Request for Proposals
The Economic Benefits of Investing in Water Infrastructure

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Submission Deadline: **April 25, 2025, 5:00 PM ET**

Issued by:
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Overview

The Value of Water Campaign (VOW) is a coalition of leading organizations and individuals from across the US who are working to educate and inspire Americans to value and invest in water infrastructure. Since 2015, the Value of Water Campaign has been building public and political will for investment in America's water infrastructure.

Project Background

Phase 1 Purpose: The Value of Water Campaign seeks support to generate an economic analysis of the first, second, and third degree benefits of investing in water infrastructure and the consequences of failing to invest in water infrastructure. By water infrastructure, the Value of Water Campaign Water means drinking, wastewater, and stormwater infrastructure. First degree impacts relate to the immediate effects of investment such as materials, construction, and labor. Second degree impacts refer to 1) those that occur on parts of the economy that supply goods and services to water infrastructure investments and 2) those that occur to industries highly reliant on safe, reliable infrastructure access. Third degree impacts refer to the ripple effects to workers and business benefiting from investment and what they spend in the broader economy.

Successful proposals: The economic consultant will be able to develop and update best estimates of the current national water infrastructure capital investment gap. This includes first establishing a clear estimate of total current water infrastructure spending, distinguishing between local, state, and federal investment levels, and then assessing the necessary present value investment required to achieve a good state of repair for the USA's water infrastructure assets.

The economic consultant will detail their ability to demonstrate through research and analysis how investing in water infrastructure (and, conversely, failing to invest) impacts myriad areas. For example, the Value of Water Campaign is looking for information on:

- Water investment as a multiplying force in the economy overall (e.g. "$1 spent on water generates $X in economic benefits"; "failing to invest costs the economy $Y") and, where possible, at subscales (e.g. closing the water investment gap would generate $X in economic benefits to rural America)
- The water sector's contribution to GDP, including the sector's direct percentage share and its broader impact on industries such as construction, chemicals, energy, and manufacturing
- The construction, engineering, technology, and manufacturing industries, including the economic value of these industries and workforce implications for each
- Direct jobs in the water sector, including those employed by utilities
- Jobs supported by the sector, such as those in construction and supply chain industries
- The broad economic benefits to each state of filling the water infrastructure investment gap (*the Value of Water Campaign expects this to be done based on first understanding filling the gaps impact on the national economy and then breaking down that impact by state – not starting with 50 different state level analyses)
- Economic disruption caused by water service failure at various scales (rural, urban, suburban, state by state, national)
- The savings of proactive investment vs waiting for failure to spend on reactive repairs, considering both direct water infrastructure costs and broader economic ripple effects;

Phase 2 purpose: The Value of Water Campaign seeks support to make the economic case for investing in water infrastructure (drinking water, wastewater, stormwater) by drawing connections to other critical sectors and parts of the economy.

Successful proposals: The economic consultant will detail their ability to demonstrate through research and analysis how investing in water infrastructure (and, conversely, failing to invest) impacts myriad areas, including, but not limited to the following:

- Impacts to national healthcare costs due to water infrastructure safety and reliability
- Impacts to national food systems and costs, including agricultural reliance on water infrastructure and implications to national security relative to the nation's food supply
- The financial market implications of water infrastructure investment, including its influence on municipal bonds and broader economic stability

For phase 2 research, respondents are encouraged to think creatively about their approach. The Value of Water Campaign Steering Committee sees value in broad national connections and conclusions that can be gleaned and place-based case studies that demonstrate the benefits of investing in water infrastructure on these elements and/or the consequences of failing to invest. Should place-based case studies be considered in your proposal, consider suites of case studies that can be emblematic and also speak to a range of contexts.

Add Alternate on Climate/Extreme Weather Economic Impacts: Respondents are invited but not required to include an "add alternate" component to their proposals to help the Value of Water Campaign assess the savings of proactively addressing climate impacts/extreme weather vs waiting for infrastructure failure, including both direct and indirect cost considerations. Any add alternate considerations should be budgeted separately from phase 1 and 2 costs.

