



REQUEST FOR PROPOSALS

Asset Management Consultant

2009-4140-1524

December 28, 2008

City of Newport News

OFFICE OF THE PURCHASING DIRECTOR

2400 Washington Avenue

Newport News, VA 23607

Phone: (757) 926-8041/ Fax: (757) 926-8038

www.nngov.com/purchasing

Sealed proposals, subject to the conditions and instructions contained herein, will be received at the above office of the Purchasing Director, 4th Floor, City Hall, 2400 Washington Avenue, Newport News, Virginia, 23607, until the time and date shown below (local prevailing time), for furnishing the items or services described in the proposal.

Scope of Work: Provide consulting services (to include: developing an asset management vision, philosophy, approach, project scope, and an asset management implementation plan) for the Department of Public Utilities' (Waterworks) Enterprise Asset Management System (EAMS) initiative.

Proposal Due: **January 30, 2009 @ Close of Business (COB)**

Contract Officer:

Marie-Therese (Mimi) M. Gartner, CPPB, Buyer, (757) 926-8040, email: mgartner@nngov.com

AN ORIGINAL AND SIX COPIES OF YOUR SUBMITTAL ARE REQUESTED

In compliance with this Request for Proposals, and subject to all the conditions thereof, the undersigned offers to furnish the items or services requested and certify he has read, understands, and agrees to all terms, conditions, and requirements of this proposal and is authorized to contract on behalf of the firm named below.

Company Name: _____

Address: _____

City/State/Zip: _____

Telephone: _____ FAX No.: _____

E-mail: _____

Federal Tax ID (or Social Security #): _____

Print Name: _____ Title: _____

Signature: _____ Date: _____

(This Form Must Be Signed. Signature must be original, not photocopied)

Conditions and Instructions

RFP Rev. 09-09-08

1. All proposals must be submitted on and in accordance with this form. If more space is required to furnish a description of the commodities and/or services offered or delivery terms, the offeror may attach a letter hereto that will be made a part of the proposal. All proposals must be submitted in a sealed envelope plainly marked using RFP number, date and time.
2. It will be the responsibility of the offeror to see that his proposal is in this office by the specified time and date. Date of postmark will not be considered. Telephone, fax and verbal offers will not be accepted.
3. Prices, if requested, should be stated in units of quantity specified, less federal, state, and local taxes.
4. The offeror certifies by signing this proposal that this proposal is made without prior understanding, agreement or accord with any other person submitting a proposal for the same product or service and that this proposal is in all respects bona fide, fair and not the result of any act of fraud or collusion with another person engaged in the same line of business or commerce. Any false statement hereunder constitutes a felony and can result in a fine and imprisonment as well as civil damages.
5. In event of default by the offeror, the City reserves the right to procure the commodities and/or services from other sources, and hold the offeror liable for any excess cost occasioned thereby. If, however, public necessity requires use of materials or supplies not conforming to the specifications, they may be accepted and payment therefore shall be made at a proper reduction in price.
6. Availability of Funds: A contract shall be deemed executory only to the extent of appropriations available to each Department for the purchase of such articles or services. The City's extended obligations on those contracts that envision extended funding through successive fiscal periods shall be contingent upon actual appropriations for the following years.
7. The offeror guarantees to save the City, its agents or employees, harmless from liability of any nature or kind, for use of any copyright, composition, secret process, patented or unpatented invention, articles or appliances furnished or used in the performance of the contract, or which the offeror is not the patentee, assignee, or licensee.
8. All proposals must be signed with the firm name and by a responsible officer or employee. Obligations assumed by such signature must be fulfilled.
9. By signing this proposal, the offeror assigns to the City of Newport News any and all rights that he may have under the antitrust laws of the United States and the Commonwealth of Virginia in any way arising from or pertaining to this offer. This provision is remedial in nature and is to be liberally construed by any court in favor of the City of Newport News.
10. Appeals Procedure: Upon request, administrative appeals information will be provided which shall be used for hearing protests of a decision to award or an award, appeals from refusals to allow withdrawal of proposals, appeals from disqualifications and determinations of non-responsibility and appeals from decisions or disputes arising during the performance of a contract.
11. **Non-Discrimination:** During the performance of this contract, the successful bidder agrees as follows:
 - a. He will not discriminate against any employees or applicants for employment because of race, religion, color, sex, national origin, age, disability, or any other basis prohibited by state law relating to discrimination in employment, except where one or more of these are a bona fide occupational qualification reasonable necessary to the normal operations of the contractor. The contractor agrees to post in conspicuous places available to employees and applicants for employment, notices setting forth the provisions of this non-discrimination clause.
 - b. The contractor will be and state that he is an equal opportunity employer in all solicitations or advertisements for employees.

- c. Notices, advertisements and solicitations placed in accordance with federal law, rule or regulation shall be deemed sufficient for the purpose of meeting the requirements of this section.

The contractor will include the provisions of the foregoing paragraphs (a), (b) and (c) in every subcontract or purchase order of over ten thousand dollars so that the provisions will be binding upon each subcontractor or vendor.

13. This public body does not discriminate against faith-based organizations.

14. During the performance of this contract, the contractor agrees to (i) provide a drug-free workplace for the contractor's employees; (ii) post in conspicuous places, available to employees and applicants for employment, a statement notifying employees that the unlawful manufacture, sale, distribution, dispensation, possession, or use of a controlled substance or marijuana is prohibited in the contractor's workplace and specifying the actions that will be taken against employees for violations of prohibition; (iii) state in all solicitations or advertisements for employees placed by or on behalf of the contractor that the contractor maintains a drug-free workplace; and (iv) include the provisions of the foregoing clauses in every subcontract or purchase order of over \$10,000, so that the provisions will be binding upon each subcontractor or vendor.

