

**CITY OF NEW ORLEANS, LOUISIANA  
REQUEST FOR QUALIFICATIONS  
WATER SYSTEMS FINANCIAL ANALYSIS  
ISSUED FEBRUARY 26, 2019**

**Purpose**

In accordance with Section 6-108 of the Home Rule Charter of the City of New Orleans, and Rule 45 of the Rules and Regulations of the City Council, and pursuant to the provisions of Council Motion M-18-401, the Council of the City of New Orleans is soliciting proposals for accounting/auditing firms to provide guidance and services to the City Council. The firm selected pursuant to this RFQ will advise the Council: in understanding the existing accounting and collection practices, financial resources and budgetary status of the Sewerage & Water Board, appropriate auditing/accounting improvements, and best practices that advance a public, transparent process and streamline S&WB's financial stability.

The Council for the City of New Orleans (Council), in accordance with the New Orleans Home Rule Charter, and the Louisiana Constitution, acts as the governing authority of Orleans Parish. The Council Public Works, Sanitation and Environment Committee serves as the Council Committee responsible for making recommendations to the full Council on Sewerage & Water Board's (Board) matters.

**Scope of Work**

The City Council desires to retain accounting/audit advisers to review any and all available records, data, and statistics regarding the financials of the S&WB to analyze adherence to S&WB's financial obligations, accounting best practices, and to outline necessary improvements.

**Qualifications Statement Content**

All responses should include:

- I. A complete "consultant services questionnaire" using the attached format. Any subcontractors proposed to be used must also submit a complete questionnaire that must be attached to the prime firm's questionnaire.

- II. Professional experience and resumes of partners, principals and employees in the firm who will be responsible for, and actively involved in, the provision of professional services for the Council (Key Personnel), including the appropriate evidence of accreditation, certification and licensing in their profession, and:
  1. Indicate experience advocating or consulting relative to accounting initiatives associated with public drainage, sewerage and infrastructure.
  2. Indicate examples of evaluating economically complex transactions or entities.
  3. Indicate experience and expertise in areas of public finance, including auditing.

### **Proposals**

A proposal to perform the task associated with the scope of this RFQ must include the following:

1. A copy of a writing sample or report.
2. The status of any disciplinary actions taken against the firm in the past five years.
3. A completed "consulting services questionnaire" using the format that is attached. Any subcontractors proposed to be used must also submit a completed Questionnaire that must be attached to the prime firm's Questionnaire.
4. A comprehensive narrative detailing the respondent's plan to comply with provisions of Section 70-466 of the Code of the city of New Orleans pertaining to local and disadvantaged business enterprises (DBE) goals for the City of New Orleans (*Code attached hereto*).
5. Confirmation that the required continuing professional education hours in each respective field have been fulfilled by each professional required to have such educational hours. Such confirmation will be required annually.
6. Description of projects completed since January 1, 2014, which demonstrate experience with any task whereby consideration is desired.
7. A list of the partner(s) and manager(s) who would be assigned to this project, with designation of the partner responsible for the engagement, and a description of the relevant training and experience of each. The Council encourages the involvement of minority and women professionals and of New Orleans domiciliaries; please indicate whether any of the listed individuals

- meet one or more of these criteria.
8. Evidence of sufficient depth of personnel to handle work load.
  9. An estimate of the number of hours to be allocated to this project, in the first year, by position, including the hours which are to be provided by the disadvantaged firm.
  10. A brief description of the approach to be used by the firm.
  11. A list of four references who are familiar with the work of the principals to be assigned to this project, with name, title, address, phone, fax number and email address of each.
  12. A sworn affidavit listing all persons with an ownership interest in the respondent. An "ownership interest" shall not be deemed to include ownership of stock in a publicly traded corporation or ownership of an interest in a mutual fund or trust that holds an interest in a publicly traded corporation. This affidavit is public record.
  13. A sworn affidavit stating that no other person holds an ownership interest in the respondent via a counter letter.
  14. A list of all persons, natural or artificial, who are retained by the respondent at the time of the application and/or who are expected to perform work as sub-contractors in connection with the respondent's work for the City Council. The Council may require information on employees or sub-contractors of or ownership interests in the sub-contractor. This list is public record.
  15. A sworn affidavit stating that the affiant is in compliance with Section 2-8(c) of the City Code and that no principal, member and/or officer of the contracting entity has within the preceding five (5) years been convicted of or plead guilty to, a felony under state or federal statutes for embezzlement, theft of public fund, bribery, and/or falsification or destruction of public records.
  16. In a separate, sealed envelope, the all-inclusive annual fee for performing the scope of this RFQ, including the fees of the disadvantaged firm and all reimbursable costs.

