

**REQUESTS FOR QUALIFICATIONS (RFQ) AND**  
**CONFIDENTIAL BID PROPOSALS (RFP)**

**SOLICITATION OF QUALIFICATIONS AND  
CONFIDENTIAL BID PROPOSALS TO PURCHASE  
AND OPERATE THE POTABLE WATER AND  
WASTEWATER FACILITIES AND SYSTEMS OF THE  
CITY OF JERSEYVILLE, IL 62052**

**NOTICE**

**RFQ AND RFP: POTENTIAL SALE OF CITY OF JERSEYVILLE, ILLINOIS  
POTABLE WATER AND WASTEWATER FACILITIES AND SYSTEMS**

Pursuant to Ordinance No. 1696 passed by the Jerseyville City Council, on July 5, 2017, the City of Jerseyville is issuing this Request for Qualifications (RFQ) and Confidential Bid Proposals (RFP) to solicit bids from qualified utility companies to purchase and operate the City's Potable Water and Wastewater Facilities and Systems.

Official notice is hereby given that sealed Statements of Qualifications (RFQ) and Confidential Bid Proposals (RFP) will be received by the City Director of Economic Development, Jeff Soer, until 6:00 PM Central Standard Time on **August 15, 2017**.

Sealed submittals shall be addressed and mailed or delivered to:

Jeff Soer, Director of Economic Development  
Jerseyville City Hall  
115 East Prairie Street  
Jerseyville, Illinois 62052

and clearly labeled in a package or envelope as

"Statement of Qualifications and Confidential Bid Proposal for  
City of Jerseyville Potable Water and Wastewater Facilities and Systems"

Request for Qualifications and Confidential Bid Proposal submission forms, RFP Information Booklet, with all necessary background information and supporting documents may be obtained by emailing Jeff Soer or Michael Ward at [jeffsoer@jerseyville-il.us](mailto:jeffsoer@jerseyville-il.us) or [mward@jerseyville-il.us](mailto:mward@jerseyville-il.us), or calling either of them at 618-498-3312. Potential bidders will be provided file-share links to the City's online Dropbox to obtain this information.

The City of Jerseyville reserves the right to reject any and all Statements of Qualifications and Confidential Bid Proposals or parts thereof, to waive any irregularities or informalities in review procedures, and to proceed with or discontinue the potential sale of its potable water and wastewater facilities and systems in a manner best serving the interest of the City. Final approval of an ordinance authorizing the sale of the real estate (65 ILCS 5/11-76-1) and the personal property (65 ILCS 5/11-76-4) of these utility systems is subject to a 3/4 majority vote of the Jerseyville City Council at a regular or special meeting called for that purpose, and is subject to successful negotiation and finalization of an Asset Purchase Agreement and Franchise Agreement with the selected highest responsible bidder, and final approval by the Illinois Commerce Commission pursuant to the terms of the Small Systems Viability Act (220 ILCS 5/9-10.5).

Dated: July 6, 2017

**SUBMISSION COVER SHEET**

**RFQ AND RFP: POTENTIAL SALE OF CITY OF JERSEYVILLE, ILLINOIS  
POTABLE WATER AND WASTEWATER FACILITIES AND SYSTEMS**

**RFQ AND RFP SUBMITTAL DUE DATE:** August 15, 2017

**TIME:** 6:00 P.M. Central Standard Time

**LOCATION:** City Hall  
115 East Prairie Street  
Jerseyville, Illinois 62052

**NOTICE ISSUANCE DATE:** July 6, 2017

**RESPONDENT QUALIFICATIONS AND BID PROPOSAL INFORMATION FORM**

*Submit 1 signed original, 4 copies, and one zip drive of the  
Qualifications Statement and the Bid Proposal*

**RESPONDENT INFORMATION**

**Company Name:** \_\_\_\_\_

**Address:** \_\_\_\_\_

**City, State, Zip Code:** \_\_\_\_\_

*THE SECTION BELOW MUST BE COMPLETED IN FULL AND SIGNED.*

The undersigned, on behalf of the Respondent, hereby certifies that he or she has read and understands the contents of the City's Solicitation of Request for Qualifications (RFQ) and Confidential Bid Proposal (RFP), the RFP Information Booklet, and all background information and supporting documents, and further certifies that these submittals on behalf of the Respondent are correct, and that the undersigned is the duly authorized representative of the Respondent to submit these qualifications and Bid Proposal.