For the purposes of this subsection, "drug-free workplace" means a site for the performance of work done in connection with a specific contract awarded to a contractor in accordance with this subsection, the employees of whom are prohibited from engaging in the unlawful manufacture, sale, distribution, dispensation, possession or use of any controlled substance or marijuana during the performance of the contract

15. Direct contact with City Department, other than Purchasing, on the subject of this proposal is expressly forbidden except with the foreknowledge and permission of the contracting officer.
16. Assignment of Contract: A contract shall not be assignable by the Contractor in whole or in part without the written consent of the City of Newport News.
17. Applicable Law and Courts: Any purchase order/contract resulting from this solicitation shall be governed in all respects by the laws of the Commonwealth of Virginia and any litigation with respect thereto shall be brought in the courts of the Commonwealth. The Contractor shall comply with applicable federal, state and local laws and regulations. These Conditions and Instructions shall be applicable to the extent that they are non-contradictory to the proposal terms and/or instructions on the following pages. **The contractor certifies that he does not and shall not during the performance of the contract for goods or services in the Commonwealth, knowingly employ an unauthorized alien as defined in the Federal Immigration Reform and Control Act of 1986, as amended.**

Every business must register with the Virginia State Corporation Commission before transacting business in Virginia.

18. If City Hall is closed for business at the time scheduled for the proposal opening sealed proposal will be accepted and opened on the next business day of the City, at the originally scheduled hour.
19. If you have obtained this solicitation from our web page or from a source other than directly from the City of Newport News, it is the offeror's responsibility to check with our office prior to submitting your offer to ensure that you have a complete, up-to-date package. The Purchasing Department takes no responsibility to ensure any interested offeror has obtained any outstanding addenda

The original copy maintained at our offices, in the bid/proposal file folder, shall be considered the official copy. In the case of any inconsistency between bid/proposal documents submitted to the City, but not clearly listed on the exception page of the document as an exception by the offeror, the language of the official copy shall prevail. Furthermore, any exception or changes to the specifications made by the offeror may be cause to disqualify your bid/proposal.

20. **Contractor's License:** If any of the services promulgated under this solicitation consist of construction work, it is required under Title 54.1, Chapter 11, Code of Virginia for a contractor who performs or manages construction, removal, repair, or improvements when the total value referred to in a single contract or project is:

Seventy thousand dollars (\$70,000) or more, or the total value of all such construction, removal, repair or improvements undertaken by such person within any twelve-month period is five hundred thousand dollars (\$500,000) or more shall show evidence of being licensed as a **Class A Contractor**.

Seventy-five hundred dollars (\$7,500.00) or more, but less than seventy thousand dollars (\$70,000) or the total value of all such construction, removal, repair or improvements undertaken by such person within any twelve-month period is one hundred and fifty thousand dollars (\$150,000) or more, but less than five hundred thousand dollars (\$500,000) shall show evidence of being licensed as a **Class B Contractor**.

Over one thousand dollars (\$1,000) but no more than seventy-five hundred dollars (\$7,500) or the total value of all such construction, removal, repair, or improvements undertaken by such person within any twelve-month period is no more than one hundred and fifty thousand dollars shall show evidence of being licensed as a **Class C Contractor**.

The City shall require master certification as a condition of licensure or certification of electrical, plumbing and heating, ventilation and air conditioning contractors.

A valid business license from the City may be required. The offeror shall complete whichever of the following notations as appropriate:

"Licensed Class A Virginia Contractor No. _____."

"Licensed Class B Virginia Contractor No. _____."

"Licensed Class C Virginia Contractor No. _____."

- 21. Cancellation: The City may cancel the contract at its convenience, without penalty, at any time by giving thirty (30) days written notice or may cancel the contract immediately for violations of safety or rules of ethics. The City may cancel a contract thirty (30) days after the City has given a written request for a cure for vendor non-performance if such cure has not occurred. Cancellation shall not release the vendor from legal remedies available to the City. If the contract is an extended term contract, after completion of the first contract period, either party may cancel the contract without penalty. Written notice of such termination shall be made a minimum of sixty (60) days prior to its effective date.

SMALL, MINORITY, WOMEN-OWNED BUSINESS OBJECTIVES

It is an important business objective of the City to promote the economic enhancement of small businesses (SBE), minority businesses (MBE), and women-owned businesses (WBE). The success of the City to track the amount of business received by SBE, MBE and WBE FIRMS (whether as a prime contractor or a subcontractor) is dependent upon the business community partnering with us in this important endeavor.

If you anticipate **sub-contracting** to any of these businesses in the performance of this contract, you are requested to individually report the total dollars for each business classification. Failure to report the dollars in the categories below may result in the application of stronger requirements being placed on bidders to assure that SBE, MBE and WBE firms receive benefits from City contracts.

Complete the following information and return the form with your package.

1) If you are a SBE, MBE or WBE, please check one of the following boxes:

SBE **MBE** **WBE**

2) In the spaces below, report the anticipated dollars that you intend to subcontract to each business type if a contract is awarded to your firm. (If you do not intend to sub-contract any work to others, even if you are a S/M/WBE, put zeros in the spaces below).

Total **SBE** Dollars to be Sub-contracted \$ _____

Total **MBE** Dollars to be Sub-contracted \$ _____

Total **WBE** Dollars to be Sub-contracted \$ _____

3) If you are not a SBE, MBE, or WBE and you do not plan to utilize such firms in this contract, please state your reasons:

GENERAL

The City of Newport News (“City”) is seeking proposals from qualified offerors to provide consulting services to develop an asset management implementation plan for the Department of Public Utilities’ (Waterworks) Enterprise Asset Management System (EAMS) initiative.

BACKGROUND

The City of Newport News Department of Public Utilities (Waterworks) is seeking to replace its legacy mainframe-based business systems with newer technology integrated systems that can also encompass some of the functionality existing in supplemental systems that are LAN-based, stand-alone PC-based or manual.

Waterworks has named the project RENEWS, which stands for Replacing Existing Newport News Waterworks Systems. The RENEWS project is comprised of two separate undertakings: Customer Information System (CIS) and Enterprise Asset Management System (EAMS). The former has already been completed. This proposal is for consulting services for the EAMS initiative. Waterworks has formed a RENEWS Leadership Team which consists of two representatives from each of the six divisions, and the Assistant Director. Waterworks’ Director and Assistant Director will both serve as Project Sponsors. The General Services Division Manager has been appointed Project Manager.

