

**New York City Water Board: Request for Proposals for Service Line Protection Policy Contractor  
Addendum #1  
Responses to Inquiries**

**Customer Service:**

- 1) Please identify the distribution of the 673,187 accounts by borough.

Borough	Number of Eligible Properties	% of Eligible Properties
Bronx	59,318	9%
Brooklyn	216,481	32%
Manhattan	19,981	3%
Queens	274,801	41%
Staten Island	102,606	15%
<b>Total</b>	<b>673,187</b>	<b>100%</b>

- 2) How will the billing system handle charges for customers who enroll mid-cycle? Will charges be pro-rated?

DEP will bill monthly and quarterly-billed customers on the bill following the date of enrollment. The charge will be pro-rated from the date of enrollment.

Annually-billed customers will be required to pay an annual premium upon enrollment. Once the customer has enrolled, the coverage will be pro-rated for the days remaining in the customer’s current billing cycle, and any amount of the enrollment charge above this pro-rated amount will appear as a credit on the customer’s account.

- 3) What will be the payment application priority when partial payments are received?

Partial payments will be credited to the DEP customer’s account. For the purposes of the Program, a customer may be enrolled until his/her account’s delinquency totals the maximum amount allowable under the terms to be established in connection with the Program. Once a customer’s delinquent balance is greater than the maximum allowable amount, the policy coverage will be terminated. However, if a service line issue arises within 90 days of a policy termination because of an account delinquency, the Contractor should provide service to such customer. The Board will be responsible for compensating the Contractor for the overdue premiums payable for such 90-day period.

The Board will compensate the Contractor monthly at the premium rate specified in the Contract for the number of customers currently enrolled in the Program.

- 4) The RFP states “the Contractor will not be responsible for Customer-related accounts receivable”. What will be the process for collecting Service Line Protection Program delinquencies?

According to the Board’s rate schedule, “water and wastewater charges, if not paid when due, constitute a lien upon the premises served and a charge against the owners thereof.” Additionally, according to Part V, Section 1 of the Board’s rate schedule, “water and wastewater charges constitute a lien on the property until paid.” Policy premiums will be classified as water and wastewater charges.

According to Part IV, Section D of the Board's rate schedule, "delinquent Charges are subject to any and all enforcement options for non-payment available to DEP by property class, including but not limited to interest charges on unpaid amounts" and other actions outlined in Section VIII of the Board's rate schedule. [http://www.nyc.gov/html/nycwaterboard/pdf/rates/fy2012\\_rates.pdf](http://www.nyc.gov/html/nycwaterboard/pdf/rates/fy2012_rates.pdf)

5) What is the "allowable delinquency for policy premiums" referenced Section VI?

The "allowable delinquency for policy premiums" will be a total delinquency amount that will include all delinquencies on water and wastewater charges. The allowable level of delinquency has not yet been determined, but approximately \$500 is being considered. \$500 is equivalent to 57% of the average customer's fiscal year 2012 bill.

6) In Section VI, Anticipated Payment structure makes reference to an acceptable level of delinquency by DEP. How does the DEP define the acceptable level of delinquency? At the 'acceptable level of delinquency', how many DEP customers fall into this category?

Please see response above. Of the 673,187 customers with service lines of 2" or less, approximately 600,500 customers are current on their payments or have balances less this \$500 limit and would be eligible for the Program.

7) In order for the Service Provider to offer service to all DEP customers as discussed under Section III, Scope of Services; Water Service Lines, the warranty contract needs to be with the property owner. Therefore, is the DEP able to provide Landlord information for rental properties?

According to Part V, Section 1 of the Board's rate schedule, "water and wastewater charges and all unpaid charges are the legal responsibility of the owner of a property receiving water and wastewater service. The owner's responsibility to pay such charges is not affected by non-receipt of bills or any lease, license or other arrangement, or any assignment of responsibility for payment of such charges." Therefore, DEP's customer database does not track rental contact information, and the property owner information the database contains appears to be consistent with the potential respondent's request.