**Authorized Signature:** \_\_\_\_\_

**Typed/Printed Name:** \_\_\_\_\_ **Date:** \_\_\_\_\_

**Title:** \_\_\_\_\_ **Telephone Number:** \_\_\_\_\_

**E-mail:** \_\_\_\_\_ **Fax Number:** \_\_\_\_\_

**Bid Proposal  
for the  
Purchase of the Potable Water and Wastewater Facilities and Systems  
of the  
City of Jerseyville, Illinois**

I, \_\_\_\_\_, the undersigned, being its duly authorized representative, hereby certify the following bid proposal on behalf of \_\_\_\_\_ (*company name*), for the purchase of all of the assets of the Potable Water and Wastewater Facilities and Systems of the City of Jerseyville, Illinois:

\_\_\_\_\_ Dollars (\$ \_\_\_\_\_)

**Authorized Signature:** \_\_\_\_\_

**Typed/Printed Name:** \_\_\_\_\_ **Date:** \_\_\_\_\_

## Background Information and Intent

The City of Jerseyville (the “City”) has a population of approximately 8,500 persons located in Jersey County, Illinois, approximately 50 miles north of St. Louis, MO. The City is a non-home rule municipality under the 1970 Illinois Constitution, operating under the commission form of government. The City Council consists of the Mayor and four other commissioners.

The City owns and operates the potable water and wastewater utility facilities and systems (the “Utilities”), which provide potable water and sanitary sewer service to 4259 metered customers, of which approximately 300 are water only customers. The purpose of this Request for Qualifications and Confidential Bid Proposal (RFQ & RFP) by the City is to identify and accept bids from qualified utility companies who are interested in acquiring and operating the City’s potable water and wastewater utility facilities and systems.

The City has passed Ordinance No. 1696, approving the proposed sale of all real estate and personal property owned and used by the City for its potable water and wastewater utility facilities and systems. Any sale is contingent upon a final determination by the City that an adequate purchase price bid has been submitted by a qualified utility company, upon additional approved terms and conditions for the sale, as well as for the continued operation and maintenance of the Utility systems.

An RFP Information Booklet describing the City’s potable water and wastewater utility facilities and systems, containing background information, real estate and personal property lists and supporting documents, employee and union information, water and sewer rate information, plant reports, and current debt information, may be obtained by emailing Jeff Soer or Michael Ward at [jeffsoer@jerseyville-il.us](mailto:jeffsoer@jerseyville-il.us) or [mward@jerseyville-il.us](mailto:mward@jerseyville-il.us), or calling either of them at 618-498-3312. Potential bidders will be provided file-share links to the City’s online Dropbox to obtain this information. Other pertinent information with a brief explanation included in the RFP Booklet and/or other documents in the Dropbox:

- City corporate limits map including annexation of the wastewater treatment plant projected to be annexed in September 2017
- Debt documentation regarding loans and bonds for the water and wastewater facilities and systems that the purchaser will assume or pay at closing. The balances owed as of June 29, 2017 are as follows:

Wastewater Plant Construction Sale of Bonds	\$17,025,000.00
Wastewater construction/engineering loan with Jersey State Bank	860,883.71
Water & wastewater debt owed to the City General Fund	1,791,000.00
Water Tower financing w/EPA	189,611.22
Reservoir financing w/EPA	457,005.31
Customer Meter Deposits	254,203.38
Customer Bad Debts	111,379.17

The City currently has various ordinances contained in its Code of Ordinances which relate to or have some effect on its potable water and wastewater facilities and systems. These can be found under Title 9 – Water and Sewer Systems, Title 10 - Building Regulations, and Title 12 – Subdivision Regulations. Except as required to be changed pursuant to a sale of the systems, these ordinances shall remain in full force and effect. The City will cooperate with the successful Respondent to revise any ordinance, as needed, to allow for the continued operation of the system. These ordinances may be found at the Sterling Codifiers website link: [http://www.sterlingcodifiers.com/codebook/index.php?book\\_id=863](http://www.sterlingcodifiers.com/codebook/index.php?book_id=863)

## Request for Qualifications (RFQ)

### A) Statement of Interest and Qualifications

The Respondent shall state clearly its interest in the potential purchase and operation of the City Utilities, including how the Utilities may be an attractive and beneficial addition to the Respondent’s

organization, and provide qualifications and other information as requested in paragraphs B through K below.

