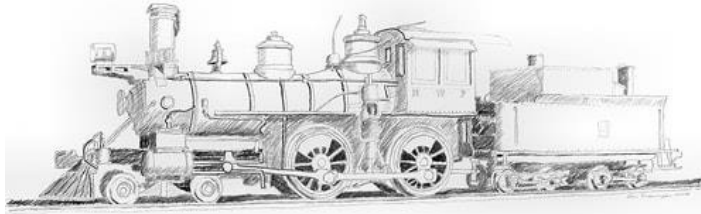


City of Beech Grove,
Indiana
“A City On The Move”



Office of Mayor Dennis Buckley & City Council

Request for Proposals for the
Wastewater Utility
and Related Assets

Dated: April, 2019

Proposal Due: May 31, 2019
No Later Than 4:30 P.M. Local Time

**City of Beech Grove
Request for Proposals for
the Purchase of the Wastewater Utility,
Related Assets**

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Exhibit 9	IURC Cause NO: 44685 S1
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1.0 INTRODUCTION

1.1 General

Through the issuance of this Request for Proposals (the “RFP”), the City of Beech Grove, Indiana (the “City”) is hereby soliciting competitive sealed Proposals from firms capable of providing the City with a creative offer to purchase the City’s Wastewater Utility while maintaining the City’s competitive cost/rate structure relative to its peer cities in Central Indiana, and making the required infrastructure investments in providing safe, sustainable and reliable wastewater services. The firm submitting a Proposal (each, a “Proposer”), may propose innovative solutions related to the purchase of the City’s wastewater system (the “Wastewater Utility”). The City expects the successful Proposer to have the capacity to purchase, own and/or operate and maintain all of the System, including providing full service operations, maintenance, repair, replacement, administrative services and necessary and appropriate capital improvements to the System, through the purchase of the System, (the “Proposed Transactions”).

The City’s goals are to continuously improve the quality of life for its residents, encourage thoughtful development and appropriately manage redevelopment and growth in a manner consistent with the character of the City. The Mayor, City Council and staff stand by these goals and strive daily for accomplishments to make the City the best it can be. Beech Grove’s vision for the future includes selecting the appropriate partnership in making infrastructure investments now that will position the City to benefit existing residents and businesses and also encourage and accommodate new residents and businesses well into the future. The City desires to creatively address such investments so as not to place an undue financial burden on its constituents and taxpayers. Furthermore, the City expects a partnership wherein economic development and growth are a priority in helping grow the City’s economic base.

At the end of this RFP process, the City intends to enter into an agreement for the sale of the Systems assets (each, a “Purchase Agreement”) with the selected Proposer (the “Company”) in accordance with the requirements of this RFP. The bidding process, vendor selection, contract negotiations and execution, and subsequent sale will be conducted by the City in accordance with applicable law. Proposers should carefully review this document, which constitutes the formal RFP for the System sought by the City, to ensure a clear understanding of the City’s needs and objectives and, if appropriate, scope of work.

1.2 Background

Located within the I-465 loop in the Southeast region of Marion County, Indiana Beech Grove is home to approximately 14,100 residents with attractive amenities for residents, businesses and visitors. Formally incorporated in 1906, Beech Grove has a history that reaches to the early 1800’s. Today, the residents of Beech Grove enjoy a safe, small town atmosphere

while benefiting from the proximity of the businesses and amenities of the Indianapolis metropolitan area and easy access to major interstate highways and air travel.

The City has its own independent police and fire departments, public works and parks departments, and a senior citizens center.

In 2012, the Main Street business district underwent a major revitalization, including the building of streets, sidewalks, and sewers. The Main Street Business District provides unique shopping and a pro-economic development climate that fosters new and growing business.

In 2020, phase one construction of a greenway trail will begin.

The Beech Grove Shops is a railway maintenance facility owned by Amtrak. Beech Grove is Amtrak's primary maintenance facility, and It also contains a large freight yard. It is also the City's largest employer.

Beech Grove is home to a quality school corporation, having received an "A" rating from the Indiana Department of Education. Beautiful park facilities, quaint main street with unique shopping and a pro-economic development climate that fosters new and growing business are key elements to the identity of the community.

Government

A third class city under Indiana law, the City is governed by a Mayor, Clerk Treasurer, and seven City Council members, each serving four-year terms. The City also has a three member Board of Sanitation and Board of Public Works and Safety, five member Board of Zoning Appeals, five member Parks Board, and a five member Redevelopment Commission.

1.3 Overview of the System

Currently, the City owns, operates and maintains its System through the City's Board of Sanitation, Public Works and Customer Service Departments. The Public Works Department maintains the City's public infrastructure through the wastewater operations, storm water services, streets, grounds and maintenance. The Public Works Department is always looking for opportunities to improve through customer service, innovation, and increased efficiencies while always managing the department in an accountable and fiscally responsible manner.

The subsequent sections of this RFP provide a general overview of the Systems. A more detailed description of the assets comprising the System is provided in Exhibit 1 to this RFP (the "System Assets"). Proposers also should review the available reference documents including but not limited to those posted on the City's website.

Management of the Systems is the responsibility of the three-member Board of Public Works and Safety and Board of Sanitation, who serve the Public Works Department. The System currently employs one (1) personnel for system maintenance and operation (except for this position, there are 13 Public Works staff members that augment System operations on an as needed basis) and three (3) billing/clerical personnel in the customer service center.

Assumption of employees is not a requirement in – and for – this RFP.

1.4 Description of Wastewater Utility

The collection system for the utility includes approximately 44.7 miles of sewer lines and zero (0) lift stations. A system map is provided as Exhibit 2. The City's treatment plant was decommissioned from service in 1977. As a result, the City has a service contract for treatment with CWA Authority Inc. {CWA}. This contract is represented in Exhibit 3. Approximately 660 million gallons flow through the system annually with a customer/ratepayer mix as listed below:

Residential	4343
Commercial	390
Industrial	34
Multi-Family	16
Educational	10

Church	17
Public Fire	2
Government	13

1.4.1 Rates and Charges The City Council determines rates and charges for wastewater services. The current wastewater user rates were adopted on August 7, 2017, in Ordinance 50.030. Chapter 50 of the City of Beech Grove Code of Ordinance in its entirety is included in Exhibit 4.

The City has maintained a the system , records of discovery, maintenance and/or repair of is attached as Exhibit 5.

2.0 GENERAL REQUIREMENTS

2.1 Objectives

The purpose of this RFP is to initiate one or more Proposed Transactions that will assist the City in continuing to provide safe and reliable wastewater service(s) to the residents of the City and provide needed infrastructure maintenance and investments in the most efficient and cost effective manner. It is evident that cities across the country, faced with increasing state and federal regulatory and operational demands and the costs of growth, are turning to non-traditional municipal service delivery structures to provide a more efficient and effective overall service for wastewater consumers.

The City wishes to engage in Proposed Transactions that will provide wastewater collection and treatment in compliance with applicable law, ensure continued, reliable customer service(s) and solve urgent capital needs resulting from system age, current and future community growth while mitigating proposed utility rate increases. An experienced wastewater utility owner/operator may produce any of the following: (i) additional operational efficiencies driven by current best practices; (ii) highest quality technology; (iii) better approaches to environmental compliance; or (iv) enhanced capital program management, any or all of which could better maximize operating dollars. Additionally, the complexity of the current and future regulatory environment leads the City to believe that an entity other than itself, with broad experience and superior resources may be advantageous. The City believes a transaction is possible that would allow the City to better leverage valuable assets, ultimately benefit the ratepayers in terms of costs and services, and address current, and future, infrastructure demands.

To meet its long-term goals, the City expects, alternatively, to proceed to sell and dispose of the System. To the extent that the City determines to proceed with a sale and disposition, the City would comply with the provisions of IND. CODE § 8-1.5-2-3 to effect the sale of the sale of the Wastewater Utility. The City expects to select the most advantageous Proposer through a competitive procurement process in accordance with the foregoing laws, this RFP and any other applicable laws.

