

COMMITTEE ACTION SHEET

COUNCIL DOCKET OF _____

Supplemental Adoption Consent Unanimous Consent Rules Committee Consultant Review

R -

O -

Second Amendment to Agreement with Raftelis Financial Consulting, Inc.

Reviewed Initiated By NR&C On 11/02/07 Item No. 1b

RECOMMENDATION TO:

Approve

VOTED YEA: Frye, Faulconer, Peters

VOTED NAY:

NOT PRESENT: Maienschein, Hueso

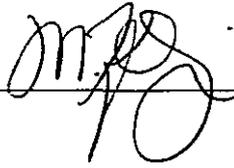
CITY CLERK: Please reference the following reports on the City Council Docket:

REPORT TO THE CITY COUNCIL NO.

COUNCIL COMMITTEE CONSULTANT ANALYSIS NO.

OTHER:

Water Department's Executive Summary Sheet dated October 12, 2007; Water Department's October 24, 2007, PowerPoint

COUNCIL COMMITTEE CONSULTANT  _____

EXECUTIVE SUMMARY SHEET
CITY OF SAN DIEGO

DATE ISSUED: October 12, 2007 REPORT NO: N/A
ATTENTION: Natural Resources and Culture Committee,
Agenda of October 24, 2007
ORIGINATING DEPARTMENT: Water Department
SUBJECT: Execute Second Amendment to Agreement with
Raftelis Financial Consulting, Inc.
COUNCIL DISTRICT(S): All
STAFF CONTACT: Marsi Steirer (619) 533-4112
Jaime Jacinto (619) 533-5246

REQUESTED ACTION:

Authorize and execute the second amendment of the subject contract to extend the duration of subject contract and add \$100,000 for consulting services and project related costs for the Recycled Water Pricing Study.

STAFF RECOMMENDATION:

Approve the amendment and expenditure.

EXECUTIVE SUMMARY:

In December 2004, the City entered into an agreement with Raftelis Financial Consultants, Inc. (RFC), to conduct a Recycled Water Pricing Study for \$250,000 to provide a comprehensive analysis of recycled water costs and revenues, provide rate structure recommendations, and document findings in a Recycled Water Pricing Study report. This agreement also provided for the development of a recycled water pricing model and training of City staff to administer the rate model.

To date, RFC has provided the Water Department a 20-year analysis and financial plan for the recycled water system, analyzed revenue requirements and revenue off-sets, and recommended recycled water rate and fee structures and commodity price implementation options. RFC has also provided a draft version of the Recycled Water Rate Model and a draft Pricing Study Report.

Because of the need to refine capital project options, update project costs and associated customer demands, an extension of this contract to December 2009 and an additional amount of \$100,000 is needed. This amendment will provide for on-going analyses of updated recycled water demands, capital project costs, incentives and rate structures. This will also provide for modifications to the Recycled Water Rate Model, finalize the Recycled Water Pricing Study Report, and additional services as needed.

FISCAL CONSIDERATIONS:

There is \$100,000 available in the Water Department, Fund 41500, Department 760, Org. 8340 for this purpose.

PREVIOUS COUNCIL /COMMITTEE ACTION:

None.

COMMUNITY PARTICIPATION AND PUBLIC OUTREACH EFFORTS:

None related to this action. However, there will be a series of public outreach efforts including presentations to community groups and "town hall" style meetings to discuss future water rates.

KEY STAKEHOLDERS AND PROJECTED IMPACTS:

Key stakeholders include all recycled water rate payers. Projected impacts will depend on the outcome of the study.



J. M. Barrett
Water Department Director



R. F. Haas
Deputy Chief of Public Works

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701 GLENNS OFFICE
SAN DIEGO, CA



THE CITY OF SAN DIEGO

Natural Resources and Cultures Committee

**Execute Second Amendment to
Agreement with
Raftelis Financial Consulting, Inc.**

Water Department

October 24, 2007

000023

NR&C OCT 24 2007 #1 B
NR&C NOV 02 2007 #1 B

Dec. 2004 – Recycled Water Pricing Study Approved

Objectives:

- Calculate the true cost of producing and distributing recycled water.
- Recommend a pricing structure that recovers all costs associated with producing and distributing recycled water.
- Review alternative rate structures to increase recycled water usage.
- Determine appropriate revenue and expense that should be shared among potable water, wastewater and recycled water programs.
- Develop a recycled water rate model.

To Date Raftelis Financial Consultants, Inc.
has provided the City:

- An analysis of Revenue Requirements and Revenue Off-sets.
- Recommendations on recycled water rates and fee structures and commodity price implementation options.
- A 20-year Analysis and Financial Plan for the recycled water system.
- A draft Recycled Water Pricing Study Report.
- A preliminary version of the rate model.

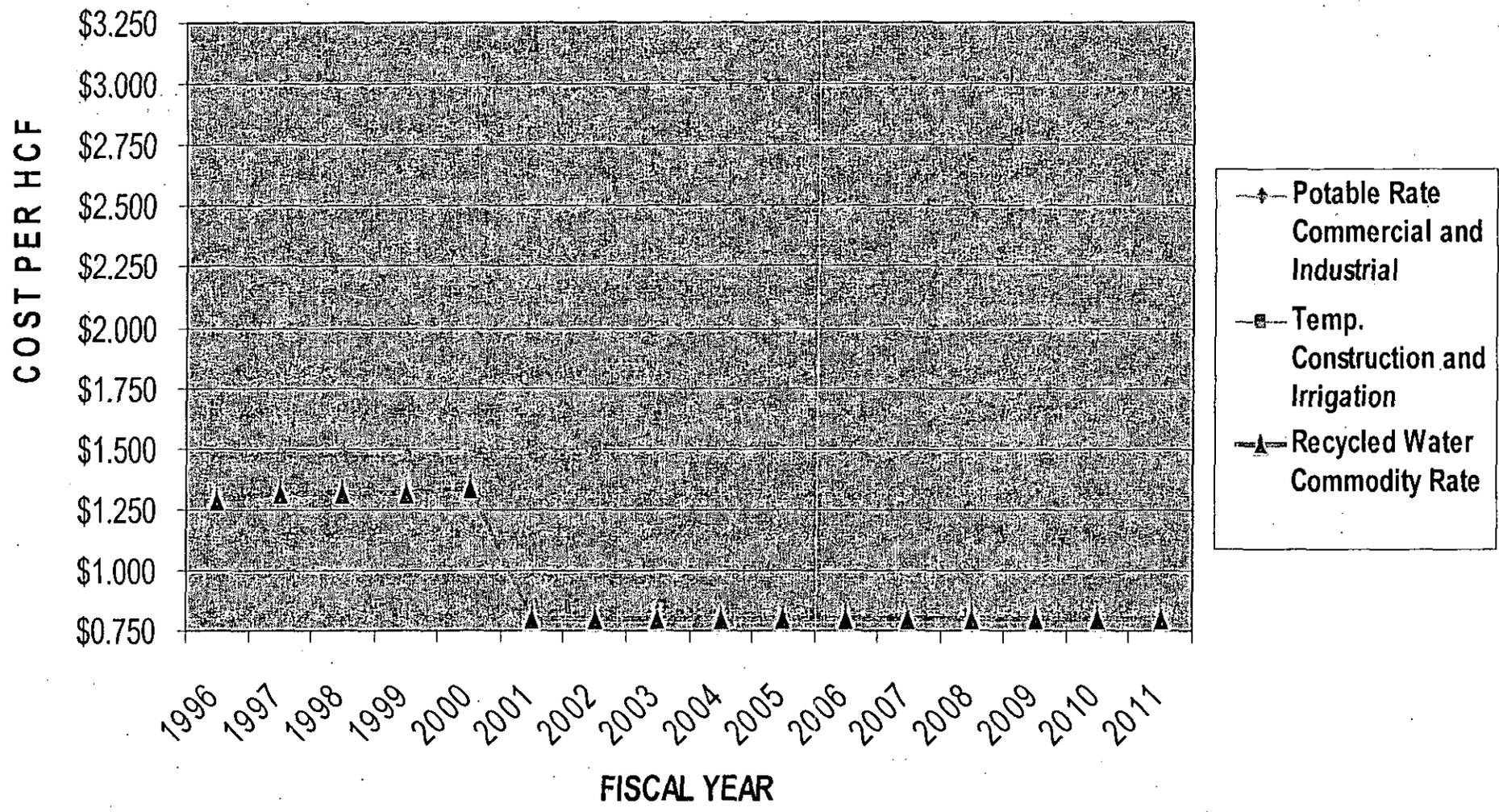
Execute second amendment to extend effective date to Dec. 2009 and add \$100,000.