## **B) Organization History**

The Respondent shall provide a description of its business and organization including, organizational structure, operations details, financial details, number of current water and sewer customers, unions, if any, of which Respondent's current employees are members and a brief history of past collective bargaining agreement negotiations with each union, extent of involvement in economic development activities and any funding provided in communities where current service is provided, and other relevant information.

## **C) Qualifications and Experience**

The Respondent shall provide information regarding its experience, knowledge, skills, and abilities for owning, operating, and managing potable water and wastewater utility facilities and systems. Please include specific information regarding experience in other customer service areas, including customer billing, ICC complaint management and resolution history, ICC experience with purchase of other utility systems under the Small Systems Viability Act, customer complaint and question management, and emergency repair response times.

## **D) Plan for Transition and Operation**

The Respondent shall provide a description of its plan for transferring the assets and operations of the City Utilities into its organization, including but not limited to, its immediate, five (5) and ten (10) year plans for the following:

- 1) Management team
- 2) Future employment and salary details for current City employees of these Utilities
- 3) The proposed district or tariff group, and the proposed user charge rates and fees
- 4) Facility and line maintenance and replacement plans
- 5) Ability to expand services, if needed
- 6) Ability to participate in economic development activities
- 7) On-site office in the City

## **E) Financial Information**

The Respondent shall provide the following financial information:

- 1) Summary of its current financial condition
- 2) Audited financial statements for the past two (2) years
- 3) Standard & Poor's, Moody's, Dun & Bradstreet or other credible financial rating service credit ratings

## **F) ICC Rates**

The Respondent shall provide the following user charge rate information:

- 1) Historical water and wastewater rate increases for the past twenty (20) years in the proposed district or tariff group
- 2) Water and wastewater rates currently approved by the ICC for the proposed district or tariff group, and the number of current customers in the proposed district or tariff group, and in Illinois
- 3) Water and wastewater rate increases approved by the ICC in other Illinois districts or tariff groups for the past three (3) years
- 4) The effect, if any, that the election to use the Small Systems Viability Act for ratemaking purposes will have on the proposed rates for the City of Jerseyville.

## **G) References**

The Respondent shall provide the names of all water and wastewater utility systems owned in Illinois and the contact person and contact information for each. The list should indicate which utility systems were

purchased by the Respondent in the past twenty (20) years.

#### **H) Acceptance of Initial City Terms and Conditions**

The Respondent shall indicate either the acceptance of all of the Initial City Terms and Conditions contained in this RFQ/RFP and Appendix B, as proposed by the City, or the acceptance of some but not all, and which terms or conditions are unacceptable and why. Further, Respondent shall list any other due diligence questions, concerns, documents or information that they will request, should they be selected to negotiate and finalize an Asset Purchase Agreement and Franchise/Operating Agreement. Respondent may, but is not required to, submit a proposed Asset Purchase Agreement and Franchise Agreement, highlighting those terms and conditions that are different than the City Terms and Conditions. See Appendix B.

#### **I) IEPA Regulatory Compliance**

The Respondent shall list all non-compliance issues with Illinois EPA from 2012 through June 2017, including a description of the issue, and resolution of the issue, or resulting compliance program or agreement with IEPA, if any.

#### **J) Respondent Offers**

The Respondent has the opportunity to offer terms which may be of interest to the City. Make the offer and describe the benefit of the offer to the City.

#### **K) Additional Information**

The Respondent may provide additional information as relevant.

### **Request for Confidential Bid Proposal (RFP)**

#### **A) Confidential Base Purchase Price Bid**

The Respondent should provide the Respondent's Confidential Bid Proposal for the Base Purchase Price for the Utilities on the form included. This bid should be a single price for all of the real estate and personal property assets and assuming all of the debt of both the water and wastewater facilities and systems. If the Respondent is selected as the highest responsive bidder as described below in the General Information, this bid will be the starting point for Price, Asset Purchase Agreement, and Franchise Agreement negotiations. If the Base Purchase Price or the negotiated purchase price is not acceptable to the City, or the terms of the Asset Purchase Agreement and/or Franchise Agreement are not acceptable to the City, then the City reserves the right to proceed with the second highest responsive bidder, or to not sell the Utilities.