In issuing this RFP, the City desires to accomplish certain operational, financial and managerial objectives and provide the City and customers of the System with cost-effective and reliable utility service(s). In addition to the more specific goals and objectives set forth in Section 19, below, the City's general objectives with respect to the Systems are to:

2.1.1 Applicable Laws

Comply with all applicable laws, including all applicable Federal, State, and local laws, regulations and permits and any other law or regulation enacted or promulgated by any department, commission, board, bureau, agency or instrumentality of the United States, any state, county, city or political subdivision, including without limitation, the IURC, the EPA and IDEM.

2.1.2 Guaranteed Performance

Provide the City with performance guarantees and performance standards as mutually established by the City and the Company and meet such guarantees and standards.

2.1.3 Customer Service

Provide a high level of and continuous improvement to customer services at cost-effective and reasonable rates and charges.

2.1.4 Long-Term Reliability

Preserve the City's capital investments and assure the long-term reliability and regulatory compliance of the System.

2.1.5 Efficient Maintenance

Minimize ratepayers costs for all maintenance (preventive, predictive, corrective and routine) and major repair and replacement.

The City will select a Company for a sale of the System and enter into an agreement with that Company if its Proposal best meets the City's objectives and is the most advantageous Proposal submitted in accordance with the terms and conditions of this RFP.

2.2 Minimum Services and Standards

The City's desire is to enter into a Purchase Agreements (a "Transaction Agreement"), as such the City expects each Proposer to have the capacity to provide, at a minimum, the services set forth below with respect to all of the System Assets after the closing of the Proposed Transactions and describe such capacity in the Proposal. In addition, the City expects the Company to become a valuable citizen of the City of Beech Grove community by continuing certain policies of the City after the Proposed Transactions and contributing to the community in significant ways, including those set forth below.

2.2.1 Continuous Operation

Operate the Systems on a continuous 24-hour per day, 7 days per week basis, as applicable, in compliance with all applicable law, including during peak times. Operate and maintain the sewer collection system, pipelines, siphons and interceptors, to provide the uninterrupted, economical flow of wastewater through the collection system.

2.2.2 Maintenance and Repair

Develop and implement a maintenance management and repair program for the collection system with the Company responsible for providing all routine, preventive, predictive, and corrective maintenance. Perform necessary repairs and replacement services to the System Assets in accordance with the applicable agreements and the exhibits thereto.

2.2.3 Rates for Service

The City will give significant consideration to how rates for service(s) will impact the community, both private and corporate citizens. As such each Proposer should demonstrate a five (5) year rate trajectory under Proposer's ownership and operations. Demonstration of such will afford the City as much predictability as reasonably possible when considering the Proposed Transaction.

2.2.4 Septic Tank Elimination Program {STEP}

The City is committed to a safe and sustainable environment for its citizen and visitors. In current partnership with the Marion County Health Department {MCHD} the City is committed to STEP. As part of this RFP the City places great emphasis on how the Proposer will effectuate an aggressive plan to eliminate septic tank usage within the city limits/service area. Proposers should demonstrate how they will execute a STEP with education as well as a plan to not overburden cost to the effected residence and the greater base of customers. The approximate number of effected property owners are listed in Exhibit 10.

2.2.5 Lateral Service Line Responsibility

Presently all customers of the System are responsible for all repair and maintenance costs for lateral service lines extending beyond the ratepayers property to the connection point on the System mains. Additionally, ratepayers are financially responsible for restoration of public rights-of-way, easements and/or streets. As part of its decision the City will expect Proposers to reformulate the responsibility of lateral service lines such to limit responsibly of repair and maintenance to the ratepayers' property line, edges of pavement and/or public rights-of-way.

2.2.6 Continuity of Current Service Standards

The City expects – at a minimum – current service standards continue. Responses should reflect terms, conditions and service standards not dissimilar from City of Beech Grove Code of Ordinances Chapter 50 {Exhibit 4}.

2.2.7 Administration of Pollutants and Residuals

Provide efficient and economical administration of the industrial pretreatment program in a manner that is coordinated with all other aspects of system management and in compliance with the NPDES permits and applicable law. Transport, handle and dispose of sludge, grit, screenings, and other residuals generated by the Systems in accordance with applicable law and optimize operations and existing odor control equipment, odor monitoring and complaint response.

2.2.8 Data Management

Operate the data management systems, and any other data management systems, for all applicable Systems.

2.2.9 Laboratory Services

Operate full laboratory services sufficient for operational processes and regulatory compliance, including all laboratory sampling, testing and analysis and methods to assure quality control.

2.2.10 Odor Control

Maintain an effective approach to residuals treatment, including grit and screenings, optimizing the performance of existing and new sludge thickening and dewatering processes and the operation of the incinerators.

2.2.11 Sewer Overflow

Eliminate operational and maintenance-related sanitary sewer overflows to the extent such exists. Proposer should have an approach to inspect and clean the sanitary and combined system pipelines, outfalls and catch basins, identifying areas that need more frequent cleaning and reduction of inflow/infiltration, sanitary sewer overflows and maintenance of the Stormwater collection system.

2.2.12 Collection System Maintenance

Develop and implement a collection system maintenance program to routinely inspect or televise and clean sewer pipelines, wet wells, combined sewer overflows, manholes and other structures. Conduct collection system repair, replacement and rehabilitation activities for sewer pipelines, manholes, drainage structures and other structures and monitor flows in the collection system.

2.2.13 Capital Improvements

Proposers should demonstrate in the response 1)intended capital improvement plan of the System, 2) how it plans to coordinate with the City with respect to one or more

capital improvement programs 3) continuous improvement of the System, 4) economic development and growth of the City.

2.2.14 Emergency Preparedness

Initiate and maintain an effective emergency preparedness plan in conjunction with other City agencies for the protection of City assets, staff, and the public.

2.2.15 Reports

Produce and deliver monthly, quarterly and annual reports to the City for System operation and maintenance pursuant to a mutually agreed upon schedule.

2.2.16 Safety Program

Develop and implement a safety program to the operation and maintenance of the System.

2.2.17 Local Customer Service Payment Options

Proposers should describe any/all payment locations wherein customers can make payments within the City enabling customers to drop off utility payments in person.

2.2.18 Local, MBE/WBE/VBE Businesses

Utilize Beech Grove-based minority-owned, women-owned and veteran-owned businesses in connection with the operation and maintenance services when possible. The Proposer shall propose a Local Participation Plan intended to maximize involvement of a group of diversified local outside contractors for planning, design, project management and inspection services and construction on capital improvements. Such Local Participation Plan must describe how the Proposer intends to meet the goals it proposes.

2.2.19 Community Support

The City considers this project more than a singular transaction whereby the successful purchaser becomes an integral partner of the City's future. When evaluating proposals, the City will be extremely interested in the practices of corporate citizenship of the Proposer and how such will be demonstrated within the city. Programs related to education and philanthropy are of great interest to the City. Additionally, the City expects the successful Proposer to take an active role in the community of Beech Grove and institute educational programs for the citizens with respect to environmental sustainability and conservation.

2.2.20 Sustainability Initiatives

Conform to City environmental policies and procedures regarding purchasing, construction practices, energy use, vehicle idling, vehicle fuel choices, reuse and recycling as agreed to and incorporated into the relevant agreements. The Proposer should propose specific programs directed to sustainability and other "green" initiatives that would be implemented as part of its ownership or operation of the Systems.

2.2.21 Miscellaneous

Perform other related and ancillary responsibilities set forth in this RFP.

