

REQUEST FOR COUNCIL ACTION CITY OF SAN DIEGO	CERTIFICATE NUMBER (FOR COMPTROLLER'S USE ONLY) N/A
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TO: CITY COUNCIL	FROM (ORIGINATING DEPARTMENT): Public Utilities	DATE: 5/5/2017
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SUBJECT: As-needed Agreement with Raftelis Financial Consultants, Inc. for Various Water, Wastewater and Recycled Water Services Including Cost of Service Studies (10084319-17-H)

PRIMARY CONTACT (NAME, PHONE): Seth Gates ,858-614-4030 MS 901A	SECONDARY CONTACT (NAME, PHONE): David Stallman , 858-614-5745 MS 901A
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COMPLETE FOR ACCOUNTING PURPOSES

FUND					
FUNCTIONAL AREA					
COST CENTER					
GENERAL LEDGER ACCT					
WBS OR INTERNAL ORDER					
CAPITAL PROJECT No.					
AMOUNT	0.00	0.00	0.00	0.00	0.00

FUND					
FUNCTIONAL AREA					
COST CENTER					
GENERAL LEDGER ACCT					
WBS OR INTERNAL ORDER					
CAPITAL PROJECT No.					
AMOUNT	0.00	0.00	0.00	0.00	0.00

COST SUMMARY (IF APPLICABLE): The total amount not to exceed for the as-needed agreement is \$981,382.

ROUTING AND APPROVALS

CONTRIBUTORS/REVIEWERS:	APPROVING AUTHORITY	APPROVAL SIGNATURE	DATE SIGNED
Environmental Analysis	ORIG DEPT.	Murray, Beth	05/05/2017
Financial Management	CFO		
Liaison Office	DEPUTY CHIEF	Gomez, Paz	05/15/2017
Equal Opportunity Contracting	COO		
Comptroller	CITY ATTORNEY		
	COUNCIL PRESIDENTS OFFICE		

PREPARATION OF: RESOLUTIONS ORDINANCE(S) AGREEMENT(S) DEED(S)

1. The Mayor or his designee is authorized to execute an agreement with Raftelis Financial Consultants, Inc. (RFC) to provide As-Needed Financial Consultant Services in an amount not to exceed \$981,382, with a contract duration of five years; and

2. The Chief Financial Officer is authorized to expend an amount not to exceed \$981,382 in total from Municipal Sewer Revenue Fund (700000), Metropolitan Sewer Utility Fund (700001), and Water Utility Operating Fund

(700011) over five (5) years for the purpose of funding the As-Needed Financial Consultant Agreement with RFC, contingent upon the adoption of the Annual Appropriation Ordinance for the applicable fiscal year and contingent upon the Chief Financial Officer furnishing one or more certificates certifying that funds necessary for expenditure are, or will be, on deposit with the City Treasurer.

STAFF RECOMMENDATIONS:
Approve requested actions

SPECIAL CONDITIONS (REFER TO A.R. 3.20 FOR INFORMATION ON COMPLETING THIS SECTION)

COUNCIL DISTRICT(S): Citywide

COMMUNITY AREA(S): Citywide

ENVIRONMENTAL IMPACT: This Activity is not subject to CEQA, pursuant to CEQA Guidelines sections 15060 (c)(3) and 15378 (b)(5), because this activity is an organizational or administrative activity of a government that will not result in direct or indirect physical changes in the environment.

**CITY CLERK
INSTRUCTIONS:**

COUNCIL ACTION
EXECUTIVE SUMMARY SHEET
CITY OF SAN DIEGO

DATE: 5/5/2017

ORIGINATING DEPARTMENT: Public Utilities

SUBJECT: As-needed Agreement with Raftelis Financial Consultants, Inc. for Various Water, Wastewater and Recycled Water Services Including Cost of Service Studies (10084319-17-H)

COUNCIL DISTRICT(S): Citywide

CONTACT/PHONE NUMBER: Seth Gates /858-614-4030 MS 901A

DESCRIPTIVE SUMMARY OF ITEM:

This action is for approval of a five year contract for as-needed financial consultant services from Raftelis Financial Consultants, Inc. for a total of \$981,382, to perform various financial analyses for Water, Wastewater, and Recycled Water services including cost of service studies.

STAFF RECOMMENDATION:

Approve requested actions

EXECUTIVE SUMMARY OF ITEM BACKGROUND:

On November 17, 2015 the City Council approved a five year rate increase for potable water from FY 2016 – FY 2020 and an increase in the recycled water rate, which was a result of the cost of service study (COSS) completed in 2015. At that time, it was determined by the Public Utilities Department (Department) and their consultant, Black and Veatch, Corp. (B&V) that the Wastewater fund did not require any rate increase.

B&V was the previous financial consultant for 2015 COSS; however, their five-year agreement expired on May 7, 2017. The Department, via the City's Purchasing and Contracting Department, inclusive of Equal Opportunity Contracting Program staff input, solicited a Request for Proposals for a not-to-exceed five year agreement to aid the Department with financial expertise relating to cost of service and financial analysis for Water, Wastewater and Recycled Water services due to the B&V agreement expiring. Raftelis Financial Consultants, Inc. (RFC) was determined by the selection panel and the Purchasing and Contracting Department to be the most responsive bidder. The selection panel included members from the Department, an Independent Rate Oversight Committee representative, and an Independent Budget Analyst's Office representative. RFC has an extensive history of providing financial consulting services to the Department, including the rate cases for the Water and Wastewater funds from FY 2006 and for rate cases that covered Fiscal Years 2008 through 2011.

The scope of the contract will cover several financial areas, with eleven different task orders.

1. Model updates and Financial Review
2. Alternative Water Rate Structure Study
3. Water Cost of Service Study
4. Wastewater Cost of Service Study
5. Recycled Water Cost Analysis and Allocation
6. Pure Water Cost Allocation
7. Pure Water Grants
8. Capacity Fee Analysis

- 9. Public Outreach
- 10. Value of Groundwater
- 11. Additional Services

See the full Report to the City Council No. 17-026 for a more detailed description of all the tasks covered by this contract.

CITY STRATEGIC PLAN GOAL(S)/OBJECTIVE(S):

Goal #2: Work in partnership with all of our communities to achieve safe and livable neighborhoods

Objective #3: Invest in infrastructure

Goal #3: Create and sustain a resilient and economically prosperous City

Objective #2: Increase water independence

FISCAL CONSIDERATIONS:

The total amount not to exceed for this agreement is \$981,382. Funds are, or will be, available in Municipal Sewer Revenue Fund (700000), Metropolitan Sewer Utility Fund (700001), and Water Utility Operating Fund (700011), contingent upon the adoption of the Annual Appropriation Ordinance for the applicable fiscal year and contingent upon the Chief Financial Officer furnishing one or more certificates certifying that funds necessary for expenditure are, or will be, on deposit with the City Treasurer.

Funds will be allocated on a Task Order basis.

EQUAL OPPORTUNITY CONTRACTING INFORMATION (IF APPLICABLE):

This agreement is subject to the City's Equal Employment Opportunity Outreach Program (San Diego Ordinance No. 18173, Section 22.2701 through 22.2708) and Non-Discrimination in Contracting Ordinance (San Diego Municipal Code Sections 22.3501 through 22.3517).

PREVIOUS COUNCIL and/or COMMITTEE ACTION:

At the February 16, 2017 Environment Committee, a request was made that the Department attend a future Environment Committee meeting to discuss how to include additional Council and IROC outreach as part of the scope-of-work of future Department COSS consultant contracts and include those recommendations in the next COSS contract.

COMMUNITY PARTICIPATION AND PUBLIC OUTREACH EFFORTS: N/A

KEY STAKEHOLDERS AND PROJECTED IMPACTS:

All City potable water, wastewater, and recycled water customers.

Murray, Beth

Originating Department

Gomez, Paz

Deputy Chief/Chief Operating Officer



THE CITY OF SAN DIEGO

Report to the City Council

DATE ISSUED: May 2, 2017 REPORT NO: 17-026

ATTENTION: Honorable Council President Myrtle Cole and Members of the City Council

SUBJECT: Financial Consultant Services Contract Award for Various Water, Wastewater and Recycled Water Services Including Cost of Service Studies (10084319-17-H)

REQUESTED ACTION:

1. The Mayor or his designee is authorized to execute an agreement with Raftelis Financial Consultants, Inc. (RFC) to provide As-Needed Financial Consultant Services in an amount not to exceed \$981,382, with a contract duration of five years; and
2. The Chief Financial Officer is authorized to expend an amount not to exceed \$981,382 in total from Municipal Sewer Revenue Fund (700000), Metropolitan Sewer Utility Fund (700001), and Water Utility Operating Fund (700011) over five (5) years for the purpose of funding the As-Needed Financial Consultant Agreement with RFC, contingent upon the adoption of the Annual Appropriation Ordinance for the applicable fiscal year and contingent upon the Chief Financial Officer furnishing one or more certificates certifying that funds necessary for expenditure are, or will be, on deposit with the City Treasurer.

STAFF RECOMMENDATION:

Approve the requested actions.

EXECUTIVE SUMMARY OF ITEM BACKGROUND:

On November 17, 2015 the City Council approved a five year rate increase for potable water from FY 2016 – FY 2020 and an increase in the recycled water rate, which was a result of the cost of service study (COSS) completed in 2015. At that time, it was determined by the Public Utilities Department (Department) and their consultant, Black and Veatch, Corp. (B&V) that the Wastewater fund did not require any rate increase.

B&V was the previous financial consultant for 2015 COSS; however, their five-year agreement expired on May 7, 2017. The Department, via the City's Purchasing and Contracting Department, inclusive of Equal Opportunity Contracting Program staff input, solicited a Request for Proposals for a not-to-exceed five year agreement to aid the Department with financial expertise relating to cost of service and financial analysis for Water, Wastewater and Recycled Water services due to the B&V agreement expiring. Raftelis Financial Consultants, Inc. (RFC) was determined by the selection panel and the Purchasing and Contracting Department to be the most responsive bidder. The selection panel included

members from the Department, an Independent Rate Oversight Committee representative, and an Independent Budget Analyst's Office representative. RFC has an extensive history of providing financial consulting services to the Department, including the rate cases for the Water and Wastewater funds from FY 2007 and for rate cases that covered Fiscal Years 2008 through 2011.

The scope of the contract will cover several financial areas, with eleven different task orders. These specific task orders are as follows:

1. **Model updates and Financial Review:** the Department's financial needs / requirements are ever changing, based on system need, current environmental conditions, and other agency impacts, among a host of other items. It is envisioned that water and wastewater rate models will need to be updated on a regular basis to allow proper financial projections for operational forecasting and debt borrowing purposes, among other valuable and requisite purposes. These updates include any modeling of potential rate impact from Department initiated review of funds after FY 2017 and FY 2019.
2. **Alternative Water Rate Structure Study:** as part of the Department's commitments during the last rate case hearing, alternative rate structures for potable water that would conform to Proposition 218 requirements were to be explored in an open manner. RFC is well versed in the nuances of Proposition 218, but has a vast array of clients all across the country with different rate structures that they will be able to draw from to test against the Department's specific needs for input and consideration. Outreach for this task order has also been added to properly communicate any outcome and impact from this study.
3. **Water Cost of Service Study:** the current rate case for potable water ends after FY 2020. It is anticipated during this five-year contract with RFC, a water cost of service study will be required for public consideration. This cost of service would include developments from the alternative water rate structure study.
4. **Wastewater Cost of Service Study:** the wastewater fund currently does not require a rate increase, though one may be required during the contract period that will be developed for a proposed rate increase and / or proper cost allocation to customer classes for public consideration.
5. **Recycled Water Cost Analysis and Allocation:** recycled water pricing is currently based on a modified cost of service and it is anticipated that during this five year agreement the pricing should be renewed, though an update to this pricing may be needed.
6. **Pure Water Cost Allocation:** the division of Pure Water Program expenditures between the Water Fund and Metro Sewer Utility Fund and Participating Agencies is a complex allocation based on wastewater management, recycled water production, and potable water within each treatment process. This task order would assist in proper cost allocation to each specific ratepayer.
7. **Pure Water Grants:** the Department is now entering the design phase of the North City Pure Water project to produce 30 MGD of potable supply to augment the Miramar reservoir, with construction anticipated to begin in FY 2019. Leveraging RFC's nationwide presence and expertise in exploring and drafting applications for obtaining grants can assist in helping to mitigate rate increases.
8. **Capacity Fee Analysis:** capacity fees charged by the Water and Wastewater Funds aid in maintenance and expansion of each system & during this contract period, it is anticipated that capacity fee pricing will be required to be reviewed based on system need (potentially in conjunction with any COSS).
9. **Public Outreach:** As part of the RFP, the Department anticipated, at a minimum, the following level of outreach:

- Four presentations (two each for Water & Wastewater) for the City's Independent Rates Oversight Committee (IROC);
- Four presentations (two each for Water & Wastewater) to the Mayor and / or staff;
- Two presentations to each (9) City Council member and / or staff;
- Two presentations (one each for Water & Wastewater) at a Council Committee meeting;
- Two presentations (one each for Water & Wastewater) at a City Council meeting;
- Six presentations to outside stakeholder groups;
- Two presentations to the Metropolitan Joint Power Authority or its technical review committee.

On top of this level of outreach, additional funding can be utilized from task order 11 for additional outreach service from RFC. However, during the FY 2015 Water Fund COSS, Department staff was the primary presenters of information to City staff, stakeholders, and the community. B&V was utilized in the previous rate case to accompany Department staff to provide technical detail to specific groups, including Council Committee, City Council, and IROC. The majority of outreach anticipated in the upcoming five-year period for Department proposals are expected once again to be performed by Department staff, with support from RFC to specific groups. This support will be to those groups that will be interested in the specific details associated with COSS development such as customer allocation, Proposition 218 compliance, and rate setting best practices as outlined by American Water Works Association and Water Environment Federation, among others. To assist the Department in developing appropriate outreach to various groups of stakeholders, RFC has partnered with the local firm of Katz and Associates to assist in presentations and informational materials.

10. Value of Groundwater: the Water Fund has a dozen or more customers that use ground water via wells. Most are small farmers that lease Water Fund land in the San Pasqual Valley. The leases are administered by the Real Estate Assets Department, but there is not a standard method of charging for water use. Some leases include water in the lease payment, while others pay for water on an individual contract basis with different rates. The Department would prefer to set a standardized rate for groundwater and as part of this agreement, RFC will analyze all aspects of the costs that should be recovered in a groundwater rate and make a recommendation to the Department.
11. Additional Services: An additional \$200,000 has been included for additional services that are similar in scope to tasks 1-10 to allow greater flexibility based on need.

CITY STRATEGIC PLAN GOAL(S)/OBJECTIVE(S):

Goal # 2: Work in partnership with all of our communities to achieve safe and livable neighborhoods

Objective # 3: Invest in infrastructure

Goal #3: Create and sustain a resilient and economically prosperous City

Objective #2: Increase water independence

FISCAL CONSIDERATIONS:

The total amount not to exceed for this agreement is \$981,382. Funds are, or will be, available in Municipal Sewer Revenue Fund (700000), Metropolitan Sewer Utility Fund (700001), and Water Utility Operating Fund (700011), contingent upon the adoption of the Annual Appropriation Ordinance for the applicable fiscal year and contingent upon the Chief

Financial Officer furnishing one or more certificates certifying that funds necessary for expenditure are, or will be, on deposit with the City Treasurer.

EQUAL OPPORTUNITY CONTRACTING INFORMATION (if applicable):

This agreement is subject to the City's Equal Employment Opportunity Outreach Program (San Diego Ordinance No. 18173, Section 22.2701 through 22.2708) and Non-Discrimination in Contracting Ordinance (San Diego Municipal Code Sections 22.3501 through 22.3517).

PREVIOUS COUNCIL and/or COMMITTEE ACTIONS:

At the February 16, 2017 Environment Committee, a request was made that the Department attend a future Environment Committee meeting to discuss how to include additional Council and IROC outreach as part of the scope-of-work of future Department COSS consultant contracts and include those recommendations in the next COSS contract.

COMMUNITY PARTICIPATION AND OUTREACH EFFORTS:

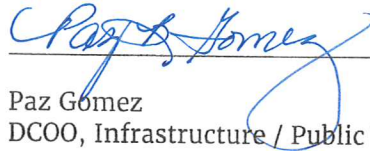
N/A

KEY STAKEHOLDERS AND PROJECTED IMPACTS:

All City potable water, wastewater, and recycled water customers.



Halla Razak
Director, Public Utilities Department



Paz Gomez
DCOO, Infrastructure / Public Works

Attachment(s):

1. RFP Solicitation No. 10084319-17-H
2. Raftelis Financial Consultants, Inc. RFP Response
3. Raftelis Financial Consultants, Inc. Best and Final Offer
4. EEOC



CITY OF SAN DIEGO

Attachment 1

PURCHASING & CONTRACTING DEPARTMENT

1200 Third Avenue, Suite 200

San Diego, CA 92101-4195

REQUEST FOR PROPOSALS (RFP)/CONTRACT (COVER SHEET)

Consultant: Consulting Services for Public Utilities Department Water & Wastewater Cost of Service Studies

Solicitation Number: 10084319-17-H

Solicitation Issue Date: January 27, 2017

Proposal Due Date and Time (Closing Date): 2:00 p.m. Pacific Time on February 27, 2017

Contract Term: Five (5) years from Effective Date, as defined in Article I, Section 1.2 of the City's General Contract Terms and Provisions

City Contact: Viviana Hening, Supervising Procurement Contracting Officer, Vhening@sandiego.gov

Questions and Comments Due: No later than February 10, 2017 at 2:00 p.m.

The City's Standard Payment Terms are Net 30 Days. Proposers may offer other payment terms (e.g., 2% 20 days) but such terms will not be considered in making the award decision. If different terms are offered, the City retains the option of making payment(s) based on these terms.

State delivery time: _____ days after receipt of order. Discounted terms offered: _____% _____ Days.

Duration of Offer: By submitting a proposal, the proposer guarantees that the offer is firm for ninety (90) calendar days commencing the day following the Closing Date. Proposer agrees to accept a resulting contract subject to the terms and conditions stated herein. If an award is not made during that period, proposer's offer shall automatically extend for another ninety (90) calendar days unless the proposer indicates otherwise in writing thirty (30) calendar days prior to the end of the first ninety (90) calendar day period to the City Contact.

Proposer _____
Street Address _____
City _____
Telephone No. _____
E-Mail _____

IF PROPOSER'S OFFER IS ACCEPTED BY THE CITY, THIS IS THE CONTRACT. Proposer is required to sign this document and return four (4) originals and two (2) copies of their proposal in sealed envelopes or cartons to the City Contact. Proposer shall also include an electronic copy of their proposal. Proposer agrees to furnish and deliver all goods and/or provide all services set forth or otherwise identified above subject to the terms and conditions specified herein. An original signature below is required. By signing below, the signer declares under penalty of perjury that she/he is authorized to sign this document and bind the proposer to the terms of this Contract.

Signature of Proposer's Authorized Representative, Signature of the City of San Diego Purchasing Agent, Approved as to Form City Attorney. Includes fields for Print Name, Title, Signature, and Date.

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FORMS

Contractor Standards Pledge of Compliance

Equal Opportunity Contracting forms including the Work Force Report and Contractors
Certification of Pending Actions

ATTACHMENT

General Contract Terms and Provisions Applicable To Goods, Services, and Consultant
Contracts (Revision Date November 2016)

I. PROPOSAL SUBMISSION AND REQUIREMENTS

A. PROPOSAL SUBMISSION

1. Timely Proposal Submittal. Proposals must be submitted as described herein in a sealed envelope to the Purchasing & Contracting Department (P&C) located at 1200 Third Avenue, Suite 200, San Diego, CA 92101. The Solicitation Number and Closing Date must be referenced in the lower left-hand corner of the outside of the envelope.

1.1 Proposal Due Date. Proposals must be received by the P&C reception desk prior to Closing Date indicated on the Cover Sheet. Faxed proposals will not be accepted. The City may consider a proposal that was mailed before the Closing Date if the City finds that acceptance of the proposal is in the City's best interests and there is no possibility of collusion or fraud in the procurement process.

1.2 Pre-Proposal Conference. No pre-proposal conference will be held for this RFP.

1.2.1 Reserved.

1.2.2 Reserved.

1.3 Site Inspection. No site inspection will be held for this RFP.

1.3.1 Reserved.

1.3.2 Reserved.

1.4 Questions and Comments. Written questions and comments must be electronically-mailed (e-mailed) to the City Contact identified on the Cover Sheet no later than the date specified on the Cover Sheet. Only written communications relative to the procurement shall be considered. E-mail is the only acceptable method for submission of questions. It is incumbent upon proposers to verify that the City has received their questions and/or comments. All questions will be answered in writing. The City will distribute questions and answers, without identification of the inquirer(s), to all proposers who are on record as having received this RFP. No oral communications can be relied upon for this RFP. Addenda will be issued addressing questions or comments that are determined by the City to cause a change to any part of this RFP.

1.5 Contact with City Staff. Unless otherwise authorized herein, proposers who are considering submitting a proposal in response to this RFP, or who submit a proposal in response to this RFP, are prohibited from communicating with City staff or evaluation committee members about this RFP from the date this RFP is issued until a contract is awarded.

2. Proposal Format and Organization. Unless electronically submitted, all proposals should be securely bound and must include the following items:

Tab A - Submission of Information and Forms. Proposers shall submit the following completed forms and provide the following information with their proposals:

2.1 The completed and executed Cover Sheet.

2.2 Exceptions requested by proposer, if any. If a proposer requests an exception, or exceptions, to the Specifications or the City's Contract, including the City's General Contract Terms and Provisions, the proposer must present written factual or legal justification for the request. Any exceptions to the Contract that have not been accepted by the City in writing are deemed rejected. The City, in its sole discretion, may accept some or all of proposer's exceptions, reject proposer's exceptions and deem the proposal non-responsive, or award the Contract without proposer's proposed exceptions. The City will not consider exceptions addressed elsewhere in the proposal.

2.3 The Contractor Standards Pledge of Compliance Form.

2.4 Equal Opportunity Contracting Program (EOCP) Goods and Services Contractor Requirements.

2.5 Reserved.

2.6 Reserved.

2.7 Reserved.

2.8 Reserved.

2.9 Reserved.

Tab B - Executive Summary and Responses to Specifications. Proposer shall provide the following information in the order outlined below:

2.10 A title page.

2.11 A table of contents.

2.12 An executive summary, limited to one typewritten page, that provides a high-level description of the proposer's ability to meet the requirements of the RFP and the reasons the proposer believes itself to be best qualified to provide the identified services.

2.13 Responses to Specifications.

Tab C - Cost/Price Proposal (if applicable). Proposers shall submit a detailed cost proposal.

3. Proposal Review. Proposers are responsible for carefully examining the RFP, the Specifications, this Contract, and all documents incorporated into the Contract by reference before submitting a proposal. If selected for award of contract, proposer shall be bound by same unless the City has accepted proposer's exceptions, if any, in writing.

4. Addenda. The City may issue addenda to this RFP as necessary. All addenda are incorporated into the Contract. The proposer is responsible for determining whether addenda were issued prior to a proposal submission. Failure to respond to or properly address addenda may result in rejection of a proposal.

5. Quantities. The estimated quantities provided by the City are not guaranteed. These quantities are listed for informational purposes only. Quantities vary depending on the demands of the City. Any variations from the estimated quantities shall not entitle the proposer to an adjustment in the unit price or any additional compensation.

6. Quality. Unless otherwise required, all goods furnished shall be new and the best of their kind.

6.1 Items Offered. Proposer shall state the applicable trade name, brand, catalog, manufacturer, and/or product number of the required good, if any, in the proposal.

6.2 Brand Names. Any reference to a specific brand name in a solicitation is illustrative only and describes a component best meeting the specific operational, design, performance, maintenance, quality, or reliability standards and requirements of the City. Proposer may offer an equivalent or equal in response to a brand name referenced (Proposed Equivalent). The City may consider the Proposed Equivalent after it is subjected to testing and evaluation which must be completed prior to the award of contract. If the proposer offers an item of a manufacturer or vendor other than that specified, the proposer must identify the maker, brand, quality, manufacturer number, product number, catalog number, or other trade designation. The City has complete discretion in determining if a Proposed Equivalent will satisfy its requirements. It is the proposer's responsibility to provide, at their expense, any product information, test data, or other information or documents the City requests to properly evaluate or demonstrate the acceptability of the Proposed Equivalent, including independent testing, evaluation at qualified test facilities, or destructive testing.

7. Modifications, Withdrawals, or Mistakes. Proposer is responsible for verifying all prices and extensions before submitting a proposal.

7.1 Modification or Withdrawal of Proposal Before Proposal Opening. Prior to the Closing Date, the proposer or proposer's authorized representative may modify or withdraw the proposal by providing written notice of the proposal modification or withdrawal to the City Contact. While e-mail is permissible, telephonic withdrawals or modifications are not.

7.2 Proposal Modification or Withdrawal of Proposal After Proposal Opening. Any proposer who seeks to modify or withdraw a proposal because of the proposer's inadvertent computational error affecting the proposal price shall notify the City Contact identified on the Cover Sheet no later than three working days following the Closing Date. The proposer shall provide worksheets and such other information as may be required by the City to substantiate the claim of inadvertent error. Failure to do so may bar relief and allow the City recourse from the proposal surety. The burden is upon the proposer to prove the inadvertent error. If, as a result of a proposal modification, the proposer is no longer the apparent successful proposer, the City will award to the newly established apparent successful proposer. The City's decision is final.

8. Incurred Expenses. The City is not responsible for any expenses incurred by proposers in participating in this solicitation process.

9. Public Records. By signing this proposal, the proposer acknowledges that any information submitted in response to this RFP is a public record subject to disclosure unless the City determines that a specific exemption in the California Public Records Act (CPRA) applies. If the proposer submits information clearly marked confidential or proprietary, the City may protect such information and treat it with confidentiality to the extent permitted by law. However, it will be the responsibility of the proposer to provide to the City the specific legal grounds on which the City can rely in withholding information requested under the CPRA should the City choose to withhold such information. General references to sections of the CPRA will not suffice. Rather, the proposer must provide a specific and detailed legal basis, including applicable case law, that clearly establishes the requested information is exempt from the disclosure under the CPRA. If the proposer does not provide a specific and detailed legal basis for requesting the City to withhold proposer's confidential or proprietary information at the time of proposal submittal, City will release the information as required by the CPRA and proposer will hold the City, its elected officials,

officers, and employees harmless for release of this information. It will be the proposer's obligation to defend, at proposer's expense, any legal actions or challenges seeking to obtain from the City any information requested under the CPRA withheld by the City at the proposer's request. Furthermore, the proposer shall indemnify and hold harmless the City, its elected officials, officers, and employees from and against any claim or liability, and defend any action brought against the City, resulting from the City's refusal to release information requested under the CPRA which was withheld at proposer's request. Nothing in the Contract resulting from this proposal creates any obligation on the part of the City to notify the proposer or obtain the proposer's approval or consent before releasing information subject to disclosure under the CPRA.

10. Right to Audit. The City Auditor may access proposer's records as described in San Diego Charter section 39.2 to confirm contract compliance.

B. EVALUATION OF PROPOSALS

1. Award. The City shall evaluate each responsive proposal to determine which proposal offers the City the best value consistent with the evaluation criteria set forth herein. The proposer offering the lowest overall price will not necessarily be awarded a contract.

2. Sustainable Materials. Consistent with Council Policy 100-14, the City encourages use of readily recyclable submittal materials that contain post-consumer recycled content.

3. Evaluation Process.

3.1 Process for Award. A City-designated evaluation committee (Evaluation Committee) will evaluate and score all responsive proposals. The Evaluation Committee may require proposer to provide additional written or oral information to clarify responses. Upon completion of the evaluation process, the Evaluation Committee will recommend to the Purchasing Agent that award be made to the proposer with the highest scoring proposal.

3.2 Reserved.

3.3 Mandatory Interview/Oral Presentation. The City will require proposers to interview and/or make an oral presentation if one or more proposals score within ten (10) points or less of the proposal with the highest score. Only the proposer with the highest scoring proposal and those proposers scoring within ten (10) points or less of the highest scoring proposal will be asked to interview and/or make an oral presentation. Interviews and/or oral presentations will be made to the Evaluation Committee in order to clarify the proposals and to answer any questions. The interviews and/or oral presentations will be scored as part of the selection process. The City will complete all reference checks prior to any oral interview. Additionally, the Evaluation Committee may require proposer's key personnel to interview. Interviews may be by telephone and/or in person. Multiple interviews may be required. Proposers are required to complete their oral presentation and/or interviews within seven (7) workdays after the City's request. Proposers should be prepared to discuss and substantiate any of the areas of the proposal submitted, as well as proposer's qualifications to furnish the subject goods and services. Proposer is responsible for any costs incurred for the oral presentation and interview of the key personnel.

3.4 Discussions/Negotiations. The City has the right to accept the proposal that serves the best interest of the City, as submitted, without discussion or negotiation. Contractors should, therefore, not rely on having a chance to discuss, negotiate, and adjust their proposals. The City may negotiate the terms of a contract with the winning proposer based on the RFP and the proposer's proposal, or award the contract without further negotiation.

3.5 Inspection. The City reserves the right to inspect the proposer's equipment and facilities to determine if the proposer is capable of fulfilling this Contract. Inspection will include, but not limited to, survey of proposer's physical assets and financial capability. Proposer, by signing the proposal agrees to the City's right of access to physical assets and financial records for the sole purpose of determining proposer's capability to perform the Contract. Should the City conduct this inspection, the City reserves the right to disqualify a proposer who does not, in the City's judgment, exhibit the sufficient physical and financial resources to perform this Contract.

3.6 Evaluation Criteria. The following elements represent the evaluation criteria that will be considered during the evaluation process:

Maximum Number of Points Awarded is 112

A. Responsiveness to the RFP. (20 Points Maximum)

1. Proposer addressed all of the City's questions and provided all required forms with accurate information
2. Proposer's understanding of the project and ability to deliver as exhibited in the Executive Summary
3. Proposer's method in approaching the proposed project is reflected in the response

B. Responses to Specifications. (15 Points Maximum)

1. Proven track record of producing "User Friendly" Water and Wastewater models
2. Proven track record of extensive Public Outreach
3. Ability to tailor presentations and communicate with varied public audiences

C. Cost (20 Points Maximum)

1. Cost for Price Schedule A Scope of Services/Lump Sum Cost – (15 Points Maximum)
2. Cost for Professional Rate, Price Schedule B Additional Services/Labor Classifications Cost – (5 Points Maximum)

D. Qualifications and Experience. (25 Points Maximum)

1. Proposer's demonstrated previous experience in providing the services requested, and proposer's innovation and creativity in approaching the proposed project
2. Proposer's ability to demonstrate a thorough understanding of Cost of Service Study (COSS) principles, including Proposition 218 and Proposition 26 compliance, rate allocation amongst customer classes, system requirements, and a sensitivity to pricing impacts on customers
3. Resources and people committed to the project and identified point(s) of contact who can deliver results in an often-times short term deadline environment
 - a. Proposer's response includes a cohesive, experienced and highly qualified team with the required specific expertise to successfully complete the Scope of Work
 - b. Resumes of team members provided with the response validate the experience and qualifications of the team.
4. References. Proposer's submitted response shall include up to five (5) references with the following information:
 - a. Project Title
 - b. Project Value/Contract Amount
 - c. Names of key members that participated in the listed project and roles performed
 - d. Reference name, title, agency name, best phone number and email address for contact provided

E. Past Performance. (10 Points Maximum)

1. Proposer's response includes a summary of up to five (5) similar projects in size and scope successfully completed by the proposer in the past three (3) years that demonstrate the proposer's ability to successfully complete the Scope of Work

F. Interview/Oral Presentation (10 Points Maximum)

1. Proposer's presentation and materials are relevant, concise, detailed, and organized to represent the proposer's ability to successfully complete the Scope of Work pursuant the information provided in the RFP and the proposer's response.
2. Proposer's team members answer the Evaluation Committee's questions in a relevant, concise, detailed, and organized manner to represent the proposer's ability to successfully complete the Scope of Work

G. Equal Opportunity Contracting Program (EOCP) Commitment to Equal Opportunity demonstrated by programs and hiring practices in employment and subcontracting. (12 Points Maximum)

TOTAL POINTS POSSIBLE (A+B+C+D+E+F) = 100 Maximum Points + (G EOCP) 12 Maximum points =112 Points Maximum

C. ANNOUNCEMENT OF AWARD

1. Award of Contract. The City will inform all proposers of its intent to award a Contract in writing.

2. Obtaining Proposal Results. No solicitation results can be obtained until the City announces the proposal or proposals best meeting the City's requirements. Proposal results may be obtained by: (1) e-mailing a request to the City Contact identified on the Cover Sheet or (2) visiting the P&C e-procurement system to review the proposal results. To ensure an accurate response, requests should reference the Solicitation Number. Proposal results will not be released over the phone.

3. Multiple Awards. City may award more than one contract by awarding separate items or groups of items to various proposers. Awards will be made for items, or combinations of items, which result in the lowest aggregate price and/or best meet the City's requirements. The additional administrative costs associated with awarding more than one Contract will be considered in the determination.

D. PROTESTS

The City's protest procedures are codified in Chapter 2, Article 2, Division 30 of the San Diego Municipal Code (SDMC). These procedures provide unsuccessful proposers with the opportunity to challenge the City's determination on legal and factual grounds. The City will not consider or otherwise act upon an untimely protest.

E. SUBMITTALS REQUIRED UPON NOTICE OF AWARD

The successful proposer is required to submit the following documents to P&C **within ten (10) business days** from the date on the Notice of Intent to Award letter:

1. Insurance Documents. Evidence of all required insurance, including all required endorsements, as specified in Article VII of the General Contract Terms and Provisions.

2. Taxpayer Identification Number. Internal Revenue Service (IRS) regulations require the City to have the correct name, address, and Taxpayer Identification Number (TIN) or Social Security Number (SSN) on file for businesses or persons who provide goods or services to the City. This information is necessary to complete Form 1099 at the end of each tax year. To comply with IRS regulations, the City requires each Contractor to provide a Form W-9 prior to the award of a Contract.

3. Business Tax Certificate. Unless the City Treasurer determines a business is exempt, all businesses that contract with the City must have a current business tax certificate.

4. Reserved.

5. Reserved.

6. Reserved.

The City may find the proposer to be non-responsive and award the Contract to the next highest scoring responsible, responsive proposer if the apparent successful proposer fails to timely provide the required information or documents.

II. SPECIFICATIONS

A. BACKGROUND

The City's last Cost of Service Study (COSS) for the Water fund (Water COSS) was completed in July, 2015, which created the current rate case for Fiscal Years 2016 through 2020 (Rate Case FY16-FY20). The Wastewater fund is in the process of completing its COSS (Wastewater COSS) by the end of Fiscal Year (FY) 2017. The Public Utilities Department (PUD) is currently evaluating the sufficiency of its capacity fees for both the Water and Wastewater funds, and as a part of this effort the City may request a review for the next rate case (Rate Case FY21-FY25). Both funds have recently refunded significant portions of existing bond debt, while the Water fund also issued new money bond debt to partially finance its capital program in FY 2017. The Water fund is also in the process of incorporating a commercial paper program to provide a cash management "just in-time borrowing" concept. The commercial paper will be taken out periodically with new bond debt.

The City is requesting the services of a qualified Consultant to: Assist PUD with ongoing updates to the water and wastewater rate models as usage patterns and other variables change throughout the rate case period; and commencing new Water COSS and Wastewater COSS as determined by PUD. The goal of each COSS will be to develop recommendations for the establishment of fair and equitable water and sewer rates for the City's users that will follow accepted industry standards, as endorsed by the American Water Works Association and the State Water Resources Control Board, respectively. Each COSS will include a review of the City's current financial plan and related assumptions, usage characteristics, and rate structure. It is projected that the rate studies will produce rate cases to cover multiple years up to a five-year time period at the discretion of the City Council.

As part of this request, the Water fund has decided to explore alternative rate structures (ARS). The Rate Case FY16-FY20 is comprised of a four tier inclining block rate structure for Single Family Residential (SFR) customers and uniform rates for all other customer classes, as well as base fees for each customer dependent on meter size. PUD, along with various stakeholders and the Consultant, will analyze potential different potable water rate structures and capacity fee calculation methods, among other items, that may be utilized to guide future decisions on pricing for this valuable resource and the funding for the capital program to ensure its continued delivery. The Consultant selected for this contract shall potentially incorporate some or all of the results from the ARS study. Both ARS and Water COSS shall conform to accepted industry principles surrounding COSS analysis compliant with Proposition 218 of the California Constitution.

The Wastewater COSS and corresponding rate model must account for both the Metro and Muni subsystems and the effects of rates on both wastewater systems. Continuation and completion of the Industrial Waste Control Program (IWCP) Fee Study will be a part of the Wastewater COSS. In addition, the Wastewater study and rate model will be required to incorporate and implement the appropriate "return to sewer" and "sewer cap" calculations consistent with the billing method.

PUD's Recycled Water program consists of an existing "purple pipe" infrastructure serving approximately 700 retail and 3 wholesale customers; and a Potable Reuse "Pure Water" program currently in the design phase that will produce up to 83 MGD of purified water. Non-potable recycled water rates were adjusted along with the potable rates and are fixed for the Rate Case FY16-FY20 period. Non-potable recycled water costs and revenues and their allocation between the Water and Wastewater funds shall be assessed to determine what rates will need to be established in the Rate Case FY21-FY25.

SCOPE OF WORK

The following project tasks pertain to both Water and Wastewater COSS and include but are not limited to the following:

Task 1: Model Updates and Periodic Financial Review

The Water, Wastewater and Recycled water rate models shall be updated at least on a monthly basis as the PUD continues to obtain updated CIP projections, financing assumptions and additional monthly operational projections to assure model accuracy. Pertaining strictly to the Water Fund, there will be another review going on simultaneously; a "Review of Funds" analysis by a qualified auditing firm to determine how actual financial results differed from the current Rate Case projections for FYs 2016 and 2017, and then for FY 2018 and FY 2019. If the City Council directs Department staff to adjust rates based on the findings of the Review of Funds analysis, the Consultant will have to model various rate adjustments and their effects on the financial position of the Water fund going forward and report those findings back to the Council. This would result in additional meetings, one each with the Independent Rates Oversight Committee (IROC), the Mayor, Council Committee and the Full City Council. If the City Council directs staff to change the current rate structure, a new Water model structure will be required for the next Rate Case commencing in FY 2021. PUD staff anticipates that regular updates will occur through FY 2019, then a full Water and Wastewater COSS process throughout FY 2020 to produce a multiple year rate case beginning in FY 2021 for both Water and Wastewater Funds.

Task 2: Alternative Water Rate Structure Study

The Water Fund will engage the consultant for a recommendation of ARS after review, analysis and reporting with respect to its current rate structure. As a result of a recently completed Cost of Service Study, the Water Fund currently has a four tier inclining block rate structure for Single Family Residential (SFR) customers and uniform rates for all other customer classes, as well as Base fees for each customer dependent on meter size. PUD, along with various stakeholders, will analyze potential different potable water rate structures that may be utilized to guide future decisions on pricing for this valuable resource.

The goal is to analyze various potential water rate structures and their impact on both the operation of the Water Fund and to its customers. Requirements for each work assignment may include analysis on balancing revenue stability through higher fixed / base charges, conservation incentive pricing, ability to serve, potential sizing of future water treatment & delivery capacity, customer class analysis, etc. This analysis will require financial modeling for estimated impacts to revenues and expenditures for future fiscal year(s) in compliance with California Proposition 218 and Proposition 26.

At a minimum, the vendor must have experience instituting multiple types of potable water rate structures and be able to perform work in the areas delineated below.

1. Meeting with Public Utilities & Stakeholders

- 1.1. At the direction of PUD engage directly with staff.
- 1.2. Attend group meetings at the direction of PUD. These meetings are anticipated to be held at PUD's operation facilities at 9192 Topaz Way, San Diego, CA.
- 1.3. Deliverable: Provide fee estimates for each identified rate structure scenario, which will be used by the working group to determine which scenarios will be chosen to be modeled.

Deliverables: Attend ten (10) meetings with staff, meetings may be up to six (6) face to face meetings, and four (4) via teleconference, two (2) hours each meeting attended by a senior level subject matter expert (SME).

2. Modeling / Alternative Modeling Scenario Requests

- 2.1. At the direction of PUD, the vendor shall model rate impact scenarios from various changes in class structure, fixed charge versus variable charge, etc.; which may be considered to determine the financial, conservation, and other impacts.

- 2.2. PUD will outline any proposed structural changes to water rates, the vendor at the direction of PUD shall prepare a complete analysis of the proposed change.
- 2.3. In order to complete work assignments and to engage with the working group, the consultant's team is expected to have subject matter experts on commodity rates and pricing structures, including analyzing the impacts of converting to monthly billing and exploring different units of measure from the industry standard HCF/CCF as the City completes its conversion to an automated metering infrastructure program.
- 2.4. Work assignments may include the analysis of potential impacts of legislation currently proposed on a local, State, and federal level. For this task, the vendor shall engage with the Office of City Attorney's representative(s) at the direction of PUD.
- 2.5. The current Water Rate Model developed for the FY 2016 through FY 2020 cost of service study / rate case to be provided by the City.

Deliverables: Modeling up to 5 (Five) Scenarios for Rate Structure Alternatives.

3. Public Outreach/Presentation of Information

- 3.1. Presentation of findings from various modeling and information requests are anticipated to be presented to various stakeholders.
- 3.2. Present findings to various private and public bodies in addition to the working group. This may include group(s) of elected officials and / or their representatives, oversight bodies, and other stakeholders. Presentations will be expected to be tailored to the specific target audience.

Deliverables: Up to six (6) two (2) hour meetings with stakeholders.

Task 3: Water Cost of Service Study

Project Initiation and Management

The goal of this task is for the Consultant at the direction of PUD to establish the foundation for a successful project, and to provide the ongoing project management support required to ensure efficiency and quality throughout the process.

1. Project Kick-off Meeting

The objectives for this meeting include:

- 1.1 Finalize the work plan, milestones and timeline with PUD Staff;
- 1.2 Discuss the City's preliminary pricing and modeling objectives;
- 1.3 Ensure clear understanding of the overall goals of the studies;
- 1.4 Review the data needs for the project.

Prior to the kick off meeting, the Consultant shall provide to PUD staff a detailed data request list that will identify the information needed to complete the various analyses.

2. Project Management

The Consultant shall appoint a designated staff person to be the Quality Assurance Control Designee (QACD). The core responsibilities of the QACD consists of: Reviewing the work effort for consistency, accuracy, validity and ensuring that the COSS's developed are based on sound rate making principles and standard industry practices.

The Consultant shall provide: Monthly updates according to Consultant/PUD determined milestones; monthly and/or as needed updates detailing the tasks accomplished, any identified problems (with their potential solution); maintaining a detailed document list of assumptions for the models, as well as adherence to budgeted project milestones.

Task 4: Wastewater Cost of Service Study

Project Initiation and Management

The goal of this task is for the Consultant at the direction of PUD to establish the foundation for a successful project, and to provide the ongoing project management support required to ensure efficiency and quality throughout the process. This project will include a continued, comprehensive, review of the Industrial Wastewater Control Program and associated fees.

1. Project Kick-off Meeting

The objectives for this meeting include:

- 1.1 Finalize the work plan, milestones and timeline with PUD Staff;
- 1.2 Discuss the City's preliminary pricing and modeling objectives;
- 1.3 Ensure clear understanding of the overall goals of the studies;
- 1.4 Review the data needs for the project.

Prior to the kick off meeting, the Consultant shall provide to PUD staff a detailed data request list that will identify the information needed to complete the various analyses.

3. Project Management

The Consultant shall appoint a designated staff person to be the Quality Assurance Control Designee (QACD). The core responsibilities of the QACD consists of: Reviewing the work effort for consistency, accuracy, validity and ensuring that the COSS's developed are based on sound rate making principles and standard industry practices.

The Consultant shall provide: Monthly updates according to Consultant/PUD determined milestones; monthly and/or as needed updates detailing the tasks accomplished, any identified problems (with their potential solution); maintaining a detailed document list of assumptions for the models, as well as adherence to budgeted project milestones.

Task 5: Recycled Water Cost Analysis and Allocation of Costs to Water and Wastewater Funds

Currently, all treatment costs to produce recycled water are borne by the Wastewater Metro Fund. Distribution, marketing and billing costs are borne by the Water Fund. The Department is seeking to have the Consultant review the cost allocations and advise as to whether adjustments to the allocation should be made. The current rate was determined by incorporating all of the revenue requirements of the tertiary capital and Operation & Maintenance (O&M) costs, distribution capital and O&M costs, and marketing and billing costs, i.e., the costs related to creating the "benefit" provided to recycled water customers. This task will require three (3) meetings with staff, with the Participating Agencies (PAs) of the Metro Wastewater JPA, and IROC.

Task 6: Pure Water Cost Allocation to Water and Wastewater Funds

Like non-potable recycled water, potable recycled water ("Pure Water") requires significant investment and operational costs for both funds. The Consultant will be requested to continue the current analysis to determine how specific costs should be allocated between the funds. This task will also require three (3) meetings with staff, with the Participating Agencies (PAs) of the Metro Wastewater JPA, and IROC.

Task 7: Assist Department with Identifying and Obtaining Federal Grants and Loans for the Pure Water Program

The Pure Water project is expected to cost approximately \$3 billion when completely built out and is expected to be financed with a combination of bond proceeds, State and Federal grants and low interest State and/or Federal loans. The Department is requesting assistance in identifying and obtaining Federal grants and loans.

Task 8: Capacity Fee Analysis for both Water and Wastewater

The Department is currently going through analyses for both Water and Wastewater capacity fees that is expected to produce new levels of charges by the end of fiscal year 2017. It is envisioned by staff that another analysis of both fees will need to be conducted within the five year time-frame of this contract period. These fees may be done independently or in combination with Task 2 and 3.

Task 9: Public Outreach for Water and Wastewater Rate Cases:

The goal of this task is for the Consultant to support PUD with the presentation of the results of the COSS to the various stakeholder groups and City Council. The Consultant shall create an outreach strategy to include a variety of activities to reach broadly into the community and to provide information about the developed rate structure.

PUD anticipates a minimum of:

- 9.1 Four presentations (two each for Water and Wastewater) for the City's Independent Rates Oversight Committee (IROC)
- 9.2 Four presentations (two each for Water and Wastewater) to the Mayor and/or staff
- 9.3 Two presentation to each (9) City Council member and/or staff
- 9.4 Two presentations (one each for Water and Wastewater) at a Council Committee meeting
- 9.5 Two presentations (combined Water and Wastewater) at full Council meetings
- 9.6 Six presentations to outside stakeholder groups, e.g., The San Diego County Taxpayers Assoc., various building groups, etc.
- 9.7 Two presentations to the Metropolitan Joint Power Authority or its technical review committee

Task 10: Value of Groundwater

The goal of this task is to develop an appropriate pricing rationale and schedule for groundwater on City owned lands that are leased, where the lease includes use of groundwater on site. The pricing schedule should incentivize compliance with the mandates of the Sustainable Groundwater Management Act and result in cost recovery to the City for use of the water resource and any services provided by the City.

A basic pricing schedule example is included as Exhibit 1

Task 11: Additional Services

- 11.1 Shall be similar in scope to Tasks 1 to 10 as described above
- 11.2 Analysis of impact of future increases to the cost of purchase water and the development of alternative methods to address the increased costs;
- 11.3 Additional presentations to stakeholders

D. FEES FOR ADDITIONAL SERVICES

The City may require that the successful Proposer perform additional services (Additional Services). Additional Services shall be similar in Scope to Tasks 1-10. Prior to the successful Proposer's performance of Additional Services, the City and the successful Proposer must agree in writing upon scope of services and a fee for the Additional Services, including reasonably related expenses.

The not-to-exceed amount for the Additional Services, if any, will be identified by the City in a written clarification and shall not exceed \$ 200,000. Labor rates listed in Price Schedule section B, Professional Rate Schedule will be evaluated. Please refer to Evaluation Criteria for evaluation of Cost.

Proposers must provide the labor classification and hourly rates for the key personnel who shall be assigned to this contract.

E. DEPARTMENT REPRESENTATIVE. The Department Representative for this Contract is identified in the notice of award and is responsible for overseeing and monitoring this Contract.

F. PRECLUDED PARTICIPATION. In order to avoid any real or perceived conflicts of interest, the successful Proposer to this RFP will be precluded from participation in any solicitations or contracts that result, directly or indirectly, from this RFP.

III. PRICE SCHEDULE

1. FEE AND COMPENSATION SCHEDULE

A. Price Schedule/Scope of Services

Task description	Lump Sum/1 year	Lump sum/5 years
Task 1: Model Updates and Periodic Financial Review		
Task 2: Alternative Water Rate Structure		
Task 3: Wastewater Cost of Service Study		
Task 4: Wastewater Cost of Service Study		
Task 5: Recycled Water Cost Analysis and Allocation of Costs to Water and Wastewater Funds		
Task 6: Pure Water Cost Allocation		
Task 7: Assist Department with Identifying and Obtaining Federal Grants and Loans for the Pure Water Program		
Task 8: Capacity Fee Analysis for both Water and Wastewater		
Task 9: Public Outreach for Water and Wastewater Rate Cases:		
Task 10: Value of Groundwater		
Total Tasks 1 - 10		

B. Price Schedule Additional Services. Professional Rate Schedule to be used for issuance of work under Task 11 -Additional Services.

Labor Classification	Hourly Rate \$

2. Reserved.

3. **Prices Submitted or Corrected.** All prices and notations must be written in ink or typed. Responses must be free of erasures. Corrections must be initialed in ink by the person signing the proposal.

4. Reserved.

5. **Fixed Price.** All prices shall be firm, fixed, fully burdened, FOB destination, and include any applicable delivery or freight charges, and any other costs required to provide the requirements as specified in this RFP. The lowest total estimated contract price of all the proposals that meet the requirements of this RFP will receive the maximum assigned points to this category as set forth in this RFP. The other price schedules will be scored based on how much higher their total estimated contract prices compare with the lowest:

$$\left(1 - \frac{(\text{contract price} - \text{lowest price})}{\text{lowest price}}\right) \times \text{maximum points} = \text{points received}$$

For example, if the lowest total estimated contract price of all proposals is \$100, that proposal would receive the maximum allowable points for the price category. If the total estimated contract price of another proposal is \$105 and the maximum allowable points is 60 points, then that proposal would receive $(1 - ((105 - 100) / 100)) \times 60 = 57$ points, or 95% of the maximum points. The lowest score a proposal can receive for this category is zero points (the score cannot be a negative number). The City will perform this calculation for each Proposal.

6. **Taxes and Fees.** Taxes and applicable local, state, and federal regulatory fees should not be included in the price proposal. Applicable taxes and regulatory fees will be added to the net amount invoiced. The City is liable for state, city, and county sales taxes but is exempt from Federal Excise Tax and will furnish exemption certificates upon request. All or any portion of the City sales tax returned to the City will be considered in the evaluation of proposals.

7. **Escalation.** An escalation factor is not allowed unless called for in this RFP. If escalation is allowed, proposer must notify the City in writing in the event of a decline in market price(s) below the proposal price. At that time, the City will make an adjustment in the Contract or may elect to re-solicit.

8. **Unit Price.** Unless the proposer clearly indicates that the price is based on consideration of being awarded the entire lot and that an adjustment to the price was made based on receiving the entire proposal, any difference between the unit price correctly extended and the total price shown for all items shall be offered shall be resolved in favor of the unit price.

IV. CONTRACT

- A. Contract Documents.** The following documents comprise the Contract between the City and Contractor: this RFP and Cover Sheet; the successful proposal; the Notice of Intent to Award; the City's written acceptance of exceptions or clarifications to the RFP, if any; and the City's General Contract Terms and Provisions.
- B. Contract Interpretation.** The Contract Documents completely describe the goods and/or services to be provided. Contractor will provide any goods and/or services that may reasonably be inferred from the Contract Documents or from prevailing custom or trade usage as being required to produce the intended result whether or not specifically called for or identified in the Contract Documents. Words or phrases which have a well-known technical or construction industry or trade meaning and are used to describe goods or services will be interpreted in accordance with that meaning unless a definition has been provided in the Contract Documents.
- C. Precedence.** In resolving conflicts resulting from errors or discrepancies in any of the Contract Documents, the Parties will use the order of precedence as set forth below. The document highest in the order of precedence controls. Inconsistent provisions in the Contract Documents that address the same subject, are consistent, and have different degrees of specificity, are not in conflict, and the more specific language will control. The order of precedence, from highest to lowest, is as follows:
- 1st This RFP and Cover Sheet
 - 2nd The City's written acceptance of any exceptions to clarifications to the RFP, if any
 - 3rd Specifications and any addenda thereto
 - 4th Contractor's Pricing Page(s)
 - 5th All sections of the RFP not identified above
 - 6th City's General Contract Terms and Provisions
- D. Counterparts.** This Contract may be executed in counterparts which, when taken together, shall constitute a single signed original as though all Parties had executed the same page.
- E. Public Agencies.** Other public agencies as defined by California Government Code section 6500 may choose to use the terms of this Contract, subject to Contractor's acceptance. The City is not liable or responsible for any obligations related to a subsequent agreement between Contractor and another public agency.

EXHIBIT 1 as referenced in Task 10

Rate Category	Agricultural Land & Groundwater system development	Volumetric Charge (\$)		
		Unit cost of water per (acre-ft/acre) up to basin Sustainable Yield	Penalty rate(s)	
			Unit cost of water 0-2 acre-feet/acre above basin sustainable yield	Unit cost of water 3-5 acre-feet/acre above basin sustainable yield
Base: Resource Charge	Agricultural land (no wells) in 8000 acre basin which has a sustainable yield of 6000 acre-feet/year			
Base plus Service Charge (all city funded improvements)	Partially developed groundwater system: Wells only			
	Partially developed groundwater system: Wells and pumps			
	Partially developed groundwater system: Wells, pumps and treatment system			
	Fully developed groundwater system: Wells, pumps, treatment and distribution systems			
Base plus Service Charge (tenant funded improvements)	Partially developed groundwater system: Wells only			
	Partially developed groundwater system: Wells and pumps			
	Partially developed groundwater system: Wells, pumps and treatment system			
	Fully developed groundwater system: Wells, pumps, treatment and distribution systems			

EQUAL OPPORTUNITY CONTRACTING PROGRAM (EOCP)
GOODS AND SERVICES CONTRACTOR REQUIREMENTS

I. City's Equal Opportunity Contracting Commitment.

The City of San Diego (City) promotes equal employment and subcontracting opportunities. The City is committed to ensuring that taxpayer dollars spent on public contracts are not paid to businesses that practice discrimination in employment or subcontracting. The City encourages all companies seeking to do business with the City to share this commitment. Contractors are encouraged to take positive steps to diversify and expand their subcontractor and supplier solicitation base and to offer opportunities to all eligible business firms.

Contractors must submit the required EOCP documentation indicated below with their proposals. Contractors who fail to provide the required EOCP documentation are considered non-responsive.

II. Definitions.

Commercially Useful Function: a Small Local Business Enterprise or Emerging Local Business Enterprise (SLBE/ELBE) performs a commercially useful function when it is responsible for execution of the work and is carrying out its responsibilities by actually performing, managing, and supervising the work involved. To perform a commercially useful function, the SLBE/ELBE shall also be responsible, with respect to materials and supplies used on the contract, for negotiating price, determining quantity and quality, ordering the material, and installing (where applicable) and paying for the material itself.

To determine whether an SLBE/ELBE is performing a commercially useful function, an evaluation will be performed of the amount of work subcontracted, normal industry practices, whether the amount the SLBE/ELBE firm is to be paid under the contract is commensurate with the work it is actually performing and the SLBE/ELBE credit claimed for its performance of the work, and other relevant factors. Specifically, an SLBE/ELBE does not perform a commercially useful function if its role is limited to that of an extra participant in a transaction, contract, or project through which funds are passed in order to obtain the appearance of meaningful and useful SLBE/ELBE participation, when in similar transactions in which SLBE/ELBE firms do not participate, there is no such role performed.

Disadvantaged Business Enterprise (DBE): a certified business that is (1) at least fifty-one (51%) owned by socially and economically Disadvantaged Individuals, or, in the case of a publicly owned business at least fifty-one percent (51%) of the stock is owned by one or more socially and economically Disadvantaged Individuals; and (2) whose daily business operations are managed and directed by one or more socially and economically disadvantaged owners. Disadvantaged Individuals include Black Americans, Hispanic Americans, Asian Americans, and other minorities, or individual found to be disadvantaged by the Small Business Administration pursuant to Section 8 of the Small Business Reauthorization Act.

Disabled Veteran Business Enterprise (DVBE): a certified business that is (1) at least fifty-one percent (51%) owned by one or more Disabled Veterans; and (2) business operations must be managed and controlled by one or more Disabled Veterans. A Disabled Veteran is a veteran of the U.S. military, naval, or air service who resides in California and has a service-connected disability of at least 10% or more. The firm shall be certified by the State of California's Department of General Services, Office of Small and Minority Business.

Emerging Business Enterprise (EBE): a business whose gross annual receipts do not exceed the amount set by the City Manager, and which meets all other criteria set forth in the regulations implementing the City's Small and Local Business Preference Program. The City Manager shall review the threshold amount for EBEs on an annual basis, and adjust as necessary to reflect changes in the marketplace.

Emerging Local Business Enterprise (ELBE): a Local Business Enterprise that is also an Emerging Business Enterprise.

Local Business Enterprise (LBE): a business that has both a principal place of business and a significant employment presence in the County of San Diego, and that has been in operation for twelve (12) consecutive months.

Minority Business Enterprise (MBE): a certified business that is (1) at least fifty-one percent (51%) owned by one or more minority individuals, or, in the case of a publicly owned business at least fifty-one percent (51%) of the stock is owned by one or more minority individuals; and (2) whose daily business operations are managed and directed by one or more minority owners. Minorities include the groups with the following ethnic origins: African, Asian Pacific, Asian Subcontinent, Hispanic, Native Alaskan, Native American, and Native Hawaiian.

Other Business Enterprise (OBE): any business which does not otherwise qualify as Minority, Woman, Disadvantaged, or Disabled Veteran Business Enterprise.

Principal Place of Business: a location wherein a business maintains a physical office and through which it obtains no less than fifty percent (50%) of gross annual receipts.

Significant Employee Presence: no less than twenty-five percent (25%) of a business's total number of employees.

Small Business Enterprise (SBE): a business whose gross annual receipts do not exceed the amount set by the City Manager, and that meets all other criteria set forth in regulations implementing the City's Small and Local Business Preference Program. The City Manager shall review the threshold amount for SBEs on an annual basis, and adjust as necessary to reflect changes in the marketplace. A business certified as a DVBE by the State of California, and that has provided proof of such certification to the City manager, shall be deemed to be an SBE.

Small Local Business Enterprise (SLBE): a Local Business Enterprise that is also a Small Business Enterprise.

Women Business Enterprise (WBE): a certified business that is (1) at least fifty-one percent (51 %) owned by a woman or women, or, in the case of a publicly owned business at least fifty-one percent (51%) of the stock is owned by one or more women; and (2) whose daily business operations are managed and directed by one or more women owners.

III. Disclosure of Discrimination Complaints.

As part of its proposal, Contractor shall provide to the City a list of all instances within the past ten (10) years where a complaint was filed or pending against Contractor in a legal or administrative proceeding alleging that Contractor discriminated against its employees, subcontractors, vendors, or suppliers, and a description of the status or resolution of that complaint, including any remedial action taken. (Attachment AA).

IV. Work Force Report and Equal Opportunity Outreach Plan.

- A. Work Force Report. Contractors shall submit with their proposal a Work Force Report (WFR) for approval by the City. (Attachment BB). If the City determines that there are under representations when compared to County Labor Force Availability data, then the Contractor will also be required to submit an Equal Employment Opportunity Plan (EEOP) to the City for approval. Questions regarding the WFR should be directed to the Equal Opportunity Contracting Department.
- B. Duty to Comply with Equal Opportunity Outreach Plan. A Contractor for whom an EEOP has been approved by the City shall use best efforts to comply with that EEOP.

V. Small and Local Business Program Requirements.

The City has adopted a Small and Local Business Enterprise program for goods, services, and consultant contracts. The SLBE requirements are set forth in Council Policy 100-10. For contracts in which the Purchasing Agent is required to advertise for sealed proposals in the City's official newspaper or consultant contracts valued over \$50,000, the City shall:

- A. Apply a maximum of an additional 12% of the total possible evaluation points to the Contractor's final score for SLBE or ELBE participation. Additional points will be awarded as follows:
 - a. If the Contractor achieves 20% participation, apply 5% of the total possible evaluation points to the Contractor's score; or
 - b. If the Contractor achieves 25% participation, apply 10% of the total possible evaluation points to the Contractor's score; or
 - c. If the prime contractor is a SLBE or an ELBE, apply 12% of the total possible evaluation points to the Contractor's score.

VI. Maintaining Participation Levels.

- A. Additional points are based on the Contractor's level of participation proposed prior to the award of the goods, services, or consultant contract. Contractors are required to achieve and maintain the SLBE or ELBE participation levels throughout the duration of the goods, services, or consultant contract.
- B. If the City modifies the original specifications, the Contractor shall make reasonable efforts to maintain the SLBE or ELBE participation for which the additional points were awarded. The City must approve in writing a reduction in SLBE or ELBE participation levels.
- C. Contractor shall notify and obtain written approval from the City in advance of any reduction in subcontract scope, termination, or substitution for a designated SLBE or ELBE subcontractor.
- D. Contractor's failure to maintain SLBE or ELBE participation levels as specified in the goods, services, or consultant contract shall constitute a default and grounds for debarment under Chapter 2, Article 2, Division 8, of the San Diego Municipal Code.
- E. The remedies available to the City under Council Policy 100-10 are cumulative to all other rights and remedies available to the City.

VII. Certifications.

The City accepts certifications of MBE, WBE, DBE, or DVBE from the following certifying agencies:

- A. Current certification by the State of California Department of Transportation (CALTRANS) as DBE.
- B. Current MBE or WBE certification from the California Public Utilities Commission.
- C. DVBE certification is received from the State of California's Department of General Services, Office of Small and Minority Business.
- D. Current certification by the City of Los Angeles as DBE, WBE, or MBE.

Subcontractors' valid proof of certification status e.g., copy of MBE, WBE, DBE, or DVBE certification must be submitted with the proposal or contract documents. MBE, WBE, DBE, or DVBE certifications are listed for informational purposes only.

VIII. List of Attachments.

- AA. Contractors Certification of Pending Actions
- BB. Work Force Report

AA. CONTRACTORS CERTIFICATION OF PENDING ACTIONS

As part of its proposal, the Contractor must provide to the City a list of all instances within the past 10 years where a complaint was filed or pending against the Contractor in a legal or administrative proceeding alleging that Contractor discriminated against its employees, subcontractors, vendors or suppliers, and a description of the status or resolution of that complaint, including any remedial action taken.

CHECK ONE BOX ONLY.

- The undersigned certifies that within the past 10 years the Contractor has NOT been the subject of a complaint or pending action in a legal administrative proceeding alleging that Contractor discriminated against its employees, subcontractors, vendors or suppliers.

- The undersigned certifies that within the past 10 years the Contractor has been the subject of a complaint or pending action in a legal administrative proceeding alleging that Contractor discriminated against its employees, subcontractors, vendors or suppliers. A description of the status or resolution of that complaint, including any remedial action taken and the applicable dates is as follows:

DATE OF CLAIM	LOCATION	DESCRIPTION OF CLAIM	LITIGATION (Y/N)	STATUS	RESOLUTION/REMEDIAL ACTION TAKEN

Contractor Name: _____

Certified By _____ Title _____

Name

Date _____

Signature

USE ADDITIONAL FORMS AS NECESSARY



City of San Diego

EQUAL OPPORTUNITY CONTRACTING (EOC)

1200 Third Avenue · Suite 200 · San Diego, CA 92101

Phone: (619) 236-6000 · Fax: (619) 236-5904

BB. WORK FORCE REPORT

The objective of the *Equal Employment Opportunity Outreach Program*, is to ensure that contractors doing business with the City, or receiving funds from the City, do not engage in unlawful discriminatory employment practices prohibited by State and Federal law. Such employment practices include, but are not limited to unlawful discrimination in the following: employment, promotion or upgrading, demotion or transfer, recruitment or recruitment advertising, layoff or termination, rate of pay or other forms of compensation, and selection for training, including apprenticeship. Contractors are required to provide a completed *Work Force Report (WFR)*.

NO OTHER FORMS WILL BE ACCEPTED

CONTRACTOR IDENTIFICATION

Type of Contractor: Construction Vendor/Supplier Financial Institution Lessee/Lessor
 Consultant Grant Recipient Insurance Company Other

Name of Company: _____

ADA/DBA: _____

Address (Corporate Headquarters, where applicable): _____

City: _____ County: _____ State: _____ Zip: _____

Telephone Number: () _____ Fax Number: () _____

Name of Company CEO: _____

Address(es), phone and fax number(s) of company facilities located in San Diego County (if different from above):

Address: _____

City: _____ County: _____ State: _____ Zip: _____

Telephone Number: () _____ Fax Number: () _____ Email: _____

Type of Business: _____ Type of License: _____

The Company has appointed: _____

As its Equal Employment Opportunity Officer (EEOO). The EEOO has been given authority to establish, disseminate and enforce equal employment and affirmative action policies of this company. The EEOO may be contacted at:

Address: _____

Telephone Number: () _____ Fax Number: () _____ Email: _____

One San Diego County (or Most Local County) Work Force - Mandatory

Branch Work Force * Managing Office Work Force

Check the box above that applies to this WFR.