SCOPE OF SERVICES

Waterworks is seeking proposals for a Consultant that will work collaboratively with management and the established project team to develop an asset management vision, philosophy, approach, project scope, and an asset management implementation plan. Upon acceptance of the Consultant’s philosophy and approach recommendation(s), Waterworks may move forward with the Consultant to develop a detailed and longer term asset management plan for implementation. The Consultant will be expected to prioritize the activities and provide a fully defined, sequential plan that will guide the utility in implementing an asset management program for managing its critical infrastructure and systems.

To develop the philosophy, approach, and recommendations the Consultant will review the current asset information (strategy, organization, process, data and technology) available within the utility. Better asset management practices will also be reviewed and analyzed in the context of the current maturity of Waterworks’ asset management business practices.

The Consultant may also be requested to provide technical guidance and lead the Department using a proven methodology to assess business needs; define system requirements; select software; write Request for Proposals (RFP) or Invitation for Bids (IFB) for hardware and software implementation services; assist with interview and evaluation of vendors; and potentially provide quality assurance services during implementation. Participation in presentations to the City Manager, City Council, and other City Departments and/or related agencies may also be required. Waterworks may, at its option, negotiate with the successful firm for other additional services.

Waterworks wishes to have a partnering relationship with the Consultant. The Department does not want to hand the project off to a Consultant, nor does the Department want to simply augment its staff to handle the rigors of the project. Rather, Waterworks wants to combine the internal expertise of its staff

that knows the utility, its business processes and its needs with the experience of a Consultant that has performed work of a similar nature for other municipal utilities of similar size. It is a further goal that Waterworks personnel be involved to the largest extent possible so that in-house staff retains project experience and knowledge.

This scope of work does not include actual implementation of the asset management program or any software. The successful offeror on this Request for Proposals (RFP) will not be eligible to submit on the follow up RFP for Asset Management Software and Program Implementation.

1 OVERVIEW

1.1 Utility Overview

The City of Newport News Department of Public Utilities (Waterworks) supplies drinking water on a retail basis to approximately 400,000 people on the lower Virginia Peninsula, including the Cities of Newport News, Hampton, Poquoson, and parts of York County and James City County. The average daily demand of the system is approximately 44 million gallons per day (MGD). Water is distributed through a water pipeline transmission and distribution system covering 250 square miles and extending over 1,700 miles in length. Waterworks is a regional water utility owned by the City of Newport News and operates as an enterprise fund.

The primary sources of raw water are the Chickahominy River and the Diascund Reservoir with lesser contributions from three other reservoirs. Raw water is pumped approximately 30 miles through three pipelines to the terminal reservoirs at the Lee Hall and the Harwood's Mill water treatment plants. To accomplish this, Waterworks' 372 employees are organized into the Director's Office and six divisions whose functions include:

- A. Treating water
- B. Controlling and monitoring the water treatment process
- C. Monitoring and testing water quality
- D. Maintaining both the raw water and the treated water distribution pipelines and systems
- E. Maintaining all facilities and equipment
- F. Repairing and installing water meters
- G. Monitoring and tracking water consumption
- H. Billing customers for water consumption and other services
- I. Collecting monies in payment for water consumption and other services and fees
- J. Billing and collecting monies for other jurisdictional related services
- K. Procuring and maintaining a fleet of vehicles and heavy equipment

- L. Procuring and maintaining supplies and materials for installing and maintaining water distribution systems, fleet equipment, building facilities and equipment
- M. Monitoring, regulating and inspecting taps and other connections into the water distribution system
- N. Evaluating water needs and system usage for anticipated replacement, growth and/or expansion
- O. Providing technological and administrative support for all functions

1.2 Systems Overview

1.2.1 Background

This RFP is part of a larger system replacement effort in the City of Newport News. In 2003, City departments began efforts to replace their legacy mainframe based systems which were written in COBOL XE using a Virtual Storage Access Method (VSAM) file structure. At that time, the primary utility mainframe systems included:

- A. Public Utility Billing System (PUBS) which served as the billing and customer information system
- B. Public Utility Backflow System (PUBF)
- C. Waterworks Inventory Control Management System (WICM) which was (and in some cases, still is) used as a work order, inventory management, meter history, and fleet management system
- D. Waterworks Street File System (WWST) which maintained the pipe and street inventory and was the primary reference for locating pipeline drawings
- E. Public Utility Property System (PUPS) which maintains the hydrant and valve inventory and also contains some work order functions
- F. Other systems in use at the time included:
 - 1. Cashier for Windows and Revenue Collector
 - 2. Geographic Information System (GIS)
 - 3. Supervisory Control and Data Acquisition (SCADA) system
 - 4. Orion (preventive maintenance)
 - 5. GasBoy fuel management system
 - 6. Approximately 16 LAN-based systems, four or more other stand-alone PC-based systems, Excel spreadsheets, Access databases and manual systems.

1.2.2 Waterworks Current Systems

In July 2007, Waterworks went live with a new Customer Information System (CIS). This system is SAP IS-U CCS version 4.72 and the implementation included Business Warehouse (BW) version 3.5 and Exchange Infrastructure (XI) version 6.40. The operating system is Windows Server 2003 with a SQL Server 2000 database. Application support and hosting for SAP are currently provided by Deloitte. The CIS implementation replaced the following systems:

- A. PUBS (in its entirety)
- B. PUBF (in its entirety)
- C. A portion of WICM called WICM07 which included Customer Service and Meter Shop work orders
- D. Peachtree Accounting (used for miscellaneous billings and replaced in its entirety)
- E. Cashier for Windows and Revenue Collector (in their entirety)

In a separate project, the use of WWST was discontinued and GIS now provides the information formerly held in WWST.

The current systems in use include SAP CIS, WICM (work orders, inventory management and fleet management), PUPS, GIS, SCADA, Orion and GasBoy. In addition, there are also some remaining LAN-based systems, stand-alone PC-based systems, Excel spreadsheets, Access databases and manual systems.

1.2.3 City Systems

The need to replace aging systems is a city-wide problem. In September 2007, the City began an ERP implementation project with the Munis product. The finance, budget, and purchasing modules went live in July 2008. This will be followed by human resources module in early 2009 with employee self-service to follow approximately six months after implementation. Waterworks, as a City department, will be utilizing the Munis ERP system in the areas that have been implemented.