All questions or requests for clarification or additional information regarding this RFQ & RFP should be emailed to Jeff Soer on or before July 28, 2017, 4:00 p.m. Central Standard Time at [jeffsoer@jerseyville-il.us](mailto:jeffsoer@jerseyville-il.us).

#### **Calendar of Events**

<b>DATE</b>	<b>ACTIVITY</b>
July 5, 2017	City Council passage of Ordinance pursuant to 65 ILCS 5/11-76-1, 5/11-76-2, and 5/11-76-4 for Sale of Real Estate and Personal Property
July 6, 2017	RFQ & RFP, forms, documents and information posted to City Dropbox. Link available to potential bidders upon request.

July 12, 19 & 26, 2017	Publication Notice advertising issuance of RFQ & RFP for bids pursuant to 65 ILCS 5/11-76-2 and 65 ILCS 5/11-76-4
July 24, 2017, 9:30 AM CST	Walk Through Date for viewing of facilities by potential bidders (optional)
July 28, 2017, 4:00 PM CST	Deadline for questions and requests for clarifications and additional information to satisfy the Respondent's due diligence to facilitate bid filing and Asset Purchase Agreement and Franchise Agreement Negotiation and Finalization
August 4, 2017, 4:00 PM CST	Response or addenda (if necessary) from the City
August 15 , 2017, 6:00 PM CST	Deadline for RFQ & RFP Submittals to the City to be opened at the regular City Council meeting which starts at 6:00 PM
By or before August 18, 2017	City notification to highest responsible Respondent to request Asset Purchase Agreement and Franchise Agreement Negotiation and Finalization
By or before September 5, 2017	Respondent approval of Asset Purchase Agreement and Franchise Agreement, or contact of second ranked Respondent to request Asset Purchase Agreement and Franchise Agreement Negotiation and Finalization
By or before September 12, 2017	Public Meeting to present proposed Asset Purchase Agreement and Franchise Agreement, if tentative agreements negotiated with highest responsible Respondent
By or before September 12, 2017	City approval of Asset Purchase Agreement and Franchise Agreement with the highest responsible Respondent at a regular or special meeting of the City Council, subject to approval of ICC
By or before October 1, 2017	Submission of proposed sale to ICC, if documents are finalized with highest responsible bidder

## Review of Statements of Interest, Qualifications and Bid Proposals

All Respondents must be qualified utility companies and demonstrate the capability to own and operate potable water and wastewater utility facilities and systems. The RFQ qualifications submittals will be reviewed and scored based on the criteria listed below and in Appendix A. The following represent the principal considerations in reviewing the RFQ:

- Submittal Compliance
- Description and Organization of the Company
- Demonstrated Ability to Provide Utility Services
- Statement of Qualifications and Experience



- Plan for Transition and Operation
- Water and Wastewater Rates
- Acceptance of Initial City Terms and Conditions
- IEPA Compliance History
- Customer Service and ICC Complaints
- References
- Special Offers
- Other Relevant Information provided by the Respondent

Both the RFQ & RFP submittals will be opened at the regular City Council meeting on August 15, 2017 which starts at 6:00 p.m. at City Hall. No determination regarding the highest responsible bidder will be made at that meeting. All Respondent submittals will be reviewed and analyzed by City staff and consultants, and a final overall ranking assigned to each Respondent based on each Respondent's RFQ and RFP. The highest ranking responsible Respondent will then be contacted on or before August 18, 2017 to begin negotiations and submit a proposed Asset Purchase Agreement and Franchise Agreement.

## **General Information**

Definition: The "Request for Qualifications and for Confidential Bid Proposal" is the method of determining the ranking of Respondents by the City based on the criteria listed above and in Appendix A as well as the actual Bid Proposal.

Examination of Documents: Respondents are advised to examine the RFP Information Booklet, and these RFQ & RFP documents, and become thoroughly familiar with all terms, conditions, facilities and relevant information.

Form of Submittal: Information, as requested by the City, shall be submitted in accordance with instructions contained within these documents.

