CLINTON UTILITIES BOARD
1001 N. Charles G. Seivers Blvd. | Clinton, Tennessee 37716
(865) 220-6201 | gfay@clintonub.com

November 16, 2026

To All Prospective Proposers:

RE: RFP No. 01-2026 — Water and Sewer Wholesale and Retail Rate Study and Fee Analysis

Dear Prospective Proposer:

The Clinton Utilities Board ("CUB") is soliciting proposals from qualified firms to conduct a comprehensive Water and Sewer Wholesale and Retail Rate Study and Fee Analysis. Enclosed, please find the complete Request for Proposal (RFP No. 01-2026), which describes the scope of work, submission requirements, evaluation criteria, and proposed schedule in detail.

In summary, CUB is seeking a firm with demonstrated municipal water and sewer utility finance and rate-setting expertise to perform a full cost-of-service analysis and rate design for both wholesale and retail water and sewer service, together with a review and recommended schedule of water and sewer fees, including, but not necessarily limited to, impact fees (system development charges) and tap (connection) fees. CUB anticipates that this engagement will guide the Board's decision on rates and fees that support the utility's ongoing operations and capital improvement program.

Key dates for this solicitation are as follows:

- Deadline for Written Questions: Tuesday, December 8, 2026, by 4:00 PM Eastern Time
- Proposal Submission Deadline: Tuesday, January 12, 2027, by 2:00 PM Eastern Time

All questions regarding this RFP must be submitted in writing to the undersigned at gfay@clintonub.com; verbal inquiries will not receive a binding response. Firms planning to respond should notify me by email to receive any addenda.

CUB appreciates your firm's interest and looks forward to receiving your proposal.

Sincerely,

Greg Fay
General Manager and CEO
Clinton Utilities Board



CLINTON UTILITIES BOARD

1001 N. Charles G. Seivers Blvd.
Clinton, Tennessee 37716

REQUEST FOR PROPOSAL

Water and Sewer Wholesale and Retail Rate Study

Including Impact Fee and Tap Fee Analysis

RFP No.:	01-2026
Issue Date:	Monday, November 16, 2026
Deadline for Written Questions:	Tuesday, December 8, 2026, by 4:00 PM Eastern Time
Proposal Submission Deadline:	Tuesday, January 12, 2027, by 2:00 PM Eastern Time
Submit To:	Clinton Utilities Board, Attn: Greg Fay, 1001 N. Charles G. Seivers Blvd., Clinton, TN 37716
Contact:	Greg Fay, General Manager and CEO — gfay@clintonub.com / Direct: (865) 220-6201

I. Introduction and Notice

The Clinton Utilities Board ("CUB" or the "Board"), a municipal utility providing electric, water, and sewer service to the City of Clinton, Tennessee, and portions of Anderson County, is requesting proposals from qualified firms to conduct a comprehensive Water and Sewer Wholesale and Retail Rate Study (the "Study"). The Study will include a full cost-of-service analysis, wholesale and retail rate design, and a review and recommendation of charges and fees, including, but not necessarily limited to, impact fees (system development charges), and water/sewer tap (connection) fees.

CUB intends to select a single firm, or a team led by a single firm, with demonstrated expertise in municipal water and sewer utility finance, rate-setting, and infrastructure charge methodology to complete this engagement. This document constitutes a Request for Proposal ("RFP") and is not an offer to contract. CUB reserves the right to reject any or all proposals, to waive informalities, and to negotiate final terms with the selected firm.

II. Background

CUB is a publicly owned utility governed by a five-member Board of Directors that provides electric, water, and wastewater services. CUB's water and sewer divisions serve retail customers within the CUB service territory as well as one or more wholesale customers (interconnected systems) under wholesale water and wastewater rates.

CUB is committed to maintaining rates that are fair, cost-based, and defensible to both retail ratepayers and wholesale customers, while ensuring adequate revenue to fund operations, maintenance, debt service, and capital improvements to aging and expanding water and sewer infrastructure.

