



*Louisiana Public Service
Commission*

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April 5, 2017

Re: Solicitation for under \$50K bids from outside engineering consultants to inspect the capital improvements in Docket No. U-33011 – Mo-Dad Utilities, LLC, ex parte. In re: Application for Rate Increase and Request for Letter of Non-Opposition to Borrowing Funds.

Dear Consultants:

The Louisiana Public Service Commission (“LPSC” “Commission”) seeks to hire an engineering consultant at its April 19, 2017 Business and Executive Session to inspect the capital improvements made by Mo-Dad Utilities, LLC (“MDU”) pursuant to the *Amended Consolidated Compliance Order and Notice of Potential Penalty WE-CN-14-00412B* issued by the Louisiana Department of Environmental Quality on November 20, 2015 (“Compliance Order”). The consultant will ensure that the improvements are done in accordance with the Compliance Order and at the lowest reasonable cost. By way of this letter, the Commission is soliciting proposals for under \$50,000.

MDU is an LPSC-regulated wastewater company that currently provides wastewater services to approximately 8,021 residential customers and 20 commercial customers, for a total of 8,041 customers located within Ascension, Livingston, St. Helena, West Baton Rouge, East Baton Rouge, and Tangipahoa Parishes. MDU also provides water services to approximately 45 customers in Livingston Parish. MDU was granted a rate increase in Commission Order No. U-33011-B dated March 15, 2017 to enable MDU to borrow up to \$17,000,000 to make the improvements required by the Compliance Order. The improvements are expected to be completed in approximately 3 years.

Applicants will be expected to perform the following tasks:

1. Conduct on-site inspections to verify the actual capital improvements completed/started at individual systems and assess whether improvements made meet/will meet the requirements of the relevant agency orders as well as industry standards;
2. Evaluate whether or not the capital improvements are being done at the lowest reasonable cost;
3. Evaluate whether or not current estimates for projects not yet started are reasonable; and
4. Report to the Commission upon completion of the project and at any intervals deemed necessary by the Commission.

In addition, should a dispute arise, the consultant may be expected testify on behalf of the Commission Staff in an administrative hearing or at an Open Session.

The Commission Staff anticipates that, based on prior proceedings, the consultant hired in this proceeding will be able to satisfactorily perform the services described herein for a bid an amount less than \$50,000.00 and, thus, an RFP is not mandated.

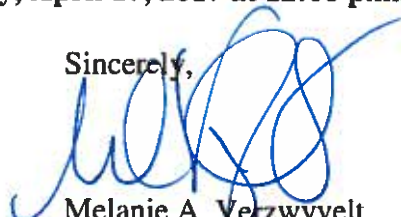
The November 10, 2014 General Order states,

Contracts for consulting and/or legal services which are anticipated to result in a maximum bid amount of compensation, including all professional fees but excluding expenses, to not exceed fifty thousand dollars (\$50,000.00), may be considered and approved by the Commission without the necessity of an RFP. The expenses allowed for such services shall be limited to twenty percent (20%) of the total bid amount, unless the Commission specifically authorizes a greater amount.

Bidders who reply should demonstrate their familiarity with wastewater utility infrastructure and environmental compliance issues. All proposals shall be accompanied by a professional firm resume indicating the qualifications and experience necessary to assist the Commission with this project.

The Commission intends to retain outside assistance at its April 2017 Business and Executive Session. If you would like to submit a bid, please do so electronically to melanie.v@la.gov on or before **Monday, April 17, 2017 at 12:00 p.m.**

Sincerely,



Melanie A. Verzwylt
Staff Attorney