**Submit a separate Work Force Report for all participating branches. Combine WFRs if more than one branch per county.*

I, the undersigned representative of _____

(Firm Name)

_____ hereby certify that information provided

(County)

(State)

herein is true and correct. This document was executed on this _____ day of _____, 20____

(Authorized Signature)

(Print Authorized Signature Name)

NAME OF FIRM: _____ DATE: _____

OFFICE(S) or BRANCH(ES): _____ COUNTY: _____

I. INSTRUCTIONS: For each occupational category, indicate number of males and females in every ethnic group. Total columns in row provided. Sum of all totals should be equal to your total work force. Include all those employed by your company on either a full or part-time basis. The following groups are to be included in ethnic categories listed in columns below:

- (1) Black, African-American
- (2) Hispanic, Latino, Mexican-American, Puerto Rican
- (3) Asian
- (4) American Indian, Eskimo
- (5) Filipino, Asian Pacific Islander
- (6) White, Caucasian
- (7) Other ethnicity; not falling into other groups

ADMINISTRATION OCCUPATIONAL CATEGORY	(1) African-American		(2) Hispanic or Latino		(3) Asian		(4) American Indian		(5) Asian Pacific Islander		(6) Caucasian		(7) Other Ethnicity	
	(M)	(F)	(M)	(F)	(M)	(F)	(M)	(F)	(M)	(F)	(M)	(F)	(M)	(F)
Management & Financial														
Professional														
A&E, Science, Computer														
Technical														
Sales														
Administrative Support														
Services														
Crafts														
Operative Workers														
Transportation														
Laborers*														

*Construction laborers and other field employees are not to be included on this page

Totals Each Column														
--------------------	--	--	--	--	--	--	--	--	--	--	--	--	--	--

Grand Total All Employees	
---------------------------	--

Indicate by Gender and Ethnicity the Number of Above Employees Who Are Disabled:

Disabled														
----------	--	--	--	--	--	--	--	--	--	--	--	--	--	--

Non-Profit Organizations Only:

Board of Directors														
Volunteers														
Artists														

NAME OF FIRM: _____ DATE: _____

OFFICE(S) or BRANCH(ES): _____ COUNTY: _____

INSTRUCTIONS: For each occupational category, indicate number of males and females in every ethnic group. Total columns in row provided. Sum of all totals should be equal to your total work force. Include all those employed by your company on either a full or part-time basis. The following groups are to be included in ethnic categories listed in columns below:

- (1) Black, African-American
- (2) Hispanic, Latino, Mexican-American, Puerto Rican
- (3) Asian
- (4) American Indian, Eskimo
- (5) Filipino, Asian Pacific Islander
- (6) White, Caucasian
- (7) Other ethnicity; not falling into other groups

TRADE OCCUPATIONAL CATEGORY	(1) African- American		(2) Hispanic or Latino		(3) Asian		(4) American Indian		(5) Asian Pacific Islander		(6) Caucasian		(7) Other Ethnicity	
	(M)	(F)	(M)	(F)	(M)	(F)	(M)	(F)	(M)	(F)	(M)	(F)	(M)	(F)
Brick, Block or Stone Masons														
Carpenters														
Carpet, Floor & Tile Installers Finishers														
Cement Masons, Concrete Finishers														
Construction Laborers														
Drywall Installers, Ceiling Tile Inst														
Electricians														
Elevator Installers														
First-Line Supervisors/Managers														
Glaziers														
Helpers; Construction Trade														
Millwrights														
Misc. Const. Equipment Operators														
Painters, Const. & Maintenance														
Pipelayers, Plumbers, Pipe & Steam Fitters														
Plasterers & Stucco Masons														
Roofers														
Security Guards & Surveillance Officers														
Sheet Metal Workers														
Structural Metal Fabricators & Fitters														
Welding, Soldering & Brazing Workers														
Workers, Extractive Crafts, Miners														
Totals Each Column														
Grand Total All Employees	<div style="border: 2px solid black; width: 150px; height: 20px; margin: 0 auto;"></div>													
Indicate By Gender and Ethnicity the Number of Above Employees Who Are Disabled:														



CITY OF SAN DIEGO WORK FORCE REPORT

HISTORY

The Work Force Report (WFR) is the document that allows the City of San Diego to analyze the work forces of all firms wishing to do business with the City. We are able to compare the firm’s work force data to County Labor Force Availability (CLFA) data derived from the United States Census. CLFA data is a compilation of lists of occupations and includes the percentage of each ethnicity we track (African-American, Hispanic or Latino, Asian, American Indian, Asian Pacific Islander, Caucasian, and Other Ethnicities) for each occupation. Currently, our CLFA data is taken from the 2010 Census. In order to compare one contractor to another, it is important that the data we receive from the Contractor firm is accurate and organized in the manner that allows for this fair comparison.

WORK FORCE & BRANCH WORK FORCE REPORTS

When submitting a WFR, especially if the WFR is for a specific project or activity, we would like to have information about the firm’s work force that is actually participating in the project or activity. That is, if the project is in San Diego and the work force is from San Diego, we want a San Diego County WFR.¹ By the same token, if the project is in San Diego, but the work force is from another county, such as Orange or Riverside County, we want a WFR from that county.² If participation in a San Diego project is by work forces from San Diego

County and, for example, from Los Angeles County and from Sacramento County, we ask for separate WFRs representing your firm from each of the three counties.

MANAGING OFFICE WORK FORCE

Equal Opportunity Contracting may occasionally ask for a Managing Office Work Force (MOWF) Report. This may occur in an instance where the firm involved is a large national or international firm but the San Diego or other local work force is very small. In this case, we may ask for both a local and a MOWF Report.^{1,3} In another case, when work is done only by the Managing Office, only the MOWF Report may be necessary.³

TYPES OF WORK FORCE REPORTS:

Please note, throughout the preceding text of this page, the superscript numbers one ¹, two ² & three ³. These numbers coincide with the types of work force report required in the example. See below:

- ¹ San Diego County (or Most Local County) Work Force – Mandatory in most cases
- ² Branch Work Force *
- ³ Managing Office Work Force

**Submit a separate Work Force Report for all participating branches. Combine WFRs if more than one branch per county.*

Exhibit A: Work Force Report Job categories-Administration

Refer to this table when completing your firm’s Work Force Report form(s).

Management & Financial

Advertising, Marketing, Promotions, Public Relations, and Sales Managers
Business Operations Specialists
Financial Specialists
Operations Specialties Managers
Other Management Occupations
Top Executives

Professional

Art and Design Workers
Counselors, Social Workers, and Other Community and Social Service Specialists
Entertainers and Performers, Sports and Related Workers
Health Diagnosing and Treating Practitioners
Lawyers, Judges, and Related Workers
Librarians, Curators, and Archivists
Life Scientists

Media and Communication Workers
Other Teachers and Instructors
Postsecondary Teachers
Primary, Secondary, and Special Education School Teachers
Religious Workers
Social Scientists and Related Workers

Architecture & Engineering, Science, Computer

Architects, Surveyors, and Cartographers
Computer Specialists
Engineers
Mathematical Science Occupations
Physical Scientists

Technical

Drafters, Engineering, and Mapping Technicians
Health Technologists and Technicians
Life, Physical, and Social Science Technicians
Media and Communication Equipment Workers

Sales

Other Sales and Related Workers
Retail Sales Workers
Sales Representatives, Services
Sales Representatives, Wholesale and Manufacturing
Supervisors, Sales Workers

Administrative Support

Financial Clerks
Information and Record Clerks
Legal Support Workers
Material Recording, Scheduling, Dispatching, and Distributing Workers
Other Education, Training, and Library Occupations
Other Office and Administrative Support Workers
Secretaries and Administrative Assistants
Supervisors, Office and Administrative Support Workers

Services

Building Cleaning and Pest Control Workers
Cooks and Food Preparation Workers
Entertainment Attendants and Related Workers
Fire Fighting and Prevention Workers
First-Line Supervisors/Managers, Protective Service Workers
Food and Beverage Serving Workers
Funeral Service Workers
Law Enforcement Workers
Nursing, Psychiatric, and Home Health Aides
Occupational and Physical Therapist Assistants and Aides

Other Food Preparation and Serving Related Workers
Other Healthcare Support Occupations
Other Personal Care and Service Workers
Other Protective Service Workers
Personal Appearance Workers
Supervisors, Food Preparation and Serving Workers
Supervisors, Personal Care and Service Workers
Transportation, Tourism, and Lodging Attendants

Crafts

Construction Trades Workers
Electrical and Electronic Equipment Mechanics, Installers, and Repairers
Extraction Workers
Material Moving Workers
Other Construction and Related Workers
Other Installation, Maintenance, and Repair Occupations
Plant and System Operators
Supervisors of Installation, Maintenance, and Repair Workers
Supervisors, Construction and Extraction Workers
Vehicle and Mobile Equipment Mechanics, Installers, and Repairers
Woodworkers

Operative Workers

Assemblers and Fabricators
Communications Equipment Operators
Food Processing Workers
Metal Workers and Plastic Workers
Motor Vehicle Operators
Other Production Occupations
Printing Workers
Supervisors, Production Workers
Textile, Apparel, and Furnishings Workers

Transportation

Air Transportation Workers
Other Transportation Workers
Rail Transportation Workers
Supervisors, Transportation and Material Moving Workers
Water Transportation Workers

Laborers

Agricultural Workers
Animal Care and Service Workers
Fishing and Hunting Workers
Forest, Conservation, and Logging Workers
Grounds Maintenance Workers
Helpers, Construction Trades

Supervisors, Building and Grounds Cleaning and Maintenance Workers
--

Supervisors, Farming, Fishing, and Forestry Workers

Exhibit B: Work Force Report Job categories-Trade

Brick, Block or Stone Masons

Brickmasons and Blockmasons

Stonemasons

Carpenters

Carpet, floor and Tile Installers and Finishers

Carpet Installers

Floor Layers, except Carpet, Wood and Hard Tiles
--

Floor Sanders and Finishers

Tile and Marble Setters

Cement Masons, Concrete Finishers

Cement Masons and Concrete Finishers

Terrazzo Workers and Finishers

Construction Laborers

Drywall Installers, Ceiling Tile Inst

Drywall and Ceiling Tile Installers

Tapers

Electricians

Elevator Installers and Repairers

First-Line Supervisors/Managers

First-line Supervisors/Managers of Construction

Trades and Extraction Workers

Glaziers

Helpers, Construction Trade

Brickmasons, Blockmasons, and Tile and Marble Setters

Carpenters

Electricians

Painters, Paperhangers, Plasterers and Stucco

Pipelayers, Plumbers, Pipefitters and Steamfitters
--

Roofers

All other Construction Trades

Millwrights

Heating, Air Conditioning and Refrigeration Mechanics and Installers
--

Mechanical Door Repairers

Control and Valve Installers and Repairers
--

Other Installation, Maintenance and Repair Occupations
--

Misc. Const. Equipment Operators

Paving, Surfacing and Tamping Equipment Operators

Pile-Driver Operators

Operating Engineers and Other Construction Equipment Operators
--

Painters, Const. Maintenance

Painters, Construction and Maintenance
--

Paperhangers

Pipelayers and Plumbers

Pipelayers

Plumbers, Pipefitters and Steamfitters
--

Plasterers and Stucco Masons

Roofers

Security Guards & Surveillance Officers

Sheet Metal Workers

Structural Iron and Steel Workers

Welding, Soldering and Brazing Workers

Welders, Cutter, Solderers and Brazers
--

Welding, Soldering and Brazing Machine Setter, Operators and Tenders
--

City of San Diego
CONTRACTOR STANDARDS
Pledge of Compliance

The City of San Diego has adopted a Contractor Standards Ordinance (CSO) codified in section 22.3004 of the San Diego Municipal Code (SDMC). The City of San Diego uses the criteria set forth in the CSO to determine whether a bidder or proposer has the capacity to fully perform the contract requirements and the business integrity to justify the award of public funds. This completed Pledge of Compliance signed under penalty of perjury must be submitted with each bid and proposal. If an informal solicitation process is used, the bidder must submit this completed Pledge of Compliance to the City prior to execution of the contract. All responses must be typewritten or printed in ink. If an explanation is requested or additional space is required, Respondents must provide responses on Attachment A to the Pledge of Compliance and sign each page. Failure to submit a signed and completed Pledge of Compliance may render the bid or proposal non-responsive. In the case of an informal solicitation, the contract will not be awarded unless a signed and completed Pledge of Compliance is submitted. A submitted Pledge of Compliance is a public record and information contained within will be available for public review except to the extent that such information is exempt from disclosure pursuant to applicable law.

A. BID/PROPOSAL/SOLICITATION TITLE:

B. BIDDER/PROPOSER INFORMATION:

Legal Name	DBA		
Street Address	City	State	Zip
Contact Person, Title	Phone	Fax	

C. OWNERSHIP AND NAME CHANGES:

1. In the past five (5) years, has your firm changed its name?

Yes No

If **Yes**, use Attachment "A" to list all prior legal and DBA names, addresses, and dates each firm name was used. Explain the specific reasons for each name change.

2. In the past five (5) years, has a firm owner, partner, or officer operated a similar business?

Yes No

If **Yes**, use Attachment "A" to list names and addresses of all businesses and the person who operated the business. Include information about a similar business only if an owner, partner, or officer of your firm holds or has held a similar position in another firm.

D. BUSINESS ORGANIZATION/STRUCTURE:

Indicate the organizational structure of your firm. Fill in only one section on this page. Use Attachment "A" if more space is required.

Corporation Date incorporated: ___/___/___ State of incorporation: _____

List corporation's current officers: President: _____
Vice Pres: _____
Secretary: _____
Treasurer: _____

Is your firm a publicly traded corporation? **Yes** **No**

If **Yes**, name those who own ten percent (10 %) or more of the corporation's stocks:

Limited Liability Company Date formed: ___/___/___ State of formation: _____

List names of members who own ten percent (10%) or more of the company:

Partnership Date formed: ___/___/___ State of formation: _____

List names of all firm partners:

Sole Proprietorship Date started: ___/___/___

List all firms you have been an owner, partner or officer with during the past five (5) years. Do not include ownership of stock in a publicly traded company:

Joint Venture Date formed: ___/___/___

List each firm in the joint venture and its percentage of ownership:

Note: To be responsive, each member of a Joint Venture must complete a separate *Pledge of Compliance*.

E. FINANCIAL RESOURCES AND RESPONSIBILITY:

1. Is your firm preparing to be sold, in the process of being sold, or in negotiations to be sold?

Yes **No**

If **Yes**, use Attachment "A" to explain the circumstances, including the buyer's name and principal contact information.

2. In the past five (5) years, has your firm been denied bonding?

Yes **No**

If **Yes**, use Attachment "A" to explain specific circumstances; include bonding company name.

3. In the past five (5) years, has a bonding company made any payments to satisfy claims made against a bond issued on your firm's behalf or a firm where you were the principal?

Yes **No**

If **Yes**, use Attachment "A" to explain specific circumstances.

4. In the past five (5) years, has any insurance carrier, for any form of insurance, refused to renew the insurance policy for your firm?

Yes **No**

If **Yes**, use Attachment "A" to explain specific circumstances.

5. Within the last five years, has your firm filed a voluntary petition in bankruptcy, been adjudicated bankrupt, or made a general assignment for the benefit of creditors?

6. Please provide the name of your principal financial institution for financial reference. By submitting a response to this Solicitation Contractor authorizes a release of credit information for verification of financial responsibility.

Name of Bank: _____

Point of Contact: _____

Address: _____

Phone Number: _____

7. By submitting a response to a City solicitation, Contractor certifies that he or she has sufficient operating capital and/or financial reserves to properly fund the requirements identified in the solicitation. At City's request, Contractor will promptly provide to City a copy of Contractor's most recent balance sheet and/or other necessary financial statements to substantiate financial ability to perform.

F. PERFORMANCE HISTORY:

1. In the past five (5) years, has your firm been found civilly liable, either in a court of law or pursuant to the terms of a settlement agreement, for defaulting or breaching a contract with a government agency?

Yes **No**

If **Yes**, use Attachment "A" to explain specific circumstances.

2. In the past five (5) years, has a public entity terminated your firm's contract for cause prior to contract completion?

Yes **No**

If **Yes**, use Attachment "A" to explain specific circumstances and provide principal contact information.

3. In the past five (5) years, has your firm entered into any settlement agreement for any lawsuit that alleged contract default, breach of contract, or fraud with or against a public entity?

Yes **No**

If **Yes**, use Attachment "A" to explain specific circumstances.

4. Is your firm currently involved in any lawsuit with a government agency in which it is alleged that your firm has defaulted on a contract, breached a contract, or committed fraud?

Yes No

If **Yes**, use Attachment "A" to explain specific circumstances.

5. In the past five (5) years, has your firm, or any firm with which any of your firm's owners, partners, or officers is or was associated, been debarred, disqualified, removed, or otherwise prevented from bidding on or completing any government or public agency contract for any reason?

Yes No

If **Yes**, use *Pledge of Compliance Attachment "A"* to explain specific circumstances.

6. In the past five (5) years, has your firm received a notice to cure or a notice of default on a contract with any public agency?

Yes No

If **Yes**, use Attachment "A" to explain specific circumstances and how the matter resolved.

7. Performance References:

Please provide a minimum of three (3) references familiar with work performed by your firm which was of a similar size and nature to the subject solicitation within the last five (5) years.

Company Name: _____

Contact Name and Phone Number: _____

Contact Email: _____

Address: _____

Contract Date: _____

Contract Amount: _____

Requirements of Contract: _____

Company Name: _____

Contact Name and Phone Number: _____

Contact Email: _____

Address: _____

Contract Date: _____

Contract Amount: _____

Requirements of Contract: _____

Company Name: _____

Contact Name and Phone Number: _____

Contact Email: _____

Address: _____

Contract Date: _____

Contract Amount: _____

Requirements of Contract: _____

G.COMPLIANCE:

1. In the past five (5) years, has your firm or any firm owner, partner, officer, executive, or manager been criminally penalized or found civilly liable, either in a court of law or pursuant to the terms of a settlement agreement, for violating any federal, state, or local law in performance of a contract, including but not limited to, laws regarding health and safety, labor and employment, permitting, and licensing laws?

Yes **No**

If **Yes**, use Attachment "A" to explain specific circumstances surrounding each instance. Include the name of the entity involved, the specific infraction(s) or violation(s), dates of instances, and outcome with current status.

2. In the past five (5) years, has your firm been determined to be non-responsible by a public entity?

Yes **No**

If **Yes**, use Attachment "A" to explain specific circumstances of each instance. Include the name of the entity involved, the specific infraction, dates, and outcome.

H BUSINESS INTEGRITY:

1. In the past five (5) years, has your firm been convicted of or found liable in a civil suit for making a false claim or material misrepresentation to a private or public entity?

Yes **No**

If **Yes**, use Attachment "A" to explain specific circumstances of each instance. Include the entity involved, specific violation(s), dates, outcome and current status.

2. In the past five (5) years, has your firm or any of its executives, management personnel, or owners been convicted of a crime, including misdemeanors, or been found liable in a civil suit involving the bidding, awarding, or performance of a government contract?

Yes **No**

If **Yes**, use *Pledge of Compliance Attachment "A"* to explain specific circumstances of each instance; include the entity involved, specific infraction(s), dates, outcome and current status.

3. In the past five (5) years, has your firm or any of its executives, management personnel, or owners been convicted of a federal, state, or local crime of fraud, theft, or any other act of dishonesty?

Yes **No**

If **Yes**, use *Pledge of Compliance Attachment "A"* to explain specific circumstances of each instance; include the entity involved, specific infraction(s), dates, outcome and current status.

I. WAGE COMPLIANCE:

In the past five (5) years, has your firm been required to pay back wages or penalties for failure to comply with the federal, state or local prevailing, minimum, or living wage laws? Yes No If Yes, use Attachment "A" to explain the specific circumstances of each instance. Include the entity involved, the specific infraction(s), dates, outcome, and current status.

J. STATEMENT OF SUBCONTRACTORS:

Please provide the names and information for all subcontractors used in the performance of the proposed contract, and what portion of work will be assigned to each subcontractor. Subcontractors may not be substituted without the written consent of the City. Use Attachment "A" if additional pages are necessary. If no subcontractors will be used, please write "Not Applicable."

Company Name: _____

Contact Name and Phone Number: _____

Contact Email: _____

Address: _____

Contract Date _____

Sub-Contract Dollar Amount: _____

Requirements of Contract: _____

What portion of work will be assigned to this subcontractor: _____

Is the Subcontractor a certified SLBE, ELBE, MBE, DBE, DVBE, or OBE? (Circle One) YES NO

If YES, Contractor must provide valid proof of certification with the response to the bid or proposal.

Company Name: _____

Contact Name and Phone Number: _____

Contact Email: _____

Address: _____

Contract Date _____

Sub-Contract Dollar Amount: _____

Requirements of Contract: _____

What portion of work will be assigned to this subcontractor: _____

Is the Subcontractor a certified SLBE, ELBE, MBE, DBE, DVBE, or OBE? (Circle One) YES NO

If YES, Contractor must provide valid proof of certification with the response to the bid or proposal.

K. STATEMENT OF AVAILABLE EQUIPMENT:

List all necessary equipment to complete the work specified. Use *Pledge of Compliance Attachment "A"* if additional pages are necessary. In instances where the required equipment is not owned by the Contractor, Contractor shall explain how the equipment will be made available before the commencement of work. The City of San Diego reserves the right to reject any response when, in its opinion, the Contractor has not demonstrated he or she will be properly equipped to perform the work in an efficient, effective manner for the duration of the contract period.

If no equipment is necessary to complete the work specified, please write "Not Applicable."

Equipment Description: _____

Owned Rented Other (explain below)

If Owned, Quantity Available: _____

Year, Make & Model: _____

Explanation: _____

Equipment Description: _____

Owned Rented Other (explain below)

If Owned, Quantity Available: _____

Year, Make & Model: _____

Explanation: _____

Equipment Description: _____

Owned Rented Other (explain below)

If Owned, Quantity Available: _____

Year, Make & Model: _____

Explanation: _____

L. TYPE OF SUBMISSION: This document is submitted as:

Initial submission of *Contractor Standards Pledge of Compliance*.

Update of prior *Contractor Standards Pledge of Compliance* dated ____/____/____.

Complete all questions and sign below.

Under penalty of perjury under the laws of the State of California, I certify that I have read and understand the questions contained in this Pledge of Compliance, that I am responsible for completeness and accuracy of the responses contained herein, and that all information provided is true to the best of my knowledge and belief. I agree to provide written notice to the Purchasing Agent within five (5) business days if, at any time, I learn that any portion of this Pledge of Compliance. Failure to timely provide the Purchasing Agent with written notice is grounds for Contract termination.

I, on behalf of the firm, further certify that I and my firm will comply with the following provisions of SDMC section 22.3004:

- (a) I and my firm will comply with all applicable local, State and Federal laws, including health and safety, labor and employment, and licensing laws that affect the employees, worksite or performance of the contract.
- (b) I and my firm will notify the Purchasing Agent in writing within fifteen (15) calendar days of receiving notice that a government agency has begun an investigation of me or my firm that may result in a finding that I or my firm is or was not in compliance with laws stated in paragraph (a).
- (c) I and my firm will notify the Purchasing Agent in writing within fifteen (15) calendar days of a finding by a government agency or court of competent jurisdiction of a violation by the Contractor of laws stated in paragraph (a).
- (d) I and my firm will notify the Purchasing Agent in writing within fifteen (15) calendar days of becoming aware of an investigation or finding by a government agency or court of competent jurisdiction of a violation by a subcontractor of laws stated in paragraph (a).
- (e) I and my firm will cooperate fully with the City during any investigation and to respond to a request for information within ten (10) working days.

Failure to sign and submit this form with the bid/proposal shall make the bid/proposal non-responsive. In the case of an informal solicitation, the contract will not be awarded unless a signed and completed *Pledge of Compliance* is submitted.

Name and Title

Signature

Date

City of San Diego
CONTRACTOR STANDARDS
Pledge of Compliance Attachment "A"

Provide additional information in space below. Use additional Attachment "A" pages as needed. Each page must be signed. Print in ink or type responses and indicate question being answered.

I have read the matters and statements made in this Contractor Standards Pledge of Compliance and attachments thereto and I know the same to be true of my own knowledge, except as to those matters stated upon information or belief and as to such matters, I believe the same to be true. I certify under penalty of perjury that the foregoing is true and correct.

Print Name, Title

Signature

Date

CITY OF SAN DIEGO

PURCHASING & CONTRACTING DEPARTMENT

1200 Third Avenue, Suite 200

San Diego, CA 92101-4195

Fax: (619) 236-5904

ADDENDUM A

Proposal No. 10084319-17-H

Proposal Closing Date: February 27, 2017
@ 2:00 p.m. PT

Proposal for furnishing the City of San Diego with **Consulting Services for Public Utilities Department Water & Wastewater Cost of Service Studies.**

The following changes to the specifications are hereby made effective as though they were originally shown and/or written:

- Add a three (3) page "Questions and Answers". (**NOTE:** This is for informational purposes only, and is not part of any resulting contract.)
- Replace page 14 of the RFP with new page 14. (**NOTE:** Task 3 description has been changed and column Lump Sum/1 year has been deleted).

CITY OF SAN DIEGO PURCHASING & CONTRACTING DEPARTMENT



Viviana Hening
Supervising Procurement Contracting Officer
(619) 533-6441

February 14, 2017

VH

Consulting Services for Public Utilities Department Water & Wastewater Cost of Service Studies
Questions and Answers

Question 1: Is the San Diego PUD Management and Board satisfied with the current water system cost of service model?

Answer 1: Yes

Question 2: When will the wastewater system cost of service study that is currently underway be completed?

Answer 2: The current COSS is anticipated to be completed this year. The COSS RFP anticipates another Wastewater COSS during the contract period.

Question 3: Are rate structure changes anticipated as a result of the wastewater system cost of service study currently underway?

Answer 3: We anticipate changes may occur; however, what those changes will entail in breadth and scope are currently unknown.

Question 4: Are the metro and muni wastewater subsystems included in the wastewater cost of service study currently underway?

Answer 4: Yes

Question 5: Are any prior internal and consultant cost of service study reports and Excel models available for review?

Answer 5: Public information can be provided, which includes COSS reports, but not proprietary excel models and other information.

Question 6: Is there a budgeted amount for this study, or a limit on spending for this study? If yes, what is the budget and/or spending limit amount?

Answer 6: Budget for this COSS RFP will be included in the FY 2018 budget and beyond. However, the FY 2018 budget is currently in preparation and cannot be shared.

Question 7: What is the anticipated start date of the project?

Answer 7: One or more tasks are anticipated to start as soon as the contract is awarded.

Question 8: In the Fee and Compensation schedule provided with the RFP there is an opportunity to propose a fixed price for a one-year term of work and a five-year term of work. Is the City requesting separate bids for all proposed work in both a one-year and five-year time frame, or one or the other?

Answer 8: The Public Utilities Department is only requesting quotes for the five year lump sum. Some of the tasks may start immediately, some may be ongoing in nature and the actual COSS for Water and Wastewater are anticipated to be conducted over the last 12 – 18 months of the contract period, allowing enough time to have the proposed rate case able to go into effect commencing on July 1, 2020 (FY 2021) if so desired.

Question 9: What is the quality of the City of San Diego’s PUD customer usage data (e.g. how recent, granularity of data, frequency of reporting, etc.)?

Answer 9: Usage data for residential customers is compiled bi-monthly and other customer classes occur monthly. The Customer Care Solutions system is a fine detail reporting system integrated with SAP. Additionally, during the next water COSS, AMI data for the full City is anticipated to be available.

Question 10: What is the extent of AMI penetration on the PUD water system? If San Diego does not have automated meters for its water customers, does it have plans to install automated meters over the next rate planning cycle?

Answer 10: Currently, 11,000 meters are deployed and providing information to the Department and customers. The full City rollout of AMI is currently underway and is anticipated to occur over the next two years.

Question 11: Is the “Review of Funds” analysis in 2016-17; and 2018-19 referenced in the description of Task 1, completely separate from the scope of work envisioned in this RFP?

Answer 11: The Review of Funds will be conducted separately by an independent auditing firm. The financial outcome of the Review of Funds will need to be incorporated into the COSS model to determine the impacts moving forward into the outer years of the water rate case timeline and beyond. The consultant for this RFP will be required to assist in modeling these impacts and any potential rate change on future operation, financial coverage ratios, and days of cash on hand, etc.

Question 12: Does Task 1 envision monthly updates of rate models from the project start date through FY 2019 (24 updates) regardless of the results of the “Review of Funds” referenced? In other words, to what extent are the monthly updates dependent on the results of the “Review of Funds” analysis?

Answer 12: The Review of Funds analysis will be just one factor potentially affecting the frequency of updates. Updates may occur more or less frequently than monthly as unknown factors arise. The Pure Water program will continue to affect the capital program as it approaches various mileposts of its design phases. Monthly updates can still be assumed for bidding purposes.

Question 13: Task 1 mentions that a full Water and Wastewater COSS process will run throughout FY 2020 for the rate case starting in FY 2021. Please confirm that this is the timeline for Task 3 and 4.

Answer 13: The timeline is correct.

Question 14: What is the current treatment of groundwater on City owned lands that are leased?

Answer 14: A pricing structure is currently being developed; however, it is currently a part of the leased lands price.

III. PRICE SCHEDULE

1. FEE AND COMPENSATION SCHEDULE

A. Price Schedule/Scope of Services

Task description	Lump sum/5 years
Task 1: Model Updates and Periodic Financial Review	
Task 2: Alternative Water Rate Structure	
Task 3: Water Cost of Service Study	
Task 4: Wastewater Cost of Service Study	
Task 5: Recycled Water Cost Analysis and Allocation of Costs to Water and Wastewater Funds	
Task 6: Pure Water Cost Allocation	
Task 7: Assist Department with Identifying and Obtaining Federal Grants and Loans for the Pure Water Program	
Task 8: Capacity Fee Analysis for both Water and Wastewater	
Task 9: Public Outreach for Water and Wastewater Rate Cases:	
Task 10: Value of Groundwater	
Total Tasks 1 - 10	



THE CITY OF SAN DIEGO
GENERAL CONTRACT TERMS AND PROVISIONS
APPLICABLE TO GOODS, SERVICES, AND CONSULTANT CONTRACTS

ARTICLE I
SCOPE AND TERM OF CONTRACT

1.1 Scope of Contract. The scope of contract between the City and a provider of goods and/or services (Contractor) is described in the Contract Documents. The Contract Documents are comprised of the Request for Proposal, Invitation to Bid, or other solicitation document (Solicitation); the successful bid or proposal; the letter awarding the contract to Contractor; the City's written acceptance of exceptions or clarifications to the Solicitation, if any; and these General Contract Terms and Provisions.

1.2 Effective Date. A contract between the City and Contractor (Contract) is effective on the last date that the contract is signed by the parties and approved by the City Attorney in accordance with Charter section 40. Unless otherwise terminated, this Contract is effective until it is completed or as otherwise agreed upon in writing by the parties, whichever is the earliest. A Contract term cannot exceed five (5) years unless approved by the City Council by ordinance.

1.3 Contract Extension. The City may, in its sole discretion, unilaterally exercise an option to extend the Contract as described in the Contract Documents. In addition, the City may, in its sole discretion, unilaterally extend the Contract on a month-to-month basis following contract expiration if authorized under Charter section 99 and the Contract Documents. Contractor shall not increase its pricing in excess of the percentage increase described in the Contract.

ARTICLE II
CONTRACT ADMINISTRATOR

2.1 Contract Administrator. The Purchasing Agent or designee is the Contract Administrator for purposes of this Contract, and has the responsibilities described in this Contract, in the San Diego Charter, and in Chapter 2, Article 2, Divisions 5, 30, and 32.

2.1.1 Contractor Performance Evaluations. The Contract Administrator will evaluate Contractor's performance as often as the Contract Administrator deems necessary throughout the term of the contract. This evaluation will be based on criteria including the quality of goods or services, the timeliness of performance, and adherence to applicable laws, including prevailing wage and living wage. City will provide Contractors who receive an unsatisfactory rating with a copy of the evaluation and an opportunity to respond. City may consider final evaluations, including Contractor's response, in evaluating future proposals and bids for contract award.

2.2 Notices. Unless otherwise specified, in all cases where written notice is required under this Contract, service shall be deemed sufficient if the notice is personally delivered or deposited in the United States mail, with first class postage paid, attention to the Purchasing Agent. Proper notice is effective on the date of personal delivery or five (5) days after deposit in a United States postal mailbox unless provided otherwise in the Contract. Notices to the City shall be sent to:

Purchasing Agent
City of San Diego, Purchasing and Contracting Division
1200 3rd Avenue, Suite 200
San Diego, CA 92101-4195

ARTICLE III COMPENSATION

3.1 Manner of Payment. Contractor will be paid monthly, in arrears, for goods and/or services provided in accordance with the terms and conditions specified in the Contract.

3.2 Invoices.

3.2.1 Invoice Detail. Contractor's invoice must be on Contractor's stationary with Contractor's name, address, and remittance address if different. Contractor's invoice must have a date, an invoice number, a purchase order number, a description of the goods or services provided, and an amount due.

3.2.2 Service Contracts. Contractor must submit invoices for services to City by the 10th of the month following the month in which Contractor provided services. Invoices must include the address of the location where services were performed and the dates in which services were provided.

3.2.3 Goods Contracts. Contractor must submit invoices for goods to City within seven days of the shipment. Invoices must describe the goods provided.

3.2.4 Parts Contracts. Contractor must submit invoices for parts to City within seven calendar (7) days of the date the parts are shipped. Invoices must include the manufacturer of the part, manufacturer's published list price, percentage discount applied in accordance with Pricing Page(s), the net price to City, and an item description, quantity, and extension.

3.2.5 Extraordinary Work. City will not pay Contractor for extraordinary work unless Contractor receives prior written authorization from the Contract Administrator. Failure to do so will result in payment being withheld for services. If approved, Contractor will include an invoice that describes the work performed and the location where the work was performed, and a copy of the Contract Administrator's written authorization.

3.2.6 Reporting Requirements. Contractor must submit the following reports using the City's web-based contract compliance portal. Incomplete and/or delinquent reports may cause payment delays, non-payment of invoice, or both. For questions, please view the City's online tutorials on how to utilize the City's web-based contract compliance portal.

3.2.6.1 Monthly Employment Utilization Reports. Contractor and Contractor's subcontractors and suppliers must submit Monthly Employment Utilization Reports by the fifth (5th) day of the subsequent month.

3.2.6.2 Monthly Invoicing and Payments. Contractor and Contractor's subcontractors and suppliers must submit Monthly Invoicing and Payment Reports by the fifth (5th) day of the subsequent month.

3.3 Annual Appropriation of Funds. Contractor acknowledges that the Contract term may extend over multiple City fiscal years, and that work and compensation under this Contract is contingent on the City Council appropriating funding for and authorizing such work and compensation for those fiscal years. This Contract may be terminated at the end of the fiscal year for which sufficient funding is not appropriated and authorized. City is not obligated to pay Contractor for any amounts not duly appropriated and authorized by City Council.

3.4 Price Adjustments. Based on Contractor's written request and justification, the City may approve an increase in unit prices on Contractor's pricing pages consistent with the amount requested in the justification in an amount not to exceed the increase in the Consumer Price Index, San Diego Area, for All Urban Customers (CPI-U) as published by the Bureau of Labor Statistics, or 5.0%, whichever is less, during the preceding one year term. If the CPI-U is a negative number, then the unit prices shall not be adjusted for that option year (the unit prices will not be decreased). A negative CPI-U shall be counted against any subsequent increases in the CPI-U when calculating the unit prices for later option years. Contractor must provide such written request and justification no less than sixty days before the date in which City may exercise the option to renew the contract, or sixty days before the anniversary date of the Contract. Justification in support of the written request must include a description of the basis for the adjustment, the proposed effective date and reasons for said date, and the amount of the adjustment requested with documentation to support the requested change (e.g. CPI-U or 5.0%, whichever is less). City's approval of this request must be in writing.

ARTICLE IV SUSPENSION AND TERMINATION

4.1 City's Right to Suspend for Convenience. City may suspend all or any portion of Contractor's performance under this Contract at its sole option and for its convenience for a reasonable period of time not to exceed six (6) months. City must first give ten (10) days' written notice to Contractor of such suspension. City will pay to Contractor a sum equivalent to the reasonable value of the goods and/or services satisfactorily provided up to the date of suspension. City may rescind the suspension prior to or at six (6) months by providing Contractor with written notice of the rescission, at which time Contractor would be required to resume performance in compliance with the terms and conditions of this Contract. Contractor will be entitled to an extension of time to complete performance under the Contract equal to the length of the suspension unless otherwise agreed to in writing by the Parties.

4.2 City's Right to Terminate for Convenience. City may, at its sole option and for its convenience, terminate all or any portion of this Contract by giving thirty (30) days' written notice of such termination to Contractor. The termination of the Contract shall be effective upon receipt of the notice by Contractor. After termination of all or any portion of the Contract, Contractor shall: (1) immediately discontinue all affected performance (unless the notice directs

otherwise); and (2) complete any and all additional work necessary for the orderly filing of documents and closing of Contractor's affected performance under the Contract. After filing of documents and completion of performance, Contractor shall deliver to City all data, drawings, specifications, reports, estimates, summaries, and such other information and materials created or received by Contractor in performing this Contract, whether completed or in process. By accepting payment for completion, filing, and delivering documents as called for in this section, Contractor discharges City of all of City's payment obligations and liabilities under this Contract with regard to the affected performance.

4.3 City's Right to Terminate for Default. Contractor's failure to satisfactorily perform any obligation required by this Contract constitutes a default. Examples of default include a determination by City that Contractor has: (1) failed to deliver goods and/or perform the services of the required quality or within the time specified; (2) failed to perform any of the obligations of this Contract; and (3) failed to make sufficient progress in performance which may jeopardize full performance.

4.3.1 If Contractor fails to satisfactorily cure a default within ten (10) calendar days of receiving written notice from City specifying the nature of the default, City may immediately cancel and/or terminate this Contract, and terminate each and every right of Contractor, and any person claiming any rights by or through Contractor under this Contract.

4.3.2 If City terminates this Contract, in whole or in part, City may procure, upon such terms and in such manner as the Purchasing Agent may deem appropriate, equivalent goods or services and Contractor shall be liable to City for any excess costs. Contractor shall also continue performance to the extent not terminated.

4.4 Termination for Bankruptcy or Assignment for the Benefit of Creditors. If Contractor files a voluntary petition in bankruptcy, is adjudicated bankrupt, or makes a general assignment for the benefit of creditors, the City may at its option and without further notice to, or demand upon Contractor, terminate this Contract, and terminate each and every right of Contractor, and any person claiming rights by and through Contractor under this Contract.

4.5 Contractor's Right to Payment Following Contract Termination.

4.5.1 Termination for Convenience. If the termination is for the convenience of City an equitable adjustment in the Contract price shall be made. No amount shall be allowed for anticipated profit on unperformed services, and no amount shall be paid for an as needed contract beyond the Contract termination date.

4.5.2 Termination for Default. If, after City gives notice of termination for failure to fulfill Contract obligations to Contractor, it is determined that Contractor had not so failed, the termination shall be deemed to have been effected for the convenience of City. In such event, adjustment in the Contract price shall be made as provided in Section 4.3.2. City's rights and remedies are in addition to any other rights and remedies provided by law or under this Contract.

4.6 Remedies Cumulative. City's remedies are cumulative and are not intended to be exclusive of any other remedies or means of redress to which City may be lawfully entitled in case of any breach or threatened breach of any provision of this Contract.

ARTICLE V ADDITIONAL CONTRACTOR OBLIGATIONS

5.1 Inspection and Acceptance. The City will inspect and accept goods provided under this Contract at the shipment destination unless specified otherwise. Inspection will be made and acceptance will be determined by the City department shown in the shipping address of the Purchase Order or other duly authorized representative of City.

5.2 Responsibility for Lost or Damaged Shipments. Contractor bears the risk of loss or damage to goods prior to the time of their receipt and acceptance by City. City has no obligation to accept damaged shipments and reserves the right to return damaged goods, at Contractor's sole expense, even if the damage was not apparent or discovered until after receipt.

5.3 Responsibility for Damages. Contractor is responsible for all damage that occurs as a result of Contractor's fault or negligence or that of its' employees, agents, or representatives in connection with the performance of this Contract. Contractor shall immediately report any such damage to people and/or property to the Contract Administrator.

5.4 Delivery. Delivery shall be made on the delivery day specified in the Contract Documents. The City, in its sole discretion, may extend the time for delivery. The City may order, in writing, the suspension, delay or interruption of delivery of goods and/or services.

5.5 Delay. Unless otherwise specified herein, time is of the essence for each and every provision of the Contract. Contractor must immediately notify City in writing if there is, or it is anticipated that there will be, a delay in performance. The written notice must explain the cause for the delay and provide a reasonable estimate of the length of the delay. City may terminate this Contract as provided herein if City, in its sole discretion, determines the delay is material.

5.5.1 If a delay in performance is caused by any unforeseen event(s) beyond the control of the parties, City may allow Contractor to a reasonable extension of time to complete performance, but Contractor will not be entitled to damages or additional compensation. Any such extension of time must be approved in writing by City. The following conditions may constitute such a delay: war; changes in law or government regulation; labor disputes; strikes; fires, floods, adverse weather or other similar condition of the elements necessitating cessation of the performance; inability to obtain materials, equipment or labor; or other specific reasons agreed to between City and Contractor. This provision does not apply to a delay caused by Contractor's acts or omissions. Contractor is not entitled to an extension of time to perform if a delay is caused by Contractor's inability to obtain materials, equipment, or labor unless City has received, in a timely manner, documentary proof satisfactory to City of Contractor's inability to obtain materials, equipment, or labor, in which case City's approval must be in writing.

5.6 Restrictions and Regulations Requiring Contract Modification. Contractor shall immediately notify City in writing of any regulations or restrictions that may or will require Contractor to alter the material, quality, workmanship, or performance of the goods and/or services to be provided. City reserves the right to accept any such alteration, including any resulting reasonable price adjustments, or to cancel the Contract at no expense to the City.

5.7 Warranties.All goods and/or services provided under the Contract must be warranted by Contractor or manufacturer for at least twelve (12) months after acceptance by City, except automotive equipment. Automotive equipment must be warranted for a minimum of 12,000 miles or 12 months, whichever occurs first, unless otherwise stated in the Contract. Contractor is responsible to City for all warranty service, parts, and labor. Contractor is required to ensure that warranty work is performed at a facility acceptable to City and that services, parts, and labor are available and provided to meet City's schedules and deadlines. Contractor may establish a warranty service contract with an agency satisfactory to City instead of performing the warranty service itself. If Contractor is not an authorized service center and causes any damage to equipment being serviced, which results in the existing warranty being voided, Contractor will be liable for all costs of repairs to the equipment, or the costs of replacing the equipment with new equipment that meets City's operational needs.

5.8 Industry Standards. Contractor shall provide goods and/or services acceptable to City in strict conformance with the Contract. Contractor shall also provide goods and/or services in accordance with the standards customarily adhered to by an experienced and competent provider of the goods and/or services called for under this Contract using the degree of care and skill ordinarily exercised by reputable providers of such goods and/or services. Where approval by City, the Mayor, or other representative of City is required, it is understood to be general approval only and does not relieve Contractor of responsibility for complying with all applicable laws, codes, policies, regulations, and good business practices.

5.9 Records Retention and Examination. Contractor shall retain, protect, and maintain in an accessible location all records and documents, including paper, electronic, and computer records, relating to this Contract for five (5) years after receipt of final payment by City under this Contract. Contractor shall make all such records and documents available for inspection, copying, or other reproduction, and auditing by authorized representatives of City, including the Purchasing Agent or designee. Contractor shall make available all requested data and records at reasonable locations within City or County of San Diego at any time during normal business hours, and as often as City deems necessary. If records are not made available within the City or County of San Diego, Contractor shall pay City's travel costs to the location where the records are maintained and shall pay for all related travel expenses. Failure to make requested records available for inspection, copying, or other reproduction, or auditing by the date requested may result in termination of the Contract. Contractor must include this provision in all subcontracts made in connection with this Contract.

5.9.1 Contractor shall maintain records of all subcontracts entered into with all firms, all project invoices received from Subcontractors and Suppliers, all purchases of materials and services from Suppliers, and all joint venture participation. Records shall show name, telephone number including area code, and business address of each Subcontractor and Supplier, and joint venture partner, and the total amount actually paid to each firm. Project relevant records, regardless of tier, may be periodically reviewed by the City.

5.10 Quality Assurance Meetings. Upon City's request, Contractor shall schedule one or more quality assurance meetings with City's Contract Administrator to discuss Contractor's performance. If requested, Contractor shall schedule the first quality assurance meeting no later than eight (8) weeks from the date of commencement of work under the Contract. At the quality assurance meeting(s), City's Contract Administrator will provide Contractor with feedback, will note any deficiencies in Contract performance, and provide Contractor with an opportunity to address and correct such deficiencies. The total number of quality assurance meetings that may be required by City will depend upon Contractor's performance.

5.11 Duty to Cooperate with Auditor. The City Auditor may, in his sole discretion, at no cost to the City, and for purposes of performing his responsibilities under Charter section 39.2, review Contractor's records to confirm contract compliance. Contractor shall make reasonable efforts to cooperate with Auditor's requests.

5.12 Safety Data Sheets. If specified by City in the solicitation or otherwise required by this Contract, Contractor must send with each shipment one (1) copy of the Safety Data Sheet (SDS) for each item shipped. Failure to comply with this procedure will be cause for immediate termination of the Contract for violation of safety procedures.

5.13 Project Personnel. Except as formally approved by the City, the key personnel identified in Contractor's bid or proposal shall be the individuals who will actually complete the work. Changes in staffing must be reported in writing and approved by the City.

5.13.1 Criminal Background Certification. Contractor certifies that all employees working on this Contract have had a criminal background check and that said employees are clear of any sexual and drug related convictions. Contractor further certifies that all employees hired by Contractor or a subcontractor shall be free from any felony convictions.

5.13.2 Photo Identification Badge. Contractor shall provide a company photo identification badge to any individual assigned by Contractor or subcontractor to perform services or deliver goods on City premises. Such badge must be worn at all times while on City premises. City reserves the right to require Contractor to pay fingerprinting fees for personnel assigned to work in sensitive areas. All employees shall turn in their photo identification badges to Contractor upon completion of services and prior to final payment of invoice.

5.14 Standards of Conduct. Contractor is responsible for maintaining standards of employee competence, conduct, courtesy, appearance, honesty, and integrity satisfactory to the City.

5.14.1 Supervision. Contractor shall provide adequate and competent supervision at all times during the Contract term. Contractor shall be readily available to meet with the City. Contractor shall provide the telephone numbers where its representative(s) can be reached.

5.14.2 City Premises. Contractor's employees and agents shall comply with all City rules and regulations while on City premises.

5.14.3 Removal of Employees. City may request Contractor immediately remove from assignment to the City any employee found unfit to perform duties at the City. Contractor shall comply with all such requests.

5.15 Licenses and Permits. Contractor shall, without additional expense to the City, be responsible for obtaining any necessary licenses, permits, certifications, accreditations, fees and approvals for complying with any federal, state, county, municipal, and other laws, codes, and regulations applicable to Contract performance. This includes, but is not limited to, any laws or regulations requiring the use of licensed contractors to perform parts of the work.

5.16 Contractor and Subcontractor Registration Requirements. Prior to the award of the Contract or Task Order, Contractor and Contractor's subcontractors and suppliers must register with the City's web-based vendor registration and bid management system. The City may not award the Contract until registration of all subcontractors and suppliers is complete. In the event this requirement is not met within the time frame specified by the City, the City reserves the right to rescind the Contract award and to make the award to the next responsive and responsible proposer of bidder.

ARTICLE VI INTELLECTUAL PROPERTY RIGHTS

6.1 Rights in Data. If, in connection with the services performed under this Contract, Contractor or its employees, agents, or subcontractors, create artwork, audio recordings, blueprints, designs, diagrams, documentation, photographs, plans, reports, software, source code, specifications, surveys, system designs, video recordings, or any other original works of authorship, whether written or readable by machine (Deliverable Materials), all rights of Contractor or its subcontractors in the Deliverable Materials, including, but not limited to publication, and registration of copyrights, and trademarks in the Deliverable Materials, are the sole property of City. Contractor, including its employees, agents, and subcontractors, may not use any Deliverable Material for purposes unrelated to Contractor's work on behalf of the City without prior written consent of City. Contractor may not publish or reproduce any Deliverable Materials, for purposes unrelated to Contractor's work on behalf of the City, without the prior written consent of the City.

6.2 Intellectual Property Rights Assignment. For no additional compensation, Contractor hereby assigns to City all of Contractor's rights, title, and interest in and to the content of the Deliverable Materials created by Contractor or its employees, agents, or subcontractors, including copyrights, in connection with the services performed under this Contract. Contractor

shall promptly execute and deliver, and shall cause its employees, agents, and subcontractors to promptly execute and deliver, upon request by the City or any of its successors or assigns at any time and without further compensation of any kind, any power of attorney, assignment, application for copyright, patent, trademark or other intellectual property right protection, or other papers or instruments which may be necessary or desirable to fully secure, perfect or otherwise protect to or for the City, its successors and assigns, all right, title and interest in and to the content of the Deliverable Materials. Contractor also shall cooperate and assist in the prosecution of any action or opposition proceeding involving such intellectual property rights and any adjudication of those rights.

6.3 Contractor Works. Contractor Works means tangible and intangible information and material that: (a) had already been conceived, invented, created, developed or acquired by Contractor prior to the effective date of this Contract; or (b) were conceived, invented, created, or developed by Contractor after the effective date of this Contract, but only to the extent such information and material do not constitute part or all of the Deliverable Materials called for in this Contract. All Contractor Works, and all modifications or derivatives of such Contractor Works, including all intellectual property rights in or pertaining to the same, shall be owned solely and exclusively by Contractor.

6.4 Subcontracting. In the event that Contractor utilizes a subcontractor(s) for any portion of the work that comprises the whole or part of the specified Deliverable Materials to the City, the agreement between Contractor and the subcontractor shall include a statement that identifies the Deliverable Materials as a “works for hire” as described in the United States Copyright Act of 1976, as amended, and that all intellectual property rights in the Deliverable Materials, whether arising in copyright, trademark, service mark or other forms of intellectual property rights, belong to and shall vest solely with the City. Further, the agreement between Contractor and its subcontractor shall require that the subcontractor, if necessary, shall grant, transfer, sell and assign, free of charge, exclusively to City, all titles, rights and interests in and to the Deliverable Materials, including all copyrights, trademarks and other intellectual property rights. City shall have the right to review any such agreement for compliance with this provision.

6.5 Intellectual Property Warranty and Indemnification. Contractor represents and warrants that any materials or deliverables, including all Deliverable Materials, provided under this Contract are either original, or not encumbered, and do not infringe upon the copyright, trademark, patent or other intellectual property rights of any third party, or are in the public domain. If Deliverable Materials provided hereunder become the subject of a claim, suit or allegation of copyright, trademark or patent infringement, City shall have the right, in its sole discretion, to require Contractor to produce, at Contractor’s own expense, new non-infringing materials, deliverables or works as a means of remedying any claim of infringement in addition to any other remedy available to the City under law or equity. Contractor further agrees to indemnify, defend, and hold harmless the City, its officers, employees and agents from and against any and all claims, actions, costs, judgments or damages, of any type, alleging or threatening that any Deliverable Materials, supplies, equipment, services or works provided under this contract infringe the copyright, trademark, patent or other intellectual property or

proprietary rights of any third party (Third Party Claim of Infringement). If a Third Party Claim of Infringement is threatened or made before Contractor receives payment under this Contract, City shall be entitled, upon written notice to Contractor, to withhold some or all of such payment.

6.6 Software Licensing. Contractor represents and warrants that the software, if any, as delivered to City, does not contain any program code, virus, worm, trap door, back door, time or clock that would erase data or programming or otherwise cause the software to become inoperable, inaccessible, or incapable of being used in accordance with its user manuals, either automatically, upon the occurrence of licensor-selected conditions or manually on command. Contractor further represents and warrants that all third party software, delivered to City or used by Contractor in the performance of the Contract, is fully licensed by the appropriate licensor.

6.7 Publication. Contractor may not publish or reproduce any Deliverable Materials, for purposes unrelated to Contractor's work on behalf of the City without prior written consent from the City.

6.8 Royalties, Licenses, and Patents. Unless otherwise specified, Contractor shall pay all royalties, license, and patent fees associated with the goods that are the subject of this solicitation. Contractor warrants that the goods, materials, supplies, and equipment to be supplied do not infringe upon any patent, trademark, or copyright, and further agrees to defend any and all suits, actions and claims for infringement that are brought against the City, and to defend, indemnify and hold harmless the City, its elected officials, officers, and employees from all liability, loss and damages, whether general, exemplary or punitive, suffered as a result of any actual or claimed infringement asserted against the City, Contractor, or those furnishing goods, materials, supplies, or equipment to Contractor under the Contract.

ARTICLE VII INDEMNIFICATION AND INSURANCE

7.1 Indemnification. To the fullest extent permitted by law, Contractor shall defend (with legal counsel reasonably acceptable to City), indemnify, protect, and hold harmless City and its elected officials, officers, employees, agents, and representatives (Indemnified Parties) from and against any and all claims, losses, costs, damages, injuries (including, without limitation, injury to or death of an employee of Contractor or its subcontractors), expense, and liability of every kind, nature and description (including, without limitation, incidental and consequential damages, court costs, and litigation expenses and fees of expert consultants or expert witnesses incurred in connection therewith and costs of investigation) that arise out of, pertain to, or relate to, directly or indirectly, in whole or in part, any goods provided or performance of services under this Contract by Contractor, any subcontractor, anyone directly or indirectly employed by either of them, or anyone that either of them control. Contractor's duty to defend, indemnify, protect and hold harmless shall not include any claims or liabilities arising from the sole negligence or willful misconduct of the Indemnified Parties.

7.2 Insurance. Contractor shall procure and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder and the results of that work by Contractor, his agents, representatives, employees or subcontractors.

Contractor shall provide, at a minimum, the following:

7.2.1 Commercial General Liability. Insurance Services Office Form CG 00 01 covering CGL on an “occurrence” basis, including products and completed operations, property damage, bodily injury, and personal and advertising injury with limits no less than \$1,000,000 per occurrence. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location (ISO CG 25 03 or 25 04) or the general aggregate limit shall be twice the required occurrence limit.

7.2.2 Commercial Automobile Liability. Insurance Services Office Form Number CA 0001 covering Code 1 (any auto) or, if Contractor has no owned autos, Code 8 (hired) and 9 (non-owned), with limit no less than \$1,000,000 per accident for bodily injury and property damage.

7.2.3 Workers' Compensation. Insurance as required by the State of California, with Statutory Limits, and Employer’s Liability Insurance with limit of no less than \$1,000,000 per accident for bodily injury or disease.

7.2.4 Professional Liability (Errors and Omissions). For consultant contracts, insurance appropriate to Contractor’s profession, with limit no less than \$1,000,000 per occurrence or claim, \$2,000,000 aggregate.

If Contractor maintains broader coverage and/or higher limits than the minimums shown above, City requires and shall be entitled to the broader coverage and/or the higher limits maintained by Contractor. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to City.

7.2.5 Other Insurance Provisions. The insurance policies are to contain, or be endorsed to contain, the following provisions:

7.2.5.1 Additional Insured Status. The City, its officers, officials, employees, and volunteers are to be covered as additional insureds on the CGL policy with respect to liability arising out of work or operations performed by or on behalf of Contractor including materials, parts, or equipment furnished in connection with such work or operations. General liability coverage can be provided in the form of an endorsement to Contractor’s insurance (at least as broad as ISO Form CG 20 10 11 85 or if not available, through the addition of both CG 20 10, CG 20 26, CG 20 33, or CG 20 38; and CG 20 37 if a later edition is used).

7.2.5.2 Primary Coverage. For any claims related to this contract,

Contractor's insurance coverage shall be primary coverage at least as broad as ISO CG 20 01 04 13 as respects the Entity, its officers, officials, employees, and volunteers. Any insurance or self-insurance maintained by City, its officers, officials, employees, or volunteers shall be excess of Contractor's insurance and shall not contribute with it.

7.2.5.3 Notice of Cancellation. Each insurance policy required above shall provide that coverage shall not be canceled, except with notice to City.

7.2.5.4 Waiver of Subrogation. Contractor hereby grants to City a waiver of any right to subrogation which any insurer of said Contractor may acquire against City by virtue of the payment of any loss under such insurance. Contractor agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether or not the Entity has received a waiver of subrogation endorsement from the insurer.

7.2.5.5 Claims Made Policies (applicable only to professional liability). The Retroactive Date must be shown, and must be before the date of the contract or the beginning of contract work. Insurance must be maintained and evidence of insurance must be provided for at least five (5) years after completion of the contract of work. If coverage is canceled or non-renewed, and not replaced with another claims-made policy form with a Retroactive Date prior to the contract effective date, Contractor must purchase "extended reporting" coverage for a minimum of five (5) years after completion of work.

7.3 Deductibles/Self Insured Retentions. All deductibles on any policy shall be the sole responsibility of Contractor and shall be disclosed to City at the time the evidence of insurance is provided. Self-insured retentions must be declared to and approved by City. City may require Contractor to purchase coverage with a lower retention or provide proof of ability to pay losses and related investigations, claim administration, and defense expenses within the retention. The policy language shall provide, or be endorsed to provide, that the self-insured retention may be satisfied by either the named insured or City.

7.4 Acceptability of Insurers. Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A-VI, unless otherwise acceptable to City.

City will accept insurance provided by non-admitted, "surplus lines" carriers only if the carrier is authorized to do business in the State of California and is included on the List of Approved Surplus Lines Insurers (LASLI list). All policies of insurance carried by non-admitted carriers are subject to all of the requirements for policies of insurance provided by admitted carriers described herein.

7.5 Verification of Coverage. Contractor shall furnish City with original certificates and amendatory endorsements or copies of the applicable policy language effecting coverage required by this clause. All certificates and endorsements are to be received and approved by City before work commences. However, failure to obtain the required documents prior to the work beginning shall not waive Contractor's obligation to provide them. City reserves the right

to require complete, certified copies of all required insurance policies, including endorsements required by these specifications, at any time.

7.6 Special Risks or Circumstances. City reserves the right to modify these requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances.

7.7 Additional Insurance. Contractor may obtain additional insurance not required by this Contract.

7.8 Excess Insurance. All policies providing excess coverage to City shall follow the form of the primary policy or policies including but not limited to all endorsements.

7.9 Subcontractors. Contractor shall require and verify that all subcontractors maintain insurance meeting all the requirements stated herein, and Contractor shall ensure that City is an additional insured on insurance required from subcontractors. For CGL coverage, subcontractors shall provide coverage with a format at least as broad as the CG 20 38 04 13 endorsement.

ARTICLE VIII BONDS

8.1 Payment and Performance Bond. Prior to the execution of this Contract, City may require Contractor to post a payment and performance bond (Bond). The Bond shall guarantee Contractor's faithful performance of this Contract and assure payment to contractors, subcontractors, and to persons furnishing goods and/or services under this Contract.

8.1.1 Bond Amount. The Bond shall be in a sum equal to twenty-five percent (25%) of the Contract amount, unless otherwise stated in the Specifications. City may file a claim against the Bond if Contractor fails or refuses to fulfill the terms and conditions of the Contract.

8.1.2 Bond Term. The Bond shall remain in full force and effect at least until complete performance of this Contract and payment of all claims for materials and labor, at which time it will convert to a ten percent (10%) warranty bond, which shall remain in place until the end of the warranty periods set forth in this Contract. The Bond shall be renewed annually, at least sixty (60) days in advance of its expiration, and Contractor shall provide timely proof of annual renewal to City.

8.1.3 Bond Surety. The Bond must be furnished by a company authorized by the State of California Department of Insurance to transact surety business in the State of California and which has a current A.M. Best rating of at least "A-, VIII."

8.1.4 Non-Renewal or Cancellation. The Bond must provide that City and Contractor shall be provided with sixty (60) days' advance written notice in the event of non-renewal, cancellation, or material change to its terms. In the event of non-renewal, cancellation, or

material change to the Bond terms, Contractor shall provide City with evidence of the new source of surety within twenty-one (21) calendar days after the date of the notice of non-renewal, cancellation, or material change. Failure to maintain the Bond, as required herein, in full force and effect as required under this Contract, will be a material breach of the Contract subject to termination of the Contract.

8.2 Alternate Security. City may, at its sole discretion, accept alternate security in the form of an endorsed certificate of deposit, a money order, a certified check drawn on a solvent bank, or other security acceptable to the Purchasing Agent in an amount equal to the required Bond.

ARTICLE IX CITY-MANDATED CLAUSES AND REQUIREMENTS

9.1 Contractor Certification of Compliance. By signing this Contract, Contractor certifies that Contractor is aware of, and will comply with, these City-mandated clauses throughout the duration of the Contract.

9.1.1 Drug-Free Workplace Certification. Contractor shall comply with City's Drug-Free Workplace requirements set forth in Council Policy 100-17, which is incorporated into the Contract by this reference.

9.1.2 Contractor Certification for Americans with Disabilities Act (ADA) and State Access Laws and Regulations: Contractor shall comply with all accessibility requirements under the ADA and under Title 24 of the California Code of Regulations (Title 24). When a conflict exists between the ADA and Title 24, Contractor shall comply with the most restrictive requirement (i.e., that which provides the most access). Contractor also shall comply with the City's ADA Compliance/City Contractors requirements as set forth in Council Policy 100-04, which is incorporated into this Contract by reference. Contractor warrants and certifies compliance with all federal and state access laws and regulations and further certifies that any subcontract agreement for this contract contains language which indicates the subcontractor's agreement to abide by the provisions of the City's Council Policy and any applicable access laws and regulations.

9.1.3 Non-Discrimination Requirements.

9.1.3.1 Compliance with City's Equal Opportunity Contracting Program (EOCP). Contractor shall comply with City's EOCP Requirements. Contractor shall not discriminate against any employee or applicant for employment on any basis prohibited by law. Contractor shall provide equal opportunity in all employment practices. Prime Contractors shall ensure that their subcontractors comply with this program. Nothing in this Section shall be interpreted to hold a Prime Contractor liable for any discriminatory practice of its subcontractors.

9.1.3.2 Non-Discrimination Ordinance. Contractor shall not discriminate on the basis of race, gender, gender expression, gender identity, religion, national origin, ethnicity, sexual orientation, age, or disability in the solicitation, selection, hiring or treatment of

subcontractors, vendors or suppliers. Contractor shall provide equal opportunity for subcontractors to participate in subcontracting opportunities. Contractor understands and agrees that violation of this clause shall be considered a material breach of the Contract and may result in Contract termination, debarment, or other sanctions. Contractor shall ensure that this language is included in contracts between Contractor and any subcontractors, vendors and suppliers.

9.1.3.3 Compliance Investigations. Upon City's request, Contractor agrees to provide to City, within sixty calendar days, a truthful and complete list of the names of all subcontractors, vendors, and suppliers that Contractor has used in the past five years on any of its contracts that were undertaken within San Diego County, including the total dollar amount paid by Contractor for each subcontract or supply contract. Contractor further agrees to fully cooperate in any investigation conducted by City pursuant to City's Nondiscrimination in Contracting Ordinance. Contractor understands and agrees that violation of this clause shall be considered a material breach of the Contract and may result in Contract termination, debarment, and other sanctions.

9.1.4 Equal Benefits Ordinance Certification. Unless an exception applies, Contractor shall comply with the Equal Benefits Ordinance (EBO) codified in the San Diego Municipal Code (SDMC). Failure to maintain equal benefits is a material breach of the Contract.

9.1.5 Contractor Standards. Contractor shall comply with Contractor Standards provisions codified in the SDMC. Contractor understands and agrees that violation of Contractor Standards may be considered a material breach of the Contract and may result in Contract termination, debarment, and other sanctions.

9.1.6 Noise Abatement. Contractor shall operate, conduct, or construct without violating the City's Noise Abatement Ordinance codified in the SDMC.

9.1.7 Storm Water Pollution Prevention Program. Contractor shall comply with the City's Storm Water Management and Discharge Control provisions codified in Division 3 of Chapter 4 of the SDMC, as may be amended, and any and all applicable Best Management Practice guidelines and pollution elimination requirements in performing or delivering services at City owned, leased, or managed property, or in performance of services and activities on behalf of City regardless of location.

Contractor shall comply with the City's Jurisdictional Urban Runoff Management Plan encompassing Citywide programs and activities designed to prevent and reduce storm water pollution within City boundaries as adopted by the City Council on January 22, 2008, via Resolution No. 303351, as may be amended.

Contractor shall comply with each City facility or work site's Storm Water Pollution Prevention Plan, as applicable, and institute all controls needed while completing the services to minimize any negative impact to the storm water collection system and environment.

9.1.8 Service Worker Retention Ordinance. If applicable, Contractor shall comply with the Service Worker Retention Ordinance (SWRO) codified in the SDMC.

9.1.9 Product Endorsement. Contractor shall comply with Council Policy 000-41 concerning product endorsement which requires that any advertisement referring to City as a user of a good or service will require the prior written approval of the Mayor.

9.1.10 Business Tax Certificate. Unless the City Treasurer determines in writing that a contractor is exempt from the payment of business tax, any contractor doing business with the City of San Diego is required to obtain a Business Tax Certificate (BTC) and to provide a copy of its BTC to the City before a Contract is executed.

ARTICLE X CONFLICT OF INTEREST AND VIOLATIONS OF LAW

10.1 Conflict of Interest Laws. Contractor is subject to all federal, state and local conflict of interest laws, regulations, and policies applicable to public contracts and procurement practices including, but not limited to, California Government Code sections 1090, *et. seq.* and 81000, *et. seq.*, and the Ethics Ordinance, codified in the SDMC. City may determine that Contractor must complete one or more statements of economic interest disclosing relevant financial interests. Upon City's request, Contractor shall submit the necessary documents to City.

10.2 Contractor's Responsibility for Employees and Agents. Contractor is required to establish and make known to its employees and agents appropriate safeguards to prohibit employees from using their positions for a purpose that is, or that gives the appearance of being, motivated by the desire for private gain for themselves or others, particularly those with whom they have family, business or other relationships.