CUB will make the following background materials available to shortlisted or selected firms upon request: current water and sewer rate schedules and tariffs; the most recent audited financial statements; the current and projected 5-10 year capital improvement plan (CIP); customer count and consumption data by customer class; existing wholesale contract(s); current impact fee and tap fee schedules; and system maps/GIS data as available.

III. Scope of Work

The selected firm shall perform, at a minimum, the following tasks. Respondents may propose additional tasks or an alternative work plan that they believe will better achieve CUB's objectives, provided the core deliverables below are addressed.

Task 1 — Project Initiation and Data Collection

- Conduct a kickoff meeting with CUB staff and, as appropriate, the Board to confirm objectives, timeline, and data needs.
- Identify and request all financial, operational, engineering, and customer data required for the Study.
- Review CUB's existing rate structure, rate ordinances/resolutions, wholesale contract terms, and impact/tap fee schedules.

Task 2 — Cost-of-Service Analysis (Water and Sewer, Wholesale and Retail)

- Develop a fully allocated cost-of-service model for the water system and the sewer system separately.
- Allocate costs functionally (e.g., source of supply, treatment, transmission/collection, distribution, storage, customer service, general/administrative) and by cost causation (base/capacity, extra capacity/peaking, customer, and direct cost components), consistent with Tennessee Comptroller of the Treasury, American Water Works Association (AWWA) M1 Manual and Water Environment Federation (WEF) rate-setting manual methodologies.
- Separately identify and allocate costs applicable to wholesale water and wastewater service, consistent with the existing wholesale contract(s) and applicable law.
- Determine the revenue requirement for each system on a cash-basis and, if requested, a utility-basis approach, incorporating current and projected operating expenses, debt service, capital outlay, and reserve/fund balance targets.
- Test cost allocations against industry-standard equity and nondiscrimination principles applicable to wholesale and retail customer classes.

Task 3 — Rate Design

- Design retail rate structures (e.g., uniform, inclining/declining block, seasonal) for water and sewer service that recover the allocated cost of service by customer class while clearly distinguishing between fixed charges and variable, usage-based charges and addressing CUB's policy objectives (affordability, conservation, revenue stability, and simplicity of administration).
- Design or recommend adjustments to the wholesale rate(s), consistent with cost-of-service findings and any contractual constraints, minimum take provisions, maintenance fees, or capacity reservation charges.
- Model at least five (5) years of projected revenue under current rates versus recommended rates ('revenue sufficiency' testing), and provide a multi-year (5-year minimum) rate implementation/phase-in schedule.
- Provide bill impact analysis for representative customers across all customer classes (residential, commercial, industrial, wholesale) at various usage levels.
- Benchmark proposed rates against comparable Tennessee and regional utilities.

Task 4 — Impact Fee Analysis

- Evaluate CUB's current water and sewer impact fees (system development charges) for consistency with Tennessee law (including the statutory, charter, and other legal authority under which CUB establishes its water and sewer rates, fees, and charges) and generally accepted impact fee methodologies (incremental cost, buy-in/equity, or hybrid approach).
- Calculate the maximum supportable impact fee for water and for sewer based on the current and planned capital improvement program attributable to growth.
- Recommend an impact/capacity fee schedule (by meter size, equivalent dwelling unit (EDU), or other appropriate unit of measure) and identify any legal, procedural, or public-notice steps required for adoption.

Task 5 — Tap Fee (Connection Fee) Analysis

- Review current water and sewer tap/connection fees against the actual direct and indirect cost of making a service connection (materials, labor, equipment, administrative overhead, and meter cost) by meter/tap size.
- Recommend a cost-based tap fee schedule by service size, distinguishing tap fees from impact fees and ensuring the two charges are not duplicative.
- Provide a schedule of recommended fees for standard and non-standard taps, including any long-service-line or oversized-tap considerations.

