

**September 25, 2018**  
**Statement from Town Administrator**

I would like to update the Board on our progress in obtaining additional cost estimates for outsourcing daily operations and maintenance costs for the water company.

As background, in late 2012, the Water Company Acquisition Study Committee requested and obtained a cost estimate from an experienced water system operator. This estimate was subsequently updated twice; once in October 2015 and again in November 2017. They are all available on the Town website.

In June, the Town decided to solicit additional estimates. We considered different methods for doing that, including obtaining additional non-binding estimates, issuing a request for qualifications, and issuing a request for proposals. There were pros and cons to each approach.

The Town ultimately decided to issue a request for proposals. While we understood that it would be difficult for firms to provide a binding cost estimate without having access to water company facilities and personnel, we felt that it would provide the Town with the greatest amount of certainty. Several firms contacted the Town to obtain copies of the RFP.

As we knew might happen, the Town did not receive any responses to the RFP. We have followed up with several of the firms, and asked if they were willing to provide non-binding cost estimates. Two firms agreed and have provided the Town with non-binding cost estimates. Also, as a related point of information, the estimated cost of outsourcing daily operations and maintenance in our current financial model is higher than both of the non-binding estimates received to date. We will post the two non-binding estimates on our website for the public to review.