Objectives:

- Refine recycled water CIP options, update project costs, and update customer demands.
- Modify the Recycled Water Rate Model.
- Finalize the Recycled Water Pricing Study Report.
- Provide on-going specialized analyses.

Authorize the Mayor to execute a second amendment to the existing agreement with Raftelis Financial Consultants, Inc., for ongoing analyses and support for the Recycled Water Pricing Study, a two-year extension and an additional \$100,000.

Potable to Recycled Rate Comparison



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CITY OF SAN DIEGO
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Fiscal Year	Recycled Water Rate	Commercial and Industrial	Percentage of Commercial and Industrial	Temp. Const. Irrigation	Percentage of Temp. Const. and Industrial
2002	\$ 0.80	\$ 1.493	54%	\$ 1.493	54%
2003	\$ 0.80	\$ 1.567	51%	\$ 1.567	51%
2004	\$ 0.80	\$ 1.634	49%	\$ 1.634	49%
2005	\$ 0.80	\$ 1.737	46%	\$ 1.737	46%
2006	\$ 0.80	\$ 1.870	43%	\$ 1.870	43%
2007	\$ 0.80	\$ 2.003	40%	\$ 2.003	40%
2008	\$ 0.80	\$ 2.357	34%	\$ 2.540	31%
2009	\$ 0.80	\$ 2.510	32%	\$ 2.688	30%
2010	\$ 0.80	\$ 2.673	30%	\$ 2.863	28%
2011	\$ 0.80	\$ 2.847	28%	\$ 3.049	26%

DOCKET SUPPORTING INFORMATION
CITY OF SAN DIEGO

DATE:

101
1/15**EQUAL OPPORTUNITY CONTRACTING PROGRAM EVALUATION**

October 29, 2007

SUBJECT: Execute 2nd Amendment to Agreement with Raftelis Financial Consulting, Inc.**GENERAL CONSULTANT INFORMATION**

Recommended Consultant: Raftelis Financial Consulting, Inc.

Amount of this Action: \$100,000.00

Original Contract: \$250,000.00

Cumulative \$350,000.00

Funding Source: City of San Diego

SUBCONSULTANT PARTICIPATION

No subconsultant participation for this action.

EQUAL EMPLOYMENT OPPORTUNITY COMPLIANCE

Raftelis Financial Consultants, Inc. submitted a Work Force Report for their Los Angeles County employees dated October 18, 2007. The administrative staff is less than fifteen (15) employees and is, therefore, exempt from employment goals.

ADDITIONAL COMMENTS

The *Work Force Analysis* is attached.

by MM-J

File: Admin WOFO 2000

Date WOFO Submitted: 10/18/2007
 Input by: SH

Goals reflect statistical labor force availability for the following: 2000 CLFA
 Los Angeles County, CA

City of San Diego/Equal Opportunity Contracting
WORK FORCE ANALYSIS REPORT
 FOR
 Company: Raftelis Financial Consultants, Inc.

I. TOTAL WORK FORCE:

	Black		Hispanic		Asian		American Indian		Filipino		White		Other					
	CLFA Goals	M	F	CLFA Goals	M	F	CLFA Goals	M	F	CLFA Goals	M	F	CLFA Goals	M	F			
Mgmt & Financial	7.3%	0	0	18.7%	0	0	14.9%	1	0	0.3%	0	0	14.8%	0	0	0	0	
Professional	8.9%	0	0	16.5%	0	0	12.3%	0	1	0.3%	0	0	12.3%	0	0	1	0	
A&E, Science, Computer	6.0%	0	0	10.5%	0	0	26.1%	0	0	0.2%	0	0	26.1%	0	0	0	0	
Technical	12.2%	0	0	24.7%	0	0	20.8%	0	0	0.3%	0	0	20.8%	0	0	0	0	
Sales	7.3%	0	0	33.7%	0	0	14.6%	0	0	0.3%	0	0	14.6%	0	0	0	0	
Administrative Support	13.1%	0	0	36.0%	0	0	12.8%	0	0	0.3%	0	0	12.8%	0	0	0	0	
Services	9.5%	0	0	54.2%	0	0	11.1%	0	0	0.2%	0	0	11.1%	0	0	0	0	
Crafts	6.1%	0	0	49.1%	0	0	10.5%	0	0	0.3%	0	0	10.5%	0	0	0	0	
Operative Workers	3.2%	0	0	73.3%	0	0	10.2%	0	0	0.1%	0	0	10.2%	0	0	0	0	
Transportation	11.2%	0	0	61.1%	0	0	4.7%	0	0	0.4%	0	0	4.7%	0	0	0	0	
Laborers	7.1%	0	0	69.8%	0	0	4.4%	0	0	0.3%	0	0	4.4%	0	0	0	0	
TOTAL		0	0		0	0		1	1		0	0		0	0		1	0

HOW TO READ TOTAL WORK FORCE SECTION:

The information blocks in Section 1 (Total Work Force) identify the absolute number of the firm's employees. Each employee is listed in their respective ethnic/gender and employment category. The percentages listed under the heading of "CLFA Goals" are the County Labor Force Availability goals for each employment and ethnic/gender category.

	M	F	Female Goals
Mgmt & Financial	1	0	40.7%
Professional	1	1	53.9%
A&E, Science, Computer	0	0	22.3%
Technical	0	0	48.9%
Sales	0	0	47.5%
Administrative Support	0	0	69.6%
Services	0	0	60.8%
Crafts	0	0	9.2%
Operative Workers	0	0	37.7%
Transportation	0	0	16.0%
Laborers	0	0	11.8%
TOTAL	3	2	1

HOW TO READ EMPLOYMENT ANALYSIS SECTION:

The percentages listed in the goals column are calculated by multiplying the CLFA goals by the number of employees in that job category. The number in that column represents the percentage of each protected group that should be employed by the firm to meet the CLFA goal. A negative number will be shown in the discrepancy column for each underrepresented goal of at least 1.00 position.

II. EMPLOYMENT ANALYSIS

TOTAL

3	2	1
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This firm has fewer than 15 employees and is, therefore, exempt from the employment category goals.