Task 6 –- Other Applicable Fee Analysis, if any

- Evaluate any other applicable current CUB water and sewer fees and charges, or lack thereof, for consistency with Tennessee law (including the statutory, charter, and other legal authority under which CUB establishes its water and sewer rates, fees, and charges) and widely accepted industry standards.
- Provide a schedule of other recommended fees and charges, if any, as determined appropriate for Board consideration.

Task 7 — Policy Review and Recommendations

- Review current policies and recommend policy revisions, or new policies as applicable, related to developer/extension agreements, wholesale contract renewal terms, water and sewer adjustments, and cost-recovery mechanisms (e.g., pass-through of wholesale water cost increases, drought/emergency rate provisions).
- Recommend a rate review/adjustment policy or index-based mechanism to reduce the frequency of future comprehensive studies, if desired by CUB.

Task 8 — Reporting, Presentation, and Board Adoption Support

- Provide a draft report for CUB management review, followed by a final written report incorporating CUB management comments.
- Present findings and recommendations to CUB management and, upon request, to the CUB Board of Directors at up to two (2) public meetings.
- Provide a rate model (e.g., Excel-based) in an editable, non-locked format that CUB staff can use for ongoing rate maintenance and future updates without restrictions or limitations. The model, including all formulas, inputs, and supporting files, shall become the wholly owned property of CUB to be used or edited in any manner that CUB deems necessary or beneficial.
- Provide draft rate ordinance/resolution language and, if applicable, draft impact fee,tap fee, and other recommended fee schedules suitable for Board adoption.

IV. Deliverables

- Kickoff meeting summary and data request list
- Draft Cost-of-Service and Rate Study report (water and sewer, wholesale and retail)

- Draft Impact Fee analysis and recommended schedule
- Draft Tap Fee analysis and recommended schedule
- Draft analysis and recommended schedule of other fees and charges, if any, as determined appropriate for Board consideration
- Five-year cash-flow and projected fund-balance schedules for the water and sewer systems under the recommended rates
- Draft Policy revision and/or addition recommendations
- Final comprehensive report incorporating all of the above
- Editable, CUB-owned rate/fee calculation model (Excel or similar)
- Board presentation materials and up to two (2) in-person or virtual presentations
- Draft ordinance/resolution and fee schedule language

V. Proposed Schedule

RFP Issued	Monday, November 16, 2026
Deadline for Written Questions	Tuesday, December 8, 2026, by 4:00 PM Eastern Time
CUB Responses to Questions Issued	Tuesday, December 15, 2026
Proposals Due	Tuesday, January 12, 2027, by 2:00 PM Eastern Time
Shortlist Interviews (if held)	Week of January 25, 2027
Anticipated Board Award of Contract	CUB's regular February 2027 Board meeting
Notice to Proceed	Monday, March 1, 2027
Draft Report Due	Monday, June 28, 2027 (approx. 120 days from NTP)
Final Report / Board Presentation	CUB's regular August 2027 Board meeting

CUB reserves the right to modify this schedule at its sole discretion and will notify all registered firms (see Section VIII) of any changes by written addendum.

VI. Firm Qualifications and Experience

Respondents must demonstrate the following minimum qualifications:

- A minimum of five (5) years of experience performing water and/or sewer utility cost-of-service and rate studies for municipal or publicly owned utilities.
- Direct experience with wholesale water rate design and wholesale contract cost allocation.
- Direct experience developing impact fees/system development charges and tap (connection) fees for water and sewer utilities, including familiarity with Tennessee statutory requirements.
- Experience presenting rate study findings to governing boards, commissions, or elected bodies.
- References from at least three (3) comparable utility clients (similar in size and/or scope) completed within the last five (5) years.
- Assigned project team's relevant certifications and experience (e.g., CPA, PE, AWWA rate-setting training) where applicable.
- Assigned dedicated personnel with sufficient availability and capacity to the project team to complete the scope of work within the required timeframe.