10.3 Contractor's Financial or Organizational Interests. In connection with any task, Contractor shall not recommend or specify any product, supplier, or contractor with whom Contractor has a direct or indirect financial or organizational interest or relationship that would violate conflict of interest laws, regulations, or policies.

10.4 Certification of Non-Collusion. Contractor certifies that: (1) Contractor's bid or proposal was not made in the interest of or on behalf of any person, firm, or corporation not identified; (2) Contractor did not directly or indirectly induce or solicit any other bidder or proposer to put in a sham bid or proposal; (3) Contractor did not directly or indirectly induce or solicit any other person, firm or corporation to refrain from bidding; and (4) Contractor did not seek by collusion to secure any advantage over the other bidders or proposers.

10.5 Hiring City Employees. This Contract shall be unilaterally and immediately terminated by City if Contractor employs an individual who within the twelve (12) months immediately preceding such employment did in his/her capacity as a City officer or employee participate in negotiations with or otherwise have an influence on the selection of Contractor.

ARTICLE XI DISPUTE RESOLUTION

11.1 Mediation. If a dispute arises out of or relates to this Contract and cannot be settled through normal contract negotiations, Contractor and City shall use mandatory non-binding mediation before having recourse in a court of law.

11.2 Selection of Mediator. A single mediator that is acceptable to both parties shall be used to mediate the dispute. The mediator will be knowledgeable in the subject matter of this Contract, if possible.

11.3 Expenses. The expenses of witnesses for either side shall be paid by the party producing such witnesses. All other expenses of the mediation, including required traveling and other expenses of the mediator, and the cost of any proofs or expert advice produced at the direct request of the mediator, shall be borne equally by the parties, unless they agree otherwise.

11.4 Conduct of Mediation Sessions. Mediation hearings will be conducted in an informal manner and discovery will not be allowed. The discussions, statements, writings and admissions will be confidential to the proceedings (pursuant to California Evidence Code sections 1115 through 1128) and will not be used for any other purpose unless otherwise agreed by the parties in writing. The parties may agree to exchange any information they deem necessary. Both parties shall have a representative attend the mediation who is authorized to settle the dispute, though City's recommendation of settlement may be subject to the approval of the Mayor and City Council. Either party may have attorneys, witnesses or experts present.

11.5 Mediation Results. Any agreements resulting from mediation shall be memorialized in writing. The results of the mediation shall not be final or binding unless otherwise agreed to in writing by the parties. Mediators shall not be subject to any subpoena or liability, and their actions shall not be subject to discovery.

ARTICLE XII MANDATORY ASSISTANCE

12.1 Mandatory Assistance. If a third party dispute or litigation, or both, arises out of, or relates in any way to the services provided to the City under a Contract, Contractor, its agents, officers, and employees agree to assist in resolving the dispute or litigation upon City's request. Contractor's assistance includes, but is not limited to, providing professional consultations, attending mediations, arbitrations, depositions, trials or any event related to the dispute resolution and/or litigation.

12.2 Compensation for Mandatory Assistance. City will compensate Contractor for fees incurred for providing Mandatory Assistance. If, however, the fees incurred for the Mandatory Assistance are determined, through resolution of the third party dispute or litigation, or both, to be attributable in whole, or in part, to the acts or omissions of Contractor, its agents, officers, and

employees, Contractor shall reimburse City for all fees paid to Contractor, its agents, officers, and employees for Mandatory Assistance.

12.3 Attorneys' Fees Related to Mandatory Assistance. In providing City with dispute or litigation assistance, Contractor or its agents, officers, and employees may incur expenses and/or costs. Contractor agrees that any attorney fees it may incur as a result of assistance provided under Section 12.2 are not reimbursable.

ARTICLE XIII MISCELLANEOUS

13.1 Headings. All headings are for convenience only and shall not affect the interpretation of this Contract.

13.2 Non-Assignment. Contractor may not assign the obligations under this Contract, whether by express assignment or by sale of the company, nor any monies due or to become due under this Contract, without City's prior written approval. Any assignment in violation of this paragraph shall constitute a default and is grounds for termination of this Contract at the City's sole discretion. In no event shall any putative assignment create a contractual relationship between City and any putative assignee.

13.3 Independent Contractors. Contractor and any subcontractors employed by Contractor are independent contractors and not agents of City. Any provisions of this Contract that may appear to give City any right to direct Contractor concerning the details of performing or providing the goods and/or services, or to exercise any control over performance of the Contract, shall mean only that Contractor shall follow the direction of City concerning the end results of the performance.

13.4 Subcontractors. All persons assigned to perform any work related to this Contract, including any subcontractors, are deemed to be employees of Contractor, and Contractor shall be directly responsible for their work.

13.5 Covenants and Conditions. All provisions of this Contract expressed as either covenants or conditions on the part of City or Contractor shall be deemed to be both covenants and conditions.

13.6 Compliance with Controlling Law. Contractor shall comply with all applicable local, state, and federal laws, regulations, and policies. Contractor's act or omission in violation of applicable local, state, and federal laws, regulations, and policies is grounds for contract termination. In addition to all other remedies or damages allowed by law, Contractor is liable to City for all damages, including costs for substitute performance, sustained as a result of the violation. In addition, Contractor may be subject to suspension, debarment, or both.

13.7 Governing Law. The Contract shall be deemed to be made under, construed in accordance with, and governed by the laws of the State of California without regard to the conflicts or choice of law provisions thereof.

13.8 Venue. The venue for any suit concerning solicitations or the Contract, the interpretation of application of any of its terms and conditions, or any related disputes shall be in the County of San Diego, State of California.

13.9 Successors in Interest. This Contract and all rights and obligations created by this Contract shall be in force and effect whether or not any parties to the Contract have been succeeded by another entity, and all rights and obligations created by this Contract shall be vested and binding on any party's successor in interest.

13.10 No Waiver. No failure of either City or Contractor to insist upon the strict performance by the other of any covenant, term or condition of this Contract, nor any failure to exercise any right or remedy consequent upon a breach of any covenant, term, or condition of this Contract, shall constitute a waiver of any such breach of such covenant, term or condition. No waiver of any breach shall affect or alter this Contract, and each and every covenant, condition, and term hereof shall continue in full force and effect without respect to any existing or subsequent breach.

13.11 Severability. The unenforceability, invalidity, or illegality of any provision of this Contract shall not render any other provision of this Contract unenforceable, invalid, or illegal.

13.12 Drafting Ambiguities. The parties acknowledge that they have the right to be advised by legal counsel with respect to the negotiations, terms and conditions of this Contract, and the decision of whether to seek advice of legal counsel with respect to this Contract is the sole responsibility of each party. This Contract shall not be construed in favor of or against either party by reason of the extent to which each party participated in the drafting of the Contract.

13.13 Amendments. Neither this Contract nor any provision hereof may be changed, modified, amended or waived except by a written agreement executed by duly authorized representatives of City and Contractor. Any alleged oral amendments have no force or effect. The Purchasing Agent must sign all Contract amendments.

13.14 Conflicts Between Terms. If this Contract conflicts with an applicable local, state, or federal law, regulation, or court order, applicable local, state, or federal law, regulation, or court order shall control. Varying degrees of stringency among the main body of this Contract, the exhibits or attachments, and laws, regulations, or orders are not deemed conflicts, and the most stringent requirement shall control. Each party shall notify the other immediately upon the identification of any apparent conflict or inconsistency concerning this Contract.

13.15 Survival of Obligations. All representations, indemnifications, warranties, and guarantees made in, required by, or given in accordance with this Contract, as well as all

continuing obligations indicated in this Contract, shall survive, completion and acceptance of performance and termination, expiration or completion of the Contract.

13.16 Confidentiality of Services. All services performed by Contractor, and any sub-contractor(s) if applicable, including but not limited to all drafts, data, information, correspondence, proposals, reports of any nature, estimates compiled or composed by Contractor, are for the sole use of City, its agents, and employees. Neither the documents nor their contents shall be released by Contractor or any subcontractor to any third party without the prior written consent of City. This provision does not apply to information that: (1) was publicly known, or otherwise known to Contractor, at the time it was disclosed to Contractor by City; (2) subsequently becomes publicly known through no act or omission of Contractor; or (3) otherwise becomes known to Contractor other than through disclosure by City.

13.17 Insolvency. If Contractor enters into proceedings relating to bankruptcy, whether voluntary or involuntary, Contractor agrees to furnish, by certified mail or electronic commerce method authorized by the Contract, written notification of the bankruptcy to the Purchasing Agent and the Contract Administrator responsible for administering the Contract. This notification shall be furnished within five (5) days of the initiation of the proceedings relating to bankruptcy filing. This notification shall include the date on which the bankruptcy petition was filed, the identity of the court in which the bankruptcy petition was filed, and a listing of City contract numbers and contracting offices for all City contracts against which final payment has not been made. This obligation remains in effect until final payment is made under this Contract.

13.18 No Third Party Beneficiaries. Except as may be specifically set forth in this Contract, none of the provisions of this Contract are intended to benefit any third party not specifically referenced herein. No party other than City and Contractor shall have the right to enforce any of the provisions of this Contract.

13.19 Actions of City in its Governmental Capacity. Nothing in this Contract shall be interpreted as limiting the rights and obligations of City in its governmental or regulatory capacity.



February 23, 2017

Ms. Viviana Hening
Supervising Procurement Contracting Officer
Purchasing and Contracting Department
1200 Third Avenue, Suite 200
San Diego, CA 92101-4195

Subject: Proposal for Consulting Services for Public Utilities Department Water and Wastewater Cost of Service Studies

Dear Ms. Hening:

Raftelis Financial Consultants, Inc. (RFC) is pleased to submit this proposal to assist the City of San Diego (City) with consulting services water and wastewater cost of service studies for the City's Public Utilities Department. We reviewed the Request for Proposals (RFP) and Addendum A, and have incorporated these specifications in our proposal.

Our senior level team for this engagement has more than 150 years of combined experience. I will serve as the Project Director and will be ultimately responsible for the success of the project as well as keeping it on time and within budget. I have more than 40 years of industry experience and have assisted the City with its utility rates for more than 10 years. Habib Isaac, located nearby in Murrieta, will serve as the Project Manager and Water Lead. Bill Stannard, PE, with over 40 years of experience, will serve as the Quality Assurance Control Designee and will be responsible for reviewing the project deliverables to ensure they meet both RFC and industry standards. Hannah Phan, who assisted the City previously with wastewater and recycled water models and rates, will be responsible for the technical aspects of those two utilities.

RFC understands the City's objectives and will address these issues through a long-range financial and rate consulting project with the following characteristics:

- Update the current rate models on a monthly basis
- Review, evaluate, and compare the City's current rate structure with alternative structures in order to meet short- and long-term policy objectives
- Develop comprehensive cost of service (COS) rate models for both water, wastewater, and recycled water that meet the City's requirements
- Maintain a fair and equitable rate structure that will ensure financial sufficiency and stability
- Perform cost allocations and fee calculations for capacity fees, recycled water, the Pure Water program, and groundwater
- Comply with Proposition 218, Proposition 26, the California Urban Water Conservation Council (CUWCC) Best Management Practices, and other regulatory requirements
- Provide appropriate education and public outreach to the City Council, the general public, and other stakeholders to ensure successful implementation of current and upcoming rate cases

RFC is well poised to hit the ground running. Specifically, RFC is knowledgeable about the City's systems having developed financial planning and rate models for the water, wastewater, and recycled water utilities. We believe that our qualifications, experience, and City knowledge will save time and produce equitable rates for City customers. There are many reasons why RFC stands out among its peers, including:

- **Depth of Resources.** We have the largest water and wastewater rate study practice in California and in the nation, which will ensure quick and efficient service. In addition to our own internal expertise, our Project Team also includes Katz & Associates, Inc. (K&A) for developing key messaging throughout this engagement and overall public outreach.
- **Experience.** Our staff have assisted more than 400 utilities across the United States and conducted thousands of studies. In California alone, we have performed hundreds of studies, especially in Southern California.
- **Industry Leadership.** Our staff is involved in shaping industry standards by chairing and actively participating in various committees within the American Water Works Association (AWWA) and the Water Environment Federation (WEF). We have written one of the leading books on water and wastewater rate studies, *Water and Wastewater Finance and Pricing: The Changing Landscape*, and co-authored other industry standard books such as AWWA's *Manual M1, Principle of Water Rates, Fees and Charges (Manual M1)* and *Water Rates, Fees and the Legal Environment*, and WEF's *Financing and Charges for Wastewater Systems*. We also conduct the national rate survey of water and wastewater utilities in conjunction with AWWA and a water and wastewater rate survey with the California-Nevada AWWA.
- **Modeling Experts.** We have developed some of the most sophisticated and user-friendly financial/rate models in the industry. These models are tools that allow us to examine different policy options and their financial/customer impacts in real time. In a workshop environment, this allows us to quickly review impacts of changes to different parameters, determine which policy option is feasible, and reach consensus quickly. This type of real time analysis is especially useful when working with stakeholders.
- **Continuity.** RFC previously developed the City's water, wastewater, and recycled water rates. RFC's familiarity with the City's systems ensures seamless communication and continuity between the financial plan and rate models.
- **Knowledge of California Regulatory Requirements.** The regulatory environment in California has become more stringent due to Proposition 218 and SB X7-7. Because of our extensive experience, we are very familiar with these regulations and have made presentations on this subject at various meetings. In addition, we are frequently called on to be expert witnesses on these regulatory matters.
- **Client Commitment.** We continue to be the industry leader because of our passion for clients' satisfaction. Our goal is to exceed the expectation of our clients and continue to be the most sought after consulting firm in the industry.

RFC staff have conducted or are conducting similar COS studies for more than 12 utilities in the San Diego area and hundreds of studies in California. In the San Diego area, we have conducted studies in the last three years for Sweetwater Authority, Olivenhain Municipal Water District, San Dieguito Water District, Santa Fe Irrigation District, Rincon Del Diablo Water District, Rainbow Municipal Water District, Ramona Municipal Water District, Helix Water District, San Diego County, and the Cities of Escondido, Carlsbad, and Vista.

We are proud of the resources that we can offer the City, and we welcome the opportunity to be of assistance to the City in this engagement. Please do not hesitate to contact me at 626-583-1894 or spardiwala@raftelis.com if you have any questions.

Very truly yours,
RAFTELIS FINANCIAL CONSULTANTS, INC.



Sudhir D. Pardiwala, PE
 Executive Vice President

RFC acknowledges the receipt of Addendum A.

TAB A:

SUBMISSION OF INFORMATION AND FORMS

EXCEPTIONS

If selected, RFC would like the opportunity to negotiate the Indemnification language on page 11 of the City's General Contract Terms and Provisions.

See Result on next page

From: Habib Isaac [<mailto:hisaac@raftelis.com>]
Sent: Monday, March 27, 2017 2:53 PM
To: Hening, Viviana <VHening@sandiego.gov>
Subject: Re: Clarification for Solicitation No: 10084319-17-H, Consulting Services for Public Utilities Department Water & Wastewater Cost of Service Studies RFP

Viviana,

We have no exceptions to the indemnification language.

Thank you,

Habib Isaac
951-595-9354
Sent while traveling

On Mar 27, 2017, at 8:22 AM, Hening, Viviana <VHening@sandiego.gov> wrote:

Thank you

From: Habib Isaac [<mailto:hisaac@raftelis.com>]
Sent: Friday, March 24, 2017 4:59 PM
To: Hening, Viviana <VHening@sandiego.gov>
Subject: RE: Clarification for Solicitation No: 10084319-17-H, Consulting Services for Public Utilities Department Water & Wastewater Cost of Service Studies RFP

Viviana,

Attached please find our billable rates by position. I intend to receive back the indemnification language edits by Monday; however, I am requesting corporate to approve as is with no edits.

Habib Isaac, Senior Manager

Inland Empire Office

24640 Jefferson Avenue Suite 207, Murrieta, CA 92562

Mobile: 951.595.9354 / **NEW Office: 951.387.4352** / Email: hisaac@raftelis.com

Raftelis Financial Consultants, Inc. www.raftelis.com

RFC is a Registered Municipal Advisor with the MSRB and SEC under the Dodd-Frank Act and is fully qualified and capable of providing advice related to all aspects of utility financial and capital planning, including the size, timing, and terms of future debt issues. Any opinion, information, or recommendation included in this email correspondence related to the size, timing, and terms of a future debt issue may be relied upon only for its intended purpose. This information is not intended as a recommendation to undertake a specific course of action related to the issuance of debt, or to indicate that a particular set of assumptions for the size, timing, and terms of issuing debt will be available at the time debt is actually issued.



CITY OF SAN DIEGO
PURCHASING & CONTRACTING DEPARTMENT
 1200 Third Avenue, Suite 200
 San Diego, CA 92101-4195

REQUEST FOR PROPOSALS (RFP)/CONTRACT (COVER SHEET)

Consultant: Consulting Services for Public Utilities Department Water & Wastewater Cost of Service Studies

Solicitation Number: 10084319-17-H

Solicitation Issue Date: January 27, 2017

Proposal Due Date and Time (Closing Date): 2:00 p.m. Pacific Time on February 27, 2017

Contract Term: Five (5) years from Effective Date, as defined in Article I, Section 1.2 of the City's General Contract Terms and Provisions

City Contact: Viviana Hening, Supervising Procurement Contracting Officer, Vhening@sandiego.gov

Questions and Comments Due: No later than February 10, 2017 at 2:00 p.m.

The City's Standard Payment Terms are Net 30 Days. Proposers may offer other payment terms (e.g., 2% 20 days) but such terms will not be considered in making the award decision. If different terms are offered, the City retains the option of making payment(s) based on these terms.

State delivery time: 30 days after receipt of order. Discounted terms offered: 0 % 0 Days.

Duration of Offer: By submitting a proposal, the proposer guarantees that the offer is firm for ninety (90) calendar days commencing the day following the Closing Date. Proposer agrees to accept a resulting contract subject to the terms and conditions stated herein. If an award is not made during that period, proposer's offer shall automatically extend for another ninety (90) calendar days unless the proposer indicates otherwise in writing thirty (30) calendar days prior to the end of the first ninety (90) calendar day period to the City Contact.

Proposer Raftelis Financial Consultants, Inc.
 Street Address 24640 Jefferson Avenue, Suite 207
 City Murrieta, CA 92562
 Telephone No. 951.698.0145
 E-Mail hisaac@raftelis.com

IF PROPOSER'S OFFER IS ACCEPTED BY THE CITY, THIS IS THE CONTRACT. Proposer is required to sign this document and return four (4) originals and two (2) copies of their proposal in sealed envelopes or cartons to the City Contact. Proposer shall also include an electronic copy of their proposal. Proposer agrees to furnish and deliver all goods and/or provide all services set forth or otherwise identified above subject to the terms and conditions specified herein. An original signature below is required. By signing below, the signer declares under penalty of perjury that she/he is authorized to sign this document and bind the proposer to the terms of this Contract.

Signature of Proposer's Authorized Representative

Signature of the City of San Diego Purchasing Agent

Approved as to Form City Attorney

Sudhir Pardiwala, PE

Print Name

Print Name

Print Name

Executive Vice President

Title

Title

Signature

Signature

Signature

February 23, 2017

Date

Date

Date

City of San Diego
CONTRACTOR STANDARDS
Pledge of Compliance

The City of San Diego has adopted a Contractor Standards Ordinance (CSO) codified in section 22.3004 of the San Diego Municipal Code (SDMC). The City of San Diego uses the criteria set forth in the CSO to determine whether a bidder or proposer has the capacity to fully perform the contract requirements and the business integrity to justify the award of public funds. This completed Pledge of Compliance signed under penalty of perjury must be submitted with each bid and proposal. If an informal solicitation process is used, the bidder must submit this completed Pledge of Compliance to the City prior to execution of the contract. All responses must be typewritten or printed in ink. If an explanation is requested or additional space is required, Respondents must provide responses on Attachment A to the Pledge of Compliance and sign each page. Failure to submit a signed and completed Pledge of Compliance may render the bid or proposal non-responsive. In the case of an informal solicitation, the contract will not be awarded unless a signed and completed Pledge of Compliance is submitted. A submitted Pledge of Compliance is a public record and information contained within will be available for public review except to the extent that such information is exempt from disclosure pursuant to applicable law.

A. BID/PROPOSAL/SOLICITATION TITLE:

Consulting Services for Public Utilities Department Water & Wastewater Cost of Service Studies
Solicitation No. 10084319-17-H

B. BIDDER/PROPOSER INFORMATION:

<u>Raftelis Financial Consultants, Inc.</u>	<u>N/A</u>		
Legal Name	DBA		
<u>24640 Jefferson Avenue, Suite 207</u>	<u>Murrieta</u>	<u>CA</u>	<u>92562</u>
Street Address	City	State	Zip
<u>Habib Isaac, Senior Manager</u>	<u>951.698.0145</u>	<u>213.262.9303</u>	
Contact Person, Title	Phone	Fax	

C. OWNERSHIP AND NAME CHANGES:

1. In the past five (5) years, has your firm changed its name?

Yes No

If **Yes**, use Attachment "A" to list all prior legal and DBA names, addresses, and dates each firm name was used. Explain the specific reasons for each name change.

2. In the past five (5) years, has a firm owner, partner, or officer operated a similar business?

Yes No

If **Yes**, use Attachment "A" to list names and addresses of all businesses and the person who operated the business. Include information about a similar business only if an owner, partner, or officer of your firm holds or has held a similar position in another firm.

D. BUSINESS ORGANIZATION/STRUCTURE:

Indicate the organizational structure of your firm. Fill in only one section on this page. Use Attachment "A" if more space is required.

Corporation Date incorporated: 04 / 23 / 2004 State of incorporation: North Carolina

List corporation's current officers: President: Peiffer Brandt
Vice Pres: Sudhir Pardiwala, PE
Secretary: Matt Jackson
Treasurer: N/A

Is your firm a publicly traded corporation?

Yes

No

If **Yes**, name those who own ten percent (10 %) or more of the corporation's stocks:

Limited Liability Company Date formed: ____/____/____ State of formation: _____

List names of members who own ten percent (10%) or more of the company:

Partnership Date formed: ____/____/____ State of formation: _____

List names of all firm partners:

Sole Proprietorship Date started: ____/____/____

List all firms you have been an owner, partner or officer with during the past five (5) years. Do not include ownership of stock in a publicly traded company:

Joint Venture Date formed: ____/____/____

List each firm in the joint venture and its percentage of ownership:

Note: To be responsive, each member of a Joint Venture must complete a separate *Pledge of Compliance*.

E. FINANCIAL RESOURCES AND RESPONSIBILITY:

1. Is your firm preparing to be sold, in the process of being sold, or in negotiations to be sold?

Yes No

If **Yes**, use Attachment "A" to explain the circumstances, including the buyer's name and principal contact information.

2. In the past five (5) years, has your firm been denied bonding?

Yes No

If **Yes**, use Attachment "A" to explain specific circumstances; include bonding company name.

3. In the past five (5) years, has a bonding company made any payments to satisfy claims made against a bond issued on your firm's behalf or a firm where you were the principal?

Yes **No**

If **Yes**, use Attachment "A" to explain specific circumstances.

4. In the past five (5) years, has any insurance carrier, for any form of insurance, refused to renew the insurance policy for your firm?

Yes **No**

If **Yes**, use Attachment "A" to explain specific circumstances.

5. Within the last five years, has your firm filed a voluntary petition in bankruptcy, been adjudicated bankrupt, or made a general assignment for the benefit of creditors? **No**

6. Please provide the name of your principal financial institution for financial reference. By submitting a response to this Solicitation Contractor authorizes a release of credit information for verification of financial responsibility.

Name of Bank: First Citizens Bank

Point of Contact: Kyle H. Woodruff, Senior Vice President

Address: 128 South Tryon Street, 2nd Floor, Charlotte, NC 28202

Phone Number: 704.338.4122

7. By submitting a response to a City solicitation, Contractor certifies that he or she has sufficient operating capital and/or financial reserves to properly fund the requirements identified in the solicitation. At City's request, Contractor will promptly provide to City a copy of Contractor's most recent balance sheet and/or other necessary financial statements to substantiate financial ability to perform.

F. PERFORMANCE HISTORY:

1. In the past five (5) years, has your firm been found civilly liable, either in a court of law or pursuant to the terms of a settlement agreement, for defaulting or breaching a contract with a government agency?

Yes **No**

If **Yes**, use Attachment "A" to explain specific circumstances.

2. In the past five (5) years, has a public entity terminated your firm's contract for cause prior to contract completion?

Yes **No**

If **Yes**, use Attachment "A" to explain specific circumstances and provide principal contact information.

3. In the past five (5) years, has your firm entered into any settlement agreement for any lawsuit that alleged contract default, breach of contract, or fraud with or against a public entity?

Yes **No**

If **Yes**, use Attachment "A" to explain specific circumstances.

4. Is your firm currently involved in any lawsuit with a government agency in which it is alleged that your firm has defaulted on a contract, breached a contract, or committed fraud?

Yes No

If **Yes**, use Attachment "A" to explain specific circumstances.

5. In the past five (5) years, has your firm, or any firm with which any of your firm's owners, partners, or officers is or was associated, been debarred, disqualified, removed, or otherwise prevented from bidding on or completing any government or public agency contract for any reason?

Yes No

If **Yes**, use *Pledge of Compliance Attachment "A"* to explain specific circumstances.

6. In the past five (5) years, has your firm received a notice to cure or a notice of default on a contract with any public agency?

Yes No

If **Yes**, use Attachment "A" to explain specific circumstances and how the matter resolved.

7. Performance References:

Please provide a minimum of three (3) references familiar with work performed by your firm which was of a similar size and nature to the subject solicitation within the last five (5) years.

Company Name: East Bay Municipal Utility District

Contact Name and Phone Number: Sophia Skoda, Treasury Manager, 510.287.0231

Contact Email: sskoda@ebmud.com

Address: P.O. Box 24055, Oakland, CA 94623

Contract Date: 2013

Contract Amount: \$203,047

Requirements of Contract: Water and wastewater cost of service study

Company Name: City of Ventura

Contact Name and Phone Number: Shana Epstein, General Manager, 805.652.4518

Contact Email: sepstein@venturawater.net

Address: 336 Sanjon Road, Ventura, CA 93001

Contract Date: 2011 and 2014

Contract Amount: \$149,956 (2011)

Requirements of Contract: Water, wastewater, and recycled water rate study

Company Name: Helix Water District

Contact Name and Phone Number: Lisa Stoia, Director of Admin Services, 619.667.6205

Contact Email: Lisa.Stoia@HelixWater.org

Address: 7811 University Ave., La Mesa, CA 91942

Contract Date: 2014

Contract Amount: \$ 123,852

Requirements of Contract: Water cost of service and rate study

G. COMPLIANCE:

1. In the past five (5) years, has your firm or any firm owner, partner, officer, executive, or manager been criminally penalized or found civilly liable, either in a court of law or pursuant to the terms of a settlement agreement, for violating any federal, state, or local law in performance of a contract, including but not limited to, laws regarding health and safety, labor and employment, permitting, and licensing laws?

Yes No

If **Yes**, use Attachment "A" to explain specific circumstances surrounding each instance. Include the name of the entity involved, the specific infraction(s) or violation(s), dates of instances, and outcome with current status.

2. In the past five (5) years, has your firm been determined to be non-responsible by a public entity?

Yes No

If **Yes**, use Attachment "A" to explain specific circumstances of each instance. Include the name of the entity involved, the specific infraction, dates, and outcome.

H. BUSINESS INTEGRITY:

1. In the past five (5) years, has your firm been convicted of or found liable in a civil suit for making a false claim or material misrepresentation to a private or public entity?

Yes No

If **Yes**, use Attachment "A" to explain specific circumstances of each instance. Include the entity involved, specific violation(s), dates, outcome and current status.

2. In the past five (5) years, has your firm or any of its executives, management personnel, or owners been convicted of a crime, including misdemeanors, or been found liable in a civil suit involving the bidding, awarding, or performance of a government contract?

Yes No

If **Yes**, use *Pledge of Compliance Attachment "A"* to explain specific circumstances of each instance; include the entity involved, specific infraction(s), dates, outcome and current status.

3. In the past five (5) years, has your firm or any of its executives, management personnel, or owners been convicted of a federal, state, or local crime of fraud, theft, or any other act of dishonesty?

Yes No

If **Yes**, use *Pledge of Compliance Attachment "A"* to explain specific circumstances of each instance; include the entity involved, specific infraction(s), dates, outcome and current status.

I. WAGE COMPLIANCE:

In the past five (5) years, has your firm been required to pay back wages or penalties for failure to comply with the federal, state or local prevailing, minimum, or living wage laws? Yes No If Yes, use Attachment "A" to explain the specific circumstances of each instance. Include the entity involved, the specific infraction(s), dates, outcome, and current status.

J. STATEMENT OF SUBCONTRACTORS:

Please provide the names and information for all subcontractors used in the performance of the proposed contract, and what portion of work will be assigned to each subcontractor. Subcontractors may not be substituted without the written consent of the City. Use Attachment "A" if additional pages are necessary. If no subcontractors will be used, please write "Not Applicable."

Company Name: Katz & Associates

Contact Name and Phone Number: PatriciaA. Tennyson, Executive Vice President, 858.926.4002

Contact Email: PTennyson@KatzandAssociates.com

Address: 5440 Morehouse Drive, Suite 1000, San Diego, CA 92121

Contract Date On selection for this project

Sub-Contract Dollar Amount: \$87,694

Requirements of Contract: Provide pulic outreach support for the project

What portion of work will be assigned to this subcontractor: Pulic outreach portion

Is the Subcontractora certified SLBE, ELBE, MBE, DBE, DVBE, or OBE? (Circle One) YES NO

If YES, Contractormust provide valid proof of certification with the response to the bid or proposal.

Company Name: _____

Contact Name and Phone Number: _____

Contact Email: _____

Address: _____

Contract Date _____

Sub-Contract Dollar Amount: _____

Requirements of Contract: _____

What portion of work will be assigned to this subcontractor: _____

Is the Subcontractora certified SLBE, ELBE, MBE, DBE, DVBE, or OBE? (Circle One) YES NO

If YES, Contractormust provide valid proof of certification with the response to the bid or proposal.

K. STATEMENT OF AVAILABLE EQUIPMENT:

List all necessary equipment to complete the work specified. Use *Pledge of Compliance Attachment "A"* if additional pages are necessary. In instances where the required equipment is not owned by the Contractor, Contractor shall explain how the equipment will be made available before the commencement of work. The City of San Diego reserves the right to reject any response when, in its opinion, the Contractor has not demonstrated he or she will be properly equipped to perform the work in an efficient, effective manner for the duration of the contract period.

If no equipment is necessary to complete the work specified, please write "Not Applicable."

Equipment Description: **Not Applicable**

Owned Rented Other (explain below)

If Owned, Quantity Available: _____

Year, Make & Model: _____

Explanation: _____

Equipment Description: _____

Owned Rented Other (explain below)

If Owned, Quantity Available: _____

Year, Make & Model: _____

Explanation: _____

Equipment Description: _____

Owned Rented Other (explain below)

If Owned, Quantity Available: _____

Year, Make & Model: _____

Explanation: _____

L. TYPE OF SUBMISSION: This document is submitted as:

Initial submission of *Contractor Standards Pledge of Compliance*.

Update of prior *Contractor Standards Pledge of Compliance* dated 09 / 14 / 16.

Complete all questions and sign below.

Under penalty of perjury under the laws of the State of California, I certify that I have read and understand the questions contained in this Pledge of Compliance, that I am responsible for completeness and accuracy of the responses contained herein, and that all information provided is true to the best of my knowledge and belief. I agree to provide written notice to the Purchasing Agent within five (5) business days if, at any time, I learn that any portion of this Pledge of Compliance. Failure to timely provide the Purchasing Agent with written notice is grounds for Contract termination.

I, on behalf of the firm, furthercertify that I and my firm will comply with the following provisions of SDMC section 22.3004:

- (a) I and my firm will comply with all applicable local, State and Federal laws, including health and safety, labor and employment, and licensing laws that affect the employees, worksite or performance of the contract.
- (b) I and my firm will notify the Purchasing Agent in writing within fifteen (15) calendar days of receiving notice that a government agency has begun an investigation of me or my firm that may result in a finding that I or my firm is or was not in compliance with laws stated in paragraph (a).
- (c) I and my firm will notify the Purchasing Agent in writing within fifteen (15) calendar days of a finding by a government agency or court of competent jurisdiction of a violation by the Contractor of laws stated in paragraph (a).
- (d) I and my firm will notify the Purchasing Agent in writing within fifteen (15) calendar days of becoming aware of an investigation or finding by a government agency or court of competent jurisdiction of a violation by a subcontractor of laws stated in paragraph (a).
- (e) I and my firm will cooperate fully with the City during any investigation and to respond to a request for information within ten (10) working days.

Failure to sign and submit this form with the bid/proposal shall make the bid/proposal non-responsive. In the case of an informal solicitation, the contract will not be awarded unless a signed and completed *Pledge of Compliance* is submitted.

Sudhir Pardiwala, PE
Executive Vice President
Name and Title



Signature

February 23, 2017
Date

AA. CONTRACTORS CERTIFICATION OF PENDING ACTIONS

As part of its proposal, the Contractor must provide to the City a list of all instances within the past 10 years where a complaint was filed or pending against the Contractor in a legal or administrative proceeding alleging that Contractor discriminated against its employees, subcontractors, vendors or suppliers, and a description of the status or resolution of that complaint, including any remedial action taken.

CHECK ONE BOX ONLY.

- The undersigned certifies that within the past 10 years the Contractor has NOT been the subject of a complaint or pending action in a legal administrative proceeding alleging that Contractor discriminated against its employees, subcontractors, vendors or suppliers.
- The undersigned certifies that within the past 10 years the Contractor has been the subject of a complaint or pending action in a legal administrative proceeding alleging that Contractor discriminated against its employees, subcontractors, vendors or suppliers. A description of the status or resolution of that complaint, including any remedial action taken and the applicable dates is as follows:

DATE OF CLAIM	LOCATION	DESCRIPTION OF CLAIM	LITIGATION (Y/N)	STATUS	RESOLUTION/REMEDIAL ACTION TAKEN

Contractor Name: Raftelis Financial Consultants, Inc.

Certified By Sudhir Pardiwala, PE Title Executive Vice President

Name



Signature

Date February 23, 2017

USE ADDITIONAL FORMS AS NECESSARY



City of San Diego

EQUAL OPPORTUNITY CONTRACTING (EOC)

1200 Third Avenue • Suite 200 • San Diego, CA 92101

Phone: (619) 236-6000 • Fax: (619) 236-5904

BB. WORK FORCE REPORT

The objective of the *Equal Employment Opportunity Outreach Program*, is to ensure that contractors doing business with the City, or receiving funds from the City, do not engage in unlawful discriminatory employment practices prohibited by State and Federal law. Such employment practices include, but are not limited to unlawful discrimination in the following: employment, promotion or upgrading, demotion or transfer, recruitment or recruitment advertising, layoff or termination, rate of pay or other forms of compensation, and selection for training, including apprenticeship. Contractors are required to provide a completed *WorkForce Report (WFR)*.

NO OTHER FORMS WILL BE ACCEPTED

CONTRACTOR IDENTIFICATION

Type of Contractor: Construction Vendor/Supplier Financial Institution Lessee/Lessor
 Consultant Grant Recipient Insurance Company Other

Name of Company: Raftelis Financial Consultants, Inc.

ADA/DBA: N/A

Address (Corporate Headquarters, where applicable): 150 N. Santa Anita Avenue, Suite 470

City: Arcadia County: Los Angeles State: CA Zip: 91006

Telephone Number: () 626-583-1894 Fax Number: () 213-262-9303

Name of Company CEO: Peiffer Brandt

Address(es), phone and fax number(s) of company facilities located in San Diego County (if different from above):

Address: _____

City: _____ County: _____ State: _____ Zip: _____

Telephone Number: () _____ Fax Number: () _____ Email: lwilson@raftelis.com

Type of Business: S - Corporation Type of License: _____

The Company has appointed: Lisa Wilson

As its Equal Employment Opportunity Officer (EEOO). The EEOO has been given authority to establish, disseminate and enforce equal employment and affirmative action policies of this company. The EEOO may be contacted at:

Address: 227 W. Trade Street, Suite 1400, Charlotte, NC 28202

Telephone Number: () 704-910-8961 Fax Number: () 704-373-1113 Email: lwilson@raftelis.com

One San Diego County (or Most Local County) Work Force - Mandatory

Branch Work Force * Managing Office Work Force

Check the box above that applies to this WFR.

**Submit a separate WorkForce Report for all participating branches. Combine WFRs if more than one branch per county.*

I, the undersigned representative of Raftelis Financial Consultants, Inc.

(Firm Name)

Los Angeles, California hereby certify that information provided

(County)

(State)

herein is true and correct. This document was executed on this 23rd day of February, 2017

[Signature]

Sudhir Pardiwala, PE

(Authorized Signature)

(Print Authorized Signature Name)

NAME OF FIRM: Raftelis Financial Consultants, Inc.

DATE: 2/23/2017

OFFICE(S) or BRANCH(ES): Arcadia Office (Arcadia, CA)

COUNTY: Los Angeles

I. INSTRUCTIONS: For each occupational category, indicate number of males and females in every ethnic group. Total columns in row provided. Sum of all totals should be equal to your total work force. Include all those employed by your company on either a full or part-time basis. The following groups are to be included in ethnic categories listed in columns below:

- (1) Black, African-American
- (2) Hispanic, Latino, Mexican-American, Puerto Rican
- (3) Asian
- (4) American Indian, Eskimo
- (5) Filipino, Asian Pacific Islander
- (6) White, Caucasian
- (7) Other ethnicity; not falling into other groups

ADMINISTRATION OCCUPATIONAL CATEGORY	(1) African- American		(2) Hispanic or Latino		(3) Asian		(4) American Indian		(5) Asian Pacific Islander		(6) Caucasian		(7) Other Ethnicity	
	(M)	(F)	(M)	(F)	(M)	(F)	(M)	(F)	(M)	(F)	(M)	(F)	(M)	(F)
Management & Financial					1									
Professional											1			
A&E, Science, Computer														
Technical														
Sales														
Administrative Support														
Services														
Crafts														
Operative Workers														
Transportation														
Laborers*														

*Construction laborers and other field employees are not to be included on this page

Totals Each Column					1							1		
--------------------	--	--	--	--	---	--	--	--	--	--	--	---	--	--

Grand Total All Employees

2

Indicate by Gender and Ethnicity the Number of Above Employees Who Are Disabled:

Disabled														
----------	--	--	--	--	--	--	--	--	--	--	--	--	--	--

Non-Profit Organizations Only:

Board of Directors														
Volunteers														
Artists														

NAME OF FIRM: Raftelis Financial Consultants, Inc. DATE: 2/23/2017
 OFFICE(S) or BRANCH(ES): ArcadiaOffice (Arcadia, CA) COUNTY: Los Angeles

INSTRUCTIONS: For each occupational category, indicate number of males and females in every ethnic group. Total columns in row provided. Sum of all totals should be equal to your total work force. Include all those employed by your company on either a full or part-time basis. The following groups are to be included in ethnic categories listed in columns below:

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- (7) Other ethnicity; not falling into other groups

TRADE OCCUPATIONAL CATEGORY	(1) African-American		(2) Hispanic or Latino		(3) Asian		(4) American Indian		(5) Asian Pacific Islander		(6) Caucasian		(7) Other Ethnicity	
	(M)	(F)	(M)	(F)	(M)	(F)	(M)	(F)	(M)	(F)	(M)	(F)	(M)	(F)
Brick, Block or Stone Masons														
Carpenters														
Carpet, Floor & Tile Installers Finishers														
Cement Masons, Concrete Finishers														
Construction Laborers														
Drywall Installers, Ceiling Tile Inst														
Electricians														
Elevator Installers														
First-Line Supervisors/Managers														
Glaziers														
Helpers; Construction Trade														
Millwrights														
Misc. Const. Equipment Operators														
Painters, Const. & Maintenance														
Pipelayers, Plumbers, Pipe & Steam Fitters														
Plasterers & Stucco Masons														
Roofers														
Security Guards & Surveillance Officers														
Sheet Metal Workers														
Structural Metal Fabricators & Fitters														
Welding, Soldering & Brazing Workers														
Workers, Extractive Crafts, Miners														
Totals Each Column														
Grand Total All Employees	0													
Indicate By Gender and Ethnicity the Number of Above Employees Who Are Disabled:														



City of San Diego

EQUAL OPPORTUNITY CONTRACTING (EOC)

1200 Third Avenue • Suite 200 • San Diego, CA 92101

Phone: (619) 236-6000 • Fax: (619) 236-5904

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NO OTHER FORMS WILL BE ACCEPTED

CONTRACTOR IDENTIFICATION

Type of Contractor: Construction Vendor/Supplier Financial Institution Lessee/Lessor
 Consultant Grant Recipient Insurance Company Other

Name of Company: Raftelis Financial Consultants, Inc.

ADA/DBA: N/A

Address (Corporate Headquarters, where applicable): 24640 Jefferson Avenue, Suite 207

City: Murrieta County: Riverside State: CA Zip: 92562

Telephone Number: () 951-698-0145 Fax Number: () 213-262-9303

Name of Company CEO: Peiffer Brandt

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Address: _____

City: _____ County: _____ State: _____ Zip: _____

Telephone Number: () _____ Fax Number: () _____ Email: lwilson@raftelis.com

Type of Business: S - Corporation Type of License: _____

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One San Diego County (or Most Local County) Work Force - Mandatory

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I, the undersigned representative of Raftelis Financial Consultants, Inc.

(Firm Name)

Los Angeles, California hereby certify that information provided

(County)

(State)

herein is true and correct. This document was executed on this 23rd day of February, 2017

(Authorized Signature)

Sudhir Pardiwala, PE

(Print Authorized Signature Name)

NAME OF FIRM: Raftelis Financial Consultants, Inc. DATE: 2/23/2017

OFFICE(S) or BRANCH(ES): Inland Empire Office (Murrieta, CA) COUNTY: Riverside

I. INSTRUCTIONS: For each occupational category, indicate number of males and females in every ethnic group. Total columns in row provided. Sum of all totals should be equal to your total work force. Include all those employed by your company on either a full or part-time basis. The following groups are to be included in ethnic categories listed in columns below:

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- (3) Asian
- (4) American Indian, Eskimo
- (5) Filipino, Asian Pacific Islander
- (6) White, Caucasian
- (7) Other ethnicity; not falling into other groups

ADMINISTRATION OCCUPATIONAL CATEGORY	(1) African- American		(2) Hispanic or Latino		(3) Asian		(4) American Indian		(5) Asian Pacific Islander		(6) Caucasian		(7) Other Ethnicity	
	(M)	(F)	(M)	(F)	(M)	(F)	(M)	(F)	(M)	(F)	(M)	(F)	(M)	(F)
Management & Financial					1									
Professional											1			
A&E, Science, Computer														
Technical														
Sales														
Administrative Support														
Services														
Crafts														
Operative Workers														
Transportation														
Laborers*														

*Construction laborers and other field employees are not to be included on this page

Totals Each Column					1							1		
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Grand Total All Employees

2

Indicate by Gender and Ethnicity the Number of Above Employees Who Are Disabled:

Disabled														
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Non-Profit Organizations Only:

Board of Directors														
Volunteers														
Artists														

NAME OF FIRM: Raftelis Financial Consultants, Inc. DATE: 2/23/2017
 OFFICE(S) or BRANCH(ES): Inland Empire Office (Murrieta, CA) COUNTY: Riverside

INSTRUCTIONS: For each occupational category, indicate number of males and females in every ethnic group. Total columns in row provided. Sum of all totals should be equal to your total work force. Include all those employed by your company on either a full or part-time basis. The following groups are to be included in ethnic categories listed in columns below:

- (1) Black, African-American
- (2) Hispanic, Latino, Mexican-American, Puerto Rican
- (3) Asian
- (4) American Indian, Eskimo
- (5) Filipino, Asian Pacific Islander
- (6) White, Caucasian
- (7) Other ethnicity; not falling into other groups

TRADE OCCUPATIONAL CATEGORY	(1) African-American		(2) Hispanic or Latino		(3) Asian		(4) American Indian		(5) Asian Pacific Islander		(6) Caucasian		(7) Other Ethnicity	
	(M)	(F)	(M)	(F)	(M)	(F)	(M)	(F)	(M)	(F)	(M)	(F)	(M)	(F)
Brick, Block or Stone Masons														
Carpenters														
Carpet, Floor & Tile Installers Finishers														
Cement Masons, Concrete Finishers														
Construction Laborers														
Drywall Installers, Ceiling Tile Inst														
Electricians														
Elevator Installers														
First-Line Supervisors/Managers														
Glaziers														
Helpers; Construction Trade														
Millwrights														
Misc. Const. Equipment Operators														
Painters, Const. & Maintenance														
Pipelayers, Plumbers, Pipe & Steam Fitters														
Plasterers & Stucco Masons														
Roofers														
Security Guards & Surveillance Officers														
Sheet Metal Workers														
Structural Metal Fabricators & Fitters														
Welding, Soldering & Brazing Workers														
Workers, Extractive Crafts, Miners														

Totals Each Column														
--------------------	--	--	--	--	--	--	--	--	--	--	--	--	--	--

Grand Total All Employees	0													
Indicate By Gender and Ethnicity the Number of Above Employees Who Are Disabled:														



City of San Diego

EQUAL OPPORTUNITY CONTRACTING (EOC)

1200 Third Avenue • Suite 200 • San Diego, CA 92101

Phone: (619) 236-6000 • Fax: (619) 236-5904

BB. WORK FORCE REPORT

The objective of the *Equal Employment Opportunity Outreach Program*, is to ensure that contractors doing business with the City, or receiving funds from the City, do not engage in unlawful discriminatory employment practices prohibited by State and Federal law. Such employment practices include, but are not limited to unlawful discrimination in the following: employment, promotion or upgrading, demotion or transfer, recruitment or recruitment advertising, layoff or termination, rate of pay or other forms of compensation, and selection for training, including apprenticeship. Contractors are required to provide a completed *WorkForce Report (WFR)*.

NO OTHER FORMS WILL BE ACCEPTED

CONTRACTOR IDENTIFICATION

Type of Contractor: Construction Vendor/Supplier Financial Institution Lessee/Lessor
 Consultant Grant Recipient Insurance Company Other

Name of Company: Raftelis Financial Consultants, Inc.

ADA/DBA: N/A

Address (Corporate Headquarters, where applicable): 445 S. Figueroa Street, Suite 2270

City: Los Angeles County: Los Angeles State: CA Zip: 90071

Telephone Number: () 951-698-0145 Fax Number: () 213-262-9303

Name of Company CEO: Peiffer Brandt

Address(es), phone and fax number(s) of company facilities located in San Diego County (if different from above):

Address: _____

City: _____ County: _____ State: _____ Zip: _____

Telephone Number: () _____ Fax Number: () _____ Email: lwilson@raftelis.com

Type of Business: S - Corporation Type of License: _____

The Company has appointed: Lisa Wilson

As its Equal Employment Opportunity Officer (EEOO). The EEOO has been given authority to establish, disseminate and enforce equal employment and affirmative action policies of this company. The EEOO may be contacted at:

Address: 227 W. Trade Street, Suite 1400, Charlotte, NC 28202

Telephone Number: () 704-910-8961 Fax Number: () 704-373-1113 Email: lwilson@raftelis.com

One San Diego County (or Most Local County) Work Force - Mandatory

Branch Work Force * Managing Office Work Force

Check the box above that applies to this WFR.

**Submit a separate WorkForce Report for all participating branches. Combine WFRs if more than one branch per county.*

I, the undersigned representative of Raftelis Financial Consultants, Inc.

(Firm Name)

Los Angeles, California hereby certify that information provided

(County)

(State)

herein is true and correct. This document was executed on this 23rd day of February, 2017

(Authorized Signature)

Sudhir Pardiwala, PE

(Print Authorized Signature Name)

NAME OF FIRM: Raftelis Financial Consultants, Inc.

DATE: 2/23/2017

OFFICE(S) or BRANCH(ES): Los Angeles Office (Los Angeles, CA)

COUNTY: Los Angeles

I. INSTRUCTIONS: For each occupational category, indicate number of males and females in every ethnic group. Total columns in row provided. Sum of all totals should be equal to your total work force. Include all those employed by your company on either a full or part-time basis. The following groups are to be included in ethnic categories listed in columns below:

- (1) Black, African-American
- (2) Hispanic, Latino, Mexican-American, Puerto Rican
- (3) Asian
- (4) American Indian, Eskimo
- (5) Filipino, Asian Pacific Islander
- (6) White, Caucasian
- (7) Other ethnicity; not falling into other groups

ADMINISTRATION OCCUPATIONAL CATEGORY	(1) African- American		(2) Hispanic or Latino		(3) Asian		(4) American Indian		(5) Asian Pacific Islander		(6) Caucasian		(7) Other Ethnicity	
	(M)	(F)	(M)	(F)	(M)	(F)	(M)	(F)	(M)	(F)	(M)	(F)	(M)	(F)
Management & Financial					1							1		
Professional	1				1	1						2	2	
A&E, Science, Computer														
Technical														
Sales														
Administrative Support														
Services														
Crafts														
Operative Workers														
Transportation														
Laborers*														

*Construction laborers and other field employees are not to be included on this page

Totals Each Column	1				2	1						3	2	
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Grand Total All Employees

9

Indicate by Gender and Ethnicity the Number of Above Employees Who Are Disabled:

Disabled														
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Non-Profit Organizations Only:

Board of Directors														
Volunteers														
Artists														

NAME OF FIRM: Raftelis Financial Consultants, Inc. DATE: 2/23/2017
 OFFICE(S) or BRANCH(ES): Los Angeles Office (Los Angeles, CA) COUNTY: Los Angeles

INSTRUCTIONS: For each occupational category, indicate number of males and females in every ethnic group. Total columns in row provided. Sum of all totals should be equal to your total work force. Include all those employed by your company on either a full or part-time basis. The following groups are to be included in ethnic categories listed in columns below:

- (1) Black, African-American
- (2) Hispanic, Latino, Mexican-American, Puerto Rican
- (3) Asian
- (4) American Indian, Eskimo
- (5) Filipino, Asian Pacific Islander
- (6) White, Caucasian
- (7) Other ethnicity; not falling into other groups

TRADE OCCUPATIONAL CATEGORY	(1) African- American		(2) Hispanic or Latino		(3) Asian		(4) American Indian		(5) Asian Pacific Islander		(6) Caucasian		(7) Other Ethnicity	
	(M)	(F)	(M)	(F)	(M)	(F)	(M)	(F)	(M)	(F)	(M)	(F)	(M)	(F)
Brick, Block or Stone Masons														
Carpenters														
Carpet, Floor & Tile Installers Finishers														
Cement Masons, Concrete Finishers														
Construction Laborers														
Drywall Installers, Ceiling Tile Inst														
Electricians														
Elevator Installers														
First-Line Supervisors/Managers														
Glaziers														
Helpers; Construction Trade														
Millwrights														
Misc. Const. Equipment Operators														
Painters, Const. & Maintenance														
Pipelayers, Plumbers, Pipe & Steam Fitters														
Plasterers & Stucco Masons														
Roofers														
Security Guards & Surveillance Officers														
Sheet Metal Workers														
Structural Metal Fabricators & Fitters														
Welding, Soldering & Brazing Workers														
Workers, Extractive Crafts, Miners														

Totals Each Column															
--------------------	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

Grand Total All Employees	0													
---------------------------	---	--	--	--	--	--	--	--	--	--	--	--	--	--

Indicate By Gender and Ethnicity the Number of Above Employees Who Are Disabled:															
--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--



City of San Diego

EQUAL OPPORTUNITY CONTRACTING (EOC)

1200 Third Avenue • Suite 200 • San Diego, CA 92101

Phone: (619) 236-6000 • Fax: (619) 236-5904

BB. WORK FORCE REPORT

The objective of the *Equal Employment Opportunity Outreach Program*, is to ensure that contractors doing business with the City, or receiving funds from the City, do not engage in unlawful discriminatory employment practices prohibited by State and Federal law. Such employment practices include, but are not limited to unlawful discrimination in the following: employment, promotion or upgrading, demotion or transfer, recruitment or recruitment advertising, layoff or termination, rate of pay or other forms of compensation, and selection for training, including apprenticeship. Contractors are required to provide a completed *WorkForce Report (WFR)*.

NO OTHER FORMS WILL BE ACCEPTED

CONTRACTOR IDENTIFICATION

Type of Contractor: Construction Vendor/Supplier Financial Institution Lessee/Lessor
 Consultant Grant Recipient Insurance Company Other

Name of Company: Raftelis Financial Consultants, Inc.

ADA/DBA: N/A

Address (Corporate Headquarters, where applicable): 1100 Dexter Ave. N., Suite 100

City: Seattle County: King State: WA Zip: 98109

Telephone Number: () 714-300-8129 Fax Number: () 213-262-9303

Name of Company CEO: Peiffer Brandt

Address(es), phone and fax number(s) of company facilities located in San Diego County (if different from above):

Address: _____

City: _____ County: _____ State: _____ Zip: _____

Telephone Number: () _____ Fax Number: () _____ Email: lwilson@raftelis.com

Type of Business: S - Corporation Type of License: _____

The Company has appointed: Lisa Wilson

As its Equal Employment Opportunity Officer (EEOO). The EEOO has been given authority to establish, disseminate and enforce equal employment and affirmative action policies of this company. The EEOO may be contacted at:

Address: 227 W. Trade Street, Suite 1400, Charlotte, NC 28202

Telephone Number: () 704-910-8961 Fax Number: () 704-373-1113 Email: lwilson@raftelis.com

One San Diego County (or Most Local County) Work Force - Mandatory

Branch Work Force * Managing Office Work Force

Check the box above that applies to this WFR.

**Submit a separate WorkForce Report for all participating branches. Combine WFRs if more than one branch per county.*

I, the undersigned representative of Raftelis Financial Consultants, Inc.

(Firm Name)

King, Washington hereby certify that information provided

(County)

(State)

herein is true and correct. This document was executed on this 23rd day of February, 2017

(Authorized Signature)

Sudhir Pardiwala, PE

(Print Authorized Signature Name)

NAME OF FIRM: Raftelis Financial Consultants, Inc. DATE: 2/23/2017

OFFICE(S) or BRANCH(ES): Seattle Office (Seattle, WA) COUNTY: King

I. INSTRUCTIONS: For each occupational category, indicate number of males and females in every ethnic group. Total columns in row provided. Sum of all totals should be equal to your total work force. Include all those employed by your company on either a full or part-time basis. The following groups are to be included in ethnic categories listed in columns below:

- (1) Black, African-American
- (2) Hispanic, Latino, Mexican-American, Puerto Rican
- (3) Asian
- (4) American Indian, Eskimo
- (5) Filipino, Asian Pacific Islander
- (6) White, Caucasian
- (7) Other ethnicity; not falling into other groups

ADMINISTRATION OCCUPATIONAL CATEGORY	(1) African-American		(2) Hispanic or Latino		(3) Asian		(4) American Indian		(5) Asian Pacific Islander		(6) Caucasian		(7) Other Ethnicity	
	(M)	(F)	(M)	(F)	(M)	(F)	(M)	(F)	(M)	(F)	(M)	(F)	(M)	(F)
Management & Financial						1								
Professional						1								
A&E, Science, Computer														
Technical														
Sales														
Administrative Support														
Services														
Crafts														
Operative Workers														
Transportation														
Laborers*														

*Construction laborers and other field employees are not to be included on this page

Totals Each Column						2								
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Grand Total All Employees

2

Indicate by Gender and Ethnicity the Number of Above Employees Who Are Disabled:

Disabled														
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Non-Profit Organizations Only:

Board of Directors														
Volunteers														
Artists														

NAME OF FIRM: Raftelis Financial Consultants, Inc. DATE: 2/23/2017
 OFFICE(S) or BRANCH(ES): Seattle Office (Seattle, WA) COUNTY: King

INSTRUCTIONS: For each occupational category, indicate number of males and females in every ethnic group. Total columns in row provided. Sum of all totals should be equal to your total work force. Include all those employed by your company on either a full or part-time basis. The following groups are to be included in ethnic categories listed in columns below:

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- (4) American Indian, Eskimo
- (5) Filipino, Asian Pacific Islander
- (6) White, Caucasian
- (7) Other ethnicity; not falling into other groups

TRADE OCCUPATIONAL CATEGORY	(1) African- American		(2) Hispanic or Latino		(3) Asian		(4) American Indian		(5) Asian Pacific Islander		(6) Caucasian		(7) Other Ethnicity	
	(M)	(F)	(M)	(F)	(M)	(F)	(M)	(F)	(M)	(F)	(M)	(F)	(M)	(F)
Brick, Block or Stone Masons														
Carpenters														
Carpet, Floor & Tile Installers Finishers														
Cement Masons, Concrete Finishers														
Construction Laborers														
Drywall Installers, Ceiling Tile Inst														
Electricians														
Elevator Installers														
First-Line Supervisors/Managers														
Glaziers														
Helpers; Construction Trade														
Millwrights														
Misc. Const. Equipment Operators														
Painters, Const. & Maintenance														
Pipelayers, Plumbers, Pipe & Steam Fitters														
Plasterers & Stucco Masons														
Roofers														
Security Guards & Surveillance Officers														
Sheet Metal Workers														
Structural Metal Fabricators & Fitters														
Welding, Soldering & Brazing Workers														
Workers, Extractive Crafts, Miners														

Totals Each Column														
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Grand Total All Employees	0													
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Indicate By Gender and Ethnicity the Number of Above Employees Who Are Disabled:														
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City of San Diego

EQUAL OPPORTUNITY CONTRACTING (EOC)

1200 Third Avenue • Suite 200 • San Diego, CA 92101

Phone: (619) 236-6000 • Fax: (619) 236-5904

BB. WORK FORCE REPORT

The objective of the *Equal Employment Opportunity Outreach Program*, is to ensure that contractors doing business with the City, or receiving funds from the City, do not engage in unlawful discriminatory employment practices prohibited by State and Federal law. Such employment practices include, but are not limited to unlawful discrimination in the following: employment, promotion or upgrading, demotion or transfer, recruitment or recruitment advertising, layoff or termination, rate of pay or other forms of compensation, and selection for training, including apprenticeship. Contractors are required to provide a completed *Work Force Report (WFR)*.

NO OTHER FORMS WILL BE ACCEPTED

CONTRACTOR IDENTIFICATION

Type of Contractor: Construction Vendor/Supplier Financial Institution Lessee/Lessor
 Consultant Grant Recipient Insurance Company Other

Name of Company: Katz & Associates, Inc.

ADA/DBA: _____

Address (Corporate Headquarters, where applicable): 5440 Morehouse Drive, Suite 1000

City: San Diego County: San Diego State: CA Zip: 92121

Telephone Number: () 858-452-0031 Fax Number: () 858-552-8437

Name of Company CEO: Sara Katz

Address(es), phone and fax number(s) of company facilities located in San Diego County (if different from above):

Address: N/A

City: N/A County: N/A State: N/A Zip: N/A

Telephone Number: () N/A Fax Number: () N/A Email: N/A

Type of Business: Corporation Type of License: N/A

The Company has appointed: Heather Ruiz-Warlop

As its Equal Employment Opportunity Officer (EEOO). The EEOO has been given authority to establish, disseminate and enforce equal employment and affirmative action policies of this company. The EEOO may be contacted at:

Address: 5440 Morehouse Drive, Suite 1000

Telephone Number: () 858-452-0031 Fax Number: () 858-552-8437 Email: hruiz@katzandassociates.com

One San Diego County (or Most Local County) Work Force - Mandatory

Branch Work Force * Managing Office Work Force

Check the box above that applies to this WFR.

**Submit a separate Work Force Report for all participating branches. Combine WFRs if more than one branch per county.*

I, the undersigned representative of Katz & Associates, Inc.

(Firm Name)

San Diego, California hereby certify that information provided

(County)

(State)

herein is true and correct. This document was executed on this 21 day of February, 2017

Heather Ruiz-Warlop
(Authorized Signature)

Heather Ruiz-Warlop
(Print Authorized Signature Name)

NAME OF FIRM: Katz & Associates, Inc.

DATE: 02-17-2017

OFFICE(S) or BRANCH(ES): San Diego

COUNTY: San Diego

I. INSTRUCTIONS: For each occupational category, indicate number of males and females in every ethnic group. Total columns in row provided. Sum of all totals should be equal to your total work force. Include all those employed by your company on either a full or part-time basis. The following groups are to be included in ethnic categories listed in columns below:

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- (4) American Indian, Eskimo
- (5) Filipino, Asian Pacific Islander
- (6) White, Caucasian
- (7) Other ethnicity; not falling into other groups

ADMINISTRATION OCCUPATIONAL CATEGORY	(1) African-American		(2) Hispanic or Latino		(3) Asian		(4) American Indian		(5) Asian Pacific Islander		(6) Caucasian		(7) Other Ethnicity		
	(M)	(F)	(M)	(F)	(M)	(F)	(M)	(F)	(M)	(F)	(M)	(F)	(M)	(F)	
Management & Financial												2	4		
Professional												3	12		
A&E, Science, Computer															
Technical															
Sales															
Administrative Support		1										2	2		
Services															
Crafts															
Operative Workers															
Transportation															
Laborers*															

*Construction laborers and other field employees are not to be included on this page

Totals Each Column		1										7	18		
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Grand Total All Employees 26

Indicate by Gender and Ethnicity the Number of Above Employees Who Are Disabled:

Disabled															
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Non-Profit Organizations Only:

Board of Directors															
Volunteers															
Artists															

NAME OF FIRM: Katz & Associates, Inc. DATE: 02-17-2017
 OFFICE(S) or BRANCH(ES): San Diego COUNTY: San Diego

INSTRUCTIONS: For each occupational category, indicate number of males and females in every ethnic group. Total columns in row provided. Sum of all totals should be equal to your total work force. Include all those employed by your company on either a full or part-time basis. The following groups are to be included in ethnic categories listed in columns below:

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- (5) Filipino, Asian Pacific Islander
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- (7) Other ethnicity; not falling into other groups

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	(M)	(F)	(M)	(F)	(M)	(F)	(M)	(F)	(M)	(F)	(M)	(F)	(M)	(F)
Brick, Block or Stone Masons														
Carpenters														
Carpet, Floor & Tile Installers Finishers														
Cement Masons, Concrete Finishers														
Construction Laborers														
Drywall Installers, Ceiling Tile Inst														
Electricians														
Elevator Installers														
First-Line Supervisors/Managers														
Glaziers														
Helpers; Construction Trade														
Millwrights														
Misc. Const. Equipment Operators														
Painters, Const. & Maintenance														
Pipelayers, Plumbers, Pipe & Steam Fitters														
Plasterers & Stucco Masons														
Roofers														
Security Guards & Surveillance Officers														
Sheet Metal Workers														
Structural Metal Fabricators & Fitters														
Welding, Soldering & Brazing Workers														
Workers, Extractive Crafts, Miners														

Totals Each Column															
--------------------	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

Grand Total All Employees	0														
Indicate By Gender and Ethnicity the Number of Above Employees Who Are Disabled:															

Supplier Profile
State of California Certification



Certification ID : 17878

Legal Business Name KATZ & ASSOCIATES	Address 5440 MOREHOUSE DR. SUITE 1000 SAN DIEGO CA 92121
Doing Business As (DBA) Name1: KATZ & ASSOCIATES	Email: dhopkins@katzandassociates.com (mailto:dhopkins@katzandassociates.com)
Doing Business As (DBA) Name2:	Total No. of Employees 38
Office Phone Number 859/452-0031	Business Types: Service
Business Fax Number 858/552-8437	Notification Preference Email
Business Web Address http://www.katzandassociates.com (http://www.katzandassociates.com)	

Service Areas

Alameda , Alpine , Amador , Butte , Calaveras , Colusa , Contra Costa , Del Norte , El Dorado , Fresno , Glenn , Humboldt , Imperial , Inyo , Kern , Kings , Lake , Lassen , Los Angeles , Madera , Marin , Mariposa , Mendocino , Merced , Modoc , Mono , Monterey , Napa , Nevada , Orange , Placer , Plumas , Riverside , Sacramento , San Benito , San Bernardino , San Diego , San Francisco , San Joaquin , San Luis Obispo , San Mateo , Santa Barbara , Santa Clara , Santa Cruz , Shasta , Sierra , Siskiyou , Solano , Sonoma , Stanislaus , Sutter , Tehama , Trinity , Tulare , Tuolumne , Ventura , Yolo , Yuba

[View Keywords](#)

[View Classifications](#)

Active Certifications ?

Certification Type	Status	From	To
SB	Approved	10/28/2016	10/31/2018

Certification History ?

[Return to Search](#)

(<http://www.dgs.ca.gov/>)



(<http://www.fiscal.ca.gov/>)

BUSINESS ENTERPRISE CERTIFICATE

KATZ & ASSOCIATES, INC.

5440 MOREHOUSE DRIVE

SAN DIEGO, CA 92121

Owner: SARA KATZ

Business Structure: CORPORATION

STATE WOMEN BUSINESS ENTERPRISE

This Certification Not Valid For Federal Aid Contracts

This certificate acknowledges that said firm is approved by the California Department of Transportation as a State Minority Business Enterprise or State Women Business Enterprise (or in some cases both) in accordance with Assembly Bill Number 486, Chapter 1329 and the California Public Code, Chapter 2.5 (commencing with Section 2050), for the following NAICS codes:

- 541820 Public Relations Agencies
- * 541618 Other Management Consulting Services

* Indicates primary NAICS code

CERTIFYING AGENCY:
DEPARTMENT OF TRANSPORTATION
1823 14TH STREET, MS 79
SACRAMENTO, CA 95814 0000
(916) 324-1700

Firm Number : 9279

Renewal Date : May 1, 2012


Janice Salais, CERTIFYING AGENCY REPRESENTATIVE
April 24, 2015

TAB B:

EXECUTIVE SUMMARY AND RESPONSE TO SPECIFICATIONS

TITLE PAGE

Response to RFP# 10084319-17-H

Company Name: Raftelis Financial Consultants, Inc.

