

REQUEST FOR PROPOSALS (RFP)
High Level Governance & Financial Review
Edward Farrar Utility District (EFUD)
Waterbury, Vermont

1. Introduction and Purpose

The Edward Farrar Utility District (EFUD) invites qualified consultants to submit proposals for a Phase 1, high-level assessment of EFUD’s current charter, governance, and financial trajectory.

The purpose of this study is to provide EFUD’s Board of Utility Commissioners (the “Board”) and District voters with a concise, independent assessment of whether the current EFUD governance/charter and broad financial trajectory perform as expected to the advantage of District voters.

This study is not about reviving a merger effort with the Town of Waterbury. The Village was dissolved in 2018 and EFUD, a limited-service municipality, was created to manage the downtown’s water and sewer systems. Rather, at the District’s 2025 annual meeting, residents approved an article directing the Board to engage an independent consultant to assess the pros and cons of EFUD’s structure and operations—i.e., governance, management, financial condition, etc. This study is not intended to be intensive, in-depth review of all EFUD activities, but rather to make a broad, high-level assessment of the District and identify potential actions, if any, that would materially improve the efficiency with which the utility operates or the quality of its services.

2. Background

EFUD is a Vermont municipality established to provide water and sewer services to the former Village of Waterbury and several extraterritorial water customers in nearby areas, including portions of Waterbury Center, Duxbury, and Moretown. EFUD was formed when the Village of Waterbury dissolved on July 1, 2018.

Historical context – Village, Town, and EFUD

The service area currently identified as the EFUD district has a long history of organized local services and governance:

- The area began as Waterbury Fire District #1 of the Town of Waterbury, created to provide firefighting equipment within what is now the Village area.
- In 1882, Fire District officials worked with the Vermont Legislature to create a charter to incorporate the Village of Waterbury. The Legislature approved the charter on November 28, 1882, and required a Fire District meeting in December 1882 to vote on accepting the

charter and discontinuing the Fire District organization. That vote was held on December 20, 1882, formally incorporating the Village.

- From that time forward, the Village levied a Village property tax to fund improvements and services for its inhabitants, including fire protection, police protection, improved streets and sidewalks, and later a water system and sewer system. With these improvements, the Village grew and developed as a center of population and services.

Beginning in the late 1950s, Waterbury repeatedly considered merger of the Town and Village:

- In 1959, a bill (#263) was introduced in the Vermont Legislature to allow Town residents to vote to dissolve the Village Charter and accept the Village's property, assets, and debts. The Legislature ultimately required two separate votes (Town outside the Village, and Village voters) rather than one combined vote.
- Over subsequent decades, multiple merger committees and studies were undertaken. Merger proposals were considered in 1961, 1963, the early 1970s, 1990, 2002, 2004–2005 (including a successful vote later overturned on reconsideration), and 2007.
- Generally, these efforts found that merging could produce some financial savings and expanded services, but Town voters invariably defeated merger proposals, even as Village voters often supported them.

At the 2016 Village Annual Meeting, Village voters directed the Trustees to explore dissolving the Village. Following that direction:

- The Trustees worked with legal counsel to prepare a plan to dissolve the Village and create a new utility district to continue water and sewer services in the existing service areas.
- The resulting plan proposed transferring all Village property, assets, and debts to a new utility district and consolidating Village general government functions with the Town, while preserving a dedicated water and sewer entity.
- The proposed charter for the new Edward Farrar Utility District (named in honor of Edward Farrar, a former Village Trustee and Water Commissioner who died in a trench cave-in in 1904 while installing a sewer line) was approved by Village voters on June 20, 2017, (244 yes, 83 no) and later enacted by the Vermont Legislature as H.716.
- On July 1, 2018, the Village of Waterbury was dissolved and EFUD assumed responsibility for water and sewer services, along with the former Village's related assets and liabilities.

Key legal and structural points

- EFUD was established by a charter enacted by the State Legislature, Title 24 Appendix, Municipal Charters, Chapter 705, Edward Farrar Utility District:
<https://legislature.vermont.gov/statutes/chapter/24APPENDIX/705>
- EFUD is governed by a board of utility commissioners consisting of five persons elected by Australian ballot among the legal voters of the District. 24 App. V.S.A. ch. 705, § 5.