1.2.4 Interfaces

Interfaces are expected to be part of the consideration of which EAMS software package to select. Currently, WICM interfaces with CIS in the areas of new services, repair work orders, and water quality work orders. These interfaces will need to be replaced and there potentially could be the need for additional interfaces such as backflow if a different product is chosen other than SAP. If SAP is chosen, the existing interfaces will need to be dismantled and work processes will need to change to incorporate an all-SAP process flow.

Currently there is no interface between WICM and the City's Munis purchasing system. An interface may need to be created between the solution that replaces WICM functions and the City's Munis ERP Purchasing module to apply Receipts against a PO.

In addition, interfaces to the City's Human Resources module for employee information needed by the EAMS for work orders will need to be developed. Also there may need to be an interface with the City's Finance module for work order costing. Today, these are both manual interfaces.

2 SCOPE OF WORK

The Consultant selected from this RFP process will perform the tasks listed below. All work will be performed in phases as outlined below.

- Phase 1:** Asset Management Vision/Philosophy and Implementation Plan
- Phase 2:** Asset Management System Requirements Definition, Evaluation of MUNIS and SAP Products for Fit to Requirements, and RFP/IFB development for software and implementation services as required.
- Phase 3:** Assist Waterworks with Proposal Evaluation and Selection Document, Award Recommendations, Scope of Work and Contract Development
- Phase 4:** Quality Assurance (QA) or Other Services

Work on each phase will be authorized with a Notice to Proceed issued by Waterworks, and no work on any phase shall be undertaken until such Notice to Proceed is issued. Waterworks may or may not authorize all phases. All work shall be performed under the administrative direction of a Project Manager appointed by Waterworks.

The functional areas within the Department need to be evaluated to determine which areas will be addressed by this project. Waterworks' strategic direction, budget factors, the impending demise of the systems, the enhanced functionality offered by packages that can be purchased, and the desire not to create new "silos of information" will all shape the scope of this project.

The Consultant will work with Waterworks to establish a high level philosophy and approach for an asset management framework that integrates areas of operations where there are existing asset management systems, policies and processes, and other functional areas within the Utility where implementation of asset management could result in improvements.

2.1 Phase 1: Asset Management Vision/Philosophy and Implementation Plan

The philosophy and approach will become the basis for implementing an asset management program. Once the Waterworks team has accepted the philosophy and approach, the Consultant will develop and present specific strategies and options for an asset management program at Newport News Waterworks and present it to the Department along with an implementation plan specific for designing, developing, and implementing an integrated and enterprise-wide asset management system.

The Consultant will be expected to:

- A. Facilitate workshops for Director's Office and Division Managers and a cross-functional Waterworks team, for development of an asset management vision for the Utility.
- B. Work with the team to establish a set of goals, expectations, and outcomes that map to this vision.

- C. Identify which functions and/or systems should be included in the utility asset management program to include existing asset management systems in place and requirements for supporting existing systems, and assess the organizational structure now in place for asset management.
- D. Conduct and provide research to determine industry standards for asset management systems and requirements for supporting these systems. Specifically, the consultant shall review relevant documents from the American Water Works Research Foundation (AWWARF) which has designated asset management as one of its strategic areas for research and has produced numerous reports and other supporting resources. This topic can be reviewed on the internet at: [Featured Topic Snapshot: AssetManagement](#)

(<http://www.awwarf.org/research/TopicsAndProjects/topicSnapshot.aspx?topic=AssetMgt>)

Any recommendations made to Waterworks should be consistent with the best practices outlined in the AWWARF research.

- E. Assess the Department's readiness to implement an enterprise-wide asset management system and define where the Department requires additional education, policies, resources and/or skill sets.
- F. Work with a small cross-section of staff from the Utility to develop the framework, the gap analysis, create alternatives and develop the detailed implementation plan, including a benefits and costs analysis. This recommendation will include a full justification and tradeoff analysis, costs (e.g. staffing and tools), and timeline.

2.2 Phase 2: Requirements Definition, Evaluation of MUNIS and SAP Products, and RFP/IFB Development

- A. Once the project scope and strategic direction have been determined, Consultant will lead Waterworks through the requirements definition process for all of the functions to be encompassed by the new system. Consultant's approach to handling requirements should facilitate an efficient method of evaluating proposals.
- B. Evaluate ERP systems currently in use and recommend approach as to whether it will be in Waterworks' best interest to incorporate the enterprise wide asset management program into one of these solutions, use a different integrated utility solution, best of breed or try to look at both and if some functions should be developed in-house.
- C. Consultant will assist Waterworks in the development of one or more RFP's or IFB's for the required software, hardware and any other components necessary for successful implementation in accordance with the chosen strategy. Section 2-584 of the City of Newport News Procurement Code applies.

2.3 Phase 3: Proposal Evaluation, Vendor Interviews, Award Recommendations, Scope of Work and Contract Development

Consultant shall recommend their most comprehensive and stringent approach to evaluating the vendors and systems that will be proposed to meet Waterworks' needs. Consultant should also provide their best methodology and approach for handling vendor interviews and product demonstrations. Some of the things to be evaluated shall include, but not be limited to:

- A. Checking vendor references regarding adherence to contract terms and conditions;
- B. Looking for any lawsuits or settlements that have been made;
- C. Evaluating the financial health of the firm(s);
- D. Determining the investment levels of the firm(s) in improving their product(s);
- E. Determining the customer service and support reputation of the firm(s);
- F. Examining and evaluating their data models for soundness, efficiency, referential integrity and other attributes of data model quality;
- G. Determining the frequency and pattern of software releases.

Evaluate the proposed solutions against Waterworks' business and technical requirements, and recommend a solution for implementation. The proposed solutions should be evaluated based on an understanding of business objectives, principles, scope, risks, and the marketplace. It is Waterworks' intention to select a solution that will require minimal customization, if any.

Consultant shall compare the proposed solution to Waterworks requirements and prepare a gap analysis documenting how well the solution meets the stated requirements of Waterworks and which needs, if any, could remain unmet once implementation is complete.