CONTENTS

38 EXECUTIVE SUMMARY

39 RESPONSE TO SPECIFICATIONS

39 Background & Project Understanding

40 Scope of Services

52 Project Approach

55 Firm Background

59 Project Team

141 Experience

Photo on coverpage courtesy of William Garrett on Flickr

EXECUTIVE SUMMARY

The City of San Diego (City) seeks a consultant to provide a range of services related to water and wastewater rates. Project tasks include assisting the City in its ongoing review of water and wastewater cost of service models, developing rate structure alternatives to enhance fairness and equitability, and ensuring compliance with the legal requirements of Propositions 218 and 26. The project also involves an analysis of capacity fees, groundwater pricing, Pure Water cost allocations, and recycled water programs. Results will be presented to multiple interested parties including City staff, the Independent Rates Oversight Committee, the Mayor, the City Council Committee, the full City Council and the general public. The City requires a consultant with strong technical and financial qualifications to perform the Cost of Service Study (COSS) and related analytical and modeling tasks, and to give thoughtful, concise presentations that convey results in a narrative format so that stakeholders can make informed decisions. The RFC proposal is specifically designed to meet the City's needs as follows:

- Our approach, honed by the completion of more than 2,000 rate studies across the United States and more than 500 studies in California, is designed to produce results efficiently. Our knowledge of the City's systems, past experience working with the City, and development of rate models will lead quickly and effectively to the desired solutions. We are very familiar with the issues in San Diego County having assisted more than 12 agencies with rates in the last three years.
- The major elements of our approach include:
 - > Identification and fine tuning of objectives
 - > Analysis and design of various water rate structures and their impacts
 - > Presentations and education of stakeholders and solicitation of input from them
 - > Review of funding mechanisms for recycled water programs
 - > Analysis of water and wastewater capacity fees and groundwater valuation
- Our Team possesses more than 150 years of combined experience and includes a highly experienced Project Director, Sudhir Pardiwala, PE, who has more than 40 years of experience with water, wastewater, and recycled water rates, including the City of San Diego from 1999 through 2013. Mr. Pardiwala will be responsible for facilitating a close working relationship between the City and RFC staff and will be accountable for meeting the project schedule, budget, and technical requirements of the project.
- The remaining RFC Team assembled for this project consists of senior-level staff, including Habib Isaac as Project Manager and Water Lead, who is very familiar with the City's Debt Management Department through his previous employment as a debt coordinator with the City. He is able to assist in the issuance of any type of new debt instruments. Hannah Phan will serve as Lead for the Wastewater and Recycled Water Cost of Service Study. Sanjay Gaur will serve as the Alternate Rate Structures Expert. **Steve Gagnon, PE will serve as Quality Assurance with the Administrative Record. As part of a newly adopted internal policy, RFC assigns another Manager (Steve Gagnon, PE) to review the report and ensure the administrative record covers all aspects of the rate model selected.** Bill Stannard, PE will serve as Quality Assurance Control Designee and provide overall review of the study.
- RFC will also be supported in the Public Outreach Program by Katz and Associates, Inc. (K&A). K&A has many years of experience working with the City, and their knowledge of the issues as well as sensitivity to political needs will be of great benefit in obtaining approval of the 2021-2025 Rate Case resulting from our analyses. Through this joint venture, we anticipate K&A will be involved with a majority of the in-person meetings to gain insight on our COSS and to develop key messaging throughout the project schedule.

BACKGROUND & PROJECT UNDERSTANDING

The City provides retail water service to 1.4 million residents within the City. The City also provides wastewater service within the City and wastewater treatment services to participating agencies (PAs) within common drainage areas. With very dynamic water supply conditions and potential to State mandated restrictions, water usage, wastewater generation, and corresponding revenues can fluctuate significantly. The City would like to review and fine-tune water and wastewater financial plans and cost of service rate models, calculate updated cost of service rates for its retail customers, analyze capacity fees and recycled water programs, and review impacts and provide flexibility for planning for the current rate case through FY 2020 and for the next rate case beginning in FY 2021.

The City's existing retail water rate structure consists of an increasing four-tier rate structure for single-family residential customers. The City would like to explore different rate structure options for retail customers, ensure equity and fairness, and encourage the

efficient use of water. Wastewater rates for single-family residential customers are based on capped winter water usage. Wastewater rates for other customer classes are based on a percentage of water usage and consider strength for non-residential users.

RFC has assisted clients with similar issues for many years and has developed original models along with updates to existing models, including enhancements that account for practical day-to-day uses. Our capabilities will maximize the flexibility and ease of use of the final working models. Our models include scenario analysis and generate both graphical results and cash flow pro forma reports on a real-time basis. This ensures impacts can be readily understood and decisions made rapidly. To minimize City staff time, we will use the City's existing rate models as a starting point and develop the models to the City's specifications.

Having worked closely with City staff on previous rate study projects, we have a solid under-

standing of the requirements for this study and the amount of in-person and public engagement involved. We are well-prepared to begin the project and believe that our qualifications, experience, and knowledge of the City's internal ratemaking processes will provide added value to the City. We are also prepared to conduct in-person meetings with City staff, presentations to the Independent Rates Oversight Committee (IROC) and other stakeholders, and to continuously update the rate models.

RFC will continue to provide the City support on the use and update of the models to ensure they are an integral part of the City's strategic tools for water and wastewater services. The same level of support will be applied to the capacity fee calculations, Pure Water cost allocations, recycled water, and public outreach project components as well.

The following section addresses each task, as outlined in the Specifications portion of the RFP, individually and in detail.



SCOPE OF SERVICES

TASK0: PROJECT MANAGEMENT

Consistent and competent project management is required to ensure project success and adherence to timelines and budgets. This task involves multiple interrelated work efforts that will require effective coordination between City staff, the RFC Project Team, and the City Council. Our management approach stresses communication, teamwork, objectivity, and accountability for meeting project objectives. Management responsibilities extend to general administrative duties such as client correspondence, billing, project documentation, and administration of the study control plan.

TASK1: MODEL UPDATES AND PERIODIC FINANCIAL REVIEW

Task 1.1: Monthly Updates and Review

RFC will provide monthly updates

and reviews of the existing water, wastewater, and recycled water rate models. We will incorporate updated data on capital projects, financing, and monthly operational projections. The models should be user-friendly with the ability to modify common assumptions such as usage, growth rates, and inflationary adjustments for functionalized expenses. The models should also have the flexibility to easily revise input data, be updated monthly, include various rate scenarios, generate detail and summary reports, allow graphical representation of results for easy understanding by the City Council and public, and perform scenario analyses to investigate options and impacts.

For each adjustment made to the model, RFC will develop forecasts of revenue requirements for each enterprise over the agreed upon planning horizon. This will

include an estimate of revenues based on current rates, usage characteristics, and other non-operating revenues for City staff to make informed decisions regarding each enterprise. Revenue requirements will be projected based on historical results, the current budget, CIP, existing debt service, and other existing and expected bond compliance requirements, pass-through costs from purchased water, reclaimed water, and sewer sources, and other obligations. Our cash flow analysis will assist in determining needed revenue adjustments to meet revenue requirements and debt coverage for the planning period, while minimizing sharp rate fluctuations. The following explains some of the features/enhancements to our model deliverables:

- Provides flexibility to change various assumptions by year
- Flags errors and problematic results such as failure with

- debt coverage and reserves below targets
- Performs sensitivity analyses and runs various “what-if” scenarios to view impacts
- Accounts for and saves multiple scenarios with our scenario manager to conduct a side-by-side comparative analysis of two scenarios and retrieve previous scenarios without the need to catalog all changes that were made for each scenario
- Accommodates adjustments to financial policies, reserve funding levels, and capital funding options
- Provides ease of input, report printing of cash flow pro formas, and exporting capabilities

Throughout the process, RFC will hold webinars with City staff to review the model and assumptions for appropriateness and generate specific outputs requested by the City for public meetings.

RFC will be consistently available for regular model updates through FY 2019, and for a full COSS process throughout FY 2020 in preparation for the FY 2021-2015 Rate Case.

Meeting(s)/Conference(s): One kick-off meeting and up to five on-site meetings with City staff, City Council, and/or stakeholder groups (IROC)

Deliverable(s): Updated models on a monthly basis or as needed; meeting materials and meeting minutes

TASK2: ALTERNATIVE WATER RATE STRUCTURE STUDY

Task 2.1: Meetings with Public Utilities and Stakeholders

RFC will engage directly with staff and attend meetings with stakeholders, including up to six face to face meetings and four via teleconference. We will also provide fee estimates for our proposed Alternate Rate Structures (ARS) study, allowing staff and stakeholders to determine which scenarios should be modeled and analyzed.

Task 2.2: Modeling / Alternative Modeling Scenarios

Based on this important component of the project, Habib Isaac will manage the development of the water rate models, and Sanjay Gaur will provide specific technical expertise in determining viable ARS to model for consideration by City staff and the City Council. RFC will review and analyze the City’s current water rate structure and conduct a detailed examination of various potential rate structures and their impacts on both the Water Fund and customers.

As an optional component to determine which ARS to evaluate, RFC can conduct a pricing objective exercise to assist City staff and/or the City Council with prioritizing the most important pricing objectives to ensure the proposed rates harmonize with the strategic goals and messaging of the City to meet both short- and

long-term needs. This process provides a forum for acceptance and buy-in into the final results of the study. A partial list of pricing objectives includes:

- **Revenue Sufficiency** - Rates should generate revenues sufficient to meet revenue requirements despite fluctuations in flows, usage, variability in treatment costs, loadings, etc.
- **Conservation** - Rates should be designed to send a signal for water use efficiency.
- **Defensibility** - Rates should be designed according to standard industry practice and in accordance with applicable laws such that rate disputes are avoided.
- **Simplicity and Ease of Implementation** - Rates should be readily understandable by customers and be able to be implemented using existing staff and the existing billing and collection infrastructure with only minor modifications.
- **Rate Stability** - The rate structure should minimize dramatic rate increases or decreases over the planning period.

The table on the following page shows a sample of prioritized objectives and the rating of ARS to be evaluated as part of the pricing objectives workshop.

RFC will provide a comprehensive list of pricing objectives to be prioritized by staff.

RFC will review these alterna-

Pricing Objective Scorecard

CLASSIFICATION	RA NK TOTAL	PRICING OBJECTIVES	CURRENT RATE STRUCTURE	MODIFIED STRUCTURE
MOST IMPORTANT	1	Financial Sufficiency	A	A-
	2	Revenue Stability	A-	B+
	3	Rate Stability	B+	B
VERY IMPORTANT	4	Equitable Contribution from Customers	A	A
	5	Defensibility	C+	A-
	6	Cost of Services Based Allocations	C	A-
IMPORTANT	7	Conservation/Demand Management	C	A-
	8	Minimization of Customer Impacts	A	B
	9	Ease of Implementation	A	B+
	10	Simple to Understand and Update	A	B+
LEAST IMPORTANT	11	Affordability to Disadvantaged Customers	C	B
	12	Economic Development	B	B
OVERALL SCORE			B+	A-

tives and identify the preferred alternatives that should be considered for evaluation based on the pricing objectives and the proposed fees associated with the modeling of each alternative.

Task 2.3: Public Outreach and Presentation of Information

RFC will present findings from our ARS modeling and other information requests to staff, K&A, and stakeholders. In addition to the primary working group, we will present findings to various private and public bodies as needed with key messaging provided by K&A. In coordination with K&A, RFC will tailor presentations specific to each targeted audience.

Meeting(s)/Conference(s): Ten meetings with staff, including up to six face-to-face meetings and four meetings by teleconference; up

to six meetings with stakeholders, as required

Deliverable(s): Models for up to five scenarios for rate structure alternatives; presentations to stakeholders, as required

TASK 3: WATER COST OF SERVICE STUDY

The COSS will be performed based on industry standards and methodologies approved by AWWA's Manual M1, Principle of Water Rates, Fees and Charges (Manual M1) and the State Water Resources Control Board (SWRCB), while ensuring compliance with Proposition 218 and Proposition 26. The cost of service allocations will focus on appropriate service functions, allocating the cost of service (revenue requirements) to the service functions, determining how those services are used by each customer class, and developing the cost allocation components

of the models. Cost allocations among customer classes for the water enterprise will be based on the cost of providing service and will account for different usage patterns (or peaking factors) demonstrated by each customer class and the overall demand placed on the utility system by each customer class.

Throughout the cost allocation process, RFC will comply with City policy considerations, procedures, and currently known federal, state, and local rules, regulations, and guidelines.

Task 3.1: Project Kick-off Meeting

RFC will participate in a project initiation and kick-off meeting with City staff in order to: finalize the work plan, milestones and timeline; discuss the City's preliminary pricing and mod-

eling objectives; ensure clear understanding of the overall study goal; and review the data needs for the project. We will provide a detailed data request list that will allow us to proceed with the COSS and associated modeling requirements.

Task 3.2: Project Management

RFC's Project Team has specifically designated roles to ensure quality assurance for the Water COSS. Specific responsibilities include reviewing work for consistency, accuracy, and validity, and ensuring that the COSS is developed based on sound rate making principles and standard industry practices. RFC will provide monthly updates in order to detail tasks accomplished, identify problems along with potential solutions, and measure progress against project milestones.

Task 3.3: Develop Model Specifications

RFC understands the importance of developing a user-friendly, flexible model that the City is familiar with and that can be used for future rates development. As such, RFC will update and customize the existing rate model to fit the specific needs and unique characteristics of the City or develop a new model with the components within the existing rate model that the City desires to include for functionality and that work well. The models will contain a variety of user-friendly features including report generation, scenario

analysis and scenario manager functionality. The scenario manager is a custom-built analytical tool that allows the model users to make side-by-side comparisons of various rate scenarios and instantly view the resulting impacts on the various elements of the City's financial plan. This has proven to be particularly useful to make presentations to Boards and Councils so that they can appreciate the impacts of their decisions instantly.

Task 3.4: Review Customer Class Usage Patterns and Recommend Customer Classifications

RFC will review and analyze historical water consumption, revenue records, and billing summaries to determine water usage and peaking characteristics by customer class or subclass. This analysis will be based on billing summary data, other available data, and RFC's experience with other utilities exhibiting similar usage characteristics and patterns. It will provide the basis for equitable cost allocation to each customer class or subclass.

Task 3.5: Allocate Functional Costs to Cost Causation Categories

The next step is to organize the costs of service to the various functions, and then to allocate the functionalized costs to the cost causation components that constitute the different types of service the City provides. Functional cost components for water

will include base commodity costs, extra capacity costs, private fire protection costs, customer service, and other indirect costs. These will represent the revenue requirements from these cost causation components to be met from charges and fees over the study period.

Task 3.6: Allocate Cost Causation Components to Customer Classes

Next, the costs associated with the cost causation components will be allocated to the various customer classifications on the basis of the relative responsibility of each classification for service provided. Costs will be allocated based on the determination of units of service for each customer classification and the application of unit costs of service to the respective units.

Task 3.7: Design Rates

After conducting the cost allocation analysis, the water rates will be designed for the current and proposed rate structures. We recognize that rate-making must be technically sound while also accounting for the unique characteristics of the agency, so we will work within the broad industry guidelines and practices as well as federal, state, and local rules and regulations, particularly Proposition 218 requirements, in order to meet the strategic financial objectives of the City. The components of tiered rates will be expressed individually so that the rate for each tier is tied to the cost of service.

To help communicate with customers about the drivers and the rationale behind the proposed tiered rates, the water rates will have several cost components, which may include: water supply costs, the City’s system costs (delivery costs), and conservation costs, to name a few. Showing the cost components for each tier will be performed whether the City maintains its existing tiered rate structure or if the City decides to move towards an alternative rate structure. An example of the rate structure developed for East Valley Water District is shown in the two tables below. The first table conceptually displays the different variable rate components included in each tier.

Note, for example, every tier pays for groundwater recharge and delivery because all tiers benefit from local groundwater and the

delivery of every unit of water. At the same time, demand in higher tiers force the East Valley Water District to obtain more expensive sources of water so those costs, and the costs for conservation programs, reflect the relative financial burden of high consumption. The second table summarizes the components that make up each of the East Valley Water District’s tiered rates.

The rate calculation modules will be developed to incorporate and evaluate alternative rate structures. The water rate model will have the flexibility to change the tier widths based on customer class and/or meter size. Changes to tiers and rates, as well as changes to water demand, can be reviewed through the scenario manager options, which also allow the user to readily view impacts. The model will determine the required

rate for each tier to collect the required revenue.

The top figure on the following page shows the different rate structure alternatives.

Task 3.8: Calculate Customer Impacts

RFC will determine the potential financial impacts on customers that may result from the proposed rates. The model will include a series of tables and figures that show projected rate impacts on different types of customers at different levels of usage. See an example at the bottom of the following page.

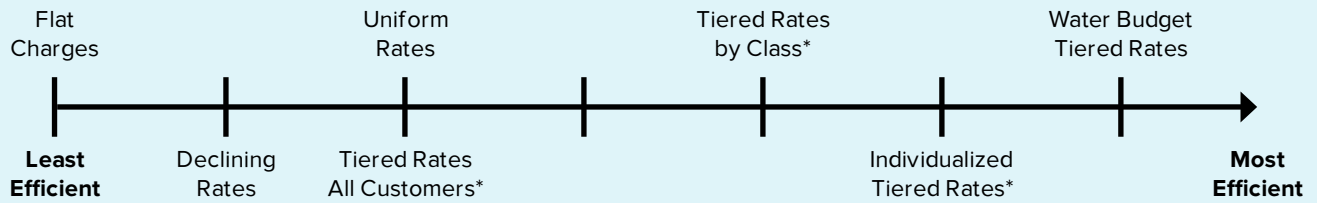
Task 3.9: Prepare Water COSS Report

It has become increasingly important to justify and rationalize all the assumptions and rationale used to conduct the COSS analysis

TIERS	GROUND WATER	SURFACE WATER	IMPORTED WATER	GW RECHARGE	DELIVERY	CONSERVATION	TIER DEMAND (TIER 1 = BASE)
Tier 1	✓			✓	✓		✓
Tier 2	✓	✓		✓	✓	✓	✓
Tier 3		✓	✓	✓	✓	✓	✓

TIERS	GROUND WATER	SURFACE WATER	IMPORTED WATER	GW RECHARGE	DELIVERY	CONSERVATION	TIER DEMAND (TIER 1 = BASE)	RATE
Tier 1	\$0.49			\$0.12	\$0.55		\$0.29	\$1.45
Tier 2	\$0.49	\$0.70		\$0.12	\$0.55	\$0.43	\$0.41	\$2.07
Tier 3		\$0.70	\$0.85	\$0.12	\$0.55	\$0.75	\$0.71	\$2.89

Alternative Rate Structures



*Based on WaterUsage

and rated designs so that the administrative record is complete and can withstand public and legal scrutiny. RFC, in association with the City's legal staff, will coordinate the preparation of the report.

appropriate service functions, allocating the cost of service (revenue requirements) to the service functions, determining how those services are used by each customer class, and developing

the cost allocation components of the models. Wastewater rates will comply with the SWRCB guidelines to ensure that the City will qualify for potential grants and low interest loans.

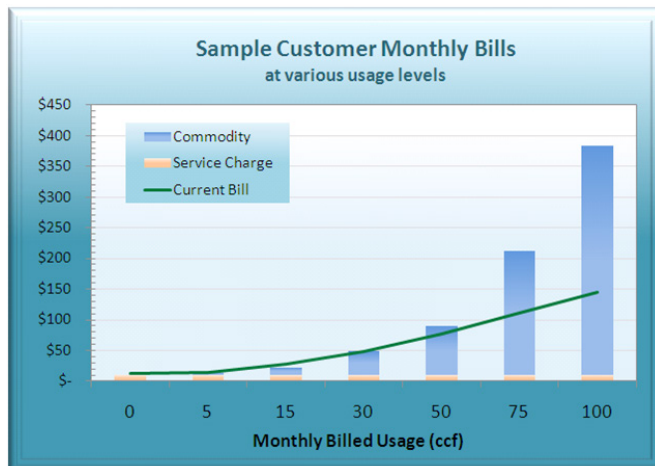
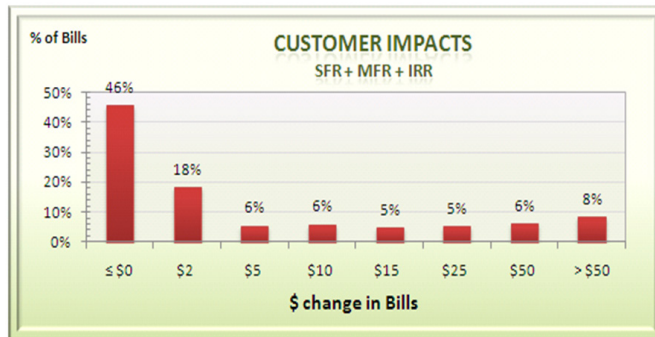
Meeting(s)/Conference(s): Project kick-off meeting; additional meetings in person or by teleconference, as needed

Deliverable(s): Monthly updates according to milestones determined as part of Task 3.1; monthly and/or as-needed updates detailing task progress and any identified problems/solutions; detailed list of modeling assumptions; one cost of service and rates model to be reviewed and developed with City staff; one final report on the Water COSS upon finalization of the model

TASK 4: WASTEWATER COST OF SERVICE STUDY

The cost of service study will be performed based on industry standards and methodologies approved by the State Water Resources Control Board (SWRCB) and the WEF, while ensuring compliance with Proposition 218 and Proposition 26. The cost of service allocations will focus on

The graphical representations of overall financial impacts on customers are tools for stakeholders to make informed decisions regarding different policy options and variables.



Throughout the cost allocation process, RFC will comply with City policy considerations, procedures, and currently known federal, state, and local rules, regulations, and guidelines.

Task 4.1: Project Kick-off Meeting

RFC will participate in a project initiation and kick-off meeting with City staff in order to: finalize the work plan, milestones and timeline; discuss the City's preliminary pricing and modeling objectives; ensure clear understanding of the overall study goal; and review the data needs for the project. We will provide a detailed data request list that will allow us to proceed with the COSS and associated modeling requirements.

Task 4.2: Project Management

RFC will appoint a designated staff person to the position of Quality Assurance Control Designee (QACD) for the Wastewater COSS, with the responsibilities of reviewing work for consistency, accuracy, and validity, and ensuring that the COSS is developed based on sound rate making principles and standard industry practices. RFC will provide monthly updates in order to detail tasks accomplished, identify problems along with potential solutions, and measure progress against project milestones.

Task 4.3: Develop Model Specifications

Similar to water, RFC understands the importance of developing a

user-friendly, flexible model that the City can use for future rates development. The following are some of the features of our cost of service and rate model:

- Creating, saving, and comparing financial scenarios for ease of understanding impacts
- Modeling multiple rate structures for different customer classes
- Providing flexibility to change various assumptions by year
- Calculating rates for multiple years and updating rates annually with ease
- Performing sensitivity analyses and running various scenarios so that impacts can be viewed in real-time with built-in screen graphics
- Providing forms for easy input, report printing, update, understanding, and administration

RFC will update and customize the existing rate models to fit the specific needs and unique characteristics of the City. The models will contain a variety of user-friendly features including report generation, scenario analysis, and scenario manager functionality. The scenario manager is a custom-built analytical tool that allows the model users to make side-by-side comparisons of various rate scenarios and instantly view the resulting impacts on the various elements of the City's financial plan. This has proven to be particularly useful to make presentations to Boards and Councils so that they

can appreciate the impacts of their decisions instantly.

Task 4.4: Wastewater Cost of Service Analysis

For the wastewater rate study cost of service analysis, RFC will use methodologies set forth by WEF's *Manual of Practice No. 27, Financing and Charges for Wastewater Systems*. Cost allocations among customer classes are based on the flow and wastewater "strength" of each class. The strength of each class is determined by the chemical oxygen demand (COD) and total suspended solids (TSS) of its wastewater effluent.

Throughout the wastewater cost allocation process, RFC will incorporate the City's policy considerations, as well as current federal, state, and local rules and regulations, such as Proposition 218 and California Urban Water Conservation Council guidelines. RFC will develop wastewater rate models with the flexibility to compare the current rate structure with the proposed rate structures. The models will have the capability to examine different rate scenarios to enhance revenue stability in light of competing objectives, such as affordability for essential needs and conservation. RFC will evaluate different options for non-residential wastewater rates, which may include:

1. Fixed + volumetric, based on potable water consumption
2. Fixed + volumetric with minimum assumed usage
3. Fixed + volumetric with



minimum assumed usage + additional unit charge per pound (lb) of BOD and TSS (high strength flow)

Task 4.5: Calculate Customer Impacts

RFC will determine the potential financial impacts on customers that may result from the proposed rates. The model will include a series of tables and figures that show projected rate impacts on different types of customers.

Task 4.6: Prepare Wastewater COSS Report

It has become increasingly important to justify and rationalize all the assumptions and rationale used to conduct the COSS and rate design so that the administrative record is complete and can withstand public and legal scrutiny. RFC, in association with the City's legal staff, will coordinate the preparation of the report.

Meeting(s)/Conference(s): Project kick-off meeting; additional meetings in person or by teleconference, as needed

Deliverable(s): Monthly updates according to milestones determined as part of Task 4.1; monthly and/or as-needed updates detailing task progress and any identified problems/solutions; detailed list of modeling assumptions; one cost of service and rates model to be reviewed and developed with City staff; one final report on the Wastewater COSS upon finalization of the model

TASK 5: RECYCLED WATER COST ANALYSIS AND COST ALLOCATION

Currently, costs of recycled water production are split between the Wastewater Fund, which bears the cost of treatment, and the Water Fund, which bears the remaining distribution, marketing, billing, and capital costs. The current recycled water rate was

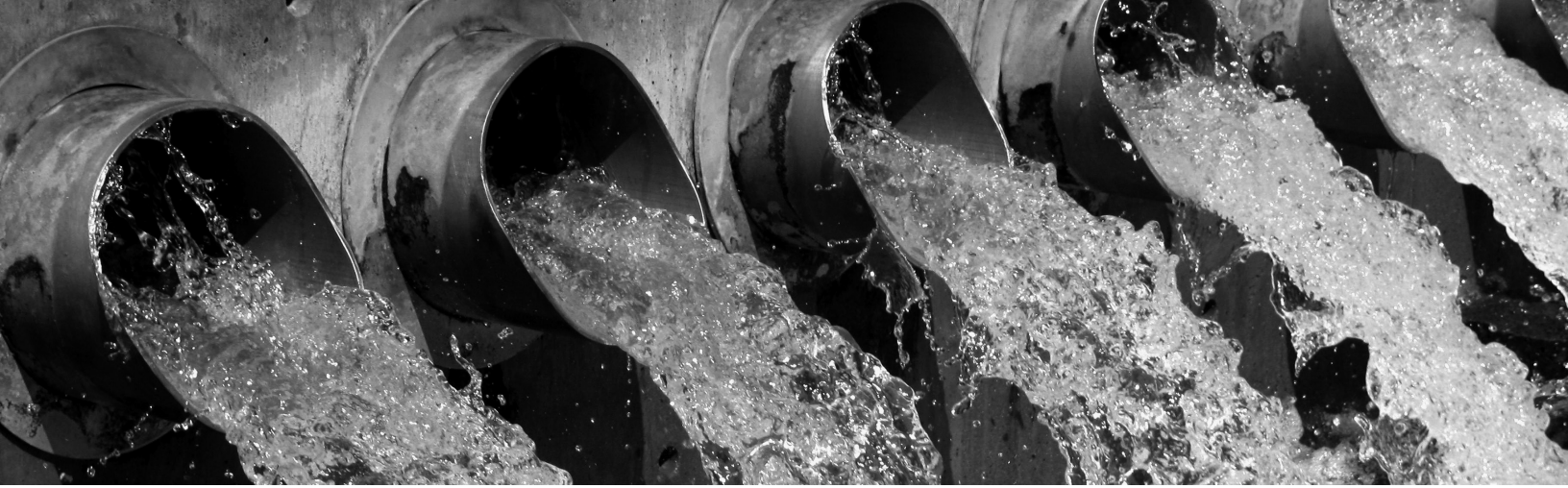
determined by incorporating all costs related to providing recycled water service to customers. The City seeks a review of current recycled water cost assumptions, allocation of costs, and the resulting recycled water rate.

Task 5.1: Data Collection

RFC will compile data on all revenue requirements related to recycled water provision over the project timeline, including capital investments, operations and maintenance (O&M), marketing and billing costs. We will also review and familiarize ourselves with any existing financial planning or rate-making models related to the recycled water system.

Task 5.2: Allocation of Costs and Cost Analysis

RFC will review the current allocations of recycled water costs and recommend adjustments, in keeping with the City's ongoing financial plans, legal require-



ments, and industry standards. We will produce a revised calculation of costs and recommend allocations to the Water and Wastewater funds that are consistent with the cost of providing recycled water service.

Meeting(s)/Conference(s): *Three meetings with staff and the Participating Agencies (PAs) of Metro Wastewater JPA and IROC*

Deliverable(s): *Recommendations as to the allocation of recycled water costs between the Water and Wastewater funds; models and presentations of findings, as needed*

TASK 6: PURE WATER COST ALLOCATION

Similar to Task 5, the Pure Water program requires investment and operational costs to be borne by both the Water and Wastewater funds.

Pure Water Cost Allocation Study

RFC will compile data related to the Pure Water project, including capital investments, O&M, marketing, and billing costs. We will also review and familiarize ourselves with any existing financial

planning models currently in use for planning the potable recycled water project. Once data are collected, we will recommend cost allocations between the Water and Wastewater Funds in a similar manner to the process outlined in Task 5.2. Our analysis will take into account the various funding sources for the project, including state and federal grants and loans.

Meeting(s)/Conference(s): *Three meetings with staff and the Participating Agencies (Pas) of Metro Wastewater JPA and IROC*

Deliverable(s): *Recommendations as to the allocation of Pure Water project costs between the Water and Wastewater funds; models and presentations of findings, as needed*

TASK 7: IDENTIFICATION OF FUNDING SOURCES FOR PURE WATER PROGRAM

The total cost of the Pure Water project at buildout is approximately \$3 billion. The City expects to finance the project through a combination of bond proceeds, grants, and loans. The City seeks assistance in identifying federal grants and loans for the project.

Identification and Obtainment of Federal Grants and Loans

RFC will conduct research on behalf of the City into federal grants and loans that may be obtained for the financing of potable recycled water projects. This research will benefit from the added value of RFC's extensive background in financing and financial planning for municipal recycled water. We will examine the current status of grant and loan programs from the U.S. Department of Agriculture (USDA), the U.S. Bureau of Reclamation (USBR), the U.S. Environmental Protection Agency (USEPA), the Department of Water Resources (DWR), the State Water Resources Control Board (SWRCB) and others. The funds available and probability and amount of funding for the project under various state propositions to fund water projects will be identified. Once funding sources are thoroughly researched and identified, RFC will work with the City to draft and submit applications for those sources that are both viable and relevant to the City's specific financing needs. Our Team

will support the Public Utilities Department (PUD) and shepherd all materials through all stages of the application process(es), with careful attention to confidentiality and proper submittal procedures.

Meeting(s)/Conference(s): Project kick-off meeting with staff; additional web and face meetings, as needed

Deliverable(s): Research report on viable federal and state grants and loans that may be used to finance PUD's Pure Water program; support in drafting and submitting applications; additional updates and presentations, as needed

TASK 8: WATER AND WASTEWATER CAPACITY FEE ANALYSIS

The City anticipates that both water and wastewater capacity fees will need to be reassessed during the five-year period of this project. This task will be completed concurrently with the Water and Wastewater COSS as outlined in Tasks 3 and 4.

Task 8.1: Data Collection

RFC will compile the current assets by function such as land, collection, distribution, treatment, pumping, etc., to ensure that any existing facilities needed to serve new customers are accounted for in the development of capacity fees. The City will provide depreciation schedules and a list of assets with their historical values and dates of construction/installation as part of the data request. RFC will review and evaluate the current water and wastewater capacity

fees and calculation methods to ensure compliance with regulatory and industry standards. RFC will obtain and review the latest planning documents to assess the growth in new users and the related demand that will be placed on the water and wastewater systems. This information will be useful in determining cash flows and impacts on existing customers as well.

Task 8.2: Capacity Fee Calculations

Based on our analysis of the City's master plans and assets, RFC will evaluate the City's water and wastewater capacity fees based on the buy-in and incremental methodologies and a combination hybrid methodology to recommend the one that is most applicable to the City. The calculation of the fees will depend on fixed assets, capital improvements, capital financing assumptions, system capacities, and the level of service or demand required to serve new customers. Proposed capacity fees will meet applicable regulatory requirements (Government Code 66000). Connection fees for both enterprises will be evaluated using one of the following methodologies:

1. Existing standard-based method (Buy-In component) – Based on the enterprise's asset valuation and past investments to create parity with new and existing users.
2. Capacity-based method (Incremental component) – Based on the cost of expanding the enterprise's assets to accommodate growth.

3. Hybrid, if warranted, of the two approaches above. In certain cases, the City may require new development to contribute to facilities already constructed as well as future facilities that are necessary to accommodate and serve new development

Meeting(s)/Conference(s): Project kick-off meeting; additional meetings in person or by teleconference, as needed. Meetings related to Task 8 may be folded into meetings corresponding to Tasks 3 and 4

Deliverable(s): Monthly and/or as-needed updates detailing task progress and any identified problems/solutions; presentations of findings, as needed. Deliverables related to Task 8 may be folded into the models and presentations developed in Tasks 3 and 4

TASK 9: PUBLIC OUTREACH FOR WATER AND WASTEWATER RATE CASES

As part of this task, RFC and K&A will assist the City in communicating the results of the COSSs and in addressing different implementation issues and strategies for successfully adopting the proposed rate structures.

Task 9.1: Public Outreach Meetings

Due to the sensitivity of utilities' rates, it will be important for the City to engage the community in a collaborative process. This process will include, at a minimum, four meetings with IROC, four presentations to the Mayor and/or staff, two presentations to each City Council member and staff,

two presentations at a Council Committee meeting, two presentations at full Council meetings, six presentations to outside stakeholder groups, and two presentations to the Metropolitan JPA or its technical review committee. Half of all presentations will pertain to the Water COSS and the other half to Wastewater.

These meetings will allow the RFC Team and the City to communicate about the purpose and need for the rate adjustments and potential new rate structures for water and wastewater services. The following paragraphs outline our outreach approach, which will be supported by K&A:

1. **Public Outreach Plan:** Working with City staff, RFC and K&A will write a brief public outreach plan for the COSS including a timeline for implementing outreach activities. The plan will include key messages about the COSS that should be used in all communications—written and verbal. In addition, the plan will include recommendations for strategies and tactics to reach broadly into the community to provide information to customers, stakeholders, and others about the study findings and associated rate structure.
2. **Presentations:** RFC will develop presentations to inform various stakeholders about the COSS and key findings and recommendations. Based on this information, K&A will develop PowerPoint presentations, using key

messages and graphics, and conduct dry runs prior to each presentation. RFC will make these presentations, along with a PUD staff member, if appropriate.

3. **Training:** K&A will also develop a training session for the City staff that will participate in the outside stakeholder meetings, whether they are open house, town hall, or other meeting formats. This training will include reviewing the key messages and educating the speakers on the COSS and findings/recommendations, as appropriate. K&A can also conduct practice question-and-answer sessions with the speakers to help them prepare for tough questions they may be asked when speaking to the public.
4. **Informational Materials:** K&A will develop a one-page fact sheet and a “Frequently Asked Questions” sheet about the COSS for distribution at presentations and other meetings.

Rate studies are complex and technical documents. It will be important to provide information about the study, purpose and need, desired outcome, and timeline in an easy-to-understand format for distribution at community meetings. The formal presentations will be facilitated by RFC Team members to provide technical assistance, answer questions regarding the study, and present conclusions about the rates and the associated impacts.

Task 9.2: Proposition 218 Notices

If necessary, RFC will work with the City Council to assist the City in preparing appropriate language for the City’s Municipal Code and policy documents to reflect any proposed changes to the rates and/or rate structures as well as reviewing the Proposition 218 notice. The notice is required to be sent out to property owners/customers at least 45 days prior to public hearings. Proposition 218 dictates that an agency cannot collect revenue beyond what is necessary to provide service and that the amount of fee may not exceed the proportional cost of service to the parcel. RFC has assisted numerous cities in California with Proposition 218 notices. Recent examples include the Cities of Beverly Hills, Redlands, and Escondido and El Toro Water District, Santa Fe Irrigation District, Jurupa Community Services District, and many more.

Meeting(s)/Conference(s): *Four meetings with IROC, four presentations to the Mayor and/or staff, two presentations to each City Council member and staff, two presentations at a Council Committee meeting, two presentations at full Council meetings, six presentations to outside stakeholder groups, and two presentations to the Metropolitan JPA or its technical review committee; additional meetings and presentations, as needed*

Deliverable(s): *Presentation materials and handouts*

TASK10: VALUE OF GROUNDWATER

Task 10.1: Data Collection

A detailed data request list will be submitted to the City outlining all appropriate data needed for RFC to conduct this analysis. Upon receiving the items requested in the data request, the Project Team will conduct a thorough review of the information provided by the City. It is important for RFC to develop an understanding of the various facilities available to lessees and which facilities are owned by the City versus built and operated by the tenants. RFC will also review examples of the leases in place with various owners to become familiar with how the use of groundwater is described within such agreements. The data request will also include, but not limited to:

1. Parcel data
2. Annual groundwater production
3. Customers/property owners
4. Lease payments
5. Groundwater use by parcel, if available
6. Irrigable area, if available and needed to estimate water use by non-metered accounts

Task 10.2: Groundwater Unit Pricing

RFC will derive the unit price for the various groundwater systems through a build-up cost approach by calculating the unit price of each facility associated with groundwater provision. As part of our calculations, we will determine the current replacement cost of the existing

facilities as well as the estimated construction costs of new facilities such as a water well, which would vary based on depth. As part of this task, the useful life of each facility and the years in use will be considered to derive the replacement cost of the facility less depreciation.

Following the calculations of unit prices for groundwater, RFC will develop a groundwater pricing schedule that incentivizes compliance with the Sustainable Groundwater Management Act and which recovers any costs borne by the City for use of groundwater resources and associated services.

Meeting(s)/Conference(s): Meetings with City staff, as needed

Deliverable(s): One groundwater pricing schedule; additional modeling and presentation materials, as requested

TASK11: ADDITIONAL SERVICES

As identified in the RFP, RFC will provide the City with financial and economic study-related consulting services. Additional services shall be similar in scope to Tasks 1-10 and may include the following:

- Analysis of the impact of future increases to the cost of purchased water and the development of alternative methods to address the increased costs. The model will be designed to provide this functionality.
- Development of benchmarking

with other agencies related to rates, efficiencies, and other financial metrics. RFC conducts biennial surveys of utilities throughout the country and in the state in association with the AWWA and CA-NV AWWA. This survey contains valuable benchmarking data. RFC can supplement this data with that of other agencies of similar size and characteristics as the City.

- Periodic reviews of the financial plan and rate models to ensure accuracy, consistency, and validity of assumptions used to develop the financial plans.
- Assisting staff with the analysis of multiple rates sensitivities.
- Provision of ad hoc statistical reports upon request by the City
- Additional presentations to stakeholders.

Meeting(s)/Conference(s): Meetings with City staff and stakeholders, as needed

Deliverable(s): As needed



PROJECT APPROACH

The project approach described in the following is based on our extensive experience in completing rate analyses and design studies for other utilities. This approach has been tailored to address the specific objectives and concerns identified in the request for proposal (RFP), while still maintaining those elements that we believe are essential for a successful cost of service and rate design study.

Our approach is characterized by the following elements:

1. Strong Communication and Working Relationship with Staff, City Council, Stakeholders, Policymakers, and the Public

RFC recognizes that involvement of City staff during the study is important to ensure the exchange of ideas, development

of recommendations, and smooth implementation of the new rates and rate structures. Through the interaction with City staff, comments, suggestions, or concerns can be voiced before a report is distributed to the general public. Our Project Team will facilitate workshops, public forums, and other public involvement activities throughout the study. We will be available during the City's review process and the finalization of the draft project report. We will assist City staff in evaluating policy decisions, which influence the alternatives and recommendations included in the completed final project report. We will present our findings and recommendations to the City Council, IROC, and other stakeholders through workshops and formal presentations that are tailored specifically to the diverse needs and characteristics of each audience.

2. Consistent and Competent Project Management

The proposed project entails several different, yet interrelated, work efforts that will require effective coordination between City staff, the consultant team, and stakeholders. An integral feature of RFC projects is consistent and competent project management, which is critical to the timely and successful completion of the project. Our management approach stresses communication, teamwork, objectivity, and accountability for meeting project objectives, including tight deadlines and rigorous oversight.

3. Identification of Operational and Capital Improvement Initiatives

The first step in addressing many of the project tasks is for RFC to compile, review, and familiarize ourselves with all aspects of

the City's operations, including business processes, policies and procedures, O&M practices, capital improvement program (CIP) planning, organizational structures, financial planning and management, and information systems. It is our understanding that this information may be updated periodically throughout each month and the models will incorporate the new data to update the corresponding rates.

4. Development of the Long-Range Financial Plan

A major driver of this study is the City's capital improvement program (CIP). RFC will review the comprehensive long-range financial plan for the City's water, wastewater, and recycled water infrastructure. In updating the financial models and carrying out new COSSs, we will analyze the City's current policies and practices for funding its operations, capital facilities plans, water supplies, and debt service requirements. As appropriate, and as discussed with City staff, the financial planning models will be customized to analyze various financing options, or a combination of options, such as operating revenue, new debt issuance, and grants.

We will assist the City in achieving a suitable balance among the financing options when developing the proposed financial plans, which will accomplish the following:

- Ensure financial sufficiency to meet operating and capital costs as well as prudent reserves

- Meet the City's service policies and objectives
- Fairly distribute financing responsibility to appropriate users
- Result in an appropriate capital structure so that the City obtains a high rating with bond rating agencies

We recognize that the City already has financial planning models; however, they need to be updated as conditions change. Maintaining detailed financial plans will ensure that the City's utilities are operating in a self-sufficient manner and meeting debt covenant requirements.

5. Determination of Cost of Service and Rate Structures

One of the major goals of this study is the cost of service analysis to ensure rate equity. COSSs should ensure a fair and equitable allocation of costs to all customer classes, as well as full compliance with industry standards and legal requirements.

Proposition 26, reflected in the California Constitution as Article XIII C, was approved by voters in 2010 to require a supermajority vote to pass new taxes and fees. Furthermore, Proposition 26 expanded the definition of what is considered a tax. Under the new definition, a tax is any levy, charge, or exaction of any kind imposed by a local government. Any fees or charges that are not exempted by the language of Proposition 26 are considered taxes and subject to voter approval.

The expanded definition of a tax placed new burdens on water purveyors who must routinely increase rates to meet their revenue requirement. After the passage of Proposition 26, local water agencies must demonstrate their fees and charges are not taxes and are exempted by the language of the Proposition. In order to not be considered a tax, local water purveyors must show that their charges for service are no more than necessary to cover the costs to provide service and that the charges levied on a payer have a financial nexus to the costs to serve said payer.

Proposition 218 requires that users be charged in proportion to the cost of providing service. Before equitable rates can be developed, it is necessary to determine costs of different functional areas and allocate those costs of service to customer classes in a sound, equitable manner. We propose to use defensible, cost-causative allocation methodologies, as illustrated in AWWA's *Manual M1* (manual for water rates) and the *Manual of Practice No. 27* published by WEF (manual for wastewater rates). The wastewater rates should also comply with SWRCB requirements to ensure that the City can qualify for grants and low interest loans from the State Revolving Fund (SRF). In addition, we will explore the feasibility of implementing ARS with the City, including increasing block rates, budget-based rates, and class-based rates.

6. Public Outreach Program

During the last several years, heightened environmental interest and awareness, the drought and resulting impacts, economic considerations, and increased expectation of fairness and equity have combined to produce an increased interest by customers in the rates and rate design process. To ensure successful approval and implementation of the revenue program, an effective public participation program is needed so that customers appreciate and support the reasons for rate changes. The RFC Team, with the support of K&A, is highly experienced in this area and will assist the City to successfully implement any proposed changes to rates and fees.

7. Quality Assurance/ Quality Control

RFC follows strict Quality Assurance/Quality Control (QA/QC) guidelines to ensure the quality of the work effort and the final product. Typically, senior members of our consulting practice will engage the Project Team on specific issues critical to the project. The QA/QC members also review the work effort for consistency, accuracy, and validity. The City will derive the benefit of the experience these experts have had in implementing solutions at utilities throughout the United States. They are active in the Finance and Rate Committees of AWWA and WEF. The final report is reviewed to ensure that this work product meets the high standards established at RFC.

In addition, project budget and progress are reviewed weekly by the Project Manager to track progress, time, and expenses through RFC's project management system. Regular progress reviews are also conducted to ensure progress and address critical issues before they become problems or bottlenecks.

8. Review of Financial Planning/Rate Model

RFC is highly qualified in the development of rates and charges for utilities. Our expertise enables us to develop defensible rate structures that address specific needs and circumstances, either in traditional forms or, when appropriate, innovative forms. RFC's thorough cost of service studies result in sound rate-making principles that can be supported before regulatory agencies, commissions, City Councils, customer groups, and courts of law.

WHO IS RFC

VISIT WWW.RAFTELIS.COM/ABOUT
TO LEARN MORE ABOUT RFC'S STORY.

RFC is the largest and most experienced utility financial and rate consulting practice in the nation.

In 1993, Raftelis Financial Consultants, Inc. (RFC) was founded to provide services that help utilities function as sustainable organizations while providing the public with clean water at an affordable price. With this goal in mind, RFC has grown to be the largest and most experienced utility financial and rate consulting practice in the nation. RFC has experience providing these services to hundreds of utilities across the country and abroad, allowing us to provide our clients with innovative and insightful recommendations that are founded on industry best practices. Throughout our history, we have maintained a strict focus on the financial and management aspects of utilities, building a staff with knowledge and skills that are extremely specialized to the services that we provide, and thus allowing us to provide our clients with independent and objective advice.

RFC is an OBE, in which we do not qualify as Minority, Woman, Disadvantaged, or Disabled Veteran Business Enterprise.

WHAT MAKES RFC *UNIQUE?*



LOCAL & NATIONAL EXPERIENCE

RFC staff have assisted more than 500 water and/or wastewater utilities across the country on financial, rate, and management consulting engagements. These utilities include some of the largest and most complex utilities in the country. In addition, we have worked with numerous utilities throughout the State of California on hundreds of studies, including the City of San Diego and many other San Diego area agencies.

BENEFIT TO THE CITY

Our extensive national and local experience will allow us to provide innovative and insightful recommendations to the City, and will provide validation for the proposed methodology ensuring that industry best practices are incorporated.



INDUSTRY LEADERSHIP

Our senior staff is involved in shaping industry standards by chairing various committees within American Water Works Association (AWWA) and Water Environment Federation (WEF). RFC's staff members have authored and co-authored many industry standard books regarding utility rate setting. RFC also publishes the national *Water and Wastewater Rate Survey*, which is co-published with AWWA, and the *California-Nevada Water and Wastewater Rate Survey*, which is co-published with the CA-NV AWWA.

BENEFIT TO THE CITY

Being so actively involved in the industry will allow us to keep the City informed of emerging trends and issues, and to be confident that our recommendations are insightful and founded on sound industry principles.



EXPERTS ON CALIFORNIA REGULATORY REQUIREMENTS

The regulatory environment in California has become more stringent due to Proposition 218 and Government Code Section 54999. RFC staff are very knowledgeable about these regulations and have made presentations on this subject for the Association of California Water Agencies (ACWA), California Society of Municipal Finance Officers (CSMFO), and CA-NV AWWA. In addition, we are frequently called on to be expert witnesses regarding these regulatory matters.

BENEFIT TO THE CITY

This expertise will allow the City to be confident that our recommendations take into account all of these regulatory requirements.



MSRB REGISTERED
**MUNICIPAL
ADVISOR**

RFC is registered with the U.S. Securities Exchange Commission (SEC) and the Municipal Securities Rulemaking Board (MSRB) as a Municipal Advisor. Registration as a Municipal Advisor is a new requirement under the Dodd-Frank Wall Street Reform and Consumer Protection Act. All firms that provide financial forecasts that include assumptions about the size, timing, and terms for possible future debt issues, as well as debt issuance support services for specific proposed bond issues, including bond feasibility studies and coverage forecasts, must be registered with the SEC and MSRB to legally provide financial opinions and advice. RFC's registration as a Municipal Advisor means our clients can be confident that RFC is fully qualified and capable of providing financial advice related to all aspects of utility financial planning in compliance with the applicable regulations of the SEC and the MSRB.



MODELING EXPERTISE

RFC has developed some of the most sophisticated yet user-friendly financial/rate models available in the industry. Our models are custom-built on a client-by-client basis, ensuring that the model fits the specific needs and objectives of the client.

BENEFIT TO THE CITY

Our models are tools that allow us to examine different policy options and cost allocations and their financial/customer impacts in real time. Our models are non-proprietary and are developed with the expectation that they will be used by the client as financial planning tools long after the project is complete.



DEPTH OF RESOURCES

RFC has one of the largest water-industry financial and rate consulting practices in California and the nation.

BENEFIT TO THE CITY

Our depth of resources will allow us to sufficiently staff this project with the qualified personnel necessary to efficiently and expeditiously meet the objectives of the City.



FOCUS

RFC's services are solely focused on providing financial, rate, and management consulting services to water-industry utilities.

BENEFIT TO THE CITY

This focus allows RFC professionals to develop and maintain knowledge and skills which are extremely specialized to the services that we provide, and will allow us to provide the City with independent and objective advice.



RATE ADOPTION EXPERTISE

RFC has assisted numerous agencies with getting proposed rates successfully adopted.

BENEFIT TO THE CITY

Our experience has allowed us to develop an approach that effectively communicates with elected officials about the financial consequences and rationale behind recommended rates to ensure stakeholder buy-in and successful rate adoption. This includes developing a "message" regarding the changes in the proposed utility rates that is politically acceptable, and conveying that message in an easy-to-understand manner.

OUR SUBCONSULTANT

KATZ & ASSOCIATES

Katz & Associates (K&A) specializes in strategic communication, public involvement, and community relations to advance essential public infrastructure and environmental projects. Their firm is composed of nationally recognized facilitation and public outreach experts in water resources, transportation, and environmental planning and compliance. Their specialists combine their backgrounds in communications, geography, sociology, public affairs, environmental sciences, and long-range planning to effectively translate highly technical information into language understandable to a variety of audiences. At K&A, we inform, educate, facilitate, and resolve issues to move projects forward and advance progress.

Founded in 1986, K&A is a certified small- and woman-owned business enterprise. They are headquartered in San Diego with offices in Los Angeles and San Francisco and a statewide team of more than 40 professionals. K&A has supported projects across the U.S. and internationally, working with special districts, municipalities, privately owned utilities, local, state, and federal agencies, and regional coalitions.

THROUGHOUT THE PROJECT LIFE CYCLE, OR ANY PART OF IT

K&A's involvement can span the full life cycle of projects—from problem identification and solution development to proposal validation, funding, and implementation. For most public programs and projects, there is a need for stakeholder engagement to develop better, more realistic solutions and to secure buy-in or support for successful implementation. K&A has deep experience in guiding programs and projects successfully through all phases of this life cycle, using tailored approaches, techniques, and tools at each stage. With this knowledge and experience, K&A has helped shepherd projects and programs through multi-year and even decades-long processes, from inception to virtual (or actual) "ribbon cutting."

Beyond full life cycle, whole-project assignments, K&A's experience allows them to step into any project at any phase, knowing what it took to get there and knowing what it will take to get to the finish line.

Services:

- Community outreach
- Construction relations
- Crisis and issues management
- Public affairs
- Public participation
- Behavior change

Practice Areas:

- Water
- Transportation
- Environment
- Energy
- Military
- Community planning
- Private industry

Nationally Recognized Communications Programs for:

- Potable water reuse
- Water quality/water supply
- Wastewater/stormwater
- NEPA/CEQA regulatory communications
- Infrastructure investments/218 initiatives

PROJECT TEAM

Our Project Team consists of some of the most knowledgeable and skilled rate consultants in the water and wastewater utility industry. We have included senior-level personnel to provide experienced leadership for the project, with support from talented consultant staff. RFC places a high priority on being responsive to our clients and, therefore, actively manages each consultant's project schedule to ensure appropriate availability for addressing client needs. RFC currently has a team of more than 60 consultants specializing in financial and management consulting services for wastewater, water, recycled water, and stormwater utilities. In addition to our dedicated Project Team, the City will have the support of RFC's full staff along with the support of K&A. On the following page we have provided an organizational chart for our Project Team.



RFC staff shape industry standards for water and wastewater utility finance and rate setting through our active leadership in AWWA, WEF, and EPA. RFC's staff includes:

AWWA

- Chair and three members of Rates and Charges Committee
- Trustee of Management and Leadership Division
- Chair of Management and Leadership Division
- Member of Strategic Management Practices Committee
- Member of Finance, Accounting, and Management Controls Committee
- Division Liaison to Workforce Strategies Committee
- Trustee of Technical and Education Council
- Members of numerous state and regional committees

WEF

- Three members of Utility Management Committee
- Subcommittee Chair of Finance and Administration
- Member of Technical Practices Committee
- Two members of WEFTEC Conference Planning Committee
- Member of Utility Management Conference Planning Committee

EPA

- Member of Environmental Financial Advisory Board

CITY OF SAN DIEGO

PROJECT MANAGEMENT



SUDHIR PARDIWALA, PE will serve as **Project Director**. He will be responsible for overall project accountability and also be available to provide insights into a variety of cost of service and rate-setting matters.



HABIB ISAAC will serve as **Project Manager**. He will manage the day-to-day aspects of the project ensuring it is within budget, on schedule, and effectively meets the City's objectives. He will also lead the consulting staff in conducting analyses and preparing deliverables.

PUBLIC OUTREACH SUPPORT



LEWIS MICHAELSON, SARA KATZ, PATRICIA TENNYSON, & MEGAN DRUMMY will provide public outreach support.

QUALITY ASSURANCE CONTROL DESIGNEE



BILL STANNARD, PE will provide oversight for the project ensuring it meets both RFC and industry standards.

WATER LEAD



HABIB ISAAC will lead the water cost of service study portion of the project.

WASTEWATER AND RECYCLED WATER LEAD



HANNAH PHAN will lead the wastewater and recycled water cost of service study portion of the project.

ALTERNATIVE RATE STRUCTURES EXPERT



SANJAY GAUR will provide his expertise for alternative rate structures within the project.

ADMINISTRATIVE RECORD



STEVE GAGNON, PE will review the report and ensure the administrative record accounts for all aspects of the selected rate model.

STAFF CONSULTANTS

KHANH PHAN, ANDREA BOEHLING, VICTOR SMITH, NANCY PHAN, & KARTER HARMON will work at the direction of Mr. Isaac to conduct analyses and prepare deliverables for the project.

RFC'S WEST COAST TEAM



RFC has a team of

60+

consultants

specializing in water, wastewater,
and stormwater utility financial
and management consulting. All of
our staff will be available to provide
support for this project as necessary.

On the following pages, we have included brief profiles for each of our Team members followed by detailed resumes.



SUDHIR PARDIWALA, PE

PROJECT DIRECTOR
Executive Vice President (RFC)

EXPERIENCE: 40 years

CAREER HIGHLIGHTS

- Co-author of: WEF's *MOP No. 27, Financing and Charges for Wastewater Systems; & Water and Wastewater Finance and Pricing*
- Conducted over 300 water, wastewater, and recycled water studies
- Financial/rate consulting experience with Napa Sanitation District, Escondido, San Diego, Goleta West Sanitary District, Santa Barbara, & Ventura

EDUCATION

- MBA – University of California, Los Angeles
- MS – Arizona State University
- BS – Indian Institute of Technology, Bombay

Mr. Pardiwala has 40 years of experience in financial studies and engineering. He has extensive expertise in water and wastewater utility financial and revenue planning, valuation and assessment engineering. He has conducted numerous water, stormwater, reclaimed water and wastewater rate studies involving conservation, drought management, risk analysis, as well as system development fee studies, and has developed computerized models for these financial evaluations. Mr. Pardiwala has assisted public agencies in reviewing and obtaining alternate sources of funding for capital improvements, including low interest state and federal loans and grants. He has assisted several utilities with State Revolving Fund and Water Reclamation Bond loans. Mr. Pardiwala authored the chapter on reclaimed water rates in the *Manual of Practice, Financing and Charges for Wastewater Systems*, published by the Water Environment Federation (WEF) and presented papers at various conferences. He also authored a chapter entitled, "Recycled Water Rates," for the Fourth Edition of the industry guidebook, *Water and Wastewater Finance and Pricing: The Changing Landscape*. He was vice-chairman of the CA-NV AWWA Business Management Division and Chairman of the Financial Management Committee.



HABIB ISAAC

PROJECT MANAGER /
WATER LEAD
Senior Manager (RFC)

EXPERIENCE: 14 years

CAREER HIGHLIGHTS: Financial/rate consulting experience with Elk Grove Water District, Coachella, Irvine, Lompoc, Modesto, Phelan Pinon Hills Community Services District, San Fernando, Sierra Madre, & Tulare

EDUCATION

- BS – Applied Mathematics, San Diego State University

Mr. Isaac has extensive experience in financial and utility rate modeling and has been serving public agencies as a lead consultant for more than 14 years. With a background in applied mathematics and computer programming, Mr. Isaac has developed a number of financial models and has recently incorporated sophisticated macros into his models to create a user-friendly interface that can save and store scenarios "on-the-fly" for comparative analysis. Mr. Isaac is also well-versed with the cost of service principles and special benefit provisions of Proposition 218. In addition, he has also provided consulting services for conducting fiscal impact analyses for agencies in determining the impact generated by new development on services, and has prepared cash flow pro formas for securing bond issues, including mello-ros bonds, revenue bonds, and a number of refunding. Mr. Isaac has assisted clients in the preparation and presentation of public awareness

Habib Isaac (continued)

and information programs related to municipal projects ranging from utility rate studies to agency-wide taxes, and feasibility studies. He has developed procedures and supervised the preparation of extensive computer models for utility rate studies. Such experience generally relates to performing budget analyses, customer and usage analyses, development of revenue requirements, and cost of service allocations related to the implementation of rate structures designed to promote conservation while accounting for revenue sufficiency and price elasticity. As a mathematician, Mr. Isaac understands the sensitivity between competing variables that are commonly present in utility rate studies, such as, cost based tiers and economic price signaling.



BILL STANNARD, PE

**QUALITY ASSURANCE
CONTROL DESIGNEE**

Chairman of the Board (RFC)

EXPERIENCE: 40 years

CAREER HIGHLIGHTS

- Chair of the task force for development of WEF's MOP No. 27, Financing and Charges for Wastewater Systems
- AWWA: Chair of Management and Leadership Division; Trustee of Technical & Education Council; & past-Chair of Finance, Accounting & Management Controls Committee
- Co-author of *Water and Wastewater Finance and Pricing: The Changing Landscape*
- Financial/rate consulting experience with San Francisco PUC, NEORS, St. Louis MSD, Little Rock Wastewater, & Baltimore

EDUCATION

- BS – Kansas State University

Mr. Stannard has 40 years of experience providing consulting services to investor- and municipally-owned utilities covering management, operation, economic, and financial matters. His extensive experience encompasses formulation of financial systems and ordinances for compliance with regulations regarding the Clean Water Act and the Safe Drinking Water Act; comprehensive revenue requirements and cost of service studies; consulting engineers and financial feasibility reports related to the sale of revenue bonds; financial feasibility analyses; organizational and management reviews; and utility competitiveness studies. He has served as an expert witness in rate litigation matters in federal and state courts and before arbitration panels and state public service commissions. Mr. Stannard has also served as an arbitrator in resolving water and wastewater rate disputes. Mr. Stannard has been an active member of the WEF and AWWA. He served as chair of the WEF task force charged with the development of a *Manual of Practice, Financing and Charges for Wastewater Systems*. Mr. Stannard also authored a chapter entitled, "Selecting the Optimal Capital Financing Plan and Pricing Structure," for the Fourth Edition of the industry guidebook, *Water and Wastewater Finance and Pricing: The Changing Landscape*. This authoritative text is used by utility managers and consultants throughout the United States. He is the Chair of AWWA's Management and Leadership Division, a Trustee of AWWA's Technical & Education Council, and a past-Chair of AWWA's Finance, Accounting and Management Controls Committee.



LEWIS MICHAELSON

PUBLIC OUTREACH SUPPORT

President (K&A)

EXPERIENCE: 30 years

AREAS OF EXPERTISE: Public participation, facilitation, strategic planning, dispute resolution

EDUCATION

- MS – George Mason University
- BA – University of California, San Diego

Mr. Michaelson is a facilitator, community relations manager and trainer with over 30 years of experience. He has performed virtually every task common to public involvement programs, including organizing and moderating public meetings, facilitating community and technical advisory groups and preparing fact sheets, brochures, videos, news releases and other public outreach materials. He has also trained over a thousand project managers, public participation practitioners and technical staff in public involvement and risk communication.

Using a collaborative problem-solving approach, Mr. Michaelson has facilitated community outreach and consensus for projects and issues involving a wide range of subjects, including regional water supply facilities, wastewater and storm water projects, light rail transit, sea level rise, airport facilities, hazardous waste cleanup, watershed planning, military base closures and expansions, waterfront development and land use management plans. As a facilitator, Mr. Michaelson has also worked extensively on intra- and inter-organizational conflict management issues. This work has involved helping individual agencies develop strategic plans and multiple agencies develop interagency agreements.

Mr. Michaelson has designed and conducted public participation programs in controversial situations that have built trust and credibility for the project proponents through the use of innovative workshops, citizen advisory groups, risk communication and other conflict management techniques. Among the clients he has served in this capacity are the California Department of Water Resources, U.S. Navy, San Francisco Public Utilities Commission (SFPUC), Southern Nevada Water Authority (SNWA), San Diego County Water Authority, San Diego Regional Water Board and the Las Vegas Valley Water District.

Most recently, Lewis facilitated a public advisory committee for the Las Vegas Valley Water District convened to make recommendations on service rules and water rate increases for the district. This process resulted in consensus recommendations which were adopted by the district's board and are now being implemented. He is currently facilitating stakeholder consensus building processes for the San Diego and Orange County regional water quality control boards and the city of San Diego's DeAnza Revitalization stakeholder process in Mission Bay. He also supports the facilitation needs of the San Diego Integrated Regional Water Management program on behalf of the San Diego County Water Authority.



SARA KATZ

PUBLIC OUTREACH SUPPORT

Founder/CEO (K&A)

EXPERIENCE: 30 years

AREAS OF EXPERTISE: Strategic counsel, issues management, & public affairs

EDUCATION

- BS – San Diego State University

Ms. Katz has developed a recognized specialty in creating communication programs for local, state and federal agencies. She has strategized and advised on strategic communication efforts for water resources, land use planning, transportation, education and consumer protection programs. Her wealth of experience ranges from issues management, coalition building and facilitation to strategic planning, media strategy and crisis management.

For 30 years, Ms. Katz has supported public outreach and community involvement programs for major capital improvement projects and controversial public policy issues. She has provided strategic communications and counsel on the City of San Diego \$2 billion Clean Water Program, San Diego County Water Authority (SDCWA) \$1 billion Capital Improvement Program (CIP) and Emergency Storage Program, Southern Nevada Water Authority (SNWA) multi-year \$2 billion CIP, San Francisco Public Utilities Commission (SFPUC) \$4.8 billion Water System Improvement Program and now their multi-billion dollar Sewer System Improvement Program. Ms. Katz was also the firm's senior lead for the SFPUC's recent Infrastructure Investment Education Program, which resulted in successfully passing a multi-year rate increase. Additional experience includes City of Fresno Recharge Fresno Program and the City of San Diego Pure Water San Diego (Indirect Potable Reuse) Program. Ms. Katz's experience with water and wastewater programs also includes project work in Sydney, Australia and Iraq.

A frequent conference speaker and published writer, Ms. Katz is past chair of the American Water Works Association Public Involvement Committee and was also the recipient of the Advocate of the Year for the California Water Reuse Association. Ms. Katz was honored in late 2013 with the Otto Bos Lifetime Achievement Award by the Public Relations Society of America San Diego chapter and also received the YWCA 2014 TWIN Visionary Award.



PATRICIA TENNYSON

PUBLIC OUTREACH SUPPORT
Executive Vice President (K&A)

EXPERIENCE: 25 years

AREAS OF EXPERTISE: Facilitation, strategic counsel, & intergovernmental affairs

EDUCATION

- BS – San Diego State University

Ms. Tennyson is a public affairs and communication specialist with 25 years of experience in the water industry. She develops and assists in implementing community and government relations programs, and communication and public affairs strategies throughout the United States. Her experience includes providing strategic counsel, designing presentations to inform policy-makers and the community about a variety of technical issues, developing and implementing public outreach and involvement strategies, facilitating community workshops, environmental hearings and citizen advisory committees, and providing strategic counsel to a wide range of clients. This experience includes informing and involving the public on important topics related to water including quality, sources and rates environmental cleanup programs, and potable reuse.

Nationally, Ms. Tennyson has worked on projects for the New York City Department of Environmental Protection (NYCDEP), Denver Water, Honolulu Board of Water Supply, El Paso Water Utilities, Lacey-Olympia-Tumwater-Northern Thurston County (LOTT) Clean Water Alliance, San Francisco Public Utilities Commission (SFPUC), West Basin Municipal Water District, San Diego County Water Authority (SDCWA), Santa Clara Valley Water District, City of San Diego, City of Fresno, City of Aurora, U.S. Navy and Army Corps of Engineers, among others.