REQUEST FOR COUNCIL ACTION
CITY OF SAN DIEGO

TO: CITY ATTORNEY
2. FROM (ORIGINATING DEPARTMENT): Water
3. DATE: 10/03/2007

4. SUBJECT: Execute Second Amendment to Agreement with Raftelis Financial Consulting, Inc.

5. PRIMARY CONTACT (NAME, PHONE & MAIL STA.): Marsi Steirer, 533-4112, 906
6. SECONDARY CONTACT (NAME, PHONE & MAIL STA.): Jaime Jacinto, 533-5246, MS 906
7. CHECK BOX IF REPORT TO COUNCIL IS ATTACHED

8. COMPLETE FOR ACCOUNTING PURPOSES

FUND	DEPT.	ORGANIZATION	OBJECT ACCOUNT	JOB ORDER	C.I.P. NUMBER	AMOUNT
41500	760	8340	4222	88912	N/A	\$100,000.00

9. ADDITIONAL INFORMATION / ESTIMATED COST:
Previously Authorized \$250,000
This amendment \$100,000
Total Requested \$350,000
(including this amendment)

10. ROUTING AND APPROVALS

ROUTE (#)	APPROVING AUTHORITY	APPROVAL SIGNATURE	DATE SIGNED	ROUTE (#)	APPROVING AUTHORITY	APPROVAL SIGNATURE	DATE SIGNED
1	ORIGINATING DEPARTMENT	<i>[Signature]</i>	10-16-07	8	DEPUTY CHIEF	<i>[Signature]</i>	11/6/07
2	EAS	<i>[Signature]</i>	10-5-07	9	COO	<i>[Signature]</i>	
3	EOC	<i>[Signature]</i>	10-27-07	10	CITY ATTORNEY	<i>[Signature]</i>	11/7/07
4	LIAISON OFFICE	<i>[Signature]</i>	11/1/07	11	ORIGINATING DEPARTMENT		
5	FINANCIAL MANAGMENT	<i>[Signature]</i>	11/6/07	DOCKET COORD: _____ COUNCIL LIAISON: _____			
6	AUDITORS	<i>[Signature]</i>	11/6/07	COUNCIL PRESIDENT <input checked="" type="checkbox"/> SPOB <input type="checkbox"/> CONSENT <input checked="" type="checkbox"/> ADOPTION <input type="checkbox"/> REFER TO: _____ COUNCIL DATE: 1/15/08			
7							

11. PREPARATION OF: RESOLUTION(S) ORDINANCE(S) AGREEMENT(S) DEED(S)

1. Authorize the Mayor to execute a second amendment to the existing agreement with Raftelis Financial Consultants, Inc., for ongoing analyses and support for Recycled Water Pricing Study, a two-year extension and an additional \$100,000, in Water Fund, Fund 41500 and Org Number 8340; and
2. Authorize the expenditure of \$100,000 in the Water Fund, Fund 41500 and Org Number 8340, for the purposes of funding this agreement; and
3. Authorizing the City Auditor and Comptroller, upon advice from the administering department, to transfer excess funds if any, to the appropriate reserves.

11A. STAFF RECOMMENDATIONS:
Approve the resolutions.

12. SPECIAL CONDITIONS:

COUNCIL DISTRICT(S): All

COMMUNITY AREA(S): All

ENVIRONMENTAL IMPACT: This activity is not a "project" and is therefore not subject to CEQA per CEQA Guidelines Section §15060(c)(2).

HOUSING IMPACT: None

OTHER ISSUES: Please return one copy of the executed Council Action and a copy of the resolutions to Tammy Ferguson, MS 904A, (619) 533-4109.

EXECUTIVE SUMMARY SHEET
CITY OF SAN DIEGO

DATE ISSUED: December 27, 2007 REPORT NO: N/A
ATTENTION: Council President and City Council
ORIGINATING DEPARTMENT: Water Department
SUBJECT: Execute Second Amendment to Agreement with
Raftelis Financial Consulting, Inc.
COUNCIL DISTRICT(S): All
STAFF CONTACT: Marsi Steirer (619) 533-4112
Jaime Jacinto (619) 533-5246

REQUESTED ACTION:

Authorize and execute the second amendment of the subject contract to extend the duration of subject contract and add \$100,000 for consulting services and project related costs for the Recycled Water Pricing Study.

STAFF RECOMMENDATION:

Approve the amendment and expenditure.

EXECUTIVE SUMMARY:

In December 2004, the City entered into an agreement with Raftelis Financial Consultants, Inc. (RFC), to conduct a Recycled Water Pricing Study for \$250,000 to provide a **comprehensive analysis of recycled water costs and revenues, provide rate structure recommendations, and document findings in a Recycled Water Pricing Study report.** This agreement also provided for the development of a recycled water pricing model and training of City staff to administer the rate model.

To date, RFC has provided the Water Department a 20-year analysis and financial plan for the recycled water system, analyzed revenue requirements and revenue off-sets, and recommended recycled water rate and fee structures and commodity price implementation options. RFC has also provided a draft version of the Recycled Water Rate Model and a draft Pricing Study Report.

Because of the need to refine capital project options, update project costs and associated customer demands, an extension of this contract to December 2009 and an additional amount of \$100,000 is needed. This amendment will provide for on-going analyses of updated recycled water demands, capital project costs, incentives and rate structures. This will also provide for modifications to the Recycled Water Rate Model, finalize the Recycled Water Pricing Study Report, and additional services as needed.

FISCAL CONSIDERATIONS:

There is \$100,000 available in the Water Department, Fund 41500, Department 760, Org. 8340 for this purpose.

PREVIOUS COUNCIL /COMMITTEE ACTION:

This item was approved by the Natural Resources and Culture Committee on November 2, 2007.

COMMUNITY PARTICIPATION AND PUBLIC OUTREACH EFFORTS:

None related to this action. There may be public outreach efforts associated with the Recycled Water Pricing Study.

KEY STAKEHOLDERS AND PROJECTED IMPACTS:

Key stakeholders include all recycled water rate payers. Projected impacts will depend on the outcome of the study.

for 

Alex Ruiz
Assistant Water Department Director

 12/28/07

J. M. Barrett
Director of Public Utilities

RESOLUTION NUMBER R- _____

DATE OF FINAL PASSAGE _____

A RESOLUTION AUTHORIZING EXECUTION OF SECOND
 AMENDMENT TO CONSULTANT CONTRACT;
 EXPENDITURE OF FUNDS FOR CONTRACT PURPOSES;
 AND TAKING RELATED ACTIONS.

WHEREAS, on December 10, 2004, the City of San Diego [City] and Raftelis Financial Consultants, Inc., [Consultant] entered into an Agreement for Consulting Services [Agreement], wherein Consultant agreed to provide Recycled Water Pricing Study services to the City; and

WHEREAS, on February 15, 2006, in order to fulfill the purposes of the Agreement, the City and Consultant entered into a First Amendment to the Agreement [First Amendment] to extend the Agreement for twenty-six months through December 31, 2007; and

WHEREAS, the City desires to extend the term of the Agreement for an additional twenty-three months and nine days, through December 9, 2009, and to increase the Contract Amount by \$100,000.00 to authorize additional tasks; NOW, THEREFORE:

BE IT RESOLVED, by the Council of the City of San Diego, as follows:

1. That the Mayor or his designee is hereby authorized and empowered to execute, for and on behalf of the City, a Second Amendment to the existing Consulting Agreement with Consultant [Second Amendment] which is on file in the office of the City Clerk as Document No. RR _____ for the purpose of funding a twenty-three month and nine day term extension for ongoing analyses and support for the Recycled Water Pricing Study in Water Fund 41500, Organization 8340, in an amount not to exceed \$100,000.00; and

2. That the expenditure of an amount not to exceed \$100,000.00 from Water Fund 41500, Organization 8340 is hereby authorized, solely and exclusively for the purpose of

providing funds for the abovementioned Consulting Agreement, its Amendments and related costs, provided that the City Auditor and Comptroller first furnishes one or more certificates certifying that the funds are, or will be, on deposit with the City Treasurer; and

3. That the City Auditor and Comptroller is authorized, upon advice from the administering department, to transfer excess budgeted funds, if any, to the appropriate reserves; and

4. That this activity is not a project and is therefore not subject to the California Environmental Quality Act [CEQA] pursuant to State CEQA Guidelines Section 15060(c)(2).

APPROVED: MICHAEL J. AGUIRRE, City Attorney

By 
Raymond C. Palmucci
Deputy City Attorney

RCP:js
11/07/2007
Or. Dept: Water
R-2008-408

I hereby certify that the foregoing Resolution was passed by the Council of the City of San Diego, at this meeting of _____.