Consultant will document and prepare an award package that clearly identifies reasons for selection of recommended vendor.

Consultant shall work with Waterworks and the selected vendor to develop a Statement of Work and contract documents.

2.4 Phase 4: Quality Assurance (QA) or Other Services

Waterworks may elect to have implementation quality assurance services performed by the selected firm. This is optional and the City is not obligated to contract for these services. To propose these services, the additional information listed below shall be included.

Describe, in detail, the approach that will be used in performing QA services for the EAMS implementation project. At a minimum, describe:

- A. The approach that will be used in providing QA for the project
- B. The objective criteria that will be used to assess the progress of the implementation.

- C. How Offeror provides an early warning system to detect possible problems and recommend corrective actions rather than only grading of past performance.
- D. How Offeror proposes assisting with the planning process for the project.

Offeror must clearly state how much time their personnel will be on-site each month and the expected timing of these visits. Offeror shall also provide a clear description of their level of participation in project events such as conference calls, meetings and workshops, and project deliverable review.

2.4.1 Deliverable Schedule

Offeror shall list the name, description, and timing of all deliverables to be prepared for the implementation project QA.

2.4.2 Project Costs

Offeror should propose their firm, fixed price for performing the QA services requested in this RFP, shown at a monthly level of detail. Offeror should also propose the anticipated costs for any and all travel and administrative costs. Travel costs shall adhere to the guidelines and per diem rates established in Publication 1542 of the Internal Revenue Service. For each month, itemize costs by category (services, travel, and administrative costs).

3 DELIVERABLES

Following are the minimum deliverables to be prepared under this contract. Consultant shall use their best judgment and experience to determine if additional deliverables should be prepared. If so, these shall be proposed along with detailed information about the contents and purpose of those deliverables.

3.1 Phase 1 – Asset Management Philosophy/Vision and Implementation Plan

Philosophy and Vision to include:

- A. Written summary of any facilitated workshops (conducted for the following groups as needed):
 - 1. Director's Office and Division Managers to establish clear vision for asset management and expectations.
 - 2. Cross functional Waterworks team to provide clear understanding of what asset management is and to establish a set of goals and outcomes that map to the vision of Waterworks' Management Team.
- B. Scope, schedule, and resources required to establish a high level philosophy and approach for an asset management framework that integrates areas of Waterworks:
 - 1. Where there are existing asset management systems, policies and processes,
 - 2. And other functional areas within the Department where implementation of asset management could result in improvements.
- C. An assessment report, which includes:
 - 1. Recommended vision for the asset management framework.

2. Clearly defined goals and objectives for the implementation planning effort.
3. An itemization and assessment of existing and planned practices, business processes, information technology, and management systems related to asset management at Waterworks.
4. A gap analysis that describes the differences between existing and envisioned asset management frameworks, alternative strategies for bridging the gap including an evaluation of the tradeoffs, recommendations for the strategy that meets Waterworks' defined requirements, staffing needs, skills and tools (both software and hardware) that will help in creating a successful asset management implementation, and real and/or perceived barriers to the implementation and recommendation for how they can be overcome.

Implementation Plan to include:

- A. Plan to convert of the recommended strategy in the assessment report into well defined implementation initiatives.
- B. The goals, objectives, work breakdown, timeline estimates, and resource estimates for each initiative.
- C. A proposed communications strategy for the implementation effort.
- D. A full recommendation for the most feasible and cost-effective strategy. Waterworks went live with a SAP customer information/billing system in July 2007, and the City of Newport News implemented a MUNIS ERP system in July 2008. How these two systems fit into the overall asset management vision and strategy needs to be addressed, at a high level, in the recommendation. This recommendation will include a full justification, tradeoff analysis, costs (e.g. staffing and tools), and timeline.
- E. A detailed implementation plan for the envisioned asset management program to be presented to upper management. Include timelines, internal and external staffing, and other resources required, and milestones for this implementation plan.
- F. Recommend the appropriate organizational structure(s) to support the initial and ongoing asset management plan including required skill sets, number of positions, and level of staffing.
- G. Recommend the appropriate information technology to support the initial and ongoing asset management plan including required software, system interfaces and ongoing staffing support.
- H. Presentations as necessary to Waterworks' management and possibly the City Council, and/or their staff members on the recommended asset management philosophy, strategy, and implementation plans shall be made. For pricing of this work item assume 2 different presentations will be made. Additional presentations shall be made as an additional service.

3.2 Phase 2 – System Requirements, Evaluation of MUNIS and SAP Products and RFP/IFB Development

The following items shall be included:

- A. A document that clearly defines System Requirements documented to facilitate understanding by the solution implementation team.

- B. Software evaluation of the MUNIS and SAP products with documentation that includes a gap analysis that analyzes how well the solution meets the stated requirements of Waterworks and which needs, if any, could remain unmet once implementation is complete.
- C. A software selection narrative that clearly describes decision points that led to the solution selection or elimination.
- D. Consultant shall prepare a comprehensive Request for Proposals and necessary bid documents for the procurement of implementation services, hardware, software and continued maintenance support (Consultant shall prepare with input from Waterworks).

3.3 **Phase 3 – Proposal Evaluation, Vendor Selection, Award Recommendations, Scope of Work and Contract Development**

- A. Consultant shall recommend, in writing, their most comprehensive and stringent approach to evaluating the vendors and systems that will be proposed to meet Waterworks’ needs. Consultant shall also provide their best methodology and approach for handling vendor interviews and product demonstrations (memorandum format acceptable).
- B. Provide written recommendations on which vendors’ products and services best meet the needs of Waterworks from participation by Consultant with Waterworks in vendor interviews/presentations and product demonstrations.
- C. Consultant will work with Waterworks in evaluating statement(s) of work and developing the required contract documents for software implementation and other services.
- D. Consultant will provide briefings to Waterworks and City Management as necessary to facilitate contract award.

3.4 **Phase 4 - Quality Assurance**

Consultant shall list the name, description, and timing of all deliverables to be prepared for the implementation project QA as detailed in 2.4.1.