Among a variety of other activities for these efforts, she developed public outreach plans and key messages, and drafted Prop 218 notices, fact sheets and frequently asked questions documents. She also managed the Prop 218 noticing process to City of Lomita customers and facilitated the community meeting/open house event to present the cost of service study. Patricia served in a similar role for Western Municipal Water District's Prop 218/Water Rate Increase.

In addition, Ms. Tennyson brings unparalleled experience on communicating about the science of water purification technology and potable reuse. She has developed public outreach strategies and informational materials for a proposed seawater desalination project and a variety of recycled water projects, including potable reuse projects for the Orange County Water District, City of Aurora, Santa Clara Valley Water District and the City of San Diego, among others, including having provided public outreach support for El Paso Water Utilities' direct potable reuse project.



MEGAN DRUMMY

PUBLIC OUTREACH SUPPORT

Account Executive II (K&A)

EXPERIENCE: 6 years

AREAS OF EXPERTISE: Public outreach, online communications, event coordination, & research

EDUCATION

- BA – University of California, Irvine

Ms. Drummy specializes in developing and implementing public outreach and communications programs for federal, state and local clients. She has exceptional skills in the areas of writing, materials development, problem solving, event planning, and client and task management. These skills and her keen ability to anticipate challenges and proactively provide solutions has aided in successfully planning and managing public outreach and communications programs for water, transportation and military projects.

Prior to joining Katz & Associates, Ms. Drummy worked as a library aide for the San Diego Public Library. In addition to providing customer service, she also planned and booked events and conducted local media relations. She spent a year teaching a weekly self-created and run “Improve Your Writing Skills” class for grade school students.

Ms. Drummy was also a marketing and communications intern with the San Diego Public Library Foundation. At this position she wrote articles and press releases, created informational displays and brochures, maintained contact and media lists, and updated the library and the Library Foundation’s social media sites. She helped coordinate events, including the groundbreaking for the new Central Library and San Diego’s National Library Week.



HANNAH PHAN

WATER WASTER AND RECYCLED WATER LEAD

Manager (RFC)

EXPERIENCE: 10 years

CAREER HIGHLIGHTS: Financial/rate consulting experience with Castaic Lake Water Agency, East Bay Municipal Utility District, Napa Sanitation District, Santa Barbara, San Diego, & Beverly Hills

EDUCATION

- MBA – California State University, Los Angeles
- BS – California State University, Los Angeles

Ms. Phan has over 10 years of consulting experience in financial planning and cost of service studies. She has served as a lead consultant on numerous water, wastewater, and recycled water rate studies, cost of service studies, connection fee studies, and valuation studies. Her specific experience includes projects for the Cities of San Diego, Ventura, Palo Alto, Brentwood, Santa Barbara, Santa Monica, Anaheim, Ontario, Escondido, Redlands, Torrance, Chino, and Banning, Napa Sanitary District, Central Contra Costa Sanitary District, East Bay Municipal Utility District, Casitas Municipal Water District, Calleguas Municipal Water District, Goleta West Sanitary District, and Carpinteria Sanitary District, and the City of North Las Vegas, Nevada and Tacoma Environmental Services Department in Washington. Ms. Phan has an MBA and is an experienced modeler with strong analytical skills.



SANJAY GAUR

ALTERNATIVE RATE STRUCTURES EXPERT

Vice President (RFC)

EXPERIENCE: 18 years

CAREER HIGHLIGHTS

- Regarded as a leader in innovative rate structures
- Co-author of: AWWA's *M1 Manual*; AWWA's *Water, Rates, Fees, and the Legal Environment*; & *Water and Wastewater Finance and Pricing*
- Financial/rate consulting experience with East Bay Municipal Water District, Metropolitan Water District of Southern California, La Habra Heights County Water District, Yorba Linda Water District, & Huntington Beach

EDUCATION

- MPA – Harvard University
- MS – University of California, Santa Cruz
- BA – University of California, Santa Cruz

Mr. Gaur has 18 years of public-sector consulting experience, primarily focusing on providing financial and rate consulting services to water and wastewater utilities. His experience includes providing rate structure design, cost of service studies, financial analysis, cost benefit analysis, connection/development fee studies, conservation studies, and demand forecasting for utilities spanning the west coast. His project experience includes engagements with the Metropolitan Water District of Southern California, San Diego County Water Authority, Eastern Municipal Water District, Alameda County Water District, and East Bay Municipal Water District, among many others. Mr. Gaur is considered one of the leading experts in the development of conservation rate structures. He has often provided his insight into utility rate and conservation-related matters for various publications and industry forums, including: authoring articles in *Journal AWWA*; being quoted in various newspaper articles including the *Los Angeles Times* and the *New York Times*; participating in a forum regarding the future of water in Southern California sponsored by the Milken Institute; being quoted on National Public Radio; speaking at various industry conferences including American Water Works Association (AWWA), the Utility Management Conference, Association of California Water Agencies, and California Society of Municipal Finance Officers; and, co-authoring several industry guide books including AWWA's *Manual M1 Principles of Water Rates, Fees and Charges, 6th Edition* as well as AWWA's *Water Rates, Fees, and the Legal Environment, Second Edition*. Mr. Gaur co-authored a chapter entitled, "Understanding Conservation and Efficiency Rate Structures," for the Fourth Edition of the industry guidebook, *Water and Wastewater Finance and Pricing: The Changing Landscape*. Mr. Gaur is also active in a number of utility-related associations, including serving as a member of AWWA's Rates and Charges Committee.



STEVE GAGNON, PE

ADMINISTRATIVE RECORD

Manager (RFC)

EXPERIENCE: 18 years

CAREER HIGHLIGHTS: Financial/rate consulting experience with Western Municipal Water District, La Habra Heights County Water District, Redlands, County of San Diego, & Olivenhain Municipal Water District

EDUCATION

- MBA - University of Southern California
- MS - University of Massachusetts
- BS - University of Massachusetts

Mr. Gagnon has 18 years of experience in financial analysis and environmental engineering. He has worked for leading engineering consultants as well as the federal government. His broad range of experience includes water and wastewater pricing studies, capacity fees and utility valuations. His financial experience includes water and wastewater rate studies for the City of Redlands, CA, Santa Fe Springs, Henderson, NV, City of Anaheim, La Habra Heights County Water District, Rowland Water District, Walnut Valley Water District, Sweetwater Authority, Helix Water District and Otay Water District. He has also performed strategic financial analysis of water sourcing alternatives and costing of groundwater remediation alternatives, asset inventory and condition assessments, utility performance metrics, earned value analysis. He has also managed the construction and installation of water treatment equipment and oversaw Superfund remediation for the US Army.



KHANH PHAN

STAFF CONSULTANT
Senior Consultant (RFC)

EXPERIENCE: 10 years

CAREER HIGHLIGHTS: Financial/rate consulting experience with Alameda County Water District, Western Municipal Water District, El Toro Water District, & Rancho California Water District

EDUCATION

- MBA – California State University
- BS – University of California, Berkeley

Ms. Phan has served as Lead Consultant or Deputy Project Manager on numerous water and wastewater studies including rate, cost of service, reserve policy, financial planning, connection fee, conservation rate, and water budget rate studies. Her specific experience includes projects for the following utilities in California: Alameda County Water District, El Toro Water District, Elsinore Valley Municipal Water District, Mesa Consolidated Water District, Mojave Water Agency, Western Municipal Water District, Yorba Linda Water District, and the Cities of Camarillo, Glendora, Huntington Beach, Riverside, San Clemente, and Santa Cruz. She possesses strong analytical and management skills acquired from her background, education, and experience. Ms. Phan has advanced computer skills and is an excellent modeler. Ms. Phan also co-authored a chapter entitled, "Understanding Conservation and Efficiency Rate Structures," for the Fourth Edition of the industry guidebook, *Water and Wastewater Finance and Pricing: The Changing Landscape*.



ANDREA BOEHLING

STAFF CONSULTANT
Senior Consultant (RFC)

EXPERIENCE: 11 years

CAREER HIGHLIGHTS: Financial/rate consulting experience with Galt, Livermore, Los Alamos Water District, Rincon Del Diablo Water District, Temescal Valley Water District, & Western Municipal Water District

EDUCATION

- BS – University of Alabama in Huntsville
- Studied Computer Engineering, DeVry University

Ms. Boehling has a strong background in mathematics and accounting and has been serving public agencies for over 8 years. She possesses extensive analytical and modeling skills which she has used to perform various financial analysis such as cost of service user fee studies, utility rate studies, fiscal impact analysis, special district formations, cost allocation plan modeling, etc. Ms. Boehling is well-versed with the cost of service principles and special benefit provisions of Proposition 218. In addition, with over 6 years of experience in the auditing field, she is very familiar with monitoring and evaluating compliance with regulations, performing data analysis, and performing data integrity testing.



VICTOR SMITH

STAFF CONSULTANT

Consultant (RFC)

Mr. Smith is a Consultant with a Masters in Environmental Management. He has worked on several rate studies including studies for the Cities of Brea, Watsonville, Redlands, Chino Hills, and Calleguas MWD. In addition to his expertise in financial modeling, Mr. Smith has a background in environmental and energy economics.

EXPERIENCE: 2 years

CAREER HIGHLIGHTS: Financial/rate consulting experience with Beverly Hills, Redlands, Chino Hills, Brea, & Watsonville

EDUCATION

- MEM - Duke University
- BA - University of North Carolina at Chapel Hill



NANCY PHAN

STAFF CONSULTANT

Associate Consultant (RFC)

Ms. Phan has a background in business economics with a focus on data analysis, writing, and communications. Her expertise in working with large data sets brings efficiency and refinement to her financial modeling, and her emphasis on writing establishes a clear and concise communication style.

EXPERIENCE: 1 year

CAREER HIGHLIGHTS: Financial/rate consulting experience with Ontario Municipal Utilities Company, Benicia, Goleta West Sanitation District, & County of Kauai (HI)

EDUCATION

- BA – University of California, Irvine



KARTER HARMON

STAFF CONSULTANT

Associate Consultant (RFC)

Mr. Harmon has a background in economics, water policy, natural resource law, and strategic consulting. His primary expertise includes economic and financial modeling, statistical analysis, and conservation planning.

EXPERIENCE: 4 months

CAREER HIGHLIGHTS: Financial/rate consulting experience with Anaheim & Carpinteria

EDUCATION

- MPA – Indiana University
- BS – Indiana University

TECHNICAL SPECIALTIES

- » Cost of service rate studies
- » Conservation and drought management studies
- » Economic analyses
- » Water and wastewater utility cost accounting
- » Valuation
- » Financial and revenue planning
- » Assessment engineering
- » Reviewing/obtaining capital improvement funding
- » Computer modeling

PROFESSIONAL HISTORY

- » Raftelis Financial Consultants, Inc.: Executive Vice President (2013-present); Vice President (2004-2013)
- » Black & Veatch: Principal Consultant (1997-2004)
- » MWH: Principal Engineer (1985-1997)
- » CF Braun: Senior Engineer (1979-1985)
- » PFR Engineering Systems: Research Engineer (1977-1979)

EDUCATION

- » Master of Business Administration - University of California, Los Angeles (1982)
- » Master of Science in Chemical Engineering - Arizona State University (1976)
- » Bachelor of Science in Chemical Engineering - Indian Institute of Technology, Bombay (1974)

PROFESSIONAL REGISTRATIONS

- » Registered Professional Engineer: CA (Chemical (1981) and Civil (1988))

PROFESSIONAL MEMBERSHIPS

- » American Water Works Association
- » Water Environment Federation
- » California Municipal Finance Officers Association

SUDHIR PARDIWALA, PE

PROJECT DIRECTOR

Executive Vice President (RFC)

PROFILE

Mr. Pardiwala has 40 years of experience in financial studies and engineering. He has extensive expertise in water and wastewater utility financial and revenue planning, valuation and assessment engineering. He has conducted numerous water, storm water, reclaimed water and wastewater rate studies involving conservation, drought management, risk analysis, as well as system development fee studies, and has developed computerized models for these financial evaluations. Mr. Pardiwala has assisted public agencies in reviewing and obtaining alternative sources of funding for capital improvements, including low interest state and federal loans and grants. He has assisted several utilities with State Revolving Fund and Water Reclamation Bond loans. Mr. Pardiwala authored the chapter on reclaimed water rates in the *Manual of Practice, Financing and Charges for Wastewater Systems*, published by the Water Environment Federation (WEF) and presented papers at various conferences. He also authored a chapter entitled, "Recycled Water Rates," for the Fourth Edition of the industry guidebook, *Water and Wastewater Finance and Pricing: The Changing Landscape*. He was vice-chairman of the CA-NVAWWA Business Management Division and Chairman of the Financial Management Committee. Mr. Pardiwala has assisted numerous agencies in the San Diego area for over 30 years.

RELEVANT PROJECT EXPERIENCE

CITY OF SAN DIEGO (CA)

Mr. Pardiwala conducted numerous studies for the City of San Diego (City), including a water, wastewater and reclaimed water rate study. The entire wastewater rate study was conducted with extensive stakeholder group involvement because of the changes required in the wastewater rate structure to meet regulatory requirements. In addition, Mr. Pardiwala served as project manager for the City's reclaimed water rate study, impact fee studies for both water and wastewater, and a transportation charges study for agencies contributing to the City's regional wastewater facility. Mr. Pardiwala also managed a water demand study which involved statistical analysis of historical water consumption to model projections based on weather, economic activity, population, inflation, etc. Mr. Pardiwala evaluated the feasibility of a water budget rate structure for the City. He assisted the City with the Proposition 218 noticing and public outreach.

SANTA FE IRRIGATION DISTRICT (CA)

Mr. Pardiwala has been Project Manager for the water rate studies

for Santa Fe Irrigation District for over ten years. The District has one of the largest per capita water use rates in the State due to its large lots, many of which have orchards and other agriculture requiring irrigation. Mr. Pardiwala worked with District Staff to establish water cost of service based rates which included a complete restructuring of the fixed charges passing through their fixed wholesale costs. The consumption rates were based on the differential water costs, peaking characteristics and conservation costs of each class.

CITY OF VENTURA (CA)

Mr. Pardiwala served as Project Manager for a water, wastewater, and recycled water cost of service and rate study for the City of Ventura (City). The City had not updated its rate structure in 20 years. Additionally, the City was under a cease and desist order that required the City to carry out improvements estimated at more than \$55 million, and which the City wanted to start funding to mitigate impacts. The goal of the study was to develop conservation-oriented rates consistent with cost of service to recover adequate revenues to pay for necessary capital improvements, meet debt service coverage requirements, as well as maintaining sufficient reserve requirements. The study included a comprehensive review of the City's revenue requirements and allocation methodology, review of the City's user classification, usage patterns, a cost of service analysis, and rate design for City users. RFC developed long-range financial plans so that the water and wastewater utilities could be financially stable and save costs in the long run. We also assisted the City with developing different water and wastewater rate alternatives with various scenarios as well as calculating outside-city rates. The study was conducted with several meetings and input from stakeholders comprised of customers within the City. RFC educated the Citizen Advisory Committee on the basics of rates, cost allocations, and rate design to obtain their buy-in through the use of the dashboards in the rate models we developed for them to demonstrate the impacts of various revenue adjustments on the long-term financial stability of the enterprises. RFC also developed a schedule for funding a major waste-

water program required by environmental groups. Recommended rates were implemented for two years in July 2012. RFC updated rates for the City in 2014 and provided water drought rates.

CITY OF REDLANDS (CA)

Mr. Pardiwala has managed several financial projects for the City of Redlands (City) including water, wastewater and reclaimed water projects. The studies were conducted with extensive stakeholder input and multiple meetings with a Utilities Advisory Commission composed of local residents, businesses, and other interested parties. The first rate studies involved significant rate adjustments as well as rate structure adjustments to ensure financial stability, meet debt coverage and regulatory requirements. The analysis included calculation of outside-City charges and impact fees. The City received user-friendly working rate models for future updates. Mr. Pardiwala assisted the City with State Revolving Fund loans for reclaimed water and potable water. He helped them find grants for the reclaimed water project and water treatment plant upgrade. He has been assisting the City biennially with their water, wastewater and recycled water rates.

CITY OF BEVERLY HILLS (CA)

Mr. Pardiwala served as Project Manager for RFC's engagement with the City of Beverly Hills (City) water and wastewater rate studies. RFC was engaged by the City to develop a rate and financial planning model that would be used to evaluate alternative rate structures and to provide more detailed forecasts to assist in the preparation of updating rates in future years. RFC modeled numerous alternative rate structures and reviewed customer and revenue impacts before recommending that the City modify its current three tiered rate structure to include a fourth tier that targets large irrigation usage. In addition, RFC recommended that the costs of service be based on flow and strength. RFC continues to provide biennial updates to the City model so that rates may be projected in future years.

CITY OF SANTA BARBARA (CA)

Mr. Pardiwala has been assisting the City of Santa

Barbara (City) with their water, wastewater and recycled water financial plans and cost of service rates studies involving rates for different customer classes including agriculture, outside City, tiered residential, commercial etc. Wastewater rates were developed for various funding sources including grants and SRF loans. The City is facing severe water supply shortages and water rates included evaluation of multiple drought stages, the rates and impacts on customers as well as funding desalination to provide adequate supplies for the City's customers. RFC also evaluated system capacity fees for new water and wastewater customers.

CITY OF PALO ALTO (CA)

Mr. Pardiwala was Project Manager for a study for the City of Palo Alto (City) to determine the cost of service rates consistent with Proposition 218. The study involved review of fire service charges, booster pumping rates, strict adherence to cost of service principles. The study was conducted with the participation of a citizens' advisory committee. RFC developed an user friendly rate model, provided City staff training on use of the model. The proposed rates were implemented July 1, 2012. RFC assisted The City with an update developing conservation rates with the State mandated reductions in usage.

CITY OF ONTARIO (CA)

Mr. Pardiwala served as Project Manager on multiple water, wastewater and solid waste rate studies. The study included a comprehensive review of the City of Ontario's revenue requirements and allocation methodology, review of user classifications, a cost of service analysis, and rate design for City users.

RFC designed tiered water rates, recycled rates and wastewater rates considering IEU rates. Solid waste rates were designed to recover costs. RFC provided the City with a model that is used for planning purposes by the City. The City has engaged RFC multiple times to update these rates, optimize water sources to minimize costs.

OLIVENHAIN MUNICIPAL WATER DISTRICT (CA)

Mr. Pardiwala assisted the Olivenhain Municipal Water District (District) in conducting a water

financial plan study and a recycled water rate study to determine the recycled water rates charged to customers. The water financial planning model was developed to assist the District in evaluating different financing alternatives to minimize rate impacts and ensure financial stability. The water model was effectively used in Board meetings and presentations to evaluate the impacts of various scenarios. Additionally, RFC calculated drought/conservation rates for different stages of cutbacks. The recycled water rate study was conducted to determine the recycled water rates charged to customers given that the District obtains recycled water from four different sources: the City of San Diego, Vallecitos Water District, Rancho Santa Fe Community Services District, and the 4S Regional Recycled Water System. The existing agreements defined the costs of different sources of recycled water to the District. To address all of those issues and concerns, RFC developed a recycled water financial and rate model to determine the costs of providing service and the required revenue to be collected from customers. In addition, the model is built to evaluate when the District is able to take over the 4S Regional Recycled Water System, as stated in the agreement with the developer.

CITY OF SACRAMENTO (CA)

Mr. Pardiwala managed a wastewater rate study to examine the charges associated with different types of residential and non-residential customers. The study included a comprehensive review of the City's revenue requirements and allocation methodology, review of City's user classification, a cost of service analysis, and rate design for City users. Sacramento is one of the few large Cities in the State that does not meter residential and a significant number of non-residential customers. The strength and flow allocation to these customers was revised. The resultant rates were fair and equitable and met the fiscal needs of the City's wastewater utility in the context of the City's overall policy objectives and were designed for simplicity of administration, cost effective implementation and ease of communication to customers.

GOLETA WEST SANITARY DISTRICT (CA)

Mr. Pardiwala has been Goleta West Sanitary District's (District) financial consultant for over more than 15 years. During that time he has assisted the District with financial planning, development and financing their replacement and refurbishment program, developing a rate structure, annexation fees, connection fees, miscellaneous fees, reserves policy development, and other financial issues. The District charges customers on the tax roll. RFC developed the data to be included on the tax roll and the District now manages it.

CLARK COUNTY WATER RECLAMATION DISTRICT (NV)

Mr. Pardiwala was Project Manager for a cost of service study for the Clark County Water Reclamation District (District) to help evaluate the current system of rates and charges to ensure that users were being charged appropriately. The District has not updated its rate structure system for many years and the current system based on fixture units is believed to need restructuring. RFC managed the sampling and wastewater flow monitoring from different types of users to determine the definition of an equivalent dwelling unit and the flows from different types of users. There are multiple outreach meetings with member agencies and interested stakeholders to educate them on the process and to obtain buy-in.

CITY AND COUNTY OF SAN FRANCISCO (CA)

The City conducts water, wastewater and stormwater studies every five years to ensure that charges are consistent with cost of service and conforms with the City's Propositions. Mr. Pardiwala served as Project Manager for two cycles of rate studies for the City. The City has a combined wastewater and stormwater system and costs for stormwater are integrated with wastewater. The City was engaging in a multi-billion dollar capital improvement program that would have significant impact on rates. The City has unique microclimates and RFC analyzed the water usage characteristics of single family and multi-family users to develop a rate structure that would provide incentives for conservation. RFC evaluated incentives to encourage low

impact development, reviewed stormwater practices to provide credits for best management practices to reduce stormwater generation. RFC performed an overhead cost allocation study consistent with federal requirements of OMB Circular A-87 to assign costs appropriately to different departments in order to obtain federal reimbursement for projects that are eligible for federal assistance.

NAPA SANITATION DISTRICT (CA)

Mr. Pardiwala was Project Manager for a recycled water rate study for the District. The District was required to restrict summer discharge of its wastewater into the river. The District had made improvements to its treatment plant to produce recycled water and provided incentives to recycled water customers to use the water. Agreement with customers were to end within a couple of years and the District wanted to enlarge the recycled water facilities and enroll new customers into the recycled water program. The District wanted to review the economics of the improvements and determine the impacts resulting from implementing new recycled water rates. RFC developed a financial and rate model that considered the new customers and revised rates and the impact of providing discounted rates on wastewater customers. The District held meeting with the recycled water users and obtained input on issues of concern to them. RFC provided support to the District and evaluated the results of the surveys conducted to define the rates.

CITY OF HENDERSON (NV)

Mr. Pardiwala served as Project Manager for the engagement with the City of Henderson (City). In Phase I, RFC assisted the City in conducting a water and wastewater financial assessment. RFC developed a financial vision which will ultimately shape the utilities for the next ten years. As part of our conceptual design process, RFC recommended several alternative rate philosophies to be evaluated as part of Phase II. The Model was also developed to evaluate certain rate philosophies and user charge structure modifications focused on improving the equitable recovery of costs from different user classes, legal defensibility of the rates and system development charges, revenue predictability, and

conservation incentives. RFC developed an allocation budget for different meter sizes to ensure that the tiered rates set up would fairly collect revenues from customers. RFC updated the City's financial plan by participating in the City's rate implementation process. This included presentations of final findings and recommendations to City Council and the Citizen's Advisory Committee.

CITY OF NORTH LAS VEGAS (NV)

Mr. Pardiwala was the Project Manager for the water and sewer financial planning and rate study conducted for the City of North Las Vegas (City). At the time, the City had experienced rapid growth and had a significant amount of capital projects including construction of their own treatment plant. The City faced many financial challenges at a time when there were signs of a slowing economy. RFC conducted a multi-year financial plan that examined various customer growth, capital funding, and rate revenue assumptions. RFC prepared rate models for both water and wastewater and trained City staff on their use. The models provided dashboards for ease of use and decision making.

CITY OF PORTLAND (OR)

The City of Portland (City) wanted a financial planning and rate model to determine rates for its wholesale and retail customers. Mr. Pardiwala served as Project Manager for this study. The City provided wholesale water to 19 agencies under old agreements that were expiring soon. The City was finalizing long-term agreements with explicit terms on rate setting. The City wanted to develop rates consistent with the new agreement for the wholesale agencies, review rate structure alternatives for its retail customers, review impacts and provide flexibility for planning for the next 20 years.

The City's existing retail rate structure consisted of an increasing 3-tier rate structure for all customers with fixed tiers for single family customers and tiers based on the average usage in the preceding 12-month period for the remaining customers. The current retail rates applied to all classes and did not take into account peaking which factors can vary

significantly from class to class. RFC developed alternative rate structure options for retail customers and explore the creation of more classes to increase equity and fairness and encourage conservation. Alternative rate structures included uniform volume rates, seasonal rates, increasing and "V" or "U" shaped block rates, and a range of individualized block rates with cutoffs based on average account usage, seasonal usage, or customer characteristics. RFC provided the City with the computer model and provided training and a manual in the user of the model.

In 2012, Mr. Pardiwala managed a bond feasibility study for the City's Bureau of Environmental Services. The City needed to issue bonds for several hundred million dollars to meet regulatory requirements related to its wastewater and stormwater systems. RFC met with City staff and reviewed the CIP, business processes, rates and rate setting procedures, and provided a certificate of parity showing that the City could meet its coverage requirements under the current rates so that the City could sell bonds with a good rating.

CITY OF TACOMA (WA)

Mr. Pardiwala was Project Manager for a study to develop financial plans and rate models for the City's Environmental Services including wastewater, surface water and solid waste utilities. The study involved development of user friendly financial and rate planning models that would allow the City to update rates on an annual basis, quickly make changes, and review rates. The model also provided capability to compare the status of the CIP, and actual revenues and expenses against budgets on a month by month basis. To make this process easy, the model was integrated with the City's SAP and E Builder system. The financial plan and rates were reviewed with input from the City's Environmental Services Commission. RFC turned over the models to the City, provided training and computer manuals in the use of the models.

Mr. Pardiwala also provided financial planning models to the City's water utility, which included user-

friendly features and benchmarking tools to maximize improvements in operations and management.

CITY OF LOS ANGELES (CA)

Mr. Pardiwala was Project Manager on studies to develop rates and rate models for solid waste and wastewater utilities. The City wanted to have a planning tool in-house to evaluate what-if scenarios, impacts and determine rates for various customers. The model incorporated many user friendly features to assist the City update rates and prepare financial plans on an annual basis. Solid waste rates included non-residential customers based on size of containers and frequency of collection. Wastewater rates to the 27 subscribing agencies discharging to the City's wastewater treatment facilities were also determined. This involved complex calculations and allocations to wastewater loadings, conveyance distance, etc. Connection or impact fees were also included in the model. User training, model documentation, regular updates and ongoing service were also included in this project.

Mr. Pardiwala also served as Project Manager on a wheeling charges study for the Los Angeles Department of Water and Power. The City was interested in determining the appropriate charges to be levied on various customers that may wish to use the extra capacity in the City's system—from the Los Angeles Aqueduct to the distribution network—to transfer water.

RAINBOW MUNICIPAL WATER DISTRICT (CA)

Mr. Pardiwala was Project Manager for a water rate study for the District. The water financial planning model was developed to assist the District in evaluating different financing scenarios to ensure financial stability and was effectively used in Board meetings and presentations to evaluate the impacts of various scenarios. The District has a large agricultural community which is very sensitive to rates. Ensuring equity so that customers pay their fair share was the main element of the study.

OTHER RELEVANT PROJECT EXPERIENCE

- City of Anaheim (CA) – Water Rate Study
- City of Atwater (CA) – Water and Wastewater Rate Study
- City of Banning (CA) – Recycled Water Revenue Program
- Beaumont Cherry Valley Water District (CA) – Water Rate and Connection Fee Study
- City of Brea (CA) – Water Rate Study, Connection Fees and Related Fees and Charges Study
- City of Buena Vista (CA) – Water and Wastewater Rate Study
- City of Burbank (CA) – Bond Feasibility Study, Reclaimed Water Study, and Water and Wastewater Rate Study
- Carpinteria Sanitary District – Wastewater Rate Study
- Casitas Municipal Water District – Water Rate Study
- Castroville Water District (CA) – Water and Wastewater Rate Study
- City of Carlsbad (CA) – Asset Replacement Study and Water, Wastewater and Reclaimed Water Revenue Program
- City of Chino (CA) – Valuation Study and Water Rate Study
- City of Chowchilla (CA) – Water and Wastewater Rates Study
- City of Cloverdale (CA) – Water and Wastewater Connection Fees and Rate Study
- City of Corona (CA) – Water and Wastewater Rate Study
- El Toro Water District (CA) – Water Budget and Wastewater Rate Studies and Connection Fees
- City of Encinitas (CA) – Water and Wastewater Rate Study
- City of Escondido (CA) – Valuation Study, Water and Wastewater Rate Study
- City of Glendora (CA) – Water and Wastewater Financial Planning and Rate Study
- City of Livingston (CA) – Water, Wastewater and Solid Waste Rates Study and Litigation Support
- Los Angeles Department of Water and Power (CA) – Water Rate Study and Wheeling Charge Review
- City of Madera (CA) – Water and Wastewater Rate Study

Study

- Mammoth Community Water District (CA) – Water and Wastewater Rate Study
- Metropolitan Wastewater Joint Powers Authority (CA) - Wastewater Valuation Study and Capacity Valuation Study
- Palmdale Water District (CA) - Water Budget Rate Study
- City of Poway (CA) – Wastewater Rate Structure Analysis
- Ramona Municipal Water District (CA) – Water Rate Study
- City of Rialto (CA) – SRF Funding and Water and Wastewater Rate Study
- County of San Bernardino (CA) - Water and Wastewater Rate Study and Connection fees
- San Diego County Water Authority (CA) - Capacity Valuation, Rate Analysis, Valuation Study, and Wheeling Charge Study
- City of San Fernando (CA) - Water and Wastewater Rates Study
- San Geronimo Pass Water Agency (CA) - Financing Plan
- City of San Jose (CA) - Sewer Service Related Fees and Charges
- City of San Luis Obispo (CA) - Stormwater Financial Feasibility Study
- City of Santa Fe Springs – Water Rate Study
- Santa Fe Irrigation District (CA) - Wastewater Treatment Plant Cost Evaluation, Water Connection Fees Study, and Water Rate Study and Update
- City of Santa Monica (CA) - Wastewater Rate Study
- City of Scottsdale (AZ) - Impact Fee Study
- City of South Pasadena (CA) – Water and Wastewater Rate Study
- City of Springfield (OR) - Wastewater Rates Model
- Ojai Valley Sanitary District – Wastewater Rate Study
- Tacoma Public Utilities (WA) - 2008 Business Planning Assistance and Financial Model
- City of Upland (CA) - Valuation Study
- Town of Windsor (CA) - Impact Fee Review, State Revolving Fund Loan Application Assistance, Water and Wastewater Connection Fees and

TECHNICAL SPECIALTIES

- » Utility cost of service
- » Rate structure studies
- » Financial planning studies
- » Bond feasibility pro formas
- » Connection fees
- » Cost Allocation Studies
- » User Fees

PROFESSIONAL HISTORY

- » Raftelis Financial Consultants, Inc.: Senior Manager (2017-present); Manager (2014-2016); Senior Consultant (2013)
- » MuniFinancial: (2004-2013)
- » David Taussig & Associates: (2003-2004)

EDUCATION

- » Bachelor of Science in Applied Mathematics with Emphasis in Computation Science - San Diego State University (2002)

HABIB ISAAC

PROJECT MANAGER / WATER LEAD

Senior Manager (RFC)

PROFILE

Mr. Isaac has extensive experience in financial and utility rate modeling and has been serving public agencies as a lead consultant for more than 14 years. With a background in applied mathematics and computer programming, Mr. Isaac has developed a number of financial models and has recently incorporated sophisticated macros into his models to create a user-friendly interface that can save and store scenarios “on-the-fly” for comparative analysis. Mr. Isaac is also well-versed with the cost of service principles and special benefit provisions of Proposition 218. In addition, he has also provided consulting services for conducting fiscal impact analyses for agencies in determining the impact generated by new development on services, and has prepared cash flow pro formas for securing bond issues, including mello-roos bonds, revenue bonds, and a number of refunding.

Mr. Isaac has assisted clients in the preparation and presentation of public awareness and information programs related to municipal projects ranging from utility rate studies to agency-wide taxes, and feasibility studies. He has developed procedures and supervised the preparation of extensive computer models for utility rate studies. Such experience generally relates to performing budget analyses, customer and usage analyses, development of revenue requirements, and cost of service allocations related to the implementation of rate structures designed to promote conservation while accounting for revenue sufficiency and price elasticity. As a mathematician, Mr. Isaac understands the sensitivity between competing variables that are commonly present in utility rate studies, such as, cost based tiers and economic price signaling.

RELEVANT PROJECT EXPERIENCE

HELIX WATER DISTRICT (CA)

Mr. Isaac completed a comprehensive Cost of Service Water Rate Study for the Helix Water District (the District). The District provides water service to approximately 55,000 customer accounts, serving a population of approximately 270,000 residents in San Diego County.

More than 10 years had passed since the District’s last adopted “Cost-of-Service” study. Given the length of time since the last adopted comprehensive rate study, one specific project challenge was determining the best rate structure for the District to implement moving forward. As such, Mr. Isaac conducted a pricing objective workshop with the Board to explore rate alternatives that would best fit the District’s goals and objectives. Based on the

results from the pricing objectives workshop RFC was able to develop a rate structure that met the District's needs and was fully compliant with Proposition 218. In addition, Mr. Isaac recommended that the District incorporate a pass-through component for any potential rate increases implemented by the District's wholesale water supplier and update the current rate structure as follows: 1) maintain a 3-tiered rate structure for Domestic accounts, with slight modifications to the Tier 1 and Tier 2 allotments, 2) adjust Irrigation rates from a 3-tiered budget-based rate structure to a 2-tiered budget based rate structure. The District had previously defined efficient use for each account by providing a unique water allotment each month; therefore, Tier 1 would reflect the amount of water needed (within their water budget) and Tier 2 would signal when an account went over their water budget.

ZONE 7 WATER AGENCY (CA)

In July, 2015, RFC was selected to conduct a comprehensive Cost of Service Wholesale Rate Study for the Zone 7 Water Agency (the Agency) and Mr. Isaac served as Project Manager for this engagement. Given the recent state-wide emphasis for retail water agencies to meet conserve mandates of the Governor's Executive Order, the Agency experienced a significant reduction in water sales when compared to the previous Fiscal Year. These cutbacks also affect the Agency's revenue stability as nearly 100% of the Agency's revenue is recovered through variable rates and fixed revenue recovery is negligible, even though a majority of the Agency's costs are fixed. As a result, the Agency has seen a \$5M reduction in expected sales or 15% revenue loss. Given the severity of the financial impact, Mr. Isaac completed the cost of service rate study over an aggressive timeline and RFC presented rates in September 2015.

After reviewing the Agency's current financials and revenue requirements over a 5-year planning period, RFC developed the following recommendations to meet the Agency's critical short-term needs: 1) recover lost revenue due to a reduction in sales through a Temporary Conservation Surcharge, 2) the Temporary Conservation Surcharge would be in place while revenue adjustments of 10% are made

to permanently replace revenue generated by the Temporary Conservation Surcharge, 3) Fund capital through a combination of Pay-As-You-Go (PAYGO) (cash on hand) and Debt financing, and 4) Build up reserves to meet minimum target level over the three year planning period.

Mr. Isaac also reviewed the current rate structure and recommended the following adjustments to the current rate structure: 1) adjust the current 100% variable rate structure and to one that includes both fixed and variable, with approximately 35% of required revenue generated through fixed charges. Given that the Agency is a wholesaler, fixed charged would be based on historical water sales for allocating the 35% of revenue recovery to each retailer.

EAST VALLEY WATER DISTRICT (CA)

Mr. Isaac served as Project Manager to the East Valley Water District (District) and assisted the District with changing their rate structure from a basic uniform rate to tiered budget-based rates that accounted for household size and actual irrigable area of each account through the use of GIS. From inception, the District desired to adjust from the current uniform rate structure to one that complemented their long-term strategic goals of ensuring water efficiency and assisting with water management. Given the District's uniform rate structure, Mr. Isaac lead a detailed cost of service analysis to establish a sound nexus for determining appropriate tiered breakpoints per account as well as unit costs by tier. The model analyzed usage at the account level and provided water allotments to each for "indoor needs" and "outdoor needs."

The adopted rates, resulting from the comprehensive cost of service analysis, unbundled rate components to convey the true cost of various service components and to continue to equitably pass on the cost of water services to users. The Board adopted the water budget rate structure on March 25, 2015. The findings and recommendations resulting from the Study were summarized and documented in the Study Report.

Over the course of this 12-month project, Mr. Isaac presented at 10 public meetings and the Public Hearing is scheduled for October 7th 2015.

RINCON DEL DIABLO WATER DISTRICT (CA)

In 2014, the Rincon del Diablo Water District (District) contracted with RFC to conduct a Water Cost of Service and Rate Study to develop a financial plan as well as design water rates for the District for the next five years. The District is located approximately 25 miles north of the City of San Diego and serves a population of approximately 30,000 customers.

Like many water agencies in California, the District was faced with challenges related to the reduction in water usage as a result of conservation, the slow economy, increasing water supply costs, and the recent Executive Order by Governor Brown to reduce water consumption by 25% Statewide. The District was operating in an environment where operational costs and external costs associated with imported water from continue to increase and the reinvestment of funds to its infrastructure is required as outlined within the District's updated Master Plan.

Mr. Isaac served as Project Manager and presented RFC's findings and recommendations at all public meetings. Mr. Isaac recommended that the District adjust revenue by 5% for each of the next five years and incorporate a pass-through provision for increased costs incurred from the San Diego County Water Authority (SDCWA).

In addition, Mr. Isaac recommended certain adjustments to the District's reserve targets. Adjustments included increasing the Operating Reserve to 90 days of operating expenses and adjusting the Rate Stabilization Reserve Target to 10% of purchased water costs.

Mr. Isaac also provided recommendations to the rate structure to ensure compliance with the cost of service principles of Proposition 218. Residential rates were adjusted from a 5-tiered rate structure to a 3-tiered declining rate structure that can be clearly supported by cost incurred. Non-Residential (Com-

mmercial/Industrial and Medical Care Facilities) rates were adjusted from a 3-tiered rate structure to a uniform rate structure as Non-Residential commercial uses and related water needs can vary drastically between accounts. Finally, RFC recommended changing the Agricultural and Irrigation rate structure from a 5-tiered budget based rate structure to a 2-tiered budget based rate structure.

The Rate Study and all recommendations were approved at a Public Hearing held on June 9, 2015.

CITY OF ARROYO GRANDE (CA)

Mr. Isaac is currently serving as lead rate consultant on a comprehensive cost of service analysis and financial plan for the City of Arroyo Grande. The City currently has groundwater and a supplemental water supply from the Lopez Dam that is debt financed. As part of the cost of service analysis and tiered-rate structure, costs were built up based on water supply costs, delivery costs, and peaking to substantiate why each tier has a different rate per unit of water. Doing so provided a clear understanding on the costs incurred by the city's utility and provided a nexus in compliance with Proposition 218.

CITY OF SIERRA MADRE (CA)

Mr. Isaac recently completed a long-term financial plan update for the City of Sierra Madre's water and sewer enterprises. The project also included a rate redesign of the City's water rate structure to promote water conservation while meeting the City's Water Utility's financial needs. The Public Hearing concluded on January 28th 2014 and new rates went into effect on March, 2014. The new proposed rate structure moves from a three-tiered water rate to a four-tiered water rate structure that includes a new Tier 1 allotment to reward customers that are very efficient with their water usage. In recent times, the City has experienced a significant reduction to their available groundwater and the new rate design will now account for additional costs incurred from the inclusion of supplemental water from MWD. As a result, the City long-term financial plan has been updated and a comprehensive water consumption analysis has been completed to ensure revenue sufficiency in the near-term as well as the long-term.

ELK GROVE WATER DISTRICT (CA)

In 2013, Mr. Isaac served as Principal-in-Charge and assisted the District with a very extensive and thorough redesign and public outreach campaign for its water rates. The District's previous study was conducted in 2007 and was expedited because the District was not in compliance with its existing bond covenants. The results of the study recommended revenue adjustments from Fiscal Year 2007-08 through 2011-12 of 32%, 20%, 15%, 3%, and 3%, respectively. The District was able to reduce the third year from a 15% revenue adjustment down to 12% and deferred the last two years of 3% revenue adjustments.

Given the circumstances from the last rate study, the District wasn't completely aware how their current rates were developed and wished to take a more measured approach to the 2013 Water Rate Study. As such, the study included meetings with District staff, a Citizens' Advisory Committee, Finance Committee, and the District Board. Mr. Isaac presented the cost of service analysis and rate redesign through multiple meetings that dissected each item into discrete components. Separate meetings were held to discuss the following components: 1) the District's fiscal policies, 2) District objectives, 3) establishment of new reserve funds, 4) fire protection services, 5) cost of service analysis, 6) customer classes, 7) refinancing of existing debt, 8) consumption forecast, and 9) customer impact analysis. The ultimate objective of the District was to mitigate rate increases while accounting for future obligations of the District, such as escalating debt service payments.

The Proposition 218 Notices were mailed in May 2013 and all of the material discussed and presented over the course of the last 9 months is on the District's website at <http://www.egws.org/2013waterrates-tudy.html>. District staff and Board members clearly understand the basis for the proposed new rates and are comfortable with the new rate structure.

In addition, Mr. Isaac is continuing to provide services to the District through annual updates for Fiscal Year 2014 through Fiscal Year 2018.

ENCINA WASTEWATER AUTHORITY (CA)

Mr. Isaac assisted the Encina Wastewater Authority (EWA) with the Asset Allocation for the Phase V Expansion Project of their Wastewater Treatment Plant (2013). The update adjusted initial cost estimates using actual figures based on: existing facilities and the most recently completed CAFR; project costs based on actual amounts paid according to EWA financial records; and, actual Engineering News Record, Los Angeles (ENR) at the defined mid-point of construction. The analysis accounted for the specific discharge characteristics of the EWA's member agencies as well as total capacity necessary to serve each member, which includes: City of Vista, City of Carlsbad, Buena Sanitation District, Vallecitos Water District, Leucadia Wastewater District, and City of Encinitas. The analyses determined the updated amount of any debits or credits to each EWA Member Agency and established EWA Member Agency Ownership percentages for completed capital improvements.

PHELAN PINON HILLS COMMUNITY SERVICES DISTRICT (CA)

Mr. Isaac served as lead rate consultant on a recently completed comprehensive cost of service analysis and financial plan for the Phelan Pinon Hills Community Services District (CSD). The study accounted for the CSD's policy objectives and achieves a strong financial outlook in future years. As the CSD was undertaking a study of this type for the first time since becoming an independent local agency, Mr. Isaac's primary objective was to develop a robust and custom-designed financial rate model that would clearly reveal the current financial health of the Water Enterprise Fund and provide a sound financial plan reflecting a continued strong financial outlook.

To ensure stable short- and long-term financial stability, historical and future financial information was collected and analyzed, including water operations, planned capital improvement projects, existing debt obligations, and the acquisition of additional water rights. As this was the CSD's first independent financial and rate analysis, Mr. Isaac collaborated closely with CSD staff to prepare and

tailored a comprehensive financial model that focused on District policies and fiscal objectives. Mr. Isaac assisted with not only ensuring a healthy financial outlook for the utility in future years, he also took this opportunity to provide a thorough understanding to District Board Members on rate-setting principles and best management practices.

Mr. Isaac is continuing to work with the District on annual updates for Fiscal Year 2014 through Fiscal Year 2018.

CITY OF COVINA (CA)

Mr. Isaac served as lead consultant in a redesign of the City's water rate structure. The new rate structure incorporated a three-tiered water rate design that secured a stable revenue stream while promoting efficient use of water. One of the City's primary goals was to restructure the existing water rates to reach a 20% reduction in water consumption by calendar year 2020.

CITY OF DANIA BEACH (FL)

Mr. Isaac conducted a comprehensive review and financial plan update for the City's water and wastewater utilities and restructured the rates to reflect a cost of service methodology. Mr. Isaac also served as lead consultant in restructuring the City's method of assessment for its stormwater and fire assessments. Due to his breadth of knowledge for each service discipline identified in this engagement, Mr. Isaac operated as principle-in-charge for the entire project. Each Enterprise Fund involved the creation of a detailed financial plan to account for current and future operations; maintenance and facilities; and the development and implementation of new fee, rate, and assessment structures. Through Mr. Isaac's review, the existing rate structure demonstrated that current utility rate revenues were not sufficient to fund operating and maintenance costs, as well as necessary capital improvements. The updated rate analysis established distinct customer classes for each utility that distributed the full cost of services to the customer base, in proportion to service demands placed on utility systems.

PUBLICATIONS

- "Cryptography with Cycling Chaos," Physics Letter A, V 303; Pages 345-351 (2002)

OTHER RELEVANT PROJECT EXPERIENCE

- City of Arroyo Grande (CA) - Cost of Service Analysis and Financial Plan
- City of Coachella (CA) - Water Rate Study
- City of Covina (CA) - Water Rate Structure Redesign
- City of Dania Beach (FL) - Water and Wastewater Financial Plan Update
- Town of Danville (CA) - Cost Allocation Plan
- City of Delano (CA) - Water, Wastewater, Refuse, and Street Sweeping Rate Study
- Elk Grove Water District (CA) - Water Rate Redesign and Public Outreach
- Encina Wastewater Authority (CA) - Asset Allocation for the Phase V Expansion Project of the Wastewater Treatment Plant
- City of Irvine (CA) - Cost Allocation Plan and UF
- City of La Mirada (CA) - Cost Allocation Plan and UF
- City of Lompoc (CA) - Water and Wastewater Rate Study
- City of Modesto (CA) - Cost Allocation Plan
- City of Pacifica (CA) - Cost Allocation Plan and UF
- Phelan Pinon Hills Community Services District (CA) - Cost of Service Analysis and Financial Plan
- City of San Fernando (CA) - Water and Wastewater Rate Study
- City of Sierra Madre (CA) - Financial Plan Update
- City of Tulare (CA) - Water Rate Study and Cost Allocation Plan

TECHNICAL SPECIALTIES

- » Cost of service and rate studies
- » Financial planning studies
- » Valuation and acquisitions
- » Bond forecasts and examinations
- » Regionalization studies
- » Management policy and practice
- » Environmental finance & accounting

PROFESSIONAL HISTORY

- » Raftelis Financial Consultants, Inc.: Chairman of the Board (2017-present); Chief Executive Officer (2012-2016); President (2008-2016); Vice President (2002-2008)
- » Black & Veatch: Senior Vice President (1996-2002); Vice President (1992-1996); Project Manager (1984-1992); Assistant Project Manager (1980-1984); Staff Consultant (1975-1980)

EDUCATION

- » Bachelor of Science in Business Administration - Kansas State University (1975)
- » Bachelor of Science in Civil Engineering - Kansas State University (1975)

PROFESSIONAL MEMBERSHIPS

- » American Society of Civil Engineers
- » American Water Works Association: Chair of Management and Leadership Division, Trustee of Technical and Education Council, Past-Chair of Finance, Accounting and Management Controls Committee, Texas Section Rates Committee
- » Water Environment Federation: Past-Chair of Task Force on Wastewater Charges
- » Listed in Best Lawyers in America – Directory of Expert Witnesses
- » Listed in Who's Who in Science and Engineering

PROFESSIONAL REGISTRATIONS

- » Registered Professional Engineer: MI (6201028796); OH (PE 57725); MA (38847); KS - 1979 (8636)

BILL STANNARD, PE

QUALITY ASSURANCE CONTROL DESIGNEE

Chairman of the Board (RFC)

PROFILE

Mr. Stannard has 40 years of experience providing consulting services to investor- and municipally-owned utilities covering management, operation, economic, and financial matters. His extensive experience encompasses formulation of financial systems and ordinances for compliance with regulations regarding the Clean Water Act and the Safe Drinking Water Act; comprehensive revenue requirements and cost of service studies; consulting engineers and financial feasibility reports related to the sale of revenue bonds; financial feasibility analyses; organizational and management reviews; and utility competitiveness studies. He has served as an expert witness in rate litigation matters in federal and state courts and before arbitration panels and state public service commissions. Mr. Stannard has also served as an arbitrator in resolving water and wastewater rate disputes. Mr. Stannard has been an active member of the WEF and AWWA. He served as chair of the WEF task force charged with the development of a *Manual of Practice, Financing and Charges for Wastewater Systems*. Mr. Stannard also authored a chapter entitled, "Selecting the Optimal Capital Financing Plan and Pricing Structure," for the Fourth Edition of the industry guidebook, *Water and Wastewater Finance and Pricing: The Changing Landscape*. This authoritative text is used by utility managers and consultants throughout the United States. He is the Chair of AWWA's Management and Leadership Division, a Trustee of AWWA's Technical & Education Council, and a past-Chair of AWWA's Finance, Accounting and Management Controls Committee.

RELEVANT PROJECT EXPERIENCE

CITY OF PHILADELPHIA (PA)

Mr. Stannard served as a water rate expert, assisting the City of Philadelphia in a water rate dispute with one of the City's major wholesale customers. Dispute resolution was accomplished through arbitration where Mr. Stannard provided expert testimony in support of the City's water cost of service analysis and rate design. He also assisted the City in developing the overall strategies for crafting the City's case.

CITY OF BALTIMORE (MD)

Mr. Stannard serves as the Project Director on this multi-year engagement with the City of Baltimore's Bureau of Water and Wastewater (City). The engagement encompasses a variety of cost of service and

rate studies for the City's water and wastewater systems. He is currently leading our Firm's wastewater cost of service analysis and development of high strength surcharge rates in accordance with EPA user charge regulations. Other components of our engagement with the City include review and evaluation of cost allocations to the City's wholesale water and wastewater customers in accordance with the water and sewer service agreements.

CITY OF PORTLAND (OR)

Mr. Stannard was Project Manager for an engagement for the City of Portland Water Bureau (Bureau) which provides retail water service to customers within the City and wholesale water service to 19 agencies under agreements that will expire within the next couple of years. RFC's scope of work was separated into two parts: assistance in developing wholesale rates and development of a robust modeling tool for ongoing rate calculation and financial planning use by the Bureau.

METROPOLITAN ST. LOUIS SEWER DISTRICT RATE COMMISSION (MO)

Mr. Stannard served as Project Manager for RFC's engagement as rate consultant to the St. Louis MSD Rate Commission. As the Commission's rate consultant, Mr. Stannard was responsible for performing an independent review of MSD's proposed wastewater and stormwater rates covering the period 2008 through 2012. The project included a detailed evaluation of the cost of service studies supporting the wastewater and stormwater rates, an evaluation of proposed policies for implementation of the rates, and examination of the level and phasing of annual rate adjustments proposed during the five-year study period. Mr. Stannard was also responsible for submitting testimony and exhibits for the rate hearings conducted by the Rate Commission and assisted the Commission's Counsel in cross examination of MSD witnesses and witnesses of the various interveners in the case.

NORTHEAST OHIO REGIONAL SEWER DISTRICT (OH)

Mr. Stannard served as Project Director in the

development of a comprehensive financial plan for the five year period 2007-2011 and 2012-2016, as well as various other engagements for the District since 2004. The financial plan included projections of customers, water usage and revenues under the existing rates, projections of operating and maintenance expense, debt service on existing bonds and additional bonds necessary to fund the capital improvement program, and reserve fund deposits. In addition, RFC recommended a rate adjustment program over the five year study period to meet the projected revenue requirements and maintain the District's financial sustainability. A user-friendly computer model was also developed for use by District staff to analyze different planning scenarios.

CITY OF LOS ANGELES (CA)

Mr. Stannard served as Principal-in-Charge for the best practices study for the Los Angeles Wastewater Program. This project built on the City's efforts conducted during the five years prior to the best practices study during which the City, working through its Labor Management Committee, had reduced the program's full-time employment by 28 percent. The best practices study covered every aspect of the organization including plants, collection system, engineering, finance, accounting, human resources, billing and collection, customer service, construction management, and many others. As a result, additional savings of nearly 20 percent were identified over the ensuing five-year period, utilizing normal attrition in lieu of layoffs. The projected savings incorporated business process changes that were identified and evaluated as part of the project with a significant portion of the savings to be achieved in the areas of support services and capital improvement programs.

CITY OF SAN DIEGO (CA)

Mr. Stannard served as the Principal-in-Charge for a management review of the City's Water Department. This review was driven by City Council concerns about the overall management of the Department and several specific areas within the Department, as identified by the Council. The City Council directed a very tight time schedule for the project, which was

completed within two months. In order to accomplish the goals of the project within this schedule, separate work teams were formed for each of the assigned areas. The systematic approach provided an efficient, thorough and comprehensive review of each functional area while allowing the project team to successfully conform to the tight schedule.

CITY OF CINCINNATI (OH)

Mr. Stannard served as the Partner-in-Charge for the project team engaged by Cincinnati Water Works (CWW) to work with CWW's Executive Management Team in development of their first Strategic Business Plan. The work on this project included a complete employee survey, outreach with key external stakeholders, multiple workshops with the Executive Team and staff representatives for development of CWW's vision and mission, as well as goals, objectives and strategies, and leading multi-disciplined CWW teams in development of specific action plans. The result of this engagement was a comprehensive business plan which established a road map for the utility over the coming decades.

CITY AND COUNTY OF SAN FRANCISCO (CA)

Mr. Stannard served as Project Manager on an engagement with the San Francisco Public Utilities Commission (SFPUC) in the development of contract negotiation strategies regarding the renegotiation of SFPUC's wholesale water service agreements with its wholesale water customers. A major component of Mr. Stannard's work included the analysis of the impact of SFPUC's \$4.5 billion capital improvement program on the overall financial plan and the allocation of costs to the wholesale customers under the utility basis of cost allocation as well as the cash basis to determine the short, mid, and long term impacts on retail rates and wholesale rates.

CITY OF SUFFOLK (VA)

Mr. Stannard serves as Project Director for RFC's multi-year engagement with the City of Suffolk (City) to provide financial services to the City's Department of Public Utilities (DPU). The scope of services include an annual update of the ten-year comprehensive financial plan, determination of

water and sewer costs of service, development of proposed water and sewer rates for the upcoming fiscal year, and an assessment of the City's water and sewer system availability fees. In addition, RFC also conducts an annual true-up analysis for wholesale water service to the Authority. The true-up analysis recalculates the water rates using actual cost and water usage data to determine the actual cost-of-service for the Authority during the prior year.

CITY OF SAGINAW (MI)

Mr. Stannard served as the Project Manager for a water cost of service engagement for the City of Saginaw (City). The engagement included development of a comprehensive financial plan, cost of service analysis and design of water rates. In addition to its retail customers, the City also provides water service to 19 wholesale customers, which use approximately 60% of the water produced. A key element of the engagement involved meetings with each of the wholesale customers to explain in detail the cost of service allocation methodology and the effect on the customer's water rates.

FRANKLIN WATER UTILITY (WI)

Franklin Water Utility (FWU) purchases water supplies on a wholesale basis from the adjacent City of Oak Creek (Oak Creek). Mr. Stannard provided extensive testimony on behalf of the wholesale intervenors in the 2011 rate increase application of the Oak Creek Water and Sewer Utility (PSCW Docket No. 4310-WR-104). Mr. Stannard's testimony focused on three key areas. First, was a refutation of Oak Creek's proposed use of coincident customer class peaking factors in its base-extra capacity cost of service study (something not previously done by the PSCW). Second, Mr. Stannard proposed that Oak Creek conduct a detailed analysis of customer class demand characteristics in lieu of their proposed use of demand factors that severely disadvantaged wholesale customers. Finally, Mr. Stannard filed extensive testimony regarding the allocation of public fire projection costs to the City of Franklin under the methodology approved for use by Milwaukee Water Works in PSC Docket No. 372-WR-107. The PSC issued a ruling affirming Mr. Stannard's posi-

tion on these issues in the Commission's delegated Final Decision on July 23, 2012 (PSC Ref#: 168775). This ruling was upheld in the Commission's preliminary determination to modify the Final Decision made on October 3, 2012 (PSC Ref#: 173880).

NORTHWEST WATER COMMISSION (IL)

Mr. Stannard has served as principal-in-charge for several engagements for the Northwest Water Commission (Commission). These engagements have included review of water rates charged to the Commission proposed by the City of Evanston (City) and assistance with negotiation of the rates to be charged under the terms of the Commission's contract with the City, and a determination of the current value of the Commission's water system assets. Currently, RFC is developing proposed water rates for potential service to new contract customers.

CITY OF NAPERVILLE (IL)

Mr. Stannard served as Project Director for a comprehensive water and wastewater rate study for the City of Naperville (City). The scope of work included development of financial plans for the water and wastewater utilities, cost of service analyses, and design of proposed rates to fund the projected revenue requirements for the two utilities. The findings of the study were presented to the City Council which approved the proposed changes in rates including a purchased water component which will serve as a pass through to reflect the rates for water purchased from the Du Page County Water Commission.

LITTLE ROCK WASTEWATER UTILITY (AR)

Mr. Stannard is Project Manager for a comprehensive wastewater financial planning, cost of service and rate study for the City of Little Rock's Wastewater Utility (LRW). In addition to the cost of service analysis, this project includes a feasibility study of alternative system growth charges and a system value determination. LRW is in the midst of a major capital improvement program to address wet weather flow management issues. The program includes construction of a new wastewater treatment plant and, as such, LRW is interested in assessing the feasibility of instituting a system

development charge to be applied to new customers. The system valuation element of the project will be an integral step in LRW's ongoing asset management program development.

LOUDOUN COUNTY SANITATION AUTHORITY (VA)

Mr. Stannard served as the Project Director on two engagements for Loudoun County Sanitation Authority (Authority), a cost of service rate study and a bond feasibility study. The Authority's goal for the rate study was to maintain the current rate structure and minimize rate increases while still preserving a sufficient fund balance to meet all internal coverage requirements. The follow-up bond feasibility study used the newly developed rate model to ensure the Authority's financial capability to issue new debt.

CITY OF KANSAS CITY (MO)

Mr. Stannard served as the Project Director for a wastewater financial planning and cost of service study for the City of Kansas City Water Services Department (Department). The project included development of a comprehensive financial plan, cost of service analysis and design of wastewater rates. In addition to its retail customers, the Department also provides wastewater service to more than 20 wholesale customers. A key element of the engagement involved a detailed analysis of the costs of the system components which serve the wholesale customers to serve as the basis for a move to cost of service based rates for the wholesale customers in place of the historic practice of tying the wholesale rates to the inside City retail rates.

FORT GRATIOT TOWNSHIP (MI)

Mr. Stannard served as the Project Manager on an engagement for Fort Gratiot Township, Michigan (Township) to review proposed water rates from the City of Port Huron (City). The City provides wholesale water service to the Township and the Township was concerned about the level of proposed rate increases they were facing and, hence, engaged RFC to review the proposed rates to ensure they were appropriate.

CITY OF DETROIT (MI)

Mr. Stannard served as Project Manager/Principal-in-Charge for various projects for the City of Detroit (City), including comprehensive water and wastewater revenue requirements, cost of service and rate design studies; consulting engineers/feasibility reports for over \$2 billion of water and wastewater system revenue bonds; an automated capital improvement program management and tracking system; and an automated work order tracking system. The rate study engagements included development of user-friendly, Windows-based, rate models, initially using Lotus 123 and, subsequently, Microsoft Excel® for use by the City's rate and finance staff.

TARRANT REGIONAL WATER DISTRICT (TX)

Mr. Stannard served as Project Director on a project for the Tarrant Regional Water District (TRWD) to study the financial, economic, and policy impacts of a proposal that TRWD pay communities for wastewater effluent discharged into the Trinity River which would subsequently be used to augment TRWD's raw water supply.

CITY OF GROSSE POINTE (MI)

Mr. Stannard served as Project Manager to the City of Grosse Pointe, Michigan (City) performing a comprehensive water and wastewater cost of service study including benchmarking analysis allowing the City to compare their performance with respect to key performance criteria to the performance of other similar utilities. Mr. Stannard has also been responsible for the development of a ten-year financial plan for the City's Utilities Department, and creation of a financial planning and rate model for use by City staff in preparing annual updates to the water and wastewater rates.

CITY OF HOBBS (NM)

Mr. Stannard has been the Project Manager on the City of Hobbs (City) water and wastewater rate study. The City was faced with significant capital expenditures to upgrade their wastewater treatment plant and wanted to ensure that the water and wastewater utilities were operating in a self-suffi-

cient manner. RFC worked with City Staff as well as the City Council and Water Board to determine the City's rate setting goals. RFC then developed water and wastewater rate structures that addressed these goals, in particular, conservation, while providing for adequate capital financing.

CITY OF LEE'S SUMMIT (MO)

As Project Manager, Mr. Stannard performed comprehensive water and wastewater cost of service studies for the City of Lee's Summit (City) as well as provided an update of the City's system development charges collected from new customers.

CITY OF OLATHE (KS)

Mr. Stannard has been the Project Manager on a series of engagements for the City of Olathe (City). RFC first performed an analysis of the City's existing System Development Fee methodology and provided guidance on how the fees could be updated and improved. RFC provided the subsequent revisions and updates and presented these findings to City Council. RFC has subsequently been engaged by the City to analyze proposed wastewater impact fees that would supplement system development charge revenue, to update the City's cost of service computer model, and to assist with the determination of wholesale wastewater rates.

CITY OF WICHITA (KS)

As Project Manager, Mr. Stannard assisted the City of Wichita (City) in performing an analysis of wholesale water rates by evaluating billing data for the past three years for all of the City's wholesale customers and provided recommendations to improve the recovery of revenue requirements from these customers. RFC has also performed a rate study to determine a raw water rate for a proposed new industrial customer seeking service from the City. RFC also analyzed the City's rate structure to determine its effectiveness for providing stable revenues during varying weather conditions.

CITY OF WYOMING (MI)

Mr. Stannard was the Project Manager for RFC's engagement with the City of Wyoming (City) to

perform a water cost of service study and to provide assistance in the negotiation of new wholesale contracts for water and wastewater service. The City engaged RFC to perform a water cost of service study to support the negotiation of new wholesale water contracts. RFC also provided expertise in areas including rate of return, cost of service allocations, industrial surcharges, and rate design.

OTHER RELEVANT PROJECT EXPERIENCE

- Allegheny County Sanitary Authority (PA) – Rate Study, Industrial SC Review
- Arlington County (VA) – Alternative Rate Structure Analysis, Financial Planning, Availability Fee Development, and Public Involvement Program
- City of Columbus (OH) – Water and Wastewater Rate Study
- City of Henderson (NV) – Water and Wastewater Rate Study
- City of Lexington (KY) – Water System Valuation
- City of Loveland (OH) – Evaluation of Wastewater Service Alternatives
- City of Kalamazoo (MI) – Wastewater Rate Review
- City of Macomb (MI) – Wastewater Rate Litigation Assistance and Feasibility Analysis for Acquisition
- Oakland County (MI) – Water and Wastewater Rate Review and Master Plan Financial Analysis
- San Antonio Water System (TX) – Water and Sewer Rate Study
- San Francisco Public Utilities Commission (CA) – Wholesale Contract Development, Reuse Water Pricing Review, Wheeling Rate Review
- City of Warren (MI) – Water Rate Litigation Support
- United States Navy, Norfolk (VA) – Water Rate Review

OTHER EXPERIENCE

- Invited Instructor: University of Colorado School of Engineering – Graduate Course on Utility Management and Finance

LITIGATION SUPPORT EXPERIENCE

CITY OF DETROIT WATER AND SEWERAGE BOARD (MI)

United States District Court, Eastern District of Michigan

Mr. Stannard testified on behalf of the City of Detroit and its Water and Sewerage Department regarding its wastewater rates charged to its wholesale wastewater customers and its industrial/retail customer on multiple occasions during the period 1977 through 1996. During this period, Mr. Stannard testified on twelve occasions in depositions and in hearings in Federal Court. In addition to his testimony Mr. Stannard was directly involved in the negotiation of four rates settlement agreements between the City of Detroit and the wholesale customers.

Oakland County Michigan Circuit Court

Mr. Stannard testified on behalf of the City of Detroit in support of the City's water rates charged to the City of Novi, Michigan. The Trial Court found in favor of the City of Detroit citing Mr. Stannard's testimony as a fundamental basis for the decision.

KALAMAZOO (MI)

Kalamazoo County, Michigan Circuit Court

Mr. Stannard testified as an expert witness in support of the City in a wastewater rate dispute with its wholesale customers. Mr. Stannard's testimony was provided in deposition conducted by the plaintiff's attorney and helped facilitate a settlement agreement between the parties establishing a process and methodology for determination of future wastewater rates.

HOLLAND (MI)

Arbitration between the City of Holland and the City of Zeeland

Mr. Stannard served as an expert witness on behalf of the City of Holland, Michigan in its arbitration on water rates with the City of Zeeland, Michigan. His testimony was provided in depositions and during the arbitration hearings. The findings of the arbitra-

tion panel were principally in support of the City of Holland's water rates.

BAY CITY (MI)

Water Rate Arbitration between the City of Bay City and its wholesale customers Bay County and Hampton Township

Mr. Stannard served as an arbitrator representing Bay County and Hampton Township in a challenge of the City of Bay City's wholesale water rates. The challenges to the water rates focused on the determination of the City's revenue requirements to be recovered from the water rates and the application of the "utility basis" in the determination of the wholesale cost of service. The neutral arbitrator agreed with the arguments presented by Mr. Stannard and found in favor of Bay County and Hampton Township.

NEWARK (NJ)

Essex County New Jersey Circuit Court

Mr. Stannard served as an expert witness for the Seton Leather Company in a suit challenging the equity of the City of Newark's wastewater rates. Mr. Stannard testified in deposition and during the Trial Court hearing on this matter. At the conclusion of the trial the Judge found in favor of Seton leather recognizing the testimony of Mr. Stannard as a substantial basis for his decision. The City of Newark appealed the decision to the New Jersey Supreme Court who ruled in favor of the City due to the effect that implementing the Trial Court's decision would have on the residential customers of the City.