ELIZABETH S. MALAND
City Clerk

By _____
Deputy City Clerk

Approved: _____
(date)

JERRY SANDERS, Mayor

Vetoed: _____
(date)

JERRY SANDERS, Mayor

**SECOND AMENDMENT TO AGREEMENT
BETWEEN THE CITY OF SAN DIEGO
AND RAFTELIS FINANCIAL CONSULTING, INC.
FOR CONSULTING SERVICES**

This Second Amendment to Agreement between the City of San Diego and Raftelis Financial Consulting, Inc., for consulting services [Second Amendment] is made and entered into by and between the City of San Diego, a municipal corporation [City], and Raftelis Financial Consulting, Inc. [Consultants], with reference to the following.

RECITALS

- A. WHEREAS, on December 10, 2004, City and Consultant entered into an Agreement for Consulting Services [Agreement], the original of which is filed in the office of the City Clerk as Document No. C-13130, wherein Consultant agreed to provide Recycled Water Pricing Structure services [Professional Services] to City. The Agreement was effective until October 31, 2005.
- B. WHEREAS, on February 15, 2006, in order to fulfill the purposes of the Agreement, the City and Consultant entered into a First Amendment to the Agreement [First Amendment] by Mayoral Action Document No. C-13719, to extend the Agreement for twenty-six months through December 31, 2007, and to effect other changes enumerated therein.
- C. WHEREAS, due to complications experienced by City, including unforeseen delays in bringing the updated recycled water rate case to the City Council, the City requires additional tasks be added to the Scope of Services. The City therefore desires to extend the term of the Agreement for an additional twenty-three months and nine days, and increase the Contract Amount by \$100,000 to authorize additional Scope of Services tasks. Additionally, the City desires to update certain contract provisions to current City revisions.
- D. WHEREAS, Consultant has agreed to provide the Professional Services as described in the Agreement as modified by the First Amendment and this Second Amendment for an additional twenty-three months and nine days.
- E. The Agreement provides that any change to the terms of the Agreement must be in writing and signed by both Parties.

NOW, THEREFORE, in consideration of the Recitals stated above, and incorporated herein by this reference, and the mutual obligations of the Parties expressed herein, City and Consultant agree as follows:

1. That all the terms and conditions of the Agreement referenced above, as modified by the First Amendment, copies of which are attached hereto, remain in full force and effect except as expressly and specifically amended herein.
2. That Section 2.1, Term of Agreement, be deleted in its entirety and replaced with the following:

2.1 Term of Agreement. This Agreement shall be effective on the date it is executed by the last Party to sign the Agreement, and approved by the City Attorney in accordance with San Diego Charter Section 40. Unless otherwise terminated, it shall be effective until completion of the Scope of Services or December 9, 2009, whichever is the earliest but not to exceed five years unless approved by City ordinance.

3. That the Contract Amount of the Agreement, as set forth in Section 3.1.1, Contract Amount, is hereby changed from \$250,000 to \$350,000.
4. That Section 3.5, Excess Costs, be deleted in its entirety and replaced with the following:

3.5 Eighty Percent Notification. Consultant shall promptly notify the City in writing of any potential cost overruns. Cost overruns include, but are not limited to the following: (1) where anticipated costs to be incurred in the next sixty calendar days, when added to all costs previously incurred, will exceed 80 percent of the maximum compensation for this Agreement; or (2) where the total cost for performance of the Scope of Services (Exhibit A) appears that it may be greater than the maximum compensation for this Agreement.

5. That the term "the City Manager" in Section 4.1, Industry Standards, be deleted and replaced with "the Mayor or his designee".
6. That Section 4.3, Insurance, be deleted in its entirety and replaced with the following:

4.3 Insurance. Consultant shall not begin the Professional Services under this Agreement until it has: (a) obtained, and provided to the City, insurance certificates and endorsements reflecting evidence of all insurance required in Article IV, Section 4.3.1; however, the City reserves the right to request, and Consultant shall submit, copies of any policy upon reasonable request by the City; (b) obtained City approval of each company or companies as required by Article IV, Section 4.3.2; and (c) confirmed that all policies contain the specific provisions required in Article IV, Section 4.3.4. Consultant's liabilities, including but not limited to Consultant's indemnity obligations, under this Agreement, shall not be deemed limited in any way to the insurance coverage required herein. Except as provided for under California law, all policies of insurance required hereunder must provide that the City is entitled to thirty (30) days prior written notice (10 days for cancellation due to non-payment of premium) of cancellation or non-renewal of the policy or policies. Maintenance of specified insurance coverage is a material element of this Agreement and Consultant's failure to

maintain or renew coverage or to provide evidence of renewal during the term of this Agreement may be treated as a material breach of contract by the City.

Further, Consultant shall not modify any policy or endorsement thereto which increases the City's exposure to loss for the duration of this Agreement.

4.3.1 Types of Insurance. At all times during the term of this Agreement, Consultant shall maintain insurance coverage as follows:

4.3.1.1 Commercial General Liability. Commercial General Liability (CGL) Insurance written on an ISO Occurrence form CG 00 01 07 98 or an equivalent form providing coverage at least as broad which shall cover liability arising from any and all personal injury or property damage in the amount of \$1 million per occurrence and subject to an annual aggregate of \$1 million. There shall be no endorsement or modification of the CGL limiting the scope of coverage for either insured vs. insured claims or contractual liability. All defense costs shall be outside the limits of the policy.

4.3.1.2 Commercial Automobile Liability. For all of Consultant's automobiles including owned, hired and non-owned automobiles, Consultant shall keep in full force and effect, automobile insurance written on an ISO form CA 00 01 12 90 or a later version of this form or an equivalent form providing coverage at least as broad for bodily injury and property damage for a combined single limit of \$1 million per occurrence. Insurance certificate shall reflect coverage for any automobile (any auto).

4.3.1.3 Workers' Compensation. For all of Consultant's employees who are subject to this Agreement and to the extent required by the applicable state or federal law, Consultant shall keep in full force and effect, a Workers' Compensation policy. That policy shall provide a minimum of \$1 million of employers' liability coverage, and Consultant shall provide an endorsement that the insurer waives the right of subrogation against the City and its respective elected officials, officers, employees, agents and representatives.

4.3.1.4 Architects & Engineers Professional Liability. (NOT USED).

4.3.2 Deductibles. All deductibles on any policy shall be the responsibility of Consultant and shall be disclosed to the City at the time the evidence of insurance is provided.

4.3.3 Acceptability of Insurers.

4.3.3.1 Except for the State Compensation Insurance Fund, all insurance required by this Contract or in the Special General Conditions shall only be carried by insurance companies with a rating of at least "A-, VI" by A.M. Best Company, that are authorized by the California Insurance Commissioner to do business in the State of California, and that have been approved by the City.

4.3.3.2 The 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 Eligible Surplus Lines Insurers (LESLI 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.

4.3.4 Required Endorsements.

The following endorsements to the policies of insurance are required to be provided to the City before any work is initiated under this Agreement.

4.3.4.1 Commercial General Liability Insurance Endorsements.

ADDITIONAL INSURED. To the fullest extent allowed by law including but not limited to California Insurance Code Section 11580.04, the policy or policies must be endorsed to include as an Insured the City of San Diego and its respective elected officials, officers, employees, agents and representatives with respect to liability arising out of (a) ongoing operations performed by you or on your behalf, (b) your products, (c) your work, including but not limited to your completed operations performed by you or on your behalf, or (d) premises owned, leased, controlled or used by you.

PRIMARY AND NON-CONTRIBUTORY COVERAGE. The policy or policies must be endorsed to provide that the insurance afforded by the Commercial General Liability policy or policies is primary to any insurance or self-insurance of the City of San Diego and its elected officials, officers, employees, agents and representatives as respects operations of the Named Insured. Any insurance maintained by the City of San Diego and its elected officials, officers, employees, agents and representatives shall be in excess of Consultant's insurance and shall not contribute to it.

CANCELLATION. Except as provided for under California Law, the policy or policies must be endorsed to provide that the City is entitled to thirty (30) days prior written notice (10 days for cancellation due to non-payment of premium) of cancellation or non-renewal of the policy or policies. Such notice shall be addressed to the City at the address specified in Section 9.1 "Notices."

