

Attachment A

RFP# 18-PR-OMAC-51

Campaign for Rate Payer Support For Water and Sewer Infrastructure Funding

2.0 Objective, Background, Scope of Work and Required Responses

The District of Columbia Water and Sewer Authority (DC Water) is requesting proposals from qualified marketing organizations and/or firms for the development and execution of a communications strategy to build customer understanding and support for water and sewer infrastructure funding.

The firm shall specialize in developing and implementing a strategic communication plan that involves the community for which the plan was created. The firm shall have experience with dealing with the political environment for which the services are provided.

Overview

DC Water is launching a campaign to build customer understanding and support for water and sewer infrastructure funding. The successful Contractor proposal shall recommend a strategic communications plan to include all or an appropriate mix of the following: a campaign theme, tactical plan (audience targeting, budgets, schedule), plan execution (message development, copywriting, graphic design, advertising, press materials, videos, direct mail, web copy, social media posts, etc.) and an evaluation approach (pre-campaign and post-campaign polling and sentiment measurement). The successful Contractor will assist DC Water with its customers and other stakeholders, provide context for rising rates, explain why additional funding is needed for water and sewer infrastructure, and to build support necessary for investments for the water and sewer systems in the District of Columbia. The successful Contractor will assist DC Water with the implementation of the communication strategy.

Background

DC Water is an independent authority of the District of Columbia Government and is funded almost entirely by its ratepayers. In recent years, the bills sent to residential, multifamily and commercial accounts have climbed steadily, both to cover rising operational costs and to fund new capital projects. The average residential bill was \$67 in FY 2013, but this year it's now \$102 and in FY 2027, the average bill is projected to be \$154. Much of the increase is directly related to the efforts DC Water has made to address the city's aging infrastructure and to comply with regulatory requirements and a federal consent decree among the District of Columbia, the Department of Justice and the Environmental Protection Agency (EPA).

DC's buried water and sewer pipes date back to the late 1800's. The median age of water pipes is 79 years. That means half of the 1,300 miles of water pipe under the streets is younger than that, and half was installed before 1939. For many years, customers only paid for the amount of water they actually used, and the cost of maintaining the system was deferred. In 2016, DC Water added a new fee, the Water System Replacement Fee, to customer bills to ensure a predictable, dedicated funding source for this effort. This fee marks an important new funding source, but is still only sufficient to replace 1% of the water pipes in the system per year.

There is no comparable, dedicated funding for the replacement of sewer pipes, pumps and other infrastructure and much of the needed upgrades have been deferred.

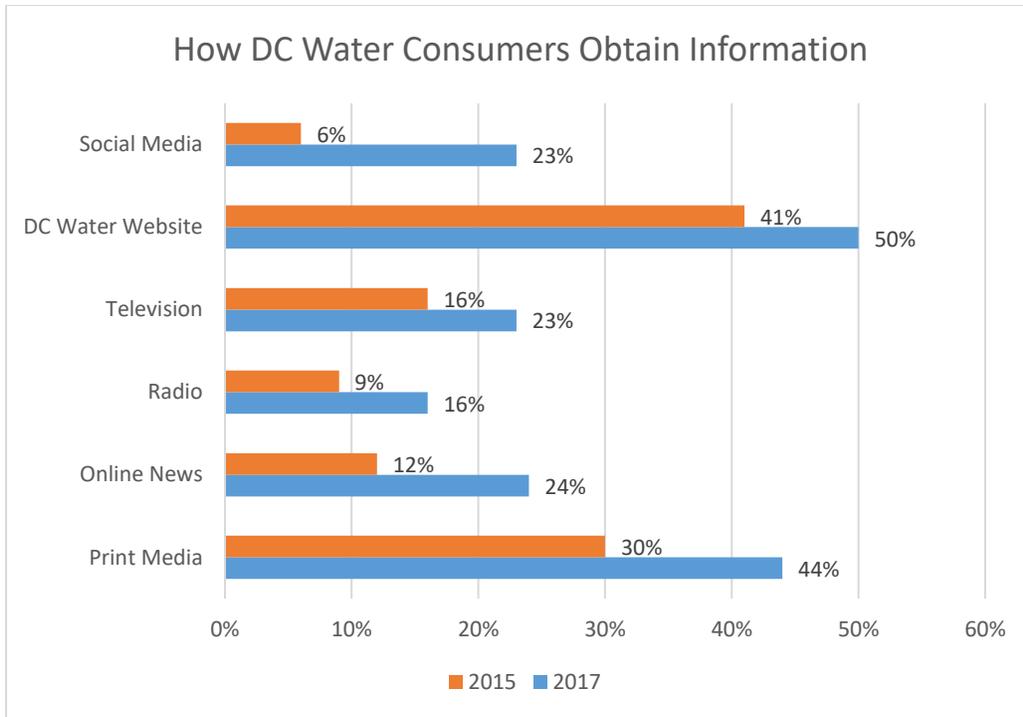
At the same time, DC Water is in the midst of the largest public works project in DC since construction of the Metrorail system in the 1970's. The DC Clean Rivers Project is mandated by a federal consent decree and is projected to cost \$2.7 billion. The project includes the construction of massive underground tunnels to capture billions of gallons of combined sewage and storm water to prevent it from flowing into local rivers. The project will have a tremendous positive environmental impact. However, its cost is also considerable. All DC Water customers are assessed a fee based on the amount of impervious area they have on their property, an approximation of how much they contribute to storm water runoff. For the average homeowner, the fee, called the Clean Rivers Impervious Area Charge (CRIAC), is \$25.18, almost a quarter of the monthly bill. Customers with large amounts of impervious area - including roadways, parking lots and walkways - pay much more.