2.3 Conditions Precedent

In addition to the Minimum Services and Standards set forth in Paragraph 2.2, the Proposed Transaction will be subject to the following general conditions precedent to closing:

2.3.1 Due Diligence

The Company and the City shall have completed their business, financial, legal, regulatory and similar due diligence to each of their satisfaction by the time the Company and the City execute the Transaction Agreements but in no event, later than the expiration of a period of [six (6) months] from the City's issuance date of the RFP, and the Company shall have discovered no facts or conditions which constitute, or could reasonably be expected to result in, a material adverse change in the properties, assets, liabilities, operations, condition (financial or otherwise) or results of operations of the Systems.

2.3.2 Company Approvals

The Company shall have approved (i) the Company's assumption or replacement/discharge of any Assumed Debt (defined below); and (ii) the transfer to the Company (or for the Company's benefit) of related funds under the indenture(s) being held by the City, if any.

2.3.3 City Approvals

The Mayor of Beech Grove, City Council, Public Works Department and any other governing body shall have approved any Proposed Transactions in advance of the execution of the Transaction Agreements.

2.3.4 IURC Transaction Approval

IURC approval of the Proposed Transactions.

2.3.5 Appraisals

The Proposed Transactions shall be supported by appraisals conducted by three independent appraisers engaged by the City pursuant to IND. CODE § 8-1.5-2-4, as applicable.

2.3.6 Public Hearing

Any public hearings shall be noticed and conducted and any ordinances approving the appraisal and Proposed Transactions involving the disposition of System Assets shall be passed, as applicable.

2.3.7 Third-Party Consents

All material, non-governmental third-party consents and any other approvals necessary or advisable to consummate the Proposed Transactions shall have been obtained.

2.3.8 Consummation of Financing

Financings shall have been completed allowing the Company to finance the Proposed Transactions and assume or replace all existing interest-bearing debt related to the Systems as summarized on Exhibit 9.

2.3.9 No Prohibition

Neither the City nor the Company shall be subject to any injunction, preliminary restraining order or other similar decree of a court of competent jurisdiction prohibiting the consummation of the Proposed Transaction.

2.3.10 Closing Documents

Customary legal opinions, closing instruments, certificates and other documentation shall have been executed and delivered.

2.3.11 Insurance

The Proposer shall provide a letter of intent from an insurance company or companies indicating that the insurer is highly confident that when full application is made by the

Proposer, it will furnish the appropriate insurance, issued by an insurance company or companies that carry an A.M. Best Company's rating of "A" or equivalent rating, and are authorized to transact business in the State of Indiana.

2.3.12 IURC Jurisdiction

If applicable, IURC approval of the Company's application (prepared and submitted at the Company's option and expense) to have the IURC assert rate approval jurisdiction over the rates for the Water and/or Wastewater Utilities, if applicable.

2.4 Customer Service Programs

The highest level of customer service and satisfaction is extremely important to the City. The Proposer shall propose a customer service program that will address, among other things, customer complaints regarding billing issues, service quality the monitoring of service response times, telephone hold times and conducting routine customer satisfaction assessments. On an annual basis, the successful Proposer shall report to the Mayor and the City Council on the status of its customer service programs. Additionally, Proposers are expected to demonstrate to the City the various types of programs offered to assist citizens of the City that may qualify for payment and/or pricing relief. Qualified groups such as elderly and veterans are two groups of special consideration.

2.5 Public Announcements

Subject to applicable law, any public announcement relating to the Proposed Transactions will be mutually agreed upon and jointly made by the parties.

2.6 Transaction Expenses

The Company shall be responsible for and bear all of its own and the City's costs and expenses incurred in connection with this RFP and the Proposed Transactions, including, without limitation, any legal, accounting or other representative or advisor costs and expenses.

3.0 OVERVIEW OF PURCHASE AGREEMENT/TRANSACTION

The City anticipates entering into a Purchase Agreement with the Company related to the System and expects that any purchase transaction (each, a "Purchase Transaction") resulting from this RFP process would incorporate the material terms and conditions described below.

3.1 Acquisition Price

The consideration to be paid by the Company to the City for the System Assets that will be sold (the “Acquisition Price”) shall be proposed by the Company and shall comprise (i) a cash payment paid at the closing of the Purchase Transaction to defease any System debt to the extent practicable; or (ii) installment payments of Net purchase amount, and (iii) the assumption of interest-bearing and other indebtedness related to the Systems’ debt issued. A summarized debt schedule is represented on Exhibit 7 (the “Assumed Debt”). This assumes receipt by the Company of the various funds, accounts and contracts, if any, established under the indenture for such bonds held by the City.

The City will consider innovative concepts of cash payments whereas such payment options mutually benefit the City and the Company

3.2 Acquired Assets

The Company would acquire all of the assets of the City’s Systems (other than the Excluded Assets as defined below) including, without limitation: (i) all real and personal property owned, licensed or leased by the City’s Systems, or by the City, its Public Works Department, or any of its other departments or affiliates if the real or personal property is used, necessary or important in the operation of one or both of the Systems, except as otherwise excluded by mutual agreement of the City and the Company; (ii) all contracts, licenses and leases related to the Systems to which the City or any of its departments, affiliates or managers is a party, except those contracts, licenses and leases excluded by mutual agreement of the City and Citizens; and (iii) any intellectual property owned or licensed by the City or any of its departments, affiliates or managers pertaining to the Systems or any portion thereof, or which is otherwise used in or necessary to the operation of the Systems in at least the same manner as they are currently operated, except those excluded by mutual agreement of the City and the Company (collectively, the “Acquired Assets”). All the Acquired Assets will be transferred to the Company free and clear of all liens, claims and other encumbrances in each case except for the Assumed Liabilities and as otherwise set forth in the Purchase Agreement.

3.3 Excluded Assets

The Acquired Assets shall not include certain assets as mutually agreed to by the City and the Company in writing, (collectively, the “Excluded Assets”). Additionally, to the extent that in the course of due diligence the City determines that the System are carrying on their books real estate or other property that was not funded with Assumed Debt and the same would not likely be used, necessary or important to the operations of that Systems or to achieve the synergies sought by the Proposed Transactions, the Company in good faith will discuss mutually agreeable arrangements for the use of such real estate or personal property for the City’s economic development objectives.

3.4 Assumed Liabilities

The Company will assume only the liabilities of the City related to the Acquired Assets (other than the Excluded Liabilities), including performance obligations under all assumed contracts and the Assumed Debt, except as otherwise agreed to between the City and the Company and included in the Purchase Agreement (collectively, the “Assumed Liabilities”). In any event, it is the intent of the parties that Assumed Liabilities will not include any liabilities or obligations with respect to any Excluded Assets (collectively, the “Excluded Liabilities”).

3.5 Description of Purchase Agreement

Consummation of a Purchase Transaction is subject to the preparation, authorization, execution and delivery of a definitive acquisition agreement and other related documents by and between the City and the Company, which are acceptable to both parties. Upon the City’s acceptance of a Proposal, the Company and the City will use commercially reasonable, good faith efforts to negotiate a mutually acceptable Purchase Agreement, along with exhibits thereto, if applicable. The City and its counsel shall be responsible for preparing the initial draft of the Purchase Agreement. The Purchase Agreement will be in a form customary for transactions of similar scope and significance to the parties and will include, in addition to those matters specifically set forth in this RFP, customary representations, warranties, indemnities, covenants, adjustments to purchase price, customary conditions of closing and other customary matters.

The parties agree that the City and its inhabitants will be protected against the further transfer, sale or disposition of the Systems to any person other than the Company or its affiliated entities. The Company shall commit to retain and maintain the Acquired Assets, with any transfer, sale or disposition of the Acquired Assets subject to the pre-approval of the City.

Except as the parties may otherwise mutually agree or as may be otherwise contemplated by this RFP, the City shall conduct (and shall to the extent reasonably practicable and as permissible under the City’s contracts with third parties, cause its third-party contractors to conduct) the Systems only in the ordinary course of business in accordance with past practices and procedures and use (and shall to the fullest extent of its rights under the City’s contracts with third parties, use) commercially reasonable efforts to maintain the business and assets of the Systems before the closing of any Proposed Transaction.