VII. Proposal Content and Format

To be considered responsive, proposals must include the following sections, in this order, and should not exceed 25 pages excluding resumes, references, and appendices:

1. Cover Letter — signed by an individual authorized to bind the firm, identifying the firm and primary contact, providing a statement of understanding of the scope of work, and acknowledging receipt of any addenda.
2. Firm Qualifications and Experience — firm history, relevant experience, and at least three comparable client references (name, utility, contact information, scope, and year completed).
3. Project Team — organizational chart, key personnel resumes, and identification of the project manager and any subconsultants.
4. Technical Approach and Work Plan — detailed methodology for each task in Section III, including data needs, analytical approach, and any proposed deviations from or additions to the scope of work.
5. Project Schedule — a detailed schedule with milestones consistent with or improving upon Section V.
6. Fee Proposal — a not-to-exceed lump sum fee by task, an hourly billing rate schedule for any additional services, and a schedule of reimbursable expenses. Fee proposals must be submitted in a separate, clearly labeled, sealed section or file from the technical proposal.
7. Sample Report — a redacted or public excerpt of a comparable rate study, impact fee analysis, or tap fee analysis previously completed by the firm.
8. Exceptions — any exceptions to the terms of this RFP clearly identified.
9. Required Forms — executed Non-Collusion Affidavit, Conflict of Interest Disclosure, and Insurance Acknowledgment (Exhibit A).

VIII. Submission Instructions

- Proposals must be received no later than the deadline stated on the cover page. Late proposals will not be considered.
- Submit one (1) original and two (2) copies in a sealed package marked "RFP No. 01-2026" to the physical address listed on the cover page, along with an electronic copy in PDF format via email to the contact listed on the cover page. The fee proposal must be sealed separately and emailed as a separate PDF file.
- All questions must be submitted in writing to Greg Fay (gfay@clintonub.com) by the deadline stated on the cover page. Firms intending to respond should register their primary contact by email to the same address. CUB will issue addenda and written answers to all registered firms; verbal responses are not binding.
- CUB may, at its discretion, hold a pre-proposal conference and/or a site visit; attendance requirements, if any, will be stated in an addendum.

IX. Evaluation Criteria

Proposals will be evaluated by a review committee based on the following criteria. CUB reserves the right to request interviews, presentations, and/or additional information from one or more shortlisted firms prior to final selection.

Firm Qualifications and Relevant Experience	25%
Technical Approach and Understanding of Scope	25%
Project Team Experience and Availability	15%
Proposed Schedule	10%
Fee Proposal (Reasonableness and Value)	20%
References / Past Performance	5%

CUB reserves the right to award a contract to the firm whose proposal is determined to be the most advantageous to CUB based upon such factors as experience, competence, and integrity. CUB shall not award a contract based upon competitive bidding.

X. General Terms and Conditions

- This RFP does not commit CUB to award a contract, to pay any costs incurred in the preparation of a proposal, or to procure or contract for the services described.

- CUB reserves the right to reject any or all proposals, to waive minor informalities or irregularities, and to negotiate with one or more firms.
- All proposals become the property of CUB upon submission and may be subject to disclosure under the Tennessee Public Records Act, Tenn. Code Ann. § 10-7-503 et seq., following contract award. Firms should clearly mark any proprietary or confidential information, though CUB cannot guarantee non-disclosure if disclosure is legally required.
- The selected firm shall comply with all applicable federal, state, and local laws, including Tennessee E-Verify requirements.
- CUB is an equal opportunity entity and encourages proposals from qualified small, minority-, woman-, and veteran-owned businesses.

XI. Contact Information

Questions regarding this RFP should be directed in writing to:

Greg Fay, General Manager and CEO
Clinton Utilities Board
1001 N. Charles G. Seivers Blvd.
Clinton, Tennessee 37716
Email: gfay@clintonub.com
Phone: Direct — (865) 220-6201

CLINTON UTILITIES BOARD
EXHIBIT A - REQUIRED PROPOSAL CERTIFICATIONS

RFP No. 01-2026 - Water and Sewer Wholesale and Retail Rate Study, Including Impact Fee and Tap Fee Analysis

SECTION 1 - NON-COLLUSION AFFIDAVIT

Complete the proposer information and authorized representative signature below once. The completed information and signature apply to Sections 1,2, and 3 of this Exhibit A.

