negotiate a purchase price and terms and conditions for the sale of the wastewater assets. The City reserves the right to qualify multiple firms or no firms.
2. The most qualified firm will have 60-days to present the city with a non-binding offer. If in the City’s sole opinion, the offer is reasonable, the city will grant a 1-year period of exclusivity to negotiate a definitive Asset Purchase Agreement. This period may be extended by mutual agreement of both the city and the most qualified firm.
3. If at the end of the period of exclusivity, the City is unable to reach agreement with the most qualified company, the City may at its discretion, enter into an exclusivity agreement with next most qualified company or abandon the wastewater asset sale process. This process may continue until the list of qualified companies is exhausted.

**Statement of Qualifications**

1. Cover Letter -- Key contact(s) for your response to the RFP; contact information shall include email address and telephone contact numbers; and pronouncement of the contact(s) that are authorized to commit your organization to contractual obligations.
2. Executive Summary – 1 page summary of the firm’s overall response.
3. Experience
   1. *Company History and Existing Operations:* Provide a summary of your firm’s history and summarize existing utility operations.
   2. *CT PURA Regulatory Experience:* Any wastewater asset sale will ultimately need to be approved by the CT Public Utilities Regulatory Authority (PURA). Provide a summary of the company’s history with the Connecticut Public Utilities Regulatory Authority.
   3. *Financial capabilities:* Provide a financial summary of the firm’s operations and demonstrate the financial capabilities to both purchase, upgrade, and maintain the WPCA’s wastewater assets.
   4. *Capital Program Management:* Provide a history of the firms last 5 years of capital expenditures and how capital programs are managed and executed.
   5. *Ratemaking*: Provide a recent history of existing rates for CT customers, an approach to ratemaking, and a comparison to other CT utilities.
   6. *Customer Service*: Explain and demonstrate how customer service activities are executed and measured for existing customers and how customer satisfaction ratings have compared to existing utilities.
4. Ownership and Operations Approach

With the understanding that the firm’s overall approach to ownership and operations of the plant would be subject to significant due diligence, please provide an explanation of how you would approach ownership of and continued maintenance of the City’s wastewater facilities.

* 1. *Existing Operations*: Provide your understanding of the current wastewater facilities and a narrative for how existing operations would be transitioned to the utility. Highlight any possible benefits to the city and its ratepayers.
  2. *Capital Investment*: Provide a conceptual approach to future upgrades to the wastewater system.
  3. *Treatment of Rates:* Explain how the city’s existing wastewater rates my change as a result of private ownership.
  4. *Staffing:* Explain how the facilities would be staffed and whether existing staff would receive employment opportunities.
  5. *Customer Service and Billing*: Explain how customer service activities and billing activities would be handled.