4.0 ACCURACY OF RFP AND RELATED DOCUMENTS

The City assumes no responsibility for the completeness or the accuracy of specific technical and background information presented in this RFP or otherwise distributed or made available during this RFP process. In addition, the City will not be bound by or be responsible for any explanation or interpretation of the proposed documents other than those given in writing by the City through the issuance of addenda to this RFP. In no event may a Proposer rely on any oral statement by the City, or its agents, advisors or consultants.

Should a Proposer find discrepancies or omissions in this RFP and related documents, the Proposer should immediately notify the City in writing of such potential discrepancy. A written addendum to this RFP will be mailed or delivered to each Proposer if clarification is determined

by the City to be necessary. Each Proposer requesting an interpretation will be responsible for delivering such requests in writing to the City's designated representative.

In the event that there are conflicting requirements among the Agreement and the Exhibits thereto, the most stringent provision for the City's benefit shall apply, unless clarified in writing by the City. In certain cases, available information may not be organized in an optimum format for Proposal preparation efforts. Proposers are responsible for reviewing and becoming familiar with all available documents pertaining to the System and relating to the performance of the management services requested under the terms and provisions of the Agreement.

5.0 SCHEDULE

It is the City's desire to conduct a process that is timely, thorough, and efficient. As such the following conceptual schedule is presented with the City reserving all rights to make adjustments as warranted.

April 16, 2019 - Release Request for Proposal as approved by Beech Grove City Council

April 30, 2019 – Site visit(s) by all Respondents with City operations personnel present.

May 10, 2019 - Deal RFP Respondents submit questions to City no later than close of business.

May 13, 2019 - Working Group meets to compile responses to Respondents' questions.

May 15, 2019 - Draft Appraisal distributed to RFP Respondents.

May 20, 2019 - Q&A Responses published

May 31, 2019 - Final Responses to Deal RFP Due by Close of Business.

June 2019 thru July 2019 – Further Due Diligence, Negotiation of Asset Purchase Agreement.

September 9, 2019 – File Joint Petition with Indiana Utility Regulatory Commission

6.0 CITY RIGHTS AND OPTIONS

This RFP constitutes an invitation to Proposers to submit Proposals to the City. Without limitation, the City reserves and holds, at its sole discretion, the following rights and options:

- To waive any technicalities or immaterial irregularities in any proposal received;
- To prepare and issue such amendments and/or addenda to this RFP prior to the selection of a Proposer that may expand or cancel any portion of or all work described in this RFP without the substitution of another RFP;

- To require additional information from one or more proposers to supplement or clarify the proposals submitted;
- To visit and examine any of the facilities referenced in the proposals and others owned, operated and/or designed by the Proposers to observe and investigate the operations at such facilities;
- To reject any or all Proposals in whole or in part;
- To not accept a Proposal from or award a contract to any firm that is in arrears to the City upon any debt or contract or that is a defaulter as surety or otherwise upon any obligation to the City or that has failed to perform faithfully in any previous contract with the City;
- To postpone or change the date for receipt of Proposals or any other deadlines and dates specified in this RFP;
- To issue subsequent RFPs, to conduct investigations with respect to the information provided by each Proposer, and to hold public meetings for consideration of the merits of any or all Proposers;
- To request recipients of this RFP or Proposers to send representatives to the City for interviews and presentations;
- To request best and final Proposals from one or more Proposers;
- To discontinue negotiations with the Company and commence negotiations with any other Proposer;
- To conduct simultaneous negotiations with two or more Proposers;
- To select and enter into an agreement with a Proposer whose Proposal best satisfies the interests of the City and is most responsive, in the judgment of the City, to the requirements of this RFP;
- To terminate the RFP process prior to an award of an agreement;
- To refuse to award an agreement to any and all Proposers; or
- To take any action affecting the RFP process, or the projects subject to this RFP, that is in the best interest of the City.

7.0 ADDENDA TO THE RFP

During the period provided for preparation of Proposals, the City may issue written addenda to this RFP. These addenda will be numbered consecutively and will be distributed to all who are registered with the City as having received a copy of this RFP. These addenda will

be issued by, or on behalf of, the City and will constitute a part of this RFP. Each Proposer is required to acknowledge receipt of all addenda at the time of submission of its Proposal by listing the addenda in the executed Proposal Transmittal Letter. All responses to this RFP shall be prepared with full consideration of the addenda issued prior to the Proposal Submission Date.

8.0 REGISTRATION

ON OR BEFORE APRIL 30, 2019, INTERESTED PROPOSERS MUST REGISTER WITH THE CITY'S CONSULTANT. THE REGISTRATION MUST BE IN ELECTRONIC FORMAT AND ADDRESSED TO THE INDIVIDUAL SPECIFIED IN SECTION 10.0 OF THIS RFP AND INDICATE THE PROPOSER'S INTENT TO PARTICIPATE IN THIS RFP PROCESS.

9.0 NON-COLLUSION AFFIDAVIT

Each Proposer must certify that it has not participated in collusion or other anticompetitive practices in connection with the RFP process by executing and returning with its Proposal the Non-Collusion Affidavit in the form of Exhibit 8 attached hereto.

10.0 COMMUNICATIONS

The City is committed to a fair, open process for Proposers to receive information about the Proposed Transactions and the procurement process. The City requires that, except with respect to the submission of Proposals described in Section 20.1, all communications and requests for information and clarifications be made in written electronic form, addressed to:

Todd Burtron
Conrad Advisory Group
25845 Eagletown Road
Sheridan, Indiana 46069
toddburtron@conradadvisorygroup.com

All questions must be submitted no later than the date specified in Section 6.0. At its discretion, the City may or may not answer the specific questions asked. Questions deemed appropriate for response will be distributed, along with their respective responses, to all Proposers, and the questioning Proposer will not be identified. Proposers shall not direct questions to other parties involved in this procurement process, which includes City staff, Board members, City Council members and/or other affiliates not authorized by the City.

No oral interpretation, instruction, or information concerning this RFP given by any employee or agent of the City shall be binding on the City. Proposers who submit a Proposal in reliance on any such oral information risk having their response to this RFP deemed non-responsive by the City. Only written responses by addendum to this RFP which will be sent to all recipients of this RFP should be considered by the Proposers. No questions or requests for additional information will be accepted after the date set forth in Section 5.0.

Violation of the protocol described herein may be grounds for immediate disqualification of the Proposer from the procurement process.

11.0 PERSONAL INVESTIGATION

Proposers to this RFP shall satisfy themselves through personal investigation and by such other means as may be deemed necessary, concerning the conditions which may the negotiation of the final Purchase Agreement and subsequent purchase of the System. No information derived from any part of this RFP or from the City shall relieve the Proposer from any risk or from fulfilling the provisions of the Purchase Agreement.

Proposers are strongly encouraged to make all inspections and review all available and relevant data and information prior to the submittal of Proposals, which are necessary in their judgment to undertake this responsibility.

12.0 COST OF PROPOSAL PREPARATION, SELECTION PROCESS

The City accepts no liability for the costs and expenses incurred by the Proposers with any activities performed in connection with this entire RFP process, including preparing the Proposals, preparing responses for clarification, attending interviews, participating in contract development and technical/financial work sessions, conducting due diligence investigations, and/or attending meetings and presentations required for the contract approval process. Each Proposer that enters into the RFP process shall prepare the required materials and submittals at its own expense and with the express understanding that they cannot make any claims whatsoever for reimbursement from the City for the costs and expenses associated with the RFP process.

Upon selection of a winning Proposal, the City will require the Company submitting the Proposal to enter into good faith negotiations with the City to draft mutually agreeable Transaction Agreements. Upon closing of the Transactions, the Company shall pay the City's costs and expenses incurred in the RFP process.