Over the past year, the CRIAC has attracted significant attention and criticism. Some residential customers have complained about the fee, but the most vocal opposition has come from cemeteries and churches, which tend to have large impervious areas (in the form of roadways and parking lots). The rising rates, in particular the Clean Rivers Impervious Area Charge, have generated significant attention from customers, the media, the DC Council and the Mayor's Office. A series of stories on a network television affiliate also focused more attention on the CRIAC. At the same time, the fee has drawn scrutiny from DC Council members and was the subject of a Council hearing in November, 2017, in March, 2018, and again in May, 2018.

In recent months, DC Water's management has been working with its Board of Directors, DC Councilmembers, and the Office of the Mayor to examine potential targeted adjustments that could be made to ensure customers are not unfairly burdened by the CRIAC.

At the same time, DC Water is discussing strategies to address its other unfunded capital needs and to ensure water and sewer assets are properly maintained.

DC Water communicates about Clean Rivers and other initiatives through numerous mediums, but the ways customers report receiving information has changed in recent years.



Recent polling has also revealed several potential areas where messaging may help DC Water connect with its customers:

- Our customers would like to be better informed about DC Water projects and initiatives, particularly concerning Clean Rivers and water quality, i.e. that we test it and the results are good.
- In the last three years, there has been an 8% decrease in people who agree that DC Water is involved in the community.
- Customers agree with the purpose of the Clean Rivers Project but don't understand how the charges are generated.
- Some customers don't think DC Water is a good value – because of the high cost, some customers believe they should get additional services, such as notice when usage is abnormally high. (We have this service – the feedback shows us the program may need better publicity.)

Scope of Work

The contractor will work with the DC Water Office of Marketing and Communications in accomplishing the exact scope of services in order to best obtain and meet the objectives set forth in this RFP. Specific tasks shall include but not be limited to the following items:

- Develop a strategic communications plan to achieve the project's objectives, including a campaign theme, appropriate tactics, key audiences, budgets, a schedule and evaluation metrics.
- Execute the strategic communications plan, including the appropriate mix of message development, copywriting, graphic design, advertising, press materials, videos, direct mail, web copy, social media posts, etc.
- Conduct pre-campaign polling to gauge customer sentiment towards DC Water, its rates and infrastructure funding, and to evaluate the potential effectiveness of various messages.
- Conduct post-campaign polling to gauge customer sentiment and to measure the effectiveness of the campaign.
- Provide a written report to DC Water at the conclusion of the campaign to summarize the execution of the plan, its reach and its effectiveness as measured in the polling.

Required Responses

The proposal shall be submitted per instructions provided in an electronic format and must contain the responses to the following requests:

Agency Capabilities Overview:

Complete a narrative response to items a, b, and c:

A. Agency Strengths and Experience

- 1) Agency Strengths: Describe your agency's strength during the past three years, including accomplishments, unique services, account leadership, and experience working on accounts of similar size and scope. Firm shall have a minimum of three years experience.
- 2) Agency Experience: Describe your agency's capabilities and experience performing the following services, including but not limited to: copywriting, graphic design, advertising, press materials, videos, direct mail, web copy, social media and production.
- 3) Personnel Qualifications: Please provide resumes of the persons that will work on the project. The resume should show all relevant experience in developing and implementing a communication strategy plan in the last three years.

B. Advertising, Creative and Placement Effectiveness

- 1) Strategic Services: Describe your agency's experience in creating a strategic marketing campaign, including the steps you take to create the campaign and the client's

collaborative involvement in the process. Also, provide examples of successful marketing campaigns that you've done in the last three years.

- 2) Social Media Utilization: Describe your agency's approach to maximize your social media efforts that contribute to the campaign. Include details of your involvement providing customer service on behalf of your clients via social channels, if applicable. Discuss your experience in content development.
- C. Please provide three customer references where you have successfully developed and implemented a communication strategy involving rate payer support. Please include the company name, contact name, title, telephone number and e-mail address. A short description of a project that has been completed.
- D. Project Approach and Timeline: Please submit a documented approach for the project with the timeline to complete it using November 1, 2018 as the start date.

Note: It isn't customary for DC Water to provide the budget for any project. However, DC Water will allow traditional mark-up on advertising costs (media buying).