- The District is established for the purpose of providing water and sewer services as provided by 24 V.S.A. chapters 89 (waterworks), 97 (sewage system), and 101 (sewage disposal system) and holding, maintaining, and administering any property, assets, and liabilities acquired from the Village of Waterbury. 24 App. V.S.A. ch. 705, § 2.
- District voters are those registered voters who reside within the boundaries of the Utility District. 24 App. V.S.A. ch. 705, § 4(a).

EFUD currently serves both:

- Voting residents – those who live within the EFUD boundaries and are legal voters at EFUD’s annual meeting and on any bond votes; and
- Non-resident customers – those who live outside EFUD’s boundaries but receive EFUD water and/or sewer services (including in parts of Waterbury, Duxbury, and Moretown). These customers do not vote at EFUD’s annual or bond meetings.

Relationship with the Town of Waterbury

Since EFUD’s creation, the District and the Town have developed a working relationship that reflects the long history of Village/Town interaction and the reconfiguration of responsibilities following Village dissolution. Certain EFUD personnel interact regularly with Town staff (for example, in areas such as finance, administration, and public works coordination) and some personnel are shared by the Town and District. This operational relationship is an important context for this review.

A background article from the 2017 Village Annual Report summarizing the history of merger discussions and the creation of EFUD will be included in the document packet provided to the selected consultant.

3. Objectives

The primary objectives of this project are to:

1. Provide a concise review of EFUD’s current charter and governance structure and identify strengths, weaknesses, and potential remedial actions (if any) for the Commission and the District voters
2. Develop a high-level financial snapshot, using recent data, to describe EFUD’s general financial health.
3. Provide a high-level qualitative evaluation of the condition of EFUD’s water and sewer infrastructure, including an assessment of its reserve (unused) capacity.
4. Obtain public input through interviews with a small sample (e.g., 10-15) of voting residents and business owners in the district.

4. Responsibilities and Scope of Services

The selected consultant will be expected to perform, at minimum, the following tasks. Proposers may suggest refinement to this scope.

EFUD will:

- Handle outreach logistics (posting meeting information on the EFUD website, social media, email lists, etc.).
- Assemble and provide requested background documents in an organized packet, including the 2017 Village Annual Report merger history article and any summary documents describing the EFUD–Town working relationship developed since 2018.

The consultant should assume:

- **One in-person kickoff meeting** with the Board and key staff in Waterbury.
- **One-in person** public presentation of the preliminary findings of the study and the final draft report. The public presentation will include a PowerPoint presentation, which will be posted on the EFUD website.
- **One in-person final presentation** to the Board. The public presentation will include a PowerPoint presentation, which will be posted on the EFUD website.

5. Tasks

Task 1 – Project Initiation & Targeted Document Review

Goal: Sharply focus the work and minimize hours spent on data gathering.

Actions:

1. **In-person kickoff meeting** (approximately 1.5–2 hours) with EFUD Board of Utility Commissioners and key staff/contractors involved in EFUD operations to confirm the study’s goals, deliverables, and schedule.
2. **EFUD will prepare a document packet in advance.** At a minimum, the consultant should anticipate reviewing:
 - The EFUD Charter and any amendments.
 - The last three years of budgets, financial statements, annual reports, planning documents (including usage and output data), and related materials as needed.
 - Summary of EFUD’s operating arrangements and organizational chart (if available).
 - The 2017 Village Annual Report background article on merger history and the formation of EFUD (and any related summaries prepared by EFUD).

3. Consultant will:

- Conduct a **high-level** review of the materials provided.
- Prepare a brief (2–3 page) **Project Work Plan Memo** clarifying:
 1. Study objectives and limits.
 2. Key assumptions and data gaps (if any).
 3. Final task list and schedule.

Task 2 – High-Level Governance & Charter Review

Goal: Identify strengths and weaknesses in EFUD’s legal/governance structure. Identify potential charter amendments that could improve the efficiency with which the District operates (e.g., relaxing residency requirements for the clerk and treasurer).

Scope:

1. Review and summarize:
 - The EFUD Charter
 - Vermont statutes relevant to EFUD’s formation, powers, and governance.
2. Identify and describe in plain language:
 - How the Board is structured and elected.
 - Key powers (rate setting, debt issuance, determination of service area, etc.)
 - Strengths (e.g., flexibility, clear authority, representation, etc.) of the current structure.
 - Possible shortcomings of the current structure, as it affects efficiency and quality of service.