4 PROPOSAL REQUIREMENTS (SUBMITTAL)

Consultant shall prepare their proposal in accordance with the instructions outlined in this section. Submit *one* original (conspicuously marked “ORIGINAL”), and *six complete* copies of your bound proposal. Proposals should be prepared in a professional manner using a straightforward, concise description of the vendor’s capabilities to satisfy the requirements of the RFP. Emphasis should be on accuracy, completeness, and clarity of content. All parts, pages, figures and tables should be numbered and clearly labeled. **PLEASE MAKE SURE ALL OF YOUR RESPONSES COINCIDE WITH OUR NUMBERING SYSTEM AND ORDER.** The following information, organized in major sections as indicated shall be included in the proposal package to be considered *responsive* to the Request for Proposals:

- A. Letter of Transmittal

- B. Executive Summary
- C. Table of Contents
- D. Corporate Background
- E. Technical Approach
- F. Project Management Plan
- G. Appendices
 - 1. Project Team
 - 2. Deliverable Schedule
 - 3. Project Costs
 - 4. Corporate Experience
 - 5. Client References

Sections D through F should not exceed 25 single-sided, 8 ½ x 11” pages using a font no smaller than 12.

4.1 Letter of Transmittal

The transmittal letter will indicate the intention of the Consultant to adhere to the provisions described in the RFP. The letter of transmittal shall:

- A. Include the complete Request for Proposal document with any addenda acknowledgements filled out and signed as required. The person that signs the RFP shall have the authority to negotiate the full scope of services on behalf of the organization and shall be authorized to bind the contract to the terms and conditions of this RFP (See paragraph C below).
- B. Identify the submitting organization.
- C. Identify the person, by name and title, authorized to obligate the organization contractually.
- D. Identify the contact person responsible for this response along with telephone number, fax number and email address.
- E. Explicitly indicate review and acceptance of the Terms and Conditions and identify any exceptions.
- F. Acknowledge that the proposal is considered firm for 180 days after the due date for receipt of proposals or receipt of the last, best and final offer is submitted.
- G. Acknowledge all costs that are outlined in detail in your proposal.

H. Be signed by the person authorized to contractually obligate the organization.

4.2 Executive Summary

This part of the RFP shall be limited to a brief narrative highlighting the Consultant's proposal and should not contain cost quotations.

4.3 Table of Contents

Clearly identify the materials by section and page number.

4.4 Corporate Background and Experience

Consultant shall provide the following information about their company so Waterworks can evaluate the Consultant's stability and ability to support the commitments set forth in this RFP. Waterworks, at its option, may require a Consultant to provide additional support information or clarification.

Consultant shall outline the company's background including:

- A. How long the company has been in business
- B. Whether the company is a public or privately owned firm. If private, are there pending buyouts, mergers or acquisition offers which should ethically be disclosed at this time?
- C. A brief description of the company size and organization
- D. The number of public sector and utility clients
- E. Most recent audited financial statements
- F. Acquisition or merger history

4.5 Technical Approach

Describe, in detail, the technical approach that will be used in completing this project. The approach to the overall project as well as each deliverable should be described.

In addition, Consultant shall indicate what is expected of Waterworks in completing each deliverable. (An example would be – To determine the scope of the project, the Consultant will need to interview one key person from each functional area for four hours and Waterworks should provide a flowchart of relevant work processes.) Approach for each phase shall be separate but a description included indicating how the distinct phases are related to one another.

Consultant shall also address the following:

- A. Their approach to defining the scope of the project and determining the strategy – phased or big bang. At a minimum, Waterworks seeks to replace WICM, PUPS, and Orion and could do this without fully implementing an EAMS. The full EAMS functionality could be implemented in a later phase.

- B. Their approach to developing recommendations about the version of SAP that CIS is on. There could be a need to upgrade if SAP is chosen for EAMS.
- C. Their approach to gathering and documenting requirements. (Examples are use case, traditional declarative approach, scripted scenarios, combination of these, or other approach)
- D. What level of detail is recommended for requirements documentation? How are requirements managed? How are changes to requirements handled?
- E. Their approach to assisting Waterworks in evaluating software and implementation firms to include functionality, project management, and technology.
- F. Their approach to assisting in developing a detailed statement of work and contract once a selection has been made.
- G. Their approach to understanding the implications of interfaces and ensuring that they are addressed appropriately by the implementation proposals.
- H. Any additional insights based on where Waterworks is with respect to replacing systems in light of the City's ERP project.
- I. Waterworks' goals in using contractual services for this work are to reduce the amount of time it would take to complete the work in-house and to reduce risk. Consultant shall explain how their approach achieves these goals.

4.6 Project Management Plan

Proposal must include an organization chart along with supporting narrative that depicts how its personnel will report to and interact with the Waterworks Project Manager, Leadership Team and others in the Department.

It is Waterworks' goal to utilize Waterworks staff as much as is feasible and to possibly end the contractual relationship once hardware and software contracts have been awarded unless Waterworks opts to contract for QA services. Proposal must indicate how the Consultant intends to support these goals.

Consultant shall specify how much and what kind of administrative and clerical support will be needed from Waterworks in support of the project.

4.6.1 Status Reporting

Consultant shall propose how they plan to conduct status reporting throughout the project and should specify at what interval status reporting will be provided and in what format.

4.6.2 Project Tools

In this section, Waterworks defines project management tools as those that will assist in breaking out work activities, showing project timelines and dependencies and other things needed to manage the project. Methodology tools are those that will be used to complete actual work products such as a requirements document.

Consultant shall also suggest the best way for Waterworks' staff to become proficient in the use of any

proposed project management or methodology tools. If Consultant proposes that their staff train Waterworks' personnel in using any of these tools, then Consultant shall separate this cost from other project costs and indicate how their training would be superior to other training, such as attending a class at a local technology school.

Waterworks prefers to be responsible for purchasing project management software or methodology tools to be used by Waterworks' staff. Consultant shall provide the estimated/expected cost(s) for this software, if any.

4.6.2.1 Project Management Tools

Consultant shall specify which project management software they recommend for use on the project, if any. If a project management tool is recommended, Waterworks requires that it be a product that is available off the shelf and not a proprietary tool created by or for the Consultant's exclusive use.