Special notes:
The intent of this research is to update, deepen, and explore beyond past VOW-commissioned research on the economic benefits of water infrastructure investment. Consultants are welcome to review past publications from 2017, 2020, and 2024 for reference, but understand the campaign seeks a more robust treatment of economic research than we have previously undertaken.

As desirable, the Value of Water Campaign can identify and recruit individuals who can advise the consultants on assumptions for various aspects within this scope of work. Assumptions from phase 1 should inform subsequent phases so research outputs cohere.

Final deliverables will be owned and branded as products of the Value of Water Campaign. The report published through phase 1 research will acknowledge contributing consultants and partners. While the Value of Water Campaign does not require ownership of any models developed as part of this work, we expect that the selected consultant will either provide a mechanism for VOW to update key data inputs or be available to update the models for a reasonable fee in the future. Respondents should indicate their approach to this in their proposal.

Proposal and Contract Process

Proposal Submittal Deadline

Proposals must be submitted on or before April 25, 2025, at 5:00 pm ET. ***Submit electronic responses to Emily Simonson at esimonson@uswateralliance.org***.

Project Schedule

The tentative schedule below includes important activities and dates. Proposals should include a more detailed schedule for tasks and deliverables described in their proposed scope.

Activity	Date
RFP publish date	April 1, 2025
Period for proposer(s) clarification questions	April 15, 2025
Proposal due date	April 25, 2025
Review, interviews, and selection	May 9, 2025
Finalize contract; Phase 1 start of work/kickoff call with VOW leadership, methodology input	May 15, 2025
Methodology and assumptions input	May 15 – May 31, 2025
Progress updates and project management meetings	May – September, 2025
Initial Phase 1 results submission as full draft report due to VOW	August 15, 2025
Final Phase 1 report due to VOW	September 3, 2025
Remaining Phase 1 data, analyses, and communications collateral due	Month date, 2025
Phase 1 findings presented to the full VOW Steering Committee	September TBC, 2025
Remaining Phase 1 data, analyses, and communications collateral due	October 15, 2025
Phase 2 start of work/kickoff call with VOW leadership, methodology input	October 1, 2025
Progress updates and project management meetings	October - February 2026
Initial Phase 2 results submission as full draft report and/or case studies due to VOW	January 1, 2026
Phase 2 findings presented to the full VOW Steering Committee	February TBC, 2026
Final Phase 2 report and/or case studies due to VOW; Remaining Phase 2 data, analyses, and communications collateral due	March 15, 2026

Scope of Work:

Below is a proposed scope of work with major tasks and deliverables. We recognize that each consulting team brings unique expertise and insights that could enhance the analysis or broaden the scope to capture additional relevant factors. Therefore, we invite respondents to propose modifications and/or additional components that they believe would be valuable for achieving a comprehensive understanding of the national water infrastructure investment needs and the broader economic impacts.

Task 1: Project Management

- Present at / attend Steering Committee Meetings:
    - Kick-off Call
    - Written progress update midway through each phase

    - Initial insights presentations for phase 1 and phase 2
- Schedule and facilitate project guidance calls with VOW leadership on a bi-weekly basis, or as needed.

Task 1 Deliverables: Bi-weekly project calls with VOW leadership; at least three (3) VOW Steering Committee Meetings

Task 2: Scoping / Methodology

- Develop the methodology for conducting the gap analysis and economic impact assessments, ensuring alignment between Phase 1 and Phase 2 research.

Task 2 Deliverables: Draft Scoping/Methodology memo for each phase; meeting with VOW leadership team and, if needed, additional advisors, to review.

Task 3: Data Collection

- Conduct data collection, literature reviews, and consultations with relevant stakeholders (e.g., utility companies, and industry experts).
- Develop economic models to assess the direct and indirect impacts of water infrastructure investment across sectors.

Task 3 Deliverables: raw dataset(s); development of economic models utilizing approved methodology from Task 2.