SEVERABILITY OF INTEREST. The policy or policies must be endorsed to provide that Consultant's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability and shall provide cross-liability coverage.

4.3.4.2 Automobile Liability Insurance Endorsements

ADDITIONAL INSURED. To the fullest extent allowed by law including but not limited to California Insurance Code Section 11580.04, the policy or policies must be endorsed to include as an Insured the City of San Diego and its respective elected

officials, officers, employees, agents and representatives with respect to liability arising out of automobile owned, leased, hired or borrowed by or on behalf of Consultant.

CANCELLATION. Except as provided for under California Law, the policy or policies must be endorsed to provide that the City is entitled to thirty (30) days prior written notice (10 days for cancellation due to non-payments of premium) of cancellation or non-renewal of the policy or policies. Such notice shall be addressed to the City at the address specified in Section 9.1 "Notices."

SEVERABILITY OF INTEREST. The policy or policies must be endorsed to provide that Consultant's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability and shall provide cross-liability coverage.

4.3.4.3 Worker's Compensation and Employer's Liability Insurance Endorsements.

CANCELLATION. Except as provided for under California law, the policy or policies must be endorsed to provide that the City is entitled to thirty (30) days prior written notice (10 days for cancellation due to non-payment of premium) of cancellation or non-renewal of the policy or policies. Such notice shall be addressed to the City at the address specified in Section 9.1 "Notices."

WAIVER OF SUBROGATION. The Worker's Compensation policy or policies must be endorsed to provide that the insurer will waive all rights of subrogation against the City and its respective elected officials, officers, employees, agents and representatives for losses paid under the terms of this policy or these policies which arise from work performed by the Named Insured for the City.

4.3.4.4 Architects & Engineers Professional Liability Insurance. (NOT USED)

4.3.5 Reservation of Rights. The City reserves the right, from time to time, to review Consultant's insurance coverage, limits, deductible and self-insured retentions to determine if they are acceptable to the City. The City will reimburse Consultant for the cost of the additional premium for any coverage requested by the City in excess of that required by this Agreement without overhead, profit, or any other markup.

4.3.6 Additional Insurance. Consultant may obtain additional insurance not required by this Agreement.

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

7. That Section 4.9, Conflict of Interest, be deleted in its entirety and replaced with the following:

4.9 Conflict of Interest. Consultant 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 City of San Diego Ethics Ordinance, codified in the San Diego Municipal Code at sections 27.3501 to 27.3595.

4.10.1 If, in performing the Professional Services set forth in this Agreement, any member of Consultant's organization makes, or participates in, a "governmental decision" as described in Title 2, section 18701(a)(2) of the California Code of Regulations, or performs the same or substantially all the same duties for the City that would otherwise be performed by a City employee holding a position specified in the department's conflict of interest code, the individual shall be subject to a conflict of interest code requiring the completion of one or more statements of economic interests disclosing the individual's relevant financial interests. The determination as to whether any individual members of Consultant's organization must make disclosures of relevant financial interests is set forth in the Determination Form (Exhibit G).

4.10.1.1 If a determination is made that certain individuals must disclose relevant financial interests, the statements of economic interests shall be made on Fair Political Practices Commission Form 700 and filed with the City Clerk. The individual shall file a Form 700 (Assuming Office Statement) within thirty calendar days of the City's determination that the individuals are subject to a conflict of interest code. Each year thereafter, the individuals shall also file a Form 700 (Annual Statement) on or before April 1, disclosing any financial interests held during the previous calendar year for which the individual was subject to a conflict of interest code. A Form 700 (Leaving Office Statement) shall also be filed when the individual discontinues services under this Agreement.

4.10.1.2 If the City requires an individual member of Consultant's organization to file a statement of economic interests as a result of the Professional Services performed, the individual shall be considered a "City Official" subject to the provisions of the City of San Diego Ethics Ordinance, including the prohibition against lobbying the City for one year following the termination of this Agreement.

4.10.2 Consultant shall 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.

4.10.3 Consultant and its Subconsultants having subcontracts amounting to 1% or more of the value of the Professional Services agreed to under this Agreement are precluded from participating in design services on behalf of the contractor, construction management, and any other construction services related in

any way to these Professional Services without the prior written consent of the City.

4.10.4 Consultant's personnel employed on the Project shall not accept gratuities or any other favors from any Subconsultants or potential Subconsultants. Consultant shall not recommend or specify any product, supplier, or contractor with whom Consultant has a direct or indirect financial or organizational interest or relationship that would violate conflict of interest laws, regulations, or policies.

4.10.5 If Consultant violates any conflict of interest law or any of the provisions in this Section 4.10, the violation shall be grounds for immediate termination of this Agreement. Further, the violation subjects Consultant to liability to the City for attorney's fees and all damages sustained as a result of the violation.

8. That all Sections under ARTICLE VI – INDEMNIFICATION, be deleted in their entirety and replaced with the following:

6.1 Indemnification. Other than in the performance of Consultant services which shall be solely as addressed in Section 6.2 below, to the fullest extent permitted by law, Consultant shall defend (with legal counsel reasonably acceptable to the City), indemnify and hold harmless the City and its officers, agents, departments, officials, and employees [Indemnified Parties] from and against all claims, losses, costs, damages, injuries (including, without limitation, injury to or death of an employee of Consultant or its Subconsultants), expense and liability of every kind, nature and description (including, without limitation, incidental and consequential damages, court costs, attorney's fees, 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 services performed under this Agreement by Consultant, any Subconsultant, anyone directly or indirectly employed by them, or anyone that they control. Consultant's duty to defend, indemnify, protect and hold harmless shall not include any claims or liabilities arising from the active negligence, sole negligence or willful misconduct of the Indemnified Parties.

6.2 Consultant Services Indemnification and Defense.

6.2.1 Consultant Services Indemnification. To the fullest extent permitted by law (including, without limitation, California Civil Code Section 2782.8), with respect to the performance of Consultant services, Consultant shall indemnify and hold harmless the City, its officers, or employees, from all claims, demands or liability that arise out of, pertain to or relate to the negligence, recklessness, or willful misconduct of Consultant or Consultant's officers or employees.

6.2.2 Consultant Services Defense. Parties will work in good faith to procure applicable insurance coverage for the cost of any defense arising from all claims, demands or liability that arise out of, pertain to or relate to the negligence, recklessness, or willful misconduct of Consultant or Consultant's officers or employees.

6.3 Insurance. The provisions of this Article are not limited by the requirements of Section 4.3 related to insurance.

6.4 Enforcement Costs. Consultant agrees to pay any and all costs the City incurs enforcing the indemnity and defense provisions set forth in this Article.

9. That the title heading of ARTICLE VII – be changed from “ALTERNATIVE DISPUTE RESOLUTION PROCEDURES” to “MEDIATION”.
10. That Section 7.1, Mandatory Non-binding Mediation, be deleted in its entirety and replaced with the following:

7.1 Mandatory Non-binding Mediation. With the exception of Sections 2.5-2.7 of this Agreement, if a dispute arises out of, or relates to this Agreement, or the breach thereof, and if said dispute cannot be settled through normal contract negotiations, prior to the initiation of any litigation, the Parties agree to attempt to settle the dispute in an amicable manner, using mandatory mediation under the Construction Industry Mediation Rules of the American Arbitration Association (AAA) or any other neutral organization agreed upon before having recourse in a court of law.

11. That ARTICLE VIII – MISCELLANEOUS, be deleted in its entirety and replaced with the following:

ARTICLE VIII – INTELLECTUAL PROPERTY RIGHTS

8.1 Work For Hire. All original designs, plans, specifications, reports, documentation, and other informational materials, whether written or readable by machine, originated or prepared exclusively for the City pursuant to this Agreement (Deliverable Materials) is “work for hire” under the United States Copyright law and shall become the sole property of the City and shall be delivered to the City upon request. The Consultant, including its employees, and independent Subconsultant(s), shall not assert any common law or statutory patent, copyright, trademark, or any other intellectual proprietary right to the City to the deliverable Materials.