13.0 CITY TERMINATION OF NEGOTIATIONS

The City in its sole discretion may, at any time, exclude a Proposer from further participation in the negotiation process if it determines that such Proposer is failing to progress in the negotiations or if the terms of its Proposal are less advantageous than those of the other more advantageous Proposal. The City will give written notice of its decision to the Proposer which shall be sent in writing, signed by an authorized representative of the City, and delivered to the Proposer by certified mail.

14.0 PROPOSER WITHDRAWAL FROM RFP PROCESS

A Proposer may withdraw a Proposal prior to the Proposal Submission Date provided that a written request to withdraw the Proposal is hand delivered to the City, by or on behalf of an authorized representative of the Proposer, or the request is delivered by certified mail. A Proposer that does not submit a Proposal on the Proposal Submission Date will be deemed withdrawn.

15.0 TIME FOR PROPOSAL ACCEPTANCE

All Proposals shall constitute binding and irrevocable offers valid and acceptable by the City for ninety (90) days following the Proposal Submission Date. A Proposer may withdraw its Proposal at no penalty after ninety eight (90) days from the Proposal Submission Date provided that the Proposal has not been accepted by the City or that the City and the Proposer have not executed a Purchase Agreement or a Management Agreement. Such time for acceptance set forth herein may be extended by mutual agreement of the City and the Proposer.

16.0 PROPOSAL EVALUATION PROCEDURES

Because the City may transfer System Assets, it intends to comply with the processes set forth in IND. CODE §§ 8-1.5-2 and 5-23 and other applicable law for the selection of a Company to purchase the System. The Proposals will be evaluated in accordance with the qualification criteria established in this section of this RFP. Those Proposals meeting the qualification requirements shall be subsequently evaluated in accordance with the criteria established in this RFP.

The Evaluation Criteria will generally be the same whether the Utilities are purchased pursuant to a Purchase Agreement or managed pursuant to a Management Agreement.

Proposals will be evaluated by the procedures and criteria described in this section for the ultimate purpose of determining which Proposal is most advantageous to the City. The Proposals will be evaluated by the City's Selection Committee. The Selection Committee will consist of City staff, appointees of the Mayor and other independent professionals. The Selection Committee will be supported by the City Advisors.

The Selection Committee will first evaluate the Proposals to determine if each Proposal is "responsible" and "responsive" to this RFP and meets the Minimum Qualifications criteria set forth in Section 18. Only those Proposals that are identified as responsible and responsive by the Selection Committee will be evaluated, unless the City, in its sole discretion, elects to request further information and evaluate a Proposal.

The Selection Committee will then undertake a detailed evaluation and ranking of the Proposals based on the Proposer's qualifications and experience in completing transactions similar to the Proposed Transaction and providing services similar to the management services; the business merit as indicated by the Proposer's financial qualifications; and risk posture as indicated by their negotiations of the Agreements (the "Evaluation Criteria").

The Selection Committee when evaluating the Proposals may require some or all Proposers to answer written questions and to attend Proposer interview(s) to clarify their respective Proposals.

The Proposer(s) determined to be most advantageous to the City in accordance with the criteria established in this RFP will be selected for negotiation of a best and final offer. The Selection Committee will forward a summary of its Proposal evaluation to the City Council.

Finally, a Company and its Proposal will be selected and the City Council will adopt an ordinance approving the Proposed Transactions in the Proposal.

The City has retained the following firms to provide assistance to the City and its Selection Committee in preparing this RFP, evaluating Proposals, and negotiating any agreements for the Proposed Transactions. The key City Advisors are listed below:

Conrad Advisory Group
Jackson Lewis P.C.

17.0 MINIMUM QUALIFICATIONS FOR PROPOSALS

The Proposal shall include all information necessary, in the format prescribed, to demonstrate compliance with each of the following Minimum Qualifications:

17.1 Format

The Proposal must contain the Transmittal Letter, Executive Summary, Qualifications, Technical Approach, Business/Financial and Cost sections with all sections including the information required in this RFP and specifically, as indicated in Section 20.

17.2 Corporate Structure

Proposers are required to describe in great detail the corporate structure whereby the System is acquired: Investor Owned Utility {IOU}, Public Trust, or Not for Profit, etc.

17.3 Net Worth

The Proposal must demonstrate that Proposer has a net worth of at least Eighty Million Dollars (\$80,000,000) and has the financial stability and financial capacity to the satisfaction of the City to acquire the Systems and/or perform the management services in accordance with its Proposal.

17.4 Prior Experience in Wastewater Treatment

The Proposal must demonstrate that Proposer has owned or operated and maintained wastewater treatment systems of which has a design capacity of 5 MGD or higher, were comparable in type and technology to the City's Wastewater System for at least a three (3) year duration.

17.5 Prior Experience in Sewer Systems

The Proposal must demonstrate that Proposer has operated and maintained at least three (3) sanitary and/or combined sewer systems (i.e., Lift stations, storage and treatment facilities, force mains, interceptors and sewers).

17.6 No Default or Breach

The Proposal must demonstrate that Proposer and its affiliates are not (i) involved in any current or pending litigation or legal disputes with the City, (ii) in arrears to the City of any debt or contract, (iii) a defaulter as surety or other obligation upon the City, or (iv) in failure to perform faithfully in any previous contract with the City.

17.7 No Bankruptcy

The Proposal shall demonstrate that the Proposer, or any affiliate of the Proposer, has never filed for bankruptcy.

17.8 References

The Proposal must contain references. Results of reference verifications by the City must be satisfactory to the City.

18.0 PROPOSAL EVALUATION CRITERIA

Each Proposer and its Proposal will be scored for its responsiveness to the RFP and the City will evaluate the proposed structure of the Proposed Transactions, whether they involve a purchase of all the Systems, management of all the Systems or a combination of purchase and management. The City believes that a high score in the following criteria would imply the Proposer would be well-qualified to either purchase or manage the Systems. Evaluation Criteria for Qualifications, Technical Approach, Business/Financial and Cost are set forth in the following sections. The Proposer shall provide in its Proposal all information necessary to address the Evaluation Criteria.

In many instances, the criteria prompt in this Section will request information that is applicable to only one of the utilities, i.e., the Wastewater System, Water System or Stormwater System. In several instances, the Proposer must respond to a prompt with respect to each of the System. In the latter instances, the Proposer should not duplicate information provided for one System if the same is applicable to another. However, a Proposer should ensure it responds to each prompt with respect to each of the Systems unless otherwise directed.

18.1 Qualifications

The Proposer will be evaluated based on its qualifications and experience in providing services similar to those described in Sections 2.1 and 2.2 on other wastewater projects and on the qualifications of the proposed staff. A summary of the Qualifications criteria are presented in Table 19.1.

In addition to providing information supporting Proposer's ability to satisfy the objectives in Section 2.1 and the Minimum Services and Standards described in Section 2.2 of this RFP, the Proposer must provide detailed information to demonstrate its qualifications and ability to successfully implement the approaches outlined in this RFP and effectively provide the services that the City is requesting. The Proposer shall specifically address the purchase and/or operations of the Water, Wastewater and Stormwater Systems, including collection and

treatment systems, wastewater treatment plants, lift stations, interceptors and sanitary and combined sewers. The Proposer shall include the following information in this Section of its Proposal:

- Description of Proposer’s experience and qualifications for operating the wastewater treatment facilities and collection system, as well as experience with sludge handling, management and incineration systems. The Proposer shall list at least five (5) and up to ten (10) reference projects that illustrate the Proposer’s experience in providing the project services.
- Description of Proposer’s key staff and project organization, including an organization chart showing the key staff. The qualifications of key staff shall be provided, along with their specific roles and responsibilities.
- Proposer’s experience in managing full laboratory services.
- Proposer’s experience in managing industrial pretreatment programs.
- Proposer’s experience in implementing capital improvements at facilities it has operated.
- Record of regulatory compliance at wastewater utilities owned or operated by the Proposer.
- Proposer’s record of contract performance.
- Corporate resources that will be available to support the required services. Describe the types of staff resources by discipline and their respective locations.