LAWRENCE (MA)

Essex County Massachusetts District Court

Mr. Stannard served as an expert witness on behalf of the Merrimack Paper Company challenging the wastewater rates enacted by the City of Lawrence, Massachusetts. Mr. Stannard testified in deposition and in the hearing setting forth the results of his analyses and his opinions regarding the equity and fairness of the City's wastewater rates in relation to generally accepted wastewater rate making principles and industry standards. The District Court

ruled in favor of the City which prompted Merrimack Paper to Appeal to the Commonwealth Supreme Court. Once the appeal was accepted for hearing by the Supreme Court the City agreed to enter into a settlement with Merrimack paper.

BILLINGS (MT)

Water Rate Arbitration between the Billings Heights Water District and the City of Billings, Montana

This matter started as a suit filed by the Billings Heights Water District against the City of Billings challenging water rates that had been adopted by the City. Mr. Stannard was retained as an expert witness on behalf of the District and presented testimony in deposition. After the parties had deposed the experts, the Trial Judge worked with them to enter into a new contract that provided for arbitration to settle disputes. The City then revised its water rates incorporating many of the issues raised by Mr. Stannard but still left other items with which the District disagreed. The case then moved to arbitration which was conducted as "baseball" arbitration with a single arbitrator rather than three. Mr. Stannard testified in the arbitration hearing presenting his analyses and opinions regarding the rate issues. The Arbitrator concurred with many of Mr. Stannard's issues and opinions, but due to the nature of baseball arbitration the ultimate finding favored the City.

PUBLIC SERVICE COMMISSION APPEARANCES

INDIANA REGULATORY COMMISSION

Bloomington. Mr. Stannard served as expert rate consultant on six separate water rate cases before the Commission. Three of the cases were across the board adjustments to the rate structure based on the overall revenue requirement for the water utility. The other three cases included detailed cost of service and rate design determinations.

Columbus. Mr. Stannard served as the expert rate consultant on two water rate cases before the Indiana Utility regulatory Commission on behalf of the

City of Columbus. The first case included a comprehensive cost of service study and rate design and the second case was based solely on development of proposed revenue requirements.

Evanston. Mr. Stannard served as the expert rate consultant on behalf of the City of Evanston on two water rate cases heard by the Indiana Utility Regulatory Commission. Both cases included development of test year revenue requirements, comprehensive cost of service analyses and rate design.

KENTUCKY PUBLIC SERVICE COMMISSION

Boone County Kentucky Water District. Mr. Stannard testified as an expert water rate consultant on behalf of Boone County before the Kentucky Public Service Commission in support of the Water District's proposed water impact fees. The Commission approved the District's application for implementation of these fees.

AREAS OF EXPERTISE

- » Public Participation
- » Facilitation
- » Strategic Planning
- » Dispute Resolution

EDUCATION

- » Master of Science, Conflict Management, George Mason University
- » Bachelor of Arts, Sociology, University of California, San Diego

AFFILIATIONS

- » International Association for Public Participation
- » Association for Conflict Resolution
- » U.S. Institute for Environmental Conflict Resolution

LEWIS MICHAELSON

PUBLIC OUTREACH SUPPORT

President (K&A)

PROFILE

Mr. Michaelson is a facilitator, community relations manager and trainer with over 30 years of experience. He has performed virtually every task common to public involvement programs, including organizing and moderating public meetings, facilitating community and technical advisory groups and preparing fact sheets, brochures, videos, news releases and other public outreach materials. He has also trained over a thousand project managers, public participation practitioners and technical staff in public involvement and risk communication.

Using a collaborative problem solving approach, Mr. Michaelson has facilitated community outreach and consensus for projects and issues involving a wide range of subjects, including regional water supply facilities, wastewater and storm water projects, light rail transit, sea level rise, airport facilities, hazardous waste cleanup, watershed planning, military base closures and expansions, waterfront development and land use management plans. As a facilitator, Mr. Michaelson has also worked extensively on intra- and inter-organizational conflict management issues. This work has involved helping individual agencies develop strategic plans and multiple agencies develop interagency agreements.

Mr. Michaelson has designed and conducted public participation programs in controversial situations that have built trust and credibility for the project proponents through the use of innovative workshops, citizen advisory groups, risk communication and other conflict management techniques. Among the clients he has served in this capacity are the California Department of Water Resources, U.S. Navy, San Francisco Public Utilities Commission (SFPUC), Southern Nevada Water Authority (SNWA), San Diego County Water Authority, San Diego Regional Water Board and the Las Vegas Valley Water District.

Most recently, Mr. Michaelson facilitated a public advisory committee for the Las Vegas Valley Water District convened to make recommendations on service rules and water rate increases for the district. This process resulted in consensus recommendations which were adopted by the district's board and are now being implemented. He is currently facilitating stakeholder consensus building processes for the San Diego and Orange County regional water quality control boards and the city of San Diego's DeAnza Revitalization stakeholder process in Mission Bay. He also supports the facilitation needs of the San Diego Integrated Regional Water Management program on behalf of the San Diego County Water Authority.

In the field of environmental impact assessment, Mr. Michaelson has over 25 years of National Environmental Policy Act (NEPA) experience as a project manager and facilitator, overseeing all aspects of public notification, participation and comment processes. He also has worked on CEQA review processes in California for local municipalities and joint NEPA/CEQA documents such as a California Public Utilities Commission and Bureau of Land Management (BLM) environmental impact report/statement for a proposed electric transmission project that spanned large areas of public and private lands, from remote, rural areas to urban centers. Mr. Michaelson also has in-depth experience working with disadvantaged and environmental justice communities as well as indigenous cultural issues.

Mr. Michaelson is the past president of the International Association for Public Participation (IAP2). As a board member of IAP2, he spearheaded developing the IAP2 Code of Ethics and Core Values for the Practice of Public Participation. He was also one of the three original developers of the IAP2 Foundations of Public Participation training.

RELEVANT PROJECT EXPERIENCE

LAS VEGAS VALLEY WATER DISTRICT RATES AND RULES ADVISORY COMMITTEE

Mr. Michaelson served as the facilitator for a stakeholder committee formed by the district to advise them on a significant update to their service rules and overdue increase and readjustment to their water rates. The committee tackled a large number of thorny issues and the need for change based on the fact that their service territory is rapidly evolving from new development growth mode into redevelopment mode as the city builds out to its boundaries. Full consensus was reached on all issues and the recommendations enjoyed the support of small and large businesses, domestic ratepayers, the environmental community, developers and the gaming industry representatives.

CALIFORNIA DEPARTMENT OF WATER RESOURCES STRATEGIC PLAN FOR FUTURE OF INTEGRATED REGIONAL WATER MANAGEMENT

Mr. Michaelson served as lead facilitator for the

California Department of Water Resources' (DWR) development of a statewide strategic plan for Integrated Regional Water Management. He facilitated public workshops throughout California and meetings of the Stakeholder Focus Group which advised DWR throughout development of the plan.

SAN FRANCISCO PUBLIC UTILITIES COMMISSION WATER SYSTEM IMPROVEMENT PROGRAM

Mr. Michaelson has worked on a variety of SFPUC projects under the Water System Improvement Program, including the Calaveras Dam Replacement Project, Harry Tracy Water Treatment Plant Long-Term Improvements Projects, New Irvington Tunnel Project and the New Crystal Springs Bypass Tunnel. His role has involved risk communication, facilitating strategic planning sessions, stakeholder outreach and strategic communication counsel. Lewis has also provided internal training to public affairs staff and project managers in how to evaluate public outreach challenges and design an appropriate program in response. The trainings addressed how to communicate sensitive findings to stakeholders who may or will be affected by construction projects.

SAN DIEGO AND ORANGE COUNTIES STORM WATER STAKEHOLDER PROCESSES

Mr. Michaelson facilitated a series of stakeholder consensus-building meetings in Orange County, California for developing a new selenium total maximum daily load (TMDL). He is now facilitating a similar process for Orange County's Bacteria TMDL. He is also currently facilitating the Steering Committee for a Cost Benefit Analysis for the bacteria TMDL in San Diego, of which the city of San Diego is a major participant.

SAN DIEGO REGIONAL WATER QUALITY CONTROL BOARD NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM PERMIT RENEWAL STAKEHOLDER FOCUSED MEETINGS

Mr. Michaelson was instrumental in helping the San Diego Regional Water Quality Control Board (RWQCB) implement a successful dialogue process for the NPDES permit renewal by conducting an unprecedented series of meetings involving multiple stakeholders from multiple counties. Lewis

designed and facilitated these meetings while addressing numerous challenges, like the sensitivity of participant selection and the history of litigious and adversarial relationships that some stakeholders had with each other. As a result of the meetings, stakeholder participants agreed they had been listened to and that a degree of trust with RWQCB staff and among stakeholders had been achieved that few had thought possible.

AREAS OF EXPERTISE

- » Strategic Counsel
- » Issues Management
- » Public Affairs

EDUCATION

- » Bachelor of Science in Economics, Political Science Minor, San Diego State University

AFFILIATIONS

- » American Water Works Association
- » Water Reuse Association
- » Water Environment Federation
- » Association of California Water Agencies
- » International Association for Public Participation
- » San Diego Chamber of Commerce Public Policy Committee

SARA M. KATZ

PUBLIC OUTREACH SUPPORT

Founder/CEO (K&A)

PROFILE

Ms. Katz has developed a recognized specialty in creating communication programs for local, state and federal agencies. She has strategized and advised on strategic communication efforts for water resources, land use planning, transportation, education and consumer protection programs. Her wealth of experience ranges from issues management, coalition building and facilitation to strategic planning, media strategy and crisis management.

For 30 years, Ms. Katz has supported public outreach and community involvement programs for major capital improvement projects and controversial public policy issues. She has provided strategic communications and counsel on the City of San Diego \$2 billion Clean Water Program, San Diego County Water Authority (SDCWA) \$1 billion Capital Improvement Program (CIP) and Emergency Storage Program, Southern Nevada Water Authority (SNWA) multi-year \$2 billion CIP, San Francisco Public Utilities Commission (SFPUC) \$4.8 billion Water System Improvement Program and now their multi-billion dollar Sewer System Improvement Program. Sara was also the firm's senior lead for the SFPUC's recent Infrastructure Investment Education Program, which resulted in successfully passing a multi-year rate increase. Additional experience includes City of Fresno Recharge Fresno Program and the City of San Diego Pure Water San Diego (Indirect Potable Reuse) Program. Sara's experience with water and wastewater programs also includes project work in Sydney, Australia and Iraq.

A frequent conference speaker and published writer, Ms. Katz is past chair of the American Water Works Association Public Involvement Committee and was also the recipient of the Advocate of the Year for the California Water Reuse Association. Ms. Katz was honored in late 2013 with the Otto Bos Lifetime Achievement Award by the Public Relations Society of America San Diego chapter and also received the YWCA 2014 TWIN Visionary Award.

RELEVANT PROJECT EXPERIENCE

CITY OF SAN DIEGO PURE WATER SAN DIEGO PROGRAM

Ms. Katz currently participates on the Pure Water San Diego Program executive management team with the City of San Diego's Public Utilities Department and select consultants. The Pure Water San Diego Program public education and outreach program, developed by Katz & Associates, aims to inform community stakeholders about the need for local water resources and the science of water purification technology. Sara works

with the Pure Water San Diego team to develop key messages, provide strategic communication counsel and planning services, conduct speakers and media training, and support the strategic oversight and implementation of the Pure Water San Diego Working Group.

SAN FRANCISCO PUBLIC UTILITIES COMMISSION INFRASTRUCTURE INVESTMENT EDUCATION PROGRAM

Ms. Katz supervised the development and implementation of an education program to help San Francisco ratepayers understand the value of investing in water and wastewater infrastructure and the need for associated rate increases. She provided strategic counsel, developed key messages, reviewed collateral material, conducted presentation and message trainings, and performed internal briefings and stakeholder interviews, and research management. In July of 2014, the first rate increase of a four year schedule of increases became effective to support needed investments for water and wastewater infrastructure project.

CITY OF FRESNO WATER INFRASTRUCTURE IMPROVEMENT PROGRAM

Ms. Katz and her team have developed a strategic communication and construction relations plan, and assisted with project branding, message development and development of informational materials associated with this complex, long-term infrastructure improvement program valued at close to one-half billion dollars. Her involvement was instrumental in helping the City move forward with a second 218 process after their first/prior rate increase was rescinded by their City Council due to public opposition and a proposed voter referendum.

CITY OF PALMDALE INDIRECT POTABLE REUSE PROGRAM ENVIRONMENTAL IMPACT REPORT

Ms. Katz is supporting the preparation of a strategic communications plan, which will assist the public participation requirements for completing the Palmdale Indirect Potable Reuse Project Environmental Impact Report (EIR). Assistance with the California Environmental Quality Act (CEQA) review process

includes coordinating and facilitating scoping meetings and creating fact sheets about the EIR process. In addition to assisting with CEQA requirements, Katz & Associates is working with the engineering and environmental team to raise awareness about the importance of investing in vital infrastructure and advances in water purification technology to support the indirect potable reuse efforts.

SAN DIEGO COUNTY WATER AUTHORITY EMERGENCY STORAGE PROJECT

From concept to final construction, Ms. Katz led the Katz & Associates team's role for the SDCWA as the senior strategist and principle-in-charge for nearly 20 years. Starting in 1992 and ending in 2011, Katz & Associates led SDCWA through their first community-based decision-making effort to frame and plan for a more than \$1 billion storage program, which included an exhaustive process to site and design a new dam and reservoir - the first in San Diego County in over 50 years. Whether it be helping chart the tour itineraries for the storage program, helping design the elements of an information center, accompanying board members to key stakeholder meetings or participating in a monthly program management team meeting (over a period of 10 years), Ms. Katz was an active participant in every phase and facet of the communication program that was key to the overall success of this significant and award-winning capital improvement program.

CITY OF SAN DIEGO CLEAN WATER PROGRAM

Ms. Katz led the Katz & Associates' outreach team in supporting the City of San Diego with on-site community relations specialists and off-site strategic program counsel throughout the 15-year program. Serving as an extension of City of San Diego staff, Sara and key staff successfully managed the many stakeholder challenges of this massive public works effort, which included rate issues, siting of facilities, working with regulators, managing the environmental compliance efforts, providing risk communications training, advancing information through various media outlets, facilitating design charrettes, conducting numerous tours of local and regional facilities and many other public outreach

activities. The outreach program, considered a first of its kind in San Diego, won many industry awards.

SOUTHERN NEVADA WATER AUTHORITY CAPITAL IMPROVEMENTS PROGRAM

Ms. Katz was the senior strategist for the SNWA's CIP community engagement process. She led the region-wide effort to raise awareness about investing in water, wastewater and stormwater infrastructure, and gain support for the 20 year CIP. Sara and her team supported all facets of SNWA's two decade CIP which represented close to \$2B in new infrastructure. Her team was instrumental in the passage of a ¼ penny sales tax that was earmarked for water/wastewater investments. K&A has onsite specialists work for/with SNWA over this 20 year endeavor.

CITY OF HOUSTON GREATER HOUSTON WASTEWATER PROGRAM

To fulfill Environmental Protection Agency administrative order to control wet weather overflows of the sanitary sewer system, the Greater Houston Wastewater Program (GHWP) was developed. The GHWP is a special entity where City of Houston employees and private-sector consultants teamed to administer a \$1.2 billion construction budget, consisting of an estimated 382 separate projects over a five-year period. The proposed projects impacted dozens of neighborhoods throughout the City of Houston. Ms. Katz and Katz & Associates' on-site communications specialist worked alongside the multi-disciplinary team to develop a public education program that informed residents about specific construction projects impacting their neighborhoods. The communication and outreach activities gained public acceptance of the GHWP and resulted in community-negotiated compromise solutions on controversial projects.

AREAS OF EXPERTISE

- » Facilitation
- » Strategic Counsel
- » Intergovernmental Affairs

EDUCATION

- » Bachelor of Arts in Social Sciences, Southern Methodist University
- » Master of Science in Public Administration, San Diego State University
- » Master of Science in Library Science, Texas Women's University

AFFILIATIONS

- » American Water Works Association
 - » Technical and Educational Council
 - » Former Chair, Public Affairs Council
- » Association of California Water Agencies
- » Water Reuse California
 - » Board of Trustees
- » Water Reuse Research Foundation
 - » Research Advisory Committee

PATRICIA TENNYSON

PUBLIC OUTREACH SUPPORT

Executive Vice President (K&A)

PROFILE

Ms. Tennyson is a public affairs and communication specialist with 25 years of experience in the water industry. She develops and assists in implementing community and government relations programs, and communication and public affairs strategies throughout the United States. Her experience includes providing strategic counsel, designing presentations to inform policy-makers and the community about a variety of technical issues, developing and implementing public outreach and involvement strategies, facilitating community workshops, environmental hearings and citizen advisory committees, and providing strategic counsel to a wide range of clients. This experience includes informing and involving the public on important topics related to water including quality, sources and rates environmental cleanup programs, and potable reuse.

Nationally, Ms. Tennyson has worked on projects for the New York City Department of Environmental Protection (NYCDEP), Denver Water, Honolulu Board of Water Supply, El Paso Water Utilities, Lacey-Olympia-Tumwater-Northern Thurston County (LOTT) Clean Water Alliance, San Francisco Public Utilities Commission (SFPUC), West Basin Municipal Water District, San Diego County Water Authority (SDCWA), Santa Clara Valley Water District, City of San Diego, City of Fresno, City of Aurora, U.S. Navy and Army Corps of Engineers, among others.

Ms. Tennyson has also facilitated community advisory groups grappling with water rate issues and providing input to cost of service and rate studies. This experience includes facilitating a community advisory group looking at rate increase proposals for Parker, Colorado, as well as managing the outreach task for the City of Lomita's Water Rates Study and the City of San Diego Public Utilities Department's most recent cost of service study. Among a variety of other activities for these efforts, she developed public outreach plans and key messages, and drafted Prop 218 notices, fact sheets and frequently asked questions documents. She also managed the Prop 218 noticing process to City of Lomita customers and facilitated the community meeting/openhouse event to present the cost of service study. Ms. Tennyson served in a similar role for Western Municipal Water District's Prop 218/Water Rate Increase.

In addition, Ms. Tennyson brings unparalleled experience on communicating about the science of water purification technology and potable reuse. Recently, Patricia was co-principal investigator for two Water Re-

use Research Foundation research projects on public outreach: one for desalination and the other for direct potable reuse. She has also developed public outreach strategies and informational materials for a proposed seawater desalination project and a variety of recycled water projects, including potable reuse projects for the Orange County Water District, City of Aurora, Santa Clara Valley Water District and the City of San Diego, among others, including having provided public outreach support for El Paso Water Utilities' direct potable reuse project.

RELEVANT PROJECT EXPERIENCE

MODEL COMMUNICATION PLANS FOR INCREASING AWARENESS AND FOSTERING ACCEPTANCE OF DIRECT POTABLE REUSE

Ms. Tennyson is the co-principal investigator for this recently published research project. In addition to public opinion research and in-depth interviews with water agency staff, California legislators, regulators and representatives of business and environmental groups, the project includes both a state-level and local model communication plan for increasing awareness and fostering acceptance of direct potable reuse. These plans are designed to be blueprints on how to develop potable reuse public outreach programs nationally, with an emphasis on California.

SAN FRANCISCO PUBLIC UTILITIES COMMISSION WATER SYSTEM IMPROVEMENT PROGRAM

Since 2008, Ms. Tennyson has played a key role in designing and conducting training seminars for SFPUC, which has included topics such as construction relations and conflict resolution. She has also worked closely with the Water System Improvement Program (WSIP) staff to develop communication plans for a variety of projects, including local water supply outreach and a rapid response plan for use by WSIP and SFPUC communications staff. In addition, she facilitated the Project Alternatives Workshop Series for the Westside Recycled Water Project.

SANTA CLARA VALLEY WATER DISTRICT – PURE WATER SILICON VALLEY

Since 2010, Ms. Tennyson has served as the project

supervisor for Santa Clara Valley Water District's recycled water communications program. This role has involved developing and implementing a strategic communication plan, drafting informational materials based on developed messages, assisting with media relations efforts and conducting training workshops for the program's Silicon Valley Advanced Water Purification Center tour guides. The program is currently focused on implementing Santa Clara Valley Water District's potable reuse program, known as Pure Water Silicon Valley, which will involve constructing five specific projects.

ORANGE COUNTY WATER DISTRICT AND ORANGE COUNTY SANITATION DISTRICT GROUNDWATER REPLENISHMENT SYSTEM

Ms. Tennyson provided strategic counsel to the outreach team that developed the public outreach plan and implementation program for the Orange County Groundwater Replenishment System. Her involvement included reviewing and analyzing news coverage on water issues and potable reuse projects to evaluate potential project challenges, actively monitoring a variety of recycled water websites and providing relevant information and strategic guidance to project team members.

SAN DIEGO COUNTY WATER AUTHORITY EMERGENCY STORAGE PROGRAM

Ms. Tennyson was involved with the SDCWA Emergency Storage Program from commencement through to construction, nearly a 20 year engagement. While at SDCWA, as project supervisor, she provided strategic counsel to the engineering, environmental and finance teams. When she joined Katz & Associates, she supervised public outreach strategies and tactics for the project, which included developing informational materials, conducting community outreach programs during construction of a new dam, reservoir and pipelines and managing a variety of public meeting formats. She also moderated environmental scoping meetings, designed public involvement processes and facilitated community working groups. Several of the Emergency Storage Program projects were subject to FERC oversight, and CEQA, NEPA and U.S. Army Corps of Engineers regulations.

Pure Water San Diego. Ms. Tennyson supervised the award-winning, comprehensive public education and outreach program for the City of San Diego Water Purification Demonstration Project, now known as Pure Water San Diego. She continues to lead outreach efforts pertaining to the full-scale project and its benefits as a new, local water supply. Katz & Associates utilizes a variety of techniques to inform residents and alleviate concerns about potable reuse and raise awareness about the importance of local water resources. As part of the coordinating committee, she develops key messages, provides strategic communication counsel and planning services, conducts speaker and media training and continuously supports the strategic oversight and implementation of the Pure Water San Diego Working Group, a diverse committee of over 40 stakeholders that serve as a sounding board for the City of San Diego and ambassadors for the multi-year program.

AREAS OF EXPERTISE

- » Public Outreach
- » Online Communications
- » Event Coordination
- » Research

EDUCATION

- » Bachelor of Arts, Literary Journalism, University of California, Irvine

AFFILIATIONS

- » WaterReuse California

MEGAN DRUMMY

PUBLIC OUTREACH SUPPORT

Account Executive II (K&A)

PROFILE

Ms. Drummy specializes in developing and implementing public outreach and communications programs for federal, state and local clients. She has exceptional skills in the areas of writing, materials development, problem solving, event planning, and client and task management. These skills and her keen ability to anticipate challenges and proactively provide solutions has aided in successfully planning and managing public outreach and communications programs for water, transportation and military projects.

Prior to joining Katz & Associates, Ms. Drummy worked as a library aide for the San Diego Public Library. In addition to providing customer service, she also planned and booked events and conducted local media relations. She spent a year teaching a weekly self-created and run "Improve Your Writing Skills" class for grade school students.

Ms. Drummy was also a marketing and communications intern with the San Diego Public Library Foundation. At this position she wrote articles and press releases, created informational displays and brochures, maintained contact and media lists, and updated the library and the Library Foundation's social media sites. She helped coordinate events, including the groundbreaking for the new Central Library and San Diego's National Library Week.

RELEVANT PROJECT EXPERIENCE

PURE WATER SANDIEGO, CITY OF SANDIEGO

Ms. Drummy spent more than four years as a full-time on-site consultant/outreach specialist for the Pure Water San Diego Program. She coordinated and guided public tours of the Pure Water Facility, booked and gave speakers' bureau presentations, staffed community events, built stakeholder and media lists, developed content for social media, wrote and edited outreach materials and worked with K-12, high school and college students to inform them about the program. She led the expansion of the program's youth outreach, including working with San Diego schools and local non-profits to create lesson plans about Pure Water, designing youth specific activities and presentations, and working with the Girl Scouts to create a Pure Water patch. She has also written communication and governance plans and developed tour program materials including display boards, banners, tour pathway signage and videos. Ms. Drummy continues to work on the Pure Water Program providing communications counsel and support for new Pure Water construction projects that are currently in the design phase. Additional Project Experience

ADDITIONAL PROJECT EXPERIENCE

- City of San Diego Planning Department – Developed public involvement plan
- California High Speed Rail Authority – Staffed open house events
- Orange County Transportation Authority Rail Safety Program – Worked at community events
- City of San Diego Think Blue Program – Conducted outreach surveys
- U.S. Air Force F-35A – Placed public notice advertisements for public hearings and booked venues
- Eastern Municipal Water District – Developed communication plan and fact sheets and conducted stakeholder research

TECHNICAL SPECIALTIES

- » Utility cost of service and rate structure studies
- » Financial planning studies
- » State revolving fund assistance

PROFESSIONAL HISTORY

- » Raftelis Financial Consultants, Inc.: Manager (2017-present); Senior Consultant (2009-2016); Staff Consultant (2007-2009)
- » Merati Economic Group: Economics Analyst (2006-2007)

EDUCATION

- » Master of Business Administration - California State University, Los Angeles (2007)
- » Bachelor of Science, Business Administration – California State University, Los Angeles (2006)

HANNAH PHAN

WASTEWATER AND RECYCLED WATER LEAD Manager (RFC)

PROFILE

Ms. Phan has over 10 years of consulting experience in financial planning and cost of service studies. She has served as a lead consultant on numerous water, wastewater, and recycled water rate studies, cost of service studies, connection fee studies, and valuation studies. Her specific experience includes projects for the Cities of San Diego, Ventura, Palo Alto, Brentwood, Santa Barbara, Santa Monica, Anaheim, Ontario, Escondido, Redlands, Torrance, Chino, and Banning, Napa Sanitary District, Central Contra Costa Sanitary District, East Bay Municipal Utility District, Casitas Municipal Water District, Calleguas Municipal Water District, Goleta West Sanitary District, and Carpinteria Sanitary District, and the City of North Las Vegas, Nevada and Tacoma Environmental Services Department in Washington. Ms. Phan has an MBA and is an experienced modeler with strong analytical skills.

RELEVANT PROJECT EXPERIENCE

EAST BAY MUNICIPAL UTILITY DISTRICT (CA)

Ms. Phan served as Lead Consultant for a comprehensive wastewater cost of service study for East Bay Municipal Utility District (District). The last comprehensive cost of service study was done in 2000 for the wastewater treatment charges. As part of the study, RFC thoroughly examined the District's cost structure, analyzed wastewater flow and customer data, and evaluated alternative rate structures to develop an equitable rate structure that meets Proposition 218 requirements and the District's goals and objectives. While the proposed treatment rates retain the current rate structure, which includes a fixed monthly service and strength charge and a variable flow charge with a cap at 10 hundred cubic feet (hcf) per dwelling unit per month for residential customers, and a fixed monthly service charge and a variable flow charge per hcf based on customer classification for apartment buildings and non-residential customers, the individual rates are realigned to reflect the cost of service. The District's current rate structure also includes a fixed annual charge per dwelling units (up to five dwelling units) for single- and multi-family customers and per parcel for non-residential customers for wet weather facilities. This rate structure was developed in late 1980s. RFC and District staff evaluated various alternatives for the wet weather facilities charge to ensure equity amongst customer classes. The proposed wet weather facilities charge will be based on the average parcel size for each customer class, which has a stronger cost of service basis than the current rate structure.

CITY OF VENTURA (CA)

RFC completed a water, wastewater, and recycled water cost of service and rate study for the City of Ventura (City). The City had not updated its rate structure in 20 years. Additionally, the City was under a cease and desist order that required the City to carry out improvements estimated at more than \$55 million, and which the City wanted to start funding to mitigate impacts. The study included a comprehensive review of the City's revenue requirements and allocation methodology, review of the City's user classification, usage patterns, a cost of service analysis, and rate design for City users. RFC developed long-range financial plans so that the water and wastewater utilities could be financially stable and save costs in the long run. We also assisted the City with developing different water and wastewater rate alternatives with various scenarios as well as calculating outside-city rates. Ms. Phan served as the lead consultant for this project, responsible for building the rate models, preparing the scenarios and conducting economic analyses of the alternative scenarios.

CITY OF BRENTWOOD (CA)

Ms. Phan served as Lead Consultant for a water and wastewater rate study for the City of Brentwood (City) that involved a comprehensive review of the City's financial plan and rate structure. The City has a total of over 17,500 water and wastewater accounts. Water is supplied through two main sources: local groundwater, from the City's groundwater wells, and surface water that originates from rivers within the Sierra mountain range and flow into the Delta. Surface water is treated at the City of Brentwood Water Treatment Plant (Brentwood TP) and the Randall Bold Water Treatment Plant (RBWTP). Wastewater services are provided by the City's Wastewater Treatment Plant with a capacity to treat 5.0 million gallons of wastewater per day (MGD). The study included a comprehensive review of the City's revenue requirements and allocation methodology, a review of City's user classification, a cost of service analysis, and rate design for City users. The resulting rates were fair and equitable and met the fiscal needs of the City's utilities in the context of the City's overall policy objectives and were designed for simplicity of

administration, cost effective implementation and ease of communication to customers. The study also included drought surcharges that vary based on the water shortage level that the City can implement as necessary to recover the revenue shortfall that occurs as a result of demand reduction during water shortage situations. RFC developed a user friendly model so that various scenarios could be evaluated on the fly. The City appreciated the flexibility of using this model during the course of the study. RFC calculated wastewater rates based on flow and strength for different classes of customers. RFC assisted with the Proposition 218 notice and the public hearing.

CENTRAL CONTRA COSTA SANITARY DISTRICT (CA)

Ms. Phan served as Lead Consultant for a comprehensive wastewater cost of service study for Central Contra Costa Sanitary District (District). As part of the study, RFC thoroughly examined the District's customer classification, cost structure, analyzed wastewater flow and strength data, and evaluated alternative rate structures to develop an equitable rate structure that meets Proposition 218 requirements and the District's goals and objectives. The District's Board of Directors was engaged throughout the study process via workshop presentations. Several changes were recommended to the District's rate structure to enhance equity to customers. Additionally, RFC reviewed recycled water rates and developed a wholesale rate for sales to the local water district. Ms. Phan developed the financial plan and cost of service model for the District that allowed the District to quickly review scenarios and evaluate alternatives in workshop settings. This tool proved invaluable when presenting the results in a graphical format to the District Board of Directors because it enabled them to easily see the impacts of different policy decisions on wastewater rates and customer impacts in real-time. As a result, the Board unanimously adopted the proposed wastewater rates for the next two fiscal years, effective July 1st of 2015 and 2016.

NAPA SANITATION DISTRICT (CA)

Ms. Phan served as lead analyst for a recycled water rate study for the Napa Sanitation District (District).

The District was required to restrict summer discharge of its wastewater into the river. The District made improvements to its treatment plant to produce recycled water and then provided incentives to customers to use the recycled water. The agreement with customers was ending in two years, but the District wanted to enlarge the recycled water facilities and enroll new customers into the recycled water program. The District also wanted to review the improvements and determine the impact of the new recycled water rates. RFC developed a financial and rate model that considered the new customers and revised rates and the impact of providing discounted rates on wastewater customers. The District held a meeting with the recycled water users and obtained input on issues of concern to them. RFC provided support to the District and evaluated the results of the conducted surveys to define the rates.

CASTAIC LAKE WATER AGENCY (CA)

Ms. Phan served as lead analyst for a financial plan wholesale water rate study for the Agency. As part of the project, RFC developed a comprehensive financial plan that evaluated various financial alternatives to minimize financial risks to the Agency. The Agency received a significant portion of its revenue stream from property tax, which it used to fund capital improvement projects and costs related to its Buena Vista/ Rosedale Rio Bravo (BV/RRB) water supply. The current wholesale water rate only recovered operating costs of the system. The Agency was concerned that property tax revenue would significantly decrease in the future, which would severely impact its operations and require significant rate increases. Thus, RFC analyzed several alternatives to gradually fund more of the BV/RRB costs from the wholesale water rates so that it wouldn't be as dependent on property tax revenues. RFC also reviewed and evaluated numerous alternative wholesale water rate structures to enhance revenue stability and promote conjunctive water use in the Santa Clarita Valley among the four purveyors within the system. Since the current wholesale water rate was 100% variable, one of the objectives of the Agency was to enhance revenue stability by incorporating a fixed charge in its wholesale rate structure to ensure recovery of a portion of its

fixed costs. RFC presented four rate structure alternatives to the Board, and the Agency implemented a fixed and variable rate structure in which the fixed costs were recovered based on each purveyor's previous three-year average of total water demand.

CITY OF SANTA BARBARA (CA)

Ms. Phan has been assisting the City of Santa Barbara (City) with their water and wastewater financial plans and cost of service rates studies involving rates for different customer classes including agriculture, outside City, tiered residential, commercial etc. Ms. Phan has also been assisting the City with drought rates to address the water shortage conditions during the drought. Wastewater rates were developed for various funding sources including grants and SRF loans.

CITY OF SOUTH PASADENA (CA)

Ms. Phan assisted the City in conducting a financial plan and rate study for its water and wastewater enterprises as the lead analyst. The City had expressed some concerns about financial stability and anticipated significant capital expenses associated with water and sewer line replacement in the upcoming years, as well as necessary improvements to meet state regulations. As a part of the financial plan development process, RFC evaluated the City's existing accounts and consumption patterns as well as its existing rate structure to evaluate and project revenues. These revenues were compared to existing and projected revenue requirements, including operating and capital expenses as well as existing debt service obligations. The results of the study included a financial plan dashboard which allowed the City to evaluate various financial plan scenarios, including the necessary levels of revenue adjustments required and capital funding options available in order to meet its required coverage ratios and target reserve balances.

TACOMA ENVIRONMENTAL SERVICES (WA)

RFC is currently conducting a comprehensive wastewater, surface water, and solid waste financial plan and cost of service study for Tacoma Environmental Services (Tacoma). A key objective of the project is to provide Tacoma with a financial model that can be

linked with the SAP system so that future annual updates can be automatic. The model also has ability to conduct sensitivity analyses on several different issues, such as debt refinancing, varying levels of increases in assessments costs, etc. The study also included a long-range financial plan to ensure financial stability for all three utilities. Ms. Phan served as the lead consultant on this project, responsible for building the rate models, preparing presentations and conducting sensitivity analyses.

CITY OF PALO ALTO (CA)

The City of Palo Alto (City) engaged RFC to conduct a water cost of service and rate study. The study included a comprehensive review of the City's revenue requirements and allocation methodology, review of the City's user classification, usage patterns, a cost of service analysis, and rate design for City users. The study also included a review of the peaking characteristics of different customer classes, an analysis of the master-metered MFR customers, and a review of separate charge for higher elevation customers. RFC conducted the study with input from the Utilities Advisory Commission made up of City residents. Ms. Phan assisted in conducting the cost of service analysis and customer impacts.

CITY OF SAN DIEGO (CA)

RFC assisted the City of San Diego (City) in conducting a water, wastewater, and recycled water rate study to evaluate the costs of providing utility services and the rates to charge customers. The study included a comprehensive review of the City's revenue requirements and allocation methodology, review of the City's user classification, an analysis of cost-of-service and rate design for City users. The rate structure was modified to provide a more equitable sharing of costs consistent with regulatory requirements. The recycled water rate study involved evaluation of various scenarios involving capital projects with increased sales, cost sharing between water and wastewater, phasing in rates, repayment of past costs incurred by water to fund the recycled water program. Ms. Phan assisted in building the rate models, preparing the scenarios and conducting economic analyses of the alternative scenarios.

CITY OF BEVERLY HILLS (CA)

The City of Beverly Hills (City) engaged RFC to develop a rate and financial planning model that would be used to review customer classes, evaluate alternative rate structures and to provide more detailed forecasts to assist in the preparation of updating rates in future years.

The City's water rate structure consisted of a three-tiered increasing block water rate structure with no differentiation among customer types. RFC modeled numerous alternative rate structures and reviewed customer and revenue impacts before recommending that the City modify its current three-tiered rate structure to include a fourth tier that targets large irrigation usage. The City's wastewater rates were restructured to more equitably recover the costs of servicing the different customer classes to conform to EPA regulations. RFC continues to provide updates to the City so that the enterprise funds can continue to be financially stable. Ms. Phan assisted in conducting the pricing objectives to determine the objectives most important to the City's stakeholders and developed the water and wastewater rate models to determine the appropriate rates and rate structure for the City's utility services.

CITY OF ANAHEIM (CA)

The City of Anaheim (City) engaged RFC to conduct a water cost of service rate study. To address the financial objectives of the City and identify a water rate structure that is fair and equitable while sufficiently recover the costs of providing water service, RFC developed a water rate and financial planning model to calculate and forecast cost justified water rates appropriate to recover the operating and capital costs of the wastewater enterprise over a 20-year planning period.

OLIVENHAIN MUNICIPAL WATER DISTRICT (CA)

Ms. Phan assisted the Olivenhain Municipal Water District (District) in conducting a water financial plan study and a recycled water rate study to determine the recycled water rates charged to customers. The water financial planning model was developed to assist the District in evaluating different financ-

ing alternatives to minimize rate impacts and ensure financial stability. The water model was effectively used in Board meetings and presentations to evaluate the impacts of various scenarios. The recycled water rate study was conducted to determine the recycled water rates charged to customers given that the District obtains recycled water from four different sources: the City of San Diego, Vallecitos Water District, Rancho Santa Fe Community Services District, and the 4S Regional Recycled Water System. The existing agreements defined the costs of different sources of recycled water to the District. To address all of those issues and concerns, RFC developed a recycled water financial and rate model to determine the costs of providing service and the required revenue to be collected from customers. In addition, the model is built to evaluate when the District is able to take over the 4S Regional Recycled Water System, as stated in the agreement with the developer.

GOLETA WEST SANITARY DISTRICT (CA)

The Goleta West Sanitary District (District) was evaluating several alternatives regarding constructing their own wastewater treatment plant and expanding the current facility at Goleta Sanitary District, where the District has been sending their wastewater for treatment. RFC built a financial planning model for the District to find the most economically effective option. Furthermore, the District engaged RFC in conducting a miscellaneous fee study to evaluate the current fee structures to better represent the cost of service. Ms. Phan assisted in conducting economic analyses of the alternatives and developing the miscellaneous fee model for the District.

OTHER RELEVANT PROJECT EXPERIENCE

- City of Anaheim (CA) - Water Cost of Service Rate Study
- City of Banning (CA) - Water, Wastewater, and Recycled Water Rate and Connection Fees Study
- Beaumont-Cherry Valley Water District (CA) - Water Rate Study
- City of Beverly Hills (CA) - Rate and Financial

Planning Model

- Carpinteria Sanitary District (CA) - Wastewater Rate Study
- Castaic Lake Water Agency (CA) - Wholesale Water Rate Study
- Clark County Water Reclamation District (NV) - Sewer Cost of Service Study
- City of Escondido (CA) - Water and Wastewater Rate and Fees and Connection Fees Study, and Water Budget Study
- Goleta West Sanitary District (CA) - Financial Planning Model and Miscellaneous Fee Study
- Jurupa Community Services District (CA) - Water and Wastewater Rate Study
- Napa Sanitation District (CA) - Recycled Water Rate Study
- City of North Las Vegas (NV) - Water and Wastewater Rate Studies
- Olivenhain Municipal Water District (CA) - Recycled Water Rate Study
- City of Ontario (CA) - Water, Wastewater, and Solid Waste Rate Studies
- City of Palo Alto (CA) - Water Cost of Service Rate Study
- City of Redlands (CA) - Water, Wastewater and Connection Fees Cost of Service Study
- City of San Diego (CA) - Water, Wastewater, and Recycled Water Rate Study
- City of Santa Barbara (CA) - Water and Wastewater Rate Study
- City of Santa Monica (CA) - Wastewater Cost of Service Study
- City of South Pasadena (CA) - Water and Wastewater Rate Study
- Tacoma Water Department (WA) - Water Financial Plan Study
- Tacoma Environmental Services (WA) - Wastewater, Surface Water, and Solid Waste Study

TECHNICAL SPECIALTIES

- » Model development
- » Financial analysis
- » Cost of service studies
- » Conservation rate structure design
- » Connection/development fee studies
- » Economic analysis
- » Cost benefit analysis
- » Demand forecasting
- » Econometric analysis

PROFESSIONAL HISTORY

- » Raftelis Financial Consultants, Inc.: Vice President (2015-present); Senior Manager (2012-2014); Manager (2009-2012)
- » Red Oak Consulting, Division of Malcolm Pirnie (2007-2009)
- » MuniFinancial (2005-2006)
- » A & N Technical Services (1999-2003)
- » United States Peace Corps, Bulgaria (1995-1997)

EDUCATION

- » Master of Public Administration, Public Administration/International Development, Kennedy School of Government - Harvard University (2003)
- » Master of Science, Applied Economics - University of California, Santa Cruz (1994)
- » Bachelor of Arts, Economics and Environmental Studies - University of California, Santa Cruz (1992)

PROFESSIONAL REGISTRATIONS

- » Who's Who in America, 63rd Edition (2009)
- » Finalist, National Venture Competition (2003); Goldman Sachs Foundation
- » Roy Environmental Fellowship (2002), Kennedy School of Government, Harvard University
- » Academic Scholarship (2001-2003), Kennedy School of Government, Harvard University
- » Certificate of Outstanding Service (1997), United States Peace Corps

PROFESSIONAL MEMBERSHIPS

- » American Water Works Association - Rates and Charges Committee
- » California Society of Municipal Finance Officers

SANJAY GAUR

ALTERNATIVE RATE STRUCTURES EXPERT

Vice President (RFC)

PROFILE

Mr. Gaur has 18 years of public-sector consulting experience, primarily focusing on providing financial and rate consulting services to water and wastewater utilities. His experience includes providing rate structure design, cost of service studies, financial analysis, cost benefit analysis, connection/development fee studies, conservation studies, and demand forecasting for utilities spanning the west coast. His project experience includes engagements with the Metropolitan Water District of Southern California, San Diego County Water Authority, Eastern Municipal Water District, Alameda County Water District, and East Bay Municipal Water District, among many others. Mr. Gaur is considered one of the leading experts in the development of conservation rate structures. He has often provided his insight into utility rate and conservation-related matters for various publications and industry forums, including: authoring articles in *Journal AWWA*; being quoted in various newspaper articles including the *Los Angeles Times* and the *New York Times*; participating in a forum regarding the future of water in Southern California sponsored by the Milken Institute; being quoted on National Public Radio; speaking at various industry conferences including American Water Works Association (AWWA), the Utility Management Conference, Association of California Water Agencies, and California Society of Municipal Finance Officers; and, co-authoring several industry guide books including AWWA's *Manual M1 Principles of Water Rates, Fees and Charges, 6th Edition* as well as AWWA's *Water Rates, Fees, and the Legal Environment, Second Edition*. Mr. Gaur co-authored a chapter entitled, "Understanding Conservation and Efficiency Rate Structures," for the Fourth Edition of the industry guidebook, *Water and Wastewater Finance and Pricing: The Changing Landscape*. Mr. Gaur is also active in a number of utility-related associations, including serving as a member of AWWA's Rates and Charges Committee.

RELEVANT PROJECT EXPERIENCE

CITY OF HUNTINGTON BEACH (CA)

Mr. Gaur served as Project Manager for a sewer cost-of-service and rate design study. The engagement called for the redesign

of rates to achieve City's policy goals associated with improving inter-class equity, reducing administrative burden, and maintaining revenue stability, while adhering to cost-of-service principles.

Mr. Gaur also served as the Project Manager in evaluating a water budget rate structure for the City. This included workshop with staff on developing a water budget framework that is consistent with City policy and the development of a water budget model that can calculate the associated rates and estimate customer impacts.

RANCHO CALIFORNIA WATER DISTRICT (CA)

Mr. Gaur assisted Rancho California Water District (District) in the development of a water budget rate structure. The project required the consultant to develop a flexible water budget model that could do multiply block with allocation and determine the appropriate revenue within a month. The team was successfully able to accomplish this task and assisted the District in implementing the new water budget rate structure. The rates were successfully adopted in November 2009.

Mr. Gaur also assisted the District in the development of a New Water Demand Offset Fee. The New Water Demand Offset Program is a form of funding of conservation measures that will help to create sustainable, zero water footprint development. New developments will pay fees called New Water Demand Offset Fees to create potable water savings in the existing system to support water demand generated by new developments. Water savings can be achieved by converting irrigation accounts to recycled water or installing high efficiency retrofits to replace inefficient fixtures for existing accounts in RCWD. This fee is expected to be adopted in February 2010.

WESTERN MUNICIPAL WATER DISTRICT (CA)

Mr. Gaur served as Project Manager for the implementation of a water budget rate study, which included facilitating and leading a discussion on the policy options associated with the development of a water budget rate study. Based on these policy options, a water budget model was developed that

can evaluate different allocation factors for indoor and outdoor water use, determine price ratios for the corresponding tiers, and develop the corresponding rates and customer impacts.

Mr. Gaur served as the Project Manager for the development of a financial model for the District. The model has the ability to examine the 14 different fund centers of the District, develop and save different Capital Improvement Plan scenarios, examine the financial consequences of these scenarios and compare the results. In addition the model has the ability to aggregate the fund centers by water, wastewater or by the whole District. The model is currently being utilized by the District to examine long term health of the District.

EL TORO WATER DISTRICT (CA)

Mr. Gaur assisted El Toro Water District in the development and implementation of a water budget rate structure. This included facilitating the discussion on the policy options associated with the allocation factors for indoor and outdoor needs with staff and the Board, the development of a water budget model, and ensuring the billing system is compatible with the new requirements associated with the water budget rate structure. The new rate structure was adopted in June 2010.

EASTERN MUNICIPAL WATER DISTRICT (CA)

Mr. Gaur served as Project Manager for rate structure evaluation study by assisting Eastern Municipal Water District (EMWD) managers and Board in the evaluation and assessment of the feasibility of implementing a water budget rate structure. Mr. Gaur also moderated a series of three interactive workshops to examine a water budget rate structure and its ability to meet EMWD policy goals such as equity, conservation and revenue stability. EMWD was successfully able to implement a water budget rate structure in April 2009.

EAST BAY MUNICIPAL UTILITY DISTRICT (CA)

Mr. Gaur is currently serving as Project Manager for a comprehensive wastewater cost of service study for East Bay Municipal Utility District (District). The

last comprehensive cost of service study was done in 2000 for the wastewater treatment charges. As part of the study, RFC thoroughly examined the District's cost structure, analyzed wastewater flow and customers data, and evaluated alternative rate structures to develop an equitable rate structure that meets Proposition 218 requirements and the District's goals and objectives. While the proposed treatment rates retain the current rate structure, which includes a fixed monthly service and strength charge and a variable flow charge with a cap at 10 hundred cubic feet (hcf) per dwelling unit per month for residential customers, and a fixed monthly service charge and a variable flow charge per hcf based on customer classification for apartment buildings and non-residential customers, the individual rates are realigned to reflect the cost of service. The District's current rate structure also includes a fixed annual charge per dwelling units (up to five dwelling units) for single- and multi-family customers and per parcel for non-residential customers for wet weather facilities. This rate structure was developed in late 1980s. RFC and District staff evaluated various alternatives for the wet weather facilities charge to ensure equity amongst customer classes. The proposed wet weather facilities charge will be based on the average parcel size for each customer class, which has a stronger cost of service basis than the current rate structure.

ALAMEDA COUNTY WATER DISTRICT (CA)

Alameda County Water District (District) currently has a uniform rate structure and is interested in developing a conservation rate structure that will assist them in promoting water efficiency, comply with regulatory requirements of SBx7-7, achieve revenue stability and is equitable. Mr. Gaur served as the Project Manager and led a series of workshop with the Executive Management and the Board of Directors in evaluating and identifying the proper rate structure that meets their objectives. Based on this outcome, RFC developed a conservation rate structure that can compare different types of inclining and water budget rate structure and evaluate the customer impacts associated with these rate structures.

PASADENA WATER AND POWER (CA)

Mr. Gaur served as Project Manager for comprehensive water cost-of-service and rate design study. Developed long-range financial plan with evaluation of recycled water program, rate stabilization fund, and drought scenarios. He also performed a cost-of-service analysis and redesigned rates to adhere to cost-of-service principles and the legal requirements of California Proposition 218.

CITY OF RENO (NV)

Mr. Gaur served as Project Manager for sewer rate and connection fee study and included the development of a long-range financial plan for sewer fund with evaluation of several different capital improvement program scenarios, debt/cash funding combinations and reserve funds. As part of the study, Mr. Gaur also performed a cost-of-service analysis and developed sewer rates and connection fees to meet policy goals of revenue stability and fairness.

CITY OF RIO VISTA (CA)

This engagement called for a preliminary study for water and sewer rate and impact fee.

SAN DIEGO COUNTY WATER AUTHORITY (CA)

Mr. Gaur examined SDCWA's prior practices, made recommendations, and developed an index model that determined the appropriate inflation and escalation factor for capital projects. A Monte Carlo simulation was used with the escalation factor of the index model to develop distribution estimates.

Mr. Gaur also developed a rate model for the water authority which allocated resources and costs to member agencies. The model was used to develop different allocation scenarios based on historical and spatial factors and served as a tool to guide decision making process in determining fair and equitable allocations.

AMERICAN WATER COMPANY (CA)

The City of Monterey's water rate structure allowed for water budget programs determined by household size, lot size, zip code, and the number of large

animals in the service area. Mr. Gaur examined and developed a water rate model for the service area. He also assisted in the design of various water budget structures that allowed for accountability and examined customer impact of different rate structures. Results were presented at the California Public Utility Commission.

CITY OF CALEXICO (CA)

Mr. Gaur performed a water and sewer rate study for the city and examined the implication of Proposition 218 on lifeline rates. He assisted in the development of a rate model to determine the appropriate rates for meeting future capital and reserve needs. Mr. Gaur facilitated a rate workshop and presented final results to City Council. The City Council adopted both the recommended water and sewer rates, which will pay for capital projects associated with water and sewer.

CITY OF CHOWCHILLA (CA)

Mr. Gaur served as a Project Manager for the City of Chowchilla, Water and Wastewater study. There are two major areas of the study; the first is the development of a financial plan that can fund their mandatory CIP, while meeting their reserve requirements. The second part of the study is the development of a fair and equitable rate structure, given that the majority of the customers do not have meters.

CITY OF CORONA (CA)

Mr. Gaur served as a Project Manager for the City of Corona, Water Budget Rate study. He facilitated a workshop on the policy options associated with the development of a water budget rate structure. Based on these policy options, a water budget model was developed that can conduct sensitivity analysis on allocation factors, price ratios, revenue requirements and customer impacts.

EAST ORANGE COUNTY WATER DISTRICT (CA)

Mr. Gaur served as the Project Manager in assisting East Orange County Water District in evaluating a water budget rate structure. Mr. Gaur educated the Board of Directors on the benefits of water budget rate structure; developed a water budget model to determine the associated rates and customer impacts.

CITY OF HOLLISTER (CA)

Mr. Gaur developed a sewer rate and impact model to examine the rate and impact fee implication of \$120 million treatment project. He also conducted a workshop and presented final results to City Council. The Council adopted the recommended sewer rates, which will finance the \$120 million treatment plant project.

INLAND EMPIRE UTILITIES AGENCY (CA)

Mr. Gaur conducted a series of workshops for Inland Empire Utilities Agency on the different types of conservation rate structure and how they can assist them in meeting the requirements of SBx7-7, achieving revenue stability and promoting equity.

INDIO WATER AUTHORITY (CA)

Mr. Gaur served as Project Manager for user fee study to evaluate current user fees and their ability to recover associated administrative and other operational costs. He developed a new schedule of user fees to meet City's policy objectives of fairness and defensibility.

Mr. Gaur also conducted a water rate study and presented results to City Council. The Council adopted the recommended water rates, which provided an equitable allocation of cost between fixed and variable rates.

IRVINE RANCH WATER DISTRICT (CA)

Mr. Gaur evaluated the District's conservation program by conducting econometric analysis that controlled for exogenous factors, such as weather conditions. The results from the study provided information on which conservation program provided the greatest return on investment.

LA HABRA HEIGHTS COUNTY WATER DISTRICT (CA)

Mr. Gaur assisted the District in calculating a wheeling rate for a neighboring District. Mr. Gaur presented his finding to the Board of Director.

CITY OF LIVINGSTON (CA)

Mr. Gaur conducted a water rate study that incorporated various capital improvement scenarios.

CITY OF LOMITA (CA)

Mr. Gaur conducted a water rate workshop with concerned citizens to explain how rates were assessed and calculated, using laymen's terminology to foster understanding among community members. City Council adopted the recommended rates.

LOS ANGELES DEPARTMENT OF WATER AND POWER (CA)

Mr. Gaur performed an econometric analysis on daily demand based on deviation from mean temperature. Results from the study helped redesign engineer estimates on sizing of water lines.

CITY OF LYNWOOD (CA)

Mr. Gaur developed a cost allocation model to determine the appropriate amount of transfer (\$3 million) between the Water Enterprise Fund and the City General Fund. The report met the requirements associated with Proposition 218.

CITY OF MERCED (CA)

Mr. Gaur completed a water and sewer rate and impact fee study, including examination of financing options associated with a \$200 million treatment plant. The engagement included the development of a rate and impact fee model that explored and assessed different capital project scenarios. He also conducted a workshop and presented final results to City Council. The council adopted the recommended impact fees for water and sewer.

METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA (CA)

Mr. Gaur developed a drought allocation model for Metropolitan Water District of Southern California member agencies. The allocation is based on severity of drought, historical usage, and demand-hardening factor. The model served as a tool to guide decision making process in determining fair and equitable allocations.

Mr. Gaur also served as project manager for long-range financial plan study and facilitated workshops with management, member agencies, and stakeholders to assess the economic, political,

and technical feasibility of a growth-related infrastructure charge. He also led seminars to inform participants of the prevailing industry standards for adhering to cost-of-service principles and navigating California's complex legal environment.

Lastly, Mr. Gaur served as the project manager to evaluate Metropolitan Water District of Southern California cost of service methodology to confirm it is consistent with industry standards, policy objectives that the Board of Directors has adopted and is being implemented as intended.

MONTEREY PENINSULA WATER MANAGEMENT DISTRICT (CA)

Mr. Gaur provided an evaluation of the conservation impact of a toilet conservation pilot program for Monterey Peninsula Water Management District using an econometric analysis that was controlled for seasonal and weather conditions. The study confirmed expected savings estimates.

MUNICIPAL WATER DISTRICT OF ORANGE COUNTY (CA)

Mr. Gaur developed an optimization model for conservation programs. The results guided the District in developing a master plan for conservation programs.

CITY OF NEWPORT BEACH (CA)

Serving as Project Manager for this study, Mr. Gaur assisted the City of Newport Beach to develop a long-range financial plan, and to evaluate and implement a conservation rate structure that adheres to cost-of-service principles and the provisions of California Proposition 218. Mr. Gaur also worked with Newport Beach staff to identify policy objectives for prospective rate design alternatives.

PACIFIC INSTITUTE (CA)

Mr. Gaur developed an audit model for water agencies which determines the amount of greenhouse gases produced by source of water and the associated energy requirement. The model has the ability to examine different scenario options and compare them to the base case.

CITY OF PORT HUENEME (CA)

For this engagement, Mr. Gaur performed a water and solid waste study and workshop for City Council. The Council immediately adopted solid waste rate recommendations and water rates are under consideration.

SANTA CLARA VALLEY WATER DISTRICT (CA)

Mr. Gaur evaluated the effect of a water softener pilot program on conservation. He also conducted billing analysis to estimate savings, using a control group to account for exogenous factors. The results confirmed engineering estimates on savings potential.

SOUTH COAST WATER DISTRICT (CA)

Mr. Gaur assisted the District in evaluating a water budget rate structure. Currently the District has a five tiered inclining rate structure. RFC developed a model that compared the usage pattern between the current rate structure and a water budget, to determine how equitable the current rate structure is, given lot size. Mr. Gaur presented the finding to the Board of Directors.

CITY OF SOUTH GATE (CA)

Mr. Gaur performed a water impact fee analysis for the city and presented results to City Council. The Council adopted the recommended water impact fee, which provides additional resources for expansion projects.

CITY OF VISTA (CA)

As Project Manager for a sewer rate and connection fee study, Mr. Gaur developed a long-range financial plan for City of Vista Sanitation and Buena Sanitation District, including financing of a \$300 million capital improvement program. The project required a cost-of-service analysis and redesign of the sewer rate structure and connection fees schedule to adhere to cost-of-service principles while meeting escalating revenue requirements. Mr. Gaur fine-tuned rates to meet the City's policy goals of equity, defensibility, and minimal customer impact.

WALNUT VALLEY WATER DISTRICT (CA)

Mr. Gaur developed a water rate model for the Dis-

trict as well as examined indexing practices and determined appropriate rates for meter and variable charges.

YORBA LINDA WATER DISTRICT (CA)

Mr. Gaur served as the Project Manager for conducting a water rate study for Yorba Linda Water District. This study included the development of a financial plan that examined different CIP scenarios, cost of service study and development of a conservation rate structure. RFC developed a conservation rate model that evaluated an inclining tiered rate and a water budget rate structure, that can determine the associated rate structure and estimate customer impacts. Mr. Gaur will present the finding of the study to the Board and make the associated recommendation.

TOWN OF BUCKEYE (AZ)

Mr. Gaur performed an impact fee study that identified and examined possible facility types and explored different financial options for funding facility types. He also examined the benefits of zonal impact fees. Mr. Gaur educated developers in the process of assessing impact fees and the role of credits.

TOWN OF CLARKDALE (AZ)

Mr. Gaur identified and examined facility types for impact fee and discussed policy implications of impact fees.

TOWN OF GILBERT (AZ)

Mr. Gaur was engaged by the Town of Gilbert to determine the true cost of providing fire services for the town. He also examined the economic impact of potential legislation on expanding service to a county island. He served as expert witness and presented findings on behalf of the city which assisted in the Town's winning case.

PUBLICATIONS AND PRESENTATIONS

- Gaur, S., Giardina, R.D., Kiger, M.H., Zieburtz, W., "Committee Report: Ripples From the San Juan Capistrano Decision," Journal - American Water Works Association, September 2016, Volume 108, Number 9.
- Gaur, S., "Adelman and Morris Factor Analysis

- of Developing Countries,” *The Journal of Policy Modeling*, Vol. 19, Issue 4, pp. 407-415, August 1997.
- Gaur, S., “Water Rate Setting,” presented at the Annual 2006 Conference of the California Society of Municipal Finance Officers, Palm Springs, California.
 - Gaur, S., “Water Rate Setting,” presented at the following: California Society of Municipal Finance Officers Chapters: Central Los Angeles, Channel Counties, Imperial County, San Gabriel Valley, South Bay and Twenty-Nine Palms 2006.
 - Gaur, S., “Designing Water Rate Structures,” presented at a workshop for Urban Water Institute, San Jose, California. February 17, 2006.
 - Gaur, S. “How Much Should Water Cost? Theoretical and Practical Approach in Developing Water Rates.” Guest lecturer at University of California, Santa Barbara, Course: Water Policy, Bren School of Environmental Science and Management. November, 7, 2006.
 - Gaur, S. “Designing Water Rates,” All day seminar at the Center for Water Education. Hemet, California. January 12, 2007.
 - Gaur, S. “Policy Objectives in Designing Water Rates”, *Journal of American Water Works*, 99:5 May 2007 p.112- 116.
 - Gaur, S. Corssmit, K. and Hotchkiss, D. “Water Rates Defining Cost of Service – Proposition 218 Implications,” presented at the Association of California Water Agencies, May 7, 2008 Spring Conference, Monterey, California.
 - Gaur, S. “Moving Beyond the Public Workshop,” presented at the Municipal Management Association of Southern California, July 1, 2008 Summer Conference, La Jolla, California.
 - Gaur, S. “Evolution of Water Rates,” presented at the Association of California Water Agencies, December 3, 2008 Fall Conference, Long Beach, California.
 - Gaur, S. “Managing Drought Scenarios,” presented at the Association of California Water Agencies, December 4, 2008 Fall Conference, Long Beach, California.
 - Gaur, S. “Rates 101,” 4 hour training course conducted at the Annual 2009 California Society of Municipal Finance Officers, San Francisco, California.
 - Gaur, S. Corssmit, K., Hildebrand, M. and Hotchkiss, D. “Defining Latest Trends in Conservation Rate Design,” presented at the Utility Management Conference, February 18, 2009, New Orleans, Louisiana.
 - Gaur, S. “Conservation Rate Structures,” presented at the International Water Efficiency Conference, April 1, 2009 Newport Beach, CA
 - Gaur, S. “Developing a Water Budget Rate Structure: Eastern MWD Experience,” presented at the CA/NV AWWA Section, April 9, 2009, Santa Clara, CA
 - Gaur, S. “Rates and Equity Issue” presented at *Managing the Crisis: Essential Tools for Urban Water Managers*, sponsored by Water Education Foundation and Association of California Water Agencies, April 16, 2009 (San Francisco) and April 23, 2009 (Irvine)
 - Hildebrand, M. Gaur, S. and Salt, K. “Water Conservation Made Legal: Water Budgets and California Law” *Journal of American Water Works*, 101:4 April 2009 p.85-89.
 - Gaur, S. “Whiskey’s for Drinking, Water is for Fighting: Allocating Water During a Shortage” presented at the Association of California Water Agencies, May 21, 2009 Spring Conference, Sacramento, CA.
 - Gaur, S. “Policy Issues and Challenges with Water Budgets: Eastern MWD Experience” presented at American Water Works Association, Annual Conference and Exposition 09, June 15, 2009, San Diego, CA
 - Gaur, S. “Economics of Desalination” presented at the Association of California Water Agencies, December 2, 2009 Fall Conference San Diego, CA.
 - Gaur, S. “Achieving Water Conservation, Revenue Stability and Equitable Rates” presented at the Annual 2010 (February 17, 2010) Conference of the California Society of Municipal Finance Officers, Los Angeles, California.
 - Gaur, S. and Summers, L. “New M1 Chapter: Water Budget Rates” presented at American Water Works Association, Annual Conference and Exposition 10, June 23, 2010, Chicago, IL

- Contributing Author to “Water Rates, Fees and the Legal Environment” 2nd Edition American Water Works Association 2010 Editor: C.(Kees) W. Corssmit
- Gaur, S. “Developing a Rate Structure that AddressestheFinancialConsequencesofSBx7-7” presented at the Association of California Water Agencies, December 1, 2010 Fall Conference, Indian Wells, CA
- Gaur, S “The Verdict is out on Water Budget” presentedattheUtilityManagementConference, February 9, 2011, Denver, CO
- Gaur, S “What in the world can we learn from California? Water budget rates successfully achieve water efficiency and revenue stability” presented at AWWA Water Conservation Symposium March 15, 2011, Orlando FL
- Gaur, S “You Can Have the Best of Both Worlds: PromotingWaterUseEfficiencyWhileEnhancing Revenue Stability” presentedat Council of Water Utilities April 19, 2011 Poway, CA
- Gaur, S. “Water Budget Alternatives:How Do We Define Efficiency?” presented at the Association of CaliforniaWaterAgencies,May12, 2011Spring Conference, Sacramento, CA
- Gaur, S. “Inclining Block Rates versus Water Budget Rates: How do You Define Equity?” presentedat AmericanWaterWorks Association Annual Conference, June 15, 2011 Washington D.C.
- Gaur, S. “Innovative Rate Designs: Balancing Conservation Objectives with Revenue Stability” presented at the Association of California Water Agencies 2011 Regulatory Summit, August 17, 2011 Pasadena, CA
- Gaur, S. “Cutting-Edge Financial Planning Tool to Facilitate Communications” presented at the Water Environment Federation Annual Conference October 19, 2011 Los Angeles, CA
- Gaur, S., Lim, B., Phan, K., “California Water Rate Trends,” Journal – American Water Works Association, March 2013, Volume 105, Number 3
- Gaur, S., Atwater, D., Lee, J., “Conservation Rates Offer Options,” CA/NV Section of American Water Works Association, April 2014
- Gaur, S., Cavanaugh, P., Kightlinger, J., Mantle, L., McDaniel, J., Poole, K., “The Future of Water in Southern California” presented at the Milken Institute Forum, August 21, 2014, Santa Monica, CA
- Gaur, S., Leal, S., Lipkis, A., Smith, R., Spivey WeberMas Masumoto, F., “The Water Challenge: Doing More with Less” presented at the Milken Institute California Summit, November 21, 2014, Santa Monica, CA
- Gaur, S., Atwater, D., Cruz, J., “Why do Water Agencies need Reserves?,” Journal – American Water Works Association, November 2014, Volume 106, Number 11
- Gaur, S., Atwater, D., “California Water Rate Trends,” Journal – American Water Works Association,January2015,Volume107,Number1
- Gaur, S. “California Water Rate Trends,” Journal – AmericanWaterWorksAssociation,September 2016, Volume 108, Number 9

TECHNICAL SPECIALTIES

- » Utility cost of service and rate structure studies
- » Conservation rate studies
- » Economic feasibility studies
- » Wastewater rate studies
- » Capital recovery/Capacity fee studies
- » Survey research of water and wastewater utility characteristics and rates

PROFESSIONAL HISTORY

- » Raftelis Financial Consultants, Inc.: Manager (2017-present); Senior Consultant (2014-2016)
- » APTwater, Inc. (Now Ultura): Project Manager (2011-2014)
- » PBS&J (Now ATKINS): Project Manager – Utility Finance (2005-2011)
- » Earth Tech (now AECOM): Senior Project Manager (2004-2005)
- » Malcolm Pirnie, Inc. (now ARCADIS): Consultant (2002-2003)
- » National Parks Conservation Association – Business Plan Initiative: Business Plan Consultant (2000)
- » U.S. Army Corps of Engineers – New England Division: Project Manager (1995-1999)
- » Geophex, Limited: Graduate Research Assistant (1994)

EDUCATION

- » Master of Business Administration - University of Southern California (2001)
- » Master of Science in Environmental Engineering - University of Massachusetts (1995)
- » Bachelor of Science in Civil Engineering - University of Massachusetts (1994)

PROFESSIONAL MEMBERSHIPS

- » American Water Works Association

STEVE GAGNON, PE

ADMINISTRATIVE RECORD

Manager (RFC)

PROFILE

Mr. Gagnon has 18 years of experience in financial analysis and environmental engineering. He has worked for leading engineering consultants as well as the federal government. His broad range of experience includes water and wastewater pricing studies, capacity fees and utility valuations. His financial experience includes water and wastewater rate studies for the City of Redlands, CA, Santa Fe Springs, Henderson, NV, City of Anaheim, La Habra Heights County Water District, Rowland Water District, Walnut Valley Water District, Sweetwater Authority, Helix Water District and Otay Water District. He has also performed strategic financial analysis of water sourcing alternatives and costing of ground water remediation alternatives, asset inventory and condition assessments, utility performance metrics, earned value analysis. He has also managed the construction and installation of water treatment equipment and oversaw Superfund remediation for the US Army.