4.6.2.2 Methodology Tools

Consultant shall specify which software products or tools they recommend be used to prepare the work products and deliverables for the project, if any. If required, the cost of these software products shall be included in the cost proposal. Consultant shall indicate how the proposed tool(s) addresses the following:

- A. Traceability
- B. Interdependencies between requirements
- C. Sorting or viewing requirements using different attributes such as priority or difficulty
- D. Tracking changes to requirements and why the changes were made
- E. If and how their recommended tool for requirements can transform the requirements into something that can be used for later phases, such as the creation of test plans

4.6.3 Project Support

Consultant shall specify all support (hardware, software, administrative assistance, offices or work areas, telephones, etc...) that is required from Waterworks for Consultant personnel for the completion of this project. Consultant shall indicate what they expect from Waterworks to support electronic access to project documentation (i.e. Intranet, Portal, Separate software, etc...). Consultant shall indicate if any specialty software (such as collaborative software) must be in place for the project.

Consultant must indicate whether Waterworks must provide PC's and software for Consultant personnel while working at Waterworks offices or if Consultant personnel will work on Consultant owned laptops using Consultant owned software licenses while at Waterworks offices. If Waterworks must provide the necessary equipment and software, Consultant shall specify exactly what will be required and when it will be needed.

4.7 Appendices

All/any appendices should be clearly marked and defined throughout the offeror's response.

4.7.1 Project Team / Key Personnel

The proposed project team, including sub-contractors proposed, shall be listed by staff title. The individual staff names, if available, should also be listed. A brief description of the individuals that will be assigned to the project should be included in the section, along with a description of the project team's past record of performance on similar projects.

No portion of this contract shall be subcontracted without prior written consent of Newport News Waterworks (See also paragraph 16, *Conditions and Instructions*). In the event that the successful offeror desires to subcontract some part of the work specified herein, the offeror shall furnish Waterworks with the names, qualifications, and experience of their proposed subcontractors. If accepted, the offeror shall remain fully liable and responsible for the work to be done by its subcontractor(s) and shall assure compliance with all requirements.

It is essential that the Consultant provide adequate experienced personnel, capable of and devoted to the successful accomplishment of work to be performed under this agreement. Waterworks prefers that the Project Manager or Project Lead be a Project Management Professional (PMP) certified by the Project Management Institute.

The Consultant agrees that, once assigned to work under this agreement, key personnel shall not be removed or replaced without written notice to Waterworks.

If key personnel are not available for work under this agreement for a continuous period exceeding 30 calendar days, or are expected to devote substantially less effort to the work than initially anticipated, the Consultant shall immediately notify Waterworks, and shall, subject to the concurrence of Waterworks, replace such personnel with personnel of substantially equal ability and qualifications.

For each person proposed, indicate the amount and nature of experience performing projects of similar size and scope for other municipal utilities or local governments of similar size. Resumes should be included along with references for projects of similar scope and size.

Indicate how much direct utility or municipal government experience all proposed individuals have. List the utility or municipal government worked for, the consultant's position and date they left. If no direct utility or municipal government experience, list the number of years each consultant has served the utility or municipal government market.

List any consultants who have worked for any of the software or integration firms that could be possible solutions for Waterworks and include the date they left the firm.

Please indicate if any of your consultants have a conflict of interest with a company that might potentially bid on this project. Conflicts could include but are not limited to: holding stock or relatives working at the firm.

For each person proposed, indicate the percentage of time they will spend on the project, by deliverable. Additionally, specify how much of that time will be spent at Waterworks' offices and how much at the Consultant's offices, again by deliverable. List the number of expected trips (face to face) by Project Manager to Waterworks and the average time on site per trip.

If Waterworks determines that an individual assigned to the project is not performing in an acceptable fashion, what procedures will Consultant follow in replacing the person?

If an individual assigned to this project leaves the project at Waterworks' request or for any other reason (resignation, unforeseen medical leave, etc.), how will Consultant ensure continuity and a minimal transition to new personnel? In addition, Consultant should indicate their depth of experience overall, to assure Waterworks that Consultant can complete the project even with the loss of one or two key personnel. Consultant should submit the resumes of two currently employed Project Manager's that would most likely be the backup person to assume the role of Project Manager if the original Project Manager is replaced.

Waterworks reserves the right to interview the Consultant's Project Team before the start of this project as well as anyone joining after the kick-off. Please describe how your firm accommodates this.

4.7.2 Deliverable Schedule

Each offeror shall provide an estimated timeline in regards to how long they believe each milestone in their proposal will take from the date of award. The timeline should indicate both elapsed time and estimated staff hours. Milestones will be based upon the methodology and approach of each offeror and may be different; hence proposals should clearly explain the timeline and how these time estimates were obtained.

4.7.3 Project Costs

The total proposal price shall be **all-inclusive** to cover all labor, materials, supplies, travel, overhead costs and profit necessary to complete the services as specified herein.

In order to get a comparable detail breakout from all potential offerors please divide the costs between the phases outlined in Section 2, Scope of Work:

- Phase 1: Asset Management Vision/Philosophy and Implementation Plan
- Phase 2: Asset Management System Requirements Definition, Evaluation of MUNIS and SAP Products for Fit to Requirements, and RFP/IFB development for software and implementation services as required.
- Phase 3: Assist Waterworks with Proposal Evaluation and Selection Document, Award Recommendations, Scope of Work and Contract Development
- Phase 4: Quality Assurance (QA) or Other Services

Within each phase, itemize costs by category (labor, materials, supplies, travel, overhead, and profit). Sum the category costs and show a subtotal for each phase.

Newport News reserves the right to cancel in whole or in part and/or discontinue the services after any phase. The City shall not be obligated to enter into any contract for some and/or all phases unless it so chooses. The City further reserves the right to go outside this contract for any phase of work described within.

Consultant shall also include **ALL** hourly rates of personnel who will be associated with this project as well as travel expenses (mileage, lodging, per diem, etc.). Please note that these price figures will **only** be used if Waterworks wishes to go above and beyond what is agreed upon for each phase. Travel expenses should correspond with the latest Internal Revenue Service publication regarding such expenses at the time the proposal is submitted.