RFP Title: _____
RFP Number: _____
Proposer: _____

The undersigned, being duly authorized to act on behalf of the Proposer identified above and being first duly sworn, certifies that:

1. The proposal submitted by the Proposer is genuine and was prepared independently and without collusion, consultation, communication, or agreement with any other proposer or potential proposer for the purpose of restricting competition.
2. The undersigned has not knowingly disclosed the prices, fees, and other terms contained in the proposal to any other person or entity, directly or indirectly, to any other proposer or potential proposer before the proposal submission deadline.
3. No attempt has been made or will be made by the Proposer to induce another person or firm to submit or refrain from submitting a proposal for the purpose of restricting competition.
4. No employee, officer, board member, agent, or representative of Clinton Utilities Board has received or will receive, directly or indirectly, any payment, gift, gratuity, promise, or other consideration intended to influence the procurement process or the award of a contract.
5. The Proposer has not offered, agreed to provide, or provided any improper benefit or consideration in connection with this procurement.
6. The person signing this affidavit is authorized to make these certifications on behalf of the Proposer.
1. The undersigned understands that Clinton Utilities Board may reject the proposal or terminate any resulting contract if any certification contained in this affidavit is determined to be false or materially misleading.

PROPOSER INFORMATION

Legal Name of Proposer: _____
Business Address: _____
City, State, ZIP: _____
Telephone: _____
Email: _____

AUTHORIZED REPRESENTATIVE

By signing below, the authorized representative certifies that the information provided in Sections 1, 2, and 3 of Exhibit A is complete and accurate; that any actual, potential, or apparent conflict of interest has been disclosed in Section 2; and that the proposer accepts the insurance requirements and has identified any requested exception in Section 3. The signature below applies to all three sections.

Signature: _____
Printed Name: _____
Title: _____
Date: _____

NOTARY ACKNOWLEDGMENT

STATE OF _____
COUNTY OF _____
Personally appeared before me, _____, with whom I am personally acquainted or whose identity was proven by satisfactory evidence, and acknowledged that the foregoing affidavit was executed for the purposes stated and that the individual is authorized to execute it on behalf of the Proposer.
Witness my hand and official seal this ____ day of _____, 20____.

Notary Public Signature: _____
Printed Name: _____
My Commission Expires: _____
[NOTARY SEAL]

CLINTON UTILITIES BOARD
EXHIBIT A - REQUIRED PROPOSAL CERTIFICATIONS

RFP No. 01-2026 - Water and Sewer Wholesale and Retail Rate Study, Including Impact Fee and Tap Fee Analysis

SECTION 2 - CONFLICT OF INTEREST DISCLOSURE

Proposer information and authorized representative signature are provided in Section 1 and apply to this disclosure.

Clinton Utilities Board requires each proposer to disclose any actual, potential, or apparent conflict of interest that could affect, or reasonably appear to affect, the proposer's objectivity, independence, or ability to perform the proposed services in the best interests of Clinton Utilities Board.

For purposes of this disclosure, a conflict of interest may include, but is not limited to:

1. A financial, business, employment, family, or other personal relationship with a Clinton Utilities Board employee, officer, board member, agent, or representative who may participate in the evaluation, selection, negotiation, administration, or oversight of the proposed contract.
2. A financial or business interest that could be affected by the results or recommendations of the proposed engagement.
3. Current or recent work for another client whose interests may conflict with Clinton Utilities Board's interests or with the services to be performed under the proposed contract.
4. Any arrangement, relationship, or circumstance that could impair, or reasonably appear to impair, the proposer's professional judgment, independence, or objectivity.

DISCLOSURE

☐ NO CONFLICT TO DISCLOSE

The Proposer certifies that, after reasonable inquiry, it is not aware of any actual, potential, or apparent conflict of interest related to this procurement or the proposed services.

☐ CONFLICT OR POTENTIAL CONFLICT DISCLOSED

The Proposer has identified an actual, potential, or apparent conflict of interest. A complete description is provided below or on an attached page.

