



# REQUEST FOR QUALIFICATIONS

For

**MUNICIPAL ADVISORY SERVICES**

**Proposals Due by 11:59 p.m. PST, December 9, 2024**

**Introduction:**

The Citrus Heights Water District is accepting proposals from a municipal financial advisor for financial advisory services in accordance with the included specifications, terms, and conditions shown in this Request for Qualifications (RFQ). Prospective respondents are advised to read this information over carefully prior to submitting a proposal.

A Portable Document Format (PDF) of the proposal shall be submitted to the Citrus Heights Water District by 11:59 p.m. PST, December 9, 2024. Proposals shall be submitted via email to: **Annie Liu** ([aliu@chwd.org](mailto:aliu@chwd.org)) with the subject line **“Municipal Advisory Services”**.

Proposals can also be submitted via mail and addressed to:

**Citrus Heights Water District  
Annie Liu, Director of Administrative Services  
RE: Municipal Advisory Services  
6230 Sylvan Road, Citrus Heights, CA 95610**

## **GENERAL INFORMATION**

The Citrus Heights Water District (CHWD or the District) is seeking qualifications from experienced and qualified firms to provide financial advisory services. The selected firm will assist CHWD in managing its financial obligations, structuring debt, advising on capital market transactions, and providing other related financial advisory services.

There is no expressed or implied obligation of CHWD to reimburse responding firms for any expense incurred in preparing proposals in response to this request.

During the evaluation process, CHWD reserves the right, where it may serve CHWD's best interest, to request additional information or clarifications from the proposers, or to allow corrections of errors or omissions.

CHWD reserves the right to retain all proposals submitted and to use any ideas in a proposal regardless of whether that proposal is selected. Submission of a proposal indicates acceptance by the firm of the conditions contained in this request for proposals, unless clearly and specifically noted in the proposal submitted and confirmed in the contract between CHWD and the firm selected.

To be considered, a proposal must be received by 11:59 p.m. PST via email or via mail in sealed envelopes marked and received no later than 11:59 p.m. PST on December 9, 2024. Please see the Instructions to Submitting Firms in this document for further information.

## **BACKGROUND**

The Citrus Heights Water District was incorporated in 1920 as an Irrigation District under the California Water Code. CHWD is located approximately 15 miles northeast of downtown Sacramento and provides water service to a population of approximately 70,000 residents within an urbanized service area of approximately 12.8 square miles. CHWD employs 38 full-time employees. CHWD's Adopted Budget for fiscal year 2024 totals \$30.9 million.

There are two infrastructure related projects which the District is considering:

### **Project 2030**

During urban development, between 1960 and 1985, the majority of the District's infrastructure was installed by private developers and inspected by District staff. As the District looks ahead, a large amount of water main replacements is anticipated beginning in the year 2030 and carried forward, as the water mains installed in the 1960's reach 70 years old, the average life of a typical water main. The District adopted the Project 2030 Study, which consists of a 50-year plan to replace the District's water

distribution system. The project is expected to cost \$540 million in 2021 Dollars. The District intends to fund the project via debt issuance, pay-go, and Federal and State Grants and loans.

### **Corporation Yard Expansion:**

Partly because of the anticipated implementation of Project 2030, the District anticipates the need to expand staff and support facilities. The District is evaluating corporation yard expansion options which range from \$15 million to \$23 million. The District anticipates issuing debt to partially or fully fund this project within the next 12-18 months.

## **SCOPE OF SERVICES**

The selected municipal advisor will be expected to provide the following services:

- Debt Management: Assist in planning, structuring, and issuing municipal bonds or other debt instruments, including refunding and refinancing existing debt.
- Capital Market Transactions: Provide advice on timing, pricing, and sale of securities; coordinate with underwriters, rating agencies, bond counsel, and other parties involved.
- Financial Planning: Develop long-term financial plans, including capital improvement plans and budgeting for major projects.
- Risk Management: Advise on managing financial risks associated with interest rates, cash flow, and other economic factors.
- Regulatory Compliance: Ensure compliance with all relevant federal, state, and local regulations, including disclosure requirements.
- Credit Rating Support: Assist in maintaining or improving the Municipality's credit rating by providing strategic advice and preparing presentations for rating agencies.
- Ongoing Advisory Services: Provide general financial advisory services as requested by the Municipality, including policy development, training for staff, and consultation on financial matters.

## **SUBMISSION REQUIREMENTS**

Interested firms must submit a response that includes the following:

- Cover Letter: A brief introduction to your firm, including your firm's history, size, and key services offered.
- Firm Experience: Detailed information on your firm's experience providing financial advisory services to municipalities, water agencies, or similar public entities. Include examples of past projects of similar size and scope and outcomes.
- Key Personnel: Resumes and biographies of the key personnel who would be assigned to this engagement, highlighting their relevant experience and qualifications.
- Approach and Methodology: A detailed description of your approach to providing the services outlined in the Scope of Services, including your methodology, tools, and processes.
- References: Contact information for at least three (3) public agency clients for whom your firm has provided similar services within the last five (5) years.
- Fee Proposal: A detailed fee structure, including hourly rates for key personnel and any additional costs that may be incurred.
- Legal and Ethical Compliance: A statement confirming that your firm and its personnel are in compliance with all relevant laws, regulations, and ethical standards, including registration as a municipal advisor with the Municipal Securities Rulemaking Board.
- Disciplinary Action: Has your firm been the subject of investigation or disciplinary action by any government entity? If yes, please provide a brief description of the investigation/action and outcome.