Task 4: Capital Investment Gap Analysis (Phase 1 Focus)

- Estimate the current national water infrastructure capital investment gap.
- Establish a clear estimate of total current water infrastructure spending, distinguishing between local, state, and federal investment levels.
- Calculate the necessary present value investment to achieve a good state of repair for the country's water infrastructure assets.

Task 4 Deliverables: Draft gap analysis memo

Task 5: Economic Impact Assessment (Phase 1 and Phase 2)

Phase 1: Economic Impacts of Investment and Failure to Invest

Provide a comprehensive economic analysis of the impacts of water infrastructure investment, considering, at minimum, the following areas:

- <u>Current Water Infrastructure Investment and Funding Breakdown:</u>
    - Establish a clear estimate of total current spending on water infrastructure, distinguishing between local, state, and federal funding levels.
    - Assess how current investment compares to estimated need and the resulting capital investment gap, including implications into the future.
- <u>Water Investment as a Multiplier in the Economy:</u>
    - Quantify the economic benefits of water infrastructure investment (e.g., "$1 spent on water generates $X in economic benefits"); including, if possible, at subscales (e.g., rural)
    - Analyze the economic costs of failing to invest in water infrastructure (e.g., "failing to invest costs the economy $Y"); including, if possible, at subscales (e.g., rural)

- Water's Contribution to GDP and Key Industries
    - Measure the water sector's direct contribution to GDP and its broader economic impact on construction, chemicals, energy, technology, and manufacturing;
    - Analyze implications of water's multiplying effect and contribution to GDP on a state by state basis
    - Assess the economic value of these industries and workforce implications.
- Workforce Impacts:
    - Direct water workforce: Analyze employment effects on utility workers, contractors and other directly involved personnel.
    - Jobs supported by the sector: Evaluate workforce effects beyond primary and secondary industries, including construction, supply chains, and indirectly affected sectors (e.g., service industries, logistics)
- Economic Disruption from Water Service Failure:
    - Quantify the economic disruption caused by water service failures at various scales (rural, urban, suburban, state, regional, and national).
- Proactive Infrastructure Investment vs. Reactive Failure:
    - Assess the savings of addressing aging infrastructure proactively versus allowing system failures.
    - Consider both direct water infrastructure savings and broader economic savings (e.g., avoided disruptions to businesses, healthcare, economy at large).

Phase 2: Expanded Economic Case for Water Infrastructure Investment

- Flexible Research Approach:
    - Consultants may propose a national-level assessment, case studies, or a hybrid approach to analyzing sectoral impacts based on feasibility.
- National Healthcare Cost Impacts:
    - Analyze how water infrastructure investment and failure impact national healthcare costs (e.g., costs due to poor water quality, disease outbreaks, or lack of access).
- National Food Systems and Costs:
    - Evaluate the effects of water infrastructure investment and the lack thereof on the agriculture industry, national food security, and food prices.
- Financial Market and Investment Implications
    - Assess the impact of water infrastructure investment on municipal bonds, credit markets, and overall financial market stability.
    - Evaluate how water infrastructure funding strategies (e.g., public vs private investment) affect the broader economy.
- Place-Based Case Studies (Optional or Complementary Approach):
    - Identify case studies that illustrate the benefits of investing in water infrastructure and the consequences of failing to invest.
    - Ensure case studies are emblematic of a range of geographic, economic, and industry impact contexts.

Task 5 Deliverables: Draft reports for review with VOW leadership and the Steering Committee; Summary slide presentations for phase 1 and 2; accessibly written memos summarizing key insights and takeaways; Draft and final case studies, as applicable; Final reports for Phases 1 and 2 with executive summaries (Word documents).

Add Alternate: **Proactive Climate Adaptation vs. Reactive Recovery**

- Evaluate the economic advantages of proactively investing in climate/extreme weather-resilient water infrastructure versus reacting after failure.
- Analyze savings in water infrastructure and across related sectors, including disaster recovery, insurance markets, and community resilience.

Add Alternate Deliverables: Separately priced analysis on proactive climate action vs reactive recovery (if included in consultant's scope).