RELEVANT PROJECT EXPERIENCE

SANTA FE IRRIGATION DISTRICT (CA)

Santa Fe Irrigation District has one of the largest per capita water use rates in the State due to its large lots, many of which have orchards and other agriculture requiring irrigation. Mr. Gagnon worked with City Staff and Board members to establish water cost of service based rates which included a complete restructuring of their fixed charges so that the District could pass through their fixed wholesaler charges. The consumption rates were based on the peaking characteristics of each class. Mr. Gagnon presented at a contentious Public Hearing, in which that rates were adopted, to answer Board and the Public's questions.

CITY OF ORANGE (CA)

Mr. Gagnon is helping the City update its water rates and rate structure to ensure that rates are based on cost of service principles. The study includes a financial plan to fully fund operational and capital expenses and reserves.

CHANNEL ISLANDS BEACH COMMUNITY SERVICES DISTRICT (CA)

Mr. Gagnon helped the District establish equitable water and wastewater rates. Particularly noteworthy in this study was a class of customer that required the District to reserve capacity in the water treatment plant for possible future growth. Mr. Gagnon explained the cost causation based rate for this customer class at Board meetings and the Public Hearing.

Mr. Gagnon also held special web based workshops with this customer class to explain cost of service principles and the basis for the rates.

CITY OF SHASTA LAKE (CA)

The City of Shasta Lake's water revenue dropped significantly during the recent drought – while their water costs increased due to emergency water purchases from expensive sources. In addition, the City's infrastructure was over 80 years old which necessitated significant capital expenditures. Mr. Gagnon worked with City staff to develop a water financial plan that fully funded their capital program, reserves and operational expenses. The financial plan called for a 30% revenue increase in one year. Mr. Gagnon presented the basis for revenue adjustments and rate development at a well-attended public hearing at City Hall.

CITY OF ENCINITAS (SAN DIEGO WATER DISTRICT, CA)

Mr. Gagnon helped the City establish water rates that are based on cost of service principles. Cost of service based rates creates large bill impacts for the agricultural class. Mr. Gagnon worked with City staff and the Board rate setting committee to evaluate rates and explain rate setting basics to the committee and public in a Proposition 218 public hearing.

TRABUCO CANYON WATER DISTRICT (CA)

Mr. Gagnon helped the District establish water, wastewater and recycled water rates. The Trabuco Canyon Water District's revenue plummeted significantly during the recent drought. Mr. Gagnon helped the District establish rates, including drought rates, that fully funded operations, capital expenses and reserves. The District previously had a 7-tier rate structure. Mr. Gagnon helped the district establish a 4-tier rate structure in which the rates were based on the supply costs and peaking costs to serve water in each tier – as required by Proposition 218. The study started with a pricing objectives exercise so that the Board could communicate its most important rate setting goals. Mr. Gagnon presented financial plan options and rate study results and a public hearing.

SWEETWATER AUTHORITY (CA)

Mr. Gagnon is evaluated water rates, including drought rates, for the Sweetwater Authority in light of recent legal concerns over their current rate structure. The evaluation includes a cost of service study to clearly demonstrate the nexus between the rate for each single family tier and the associated costs to serve that tier. The study started by soliciting input from Board members regarding their water pricing objectives so that rates could be designed accordingly. Mr. Gagnon concluded the study with presentations to the District Board of Directors and the Public.

CITY OF HENDERSON (NV)

Mr. Gagnon is creating water and wastewater rate and financial planning models for the City as well as updating their water and sewer system development charges. The models will be used over the next 5 to 10 years not only to calculate water and wastewater rates but also to create yearly financial statements.

CITY OF REDLANDS (CA)

Mr. Gagnon updated the City's water and wastewater rates and development impact fees. The rate study process included workshops with the City's Utility Advisory Committee in which he presented the basics of rate setting and the financial environment of the utilities. The interactive workshops solicited input from committee members and staff regarding revenue adjustments and rates.

RAINBOW MUNICIPAL WATER DISTRICT (CA)

Mr. Gagnon created water conservation based sewer rates to complement the Rainbow Municipal Water District's (District) conservation based water rate structure. These rates will be based on the actual water usage of each customer within the District. In addition, appropriate sewage strengths will be incorporated into the District's sewer user rates.

COUNTY OF SAN DIEGO (CA)

Mr. Gagnon prepared integrated financial models for a landmark study for the County of San Diego. The study will not only be updating the sewer user, capacity, and annexation fees for the nine dependent

sewer districts but will also include the economic analysis of creating one “super sanitation district”. Long-range financial plans will be prepared for all of the districts as well as the super district including 10 years of operational and capital costs.

TOWN OF QUARTZSITE (AZ)

Mr. Gagnon performed a third party rate review of a recently completed water and wastewater rate study for the Town of Quartzsite (Town). The Town is concerned with insuring that their winter RV population is paying their fair share of the water and sewer expenses.

TOWN OF PARKER (AZ)

Mr. Gagnon updated the Town of Parker’s (Town) water rates. One of the Town’s main concerns was the fairness and equity of water system cost distribution given the Town’s large population of Native Americans who do not pay sales or utility taxes yet benefit from Town parks and other Town amenities. He also helped the Town establish operating and capital reserves.

WALNUT VALLEY WATER DISTRICT (CA)

Mr. Gagnon performed the Walnut Valley Water District’s (District) first professional rate study which included updating the rate structure. Mr. Gagnon created a three-tier residential rate structure to help decrease discretionary consumption and ensure the District avoids or reduces water purchase surcharges from the Metropolitan Water District. He presented his findings to District staff and the District’s Board of Directors.

OTAY WATER DISTRICT (CA)

The Otay Water District (District) performs an update to their capacity and annexation fees every five years. In this update they changed their capacity fee from an incremental fee based on future costs to a combined fee structure using replacement costs less depreciation. They are also revising their annexation fee to recover taxes and availability charges paid by existing users who are currently inside the District’s boundaries. In addition, they added a new water supply fee to recover the expansion costs of their water system. This is a new fee that addresses

the issue of new development bringing their own water supply or pay for offsets.

Mr. Gagnon was also the lead economist on a fast track study to assist the District in adding further conservation incentives into their potable and reclaimed water user rates. Specifically, he added rate blocks into their non-residential and landscaping user rate structures based on specific base extra capacity cost allocations per user class. In addition, he assisted the District in the preparation of a drought/shortage rate structure that overlays their new conservation rate structure. This drought rate structure is based on the guidelines provided by the Metropolitan Water District of Southern California and the San Diego County Water Authority.

FALLBROOK PUBLIC UTILITY DISTRICT (CA)

With water shortages looming in Southern California, this progressive water and sewer district asked for help creating water conservation-based sewer rates to complement their conservation-based water structure. Mr. Gagnon created rates based on the actual water usage of each customer within the Fallbrook Public Utility District (District). In addition, appropriate sewage strengths were incorporated into the District’s sewer user rates.

ROWLAND WATER DISTRICT (CA)

Mr. Gagnon updated the Rowland Water District’s (District) water rates for the second time. The District had several concerns for the most recent study which included a large debt issue for a recycled water system as well as staff increases and wholesale water rate increases. The model helped the district size its debt issue by performing a rate sensitivity analysis to the size of the debt issue.

OLIVENHAIN MUNICIPAL WATER DISTRICT (CA)

Mr. Gagnon created a drought rate model to help the Olivenhain Municipal Water District (District) develop a drought rate ordinance. The model calculated commodity rate adjustments for four drought stages. It allowed for customer voluntary cutbacks in consumption as well as cutbacks due to higher water prices using the price elasticity of water. The model

will help ensure the District maintains adequate revenue in times of drought.

Mr. Gagnon helped the District update their wastewater rates and developed a customized model for its unique rate structure. The District's residential rates are a flat charge per Equivalent Dwelling Unit (EDU) and the commercial rate structure includes a service charge per EDU and a variable rate based on measured water consumption.

Mr. Gagnon also prepared valuation calculations for the system capacity required for update of water and wastewater connection and annexation fees for the District. The analysis showed that the District would benefit by changing capacity fee calculation methodologies from a growth method to a combined method, thereby imposing less restrictions on the use of capacity fee revenue.

Mr. Gagnon modeled the long-term cost of several different water sources for the District. Options included purchasing treated water, expanding their water treatment plant and purchasing untreated water from the Metropolitan Water District or partnering with other local agencies to desalinate ocean water. The model contained many variable inputs to allow "what-if" scenario analysis. Although purchasing treated water was the least costly option, the authority favored plant expansion due to other benefits such as reliability of water supply.

CITY OF POWAY (CA)

Mr. Gagnon completely rebuilt the City of Poway's water and wastewater rate models to reflect the latest rate setting practices.

HELIX WATER DISTRICT (CA)

Mr. Gagnon created an economic model to add life-line and a water waster tier to the Helix Water District's (District) three-tierrate structure. In addition, budget-based water rates were created for all irrigation accounts. The District is transitioning slowly to budget-based rates due to staffing limitations. In 2010 they will implement budget-based rates for all commercial accounts.

Mr. Gagnon also performed all of the economic modeling in the preparation of the District's first Capacity Fee Study. The capacity fee was designed to collect a buy-in portion based on replacement costs of the District's current water system and the incremental cost of adding a new water supply, the El Monte Valley Ground Water Recharge project.

CITY OF ANAHEIM (CA)

Mr. Gagnon prepared a commercial and residential wastewater rate study for the City of Anaheim (City). The proposed rate structure was based on water consumption to replace the antiquated structure based on the number of toilets. Proper water use and wastewater return to sewer analysis is required to ensure proper revenue generation for the City.

CITY OF CORONADO (CA)

Mr. Gagnon is helping restructure the City of Coronado's wastewater rates from a flat parcel-based fee for residential users to one with a consumption-based charge and a fixed charge.

CITY OF LEMON GROVE (CA)

Mr. Gagnon helped update the commercial and residential wastewater rates for the City of Lemon Grove. The rate structure included 20 different user classes for residential, commercial, and institutional customers.

WESTERN MUNICIPAL WATER DISTRICT (CA)

Mr. Gagnon prepared a long-range financial plan to help ensure the Western Municipal Water District's (District) financial health. Based on the District's five-year CIP, inflationary water rate adjustments, and reserve policies, the plan showed that a debt issue was needed to execute the CIP and maintain adequate reserves.

JULIA AND PINE VALLEY SANITATION DISTRICTS (CA)

Mr. Gagnon updated the wastewater rates and connection fees for both sanitation districts. The wastewater fees had not been updated for several years in one district and over 15 years in the other necessitating large rate increases. He developed a few different scenarios which included postponing CIP projects or lowering

reserve balances, to ease ratepayers into higher rates.

SAN ANTONIO WATER SYSTEM (TX)

Mr. Gagnon prepared a sewer impact fee economic model and study for the City of San Antonio. This included a valuation of the system's facilities using several asset based approaches. Ultimately the total net book value without depreciation was selected as the basis for the valuation of the System's assets. In addition, an equity residual model was prepared that included the allocation of the present value of past and future debt service payments. The study also analyzed a number of impact fee structures to determine the most fair and equitable fee.

LA HABRA HEIGHTS COUNTY WATER DISTRICT (CA)

Mr. Gagnon assisted with the update in water user rates, capacity charges, and long-range financial plan for the La Habra Heights County Water District (District). The 2001 study set the District's user rates for five years and expired in 2005. The District had recently completed an updated Water Master Plan and wished to incorporate the new cost of replacement capital facilities for the next ten years into their long-range financial plan and user rates.

CITY OF FULLERTON (CA)

Mr. Gagnon conducted a field audit to determine appropriate return to sewer flows as well as fats, oils and greases surcharge rates for the top 50 industrial water customers in the City of Fullerton.

CITY OF LA HABRA (CA)

Mr. Gagnon helped prepare the City of La Habra's (City) first professional sewer user rate study. This study followed industry standards and an EPA approved rate structure. The City plans to create a formal enterprise fund for their sewer utility to properly finance their sewer operations and maintenance. He developed the long-range financial plan modeled year-end cash reserves to ensure execution of the City's \$21 million capital improvement program and to fund operations and maintenance.

CITY OF WEBSTER (TX)

Mr. Gagnon is constructing a stormwater model for the City of Webster (City). The rates are based on the impervious surface of each parcel. The City plans using water meters to bill customers.

CITY OF NORMAN (OK)

Mr. Gagnon is constructing a stormwater rate model for the City of Norman. The model is constructed in several different ways to allow the city council to choose from alternative rate structures, including the contentious issue of whether or not Oklahoma University, which owns large parcels of impervious surface area, will support the stormwater utility.

BOXELDER COUNTY (CO)

Mr. Gagnon assisted Boxelder County (County) in the determination of how they will finance their required stormwater improvements. They plan to create a stormwater utility through diverse funding sources including impact and user fees, a community financing district, and grants and loans. The goal of this study was to identify and size a system of improvements which will achieve the greatest defined economic benefit (both local and regional) per dollar of cost, based on the 100-year flood plain extents.

UTILITY AND WATER RIGHT VALUATIONS EXPERIENCE

BLUE PLAINS WASTEWATER TREATMENT (DC)

Mr. Gagnon is valuing the largest advanced wastewater treatment plant in the world (370 MGD) using several different valuation methods for Metropolitan Washington Council of Governments. The study values capacity rights in a treatment plant shared by several users. Valuation methodologies include original cost, reproduction cost, and market comparables.

METRO WASTEWATER JOINT POWERS AUTHORITY (CA)

Mr. Gagnon updated a prior valuation study which values treatment capacity in the San Diego Metropolitan Wastewater System. The valuation study considered several different valuation methodolo-

gies including the asset approach, prior sale (market comparables); buyer's avoided cost, seller's potential future cost and alternative investment value.

CITY OF PICO RIVERA (CA)

Mr. Gagnon is slated to help the City of Pico Rivera value groundwater pumping rights. Groundwater pumping rights will likely be valued using both a market comparables approach and a buyer's avoided cost approach.

OTHER FINANCIAL AND MANAGEMENT STUDIES

TOWN OF PARKER (AZ)

Mr. Gagnon is performing a benchmarking analysis of the Town of Parker's (Town) water, parks and recreation and streets departments due to efficiency concerns. The study will compare the Town's cost efficiency with other small towns.

MARINE CORPS BASE CAMP PENDLETON (CA)

Mr. Gagnon led an asset inventory and condition assessment of the water and wastewater systems on Marine Corps Base Camp Pendleton. The inventory included field visits and literature reviews to document and describe the extent and condition of all utility assets. Asset data was compiled in a database and linked to GIS mapping.

OLIVENHAIN MUNICIPAL WATER DISTRICT (CA)

Mr. Gagnon developed an economic model that evaluates the cost benefit analysis of four different water supply options including desalinization, increased use of recycled water, and expansion of their existing water treatment plant using membrane technology. Proposed funding levels were prepared for the long-range financial plan to match projects against the revenue levels necessary to support them.

CONFIDENTIAL FORTUNE 500 AEROSPACE CORPORATION (CA)

Mr. Gagnon created an excel based financial model to cost and budget one of the largest corporate environmental liabilities – a nine-mile long plume of rocket fuel-related contamination – underlying several cities

in southern California. Remediation strategies were constantly changing and, thus, the model simulated costs for numerous remediation alternatives. The model also allowed for monthly and yearly budgeting and total clean-up expenditures.

EARTH TECH (CA)

Mr. Gagnon developed an Operation Excellence Plan to ensure client satisfaction on the execution of a multimillion dollar Master Services Agreement with a Fortune 500 Aerospace Corporation. The plan provided guidance in many areas including QA/QC, client feedback, staff allocation, etc. The plan also included performance measures to evaluate client satisfaction, program success, and failures.

OTAY WATER DISTRICT (CA)

Mr. Gagnon assisted in facilitating performance metric workshops with the Otay Water District management staff. The workshops discussed performance metric basics, analyzed dozens of performance metrics, how to calculate them, and eventually helped staff narrow down the metrics they believed were best for their utility.

KEWEENAW NATIONAL HISTORICAL PARK, NATIONAL PARK SERVICE (MI)

Mr. Gagnon coauthored a business plan submitted to the U.S. Congress to seek additional funding to expand a national park in Michigan. The business plan included a historical cost accounting analysis of prior fund use and projected future fund needs.

U.S. ARMY SUDBURY ANNEX SUPERFUND SITE (MA)

Mr. Gagnon was the Project Manager for the remediation and real estate transfer of a 2,000-acre army ammunition depot and research installation in central Massachusetts. Mr. Gagnon oversaw project funds, environmental studies, and construction contracts with consulting firms and partnered with the U.S. EPA to determine clean-up goals and strategies.

OTHER RELEVANT PROJECT EXPERIENCE

- City of Anaheim (CA) - Wastewater Rate Study

- Boxelder County (CO) - Stormwater Funding Research
- Blue Plains Wastewater Treatment Plant (DC) - Valuation Study
- Confidential Fortune 500 Aerospace Corporation (CA) - Strategic Remediation Financial Planning and Analysis
- City of Coronado (CA) - Wastewater Rate Study
- Earth Tech (CA) - Operation Excellence Plan
- Fallbrook Public Utility District (CA) - Water Conservation Based Sewer Rates
- City of Fullerton (CA) - Sewer Fee Assessment
- Helix Water District (CA) - Conservation Based Water Rates; Capacity Fee Study
- Julian and Pine Valley Sanitation Districts (CA) - Wastewater Rate Study
- Keweenaw National Historical Park, National Park Service (MI) - Business Plan
- City of La Habra (CA) - Sewer Rate Study and Long-Range Financial Plan
- La Habra Heights County Water District (CA) - Water User Rate Study and Long-Range Financial Plan
- City of Lemon Grove (CA) - Wastewater Rate Study
- Marine Corps Base Camp Pendleton (CA) - Utility Privatization
- Metro Wastewater Joint Powers Authority (CA) - Valuation of Treatment Capacity
- City of Norman (OK) - Stormwater Rate Study
- Olivenhain Municipal Water District (CA) - Drought Water Rates; Wastewater Rate Update; Capacity and Annexation Fee Update; Long-Term Water Planning Financial Model; Water Supply Cost Benefit Analysis
- Otay Water District (CA) - Capacity Fees Update; Water Rate Structure Update and Drought Phasing Plan; Performance Metrics
- Town of Parker (AZ) - Water Rate Study; Benchmarking and Efficiency Analysis
- City of Pico Rivera (CA) - Valuation of Groundwater Pumping Rights
- City of Poway (CA) - Water and Wastewater Rate Models
- Town of Quartzsite (AZ) - Third Party Rate Review
- Rainbow Municipal Water District (CA) - Water Conservation Based Sewer Rates
- Rowland Water District (CA) - Water Rate Study
- San Antonio Water System (TX) - Sewer Impact Fee Study
- County of San Diego (CA) - Sewer Utility Rate Study
- Sweetwater Authority (CA) - Water Rate Study
- U.S. Army Sudbury Annex Superfund Site (MA) - Base Realignment and Closure
- Walnut Valley Water District (CA) - Water Rate Study
- City of Webster (TX) - Stormwater Rate Study
- Western Municipal Water District (CA) - Long-Range Financial Plan

TECHNICAL SPECIALTIES

- » Utility cost of service
- » Rate structure studies
- » Financial plan studies
- » Economic feasibility studies
- » Conservation rate studies
- » Water budget rate studies

PROFESSIONAL HISTORY

- » Raftelis Financial Consultants, Inc.: Senior Consultant (2008-present)
- » Avery Dennison: Research Chemist (2004-2008)

EDUCATION

- » Master of Business Administration in Finance - California State University, Los Angeles (2007)
- » Bachelor of Science in Chemical Engineering - University of California, Berkeley (2003)

KHANH PHAN

STAFF CONSULTANT

Senior Consultant (RFC)

PROFILE

Ms. Phan has served as Lead Consultant or Deputy Project Manager on numerous water and wastewater studies including rate, cost of service, reserve policy, financial planning, connection fee, conservation rate, and water budget rate studies. Her specific experience includes projects for the following utilities in California: Alameda County Water District, El Toro Water District, Elsinore Valley Municipal Water District, Mesa Consolidated Water District, Mojave Water Agency, Western Municipal Water District, Yorba Linda Water District, and the Cities of Camarillo, Glendora, Huntington Beach, Riverside, San Clemente, and Santa Cruz. She possesses strong analytical and management skills acquired from her background, education, and experience. Ms. Phan has advanced computer skills and is an excellent modeler. Ms. Phan also co-authored a chapter entitled, "Understanding Conservation and Efficiency Rate Structures," for the Fourth Edition of the industry guidebook, *Water and Wastewater Finance and Pricing: The Changing Landscape*.

RELEVANT PROJECT EXPERIENCE

CITY OF GLENDORA (CA)

In 2012, to promote water efficiency within its service area, the City of Glendora (City) commissioned RFC to evaluate the benefits of water budget rates and conduct the Water Budget Rate Study to develop the water budget tiered rates for its single family residential customers. As lead consultant, Ms. Phan developed a custom-built Water Budget Rate Model to evaluate different water budget policy options associating with weather data and landscape area definitions. In addition, the City's account data and the Assessor's parcel data were integrated to retrieve the lot size and other parcel data relevant to be used to determine the landscape areas for single family residential parcel. The Model also included the Rate Module to calculate the resulting water rates for both water budget and non-water budget customers based on the revenue requirements determined by the City's budget and cost of service analyses. The Water Budget Allocation Model was presented to the Water Commission in October 2012 along with the results from the billing system assessments and cost and benefits analyses of water budget rate implementation. The Water Budget Rate Model was presented to the Water Commission in the summer of 2013.

YORBA LINDA WATER DISTRICT (CA)

Starting 2010, RFC is currently assisting Yorba Linda Water District in conducting the cost of service and conservation rate study for the water enterprise. This study involves development of the long-term financial

plan, evaluation of different conservation rate structures, including inclining tiered and water budget tiered rate structures, review and design of new defensible and equitable rate structure that enhances revenue stability, ensures financial sufficiency and promotes conservation and water use efficiency. Ms. Phan is responsible for developing the financial plan and water budget rate models to evaluate policy options, to assess the associated customer impacts. The District has requested RFC assistance in its rate updates since the initial engagement and as deputy project manager, Ms. Phan was the key personnel assisting the District.

WESTERN MUNICIPAL WATER DISTRICT (CA)

RFC has been assisting Western Municipal Water District (District) with several projects including the development of a water budget rate structure for its retail customers, the development of a long-term financial plan for each cost center within the District, a review and analysis of the annual water rate update, and a water budget web calculator to be used as a public outreach tool. As a Lead Consultant, Ms. Phan consulted the District in the development of an equitable and defensible water budget structure for retail customers for their two cost centers – Riverside Treated Service and Murrieta Treated Service. She performed thorough analyses on usage, revenue and customer impacts associated with proposed water budget rates.

In 2010, RFC assisted the District in its annual water rate update study to ensure revenue sufficiency to recover the increasing costs of imported water and to enhance revenue stability by designing a rate structure that will reduce the District's dependency on property tax to fund its operations. As Lead Consultant, Ms. Phan thoroughly analyzed the customer impacts of different proposed rates and levels of property tax dependency. The proposed rates were approved by District Board in May 2010.

In order to better financially manage all 14 enterprises, the District needed a comprehensive, yet user-friendly financial plan model which can be used to facilitate communications between staff

and the District's Board of Directors about the financial implications of different financial policies and capital projects. In 2011, as a lead consultant, Ms. Phan developed a customized 30-year Financial Plan Model (Model) with the ability to conduct scenario analyses. The interactive dashboard of the Model displays the Long-Term Financial Plan of the 14 enterprises in graphical format. A CIP manager was developed to save a customized CIP scenario to be used for financial implication evaluations. The built-in scenario manager enabled the Model users to save, load, and compare the results of different assumptions, inputs and CIP scenarios. Customized financial reports in preset printed format can be generated at individual enterprise level and at aggregate level for the whole District. The District has engaged RFC several times after the completion of the Model for technical support and model enhancements to accommodate for arising issues.

In 2012, the District engaged RFC to develop the connection fees for its retail water, wastewater, and recycled water services. The District updated its Master Plans for Retail Water in Riverside service area, Riverside Recycled Water, and for Wastewater in 2009, but has not incorporated them into the current connection fees. In addition, the District currently does not assess connection fees for recycled water and desired to develop one to recover the capital cost to support the associated growth. Ms. Phan developed the connection fees Model to evaluate different policy options related to allocations of tertiary recycled water treatment values to potable, wastewater, and recycled water and to calculate the connection fees for retail water, wastewater, and recycled water based on the framework established through close collaboration with District staff.

ALAMEDA COUNTY WATER DISTRICT (CA)

In early 2012, Alameda County Water District (District) commissioned RFC to conduct a financial plan study including developing a 25-year Financial Plan Model (Model) to assess risk of fluctuations in water supply demand, capital improvement plan scenarios, and to evaluate the potential financial impacts.

As Lead Consultant, Ms. Phan developed the customized Model which featured a scenario analysis tool and a user-friendly dashboard. This Model was instrumental in effectively communicating the financial impacts to stakeholders. RFC presented the Model to the District Board to show the District's financial health under various scenarios related to water supply, water sales, and expenditures.

In the same year, the District retained RFC to conduct the financial impact analysis of the outcomes of the union negotiation. As Deputy Project Manager, Ms. Phan worked closely with District staff to develop the Union Negotiation Module (Module) to be used in the Union Negotiations. In early January 2013, the Module was used to assess the financial impacts on the District of the union negotiated contracts for labor and benefits. Ms. Phan also enhanced the Model with additional features including a scenario manager, which enabled users to save and compare various scenarios within the Financial Plan Module and Rate Module to determine the new rates and customer impacts resulting from the cost of service analyses and the financial plan.

Since 2012, the District has annually retained RFC for support on updating the financial plan and other financial and rate analyses. Ms. Phan has been the Lead Consultant on various engagement with the District.

In late 2014, the District again retained RFC to conduct the long-term financial plan and cost of service analysis to develop rates that: would maintain financial sufficiency; are consistent with the District's policies; comply with general cost of service principles; and are in compliance with Proposition 218 requirements. During the course of the study, the financial plan model (FPM) considered many different drought scenarios and different financial outcomes. The scenarios included normal non-drought conditions, mild drought conditions ending in one year (2015 drought only), medium drought conditions ending after two years (medium), and severe drought conditions spanning three years (extended dry period). In addition, as part of the

Study, RFC evaluated and presented two options of bi-monthly fixed service charges to the Board of Directors during the December 2014 Public Workshop. One of the goals when developing a fixed charge is to better align fixed revenues with fixed costs and align commodity revenues with variable costs. The drought surcharge, which was developed in the drought rate study and adopted in July of 2014, will continue to mitigate the effects of reduced demand until the provisions of the Drought Surcharge Sunset criterion are met. As Lead Consultant, Ms. Phan developed an interactive Rate Model to conduct various water rate scenarios and evaluate the associated customer impacts for each of the rate alternatives to assist the District in making informed decisions.

RANCHO CALIFORNIA WATER DISTRICT (CA)

In 2009, RFC conducted a Water Budget Rate Study for the Rancho California Water District (District). As a Lead Consultant, Ms. Phan assisted the District as they established an equitable and defensible water budget structure for residential and irrigation customers for both Rancho and Santa Rosa Divisions. She performed thorough analyses on different methodologies of allocating water sources to different customer classes and determining landscape area caps for residential accounts and on usage, revenue and customer impacts associated with proposed water budget rates. She assisted the District in preparation of a presentation of the study results to District Board in order to facilitate their informed policy decision process.

In December 2009, RFC assisted the District in conducting New Water Demand Offset Fee Study as part of the connection fees assessed to new connections added to the District's water system. Due to recent regulatory drought in California, the District declared Stage 3 – Water Warning – under the District's Water Shortage Contingency Plan. The New Water Demand Offset Program is a form of funding conservation measures that will help to create sustainable, zero water footprint new development. In addition to the conventional capital facility fees, the new developments will also pay fees called New

Water Demand Offset Fees to fund the conservation and recycled program in order to generate potable water savings in the existing system to support new water demand generated by new developments. Ms. Phan assisted the District in calculating the New Water Demand Offset Program Cost and the New Water Demand Offset Fees and documenting the nexus between the fees and the program cost to ensure the compliance with the requirements specified in California Government Code Section 66000-66008 or AB 1600.

The District's current water capital facilities financing program estimates \$323 million to be spent by the end of 2030. Due to the significant amount of capital spending expected, in November 2011, the District commissioned RFC to evaluate its existing capacity fee methodology and update the fee to ensure that new customers pay an equitable share when joining the District's system. Ms. Phan, a lead consultant, developed the Capacity Fees Model to calculate proposed capacity fees based on the updated asset values and adjusted Capital Improvement Plan values (from the 2005 Water Facilities Master Plan Update), which will benefit future development, and estimated incremental demand. Utilizing the methodologies used in the 2011 Water Budget Update Study, RFC estimated the yearly demand for a residential user with a ¾-in meter (or 1 equivalent dwelling unit, EDU) for both divisions. Meter equivalency ratios based on AWWA hydraulic capacities (AWWAM6) are used to project water demand estimates for customers of varying meter sizes. The results were summarized in the Water Capacity Fee Study Report and presented to the Board in March 2012.

In 2012 and 2014, the District again engaged RFC to update the Water Budget Rate Model to address arising issues and challenges. For the past several years, due to hotter climate, the efficient outdoor water sales exceeded projected sales, and the District had experience in inadequate cost recovery for marginal water supply costs. In the 2014 Study, RFC updated the Water Budget Rate Model to fine tune the water allocation factors and the allocation of water supply

to projected sales in tiers to address better align available water supply and water demand in tiers and to reduce the risk exposure of purchasing more expensive water for Tiers 1 and 2 sales.

CITY OF CAMARILLO (CA)

In 2011, City of Camarillo (City) engaged RFC to conduct a comprehensive water and wastewater rate study to independently assess and evaluate existing water and wastewater rates for compliance with industry standards and California regulations, and to develop a financial plan to ensure financial sufficiency while minimizing rate impacts to the greatest degree possible. Ms. Phan was responsible to develop the Water and Wastewater Rate Models with Dashboard functionality for scenario analyses for alternative capital financing and to facilitate communication and decision making with City Council. The Study included a comprehensive review of the water and wastewater enterprises' revenue requirements, a review of the City's user classification and usage patterns, a cost of service analysis, the development of water and wastewater connection fees, the designing of water and wastewater rates and the analysis of customer impacts along with a rate survey of neighboring agencies. The City had significant capital improvement projects scheduled in the immediate future (FY 2012 to FY 2014); to smooth out customer impacts while sufficiently maintaining the utility's systems, RFC developed water and wastewater financial plan Models to evaluate different CIP scenarios, financing options and associated financial impacts. RFC recommended water and wastewater rate schedules for a two-year period effective January 2012 and 2013, which was approved by the City Council in November 2011.

Since 2012, the City commissioned RFC to conduct the annual rate update study to assess the financial health of the Water and Wastewater Enterprises after its rate adoption in January 2012. Ms. Phan updated the Water and Wastewater Financial Plan Models with new key financial information, including operating and capital budgets. The results were communicated annually with the City Council.

CITY OF SANTA CRUZ (CA)

City of Santa Cruz Water Department (Department) is currently providing water services to population of approximately 60,000. Increasing operation and maintenance costs along with projected intensive capital program in the next ten years and volatile water sales in recent years has driven the Department to develop financial policies to mitigate potential risks and to establish sound financial management practices, and conduct a long-range financial plan to ensure financial sufficiency and sustainability of the Department's water system. In 2012, the Department commissioned RFC to develop the Financial Plan Model as a tool to assess the financial implications of different financial policies. As lead consultant, Ms. Phan was responsible for developing the custom-built Financial Plan Model and prepared a White Paper summarizing the recommended financial policies for the Department.

EL TORO WATER DISTRICT (CA)

In 2009, RFC completed a comprehensive cost of service study for El Toro Water District (District). Ms. Phan is responsible for developing a rate model to examine new water and sewer rates for the District to reflect the increased water cost from Metropolitan Water District of Orange County and the increased operating costs for the District's water and sewer systems. The model analyzes projected revenues, budgeted O&M costs, cost of service, the District's financial plan and customer impacts as a result of proposed rate increases.

In 2010, Ms. Phan completed the water budget rate study scheduled to be implemented on July 1st, 2010. This involves integrating the District's account data with the assessor's parcel data and ultimately determining the parcel area and landscape area of each parcel to be used in water budget rate design and in the implementation of the new rate structure. Ms. Phan is responsible for developing a water budget rate model to evaluate policy options, to assess the associated customer impacts. A variance form for individual water budget adjustments is also provided to the District as an implementation assistance tool.

The District has engaged RFC annually to assist in its water and wastewater rate updates. In addition, the District also commissioned RFC to evaluate the financial impacts of the Recycled Water expansion in May 2012. Ms. Phan developed an advanced, user-friendly Financial Plan Model with easy to understand graphics to communicate the financial impacts and the sensitivity analyses of the expansion on the Water and Sewer Enterprises. The Report was submitted to the District in July 2012.

To address the recent severe and ongoing drought in California, the District engaged RFC in a Drought Rate Study to determine the indoor and outdoor drought factor adjustments necessary to encourage conservation among its residential and irrigation customers and penalty rates for commercial customers to achieve the required reductions in consumption under increasing levels of drought. As part of the Study, RFC conducted financial impact analyses on revenues, expenditures, net revenues for each drought stage if 1) customers continue to consume at normal (non-drought) levels or 2) customers reduce consumption by the amount required. As lead analyst, Ms. Phan developed interactive excel Model to conduct financial impact analyses for each of the projected drought stages.

EAST ORANGE COUNTY WATER DISTRICT (CA)

Since 2011, East Orange County Water District (District) engaged RFC in several studies including water budget analysis and cost of service analysis for its retail water services. To convey the concept of water efficiency use, the District asked RFC to develop a Water Budget Model to evaluate different policy options associated with setting the efficiency benchmark for residential water use within the District's retail service areas. In the same year, the District requested RFC's assistance in conducting cost of service analysis and developing a Rate Model to be updated annually by District staff to calculate new rates. In 2015, the District engaged RFC in a water rate study for its wholesale and retail services. The study involved the development of a long-term financial plan and cost of service based rates for the wholesale and retail services, along with the nexus

Report to support the proposed rates. Ms. Phan was the lead analyst and modeler in all engagements with the District.

CITY OF SAN JUAN CAPISTRANO (CA)

In 2013, the City of San Juan Capistrano (City) was challenged by its ratepayers regarding a tiered rate structure developed by the City's previous rate consultants. The plaintiffs were concerned that the previous rate structure did not meet the cost of service test per the requirements of Proposition 218. The courts determined that the administrative records were not sufficient to establish a clear nexus for the rates.

The City selected RFC to assist with resolving this matter. One factor in the City's decision for selecting RFC was the rigorous nature of our approach for defensible rate structures as compared to many practitioners in the industry. In the case of the City and other agencies, a common practice has been to base tier prices on multipliers. This leaves agencies exposed to courts opining that their multiplier approach violates the "arbitrary and capricious" provision of Proposition 218.

In resolving the City's matter, RFC implemented its approach for satisfying a clear nexus for the rates; there needs to be a clear justification of the tiers and pricing. RFC achieved this nexus by developing rate components, which were used to justify the various tiers for the proposed rate structure. RFC's work withstood the rigorous scrutiny of several City Council meetings, including a multi-hour discussion confirming the defensibility of RFC's cost-of-service approach. As the lead consultant and modeler, Ms. Phan developed the multi-year financial plan model to facilitate the discussion about long-term financial planning for the Water, Recycled Water (RW), and Wastewater (WW) Enterprises to ensure financial sufficiency and sustainability. Ms. Phan also developed the Rate Models for Water, RW, and WW including the cost of service analysis and cost justifications for the tiered rates along with the customer impact analyses to assist the City's selected official to make informed decisions about the rates. In addition,

she prepared the supporting documents used during City Council meetings and workshops along with the most comprehensive Rate Study Report to establish the clear nexus for the rates, as required by Proposition 218 and the 2013 court decisions. The Report highlighted the major issues and decisions made during the course of the study; provided an overview of the operations, CIP, and the financial plan; and discussed and explained the cost of service analysis and methodology used to develop the final rates. The explanation of the methodology found within the Report demonstrates that the rates are equitable, reflect the City's policies and values, and are driven by the City's revenue requirements. The rates were approved and adopted in 2014.

OTHER RELEVANT PROJECT EXPERIENCES

- City of Corona (CA) - Water Financial Plan and Water Budget Rate Study
- City of Glendora (CA) - Water Budget Rate Study
- City of Huntington Beach (CA) - Water Budget Rate Study
- City of Ontario (CA) - Water, Wastewater and Solid Waste Rate Study
- City of Riverside (CA) - Water Capital Facility Fees
- City of San Clemente (CA) - Water, Wastewater and Recycled Water Financial Plan Study and Rate Update
- City of San Juan Capistrano (CA) - Water, Recycled Water and Wastewater Rate Study
- City of Santa Cruz (CA) - Financial Policy and Financial Plan Study and annual Rate Update
- City of Signal Hill (CA) - Financial Plan Study and Water Lease Market Analysis
- City of Thousand Oaks (CA) - Water and Wastewater Financial Plan and Rate Study
- Elsinore Valley Municipal Water District (CA) - Financial Plan Study, Water and Recycled Water Rate Study
- Goleta West Sanitary District (CA) - Reserve Policy Study and Financial Plan Study
- Jurupa Community Services District (CA) - Water Rate Study, Financial Plan and Water Budget Rate Study
- Las Virgenes Municipal Water District (CA) -

Water, Recycled Water and Wastewater Rate Study

- Mesa Water District (CA) – Financial Plan Study and Updates
- Metropolitan Water District of Southern California (CA)- Cost of Service Study and Rate Study Training Session
- Mojave Water Agency (CA)– Financial Plan Study and Updates
- Olivenhain Municipal Water District (CA) – Wastewater Financial Plan
- San Gabriel County Water District (CA)- Water Rate Study
- Santa Margarita Water District (CA) - Water, Recycled Water and Wastewater Rate Study
- South Coast Water District (CA)– Water Budget Feasibility Study
- Trabuco Canyon Water District (CA) - Water, Recycled Water and Wastewater Rate Study

TECHNICAL SPECIALTIES

- » Cost of Service – User Fee & Utility Studies
- » Cost analysis and cost allocation plan modeling
- » Proposition 218
- » Special District Formation
- » Special tax and assessment modeling
- » Financial planning and feasibility studies
- » Compliance auditing
- » Data analysis

PROFESSIONAL HISTORY

- » Raftelis Financial Consultants, Inc.: Senior Consultant (2017-present); Consultant (2014-2016)
- » Willdan Financial Services: Financial Analyst II (2012-2014)
- » State of Tennessee: Legislative Information Systems Auditor II (2006-2012)

EDUCATION

- » Bachelor of Science in Business Administration with a major in Accounting – University of Alabama in Huntsville (2005)
- » Studied Computer Engineering, DeVry University (2000-2002)

ANDREA BOEHLING

STAFF CONSULTANT

Senior Consultant (RFC)

PROFILE

Mrs. Boehling has a strong background in mathematics and accounting and has been serving public agencies for over 11 years. She possesses extensive analytical and modeling skills which she has used to perform various financial analysis such as cost of service user fee studies, utility rate studies, fiscal impact analysis, special district formations, cost allocation plan modeling, etc. Mrs. Boehling is well-versed with the cost of service principles and special benefit provisions of Proposition 218. In addition, with over 6 years of experience in the auditing field, she is very familiar with monitoring and evaluating compliance with regulations, performing data analysis, and performing data integrity testing.

RELEVANT PROFESSIONAL EXPERIENCE

HELIX WATER DISTRICT (CA)

The Helix Water District (District) hired RFC to conduct a comprehensive cost of service analysis and financial plan update. The last cost of service study was conducted back in 1988 and needed to be updated to be in compliance with Government Code Section 54999.7(c). Mrs. Boehling's responsibilities included supporting project managers and conducting fiscal analysis, data compilation, and modeling. Various rate structures, components, and objectives were evaluated and cost of service based rates were developed. The study incorporated a pass-through component to clearly identify and account for San Diego County Water Authority costs which are outside of the District's control. Mrs. Boehling assisted with the preparation of the study report and helped ensure the Proposition 218 noticing requirements were met. Rates for a five year period were adopted in October of 2015.

RFC was hired to perform annual updates of the financial plan. Mrs. Boehling worked closely with the District and Project Manager to complete the first annual update in April of 2016. She added enhancements to the model to assist the District in evaluating whether or not the District needs to implement the full rate increase as adopted in 2015 or whether a lower rate adjustment would be sufficient.

EAST VALLEY WATER DISTRICT (CA)

Mrs. Boehling assisted with a 10-year financial plan and water rate study for the East Valley Water District. RFC designed a water budget rate structure which ensured revenue stability, financial sufficiency, and provided appropriate price signals for different supply costs, peaking costs, and conservation program funding for the District. Mrs. Boehling

worked in support of the project manager to develop a water budget rate model developed that allowed the District to quickly view the impacts of alternative rates and budgets to assist policy makers in making well-informed decisions in a timely manner. She was responsible documenting the study results and drafting the study report.

RAINBOW MUNICIPAL WATER DISTRICT (CA)

Mrs. Boehling served as Lead Consultant for Rainbow Municipal Water District's (District) comprehensive cost of service based water rate study. The study involved developing a long-term financial plan, consumption analysis cost of service analysis, and rate structure development. The rate structure included many components such as a fixed monthly operations and maintenance charge, a fixed pass-through charge to recover the costs imposed by the San Diego County Water Authority, commodity rates (including special agriculture rates, tiered commodity rates for single-family residential customers, uniform rates for non-single family residential customers), and pumping charges to account for the costs to pump water to higher elevations. Mrs. Boehling was responsible for data collections, model development, collaboration with the client, presentations to the Finance Committee and Board, model training and drafting the report.

CITY OF SANTA CRUZ (CA)

The City of Santa Cruz Water Department (City) currently provides water service to a population of approximately 93,000. The City is faced with increasing operation and maintenance costs, a significant projected capital program over the next 10 years, and volatile water sales due to the drought. RFC is currently working on a series of projects for the City to help ensure financial sustainability of the City's water system. Mrs. Boehling is serving as Lead Consultant on the City's comprehensive water rate study. She worked at the direction of the Project Manager to assist the City in evaluating various rate structures including water budget rates. She developed a dynamic model capable of instantly changing the recovery mechanisms and assisted the City as they evaluated 6 different rate scenarios. The rate structure include an analysis to determine the allo-

cation to inside customers versus outside customers, allocations by class, and tier. In addition, she worked with the City to develop a separate Infrastructure Reinvestment Charge to help finance the significant repairs and replacements. She was responsible for all data collections, consumption analysis, model development, customer impacts, presentations, and will draft the report following the final rate selection. The Public Hearing is currently scheduled for August 2016.

WESTERN MUNICIPAL WATER DISTRICT (CA)

RFC has been assisting Western Municipal Water District (District) with several projects spanning many years. Most recently, Mrs. Boehling served as Lead Consultant on the development of comprehensive water budget rate structure for each of the District's retail service areas. Mrs. Boehling created presentations and helped facilitate discussions on the policy options associated with the development of water budget rates. Based on these policy options, Mrs. Boehling developed a flexible rate model that could easily analyze different methodologies of allocating water sources to different customer classes, different allocation factors for indoor and outdoor water use, determined price ratios for the corresponding tiers, and developed the corresponding rates and customer impacts. Mrs. Boehling worked closely with the Project Manager and District Staff to evaluate scenarios and refine the rate structure.

In 2014, the District engaged RFC to update the capacity fees for its retail water, wastewater, and recycled water services. Mrs. Boehling updated and refined the capacity fee model to incorporate the most current information including the most recent Master Plans for each of the District's service areas. The updated model evaluated different policy options and examined various methodologies. Based on the framework established through close collaboration with District staff, Mrs. Boehling updated the capacity fees.

ELK GROVE WATER DISTRICT (CA)

Ms. Boehling assisted with a water rate and connection fee study for the District. Duties included

collecting and analyzing data, including water revenue requirements; allocating costs of service to cost components, and distributing costs to customer classes. Ms. Boehling also helped to identify existing development, future growth, and facility standards; determine facility needs and costs; and perform a fee calculation analysis. She also completed the database analysis and procedural tasks necessary to comply with Proposition 218 noticing requirements.

RINCON DEL DIABLO WATER DISTRICT (CA)

Like many water agencies in California, Rincon del Diablo Water District (District) was faced with challenges related to the reduction in water usage as a result of conservation, the slow economy, increasing water supply costs, and the recent Executive Order by Governor Brown to reduce water consumption by 25% statewide. RFC was hired to conduct a comprehensive cost of service water rate study and develop a financial plan to help achieve a strong financial outlook in future years. Mrs. Boehling served as staff consultant and assisted with data collection, financial plan analysis, model development, rate design, and drafted the study report. The study incorporated a pass-through component to allow the District to pass on increased imported water costs to their customers without having to undergo the rate adjustment process. In addition, the study adjusted target reserves and modified the rate structure for each customer class to ensure Proposition 218 compliance and financial sufficiency.

CITY OF TULARE (CA)

The City was depleting reserves in recent years and needed to conduct a comprehensive review of their rates to ensure revenue sufficiency, and that cost of service principles were utilized to achieve equity across customers. Mrs. Boehling assisted in implementing a rate structure that achieved City and Board of Public Utilities (BPU) objectives and which effectively and clearly communicated key proposed structure components. Responsibilities also included assistance in the development of the budget and revenue requirements in the model, the completion of the report, and Proposition 218 database analysis, noticing, and compliance requirements.

CITY OF SOLEDAD (CA)

Since 1996, the City had undergone tremendous changes; but had not updated its water rates. Ms. Boehling assisted with the development of a financial rate model that provides a clear picture of the utilities' financial situation, and demonstrates the results of various scenarios. She also helped to collect and analyze appropriate data related to water operations, planned capital improvement projects, population, and/or development projections; existing debt obligations; and ongoing maintenance and repair operations. She also completed the database analysis and procedural tasks necessary to comply with Proposition 218 noticing requirements.

CITY OF SANTA CRUZ (CA)

In 2015, RFC was engaged by the City to conduct a Water Demand Offset Fee Study to evaluate the feasibility of implementing a Water Demand Offset Fee for the City. RFC also evaluated the City's System Development Charges (capacity fees) to ensure new customers, or existing customers requiring larger meters, pay an equitable share when connection to the system. Mrs. Boehling served as Lead Consultant for both of these studies. The capacity fees were last updated in 2004 and had not been adjusted to account for changes in the system or costs associated with inflation. The fees were updated using the equity buy-in method and considered the value of the water assets, reserve balances, outstanding debt, and current capacity/demand of the system.

CITY OF VISTA / BUENA SANITARY DISTRICT (CA)

In 2015, RFC was retained by the City of Vista (City) to complete a wastewater capacity fee study for both the City and Buena Sanitary District (District). Mrs. Boehling served as the Lead Consultant on the project and developed capacity fees based on the equity buy-in approach. Several factors were considered during the development of the fees, including but not limited to, assets which were valued using the replacement cost less depreciation method, the investment by the City/District in the EWA treatment plant, current reserves, outstanding debt obligations, and current demand or capacity of the system. Mrs. Boehling was responsi-

ble for data collection, model development, leading staff discussions, and writing the study report.

RANCHO CALIFORNIA WATER DISTRICT (CA)

Mrs. Boehling assisted Rancho California Water District (District) in the development of a New Water Demand Offset Fee. The New Water Demand Offset Program is a form of funding of conservation measures that will help to create sustainable, zero water footprint development. New developments will pay fees called New Demand Offset Fees to create potable water savings in the existing system to support water demand generated by new developments. Water savings can be achieved by converting irrigation accounts to recycled water, installing high efficiency retrofits to replace insufficient fixtures for existing accounts in the District, converting high water use landscaping to Californianative landscaping, or even the conversion of agriculture crops. Mrs. Boehling was responsible for creating a flexible model that was capable of evaluating several different options and measures and assisted in the presentation of the fees to the Finance Committee.

CITY OF PITTSBURG (CA)

Mrs. Boehling worked collaboratively with City staff to prepare a full overhead and OMB A-87 compliant cost allocation model and plan, along with a cost of service user fee study. She was responsible for all communications with the City, obtaining and analyzing data, incorporating data into user-friendly models, testing and presenting the models, and drafting and presenting the final reports with City staff and Council.

TOWN OF LOS ALTOS HILLS (CA)

Mrs. Boehling provided analytical support in ensuring that the Town's OMB A-87-compliant cost allocation model and plan fairly allocated general and administrative overhead service costs to appropriate activities and departments. She also assisted with a cost of service user fee study in order to capture the full-cost recovery associated with the delivery of certain Town services, including community development, planning, public works, and parks and recreation. She was responsible for overseeing the

time survey meetings and incorporating the data to help determine the full cost of providing services.

CITY OF HAYWARD (CA)

Mrs. Boehling worked collaboratively with City staff to prepare a full overhead and OMB A-87 cost allocation plan, along with a cost of service master user fee study. Duties included reviewing relevant documentation, gathering information related to indirect staffing and functions, preparing a comprehensive cost allocation model and plan, preparing a fee model, and testing and reviewing the model and results with City staff.

CITY OF RED BLUFF (CA)

Mrs. Boehling helped to develop a cost allocation plan and model that fully allocated central overhead costs to appropriate operating departments, funds, and/or programs; and automatically allocated only those costs allowed under OMB A-87 guidelines, excluding unallowable expenses from the distribution of costs. She completed the model and report, and worked directly with the client to integrate their feedback and revisions.

CITY OF THOUSAND OAKS (CA)

Performed an annual update to the City's extensive full and OMB A-87 cost allocation plan. Mrs. Boehling performed the annual review and update of the model, and worked with City staff to develop the updated allocation bases that accurately reflected City operations, while complying with regulatory requirements. She prepared the revised reports for delivery to the City.

COUNTY OF SAN DIEGO (CA)

Mrs. Boehling managed the formation of Community Facilities District No. 2013-01 (Horse Creek Ridge) for the County. Her responsibilities include: the gathering and detailed review of developer analysis, projections and cost documentation; working with the County to develop maintenance and operation budgets for facilities and improvements, such as water and sewer improvements, detention basins, operations and maintenance of the regional sports park complex, to be owned and operated by the County; completing (and modifying as necessary) the special tax analysis;

preparing the Rate and Method of Apportionment and boundary diagrams; and assisting the County throughout the formation process.

Mrs. Boehling provided analytical support specific to acquisition audit services for the County of San Diego Community Facilities District No. 2008-01 (Harmony Grove Village). These efforts include completing a detailed review of developer payment requests, verifying supporting documentation, and preparing audit report schedules and reports. These efforts ensure that the proper steps are followed and the proper information is provided for the infrastructure facilities that are being constructed by the developer, which will ultimately be acquired by the County.

Mrs. Boehling also managed the amendment and annexation proceedings related to Community Facilities District No. 2008-01 (Harmony Grove Village). These efforts included updating and reviewing the product mix, preparing an updated cash flow pro forma for the anticipated mello-roos bonds to help pay for a water treatment facility, sewer pump station, and other infrastructure improvements, and amended the boundaries of the CFD.

CITY OF MADERA (CA)

Mrs. Boehling assisted the City of Madera with the formation of a new CFD for an area of new development that included several types of land uses, primarily commercial and non-residential. She worked with the City to confirm the applicable special tax rates, prepared necessary documents and diagrams, and provided technical assistance throughout the formation process.

SACRAMENTO METRO FIRE DISTRICT (CA)

Assisted the Sacramento Metro Fire District with a proposed fire suppression assessment study for the purposes of updating their fire suppression assessment. Mrs. Boehling's duties consisted of conducting extensive database analysis, review of fire service costs, assistance in the development of an assessment methodology, and preparation of presentations and reports.

OTHER RELEVANT PROJECT EXPERIENCE

- City of Cerritos (CA) – Community Facilities District No. 2013-1 Formation
- Crescent City (CA) – Proposition 218 Database Analysis and Noticing Requirements
- City of Delano (CA) – Proposition 218 Database Analysis and Noticing Requirements
- City of Hayward (CA) – Cost Allocation Plan and User Fee Study
- Town of Los Altos Hills (CA) – Cost Allocation Plan and User Fee Study
- City of Madera (CA) – Community Facilities District Formation
- McKinleyville Community Services District (CA) – Proposition 218 Database Analysis and Noticing Requirements
- City of Menifee (CA) – Community Facilities District No. 2014-01 (Town Center) Formation
- City of Oviedo (FL) – Utility Rate Comparison and presentation
- Phelan Pinon Hills Community Services District (CA) – Proposition 218 Database Analysis and Noticing Requirements
- City of Pittsburg (CA) – Cost Allocation Plan and User Fee Study
- City of Placentia (CA) – City-wide Community Facilities District No. 2014-01 (Public Services) Formation and Fiscal Analysis
- City of Red Bluff (CA) – Full Cost Allocation Plan
- Sacramento Metro Fire District (CA) – Fire Assessment Study
- County of San Diego (CA) – Community Facilities District Formation and Acquisition Auditing
- City of Thousand Oaks (CA) – Cost Allocation Plan
- City of Tustin (CA) – Community Facilities District Formation

TECHNICAL SPECIALTIES

- » Financial Modeling
- » Energy Economics

PROFESSIONAL HISTORY

- » Raftelis Financial Consultants, Inc.: Consultant (2016 – present); Associate Consultant (2014 – 2015)

EDUCATION

- » Master of Environmental Management – Duke University (2014)
- » Bachelor of Arts in Asian Studies (Chinese) and Peace, War, and Defense – University of North Carolina, Chapel Hill (2011)

VICTOR SMITH

STAFF CONSULTANT

Consultant (RFC)

PROFILE

Mr. Smith is an Associate Consultant with a Masters in Environmental Management. He has worked on several rate studies including studies for the Cities of Brea, Watsonville, Redlands, Chino Hills, and Calleguas MWD. In addition to his expertise in financial modeling, Mr. Smith has a background in environmental and energy economics.

RELEVANT PROFESSIONAL EXPERIENCE

CITY OF REDLANDS (CA)

The City of Redlands engaged RFC to develop a water and wastewater financial plan model. As an associate consultant, Mr. Smith developed the City's Water and Wastewater Development Impact Fees.

CASTAIC LAKE WATER AGENCY (CA)

Castaic Lake Water Agency engaged RFC to develop wholesale water rates in response to Proposition 218 challenge. As the lead financial consultant on the project, Mr. Smith developed Proposition 218 compliant wholesale rates for the Agency, based on both a historical average of imported water demand and current water use.

BORREGO WATER DISTRICT (CA)

Borrego Water District engaged RFC to develop a financial model to derive water and wastewater rates. As lead financial consultant Mr. Smith developed a model and financial plan to meet the District's long term financial needs. Mr. Smith also developed a new rate structure for the District's water enterprise and wastewater enterprise.

CITY OF SHASTA LAKE (CA)

The City of Shasta Lake engaged RFC to develop a financial plan and rate study for its water enterprise. Mr. Smith worked on the rate study, performed a Cost of Service analysis and designed a new rate structure for the City.

CITY OF CHINO HILLS (CA)

The City of Chino Hills engaged RFC to develop a financial plan model to accompany an asset management study from GHD. As the project's lead financial consultant, Mr. Smith developed a 100 year financial model based on analysis of the City's current finances including water acquisition costs, capital and asset management costs, and water sales revenues.

CITY OF BREYA (CA)

The City of Brea engaged RFC to develop a financial plan model for a water rate study. Mr. Smith built a 5-year financial model of the City's water enterprise. Mr. Smith used this model to develop a financial plan and cost of service analysis for the water enterprise, as well as drought rates to help the City meet its revenue requirements following a 24% reduction in sales. This model will be used by the City to develop future rate increases.

CITY OF WATSONVILLE (CA)

The City of Watsonville engaged RFC to develop a water, wastewater and solid waste financial plan model. The City was facing a variety of challenges, including a slate of Chromium 6 related capital expenditures. Mr. Smith built a 5-year financial model of the City's three utility enterprises that took into account these anticipated difficulties. Mr. Smith used this model to develop a financial plan and perform a cost of service analysis and developed tiered water rates for residential customers and uniform rates for non-residential and agricultural customers.

CITY OF BEVERLY HILLS (CA)

The City of Beverly Hills engaged RFC to develop a financial model to calculate connection fees for new developments and redevelopment. As the financial consultant, Mr. Smith developed a model that combined data from several sources and calculated appropriate connection fees based on the "buy-in" methodology.

TECHNICAL SPECIALTIES

- » Data analysis
- » Financial modeling
- » Utility rate studies

PROFESSIONAL HISTORY

- » Raftelis Financial Consultants, Inc.: Consultant (2016-present)
- » Microsoft Corporation – Partner Account Specialist (2015-2016)

EDUCATION

- » Bachelor of Arts in Business Economics – University of California, Irvine (2015)

NANCY PHAN

STAFF CONSULTANT

Associate Consultant (RFC)

PROFILE

Ms. Phan has a background in business economics with a focus on data analysis, writing, and communications. Her expertise in working with large datasets brings efficiency and refinement to her financial modeling, and her emphasis on writing establishes a clear and concise communication style.

RELEVANT PROJECT EXPERIENCE

ONTARIO MUNICIPAL UTILITIES COMPANY (CA)

Ms. Phan serves as the associate consultant for the Utilities' potable water enterprise. She is developing water rates to meet the stringent cost of service requirements. The drought has significantly impacted the water supply and sales and the state has mandated water reductions. The drought situation has proved very challenging for water utilities to provide service, meeting state requirements, providing adequate revenues and minimizing impacts to customers.

COUNTY OF VENTURA (CA)

Ms. Phan assisted the development of rates for four different districts served by the County of Ventura. The rate study included unique issues related to serving agricultural customers. The rate structure was modified to provide greater simplicity from the current system. Ms. Phan developed models, wrote reports and assisted with the bill calculators developed for the Districts.

CITY OF BENICIA (CA)

Ms. Phan is determining connection fees for the water and wastewater utilities for the City. The current fees were developed several years ago and need to be updated to take into account the current economic and growth situation. Fees will be determined using equity and capacity buy-in method along with incremental buy-in based on the availability of capacity in different components of the system and the capital improvements needed to meet new demand.

GOLETA WEST SANITATION DISTRICT (CA)

Ms. Phan assisted with a study to determine various fees including annexation, capacity fees, industrial permit fees, plan check and inspection fees, permit fees, and frontage fees.

CITY OF ESCONDIDO (CA)

Ms. Phan has assisted with the City of Escondido's water and wastewa-

ter rate studies by developing a financial plan and reviewing revenue requirements such as the Capital Improvement Plan, existing and future debt obligations, operating expenditures, and reserve policies. In addition, she has helped develop a cost of service analysis in order to determine rates that are fair, equitable, and compliant with Proposition 218. Following the completion of the rate studies, she assisted in writing the reports which details the steps taken and calculations made during the course of the study.

ZONE 7 WATER AGENCY (CA)

Ms. Phan assisted in updating the wholesale water rate model for Zone 7 Water Agency, which included updating the financial plan, developing a cost of service analysis, and determining fair and equitable rates. In order to enhance revenue stability for the Agency, she assisted in determining a modified rate structure that is beneficial and fair to both the Agency and its customers. After updating the rate model, she wrote a report detailing the steps that were taken in the update and provided model training to Agency staff.

TECHNICAL SPECIALTIES

- » Water economics and policy
- » Financial modeling
- » Statistical analysis

PROFESSIONAL HISTORY

- » Raftelis Financial Consultants, Inc.: Associate Consultant (2016-present)
- » Indiana Business Research Center: Research Assistant (2015-2016)
- » Woods Hole Oceanographic Institution: Student Fellow (2014-2015)
- » Cox Law Firm: Law Clerk & Natural Resources Consultant (2013-2016)

EDUCATION

- » Master of Public Affairs – Indiana University School of Public & Environmental Affairs (2016)
- » Bachelor of Science in Public Affairs, Environmental Management – Indiana University (2014)
- » Certificate in Underwater Resource Management – Indiana University (2014)

KARTER HARMON

STAFF CONSULTANT

Associate Consultant (RFC)

PROFILE

Mr. Harmon has a background in economics, water policy, natural resource law, and strategic consulting. His primary expertise includes economic and financial modeling, statistical analysis, and conservation planning.

RELEVANT PROJECT EXPERIENCE

CITY OF ANAHEIM (CA)

Mr. Harmon has participated in a financial plan and rate study for the City of Anaheim (City). This project involves an intricate financial planning model that incorporates budgeted revenues and expenditures, debt service, capital projects, and other elements. The study also calculates equitable rates and charges for the City's water users using a multifaceted system involving multiple customer classes, commodity and reliability adjustments, and projected revenue adjustments.

CITY OF CARPINTERIA (CA)

Mr. Harmon has also carried out a wastewater rate study for the City of Carpinteria. This study examines current sewer service charges and rates scheduled to be billed on the tax roll, along with agency budgetary and capital expenditure data. The study calculates adjusted wastewater rates for a wide variety of customers using cost of service analysis.

ADDITIONAL EXPERIENCE

Mr. Harmon has also undertaken projects related to water capacity fees, rate research and evaluation, and conservation tracking. He has helped calculate facilities capital fees (FCFs) for the Castaic Lake Water Agency, researched development impact fees and recycled water projects for the City of Roseville, and co-written an article on data-based approaches to water conservation for the Rancho California Water District. He also developed a conservation tracking tool that allows visualization of water conservation and drought standard over time, using publicly-available data collected by the California State Water Resources Control Board.

While attending graduate school, Mr. Harmon provided research and consulting services for several clients including Cox Law Firm (an environmental law office), Creative Innovations (a landscaping firm focused on water conservation), and the Indiana Business Research Center. He has worked on issues ranging from public utility

labor regulations, to econometric modeling of natural resources, to financial consulting for business development. He is also an author of two published research studies, one dealing with the growth and development of industry clusters and another addressing marine policy in the United States.

Prior to attending graduate school, Mr. Harmon worked at the Woods Hole Oceanographic Institution in Massachusetts, where he focused on identifying and modeling relationships between built infrastructure and natural resources. He also spent part of two summers working on the Living Museums of the Sea project, which operates in Bayahibe, Dominican Republic.

RELEVANT PROFESSIONAL EXPERIENCE

While attending graduate school, Mr. Harmon provided research and consulting services for several clients including Cox Law Firm (an environmental law office), Creative Innovations (a landscaping firm focused on water conservation), and the Indiana Business Research Center. He has worked on issues ranging from public utility labor regulations, to econometric modeling of natural resources, to financial consulting for business development. He is also an author of two published research studies, one dealing with the growth and development of industry clusters and another addressing marine policy in the United States.

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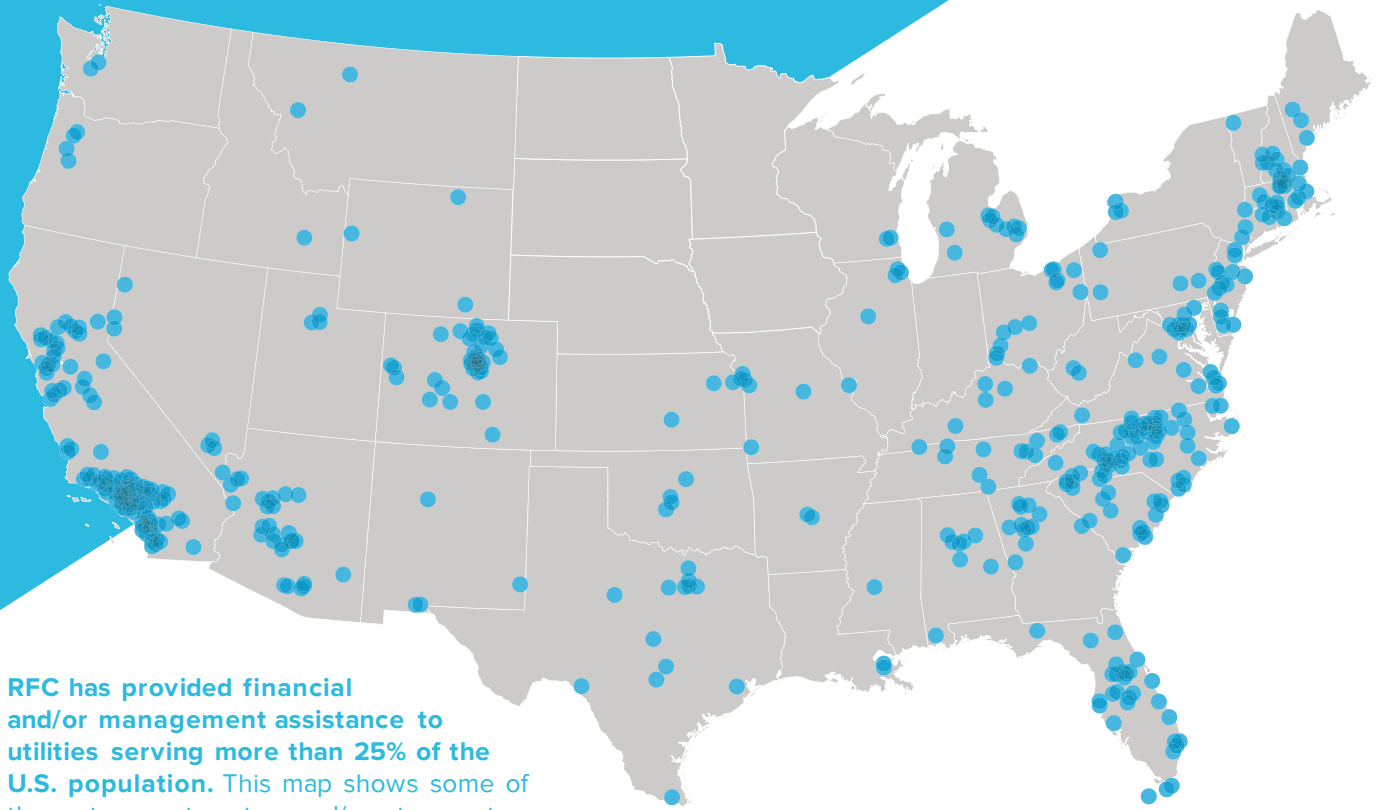
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RFC staff have co-authored many of the industry's leading guidebooks regarding water and wastewater financial issues and rate setting, including:

- *AWWA's Manual M1, Principles of Water Rates, Fees and Charges*
- *AWWA's Water Rates, Fees, and the Legal Environment, 2nd Edition*
- *WEF's Manual of Practice No. 27 - Financing and Charges for Wastewater Systems*
- *AWWA's Manual M5, Water Utility Management, 2nd Edition*
- *Water and Wastewater Finance and Pricing: The Changing Landscape*

RFC also conducts and publishes the national *Water and Wastewater Rate Survey* in conjunction with AWWA (which is the most comprehensive collection of water and wastewater utility financial and rate data available in the industry) and the *California-Nevada Water and Wastewater Rate Survey* in collaboration with the CA-NV Section of the AWWA.