8.2. Rights in Data. All rights (including, but not limited to publication(s), registration of copyright(s), and trademark(s)) in the Deliverable Materials, developed by the Consultant, including its employees, agents, talent and independent Subconsultants pursuant to this Agreement are the sole property of the City. The Consultant, including its employees, agents, talent, and independent Subconsultant(s), may not use any such Deliverable Materials mentioned in this article for purposes unrelated to Consultant’s work on behalf of the City without prior written consent of the City.

Such Deliverable Materials are not intended or represented by Consultant to be suitable for reuse by City or others on extensions of the Project or on any other project. Any such reuse without written verification or adaptation by Consultant and its

Subconsultant(s), as appropriate, for the specific purpose intended will be at City's risk. Notwithstanding any other provision of this Agreement between Consultant and City, or any provision of the scope of work, work assignments, work authorizations, or any amendment issued hereunder, all of Consultant's pre-existing or proprietary information, documents, materials, computer programs, or software developed by Consultant outside of this Agreement shall remain the exclusive property of Consultant.

8.3 Intellectual Property Rights Assignment. Consultant, its employees, agents, talent, and independent Subconsultant(s) agree to promptly execute and deliver, upon request by 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; and cooperate and assist in the prosecution of any action or opposition proceeding involving said rights and any adjudication of the same.

8.4 Moral Rights. Consultant, its employees, agents, talent, and independent Subconsultant(s) hereby irrevocably and forever waives, and agrees never to assert, any Moral Rights in or to the Deliverable Materials which Consultant, its employees, agents, talent, and independent Subconsultant(s), may now have or which may accrue to Consultant, its employees, agents, talent, and independent Subconsultant(s)' benefit under U.S. or foreign copyright laws and any and all other residual rights and benefits which arise under any other applicable law now in force or hereafter enacted. The term "Moral Rights" shall mean any and all rights of paternity or integrity of Consultant and the right to object to any modification, translation or use of said content, and any similar rights existing under judicial or statutory law of any country in the world or under any treaty, regardless of whether or not such right is denominated or referred to as a moral right.

8.5 Subcontracting. In the event that Consultant utilizes a Subconsultant(s) for any portion of the Work that is in whole or in part of the specified Deliverable(s) to the City, the agreement between Consultant and Subconsultant [Subconsultant Agreement] shall include a statement that identifies that the Deliverable/Work product as a "work-for hire" as defined in the Act and that all intellectual property rights in the Deliverable/Work product, whether arising in copyright, trademark, service mark or other belongs to and shall vest solely with the City. Further, Subconsultant Agreement shall require that Subconsultant, if necessary, shall grant, transfer, sell and assign, free of charge, exclusively to the City, all titles, rights and interests in and to said Work/Deliverable, including all copyrights and other intellectual property rights. City shall have the right to review any Subconsultant Agreement for compliance with this provision.

8.6 Publication Design. Consultant may not publish or reproduce any Deliverable Materials, for purposes unrelated to Consultant's work on behalf of the City

without prior written consent of the City.

8.7 Intellectual Property Warranty and Indemnification. Consultant represents and warrants that any materials or deliverables, including all Deliverable Materials, provided under this contract are either original, 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 Consultant to produce, at Consultant'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. Consultant further agrees to indemnify 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 materials, deliverables, 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 Claims of Infringement). If a Third Party Claim of Infringement is threatened or made before Consultant receives payment under this contract, City shall be entitled, upon written notice to Consultant, to withhold some or all of such payment.

8.8 Enforcement Costs. The Consultant agrees to pay any and all costs the City incurs enforcing the indemnity and defense provisions set forth in Article 8, including but not limited to, attorney's fees.

12. That ARTICLE IX – MISCELLANEOUS, be added as follows:

ARTICLE IX – MISCELLANEOUS

9.1 Notices. In all cases where written notice is required under this Agreement, service shall be deemed sufficient if the notice is deposited in the United States mail, postage paid. Proper notice shall be effective on the date it is mailed, unless provided otherwise in this Agreement. For the purpose of this Agreement, unless otherwise agreed in writing, notice to the City shall be addressed to

Marsi A. Steirer
Project Manager
City of San Diego Water Department
600 B Street, Suite 600
San Diego, CA 92101

And notice to Consultant shall be addressed to:

Sudhir Pardiwala

Project Manager
Raftelis Financial Consultants, Inc.
201 South Lake Boulevard, Suite 803
Pasadena, CA 91101

9.2 Headings. All article headings are for convenience only and shall not affect the interpretation of this Agreement.

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

9.4 Independent Contractors. The Consultant and any Subconsultants employed by Consultant shall be independent contractors and not agents of the City. Any provisions of this Agreement that may appear to give the City any right to direct Consultant concerning the details of performing the Professional Services, or to exercise any control over such performance, shall mean only that Consultant shall follow the direction of the City concerning the end results of the performance.

9.5 Consultant and Subconsultant Principals for Professional Services. It is understood that this Agreement is for unique Professional Services. Retention of Consultant's Professional Services is based on the particular professional expertise of the following members of Consultant's organization: Sudhir Pardiwala, [Project Team]. Accordingly, performance of Professional Services on the Project may not be delegated to other members of Consultant's organization or to Subconsultants without the prior written consent of the City. It is mutually agreed that the members of the Project Team are the principal persons responsible for delivery of all Professional Services and may not be removed from the Project without the City's prior written approval. Removal of any member of the Project Team with out notice and approval by the City vide may be considered a default of the terms and conditions of this Agreement by Consultant. In the event any member of the Project Team becomes unavailable for any reason, the City must be consulted as to any replacement. If the City does not approve of a proposed replacement, the City may terminate this Agreement pursuant to Section 2.6 of this Agreement. Further, the City reserves the right, after consultation with Consultant, to require any of Consultant's employees or agents to be removed from the Project.

9.6 Additional Consultants or Contractors. The City reserves the right to employ, at its own expense, such additional consultants or contractors as the City deems necessary to perform work or to provide the Professional Services on the Project.

9.7 Employment of City Staff. This Agreement may be unilaterally and

immediately terminated by the City, at its sole discretion, if Consultant employs an individual who, within the last twelve months immediately preceding such employment did, in the individual's capacity as an officer or employee of the City, participate in, negotiate with, or otherwise have an influence on the recommendation made to the City Council or Mayor in connection with the selection of Consultant.

9.8 Covenants and Conditions. All provisions of this Agreement expressed as either covenants or conditions on the part of the City or Consultant, shall be deemed to be both covenants and conditions.

9.9 Compliance with Controlling Law. The Consultant shall comply with all laws, ordinances, regulations, and policies of the federal, state, and local governments applicable to this Agreement, including California Labor Code section 1720 relating to the payment of prevailing wages during the design and preconstruction phases of a project, including inspection and land surveying work. In addition, Consultant shall comply immediately with all directives issued by the City or its authorized representatives under authority of any laws, statutes, ordinances, rules, or regulations. The laws of the State of California shall govern and control the terms and conditions of this Agreement.

9.10 Jurisdiction and Attorney Fees. The jurisdiction and applicable laws for any suit or proceeding concerning this Agreement, the interpretation or application of any of its terms, or any related disputes shall be in accordance with the laws of the State of California. The prevailing Party in any such suit or proceeding shall be entitled to a reasonable award of attorney fees in addition to any other award made in such suit or proceeding.

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

9.12 Integration. This Agreement and the Exhibits and references incorporated into this Agreement fully express all understandings of the Parties concerning the matters covered in this Agreement. No change, alteration, amendment, or modification of the terms or conditions of this Agreement, and no verbal understanding of the Parties, their officers, agents, or employees shall be valid unless made in the form of a written change agreed to in writing by both Parties. All prior negotiations and agreements are merged into this Agreement.

