

Regionalization Model

1. Is there a regionalization or consolidation feasibility document that has already been prepared? If so, can we obtain a copy of it?

No. The 360° Financial Assessment prepared by Black & Veatch and American Public Infrastructure is the only document that begins to evaluate alternative governance structures for Trenton Water Works (TWW). The preparation of comprehensive regionalization or consolidation feasibility documents would fall under the scope of this RFP.

2. Is there a target governance model NJDEP is leaning toward (e.g., utility authority, shared services agreement, joint powers), or should we present multiple options?

No. The responsive bidder should be evaluating the creation of a new public utility, with a governance model that allows for greater operational independence and collaboration across municipalities. The proposed structure will be evaluated by the Executive Steering Committee in conjunction with other government officials to determine the governance model that is the best fit for TWW. NJDEP's role is limited to ensuring that any selected model builds technical, managerial and financial capacity to deliver safe and reliable drinking water to all TWW customers.

3. Has it been decided if financing and rates will be regionalized? For example, has it been decided if funding and financing for future capital improvements will be issued by a new regional authority? Has it been decided if user fees and other charges will be issued and collected by the new regional authority? Or are these types of questions to be resolved as part of the implementation support?

These questions are to be resolved as part of the implementation effort under Task 6 in the Scope of Work.

4. Has it been decided if the regionalization will put all assets of the existing systems under a new regional authority, or will some assets, such as local community distribution networks, remain under the jurisdiction of local entities?

These questions are to be resolved as part of the implementation effort under Task 2 in the Scope of Work.

Existing Models/Data

5. What is the status of information on existing assets of the systems that will be regionalized? For example, are there asset inventories, GIS information, and condition assessments available for all of the systems that will be regionalized?

Trenton Water Works (TWW) provides water to the City of Trenton and significant portions of the four surrounding Townships of Ewing, Hamilton, Lawrence and Hopewell. TWW owns the water system assets except for pockets of private water pipe systems. The NJDEP can provide copies of any available asset inventory, GIS information, and condition assessments to the selected bidder that were obtained as part of the third-party independent assessments of TWW.

6. Are there existing financial models, asset valuations, or condition assessments available from the participants that we will be expected to use or update?

No. There are existing financial models that were run with assistance from the New Jersey Infrastructure Bank (I-Bank) and discussed in the 360° Financial Assessment. The selected bidder would not have access to those models without a separate time and materials contract with the consultant for the 360° Financial Assessment. I-Bank will be a participant in this effort and can work with the selected bidder on running new models as appropriate.

7. What is the availability of project-related data across all agencies? Is it anticipated that they will be provided in a consistent format?

The data collected to date is focused on Trenton Water Works and the City of Trenton that was gathered under DEP's Direct Oversight and as part of third-party assessments. The formatting of data will likely vary across the multiple agencies/municipalities that will be engaged in this effort. It would be anticipated that not all the documents would be provided in a consistent format.

Executive Committee/Core Team

8. What is the configuration of the core project team from the represented agencies?

As noted in Task 1 of the Scope of Work, the Executive Steering Committee will be composed of the mayors of all municipalities served by TWW, the NJDEP Commissioner, Assistant Commissioner of NJDEP Water Resource

Management or their designees. The selected bidder would be responsible for recommending participants in the core Working Group for approval by the Executive Steering Committee to ensure representation from all agencies.

9. What is the decision-making process for moving forward with consultant recommendations?

The Executive Steering Committee would work in conjunction with State and local government officials to make critical decisions regarding the regionalization effort.

10. Who is the current legal counsel advising on this project?

As noted in the RFP, the project lead should ensure that the regionalization effort is consistent with regulatory requirements and industry standards. Each of the five municipalities served by TWW are expected to seek advice from their own legal counsel on this project as it moves forward.

11. How are labor unions/civil service commission represented on this project?

The unions would be engaged in the outreach efforts under Task 4 in the Scope of Work and assist with the transition of staff to a new public governance model. As noted in Task 1 of the Scope of Work, the responsive bidder would establish a working group based on recommendations from the Executive Steering Committee to help facilitate the overall project goals. The responsive bidder could also consider representation from the civil service commission as part of this committee.

Budget

12. Does the NJDEP have a proposed level of effort or budget for this project?

No. There is not a defined and established budget but NJDEP recognizes that this will be an intensive two-year effort to move TWW to an alternate governance structure in that timeframe. A responsive budget would be reflective of the tasks that the selected bidder will be completing directly as well as the tasks that will be subcontracted to other entities.

13. It would be helpful if the NJDEP could more specifically define the content, format, and payment terms/type that are expected for the Cost Proposal. The nature of this

type of project can make it very difficult to estimate or quantify the anticipated level of effort (and cost) in advance. The RFP defines “cost-effectiveness” as an evaluation criterion for the proposal; in order to properly evaluate cost-effectiveness, it will be necessary for the selection committee to be able to compare “apples to apples” between the scope/effort included in each Cost Proposal, and/or define the detailed assumptions that are to be used in preparing them to ensure uniformity. One potential solution might be to ask proposers to only prepare a specific cost for Task 1, and then describe within their proposals any specific strategies or features that would provide Cost Effectiveness in their delivery of Tasks 2-8.

The NJDEP recognizes that it may be a time-consuming process to engage with staff or subcontractors, as appropriate, on the anticipated costs for Tasks 2-8. As a result, the NJDEP is extending the deadline for responding to this RFP to provide additional time for each prospective bidder to best estimate the cost for each task listed in the Scope of Work.

Community Engagement

14. To ensure assumptions across bidders are consistent, we were wondering if you could give us a sense of the number of public meetings desired, and the nature and quantity of educational campaign materials desired?

The expectation is that the responsive bidder would establish a continual public meeting and outreach process over the 24 month contract period. At a minimum, there would need to be several meetings per municipality to build community support, which would include workshops, in-depth discussions, etc. The responsive bidder should consider how to best engage each community served by TWW in determining the number of public outreach sessions.

15. What, if any, level of community opposition or concern has been encountered so far and what are the communication sensitivities around this project?

There is community opposition to the loss of TWW as an “asset” to the City of Trenton. Much of this has focused on opposition to the privatization of TWW, which is not contemplated by this RFP for regionalization. It will be critical that some of the communication efforts focus on the differences between the current structure, regionalization and privatization.

16. What internal resources can be leveraged to support the delivery of these tasks? For example, in community engagement, handle logistics such as mailings and venues, leverage state servers vs hosting the website?

The responsive bidder would oversee these tasks under Task 4 in the Scope of Work. NJDEP can help support these efforts where appropriate. For example, NJDEP can assist in connecting the responsive bidder with community partners to assist with venues and distribution of education campaign materials.