RFC has provided financial and/or management assistance to utilities serving more than 25% of the U.S. population. This map shows some of the water, wastewater, and/or stormwater utility clients where RFC staff have provided financial/management consulting.

EXPERIENCE

RFC has focused on financial and management consulting for water, wastewater, and stormwater utilities since the firm's founding in 1993, and our staff consists of some of the most experienced consultants in the industry. RFC staff have provided financial, rate, management, and/or operational consulting services to more than 500 utilities in the U.S., including some of the largest and most complex water, wastewater, and stormwater utilities in the U.S. and California. In the past year alone, RFC worked on more than 400 financial, rate, management, and operational consulting projects for over 300 water, wastewater, and/or stormwater utilities in 36 states, the District of Columbia, Canada, and Puerto Rico.

CALIFORNIA EXPERIENCE

This table lists the California utilities that RFC has assisted over the past five years on financial, rate, and/or management consulting projects.

CLIENT	AFFORDABILITY ANALYSIS & PROGRAM DEVELOPMENT	DEBT ISSUANCE SUPPORT	DISPUTE RESOLUTION	FINANCIAL AND CAPITAL IMPROVEMENTS PLANNING	RATE CASE SUPPORT	RATE DESIGN	RISK ANALYSIS	COST OF SERVICE	DEVELOPMENT / IMPACT FEES	STORMWATER UTILITY DEVELOPMENT	ORGANIZATIONAL OPTIMIZATION	WATER/WASTEWATER UTILITY VALUATION
Alameda County Water District		●		●		●	●	●				
Anaheim, City of				●		●	●	●				
Arroyo Grande, City of				●		●	●	●				
Atwater, City of				●	●	●		●				
Bakersfield, City of		●		●		●		●				
Benicia, City of									●			
Beverly Hills, City of		●		●		●	●	●	●		●	
Borrego Water District			●	●		●						
Brea, City of				●		●		●				
Brentwood (CA), City of				●		●	●	●				
CAL FIRE/San Luis Obispo								●				
Calleguas Municipal Water District		●		●		●	●	●				
Camarillo, City of		●		●		●		●	●			
Carlsbad Municipal Water District		●		●		●	●	●				
Casitas Municipal Water District				●		●		●				
Castaic Lake Water Agency			●	●		●	●	●	●			
Central Basin Municipal Water District		●		●			●	●				
Central Contra Costa Sanitary District				●		●		●				
Channel Islands Beach Community Services District				●		●		●				
Chino Hills, City of				●		●		●				
Chino, City of				●		●		●				
Chowchilla, City of				●		●	●	●				
Corona, City of						●			●			
County of San Diego				●				●		●		
Crescenta Valley Water District				●		●		●				
Cucamonga Valley Water District				●								
Del Mar Union School District		●										
Delta Diablo Sanitation District											●	
East Bay Municipal Utilities District				●				●				
East Orange County Water District				●		●		●				
East Valley Water District				●		●	●	●				
Eastern Municipal Water District				●								
El Toro Water District				●		●		●				
Elk Grove Water District	●			●		●	●	●	●			
Elsinore Valley Municipal Water District				●		●		●	●			
Escondido, City of		●		●		●	●	●	●			
Galt, City of		●		●		●		●	●			
Glendora, City of						●						
Goleta Water District				●		●	●	●				
Goleta West Sanitary District			●	●		●	●	●	●			
Helix Water District				●		●		●				
Henderson, City of				●		●		●	●			
Hollister, City of				●		●		●	●			
Holtville, City of				●				●				
Huntington Beach, City of				●		●	●	●				
Imperial County				●		●		●				

CLIENT	AFFORDABILITY ANALYSIS & PROGRAM DEVELOPMENT	DEBT ISSUANCE SUPPORT	DISPUTE RESOLUTION	FINANCIAL AND CAPITAL IMPROVEMENTS PLANNING	RATE CASE SUPPORT	RATE DESIGN	RISK ANALYSIS	COST OF SERVICE	DEVELOPMENT / IMPACT FEES	STORMWATER UTILITY DEVELOPMENT	ORGANIZATIONAL OPTIMIZATION	WATER/WASTEWATER UTILITY VALUATION
Inland Empire Utilities Agency				●								
Irvine Unified School District		●										
Jurupa Community Services District				●		●	●	●				
Kern County Water Agency					●							
La Canada Irrigation District				●		●		●				
La Habra Heights County Water District				●		●	●	●	●			
Laguna Beach, City of				●								
Lake Valley Fire Protection District				●			●	●				
Las Virgenes Municipal Water District				●		●		●				
Livermore, City of				●		●		●	●			
Long Beach City of	●	●		●		●		●				
Los Alamos Community Services District		●		●		●		●	●			
Los Angeles Department of Water and Power						●		●				
Los Angeles, City of Bureau of Sanitation					●							
Madera, City of		●		●								
Mammoth Community Water District				●		●		●				
Marin Municipal Water District					●							
Merced, City of				●		●		●	●			
Mesa Water District				●								
Metropolitan Water District of Southern California			●									
Modesto Irrigation District						●		●				
Mojave Water Company						●	●					
Monterey County Water Resources Agency				●		●		●				
Monterey, City of		●		●		●	●					
Moulton Niguel Water District									●			
Municipal Water District of Orange County					●			●				
Napa Sanitation District				●		●		●				
Ojai Valley Sanitary District				●		●		●				
Olivenhain Municipal Water District				●		●	●					
Ontario Municipal Utilities Company								●				
Ontario, City of				●		●	●	●				
Orange, City of				●		●		●				
Palo Alto, City of				●		●	●	●				
Phelan Pinon Hills Community Services District	●			●		●		●	●			
Placer County Water Agency					●			●				
Pleasant Hill Recreation & Park District				●				●				
Rainbow Municipal Water District				●		●	●	●				
Ramona Municipal Water District				●		●		●				
Rancho California Water District						●	●	●	●			
Redlands, City of				●		●	●					
Rincon del Diablo Municipal Water District				●		●		●				
Riverside Public Utilities				●		●	●	●	●			
Roseville, City of		●		●					●			
Sacramento Regional County Sanitation District						●						
Sacramento, City of				●		●		●				
Salton Community Services District				●				●				

CLIENT	AFFORDABILITY ANALYSIS & PROGRAM DEVELOPMENT	DEBT ISSUANCE SUPPORT	DISPUTE RESOLUTION	FINANCIAL AND CAPITAL IMPROVEMENTS PLANNING	RATE CASE SUPPORT	RATE DESIGN	RISK ANALYSIS	COST OF SERVICE	DEVELOPMENT / IMPACT FEES	STORMWATER UTILITY DEVELOPMENT	ORGANIZATIONAL OPTIMIZATION	WATER/WASTEWATER UTILITY VALUATION
San Bernardino Valley Municipal Water District						●						
San Bernardino, County of				●		●		●	●			
San Clemente, City of				●		●	●	●				
San Diego, City of Public Utilities Department		●	●	●		●	●	●	●			
San Dieguito Water District		●										
San Elijo Joint Powers Authority				●	●	●	●	●	●			
San Gabriel County Water District				●		●		●				
San Gabriel, City of				●		●		●				
San Jose, City of								●				
San Juan Capistrano, City of				●		●	●	●	●			
Santa Ana, City of								●				
Santa Barbara, City of				●		●	●	●	●			
Santa Clara Valley Water District			●	●	●							
Santa Clarita Water District		●		●		●	●	●	●			
Santa Cruz, City of				●		●	●	●				
Santa Fe Irrigation District				●		●	●	●	●			
Santa Fe Springs, City of				●		●		●				
Santa Margarita Water District				●		●	●	●				
Santa Rosa, City Attorney's Office									●			
Scotts Valley Water District		●		●		●	●	●	●			
Shafter, City of				●		●		●				
Shasta Lake, City of				●		●	●	●				
Sierra Madre, City of	●			●		●		●				
Signal Hill, City of				●		●		●				
Simi Valley, City of				●		●	●	●	●			
South Mesa Water Company				●		●	●	●				
South Pasadena, City of				●		●		●				
South San Francisco, City of				●				●				
Sunnyslope County Water District				●		●	●	●	●			
Sweetwater Authority				●		●		●				
Temescal Valley Water District				●		●		●	●			
Thousand Oaks, City of				●		●	●	●	●			
Torrance, City of				●		●		●				
Trabuco Canyon Water District				●		●		●				
Triunfo Sanitation District				●		●		●				
Tustin, City of				●		●		●				
Union Sanitary District				●		●	●	●	●			
Ventura Regional Sanitation District				●		●		●				
Ventura, City of	●	●	●	●	●	●	●	●	●			
Vista, City of				●		●			●			
Walnut Valley Water District				●		●		●				
Watsonville, City of	●			●		●	●	●				
West Basin Municipal Water District				●		●	●	●				
Western Municipal Water District				●		●		●	●			
Yorba Linda Water District				●		●		●				
Zone 7 Water Agency				●		●		●				

NATIONAL EXPERIENCE

This matrix shows a brief sample of some of the utilities throughout the U.S. and Canada that we have assisted and the services performed for these utilities.

STATE	CLIENT	FINANCIAL AND RATE CONSULTING										MANAGEMENT CONSULTING							
		AFFORDABILITY ANALYSIS AND PROGRAM DEVELOPMENT	DEBT ISSUANCE SUPPORT	DISPUTE RESOLUTION	FINANCIAL AND CAPITAL IMPROVEMENTS PLANNING	IMPACT FEES	RATE CASE SUPPORT	RATE STUDY	RISK ANALYSIS	STORMWATER UTILITY DEVELOPMENT	CUSTOMER RELATIONSHIP MANAGEMENT	CUSTOM SOFTWARE AND TOOL DEVELOPMENT	DATA SERVICES	ORGANIZATIONAL OPTIMIZATION	PERFORMANCE MANAGEMENT AND BENCHMARKING	PROJECT/PROGRAM PROCUREMENT ASSISTANCE	PUBLIC/STAKEHOLDER EDUCATION, OUTREACH, AND FACILITATION	STORMWATER PROGRAM DEVELOPMENT SUPPORT	STRATEGIC BUSINESS PLANNING
AL	Birmingham Water Works Board	●	●	●	●	●		●	●			●		●		●		●	●
AL	Mobile Area Water & Sewer System				●			●										●	
AR	Central Arkansas Water				●			●				●							
AR	Little Rock Wastewater Utility				●			●					●		●				●
AZ	Peoria, City of		●		●	●		●											●
AZ	Phoenix, City of		●		●									●	●				
AZ	Pima County			●	●	●		●	●						●				●
AZ	Tucson Water				●			●								●			
CA	Anaheim, City of				●			●											
CA	Beverly Hills, City of				●			●	●				●						
CA	MWD of Southern California			●	●			●						●					
CA	San Diego, City of				●			●	●										
CA	San Francisco PUC				●			●										●	
CA	Santa Clara Valley Water District			●	●			●											
CA	Western Municipal Water District				●	●		●											
CO	Denver Water							●								●			
CO	Denver Wastewater, City of		●					●					●						
DC	DC Water				●	●		●	●			●	●	●				●	
DE	Wilmington, City of												●		●			●	
FL	Clearwater, City of												●	●					
FL	Pompano Beach, City of				●			●					●						
FL	Port St. Lucie, City of				●	●		●											
FL	St. Johns County		●		●	●		●	●										
GA	Columbus Water Works		●		●			●	●						●				
HI	Honolulu ENV, City and County of				●			●											
IL	City of Naperville				●			●											
KS	Wichita, City of				●			●	●										
KY	Hardin County Water District #1				●		●	●											
LA	New Orleans, Sewerage & Water Board of		●		●			●		●		●		●	●	●	●		

STATE	CLIENT	FINANCIAL AND RATE CONSULTING										MANAGEMENT CONSULTING									
		AFFORDABILITY ANALYSIS AND PROGRAM DEVELOPMENT	DEBT ISSUANCE SUPPORT	DISPUTE RESOLUTION	FINANCIAL AND CAPITAL IMPROVEMENTS PLANNING	IMPACT FEES	RATE CASE SUPPORT	RATE STUDY	RISK ANALYSIS	STORMWATER UTILITY DEVELOPMENT	CUSTOMER RELATIONSHIP MANAGEMENT	CUSTOM SOFTWARE AND TOOL DEVELOPMENT	DATA SERVICES	ORGANIZATIONAL OPTIMIZATION	PERFORMANCE MANAGEMENT AND BENCHMARKING	PROJECT/PROGRAM PROCUREMENT ASSISTANCE	PUBLIC/STAKEHOLDER EDUCATION, OUTREACH, AND FACILITATION	STORMWATER PROGRAM DEVELOPMENT SUPPORT	STRATEGIC BUSINESS PLANNING	WATER/WASTEWATER UTILITY VALUATION	
MD	Baltimore, City of	●			●			●	●	●	●	●	●			●	●	●			
MO	Metropolitan St. Louis Sewer District		●		●		●					●									
MS	Jackson, City of	●			●			●				●				●		●			
NC	Asheville, City of		●		●			●				●				●					
NC	Cary, Town of		●		●	●		●				●		●				●			
NC	Charlotte-Mecklenburg Utilities	●			●	●		●	●			●	●	●	●		●		●		
NC	Durham, City of		●		●			●											●		
NC	Raleigh, City of		●		●	●		●		●			●				●				
NV	Henderson, City of				●			●	●												
NY	New York City Water Board				●			●				●									
OH	Northeast Ohio Regional Sewer District	●			●			●		●		●		●			●				
OR	Portland Water Bureau, City of		●		●			●				●									
PA	Philadelphia Water Department	●	●		●								●	●				●			
RI	Newport, City of		●		●		●	●							●						
RI	Providence Water Supply Board				●		●	●					●	●							
SC	Greenville Water/ReWa		●		●			●				●									
SC	Spartanburg Water System		●		●			●	●					●							
TN	Johnson City, City of	●	●		●			●													
TN	Nashville and Davidson County MWS		●		●	●		●	●					●		●					
TX	Dallas, City of							●				●				●	●				
TX	El Paso Water Utilities PSB		●		●			●		●								●			
TX	San Antonio Water System	●			●	●		●	●							●					
UT	Salt Lake City, City of				●			●								●					
VA	Newport News Waterworks, City of		●		●			●	●			●									
VA	Richmond DPU, City of	●			●			●				●				●	●				
VA	Suffolk, City of		●		●			●	●												
WA	Tacoma, City of							●				●						●			
WI	Milwaukee Water Works				●		●	●													
Can	Ottawa, City of				●			●				●									

On the following pages, we have provided detailed descriptions of several projects that we have worked on that are similar in scope to the City’s project. We also selected these projects because many of our proposed Project Team members worked on them. We have included references for each of these clients and urge you to contact them to better understand our capabilities and the quality of service that we provide.



EAST BAY MUNICIPAL WATER DISTRICT

PROJECT TITLE

Water and Wastewater Cost of Service Study

VALUE/CONTRACT AMOUNT

\$203,047

KEY MEMBERS & ROLES

S. Pardiwala (Project Director); S. Gaur (Project Manager); Hannah Phan (Lead Consultant)

CLIENT REFERENCE

Sophia Skoda
Treasury Manager
P.O. Box 24055
Oakland, CA 94623
P: 510.287.0231
E: sskoda@ebmud.com

RFC assisted East Bay Municipal Utility District (District) in conducting comprehensive water and wastewater cost of service studies, which were approved after a Public Hearing held on June 9, 2015. The last comprehensive cost of service studies were conducted in 1995 and 2000 for the water utility and wastewater utilities, respectively. As part of the study, RFC thoroughly examined the District’s cost structure, analyzed customer data, evaluated alternative rate structures, and facilitated policy decisions to develop an equitable rate structure that meets both Proposition 218 requirements and the District’s goals and objectives.

Important policy decisions included: geographical rates to reflect cost differences within the service area, the sunset of the Seismic Improvement Program, determination of the recycled water rate, and the cost allocation of the Supplemental Supply Program. The proposed rates not only retained the current rate structure, which included a fixed monthly charge based on meter size, a three-tier rate structure for single-family customers, and a uniform rate for multi-family and non-residential customers, the individual rates were also realigned to reflect the cost of service.

The District’s rate structure also included a fixed annual charge per dwelling units (up to five dwelling units) for single- and multi-family customers, and per parcel for non-residential customers for wet weather facilities. This rate structure was developed in the late 1980s. RFC and District staff evaluated various alternatives for the wet weather facilities charge to ensure equity amongst customer classes. The proposed wet weather facilities charge is based on the average parcel size for each customer class, which has a stronger cost of service basis than the current rate structure. The proposed rates were adopted on July 1, 2015.



CENTRAL CITY OF VENTURA

PROJECT TITLE

Water, Wastewater, and Recycled Water Cost of Service and Rate Study

VALUE/CONTRACT AMOUNT

\$149,956 (2011-2013 Cost of Service Study); \$79,118 (2014-2016 Cost of Service Study)

KEY MEMBERS & ROLES

S. Pardiwala (Project Director/Manager); H. Phan (Lead Consultant); K. Phan & S. Gagnon (Staff Consultants)

CLIENT REFERENCE

Shana Epstein
General Manager -
Ventura Water
336 Sanjon Road
Ventura, CA 93001
P: 805.652.4518
E: sepstein@venturawater.net

RFC conducted a water, wastewater, and recycled water cost of service and rate study for the City of Ventura (City). The City had not updated its rate structure in 20 years. Additionally, the City was under a cease and desist order that required the City to carry out improvements estimated at more than \$55 million, and which the City wanted to start funding to mitigate impacts. The goal of the study was to develop conservation-oriented rates consistent with cost of service to recover adequate revenues to pay for necessary capital improvements, meet debt service coverage requirements, as well as maintaining sufficient reserve requirements. The study included a comprehensive review of the City's revenue requirements and allocation methodology, review of the City's user classification, usage patterns, a cost of service analysis, and rate design for City users. RFC developed long-range financial plans so that the water and wastewater utilities could be financially stable and save costs in the long run. We also assisted the City with developing different water and wastewater rate alternatives with various scenarios as well as calculating outside-city rates. The study was conducted with several meetings and input from stakeholders comprised of customers within the City. RFC educated the Citizen Advisory Committee on the basics of rates, cost allocations, and rate design to obtain their buy-in through the use of the dashboards in the rate models we developed for them to demonstrate the impacts of various revenue adjustments on the long-term financial stability of the enterprises. RFC also developed a schedule for funding a major wastewater program required by environmental groups. Recommended rates were implemented for two years in July 2012.

RFC has also completed a drought study for various stages of conservation and targeted cutbacks of water required by the state and the City.



CITY OF REDLANDS

PROJECT TITLE

Water and Wastewater
Rate Study

VALUE/CONTRACT AMOUNT

\$ 134,526

KEY MEMBERS & ROLES

S. Pardiwala (Project
Director/Manager);
S. Gagnon, H. Phan, & V.
Smith (Staff Consultants)

CLIENT REFERENCE

Chris Diggs
Utility Director
Municipal Services
Department
P.O. Box 3005
Redlands, CA 92373
P: 909.798.7658
E: cdiggs@cityofredlands.org

RFC completed a water and wastewater rate study for the City of Redlands (City) including Proposition 218 requirements. The goal of the study was to develop rates that are more responsive to cost of service and pay for necessary capital improvements. The study included a comprehensive review of the City's revenue requirements and allocation methodology, review of the City's user classification, a cost of service analysis, and rate design for City users. We assisted the City with review of their billing system to compile data needed for this study. The study was conducted with input from a 12-member Utility Advisory Committee. Over a dozen workshops with the Committee were conducted to explain concepts, gather feedback from Committee members, and to discuss the overall findings of the study. Rates were implemented in February 2005.

The City charges separate fees for water source acquisition and facilities. The water source acquisition fees are based on the costs of purchasing water rights. RFC assisted the City with the development of the water acquisition fees and facilities fees.

The capacity fee calculation involved review of the existing assets and future CIP that would benefit both existing and future customers. The calculated fee was based on a hybrid methodology including existing and future facilities. Water source acquisition fees to provide water supply were computed separately. Fees for the non-potable system, including recycled water, were calculated to recover costs and provide incentives to users.

In 2010 and 2014, RFC updated the water and wastewater rates for the City with input from the Utility Advisory Committee and surveyed neighboring utilities to benchmark rates.



HELIX WATER DISTRICT

PROJECT TITLE

Water Cost of Service and Rate Study

VALUE/CONTRACT AMOUNT

\$123, 852 and provide annual updates

KEY MEMBERS & ROLES

S. Gaur (Project Director);
H. Isaac (Project Manager);
A. Boehling (Staff Consultant)

CLIENT REFERENCE

Lisa Stoia
Director of Admin Services
7811 University Ave.
La Mesa, CA 91942
P: 619.667.6205
E: lisa.stoia
@helixwater.org

In 2014, Helix Water District (the District) contracted with RFC to conduct a water cost of service and rate study to develop a financial plan as well as design water rates for the District over the next five years. The District provides water service to approximately 55,000 customer accounts, serving a population of approximately 270,000 residents in San Diego County.

More than 10 years had passed since the District's last adopted "Cost-of-Service" study and a new one had to be performed per Government Code Section 54999.7(c), which requires it be performed at least once every 10 years.

Given the length of time since the last adopted comprehensive rate study, one specific project challenge was determining the best rate structure for the District to implement moving forward. As such, RFC conducted a pricing objective workshop with the Board to explore rate alternatives that would best fit the District's goals and objectives. Based on the results from the pricing objectives workshop, RFC was able to develop a rate structure that met the District's needs and was fully compliant with Proposition 218.

Based on the financial plan developed by RFC, the District would have positive net cash at Fiscal Year End 2015-16; however, without future revenue adjustments, the water utility was projected to have a slight operating deficit by FYE 2016-17 and needed to draw on reserves to offset annual shortfalls for each subsequent year. In addition, the District had substantial annual planned capital improvement expenditures, averaging approximately \$12M over the next five years. The District currently had a healthy level of reserves, but reserves were not enough in consideration of the large capital investment necessary during the study period. Therefore, revenue adjustments were needed to ensure that the District's maintains its strong financial position moving forward.

The financial plan and revenue requirement were driven by meeting the following criteria:

- Positive net operating income each fiscal year
- Fully fund capital through Pay-As-You-Go (PAYGO) (cash on hand)
- Achieve an ending fund balance equal to 10% of projected annual revenues in 5th year

HELIXWATER DISTRICT (CONTINUED)

- Level revenue adjustments to mitigate drastic rate increases in any one particular year
- Utilize existing funds, if available, to mitigate rates

RFC recommended that the District incorporate a pass-through component for any potential rate increases implemented by the District's wholesale water supplier. Introducing a pass-through component mitigates risk of unknown rate increases by the wholesaler.

Several recommendations were made with respect to the District's rate structure:

- RFC recommended maintaining the 3-tiered rate structure for domestic (single-family residential) accounts, with slight modifications to the Tier 1 and Tier 2 allotments.
- RFC recommended maintaining uniform rates for multi-family residential and non-residential accounts due to the data limitations for these two groups of customers. In the absence of improved meter data, a uniform rate provided the most equitable rate structure between accounts within the customer class.
- RFC recommended changing the irrigation rate structure from a 3-tiered budget-based rate structure to a 2-tiered budget-based rate structure. The District had previously defined efficient use for each account by providing a unique water allotment each month that is specific to each account's landscape area. Therefore, Tier 1 would reflect the amount of water needed (within their water budget) and Tier 2 would signal when an account went over their water budget.



CENTRAL CONTRA COSTA SANITARY DISTRICT

PROJECT TITLE

Infrastructure Investment
Outreach Program

VALUE/CONTRACT AMOUNT

\$79,000

KEY MEMBERS & ROLES

Sara Katz (Strategic
Counsel)

CLIENT REFERENCE

Emily Barnett
Communication &
Intergovernmental
Relations Manager
5019 Imhoff Place
Martinez, CA 94553
P: 925.229.7310
E: ebarnett@centralsan.org

The Central Contra Costa Sanitary District (Central San) recently completed a Comprehensive Wastewater Master Plan (CWMP) that identified necessary upgrades and replacements to the wastewater treatment plant's aging infrastructure that will be made over the next 20 years. Katz & Associates is currently working with Central San to achieve clear and consistent communication by implementing a variety of outreach tools to educate stakeholders. Katz & Associates has assisted with developing a detailed message plan to outline the key areas on the cost of service, rate scenarios and priority projects. K&A also helped Central San refine their communication and outreach plan and provided input on the most effective ways to reach their audiences. Furthermore, our team has assisted with strategy for and implementation of public outreach workshops to both residents in key areas of the service territory and also businesses in order to share information about the rate increases and obtain feedback from these stakeholders. The K&A team also developed content for and designed a four-page customer-friendly Prop 218 notice brochure outlining the critical infrastructure improvement projects that will be funded by the rate increases and why they are needed. The notice also included all the specific rate increase data and charts and details about the upcoming rate hearing, per Prop 218 requirements.

TAB C:

COST/PRICE PROPOSAL

III. PRICE SCHEDULE

1. FEE AND COMPENSATION SCHEDULE

A. Price Schedule/Scope of Services

Task description	Lump sum/5 years
Task 1: Model Updates and Periodic Financial Review	\$135,453
Task 2: Alternative Water Rate Structure	\$130,687
Task 3: Water Cost of Service Study	\$86,022
Task 4: Wastewater Cost of Service Study	\$85,822
Task 5: Recycled Water Cost Analysis and Allocation of Costs to Water and Wastewater Funds	\$53,236
Task 6: Pure Water Cost Allocation	\$37,548
Task 7: Assist Department with Identifying and Obtaining Federal Grants and Loans for the Pure Water Program	\$24,144
Task 8: Capacity Fee Analysis for both Water and Wastewater	\$24,964
Task 9: Public Outreach for Water and Wastewater Rate Cases:	\$175,762
Task 10: Value of Groundwater	\$27,744
Total Tasks 1 - 10	\$781,382

B. Price Schedule Additional Services. Professional Rate Schedule to be used for issuance of work under Task 11 -Additional Services.

Labor Classification	Hourly Rate \$
None	

See Schedule on next page

B. Price Schedule Additional Services. Professional Rate Schedule to be used for issuance of work under

Labor Classification	Hourly Rate
Chair	\$ 400
Chief Executive Officer/President	360
Chief Operating Officer	325
Executive Vice President	310
Vice President/Principal Consultant	280
Director of Governmental Services	280
Director of Management Consulting	280
Senior Manager	255
Director of Florida Operations	210
Manager	230
Director of Data Services	230
Senior Consultant	200
Consultant	175
Associate	150
Analyst	110
Administration	75
Katz	\$ 163



24640 Jefferson Avenue
Suite 207
Murrieta, CA 92562

Phone 951.698.0145

www.raftelis.com

April 28, 2017

Ms. Viviana Hening
Supervising Procurement Contracting Officer
Purchasing and Contracting Department
1200 Third Avenue, Suite 200
San Diego, CA 92101-4195

Subject: Best and Final Offer for Consulting Services for Public Utilities Department Water and Wastewater Cost of Service Studies

Dear Ms. Hening:

Raftelis Financial Consultants, Inc. (RFC) is pleased to submit this best and final offer to assist the City of San Diego (City) with consulting services related to water and wastewater cost of service studies for the City's Public Utilities Department.

In consideration of our initial offer and the amount of effort anticipated with engagement, our offer will remain the same as it was in our original proposal, for a total fee of \$781,382 (as shown in the following table). However, if the City would like us to make any adjustments to our scope of work that would affect our price, we would be happy to discuss these changes during contract negotiations.

We are proud of the resources that we can offer the City, and we welcome the opportunity to be of assistance to the City in this engagement. Please do not hesitate to contact me at 951-387-4352 or Sudhir Pardiwala at 626-583-1894 if you have any questions.

Very truly yours,

RAFTELIS FINANCIAL CONSULTANTS, INC.

A handwritten signature in blue ink, appearing to read 'Sudhir'.

Sudhir D. Pardiwala, PE
Executive Vice President

A handwritten signature in blue ink, appearing to read 'Habib Isaac'.

Habib Isaac
Senior Manager

III. PRICE SCHEDULE

1. FEE AND COMPENSATION SCHEDULE

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Total Tasks 1 - 10	\$781,382

B. Price Schedule Additional Services. Professional Rate Schedule to be used for issuance of work under

Labor Classification	Hourly Rate
Vice President/Principal Consultant	\$ 280
Director of Governmental Services	280
Director of Management Consulting	280
Senior Manager	255
Director of Florida Operations	210
Manager	230
Director of Data Services	230
Senior Consultant	200
Consultant	175
Associate	150
Analyst	110
Administration	75
Katz	\$ 163

EOCP - PROPOSAL EVALUATION SUMMARY SHEET

10084319-17-H; Consulting Services for Public Utilities Department Water & Wastewater Cost of Service Studies

Bid No.; Project Name:

Contract Compliance Officer:

C. Silva *CS*

WBS/IO No:

12004290

Points Possible:

100

Proposal Due Date:

2/27/2017

Date Received:

3/6/2017

Date Completed:

3/28/2017

Firm Name	SLBE	ELBE	DBE	DVBE	MBE	WBE	OBE	Total SLBE/ELBE %	Points Earned
Black & Veatch Management Consulting LLC ³ Not Certified - Cauc. M	0.00%	7.50%	0.00%	0.00%	0.00%	14.60%	18.80%	7.50%	0
Navigant Consulting, Inc. ³ Not Certified - Cauc. M	0.00%	25.00%	0.00%	0.00%	0.00%	0.00%	0.00%	25.00%	10
Raftelis Financial Consultants, Inc. ³ Not Certified - Cauc. M	0.00%	0.00%	0.00%	0.00%	0.00%	11.20%	0.00%	0.00%	0
Bidder Name Certification; Race & Gender	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
Bidder Name Certification; Race & Gender	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
Bidder Name Certification; Race & Gender	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
Bidder Name Certification; Race & Gender	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
Bidder Name Certification; Race & Gender	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
Bidder Name Certification; Race & Gender	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
Bidder Name Certification; Race & Gender	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
Bidder Name Certification; Race & Gender	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
Bidder Name Certification; Race & Gender	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
Bidder Name Certification; Race & Gender	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
Bidder Name Certification; Race & Gender	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
Bidder Name Certification; Race & Gender	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	

Notes:

¹ Work force report analysis indicates significant under representations. If selected, EEO Plan **REQUIRED** prior to award.

² Work force report analysis indicates minimal under representations. If selected, EEO Plan **NOT** required prior to award.

³ Work force report exempt from analysis; less than 15 employees.



THE CITY OF SAN DIEGO

Request for Human Resources Approval for Purchase Requisition (Contacting Out Review Request Form)

RECEIVED
NOV 01 2016

Requesting Department: Public Utilities FY:

Vendor Name: TBD

WBS No. or Project Title: Cost of Service Study for Water & Wastewater Funds

Purchase Requisition # (if available): _____

Department Contact: Seth Gates

Date of Request: 11/01/2016

Contract Amount/Estimate: \$ < 1,000,000

Contract/Service Duration: 5 years

Litigation Services (if applicable): Yes or No

Deputy City Attorney Assigned/Contact: _____

P-Card Purchase (if applicable): Yes or No

*NOTE: Please provide a description of the activity/services requested and what the request to contract out work will cover.
(Please use plain language for the terms/definitions)*

Please submit request to HumanResources@san Diego.gov or MS 56L

Question	Department Response
What is the contract/service for? (Please be specific as to the scope of work)	Water model updates for Water, Wastewater and Recycled water; A full Cost of Service Study (COSS) to produce a multiple year rate case for both Water and Wastewater Funds.
What is the location of the project/service?	Public Utilities Department
Are City employees currently performing any of the work?	City employees typically work collaboratively with the consultant providing necessary operational data.
Do City employees currently have the expertise to do this work in-house? If not, why not?	Staff can assist, but the industry typically requires outside expertise for rate modeling to verify, validate and develop recommendations for the scope of work in accordance with accepted industry standards.

<p>Will any City employees be displaced as a result of this contract/service?</p>	<p>No</p>
<p>If this is a renewal of an existing contract, how long have these services been contracted out?</p>	<p>This will be for a new 5 year contract.</p>
<p>Is this a Public Works project? * (i.e. construction, reconstruction or repair of City buildings, street or other facilities)</p>	<p>No</p>
<p>Is this a Tenant Improvement project? * (i.e. changes to the interior of a City facility, such as floors, wall coverings, shelves, ceilings, windows, partitions, etc.)</p>	<p>No</p>
<p>Was another Department contacted to determine if they can or do perform this service (i.e. Streets, Facilities, etc.)? If so, please attach communication. If not, why was another Department not contacted?</p>	<p>No. This work requires specialized modeling software and expertise.</p>

**NOTE: If Public Works project (\$100,000 in labor costs or less) or Tenant Improvement project (\$250,000 in labor costs or less) requires HR review/approval. All other contracts require HR review/approval regardless of dollar amount. Remember – Departments cannot intentionally bundle services to avoid the threshold labor costs.*

HUMAN RESOURCES DEPARTMENT USE ONLY

Based on the Department's representation, this contract is **APPROVED** from a labor relations perspective.

Human Resources Department Liaison

1/10/16

Date



City of San Diego

EQUAL OPPORTUNITY CONTRACTING (EOC)

1200 Third Avenue • Suite 200 • San Diego, CA 92101

Phone: (619) 236-6000 • Fax: (619) 236-5904

BB. WORK FORCE REPORT

The objective of the *Equal Employment Opportunity Outreach Program*, is to ensure that contractors doing business with the City, or receiving funds from the City, do not engage in unlawful discriminatory employment practices prohibited by State and Federal law. Such employment practices include, but are not limited to unlawful discrimination in the following: employment, promotion or upgrading, demotion or transfer, recruitment or recruitment advertising, layoff or termination, rate of pay or other forms of compensation, and selection for training, including apprenticeship. Contractors are required to provide a completed *Work Force Report (WFR)*.

NO OTHER FORMS WILL BE ACCEPTED

CONTRACTOR IDENTIFICATION

Type of Contractor: Construction Vendor/Supplier Financial Institution Lessee/Lessor
 Consultant Grant Recipient Insurance Company Other

Name of Company: Raftelis Financial Consultants, Inc.

ADA/DBA: N/A

Address (Corporate Headquarters, where applicable): 150 N. Santa Anita Avenue, Suite 470

City: Arcadia County: Los Angeles State: CA Zip: 91006

Telephone Number: () 626-583-1894 Fax Number: () 213-262-9303

Name of Company CEO: Peiffer Brandt

Address(es), phone and fax number(s) of company facilities located in San Diego County (if different from above):

Address: _____

City: _____ County: _____ State: _____ Zip: _____

Telephone Number: () _____ Fax Number: () _____ Email: lwilson@raftelis.com

Type of Business: S - Corporation Type of License: _____

The Company has appointed: Lisa Wilson

As its Equal Employment Opportunity Officer (EEOO). The EEOO has been given authority to establish, disseminate and enforce equal employment and affirmative action policies of this company. The EEOO may be contacted at:

Address: 227 W. Trade Street, Suite 1400, Charlotte, NC 28202

Telephone Number: () 704-910-8961 Fax Number: () 704-373-1113 Email: lwilson@raftelis.com

One San Diego County (or Most Local County) Work Force - Mandatory

Branch Work Force * Managing Office Work Force

Check the box above that applies to this WFR.

**Submit a separate Work Force Report for all participating branches. Combine WFRs if more than one branch per county.*

I, the undersigned representative of Raftelis Financial Consultants, Inc.

(Firm Name)

Los Angeles, California hereby certify that information provided

(County)

(State)

herein is true and correct. This document was executed on this 23rd day of February, 2017

(Authorized Signature)

Sudhir Pardiwala, PE

(Print Authorized Signature Name)

NAME OF FIRM: Raftelis Financial Consultants, Inc. DATE: 2/23/2017

OFFICE(S) or BRANCH(ES): Arcadia Office (Arcadia, CA) COUNTY: Los Angeles

I. INSTRUCTIONS: For each occupational category, indicate number of males and females in every ethnic group. Total columns in row provided. Sum of all totals should be equal to your total work force. Include all those employed by your company on either a full or part-time basis. The following groups are to be included in ethnic categories listed in columns below:

- (1) Black, African-American
- (2) Hispanic, Latino, Mexican-American, Puerto Rican
- (3) Asian
- (4) American Indian, Eskimo
- (5) Filipino, Asian Pacific Islander
- (6) White, Caucasian
- (7) Other ethnicity; not falling into other groups

ADMINISTRATION OCCUPATIONAL CATEGORY	(1) African- American		(2) Hispanic or Latino		(3) Asian		(4) American Indian		(5) Asian Pacific Islander		(6) Caucasian		(7) Other Ethnicity	
	(M)	(F)	(M)	(F)	(M)	(F)	(M)	(F)	(M)	(F)	(M)	(F)	(M)	(F)
Management & Financial					1									
Professional											1			
A&E, Science, Computer														
Technical														
Sales														
Administrative Support														
Services														
Crafts														
Operative Workers														
Transportation														
Laborers*														

*Construction laborers and other field employees are not to be included on this page

Totals Each Column					1						1			
--------------------	--	--	--	--	---	--	--	--	--	--	---	--	--	--

Grand Total All Employees

2

Indicate by Gender and Ethnicity the Number of Above Employees Who Are Disabled:

Disabled														
----------	--	--	--	--	--	--	--	--	--	--	--	--	--	--

Non-Profit Organizations Only:

Board of Directors														
Volunteers														
Artists														

NAME OF FIRM: Raftelis Financial Consultants, Inc. DATE: 2/23/2017
 OFFICE(S) or BRANCH(ES): ArcadiaOffice (Arcadia, CA) COUNTY: Los Angeles

INSTRUCTIONS: For each occupational category, indicate number of males and females in every ethnic group. Total columns in row provided. Sum of all totals should be equal to your total work force. Include all those employed by your company on either a full or part-time basis. The following groups are to be included in ethnic categories listed in columns below:

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TRADE OCCUPATIONAL CATEGORY	(1) African-American		(2) Hispanic or Latino		(3) Asian		(4) American Indian		(5) Asian Pacific Islander		(6) Caucasian		(7) Other Ethnicity	
	(M)	(F)	(M)	(F)	(M)	(F)	(M)	(F)	(M)	(F)	(M)	(F)	(M)	(F)
Brick, Block or Stone Masons														
Carpenters														
Carpet, Floor & Tile Installers Finishers														
Cement Masons, Concrete Finishers														
Construction Laborers														
Drywall Installers, Ceiling Tile Inst														
Electricians														
Elevator Installers														
First-Line Supervisors/Managers														
Glaziers														
Helpers; Construction Trade														
Millwrights														
Misc. Const. Equipment Operators														
Painters, Const. & Maintenance														
Pipelayers, Plumbers, Pipe & Steam Fitters														
Plasterers & Stucco Masons														
Roofers														
Security Guards & Surveillance Officers														
Sheet Metal Workers														
Structural Metal Fabricators & Fitters														
Welding, Soldering & Brazing Workers														
Workers, Extractive Crafts, Miners														
Totals Each Column														
Grand Total All Employees	0													
Indicate By Gender and Ethnicity the Number of Above Employees Who Are Disabled:														



City of San Diego

EQUAL OPPORTUNITY CONTRACTING (EOC)

1200 Third Avenue • Suite 200 • San Diego, CA 92101

Phone: (619) 236-6000 • Fax: (619) 236-5904

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NO OTHER FORMS WILL BE ACCEPTED

CONTRACTOR IDENTIFICATION

Type of Contractor: Construction Vendor/Supplier Financial Institution Lessee/Lessor
 Consultant Grant Recipient Insurance Company Other

Name of Company: Raftelis Financial Consultants, Inc.

ADA/DBA: N/A

Address (Corporate Headquarters, where applicable): 24640 Jefferson Avenue, Suite 207

City: Murrieta County: Riverside State: CA Zip: 92562

Telephone Number: () 951-698-0145 Fax Number: () 213-262-9303

Name of Company CEO: Peiffer Brandt

Address(es), phone and fax number(s) of company facilities located in San Diego County (if different from above):

Address: _____

City: _____ County: _____ State: _____ Zip: _____

Telephone Number: () _____ Fax Number: () _____ Email: lwilson@raftelis.com

Type of Business: S - Corporation Type of License: _____

The Company has appointed: Lisa Wilson

As its Equal Employment Opportunity Officer (EEOO). The EEOO has been given authority to establish, disseminate and enforce equal employment and affirmative action policies of this company. The EEOO may be contacted at:

Address: 227 W. Trade Street, Suite 1400, Charlotte, NC 28202

Telephone Number: () 704-910-8961 Fax Number: () 704-373-1113 Email: lwilson@raftelis.com

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Branch Work Force * Managing Office Work Force

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I, the undersigned representative of Raftelis Financial Consultants, Inc.

(Firm Name)

Los Angeles, California hereby certify that information provided

(County)

(State)

herein is true and correct. This document was executed on this 23rd day of February, 2017

Paula

(Authorized Signature)

Sudhir Pardiwala, PE

(Print Authorized Signature Name)

NAME OF FIRM: Raftelis Financial Consultants, Inc. DATE: 2/23/2017

OFFICE(S) or BRANCH(ES): Inland Empire Office (Murrieta, CA) COUNTY: Riverside

I. INSTRUCTIONS: For each occupational category, indicate number of males and females in every ethnic group. Total columns in row provided. Sum of all totals should be equal to your total work force. Include all those employed by your company on either a full or part-time basis. The following groups are to be included in ethnic categories listed in columns below:

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ADMINISTRATION OCCUPATIONAL CATEGORY	(1) African- American		(2) Hispanic or Latino		(3) Asian		(4) American Indian		(5) Asian Pacific Islander		(6) Caucasian		(7) Other Ethnicity	
	(M)	(F)	(M)	(F)	(M)	(F)	(M)	(F)	(M)	(F)	(M)	(F)	(M)	(F)
Management & Financial					1									
Professional											1			
A&E, Science, Computer														
Technical														
Sales														
Administrative Support														
Services														
Crafts														
Operative Workers														
Transportation														
Laborers*														

*Construction laborers and other field employees are not to be included on this page

Totals Each Column					1							1		
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Grand Total All Employees

2

Indicate by Gender and Ethnicity the Number of Above Employees Who Are Disabled:

Disabled														
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Non-Profit Organizations Only:

Board of Directors														
Volunteers														
Artists														

NAME OF FIRM: Raftelis Financial Consultants, Inc. DATE: 2/23/2017
 OFFICE(S) or BRANCH(ES): Inland Empire Office (Murrieta, CA) COUNTY: Riverside

INSTRUCTIONS: For each occupational category, indicate number of males and females in every ethnic group. Total columns in row provided. Sum of all totals should be equal to your total work force. Include all those employed by your company on either a full or part-time basis. The following groups are to be included in ethnic categories listed in columns below:

- (1) Black, African-American
- (2) Hispanic, Latino, Mexican-American, Puerto Rican
- (3) Asian
- (4) American Indian, Eskimo
- (5) Filipino, Asian Pacific Islander
- (6) White, Caucasian
- (7) Other ethnicity; not falling into other groups

TRADE OCCUPATIONAL CATEGORY	(1) African-American		(2) Hispanic or Latino		(3) Asian		(4) American Indian		(5) Asian Pacific Islander		(6) Caucasian		(7) Other Ethnicity	
	(M)	(F)	(M)	(F)	(M)	(F)	(M)	(F)	(M)	(F)	(M)	(F)	(M)	(F)
Brick, Block or Stone Masons														
Carpenters														
Carpet, Floor & Tile Installers Finishers														
Cement Masons, Concrete Finishers														
Construction Laborers														
Drywall Installers, Ceiling Tile Inst														
Electricians														
Elevator Installers														
First-Line Supervisors/Managers														
Glaziers														
Helpers; Construction Trade														
Millwrights														
Misc. Const. Equipment Operators														
Painters, Const. & Maintenance														
Pipelayers, Plumbers, Pipe & Steam Fitters														
Plasterers & Stucco Masons														
Roofers														
Security Guards & Surveillance Officers														
Sheet Metal Workers														
Structural Metal Fabricators & Fitters														
Welding, Soldering & Brazing Workers														
Workers, Extractive Crafts, Miners														

Totals Each Column														
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Grand Total All Employees 0

Indicate By Gender and Ethnicity the Number of Above Employees Who Are Disabled:

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City of San Diego

EQUAL OPPORTUNITY CONTRACTING (EOC)

1200 Third Avenue • Suite 200 • San Diego, CA 92101

Phone: (619) 236-6000 • Fax: (619) 236-5904

BB. WORK FORCE REPORT

The objective of the *Equal Employment Opportunity Outreach Program*, is to ensure that contractors doing business with the City, or receiving funds from the City, do not engage in unlawful discriminatory employment practices prohibited by State and Federal law. Such employment practices include, but are not limited to unlawful discrimination in the following: employment, promotion or upgrading, demotion or transfer, recruitment or recruitment advertising, layoff for termination, rate of pay or other forms of compensation, and selection for training, including apprenticeship. Contractors are required to provide a completed *Work Force Report (WFR)*.

NO OTHER FORMS WILL BE ACCEPTED

CONTRACTOR IDENTIFICATION

Type of Contractor: Construction Vendor/Supplier Financial Institution Lessee/Lessor
 Consultant Grant Recipient Insurance Company Other

Name of Company: Raftelis Financial Consultants, Inc.

ADA/DBA: N/A

Address (Corporate Headquarters, where applicable): 445 S. Figueroa Street, Suite 2270

City: Los Angeles County: Los Angeles State: CA Zip: 90071

Telephone Number: () 951-698-0145 Fax Number: () 213-262-9303

Name of Company CEO: Peiffer Brandt

Address(es), phone and fax number(s) of company facilities located in San Diego County (if different from above):

Address: _____

City: _____ County: _____ State: _____ Zip: _____

Telephone Number: () _____ Fax Number: () _____ Email: lwilson@raftelis.com

Type of Business: S - Corporation Type of License: _____

The Company has appointed: Lisa Wilson

As its Equal Employment Opportunity Officer (EEOO). The EEOO has been given authority to establish, disseminate and enforce equal employment and affirmative action policies of this company. The EEOO may be contacted at:

Address: 227 W. Trade Street, Suite 1400, Charlotte, NC 28202

Telephone Number: () 704-910-8961 Fax Number: () 704-373-1113 Email: lwilson@raftelis.com

One San Diego County (or Most Local County) Work Force - Mandatory

Branch Work Force * Managing Office Work Force

Check the box above that applies to this WFR.

**Submit a separate Work Force Report for all participating branches. Combine WFRs if more than one branch per county.*

I, the undersigned representative of Raftelis Financial Consultants, Inc.

(Firm Name)

Los Angeles, California hereby certify that information provided

(County)

(State)

herein is true and correct. This document was executed on this 23rd day of February, 2017

(Authorized Signature)

Sudhir Pardiwala, PE

(Print Authorized Signature Name)

NAME OF FIRM: Raftelis Financial Consultants, Inc. DATE: 2/23/2017

OFFICE(S) or BRANCH(ES): Los Angeles Office (Los Angeles, CA) COUNTY: Los Angeles

I. INSTRUCTIONS: For each occupational category, indicate number of males and females in every ethnic group. Total columns in row provided. Sum of all totals should be equal to your total work force. Include all those employed by your company on either a full or part-time basis. The following groups are to be included in ethnic categories listed in columns below:

- (1) Black, African-American
- (2) Hispanic, Latino, Mexican-American, Puerto Rican
- (3) Asian
- (4) American Indian, Eskimo
- (5) Filipino, Asian Pacific Islander
- (6) White, Caucasian
- (7) Other ethnicity; not falling into other groups

ADMINISTRATION OCCUPATIONAL CATEGORY	(1) African- American		(2) Hispanic or Latino		(3) Asian		(4) American Indian		(5) Asian Pacific Islander		(6) Caucasian		(7) Other Ethnicity	
	(M)	(F)	(M)	(F)	(M)	(F)	(M)	(F)	(M)	(F)	(M)	(F)	(M)	(F)
Management & Financial					1							1		
Professional	1				1	1						2	2	
A&E, Science, Computer														
Technical														
Sales														
Administrative Support														
Services														
Crafts														
Operative Workers														
Transportation														
Laborers*														

*Construction laborers and other field employees are not to be included on this page

Totals Each Column	1				2	1						3	2	
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Grand Total All Employees

9

Indicate by Gender and Ethnicity the Number of Above Employees Who Are Disabled:

Disabled														
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Non-Profit Organizations Only:

Board of Directors														
Volunteers														
Artists														

NAME OF FIRM: Raftelis Financial Consultants, Inc. DATE: 2/23/2017
 OFFICE(S) or BRANCH(ES): Los Angeles Office (Los Angeles, CA) COUNTY: Los Angeles

INSTRUCTIONS: For each occupational category, indicate number of males and females in every ethnic group. Total columns in row provided. Sum of all totals should be equal to your total work force. Include all those employed by your company on either a full or part-time basis. The following groups are to be included in ethnic categories listed in columns below:

- (1) Black, African-American
- (2) Hispanic, Latino, Mexican-American, Puerto Rican
- (3) Asian
- (4) American Indian, Eskimo
- (5) Filipino, Asian Pacific Islander
- (6) White, Caucasian
- (7) Other ethnicity; not falling into other groups

TRADE OCCUPATIONAL CATEGORY	(1) African- American		(2) Hispanic or Latino		(3) Asian		(4) American Indian		(5) Asian Pacific Islander		(6) Caucasian		(7) Other Ethnicity	
	(M)	(F)	(M)	(F)	(M)	(F)	(M)	(F)	(M)	(F)	(M)	(F)	(M)	(F)
Brick, Block or Stone Masons														
Carpenters														
Carpet, Floor & Tile Installers Finishers														
Cement Masons, Concrete Finishers														
Construction Laborers														
Drywall Installers, Ceiling Tile Inst														
Electricians														
Elevator Installers														
First-Line Supervisors/Managers														
Glaziers														
Helpers; Construction Trade														
Millwrights														
Misc. Const. Equipment Operators														
Painters, Const. & Maintenance														
Pipelayers, Plumbers, Pipe & Steam Fitters														
Plasterers & Stucco Masons														
Roofers														
Security Guards & Surveillance Officers														
Sheet Metal Workers														
Structural Metal Fabricators & Fitters														
Welding, Soldering & Brazing Workers														
Workers, Extractive Crafts, Miners														

Totals Each Column														
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Grand Total All Employees	0
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Indicate By Gender and Ethnicity the Number of Above Employees Who Are Disabled:														
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City of San Diego

EQUAL OPPORTUNITY CONTRACTING (EOC)

1200 Third Avenue • Suite 200 • San Diego, CA 92101

Phone: (619) 236-6000 • Fax: (619) 236-5904

BB. WORK FORCE REPORT

The objective of the *Equal Employment Opportunity Outreach Program*, is to ensure that contractors doing business with the City, or receiving funds from the City, do not engage in unlawful discriminatory employment practices prohibited by State and Federal law. Such employment practices include, but are not limited to unlawful discrimination in the following: employment, promotion or upgrading, demotion or transfer, recruitment or recruitment advertising, layoff for termination, rate of pay or other forms of compensation, and selection for training, including apprenticeship. Contractors are required to provide a completed *Work Force Report (WFR)*.

NO OTHER FORMS WILL BE ACCEPTED

CONTRACTOR IDENTIFICATION

Type of Contractor: Construction Vendor/Supplier Financial Institution Lessee/Lessor
 Consultant Grant Recipient Insurance Company Other

Name of Company: Raftelis Financial Consultants, Inc.

ADA/DBA: N/A

Address (Corporate Headquarters, where applicable): 1100 Dexter Ave. N., Suite 100

City: Seattle County: King State: WA Zip: 98109

Telephone Number: () 714-300-8129 Fax Number: () 213-262-9303

Name of Company CEO: Peiffer Brandt

Address(es), phone and fax number(s) of company facilities located in San Diego County (if different from above):

Address: _____

City: _____ County: _____ State: _____ Zip: _____

Telephone Number: () _____ Fax Number: () _____ Email: lwilson@raftelis.com

Type of Business: S - Corporation Type of License: _____

The Company has appointed: Lisa Wilson

As its Equal Employment Opportunity Officer (EEOO). The EEOO has been given authority to establish, disseminate and enforce equal employment and affirmative action policies of this company. The EEOO may be contacted at:

Address: 227 W. Trade Street, Suite 1400, Charlotte, NC 28202

Telephone Number: () 704-910-8961 Fax Number: () 704-373-1113 Email: lwilson@raftelis.com

One San Diego County (or Most Local County) Work Force - Mandatory

Branch Work Force * Managing Office Work Force

Check the box above that applies to this WFR.

**Submit a separate Work Force Report for all participating branches. Combine WFRs if more than one branch per county.*

I, the undersigned representative of Raftelis Financial Consultants, Inc.

(Firm Name)

King, Washington hereby certify that information provided

(County)

(State)

herein is true and correct. This document was executed on this 23rd day of February, 2017

(Authorized Signature)

Sudhir Pardiwala, PE

(Print Authorized Signature Name)

NAME OF FIRM: Raftelis Financial Consultants, Inc. DATE: 2/23/2017

OFFICE(S) or BRANCH(ES): Seattle Office (Seattle, WA) COUNTY: King

I. INSTRUCTIONS: For each occupational category, indicate number of males and females in every ethnic group. Total columns in row provided. Sum of all totals should be equal to your total work force. Include all those employed by your company on either a full or part-time basis. The following groups are to be included in ethnic categories listed in columns below:

- (1) Black, African-American
- (2) Hispanic, Latino, Mexican-American, Puerto Rican
- (3) Asian
- (4) American Indian, Eskimo
- (5) Filipino, Asian Pacific Islander
- (6) White, Caucasian
- (7) Other ethnicity; not falling into other groups

ADMINISTRATION OCCUPATIONAL CATEGORY	(1) African- American		(2) Hispanic or Latino		(3) Asian		(4) American Indian		(5) Asian Pacific Islander		(6) Caucasian		(7) Other Ethnicity	
	(M)	(F)	(M)	(F)	(M)	(F)	(M)	(F)	(M)	(F)	(M)	(F)	(M)	(F)
Management & Financial						1								
Professional						1								
A&E, Science, Computer														
Technical														
Sales														
Administrative Support														
Services														
Crafts														
Operative Workers														
Transportation														
Laborers*														

*Construction laborers and other field employees are not to be included on this page

Totals Each Column						2								
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Grand Total All Employees

2

Indicate by Gender and Ethnicity the Number of Above Employees Who Are Disabled:

Disabled														
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Non-Profit Organizations Only:

Board of Directors														
Volunteers														
Artists														

NAME OF FIRM: Raftelis Financial Consultants, Inc. DATE: 2/23/2017
 OFFICE(S) or BRANCH(ES): Seattle Office (Seattle, WA) COUNTY: King

INSTRUCTIONS: For each occupational category, indicate number of males and females in every ethnic group. Total columns in row provided. Sum of all totals should be equal to your total work force. Include all those employed by your company on either a full or part-time basis. The following groups are to be included in ethnic categories listed in columns below:

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- (2) Hispanic, Latino, Mexican-American, Puerto Rican
- (3) Asian
- (4) American Indian, Eskimo
- (5) Filipino, Asian Pacific Islander
- (6) White, Caucasian
- (7) Other ethnicity; not falling into other groups

TRADE OCCUPATIONAL CATEGORY	(1) African- American		(2) Hispanic or Latino		(3) Asian		(4) American Indian		(5) Asian Pacific Islander		(6) Caucasian		(7) Other Ethnicity	
	(M)	(F)	(M)	(F)	(M)	(F)	(M)	(F)	(M)	(F)	(M)	(F)	(M)	(F)
Brick, Block or Stone Masons														
Carpenters														
Carpet, Floor & Tile Installers Finishers														
Cement Masons, Concrete Finishers														
Construction Laborers														
Drywall Installers, Ceiling Tile Inst														
Electricians														
Elevator Installers														
First-Line Supervisors/Managers														
Glaziers														
Helpers; Construction Trade														
Millwrights														
Misc. Const. Equipment Operators														
Painters, Const. & Maintenance														
Pipelayers, Plumbers, Pipe & Steam Fitters														
Plasterers & Stucco Masons														
Roofers														
Security Guards & Surveillance Officers														
Sheet Metal Workers														
Structural Metal Fabricators & Fitters														
Welding, Soldering & Brazing Workers														
Workers, Extractive Crafts, Miners														

Totals Each Column															
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Grand Total All Employees	0														
Indicate By Gender and Ethnicity the Number of Above Employees Who Are Disabled:															



City of San Diego

EQUAL OPPORTUNITY CONTRACTING (EOC)

1200 Third Avenue • Suite 200 • San Diego, CA 92101

Phone: (619) 236-6000 • Fax: (619) 236-5904

BB. WORK FORCE REPORT

The objective of the *Equal Employment Opportunity Outreach Program*, is to ensure that contractors doing business with the City, or receiving funds from the City, do not engage in unlawful discriminatory employment practices prohibited by State and Federal law. Such employment practices include, but are not limited to unlawful discrimination in the following: employment, promotion or upgrading, demotion or transfer, recruitment or recruitment advertising, layoff or termination, rate of pay or other forms of compensation, and selection for training, including apprenticeship. Contractors are required to provide a completed *Work Force Report (WFR)*.

NO OTHER FORMS WILL BE ACCEPTED

CONTRACTOR IDENTIFICATION

Type of Contractor: Construction Vendor/Supplier Financial Institution Lessee/Lessor
 Consultant Grant Recipient Insurance Company Other

Name of Company: Katz & Associates, Inc.

ADA/DBA: _____

Address (Corporate Headquarters, where applicable): 5440 Morehouse Drive, Suite 1000

City: San Diego County: San Diego State: CA Zip: 92121

Telephone Number: () 858-452-0031 Fax Number: () 858-552-8437

Name of Company CEO: Sara Katz

Address(es), phone and fax number(s) of company facilities located in San Diego County (if different from above):

Address: N/A

City: N/A County: N/A State: N/A Zip: N/A

Telephone Number: () N/A Fax Number: () N/A Email: N/A

Type of Business: Corporation Type of License: N/A

The Company has appointed: Heather Ruiz-Warlop

As its Equal Employment Opportunity Officer (EEOO). The EEOO has been given authority to establish, disseminate and enforce equal employment and affirmative action policies of this company. The EEOO may be contacted at:

Address: 5440 Morehouse Drive, Suite 1000

Telephone Number: () 858-452-0031 Fax Number: () 858-552-8437 Email: hruiz@katzandassociates.com

One San Diego County (or Most Local County) Work Force - Mandatory

Branch Work Force * Managing Office Work Force

Check the box above that applies to this WFR.

**Submit a separate Work Force Report for all participating branches. Combine WFRs if more than one branch per county.*

I, the undersigned representative of Katz & Associates, Inc.

(Firm Name)

San Diego, California hereby certify that information provided

(County)

(State)

herein is true and correct. This document was executed on this 21 day of February, 2017

Heather Ruiz-Warlop
(Authorized Signature)

Heather Ruiz-Warlop
(Print Authorized Signature Name)

NAME OF FIRM: Katz & Associates, Inc.

DATE: 02-17-2017

OFFICE(S) or BRANCH(ES): San Diego

COUNTY: San Diego

I. INSTRUCTIONS: For each occupational category, indicate number of males and females in every ethnic group. Total columns in row provided. Sum of all totals should be equal to your total work force. Include all those employed by your company on either a full or part-time basis. The following groups are to be included in ethnic categories listed in columns below:

- (1) Black, African-American
- (2) Hispanic, Latino, Mexican-American, Puerto Rican
- (3) Asian
- (4) American Indian, Eskimo
- (5) Filipino, Asian Pacific Islander
- (6) White, Caucasian
- (7) Other ethnicity; not falling into other groups

ADMINISTRATION OCCUPATIONAL CATEGORY	(1) African-American		(2) Hispanic or Latino		(3) Asian		(4) American Indian		(5) Asian Pacific Islander		(6) Caucasian		(7) Other Ethnicity		
	(M)	(F)	(M)	(F)	(M)	(F)	(M)	(F)	(M)	(F)	(M)	(F)	(M)	(F)	
Management & Financial												2	4		
Professional												3	12		
A&E, Science, Computer															
Technical															
Sales															
Administrative Support		1										2	2		
Services															
Crafts															
Operative Workers															
Transportation															
Laborers*															

*Construction laborers and other field employees are not to be included on this page

Totals Each Column		1										7	18		
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Grand Total All Employees 26

Indicate by Gender and Ethnicity the Number of Above Employees Who Are Disabled:

Disabled															
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Non-Profit Organizations Only:

Board of Directors															
Volunteers															
Artists															

NAME OF FIRM: Katz & Associates, Inc. DATE: 02-17-2017
 OFFICE(S) or BRANCH(ES): San Diego COUNTY: San Diego

INSTRUCTIONS: For each occupational category, indicate number of males and females in every ethnic group. Total columns in row provided. Sum of all totals should be equal to your total work force. Include all those employed by your company on either a full or part-time basis. The following groups are to be included in ethnic categories listed in columns below:

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- (2) Hispanic, Latino, Mexican-American, Puerto Rican
- (3) Asian
- (4) American Indian, Eskimo
- (5) Filipino, Asian Pacific Islander
- (6) White, Caucasian
- (7) Other ethnicity; not falling into other groups

TRADE OCCUPATIONAL CATEGORY	(1) African- American		(2) Hispanic or Latino		(3) Asian		(4) American Indian		(5) Asian Pacific Islander		(6) Caucasian		(7) Other Ethnicity	
	(M)	(F)	(M)	(F)	(M)	(F)	(M)	(F)	(M)	(F)	(M)	(F)	(M)	(F)
Brick, Block or Stone Masons														
Carpenters														
Carpet, Floor & Tile Installers Finishers														
Cement Masons, Concrete Finishers														
Construction Laborers														
Drywall Installers, Ceiling Tile Inst														
Electricians														
Elevator Installers														
First-Line Supervisors/Managers														
Glaziers														
Helpers; Construction Trade														
Millwrights														
Misc. Const. Equipment Operators														
Painters, Const. & Maintenance														
Pipelayers, Plumbers, Pipe & Steam Fitters														
Plasterers & Stucco Masons														
Roofers														
Security Guards & Surveillance Officers														
Sheet Metal Workers														
Structural Metal Fabricators & Fitters														
Welding, Soldering & Brazing Workers														
Workers, Extractive Crafts, Miners														

Totals Each Column														
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Grand Total All Employees	0													
Indicate By Gender and Ethnicity the Number of Above Employees Who Are Disabled:														

DOCKET SUPPORTING INFORMATION
CITY OF SAN DIEGO
EQUAL OPPORTUNITY CONTRACTING PROGRAM EVALUATION

DATE:
May 11, 2017

SUBJECT: As-Needed Agreement with Raftelis Financial Consultants, Inc. for Various Water, Wastewater and Recycled Water Services Including Cost of Service Studies (10084319-17-H)

GENERAL CONTRACT INFORMATION

Recommended Consultant: Raftelis Financial Consultants (Not Certified, M Cauc)

Amount of this Action: \$ 0.00
Total Contract Amount: \$ 981,382.00 (Not to Exceed)

Funding Source: City of San Diego

Goal: 20% Voluntary SLBE/ELBE

SUBCONSULTANT PARTICIPATION

	<u>This Action</u>	<u>Percent*</u>
Katz & Associates, Inc. (WBE, F Cauc)	\$ 87,694.00	8.94%
Total Certified Participation	\$ 87,694.00	8.94%
Total Non-Certified Participation	\$ 0.00	0.00%
Total Subcontractor Participation	\$ 87,694.00	8.94%

*Participation percentage calculation based on listed commitment levels in original bidding document and total contract amount.

EQUAL EMPLOYMENT OPPORTUNITY COMPLIANCE

Equal Opportunity: Required

Raftelis Financial Consultants, Inc. submitted a Work Force Report for their San Diego employees dated, February 23, 2017 indicating 2 employees in their Administrative Work Force.

The firm has fewer than 15 employees and therefore, is exempt from the employment category goals.

This agreement is subject to the City's Equal Employment Opportunity Outreach Program (San Diego Ordinance No. 18173, Section 22.2701 through 22.2708) and Non-Discrimination in Contracting Ordinance (San Diego Municipal Code Sections 22.3501 through 22.3517).

ADDITIONAL COMMENTS

(10084319-17-H)

TC