8) Page 4 states that "policies must be extended to all DEP customers whose service lines are thought to be of 2" in diameter or less" – does this limit us from excluding multi-family homes, mobile homes, houses over 5,000 sq. ft. etc.?

The Board and DEP would like to offer the Program to all residential and mixed-use residential customers with service lines of 2" or less. The Board would not look favorably upon a policy that would make multiple exclusions, particularly one that would exclude multi-family homes. However, if you would only consider offering a policy with such exclusions, please clearly state what property types would be excluded from the coverage you propose to offer.

**System Characteristics and Repair Requirements:**

1) Are there significant variations in service line configuration or materials by borough?

DEP is not aware of any significant variations in service line configuration or materials by borough.

2) Please address how permitting will be factored into sewer service line repair/replacement response time expectations.

The Contractor will have to ensure that work is completed within the time limits noted in the RFP, as are finalized in the Contract.

In the event of an emergency, the Contractor must follow DOT's procedures for obtaining an Emergency Street Opening Permit, which can be found on DOT's website: [http://www.nyc.gov/html/dot/streetworks/html/chapter\\_3/3\\_6\\_1.shtml](http://www.nyc.gov/html/dot/streetworks/html/chapter_3/3_6_1.shtml). DOT will issue a preliminary permit number that allows the Contractor to commence work. The Contractor must then follow-up by filing for a regular Street Opening Permit within two business days.

As soon as possible, the Contractor must also file for a DEP Repair/Relay Permit through DEP's Water and Sewer Permitting System (WSPS), and the DEP permit must be obtained within 48 hours or by the end of the second business day following commencement of the work pursuant to Title 15, Chapter 20, §20-01 of the Rules of the City of New York.

With regards to emergency work performed under this Contract, the Contractor's work may have been completed before all permits are finalized. Regardless, all work must be performed in line with all applicable rules and regulations, and all permit requirements must be met.

- 3) The document lists three-day notices as non-emergency and ten-day notices as emergency. This would seem to be reversed. Please clarify the information for three-day versus ten-day notices.

This is not reversed. 10-day notices are given for emergencies because in such instances, DEP must terminate service. Therefore, after termination, without water service to the property, the immediate threat to infrastructure from the leak is stopped.

- 4) In the Water Service Line section on page 5 of the RFP, there appears to be an error in the description of the two types of notices. The RFP reads "There are two types of notices that DEP issues: three-day notices for nonemergency issues and ten-day notices for emergencies." Should this say, "There are two types of notices that the DEP issues: three-day notices for emergency issues and ten-day notices for nonemergency issues? Please clarify.

No. Please see answer above.

- 5) In Section III, Scope of Services; Water Service Lines, reference is made for obtaining permits and the issuance of emergency and non-emergency notices. It is understood that for an emergency repair, a ten-day notice will be issued by the DEP. How and when will the Service Provider receive this notice? What is required as part of the ten-day notice? In addition, it is understood that for a non-emergency repair, a three-day notice will be issued by the DEP. How and when will the Service Provider receive this notice? What is required as part of the three-day notice? Are the notices (both ten-day and three-day) a result of the approval of the work permit via the WSPS? For emergencies, when does the notification period begin and the commencement of work to begin within four hours? For non-emergency repairs, when does the notification begin and the commencement of work to begin within 12 hours?

DEP and the Contractor will have to develop a protocol for DEP to notify the Contractor when a notice has been issued. The Contractor's time requirements will commence at the point of Contractor notification pursuant to the pre-determined protocol. Additionally, in the event that a policy holder notifies the Contractor of a service line issue without contacting DEP, the time requirements will apply from the time of the policy holder's contact with the Contractor.

DEP's three and ten-day notices are not tied to the approval of any permit requests; they are only related to the identification of service line issues by DEP. The Contractor will be required to file for all permits independently.