9.13 Counterparts. This Agreement may be executed in counterparts, which when taken together shall constitute a single signed original as though all Parties had executed the same page.

9.14 No Waiver. No failure of either the City or Consultant to insist upon the strict performance by the other of any covenant, term or condition of this Agreement,

nor any failure to exercise any right or remedy consequent upon a breach of any covenant, term, or condition of this Agreement, shall constitute a waiver of any such breach of such covenant, term or condition. No waiver of any breach shall affect or alter this Agreement, and each and every covenant, condition, and term hereof shall continue in full force and effect to any existing or subsequent breach.

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

9.16 Municipal Powers. Nothing contained in this Agreement shall be construed as a limitation upon the powers of the City as a chartered city of the State of California.

9.17 Drafting Ambiguities. The Parties agree that they are aware that they have the right to be advised by counsel with respect to the negotiations, terms and conditions of this Agreement, and the decision of whether or not to seek advice of counsel with respect to this Agreement is a decision which is the sole responsibility of each Party. This Agreement 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 Agreement.

9.18 Conflicts Between Terms. If an apparent conflict or inconsistency exists between the main body of this Agreement and the Exhibits, the main body of this Agreement shall control. If a conflict exists between an applicable federal, state, or local law, rule, regulation, order, or code and this Agreement, the law, rule, regulation, order, or code shall control. Varying degrees of stringency among the main body of this Agreement, the Exhibits, and laws, rules, regulations, orders, or codes 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 Agreement.

9.19 Consultant Evaluation. City will evaluate Consultant's performance of Professional Services on the Project using the Consultant Evaluation Form (Exhibit H).

9.20 Exhibits Incorporated. All Exhibits referenced in this Agreement are incorporated into the Agreement by this reference.

9.21 Survival of Obligations. All representations, indemnifications, warranties and guarantees made in, required by or given in accordance with this Agreement, as well as all continuing obligations indicated in this Agreement, shall survive, completion and acceptance of the Professional Services and termination or completion of the Agreement.

13. That Exhibit A.2, Scope of Services for Recycled Water Pricing Study, is added to this Agreement, a copy of which is attached hereto and incorporated herein by this reference.

14. That Exhibit C.2, Fee Schedule, is added to this Agreement, a copy of which is attached hereto and incorporated herein by this reference.
15. That Exhibit E.2, City's Equal Opportunity Contracting Program Consultant Requirements, is added to this Agreement, a copy of which is attached hereto and incorporated herein by this reference.
16. That Exhibit G, Determination Form, Conflict Of Interest Code: Determination Of Applicability To Consultant, is added to this Agreement, a copy of which is attached hereto and incorporated herein by this reference.
17. That Exhibit H, Consultant Performance Evaluation, is added to this Agreement, a copy of which is attached hereto and incorporated herein by this reference.
18. That the Agreement as modified by the First Amendment and this Second Amendment represents the entire understanding of Consultant and the City.

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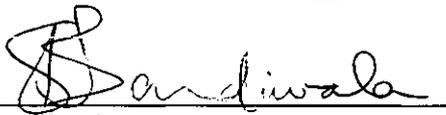
IN WITNESS WHEREOF, this Second Amendment to Agreement is executed by the City of San Diego, acting by and through its Mayor pursuant to Resolution No. _____ authorizing such execution, and by Consultant.

Dated this _____ day of _____, 2007.

THE CITY OF SAN DIEGO
Mayor or Designee

By _____

I HEREBY CERTIFY I can legally bind Raftelis Financial Consulting, Inc., and that I have read all of this agreement, this _____ day of _____, 2007.

By  _____
Sudhir Pardiwala
Vice President

I HEREBY APPROVE the form and legality of the foregoing Second Amendment on this _____ day of _____, 2007.

MICHAEL J. AGUIRRE, City Attorney

By _____
Ray Palmucci
Deputy City Attorney

EXHIBIT A.2

SCOPE OF SERVICES
for
RECYCLED WATER PRICING STUDY

The City of San Diego (City) has retained Raftelis Financial Consultants (RFC or Consultant) in 2004 to conduct a Recycled Water Pricing Study (Study) in order to establish a recycled water rate that both encourages recycled water use and recovers the cost of providing such service. Due to the complexity of the project and various policies issues, the City has asked RFC to extend the scope of service to include an update on the Pricing Model (Model) as well as presentations to both internal and external stakeholder groups, such as City Departments, the City Council, the Chamber of Commerce, the Independent Rates Oversight Committee (IROC), etc.

The following Tasks outline Consultant's approach for the successful completion of the Study and are designed to address each of the City's objectives.

TASK 1: REVIEW AND UPDATE INPUTS IN RATE MODEL

The purpose of this task is to review and input updated information regarding various assumptions and variables used in the Model and the City's projections of the demand and growth of the Recycled Water (RW) system.

TASK 2: REVIEW AND UPDATE REVENUE REQUIREMENTS

This task involves revisiting and updating the various operating expenses that the RW system incurs. More specifically, tertiary treatment costs and other operating and maintenance (O&M) costs need to be reviewed and updated to reflect more accurately the actual costs of producing recycled water and how those costs are shared. Additionally, the debt service schedule also needs to be reviewed to account for any changes to the City's debt structure. An accurate account of the revenue requirements is very important in establishing an accurate financial picture of the City in order to determine the necessary rates needed to recover those costs.

TASK 3: REVIEW AND UPDATE CAPITAL IMPROVEMENT PROGRAM (CIP)

RFC will review and include any changes to capital costs and projects that the City has planned over the planning horizon of the Model. Additionally, we will remove any obsolete CIP projects that the City no longer considers necessary.

TASK 4: DISCUSS PRELIMINARY RATE MODEL RESULTS

After RFC has reviewed and inputted the necessary information in the Model, we will meet with City Staff to identify any pricing objectives and policies that need to be considered in setting the recycle water rates including the impacts resulting from various scenarios with respect to cost sharing among water, wastewater and recycled water as well as alternative rates. We understand

that while the rate has to recover the cost of providing service, it also has to be marketable, i.e. the recycled water rates cannot be higher than potable water rates.

RFC will present and discuss preliminary results with City Staff after incorporating all the changes and considering all the necessary objectives and policies.

TASK 5: REVISE PRELIMINARY DRAFT REPORT

Once RFC has finalized the Model results, we will revise the previous draft report and send to the City for comments and/or suggestions. A preliminary version of the updated Model will also be provided to the City for comment.

TASK 6: FINALIZE REPORT AND RATE MODEL

As part of this task, RFC will incorporate any comments or suggestions received from the City into the Final Report, where appropriate. The Model will also be refined to reflect the appropriate issues or concerns raised by stakeholders. Hard copies of the Final Report as well as electronic versions of the Report and the Model will be sent to the City upon completion of this task. Additionally, RFC will provide on-site training to City Staff in the use of the Model. The training session will include working through realistic sample scenarios to fully prepare the staff to independently use the model for future analyses. RFC will continue to provide assistance beyond this training to City Staff to answer questions and clarifications on model updates.

TASK 7: PRESENTATION OF RESULTS AND IMPLEMENTATION

RFC will meet with City Staff and the City Council to present our findings and recommendations on the Study. Moreover, we will also make presentations to other external stakeholder groups such as the Chamber of Commerce, IROC, and Natural Resources and Cultural Committee (NR&C). The presentations will highlight the collaborative process used to identify and prioritize the important issues facing the City and its recycled water system. The proposed recycled water rates and the results for the Study will also be presented.