## **PROPOSED TERM OF CONTRACT**

CHWD will enter into an evergreen task order-style professional services agreement with a 30-day termination provision. The base Task Order will cover the tasks in the scope of services section. Any additional services will be added as additional tasks. CHWD may extend this agreement for two additional terms, each of which will be included on a new task order. No services shall be performed unless authorized by a fully executed Task Order in the form attached.

The form of the evergreen task order-style professional services agreement is attached hereto as Exhibit A ("Form of Agreement"). Any objections to such Form of Agreement must be submitted with a firm's proposal. Any objections to the Form of

Agreement not set forth with a firm’s proposal shall, at the District’s option, be deemed waived.

## **SCHEDULE FOR SELECTION**

Deadline for submittal of Questions:	November 20, 2024
Response to Questions:	November 27, 2024
Deadline for submittal of Proposal:	11:59 p.m., December 9 2024
Interviews (if necessary):	TBD
Notification of selected firm (tentative):	January 8, 2025 (tentative)
Board of Directors approves agreement:	January 21, 2025 (tentative)

## **EVALUATION CRITERIA**

CHWD will evaluate the information provided in the submitted proposals using the following criteria as a guideline:

- Experience and Qualifications: Demonstrated experience and expertise in public finance and advisory services. Experience working with water agencies or other utility service providers is desired.
- Understanding of Scope: The firm’s understanding of the District’s needs and the quality of the proposed approach and methodology.
- Personnel: Qualifications and experience of the personnel assigned to the project.
- References: Feedback from references and the firm’s reputation in the industry.
- Fee Structure: Reasonableness of the proposed fees and cost-effectiveness for the District.
- Compliance: Adherence to all legal, ethical, and regulatory requirements.

## **INSTRUCTIONS TO SUBMITTING FIRMS**

### **A. Examination of Proposal Documents**

By submitting a proposal, the prospective firm represents that it has thoroughly examined and become familiar with the services required under this RFQ, and that it is capable of delivering quality services to CHWD in a creative, cost-effective and service-oriented manner.

B. Questions/Clarifications

Please direct any questions regarding this RFQ to Annie Liu, Director of Administrative Services, via email at [aliu@chwd.org](mailto:aliu@chwd.org). Questions must be received via email by 5:00 p.m. PST on November 20, 2024. Responses will be provided to all interested parties by November 27, 2024.

Complete written proposals must be submitted via email or via mail in sealed envelopes marked and received no later than 11:59 p.m. PST on December 9, 2024, to the address below. Proposals will not be accepted after this deadline.

Emailed to: [aliu@chwd.org](mailto:aliu@chwd.org)  
with the subject line **"Municipal Advisory Services"**.

Or mailed to:

Citrus Heights Water District  
Annie Liu, Director of Administrative Services  
RE: Municipal Advisory Services  
6230 Sylvan Road  
Citrus Heights, CA 95610

C. Withdrawal of Proposals

A firm may withdraw its proposal at any time before the due date for submission of proposals as provided in the RFQ by delivering a written request for withdrawal signed by, or on behalf of the prospective firm.

D. Rights of the Citrus Heights Water District

This RFQ does not commit CHWD to enter into a contract, nor does it obligate CHWD to pay for any costs incurred in preparation and submission of proposals or in anticipation of a contract.

CHWD reserves the right to:

- Reject any or all submissions.
- Waive any informalities or irregularities in the RFQ process.
- Modify or cancel this RFQ at any time.
- Negotiate with one or more respondents.

E. Collusion

By submitting a proposal, each prospective firm represents and warrants that its proposal is genuine and not a sham, or collusive, or made in the interest of or on

behalf of any person not named therein; that the prospective firm has not directly, induced or solicited any other person to submit a sham proposal or any other person to refrain from submitting a proposal; and, that the prospective firm has not in any manner sought collusion to secure any improper advantage over any other person submitting a proposal.

F. Public Record

All materials received relative to this RFQ will be kept confidential until such time that an award is made or the RFQ is canceled, at which time all materials received will be made available to the public. Proposals received will be subject to Government Code § 7920.020, et seq. (the California Public Records Act). Respondents should mark information they consider proprietary or confidential in the event it is exempt from the requirements of the California Public Records Act.

**EXHIBIT "A"**  
**FORM OF AGREEMENT - SAMPLE TASK ORDER FORM**

**TASK ORDER**

Task Order No. \_\_\_\_\_ (YEAR - ##)

Contract:

District Consultant:

**The Consultant is hereby authorized to perform the following work subject to the provisions of the Contract identified above:**

**List any attachments:** (Please provide if any.)

**Compensation Form:** [INSERT HOURLY OR PROJECT BUDGET/NOT-TO-EXCEED (NTE)]

**Reimbursements:** [INSERT WHETHER MILEAGE AND OTHER REIMBURSEMENTS WILL BE PROVIDED]

**Dollar Amount of Task Order:** Not to exceed \$\_\_\_\_\_, \_\_\_\_\_00 (If NTE)

**Completion Date:** \_\_\_\_\_, 20\_\_

The undersigned consultant hereby agrees that it will provide all labor, equipment, furnish all materials, except as may be otherwise noted above, and perform all services for the work above specified in accordance with the Contract identified above and will accept as full payment therefore the amount shown above.

**Citrus Heights Water District**

**Consultant**

Dated: \_\_\_\_\_

Dated: \_\_\_\_\_

By: \_\_\_\_\_

By: \_\_\_\_\_