- 6) Does the DEP currently have an Inflow and Infiltration Program or Private Sewer Line Inspection program where the DEP inspects the private sewer line and issues a Public Health Order to fix any illegal connections or dilapidated sewer lines? If so how many Public Health Orders has the DEP issued to customers to have their sewer line brought up to code?

No; DEP does not have such a program.

- 7) Are there shut off valves on every service line? Are they generally in working order?

There are shut-off valves on some of the service lines in southeast Queens that were once part of the Jamaica Water Supply Company; this service area includes approximately 83,000 residential customers or 30% of DEP's customers in Queens. DEP does not test or monitor these valves and cannot say whether they are in working order. Few properties in the remainder of the System have street-level shut-off valves.

- 8) Is there a map of the service territory the DEP currently covers? If so where can it be found or acquired?

DEP provides water service to all five boroughs of New York City. Sewer service is also provided to virtually the entire City, except for small parts of the Borough of Staten Island and the Borough of Queens communities of Breezy Point and Douglas Manor. Maps of New York City may be found in any map or book store or on [www.google.com](http://www.google.com).

- 9) Section III, Scope of Services, item 9 mentions the requirement of the Service Provider to cover emergency repairs on properties not covered by the program. Will the DEP submit 100% of all emergency repair requests to the Service Provider? OR Will the DEP be selective in distributing the emergency claims? If so, how will that selection be made?

Emergency repairs will be requested on a selective basis. DEP estimates that 0.5% of all ten-day notices would be referred to the provider. Based on 1,219 ten-day notices in FY 2011, this would equate to approximately six emergency repair requests per year.

- 10) For pricing purposes, please provide the number of all ten-day and three-day notices permit data from repairs provided in Section III, Scope of Services, Water Service Lines, for the previous four years (FY 2006-2010) if available.

In the past five fiscal years, DEP has issued three and ten-day notices as follows:

Water Service Line Notices				
Fiscal Year	3-Day	3-Day Resulting in Shut Tap	10-Day	Total
2007	3,033	(1)	1,399	4,431
2008	2,670	(2)	1,216	3,884
2009	2,831	(9)	1,271	4,093
2010	2,427	(2)	980	3,405
2011	2,442	(17)	1,224	3,659

Additionally, there are service line leaks and breaks that customers address without DEP issuing a 3 or 10-day notice. A history of all repair and relay permits issued by DEP in the past four calendar years, including permits issued in response to three and ten-day notices, is as follows:

Repair & Relay Permits	
Calendar Year	Number of Permits Approved
2008	4,817
2009	3,135
2010	4,447
2011 (as of 12.21.11)	3,716

**Public Relations/Communications:**

- 1) Does the DEP have selective insertion capabilities for bill inserts?

DEP does not have an automatic ability to target a particular customer list for bill inserts.

- 2) In the Scope Of Services section on page 5, number 8 states, “Data recording and management that will provide the Board and DEP with a detailed monthly report on the number and nature of calls, location and dates of repairs and replacements, and documentation of all work performed;.” Please provide an explanation on how the reporting data is to be used by the Board and the DEP?

The Board and DEP will use the information on calls and work performed to facilitate management of the Contract and ensure that the Service Provider is responding to DEP customers in an appropriate manner. Additionally, this information may be used by the Board and DEP in any other way that the Board and DEP choose.

**Other:**

- 1) Item 10 in the Scope of Services lists “Additional service related to risk, insurance and bonding as DEP may request from time to time.” Please clarify/provide examples of additional services which may be requested.

Please note that item 10 under the Scope of Services will not be required of the Contractor. This item is not applicable and was erroneously included in the RFP.

- 2) In Section V, Anticipated Contract Term, please provide clarification regarding the contract term. After the initial contract term, should the contract be extended, how is pricing negotiated for the renewal term? Does the DEP have a unilateral right to extend the contract or does the Service Provider have the right to not extend?

The pricing for the renewal term will be based on the pricing that the Contractor submits in its Price Proposal in response to this RFP. The Board has a unilateral right to extend the Contract.