

BOROUGH OF BOUND BROOK

REQUEST FOR BIDS FOR SALE OF WASTEWATER SYSTEM

ADDENDUM No. 1 Issued on March 29, 2021

This constitutes **Addendum No. 1**, dated March 29, 2021, to the above referenced Request for Bids issued by the Borough of Bound Brook (the "RFB"). This Addendum No. 1 shall be issued by fax to all firms that registered for the RFB and will be posted on the Borough's website at <https://boundbrook-nj.org/bid-application/>. Capitalized terms not defined in this Addendum No. 1 shall be as defined in the RFB.

Respondents are hereby notified that the RFB is amended and supplemented by this Addendum No. 1 as follows:

1. **Section 1.4 – Bid Submission Date.** The Bid submission date is revised to 1:00 p.m. (Eastern Time) on May 4, 2021.
2. **Pre-Bid Conference Invite Information.** The Pre-Bid Meeting will be held March 30, 2021 at 10:00 a.m. via remote platform and registered Bidders can access the Pre-Bid Meeting using the following link:

<https://global.gotomeeting.com/join/792419565>

You can also dial in using your phone.

United States (Toll Free): [1 866 899 4679](tel:18668994679)

United States: [+1 \(571\) 317-3116](tel:+15713173116)

Access Code: 792-419-565

3. **Section 4.0 – Evaluation of Bids, Section 4.1 – General.** Section 4.1 of the RFB is deleted and replaced with the following:

The Borough will undertake a review and evaluation of the Bids submitted in response to the RFB in a manner consistent with the provisions of this RFB and will select the Highest Responsible Bidder. The Highest Responsible Bidder shall be the Bidder that (1) conforms to the requirements of this RFB, (2) satisfies the Minimum Requirements set forth in Section 4.1.1., below; and (3) provides the highest Purchase Price. The highest Purchase Price shall be determined by deducting the total value of the Bidder's binding 10-year rate schedule from the Bidder's Purchase Price, all to be set forth by the Bidder on Bid Form 3 (revised

by this Addendum No.1 and attached hereto as **Exhibit A**). By way of example please see the summary attached hereto as **Exhibit B**.

4. **Bid Form 3.** Bid Form 3 is deleted and replaced with a new Bid Form 3 attached hereto as **Exhibit A**.
5. **Section 2.1. General Borough Profile.** Please be advised that the Borough has identified a total of 381 customers located in Bridgewater Township served by the Borough's System.
6. **Draft Agreement of Sale.** Please be advised the Borough's weblink <https://boundbrook-nj.org/bid-application/> now contains a link for the Draft Agreement of Sale.

This **Addendum No. 1**, dated, March 29, 2021, has been issued by order of the Borough of Bound Brook Business Administrator.

Exhibit A

New Bid Form 3

PURCHASE PRICE

1. **Total Purchase Price:** Bidder hereby proposes a total Purchase Price in accordance with the RFB for the System and assets described therein at an amount set forth in words as follow:

and in dollars as follows:

\$ _____

(Bidders acknowledge that in the case of a discrepancy between the words and numbers written above the words shall govern)

2. **Transaction Reimbursement Costs:** Bidder acknowledges that in addition to the Purchase Price set forth in item 1 above, the Bidder shall also pay to the Borough the Transaction Reimbursement Costs of \$150,000. Such amount shall be paid in accordance with the Sale Agreement terms and conditions.

_____ YES (*check or initial*)

3. **Binding 10-year (minimum) Rate Schedule:** Bidder shall attach to this Bid Form 3 a minimum of a 10-year binding Rate Schedule to be implemented for the first 10 years following the sale of the System. Bidder's acknowledge that pursuant to Addendum No. 1 to the RFP, dated March 29, 2021, the initial 10 years of the binding Rate Schedule submitted by a Bidder shall be used by the Borough to determine the Highest Responsible Bidder.

Name of Bidder

Signature

Title

Exhibit B

Boundbrook Bid

		Example 1	Example 2
Gross Bid	\$ 7,000,000.00	\$ 7,000,000.00	\$ 7,000,000.00
Rate Offset		<u>\$ (2,781,385.11)</u>	<u>\$ (1,926,943.71)</u>
Net Bid		\$ 4,218,614.89	\$ 5,073,056.29
Rate Base	\$ 1,600,000		
Discount Rate	3.00%		

Example 1				Example 2			
	No Increase	Proposed Rate Increase	Revenues	Proposed Rate Increase	Revenues		
1	\$ 1,600,000	5.00%	\$ 1,680,000	1.00%	\$ 1,616,000		
2	\$ 1,600,000	4.50%	\$ 1,755,600	1.50%	\$ 1,640,240		
3	\$ 1,600,000	4.00%	\$ 1,825,824	2.00%	\$ 1,673,045		
4	\$ 1,600,000	3.50%	\$ 1,889,728	2.50%	\$ 1,714,871		
5	\$ 1,600,000	3.00%	\$ 1,946,420	3.00%	\$ 1,766,317		
6	\$ 1,600,000	2.50%	\$ 1,995,080	3.50%	\$ 1,828,138		
7	\$ 1,600,000	2.00%	\$ 2,034,982	4.00%	\$ 1,901,264		
8	\$ 1,600,000	1.50%	\$ 2,065,506	4.50%	\$ 1,986,821		
9	\$ 1,600,000	1.00%	\$ 2,086,162	5.00%	\$ 2,086,162		
10	\$ 1,600,000	0.50%	\$ 2,096,592	5.50%	\$ 2,200,900		
NPV	\$ 13,648,325		\$ 16,429,710		\$ 15,575,268		