Task 3 – High-Level Financial & Rate Snapshot

Goal: Provide an overview of EFUD’s financial condition.

Scope:

1. Using at least the last three years of available data (to be provided by EFUD), review:
 1. Operating budgets and actuals
 2. Summary of debt, reserves, and fund balances
 3. Brief description or list of key planned capital projects (amounts and timing, if available)
2. Consultant will:

1. Develop simple **trend charts and tables**, such as:
 1. Revenues vs. expenses
 2. Debt levels and reserves
 3. Typical residential bill over time (based on standard usage assumptions)
2. Provide **basic sensitivity analysis**, for example:
 1. Illustrative rate impact of 1–2 representative capital projects (e.g., “If EFUD finances a \$X million project at Y% over Z years, the typical residential bill could increase by approximately __%.”)
3. Offer **qualitative commentary** on:
 1. The long-term sustainability of current rate levels and financial posture, in broad terms.
 2. Organizational or operational changes that could improve the District’s long-term financial health, all else being equal.

Task 4 – High-Level Assessment of EFUD Infrastructure and Reserve Capacity

Provide a high-level qualitative evaluation of the condition of EFUD’s water and sewer infrastructure, including an assessment of its reserve (unused) capacity.

Task 5 – Public & Stakeholder Input

Goal: Capture some initial feedback from District voters and stakeholders at low cost, to gauge perceptions EFUD, its operations, and the quality of its service.

Scope:

1. Obtain limited, low-cost public input through interviews with a small sample of 10-15 businesses and voting residents in the district. Topics should include:
 1. Perceptions of water quality, service quality, and rate levels.
 2. Views on governance and operations.
 3. Other issues or concerns, if any.
2. The consultant will:
 1. Draft survey questions.
 2. Provide recommended introductory/explanatory text.
 3. Compile and analyze survey responses and comments, and identify key takeaways, e.g., themes, questions, matters of concern, etc.

Task 6 – Options Overview & Recommendations for Next Steps

Goal: Synthesize findings from Tasks 2–4 into a short, practical overview of options.

Scope:

1. Identify and describe, at a conceptual level, recommendations for next steps, including, for example, matters worthy of further study or specific organizational, managerial, or operational improvements.
2. For each recommendation, provide brief discussion of:
 1. Its potential advantages and disadvantages in qualitative terms.
 2. Any legal, financial, operational, and political steps likely required (e.g., local votes, legislative action) to implement it.
 3. Other relevant issues.
3. Develop a simple **slide deck** (15–20 slides) for EFUD’s use.
4. Provide **one in-person public presentation of the draft final report** and slide deck.
5. Compile feedback received at the public presentation and, in consultation with the EFUD Board, determine if any changes in the draft final report and presentation are warranted and finalize the presentation accordingly.
6. Provide **one in-person final presentation** to the EFUD Board (and other local officials, if invited) in Waterbury to present findings and answer questions. A virtual option may be used if circumstances require.

6. Deliverables:

- Draft final report
- Presentation slide deck of draft final report
- In-person public presentation of slide deck draft final report
- Final report
- Presentation slide deck of final report
- In-person presentation of the final report to the Board

7. Proposal Requirements

Proposals should be concise but sufficiently detailed to demonstrate the proposer’s understanding and ability to perform the Phase 1 scope within the stated budget. At a minimum, proposals must include:

1. Cover Letter

1. Brief introduction of the firm/team.
 2. Statement of interest and availability within the anticipated schedule.
 3. Identification of primary contact (name, title, phone, email).
2. Project Understanding and Approach
1. Description of your understanding of EFUD's context and the Phase 1 objectives, including:
 1. The historical Village/Town merger attempts and the 2019 Village dissolution;
 2. EFUD's current role as a limited-service utility district
 2. Proposed approach for each task in Section 4.
 3. Any refinements or suggestions to improve the cost-effectiveness and/or outcome of the study, while meeting the objectives of the study.
3. Work Plan and Schedule
1. Task-by-task work plan for Tasks 1–5.
 2. Project schedule with key milestones and estimated completion dates.
 3. Identification of any anticipated challenges (e.g., data availability) and how they will be addressed.
4. Team Qualifications and Experience
1. Identification of the project manager and key personnel, including any subcontractors.
 2. Brief resumes or bios highlighting relevant experience in:
 1. Municipal/special district governance and/or charters, including familiarity with the statutory framework of municipalities.
 2. Utility finance and rate analysis.
 3. Water/wastewater or municipal utilities.
 4. Public engagement in small communities.
 3. Description of at least 2–3 relevant projects (preferably in Vermont or similar jurisdictions) that demonstrate:
 1. Governance/organizational reviews for utilities or special districts, and/or
 2. Financial and operational assessments for water/wastewater entities.
 4. References for each example project, including name, title, organization, phone number, and email address.
5. Cost Proposal
1. Not-to-exceed budget, inclusive of all labor, travel, and incidental expenses.
 2. Budget breakdown by task and staff, including estimated hours and hourly rates.

3. Assumptions regarding the number of in-person trips (minimum is one for kickoff, one for survey interviews, one for public presentation of draft final report and one for final presentation), with use of virtual meetings for all other interactions.
 4. Level of effort expected from EFUD staff (data gathering, outreach logistics, hosting survey and virtual meeting).
6. Legal and Administrative Requirements
1. Disclosure of any potential conflicts of interest with EFUD, the Town of Waterbury, or nearby municipalities.
 2. Proof of insurance and other standard requirements, as applicable (to be specified by EFUD in the contract phase).
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8. Budget

If proposers wish to suggest **optional add-on tasks** beyond the core scope, those should be clearly labeled as **optional** with separate cost estimates, and not assumed in the base budget proposed, as the EFUD Board will consider optional add-on tasks separately.

9. Schedule

The anticipated schedule is as follows (subject to change):

- RFP Issued: October 20, 2026
- Deadline for Questions: October 30, 2026
- Responses to Questions Posted: November 6, 2026
- Proposals Due: November 13, 2026
- Selection and Notice of Award: December 10, 2026
- Contract Execution: By December 30, 2026
- Project Start / Kickoff Meeting: Week of January 4, 2027
- Draft Final Report Due: March 15, 2027
- In-Person Presentation of Draft Final Report and slide deck: March 24, 2027
- Final Report Due: April 2, 2027
- In-Person Presentation of Final Report: April 14, 2027

Proposers may suggest an alternative schedule if they better suit the work but must clearly explain any proposed changes and still respect the overall budget.

10. Evaluation Criteria

Proposals will be evaluated based on, but not limited to, the following:

- Demonstrated understanding of EFUD’s context and the scope objectives.
- Quality, practicality, and clarity of the proposed approach and methodology.
- Relevant experience and qualifications of the firm and key personnel, including:
 - Municipal/special district governance, including familiarity with the statutory framework of municipalities.
 - Utility finance and rate work.
 - Water/wastewater systems and municipal utilities.
 - Public engagement in small communities, especially with constrained budgets.
- Quality of previous work products (may be requested as samples).
- Realistic schedule and ability to meet deadlines.
- Cost effectiveness of budget proposal.
- Quality of references.

EFUD reserves the right to request interviews (virtual or in-person), seek clarification, and negotiate scope and cost with the highest-ranked proposer(s).

11. Submission Instructions

- **Format:** Proposals shall be submitted in PDF format via email. Hard copies are optional unless otherwise requested.
- **Deadline:** Proposals must be received by November 2, 2026, at 2:00 p.m. Late proposals may not be considered.
- **Questions:** All questions regarding this RFP must be submitted in writing by October 28, 2026, to William Woodruff, District Manager, Edward Farrar Utility District, bwoodruff@waterburyvt.com

Responses to substantive questions will be shared with all known potential proposers.

12. General Conditions

- EFUD reserves the right to accept or reject any or all proposals, to waive informalities, and to award a contract deemed to be in the best interest of District voters.
- This RFP does not commit EFUD to award a contract or pay any costs incurred in the preparation of a proposal.
- The selected consultant will be required to enter into a contract with EFUD that includes standard terms and conditions (insurance, indemnification, compliance with applicable laws, etc.).
- All proposals become the property of EFUD and may be subject to public disclosure under Vermont law.