

REQUEST FOR PROPOSAL
QUESTIONS (Q) AND RESPONSES (R)
BURLINGAME HILLS SEWER MAINTENANCE DISTRICT
ECONOMIC SUSTAINABILITY FISCAL ANALYSIS
March 1, 2019

- Q1.) Before the proposals are due, can you provide a copy of “the completed analysis of future infrastructure improvements and deferred maintenance projects” that the RFP asks the consultant to review as part of the Scope of Work (RFP pg. 7)?
- R1.) Brown and Caldwell was retained by the Burlingame Hills Sewer Maintenance District (BHSMD) for the Project titled “Wastewater Collection System Capacity Assurance Plan and Master Update”, which included Technical Memorandums dated 2011. The Technical Memorandums (TM) prepared as part of this work included:
- System Performance Evaluation – Collection System Field Inspections (TM 1) (788 pages);
 - Hydraulic Model Development (TM 2 (30 pages));
 - System Performance Evaluation and Capacity Assurance Plan (TM 3) (37 pages); and
 - Capital Improvement Plan Development (TM 4) (22 pages).

These TMs will be available for the selected consultant and are not posted on the County Sewer/Sanitation District webpage. The number of pages for each TM have been listed above to provide an understanding of size.

Additionally, the following link provides access to the Initial Study/Mitigated Negative Declaration for the Adeline Drive and Canyon Road Sewer Project that was identified in the Sewer Master Plan, which has been:

https://publicworks.smcgov.org/sites/publicworks.smcgov.org/files/BHSMD%20IS-MND%20Compiled_Final_0.pdf

- Q2.) In addition to the analysis mentioned above, are there any studies re: sewer deficiencies and future needs other than the 1999 BHSMD Master Plan?
- R2.) The Project referenced in R1 describes the work completed and updated the Master Plan. Additionally, a Closed-Circuit Television Inspection (CCTV) as reference in R3 identified defects that were recommended for point repairs.
- Q3.) When was the condition of the sewer pipelines last checked, and is there a report and cost estimate available (if not otherwise addressed in response to Question #1 and #2)?
- R3.) A CCTV Inspection was performed in 2012. Based on the CCTV Inspection, a Record of Defects Recommended for Point Repairs was created. The list included 48 point repair locations. BHSMD has been working and continues work to complete the identified repairs. Additionally, the BHSMD identified additional repair locations through their regular maintenance activities or as a result of emergency response.

- Q4.) Has there been analysis of the condition of roads (eg, PCI ratings) and drainage that can be provided, or will the consultant be expected to conduct a review of conditions and estimate deficiencies and costs?
- R4.) The County's road system is inspected every three years and the inspection information is stored in MTC's Version of the Pavement Management System. The consultant would not be expected to physically inspect the road system for pavement condition index ratings. There are limited County maintained drainage facilities within the study area and inspection data for these facilities does not exist.
- Q5.) Is the City of Burlingame participating in the Study? Can they be contacted during the course of the Study?
- R5.) The San Mateo County Department of Public Works is the lead agency for the Study. The County has made the City of Burlingame aware of the RFP and proposed Study. It is expected that the selected contractor will contact the City of Burlingame during the course of the Study to obtain relevant data as outlined on page 7 and 8 of the RFP. As part of the deliverables, the City of Burlingame shall also be provided with a circulation and final fiscal analysis report. It is anticipated that attendance by the consultant will be required at a minimum of 3 meetings, including but not limited to, public workshops and Board of Supervisors and City of Burlingame City Council meetings.
- Q6.) What is the source of the \$74,000 in the adopted FY19 budget for BHSMD? Is the \$74,000 from a share of the 1% property taxes?
- R6.) Yes.
- Q7.) Is a detailed breakdown of the BHSMD budget shown in Schedule 15 of the County's FY19 budget available? For example,
- Q7a) what comprises the \$703,000 of "Services and Supplies" in the FY19 adopted BHSMD budget?
- R7a.) Several expenses are included in "Services and Supplies", namely sewage treatment and disposal, contract engineering/inspection/repairs, and staff expenses.
- Q7b.) what is the \$988,000 of "Capital Assets - Infrastructure Water and Sewer" expenditure?
- R7b.) This is the budgeted amount for sewer capital improvement costs and specifically budgeted for the Hillside/Adeline Capital Improvement Project, which has not been constructed yet.
- Q8.) Is there a description and debt service schedule (principal, interest, by year) for the "Burlingame Hills Sewer project...loan with the Clean Water State" (FY18 County Comprehensive Annual Financial Report, pg. 21)? Why are no debt proceeds or debt service payments shown in the FY19 BHSMD budget? What projects will this loan be utilized for?

- R8.) The BHSMD obtained a State Revolving Fund (SRF) Loan for the Adeline Drive and Canyon Road Sewer Project. The SRF loan amount is \$2,299,998, the interest rate is 1.5%, the term is 30 years, and the annual payment is \$95,637. The first loan payment was made in February 2018.
- Q9.) Has the County conducted the "Reserve Study" mentioned in the 1999 BHSMD Master Plan?
- R9.) The BHSMD sets rates to maintain a minimum fund balance or reserve that is at least equal to 50% of the annual Operations and Maintenance expenses and 3% of the replacement cost of the sewer system. For FY 2018-19 the Minimum Fund Reserve Target is \$498,000 and the actual beginning fund balance for FY 2018-19 was \$2,524,431.
- Q10.) Do the County's sewer charges include City of Burlingame treatment charges? If so, how much are they? If not, where can these charges be found (are they billed directly to the property owners)?
- R10.) Yes. The Transport and Treatment budget for FY 2018-19 to be paid to the City of Burlingame is \$346,545.
- Q11.) Is the 1999 BHSMD Master Plan the last "Rate Study"? Were subsequent rates established by applying an inflation factor?
- R11.) The BHSMD reviews sewer service rates on an annual basis. Rates are adjusted as needed and on an annual basis to allow for levying the charges on the property tax bills.
- Q12.) Has the City of Burlingame identified current and future capital costs, and if so, have they allocated a share of those costs to BHSMD?
- R12.) The agreement between the City of Burlingame and BHSMD outlines the transport and treatment calculations and percentages. These costs include the BHSMD's share of capital performed by the City of Burlingame. The BHSMD communicates with the City of Burlingame regularly to ensure the BHSMD rates, when being considered, include expenses that may be required to be paid to the City during a fiscal year.