**Services/Reports:**

Review any and all available records, data, and statistics regarding the financials of the S&WB to analyze adherence to S&WB's financial obligations, accounting best practices, and to outline necessary improvements. Prepare a report regarding the existing financial feasibility of the Board, taking into account its: existing operations, system maintenance, system replacement, system upgrades and other budgetary realities (including possible improvements and appropriate implementation of best practices).

Evaluate the Board's existing water rates structure, and provide advice as to appropriate rates based on costs of services. Study the existing financials to ensure financial stability to fund operations, capital investments and debt services, including:

- Conduct a detailed review of the existing operating and capital improvement budgets and develop a financial plan that provides for financial sustainability and maintains adequate debt coverage and reserve levels.
- Evaluate the existing water rate structure and recommend improvements relative thereto and assist in recommending an appropriate rate structure that will allow the Board to meet its financial obligations, yet ensuring long term financial stability.
- Review customer billing and collection practices and evaluate areas for improvement.
- Draft a report that provides:
  - Based on a comprehensive administrative record, the calculations for cost of services and allocation of costs to respective customer classes (residential/commercial/);
  - Recommendations on appropriate rates; and
  - Costs for best practices improvements.

### **Conflicts of Interest**

Any firm or individual providing a response to the RFQ shall provide a clear and unambiguous indication of any potential or real conflicts of interest it may have with respect to performing work on behalf of the City Council on this project. For any such work performed, the respondent shall indicate why the respondent deems such work to be or not to be in conflict with the interests of the City or its agencies. The Council shall make the final decision as to whether any conflict of interest exists.

### **EVALUATION CRITERIA**

Appropriate qualifications and relevant experience of professionals to be assigned to the task.

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- Capability and commitment to provide sufficient staff to complete the task in a timely manner.
- Information received from references.
- Involvement in the proposal at the professional level of members of disadvantaged/minority/women business enterprises and New Orleans domiciliaries.
- Location of the firm.
- Cost.

### **PROPOSAL PROCESS**

If proposers have questions which may require information not included above, please provide them to the City Council's Chief of Staff, David Gavlinski, email [dsgavlinski@nola.gov](mailto:dsgavlinski@nola.gov), not less than three working days prior to responses being due. **No other written or oral communications from potential applicants regarding this proposal shall be made to any Councilmember or other City employee during this Request for Qualifications process.**

**Proposal submission:** Fifteen (15) copies of the final proposal must be received by 4 p.m. on March 29, 2019 in the Chief of Staff Office, Room 1E06, City Hall, 1300 Perdido St., New Orleans, La. 70112. Late proposals will not be considered.

**Selection process:** An evaluation committee composed of the Council Chief of Staff, the Council Research Officer, the Council Fiscal Officer, and the Council Utility Regulatory Office's Chief of Staff will review and evaluate the proposals, including the proposed fees, selecting up to five respondents for referral to the Council's Public Works Committee. In cases where proposals are selected for referral, the Council staff will contact one or more of the references.

### **Inspector General**

Section 9-1120, Chapter 2 of the Code of the City of New Orleans, relative to the Office of Inspector General, provides in part as follows:

"Every city contract and every budget, proposal, application, or solicitation for a city contract, and every application for certification of eligibility for a city contract or program shall contain a statement that the corporation, partnership, or person understands and will abide by all provisions of this chapter."

The Inspector General shall be notified in writing prior to any meeting of a selection or negotiation committee relating to the procurement of goods or services by the city, including meetings involving third party transactions. The notice required shall be given to the Inspector General as soon as possible after a meeting has been scheduled, but in no event later than twenty-four hours prior to the scheduled meeting. The Inspector General may attend all city meetings relating to the procurement of goods or services as provided herein, and may pose questions and raise concerns consistent with the functions, authority, and powers of the Inspector General. An audio recorder or court stenographer may be utilized to record all selection or negotiation committee meetings attended by the Office of the Inspector General.

### **Additional Information**

The City of New Orleans is not liable for any costs incurred prior to entering into a formal written contract. Any costs incurred in the preparation of the statement of qualifications, interview, or other pre-contract activity are the responsibility of the respondent. All submissions become the property of the City and, as such, are public information.

The City Council reserves the right to accept or reject any and all responses submitted and to cancel the RFQ, in whole or in part, for any reason, in its sole judgment.

It is anticipated that the contractor will invoice the City monthly, when billable activities have occurred within the month. Work shall be detailed in increments of one tenth/hour.

The contract with the City Council shall contain a provision that any sub-contractor proposed to be retained by the respondent to perform work on the contract with the City Council must be approved in accordance with the provisions of Council Rule 45. The Council may require information on ownership interests in the sub-contractor.