Execution of RFQ & RFP: Submittals shall be signed by an authorized officer or executive manager of the Respondent. If the Respondent is a corporation, it shall bear the name of the corporation, and be signed by the president of the corporation or a designated authorized officer. Should the response be signed by an officer other than the president of the corporation, an explanation should be given and documentation of the officer's authority.

Incurred Costs: The City of Jerseyville will not be liable in any way for any costs incurred by Respondents in replying to this RFQ & RFP.

### **Contact with City Personnel**

All Respondents are prohibited from making any contact regarding this RFQ & RFP with the City Mayor, City Commissioners, or any other official or employee of the City (collectively, "City Personnel") after the Notice Issuance Date with regard to this solicitation, other than in the manner and to the person(s) designated herein.

### **Source for Documents Obtained and Clarifications**

Jeff Soer, the Economic Development Director, is the only official source for RFQ & RFP packages and supporting materials, as well as additional information and/or solicitation of clarifications. Should the City determine that additional information needs to be provided to all potential Respondents who have requested the link to the RFP Information Booklet, this information will be supplied by email to each Respondent's authorized representative at the email address provided.

### **Jurisdiction, Venue, Choice of Law**

This RFQ & RFP have been made in and shall be construed and enforced in accordance with the laws of

the State of Illinois.

**Property of the City**

All documents supplied by the City, and documents and findings produced by the Respondents as a result of this process shall remain and/or become the property of the City of Jerseyville.

**Equal Employment Opportunity**

Respondent shall comply with the Illinois Human Rights Act, 775 ILCS 5/1-101 et seq., as amended, and any rules and regulations promulgated in accordance therewith, including, but not limited to the Equal Employment Opportunity Clause, Illinois Administrative Code, Title 44, Part 750. Furthermore, the Respondent shall comply with the Public Works Employment Discrimination Act, 775 ILCS 10/0.01 et seq., as amended.

**Confidentiality**

Based upon the public nature of this RFQ & RFP, a Respondent must inform the City, in writing, of the exact materials in the submittals, if any, which should not be made a part of the public record in accordance with the Illinois Freedom of Information Act.

**Responsibility of Respondent**

No submittal will be reviewed from any person, firm or corporation that is in whole or in part, in a delinquent or unsatisfactory state, on any contract with the City of Jerseyville, or who is in default as to surety or otherwise upon any obligation to the City of Jerseyville.

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# **APPENDIX “A”**

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## **RANKING CRITERIA AND POINTS Related to Qualifications**

## Appendix A

### Ranking Criteria and Points Related to Qualifications

The criteria and weighting of qualifications categories are shown below:

A)	Organization History	5 Points
B)	Qualifications and Experience	15 Points
C)	Plan for Transition and Operations	20 Points
D)	Financial Information	10 Points
E)	ICC Rates	10 Points
F)	Reference Responses	5 Points
G)	Customer Service and ICC Complaints	5 Points
H)	IEPA Regulatory Compliance	5 Points
I)	Acceptance of Initial City Terms and Conditions	20 Points
J)	Additional Offer Features and Concepts	5 Points

The actual dollar amounts of each bid proposal will also be considered prior to making the final ranking of the bid proposals.

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# **APPENDIX “B”**

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## **INITIAL CITY TERMS AND CONDITIONS**

## APPENDIX B

### INITIAL CITY TERMS AND CONDITIONS

The minimum City terms and conditions to be included in this transaction, the Asset Purchase Agreement, and/or the Franchise Agreement are as follows:

- a.) City to operate in the normal course of business through closing
- b.) All listed real estate and personal property assets of the water and wastewater facilities and systems transferred to Buyer at closing
- c.) All utility easements and all rights of way and access transferred to Buyer, except as may be needed for access by the City to any City-owned real property not being sold as part of this transaction
- d.) Reservation by the City of any new easements or rights of way for access to any City-owned real property not being sold as part of this transaction
- e.) All water and sewer customer accounts transferred to Buyer, except accounts receivable related thereto
- f.) All intangibles, records, drawings, reports, permits and like documents, or copies thereof, transferred to Buyer
- g.) Buyer to provide to the City copies of all independent third party appraisals of the real and personal property assets of the water and wastewater facilities and systems obtained by the Buyer, with the final purchase price to be equal to or greater than the average of all of said appraisals, or, if no appraisals were obtained, the City may obtain an independent third party appraisal as part of the contract negotiation and finalization process
- h.) Assumption or payoff of all City debt in relation to the Utilities (approx. \$20,689,082.18) by the Buyer, and full indemnification of the City
- i.) Assumption of any recapture of previous grant monies received by the City, if any, by the Buyer
- j.) Offer of employment to the current union employees and the department head(s) at not less than current salary and benefits, and acceptance and assumption by the Buyer of all responsibility for funding of all employee pension funds by the Buyer, and full indemnification of the City
- k.) Acceptance and assumption by the Buyer of all responsibility under current AFSCME Collective Bargaining Agreement, or any amended agreement entered into by the City prior to the closing of this transaction, and full indemnification of the City
- l.) Acceptance and assumption by the Buyer of all responsibility for repair and maintenance of the entire City water and wastewater facilities and systems, including all underground mains and water and wastewater lines, and full indemnification of City
- m.) "As-is" transaction in regard to all real and personal property, contract rights and other intangibles, based on pre-bid inspections and documentary information received by Buyer
- n.) Current City customer rates to be maintained for 3 years after closing, subject to ICC review and approval of contract
- o.) Negotiation of standard Franchise Agreement between the Buyer and City for future operation of the Utilities, including but not limited to, Buyer maintenance and replacement of the fire and flushing hydrants, and City use for testing equipment, firefighting and flushing gutters, at no cost to the City

- p.) Buyer agreement to extend water and sewer systems to site of City economic development project known as "Project Panther" to serve a proposed rail-served inland logistics center and industrial park, when required to serve tenants, owners, or developers.
- q.) Cooperation for the due diligence/negotiation phase by the Buyer
- r.) Buyer to prepare, with the City cooperation, all necessary petitions, evidence transcripts, proposed orders and other documents necessary to be filed with the ICC and attend all hearings as necessary to obtain approval of the transaction by the ICC pursuant to all of the terms, provisions and conditions of the Small Systems Viability Act prior to June 1, 2018, at no cost to the City
- s.) Warranty Deed(s), Assignment(s) and Bill(s) of Sale provided by City
- t.) Satisfaction of liens, encumbrances or title problems to transfer free and clear title by City (other than liens for those debts being assumed or paid by the Buyer)
- u.) Regulatory conduct and compliance to maintain permits without deficiency by City prior to closing and by Buyer after closing, and full indemnification of the City for all such issues after closing
- v.) Assurance and agreement by the Buyer of continued use of all property transferred by the City to the Buyer for the continued operation of the water and wastewater facilities systems of the City for the public interest
- w.) Acceptance and assumption by the Buyer of all responsibility on all previous water and wastewater related agreements, and full indemnification of City
- x.) All Accounts Receivable billed, or for services provided but not yet billed, prior to closing, to the City
- y.) Vendor invoices for materials and supplies incurred up to closing paid by City
- z.) Inventory of consumables at closing at an appropriate level for continuous operations for not less than three days
- aa.) All taxes and/or fees, if any, previously paid by City prorated through Closing
- bb.) Pre-closing inspection of all closing documents
- cc.) Consideration for performance and penalty or resolution of non-performance
- dd.) Verification of proper authorization of officer to bind each party, and usual resolutions and/or ordinances authorizing acts and actions
- ee.) Conduct of all parties after agreement and before closing not to diminish the value or hamper operations
- ff.) City to keep existing water and sewer Funds, restricted Funds, and other cash on hand to closing
- gg.) Previously listed vehicles, movable equipment, laboratory equipment, and accessories or appurtenances included in sale
- hh.) Closing Date, Time, Place and Procedures
- ii.) Certificate of no outstanding litigation, or disclosed, if any
- jj.) Payment of documentary stamps and recording costs by Buyer
- kk.) Payment for title searches, title insurance policy preparation and premiums, prepared by City representative paid by Buyer
- ll.) Buyer to reimburse City for staff time and professional fees, publication costs, and other expenses related to preparation of the RFQ & RFP, RFP Information Booklet, ordinances, notices, and other related documents not to exceed \$75,000.00