Table 18.1 Qualifications Criteria	
Subcriteria	Evaluation Factors
1. Structure, Management and Working History	<ul style="list-style-type: none"> ▪ Soundness of team and management structure ▪ History of MBE, WBE and VBE utilization ▪ Employee relations, including transition and collective bargaining experience ▪ Corporate support and resources ▪ Adequacy of proposed staffing and organizational chart
2. Experience and Past Performance	<ul style="list-style-type: none"> ▪ Ownership, operation and maintenance experience and past performance on water and wastewater treatment plant projects (including size and complexity of wastewater treatment facilities) ▪ Ownership, operation and maintenance experience and past performance on water, stormwater and wastewater collection systems

Table 18.1 Qualifications Criteria	
Subcriteria	Evaluation Factors
	<ul style="list-style-type: none"> ▪ State and federal regulatory compliance and permitting experience and past performance on similar projects ▪ Experience in residuals management, particularly incineration ▪ Approach to resolving contract disputes
3. Key Project Staff Experience and Ability of Professional Personnel	<ul style="list-style-type: none"> ▪ Ownership, operation, maintenance and management experience, as applicable, on water, stormwater and wastewater collection and treatment projects (including full laboratory services and industrial pretreatment programs) ▪ Ownership, operation and management experience, as applicable, on trash collection and disposal services
4. Other Technical Experience	<ul style="list-style-type: none"> ▪ Ability to provide innovative approaches to water, stormwater and wastewater collection and treatment system management ▪ Other experience with operation and maintenance of municipal projects which incorporates principles, techniques, and materials that improve system efficiency and environmental quality ▪ Experience with implementing capital improvements (including engineering and construction evaluation) ▪ Experience
5. References	<ul style="list-style-type: none"> ▪ Favorable nature of responses from references, both from references supplied by the Proposer and from any inquiries made by the City. Factors will include the reference's satisfaction with the Proposer's promptness, adequacy and responsiveness in addressing service issues

18.2 Technical Approach Proposal

The Technical Approach focuses on the Proposer's ability to meet the performance requirements and provide any services described in this RFP in compliance with the standards described in this RFP. The Technical Approach Evaluation Criteria, as summarized below and in Table 19.2, will focus on review of the Proposer's Proposal relative to achieving the objectives and requirements required by a Purchase Agreement or a Management Agreement.

In addition to providing information supporting Proposer's ability to satisfy the objections in Section 2.1 and the Minimum Services and Standards described in Section 2.2, this section of the Proposal should include a summary of the Proposer's approach and philosophy with regard to the purchase and ownership of the Purchased Assets and the operation and maintenance of the Managed Assets and the requirements set forth in this RFP.

18.2.1 System Operations Strategy

The Proposer should provide its overall approach to the operation of the Systems in this section. The Proposer should describe its understanding of the different components of the System and the interrelationship of the System components, any performance guarantees and regulatory requirements and performance standards as described in this RFP, and achieve the objectives outlined in this RFP, the City's goals to integrate planned capital improvement work into the existing systems, and other issues of importance for this project.

18.2.2 Wastewater Collection System Operation and Maintenance Plan

This section of the Proposal should describe the Proposer's approach to operating and maintaining the Wastewater collection system. The approach should include how the Proposer will perform the level of service summarized in this RFP and any enhanced services. The Proposer should describe their approach to the following:

- Description of the data management system to be utilized and how it will be used to monitor, schedule and report maintenance activities, including managing spare parts and materials inventory. Describe the measures to benchmark maintenance performance.
- Development of the preventative maintenance program for sewer systems (especially older pipes), including manhole rehabilitation and replacement, televised inspection, and subsequent rehabilitation of sewer pipes.

18.2.3 Capital Improvements

This section of the Proposal should describe the Proposer's approach to the implementation of capital improvements, both provided by the City or by the Proposer, to assure quality and effective construction and startup of new systems and equipment. The Proposer should describe the following as part of the plan:

- Approach to providing services associated with the planned Capital Improvements, including operability reviews of designs at the 30/60/90-percent completion level, operations coordination and assistance during construction and startup.
- Approach to developing and coordinating Company-recommended capital improvements, if applicable, with other City projects with respect to quality and potential performance of the proposed capital improvements.

- Approach to preparing an annual Capital Improvements Plan to identify recommended projects to improve the reliability and performance of the System.
- Description of any capital or system improvements it may have identified during the Proposal preparation that would have immediate benefit to the performance of the System or, if applicable, that would reduce the annual service fee under the Management Agreement.

18.2.4 Performance

This section of the Proposal should describe the Proposer's approach to performance guarantees and regulatory requirements, including effluent quality, odor control and disposal of residuals, special and ash wastes. This section should also describe the Proposer's approach to the performance incentives, if applicable.

In addition, the Proposer should describe its approach to developing an emergency preparedness plan. This section shall describe the approach for notification, responding, coordinating with public emergency personnel, emergency equipment and restoring operation of the System for all anticipated emergency situations, including tornados, floods, power outages and equipment failure. The Proposer shall provide a sample table of contents of its proposed emergency response plan.

18.2.5 Management and Operations Transition

This section of the Proposal should describe the Proposer's approach to the management and the operations transition of the Acquired Assets from the current operator to the Proposer (if necessary). The following information should be provided as part of the transition plan:

- Proposed schedule and description of transition activities. The schedule should anticipate a maximum of three months for the Proposer's full assumption of operational responsibility of the System.
- List of the transition team members, including each member's expertise and qualifications and the schedule for having the transition team members on-site, both before and after the effective date.
- Procedures for transitioning operation and maintenance information and other records from the current operator and the City to the Proposer and for setting up new operation and maintenance reporting systems.

- Approach to providing information sessions on salaries and benefits to the current owner/operator's staff.
- Proposed wages and benefits the Proposer will offer the employees, including medical, professional and pension benefits.
- Approach to conducting inventory assessments, setting up supplier accounts and other activities to assure a smooth transition.

18.2.6 Customer Service and Community Outreach Plan

The Proposer shall describe its approach to customer service and community outreach with respect to responding to customer service requests and emergency calls and implementing community programs and other forms of public outreach. The approach shall achieve the following objectives:

- Ensure that good relations are maintained with the City's customers, the public, City departments, consultants and representatives.
- Maintain a local customer service payment center at the City's office to allow for 24-hour payment of bills.
- Ensure that customer calls and service requests regarding System breaks or overflows, odor complaints and other problems are reasonably addressed.
- Maintain professional, responsible and responsive working relationships with the general public, the media, City departments and other entities that have relationships with the City.
- Become a partner in community activities.
- Establish a community action/grants program.

Table 18.2 represents some of the major factors, but not all that necessarily will be considered under the Technical Approach Criteria.

**Table 18.2
Technical Approach Criteria**

Subcriteria	Evaluation Factors
1. Operation Approach	<ul style="list-style-type: none"> ▪ Approach to developing and implementing a wastewater, water or stormwater master plan ▪ Soundness of approach to provide reliable and effective water, wastewater and stormwater facilities operations, including process monitoring and performance, communication, standard operating procedures, updates to operation and maintenance manuals ▪ Approach to data management and reporting requirements ▪ Approach to residuals treatment, including understanding of and approach to sludge pumping and sludge thickening improvements and to control solids inventory ▪ Approach to odor control, including odor monitoring and odor plan requirements ▪ Approach for operating and managing full laboratory services ▪ Approach to energy management ▪ Approach for addressing wet weather operations and maximizing flow and wastewater treatment to the wastewater and water utilities, as applicable, including wet weather plan development ▪ Approach for managing all pretreatment activities ▪ Approach to coordinating operation of the multiple System facilities
2. Maintenance Approach	<ul style="list-style-type: none"> ▪ Approach to preventative, predictive, corrective and routine maintenance utilizing data management systems, ▪ Asset management approach to maintain owned or managed assets in good working order and condition