4.7.4 Corporate Experience

Consultant must provide information on their corporate experience performing projects of similar size and scope for other municipal utilities of similar size. Consultant shall include:

- A. How long the company has been performing consulting services similar to those requested in this RFP
- B. List the last ten water utility solutions recommended by your company in chronological order and include utility name, vendor selected and vendors short-listed. Indicate beside each if recommendations were implemented by client and if not explain why. Also list project manager and utility contact information.
- C. Indicate the level of experience with systems that might be solutions to our business needs to include ERP solutions, utility suites and best of breed systems.

4.7.5 Client References

Consultant must provide a minimum of ten references, five of which should be in the utilities industry, of similar size and scope. Please provide contact names, titles, mailing addresses, email addresses, and phone numbers.

Consultant may include materials (including letters of support or endorsement) indicative of the Consultant's capabilities.

4.10 Electronic Copy of Proposal

In addition to the paper copies, Waterworks requires that this submission be provided in Adobe PDF format on a compact disc (CD).

EVALUATION CRITERIA (Listed in Order of Importance)

Each proposal will be evaluated for full compliance with the RFP instructions to the offeror and the terms and conditions set forth within the RFP document. The objective of the evaluation will be to recommend the firm who is the most responsive and fully qualified based upon the herein described needs of the City. The proposal will be evaluated on the following criteria:

- A. Technical Approach and Methodology: Overall quality of offeror's recommended approach and methodology that demonstrates an acceptable level of clarity in the understanding of the purpose, service, scope, and objectives of this RFP, as well as the ability to effectively meet the requirements of the RFP.

- B. Suitability: The degree to which the offeror conveys their understanding of the statement of needs and the degree that the offered services meet the identified needs and schedule for Newport News Waterworks.
- C. Key Personnel: Overall quality and relevance of proposed team members and their ability to capably perform the identified tasks in this RFP; Qualifications and experiences of the firm, project team members and overall team organization; Overall depth of knowledge within the firm and how the firm deals with the loss of key personnel, as well as how the firm is willing to transfer knowledge and utilization to the Waterworks' staff.
- D. Costs: Prices submitted shall be clearly stated so that the City fully understands what will be supplied for a given figure. Any optional add-ons or additional hours must be given in the proposal with prices and must be clearly marked.
- E. References: Feedback from references pertaining to the firm's ability to perform projects of a similar nature on schedule and within budget (by maintaining and controlling costs).
- F. Responsibility: The capability in all respects to perform fully the contract requirements and the moral and business integrity and reliability that will assure good faith performance as required by these specifications.
- G. Responsiveness: Completeness of the proposal. The degree to which the offeror has responded to the purpose and scope of specifications. Conformance in all material respects to this RFP.

From the time the proposal is first advertised to the time a contract is signed, all offerors or contents of any proposal must be kept confidential. All proposals submitted under this RFP (including all documents, schedules, reports, plans and other materials) shall become the property of the City of Newport News and will not be returned (see *Trade Secrets/Proprietary Information* page 25).

METHOD OF SELECTION

Proposals will be evaluated and interviews scheduled with selected firms in accordance with the "Contracting for other than professional services" method of selection outlined in the Code of Newport News, Virginia Section 2-570-2. Details can be accessed at:

<http://www.nngov.com/purchasing/resources/purchasingcode>

AWARD

Award will be made in accordance with Code of Newport News, Virginia Section 2-570, Award. Award shall be made to the responsible offeror whose proposal is determined in writing to be the more advantageous to the city, taking into consideration price and the evaluation factors set forth in the request for proposals. The contract file shall contain the basis on which the award is made. The award of a contract shall be the sole discretion of the City. The award shall be based on the evaluation of all information as the City may request. The City reserves the right to accept or reject any or all proposals in whole or in part and to waive any informalities in the RFP. Further, the City reserves the right to enter into a contract deemed to be in its best interest.

Upon making an award, or giving notice of intent to award, the City will place appropriate notice on the public bulletin board located outside of the Purchasing Department at City Hall. Notice of Award may also appear on the purchasing website: www.nngov.com/purchasing

QUESTIONS

Questions regarding this RFP should be directed to the Department of Purchasing, Marie-Therese (Mimi) M. Gartner by email: mgartner@nngov.com or facsimile (757) 926-8038, *not less than five (5) business days* prior to the proposal due date. All questions must be submitted *in writing*; telephonic inquiries will not be considered.

DIRECT CONTACT

Direct contact with any City employee, including the Department of Public Utilities without the expressed permission of the Director of Purchasing or his designated representative, on the subject of this proposal, is strictly forbidden. Violation of this paragraph may result in disqualification of your proposal.

DEBRIEFING

The City Code requires that in the RFP process all information as to persons or firms making offers or the contents of any offers is kept confidential. This information can only be given out after an award or decision to award has been made.

After an award is made, or the decision to make an award is made, the file is available in the purchasing department for public review. Request a review time during normal business hours, 8 – 5, Mon-Fri.

TRADE SECRETS / PROPRIETARY INFORMATION

Trade Secrets or Proprietary information submitted by an, offeror, or contractor in connection with a procurement transaction shall not be subject to public disclosure under the Virginia Freedom of Information Act; however, the, offeror or contractor must invoke the protections of this section prior to or upon submission of data or other materials to be protected and state the reasons why protection is necessary. *Price quotations in proposals submitted to the City are not “proprietary” or “confidential”.* They are considered public information. Information leading to the decision to award, including prices and other factors, shall be made public (section 2-557.2 of City Code).

Please mark one:

- () **No**, the submittal I have turned in does not contain any trade secrets and/or proprietary information.
- () **Yes**, the submittal I have turned in does contain trade secrets and/or proprietary information.

If **YES**, please list the *page numbers* **and** the *reasons* why the information is considered a trade secret and/or proprietary information. These pages shall be conspicuously labeled “PROPRIETARY INFORMATION” in **red** ink at the top and bottom center of each page. **Do Not Mark the Whole Proposal Proprietary.**