Proposal Requirements and Scoring

To ensure consistency, all submitted proposals should not exceed fifteen (15) pages and must include the following information:

1. Executive Summary – 10 points
    a. Identify the consultant, place of business, and the contact information for the primary contact person.
    b. Summarize the approach to this work and the unique value the consultant (or team) brings to the project.
2. Company Background and Project Team Qualifications – 20 points
    a. In addition to standard background information about your firm, include relevant or similar work completed by the consultant (resumes of team members can be submitted as addendums if desired, these will not count toward the maximum page count).
    b. If utilizing any subcontractors, describe their qualifications working on similar, relevant, or related projects. The prime contractor shall be wholly responsible for the work of the subcontractors.
3. Technical Approach and Work Plan – 40 points
    a. Describe the approach to completing the scope of work outlined in this RFP. Identify deliverables and key decision points. Describe how the project team will fulfill the scope and include a detailed schedule. Please explain your methodology rationale and what tools will be utilized.
4. Phase 1 Budget – 10 points
    a. By phase, provide a detailed cost proposal that includes hourly rates for all team members involved in the project, along with a breakdown of the estimated cost for each role. Please also provide a comprehensive list of anticipated expenses, including but not limited to travel costs (if any), subcontractor fees, or stipends by phase. The proposal should clearly outline all costs associated with the project and relation to the scope of work and project objectives. Please note that the Value of Water Campaign has some in-house design and general communications capacities.
    b. Proposals should target phase 1 budgets between $80,000 and $200,000. Should the consultant wish to include additional considerations in excess of this limit, they have the option of including a one-page appendix (which will not count towards the 15-page overall proposal limit) detailing what additional work and/or more rigorous work they want considered, to what effect, and detailing the various costs involved.
5. Phase 2 Budget -- 10
    a. By phase, provide a detailed cost proposal that includes hourly rates for all team members involved in the project, along with a breakdown of the estimated cost for each

role. Please also provide a comprehensive list of anticipated expenses, including but not limited to travel costs (if any), subcontractor fees, or stipends by phase. The proposal should clearly outline all costs associated with the project and relation to the scope of work and project objectives. Please note that the Value of Water Campaign has some in-house design and general communications capacities.

b. Proposals should target phase 2 budgets between $60,000 and $150,000. Should the consultant wish to include additional considerations in excess of this limit, they have the option of including a one-page appendix (which will not count towards the 15-page overall proposal limit) detailing what additional work and/or more rigorous work they want considered, to what effect, and detailing the various costs involved.
c. Add alternate costs, if included in the proposal, can be added as a one-page appendix (which will not count towards the 15-page overall proposal limit).

6. Client References – 5 points
    a. Provide a list of up to three (3) former clients and projects which demonstrate experience relevant to this RFP and describe the work done for the client. For each reference, provide the contact's name, title, address, phone number, email address, and their relation to the project.

General Requirements

Selection
The Value of Water Campaign may conduct virtual interviews with select respondents before selecting a finalist. The Value of Water Campaign reserves the right to make no selection under this RFP. The Value of Water Campaign reserves the right to select the consultant that best meets its needs and negotiate a final contract. The Value of Water Campaign is not responsible for any costs or expenses incurred by any firm in submitting a response to this RFP.

Change in Representatives
The Value of Water Campaign reserves the right to require a change in contractor representative(s) if the assigned representative(s) are not, in the opinion of the Value of Water Campaign, meeting project needs adequately. Contractor personnel considered essential to the successful completion of the project must be available for its duration unless the Alliance approves substitutions.

Right to Publish
Throughout the duration of this procurement process and contract term, all potential contractors must secure written approval from the US Water Alliance prior to the release of any information that pertains to the potential work or activities covered by this procurement or the subsequent contract.

Confidentiality
All information submitted to the Value of Water Campaign under this RFP process becomes the exclusive property of the Value of Water Campaign. Parties who wish to use this research to inform other work or publications must obtain permission.