**Table 18.2
Technical Approach Criteria**

Subcriteria	Evaluation Factors
3. Collection System Operation and Maintenance Approach	<ul style="list-style-type: none"> ▪ Reasonableness and effectiveness of the Proposer’s proposed operation and maintenance plan for the collection system, whether purchased or managed ▪ Soundness of approach to provide reliable and effective collection system operations and maintenance procedures and repair ▪ Approach to comply with regulatory requirements ▪ Approach to reduce inflow/infiltration ▪ Approach to coordinating operation of Wastewater Utility facilities with lift stations including management of wet weather flows ▪ Reasonableness of the preventative maintenance program for sewer systems (especially older pipes) ▪ Approach to collection system reporting requirements ▪ Approach to utilize data management systems for data management and reporting ▪ Approach to odor control, including odor monitoring requirements
4. Capital Improvements Plan Implementation	<ul style="list-style-type: none"> ▪ Soundness of approach to provide services associated with the planned capital improvements plan ▪ Approach to developing and coordinating planned and optional capital improvements with other City projects ▪ Reasonableness of the Proposer’s proposed approach to the annual Capital Improvements Recommendations
5. Performance	<ul style="list-style-type: none"> ▪ Approach to, and feasibility of meeting the performance standards and regulatory compliance ▪ Approach to emergency response and security planning ▪ Approach to controlling odors and reducing odor complaints ▪ Approach to developing and implementing safety programs ▪ Approach to meeting and exceeding the MBE/WBE/VBE requirements ▪ Approach to achieving proposed performance incentives
6. Transition	<ul style="list-style-type: none"> • Approach to transition of management and operational responsibility • Schedule and approach to transition activities
7. Data Management	<ul style="list-style-type: none"> • Approach to data management of the Systems • Approach and historical usage of data management systems

Table 18.2 Technical Approach Criteria	
Subcriteria	Evaluation Factors
	<ul style="list-style-type: none"> • Schedule and approach to transition of Systems to Proposer’s data management system, if applicable
8. Customer Service and Community Outreach	<ul style="list-style-type: none"> ▪ Approach to responding to customer service requests and emergency calls ▪ Approach to implementing community programs and other forms of public outreach

18.3 Business/Financial Proposal

Under this Section, the City will evaluate the relative financial strength of the Proposer and, if appropriate, its guarantor. Relative financial strength will be established through the Proposer’s net worth, profitability, financial liquidity, bank references and the Proposer’s legal standing with regard to other projects.

In addition to providing information supporting Proposer’s ability to satisfy the objectives in Section 2.1 and the Minimum Services and Standards described in Section 2.2, the Business/Financial Section of the Proposal must present and separately address the business and financial aspects of the Proposer, as described below:

18.3.1 Proposer Identification

Proposers must indicate in the Proposal the names and addresses of any owner(s) of the proposing entity who hold ten percent (10%) or more of stock in the proposing entity or the individual partners owning ten percent (10%) or greater if the proposing entity is a partnership. If one or more such stockholder or partner is itself a corporation or partnership, the stockholders owning ten percent or more of that corporation’s stock, or the individual partners owning ten percent or greater interest in that partnership must also be listed; if none, Proposers must state “none.” This disclosure must be continued until names and addresses of every individual stockholder, and individual partner exceeding the ten percent (10%) ownership criteria of each corporation or partnership listed has been identified.

18.3.2 Financial Information

Proposers shall submit the following information:

- Complete copies of annual audited financial statements, including all notes thereto for the most recent three (3) years for all major team members, including a guarantor, if any, and the operators.
- Evidence of ability to provide security from a licensed surety and Proposer’s financial institution.

- Annual audited financial reports for each of the last three (3) fiscal years, prepared in accordance with Generally Accepted Accounting Principles (“GAAP”) and all relevant notes.
- The most recent Form 10-K and Form 10-Q filed with SEC; or if not subject to SEC regulation, then the most recent quarterly financial report.
- Any outstanding liabilities or litigation against the Proposer of major team member that could materially and adversely affect the financial condition of the Proposer or team member or, if adversely determined, has a reasonable likelihood of requiring the Proposer or such team member to seek protection under any provisions of the U.S. or equivalent bankruptcy codes.

18.3.3 Security

The Proposer may provide a letter of intent from a surety approved by the City and licensed in the State of Indiana indicating that the surety is highly confident that when full application is made by the Proposer, if the City so elects, the surety will furnish the required Operation and Maintenance Performance Bond in an amount equal to the annual service fixed fee component as security for the performance of the Management Agreement.

18.3.4 Record of Contract Compliance

The Proposer shall provide a summary of its compliance with contract requirements of other projects.

The following Table 18.3 provides the Business/Financial evaluation criteria that may be considered.

Table 18.3 Business/Financial Criteria	
Sub criteria	Evaluation Factors
1. Financial Strength	<ul style="list-style-type: none"> ▪ Ability of the Proposer to provide the financial guarantees, insurance and performance bonds, as necessary ▪ Factors include (not necessarily in order of importance): <ul style="list-style-type: none"> - Credit rating - Net worth - Leverage (long-term debt to total capital ratio) - Historic profitability in relation to size - Liquidity (current debt to current assets ratio) - Overall financial stability - History of obtaining incentive fees - Renewals of contracts
2. Legal standing	<ul style="list-style-type: none"> ▪ Record of complying with municipal water and wastewater utility management contracts, including number and nature of contract breaches, defaults and terminations; compliance with performance guarantees, and imposition of liquidated damages or fines ▪ Nature and outcome of any lawsuits and contract litigation on other projects ▪ Approach to resolving contract disputes ▪ Permit or regulatory violations and speed and efficiency of corrective actions
3. Business and Contractual Terms, and Risk Assumed by Proposer	<ul style="list-style-type: none"> ▪ Quality of the Proposals regarding the specific approaches for addressing and improving customer service issues ▪ Favorableness to the City of the business and risk position taken by the Proposer in response to the overall business terms requested by City in this RFP ▪ Factors include but are not limited to: <ul style="list-style-type: none"> - Performance guarantees accepted /offered - Uncontrollable circumstances accepted/requested - Limitations (dollar or term) on liability - Limitations on contractual damages, defaults and remedies, and indemnities - Favorable terms, conditions or benefits offered by the Proposer without being specifically requested in this RFP

18.4 Cost Proposal

The Proposer will be expected to integrate the costs of the Proposed Transactions, enabling the City to determine the net effect of a purchase agreement. In addition to providing information supporting Proposer’s ability to satisfy the objectives in Section 2.1 and the

Minimum Services and Standards described in Section 2.2, this section of the Proposal should enable the City to evaluate the net present value (“NPV”) of the Proposal to determine the life cycle cost of the Proposed Transactions. The Purchase Agreement portion of the Cost Proposal will be evaluated on the purchase price Proposer offers to pay for the Acquired Assets.

The Cost Proposal shall be provided in separate cost proposal documentation in a sealed envelope marked “Cost Proposal.” The following information shall be provided in the Cost Proposal.

18.4.1 Purchase Price for the System

Proposers should identify in this section, the System assets Proposer would purchase and include an allocation of the purchase price to specific Acquired Assets. Explain the underlying basis for the purchase price.

18.4.2 Convenience Termination

The Proposer shall identify the amount of payment due to the Company in the event of a termination for convenience by the City.

The overall cost evaluation will also consider certain aspects of the Proposal that could impact the cost to the City, such as the following:

- Guaranteed maximum electricity usage and guaranteed maximum natural gas usage
- Other services such as labor, operating and maintenance expenses, chemicals, sludge disposal, materials and supplies, and customer service

18.5 Proposal Ranking

Table 18.5 presents the relative weighting of the Evaluation Criteria used to rank the Proposals. The City has the discretion to vary these relative weightings during the selection process if, during the selection process, the City determines that one or more Evaluation Criteria becomes more or less important for the City’s attainment of its goals and objectives.