Description of relationship or circumstance:

_____

_____

_____

_____

Individuals or entities involved:

_____

_____

Proposed measures to avoid, eliminate, or manage the conflict:

_____

_____

_____

_____

CONTINUING DUTY TO DISCLOSE

The Proposer agrees to promptly notify Clinton Utilities Board in writing if an actual, potential, or apparent conflict of interest arises or becomes known after this form is submitted. This obligation will continue throughout the proposal evaluation process and, if a contract is awarded, throughout the term of the contract.

CERTIFICATION

1. The information provided in this disclosure is true, accurate, and complete to the best of the Proposer's knowledge.
2. The authorized representative identified and signing in Section 1 is authorized to submit this disclosure on behalf of the Proposer.
3. The Proposer understands that disclosure of a conflict does not automatically disqualify the Proposer. Clinton Utilities Board will determine whether the conflict can be appropriately avoided, eliminated, or managed.
4. The Proposer understands that failure to disclose a material conflict may result in rejection of the proposal, cancellation of an award, or termination of a resulting contract.

The signature in Section 1 applies to this disclosure.

CLINTON UTILITIES BOARD
EXHIBIT A - REQUIRED PROPOSAL CERTIFICATIONS

RFP No. 01-2026 - Water and Sewer Wholesale and Retail Rate Study, Including Impact Fee and Tap Fee Analysis

SECTION 3 - INSURANCE ACKNOWLEDGMENT

Proposer information and authorized representative signature are provided in Section 1 and apply to this acknowledgment.

The selected firm must provide CUB with certificates of insurance before work begins and must keep the required coverage in force for the full term of the agreement. Policies must be issued by insurers licensed in Tennessee and rated A- VII or better by A.M. Best. The limits below are subject to CUB's final confirmation before the RFP is issued.

Each proposer must confirm that it currently carries the required coverage or can obtain it if selected.

REQUIRED COVERAGES

1. Professional Liability / Errors and Omissions: At least $1,000,000 per claim for claims arising from the firm's professional services, including third-party claims resulting from CUB's implementation of a rate structure recommended by the firm. For claims-made coverage, the policy must remain in force or include an extended reporting period for at least two years after the work is completed.
2. Commercial General Liability: At least $1,000,000 per occurrence and $2,000,000 aggregate. CUB, its board members, officers, and employees must be named as additional insureds.
3. Workers' Compensation: Statutory limits required by Tennessee law, plus Employer's Liability of at least $1,000,000 per accident, per employee, and policy limit.
4. Commercial Automobile Liability: At least $1,000,000 combined single limit for owned, hired, and non-owned vehicles.

CONDITIONAL COVERAGE

1. Cyber and Privacy Liability: Required only if the firm will access, receive, store, or process CUB customer-level information, including names, addresses, account numbers, contact or payment information, or account-level billing or usage records. If required, coverage must be at least $1,000,000 per claim and include data breach, network security, privacy liability, and notification and response costs. If CUB provides only aggregated or de-identified data, this coverage is not required.

Does the proposed approach require access to customer-level data? ☐ YES ☐ NO

GENERAL PROVISIONS

- The firm must give CUB at least 30 days' written notice before coverage is canceled or materially changed.
- The firm's insurance is primary and non-contributory to any insurance or self-insurance carried by CUB.
- The firm must require subcontractors to carry the same coverage or cover them under its own policies.

INDEMNIFICATION

The firm agrees to defend, indemnify, and hold harmless CUB, its board members, officers, and employees from claims, losses, damages, liabilities, and expenses, including reasonable attorneys' fees, arising from the firm's negligent acts, errors, or omissions in performing the services. This includes claims arising from CUB's implementation of a rate structure recommended by the firm.

REQUESTED EXCEPTIONS, IF ANY

_____

_____

_____

_____

The proposer acknowledges these insurance requirements and confirms that any requested exception is identified above.
The signature in Section 1 applies to this acknowledgment.