Table 18.5 Relative Weighting of Evaluation Criteria	
Relative Evaluation Criteria	Weighting Percentage
Qualifications	10%
Technical Approach	40%
Business/Financial	10%
Cost	40%
Total	100%

The City will ultimately select for negotiation of a final Agreement, the Proposal(s) determined to be most advantageous to the City and its ratepayers based on the criteria established in this RFP.

19.0 PROPOSAL REQUIREMENTS

19.1 Submission Requirements

Proposers shall submit fifteen (15) sets of Proposals, which are to be delivered to the City no later than May 31, 2019 at 4:00 p.m. Eastern Standard Time. One (1) copy of the Proposal documents must be clearly labeled as the “Original” and must contain the original signature forms and other original documents. Only hard copies of Proposals will be accepted. Faxed and e-mailed copies will not be accepted. All Proposals shall be addressed to:

Craig W. Wiley
Jackson Lewis P.C.
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Indianapolis, IN 46204
(317) 489-6930

The sealed box containing the Proposals must have the following information written on the outside of the box:

SEALED PROPOSALS - DO NOT OPEN
City of Beech Grove

Proposal for the Purchase of the Wastewater Utility
and Related Assets

(Name of Proposer’s Authorized Official)
(Company Name of Proposer)
(Mailing Address of Proposer)
(Telephone Number of Proposer)

All Proposals must be complete with all requested information, data and attachments. Proposals will not be subject to a public opening. **Any Proposal received after the time above or at any other location are subject to being returned to the Proposer.**

19.2 Proposal Format

The Proposal shall be bound and typed, single or double sided, on 8½” x 11” paper in English using no less than 12 point font with 1” margins. The Proposal may be bound in 3-ring binder; 19-hole, comb-type binding, or other binding format that can be readily reviewed and taken apart, if necessary. Drawings or other graphic representations may be provided on 11” x 17” paper. The Proposal shall include a table of contents, which identifies the major Proposal sections as outlined herein, and any illustrations, tables, charts or graphics included in the Proposal.

Proposers are also required to submit electronically the Technical Approach Proposal and Proposal Forms on a thumb drive and/or CD-ROM with all text files in Microsoft Word© format or Microsoft Excel© (non-PDF) format, as appropriate. The drive or CD-ROM shall be submitted in an appropriate sealed envelope. The hardbound Proposal shall take precedence over information on the disk or CD-ROM.

Proposers are required to organize the information requested in this RFP in accordance with the format outlined. Failure of the Proposer to organize the information required by this RFP as outlined may result in the City, at its sole discretion, deeming the Proposal non-responsive to the requirements of this RFP.

The Proposer, however, may reduce the repetition of identical information within several sections of the Proposal by making the appropriate cross-references to other sections of their Proposal. Appendices for certain technical or financial information (e.g., annual reports) may be used to facilitate Proposal preparation.

Proposals by Corporations must be executed in the corporate name by the president or vice president authorized to sign, and the corporate seal must be affixed and attested by the secretary or assistant secretary. The corporate address must be shown below the signature. Proposals by partnerships must include the official business address of the partnership and the state/country of organization must be shown below the signature. Proposals by a joint venture must be similarly executed by all joint venture partners. Unsigned Proposals will be considered non-responsive.

19.3 Proposal Contents

Proposers must provide the appropriate information in accordance with the content and format requirements set forth in each of these Proposal sections.

19.3.1 Transmittal Letter

The Proposal must include one fully-executed Proposal Transmittal Letter from the Proposer acknowledging, among other things, that the Proposer has completely reviewed and understands and agrees to be bound by the requirements of this RFP.

The Proposal Transmittal Letter and all attachments thereto must be signed by a representative of the Proposer who is empowered to sign it and to commit the Proposer to the obligations contained in the Proposal. The Certificate of Authorization, which shall be included as Attachment 1 to the Proposal Transmittal Letter, must also be submitted with the Proposal.

If the Proposer is a partnership, the Proposal Transmittal Letter must be signed by one or more of the general partners. If the Proposer is a corporation, an authorized officer shall sign his or her name and indicate his or her title beneath the full corporate name. If the Proposer is a joint venture, each firm in the joint venture shall sign a separate Proposal Transmittal Letter. Anyone signing the

Proposal Transmittal Letter as an agent must file with it legal evidence of his or her authority to execute such Proposal Transmittal Letter. The Proposal Transmittal Letter shall include the following attachments:

19.3.2 Executive Summary

The Proposer shall submit a summary detailing the key aspects of the Proposal. This section should include a clear statement of the Proposer's understanding of this RFP and the contract requirements, and how the Proposer intends to meet the RFP requirements. The Executive Summary shall not exceed six (6) typed pages.

19.3.3 Qualifications Proposal

19.3.4 Technical Approach Proposal

19.3.5 Business/Financial Proposal

19.3.6 Cost Proposal for Acquisition Transaction (separately sealed)

19.3.7 Confidential Information

This section of the Proposal shall present technical, financial, other confidential information, and proprietary information that the Proposer claims is exempt from public disclosure.

19.4 OPERATION AND MAINTENANCE PERFORMANCE BOND

The Proposer may provide a letter of intent from a surety company indicating that the surety is highly confident that when full application is made by the Proposer, the surety will furnish a performance bond as security for the Company's performance of its obligations under the Management Agreement.

If applicable, the performance bond shall be issued by a surety company or companies (1) having ratings of "A" in the latest revision of the A.M. Best Company's Insurance Report; (2) listed in the United States Treasury Department's Circular 570, "Companies Holding Certificates of Authority as Applicable Sureties on Federal Bonds as Acceptable Reinsurance Companies"; and (3) properly registered to do business in the State of Indiana.

20.0 CONFIDENTIAL INFORMATION

In general, all Proposals and other documentation arising out of this RFP are public records ultimately subject to disclosure or nondisclosure as may be required or permitted by the Indiana Access to Public Records Law, IND. CODE §§ 5-14-3-1 *et seq.* and IND. CODE §§ 5-23 *et seq.* and the City's rules, if any. All Proposals will be opened and evaluated so as to avoid disclosure of contents to competing Proposers during the negotiation process.

IF ANY PROPOSAL CONTAINS TECHNICAL, FINANCIAL OR OTHER CONFIDENTIAL INFORMATION THAT THE PROPOSER BELIEVES MAY BE

EXEMPT FROM PUBLIC DISCLOSURE, THE PROPOSER MUST CLEARLY LABEL THE SPECIFIC PORTIONS SOUGHT TO BE KEPT CONFIDENTIAL, INDICATE THE SPECIFIC HARM TO ITS COMPETITIVE POSITION THAT DISCLOSURE COULD BRING ABOUT, AND SPECIFY THE BASIS (PERTINENT SECTION OF LAW) UPON WHICH THE EXEMPTION IS BASED. THE CITY, IN ITS SOLE DISCRETION, WILL DETERMINE WHETHER SUCH EXEMPTION APPLIES UNDER APPLICABLE PUBLIC RECORDS, LAWS OR REGULATIONS. THE CITY HAS THE SOLE DISCRETION TO INTERPRET THE LAW REGARDING THE DISCLOSURE OF INFORMATION, AND BY RESPONDING TO THIS RFP, PROPOSERS WAIVE ANY CHALLENGE TO THE CITY'S DECISIONS IN THIS REGARD. MARKING ALL OR SUBSTANTIALLY ALL OF THE PROPOSAL AS CONFIDENTIAL MAY RESULT IN THE PROPOSER BEING DEEMED NON-RESPONSIVE TO THIS RFP.

Notwithstanding the foregoing, Proposers recognize and agree that the City, its staff and its advisors will not be responsible or liable in any way for any losses that the Proposer may suffer from the disclosure of information or materials to third parties.

In addition, by submitting a Proposal, any Proposer not selected relinquishes any claim or right to be compensated for or to object to the use of ideas, approaches, concepts, designs or other elements of the Proposal which may be included in the Agreement executed with the Company.