**Exhibit C.2
Fee Schedule**

	Trips	Hours Requirements			\$/Task	
		WS	SP	SV/HP		Admin
1. Review and Update Inputs in Rate Model -Review and update various assumptions in Model -Review and update variables in Model -Review and update demand projections -Review and update system growth projections			12	24		\$6,392
2. Review and Update Revenue Requirements -Review and update tertiary treatment costs -Review and update O&M costs -Review and update debt service schedule			16	32		\$8,522
3. Review and Update Capital Improvement Plan (CIP) -Identify additional CIP -Eliminate obsolete CIP			4	8		\$2,131
4. Discuss Preliminary Rate Model Results -Discuss with Staff to identify pricing objectives/policies -Present revised results after incorporating changes	2	2	40	48		\$16,695
5. Revise Preliminary Draft Report -Revise and incorporate changes in Draft Report -Send to City Staff for review and comments		3	16	40		\$10,486
6. Finalize Report and Rate Model -Finalize Rate Report including comments -Deliver Rate Model to City Staff -Train Staff members on use of Model	1	2	8	60		\$11,702
7. Presentation of Results and Implementation -Prepare Final Rate Presentation for IROC -Prepare Final Rate Presentation for Chamber of Commerce -Prepare Final Rate Presentation for NR&C -Prepare Final Rate Presentation for City Council -Present Study Results to City Council at public meeting	8	3	105	114	13	\$42,116
	11	\$223	\$207	\$150	\$47	
Total estimated hours						
		107	201	326	13	
		\$2,230	\$41,607	\$48,924	\$605	\$98,042

Key:

- WS William Stannard - Technical Advisor
- SP Sudhir Pardiwala - Project Manager
- SV Steve Vuoso - Lead Consultant
- HP Hannah Phan - Staff Consultant

Project Fees	\$93,367
Expenses	\$6,633
Total	\$100,000

The hourly labor billing rates shown above are firm fixed for the remaining Second Amendment contract period and are not subject to C4 – Economic Price Adjustment.

Expenses are related to telephone charges, computers, postage, travel, lodging, meals, etc., and are estimated based on eleven (11) meetings and presentations in San Diego.

With the City's written approval, RFC reserves the right to shift hours among tasks and personnel as conditions change during the engagement.

EXHIBIT E.2

EQUAL OPPORTUNITY CONTRACTING PROGRAM (EOCP)
CONTRACTOR REQUIREMENTS

TABLE OF CONTENTS

I. City’s Equal Opportunity Commitment.....1

II. Nondiscrimination in Contracting Ordinance.....1

III. Equal Employment Opportunity.....2

IV. Equal Opportunity Contracting.....4

V. Demonstrated Commitment to Equal Opportunity.....5

VI. List of Subconsultants.....6

VII. Definitions.....6

VIII. Certification.....7

IX. List of Attachments.....7

I. **City’s Equal Opportunity Commitment.** The City of San Diego (City) is strongly committed to equal opportunity for employees and subconsultants of professional service consultants doing business with the City. The City encourages its consultants to share this commitment. Prime consultants are encouraged to take positive steps to diversify and expand their subconsultant solicitation base and to offer consulting opportunities to all eligible subconsultants.

II. **Nondiscrimination in Contracting Ordinance.** All consultants and professional service providers doing business with the City, and their subconsultants, must comply with requirements of the City’s *Nondiscrimination in Contracting Ordinance*, San Diego Municipal Code Sections 22.3501 through 22.3517.

A. Proposal Documents to include Disclosure of Discrimination Complaints. As part of its bid or proposal, Proposer shall provide to the City a list of all instances within the past ten (10) years where a complaint was filed or pending against Proposer in a legal or administrative proceeding alleging that Proposer discriminated against its employees, subconsultants, vendors, or suppliers, and a description of the status or resolution of that complaint, including any remedial action taken.

B. Contract Language. The following language shall be included in contracts for City projects between the consultant and any subconsultants, vendors, and suppliers:

Consultant shall not discriminate on the basis of race, gender, religion, national origin, ethnicity, sexual orientation, age, or disability in the solicitation, selection, hiring, or treatment of subcontractors, vendors, or suppliers. Consultant shall provide equal

opportunity for subconsultants to participate in subconsulting opportunities. Consultant 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.

- C. Compliance Investigations. Upon the City's request, Consultant agrees to provide to the City, within sixty (60) calendar days, a truthful and complete list of the names of all Subconsultants, vendors, and suppliers that Consultant has used in the past five (5) years on any of its contracts that were undertaken within San Diego County, including the total dollar amount paid by Consultant for each subcontract or supply contract. Consultant further agrees to fully cooperate in any investigation conducted by the City pursuant to the City's *Nondiscrimination in Contracting Ordinance*, Municipal Code Sections 22.3501 through 22.3517. Consultant understands and agrees that violation of this clause shall be considered a material breach of the contract and may result in remedies being ordered against the Consultant up to and including contract termination, debarment and other sanctions for violation of the provisions of the *Nondiscrimination in Contracting Ordinance*. Consultant further understands and agrees that the procedures, remedies and sanctions provided for in the *Nondiscrimination in Contracting Ordinance* apply only to violations of the *Ordinance*.

III. Equal Employment Opportunity. Consultants shall comply with requirements of San Diego Ordinance No. 18173, Section 22.2701 through 22.2707, Equal Employment Opportunity Outreach Program. Consultants shall submit a *Work Force Report* or an *Equal Employment Opportunity (EEO) Plan* to the Program Manager of the City of San Diego Equal Opportunity Contracting Program (EOCP) for approval.

- A. Work Force Report. If a *Work Force Report* (Attachment AA) is submitted, and an EOCP staff Work Force Analysis determines there are under representation when compared to County Labor Force Availability data, Consultant will be required to submit an *Equal Employment Opportunity Plan*.
- B. Equal Employment Opportunity Plan. If an *Equal Employment Opportunity Plan* is submitted, it must include at least the following assurances that:
1. The Consultant will maintain a working environment free of discrimination, harassment, intimidation and coercion at all sites and in all facilities at which the Consultant's employees are assigned to work;
 2. A responsible official is designated to monitor all employment related activity to ensure the Consultant's EEO Policy is being carried out and to submit reports relating to EEO provisions;
 3. Consultant disseminates and reviews its EEO Policy with all employees at least once a year, posts the policy statement and EEO posters on all

company bulletin boards and job sites, and documents every dissemination review and posting with a written record to identify the time, place, employees present, subject matter, and disposition of meetings;

4. The Consultant reviews, at least annually, all supervisor's adherence to and performance under the EEO Policy and maintains written documentation of these reviews;
5. The Consultant discusses its EEO Policy Statement with subconsultants with whom it anticipates doing business, includes the EEO Policy Statement in its subcontracts, and provides such documentation to the City upon request;
6. The Consultant documents and maintains a record of all bid solicitations and outreach efforts to and from subconsultants, consultant associations and other business associations;
7. The Consultant disseminates its EEO Policy externally through various media, including the media of people of color and women, in advertisements to recruit, maintains files documenting these efforts, and provides copies of these advertisements to the City upon request;
8. The Consultant disseminates its EEO Policy to union and community organizations;
9. The Consultant provides immediate written notification to the City when any union referral process has impeded the Consultant's efforts to maintain its EEO Policy;
10. The Consultant maintains a current list of recruitment sources, including those outreaching to people of color and women, and provides written notification of employment opportunities to these recruitment sources with a record of the organizations' responses;
11. The Consultant maintains a current file of names, addresses and phone numbers of each walk-in applicant, including people of color and women, and referrals from unions, recruitment sources, or community organizations with a description of the employment action taken;
12. The Consultant encourages all present employees, including people of color and women employees, to recruit others;
13. The Consultant maintains all employment selection process information with records of all tests and other selection criteria;
14. The Consultant develops and maintains documentation for on-the-job training opportunities and/or participates in training programs for all of

its employees, including people of color and women, and establishes apprenticeship, trainee, and upgrade programs relevant to the Consultant's employment needs;

15. The Consultant conducts, at least annually, an inventory and evaluation of all employees for promotional opportunities and encourages all employees to seek and prepare appropriately for such opportunities;
16. The Consultant ensures the company's working environment and activities are non-segregated except for providing separate or single-user toilets and necessary changing facilities to assure privacy between the sexes;
17. The Consultant establishes and documents policies and procedures to ensure job classifications, work assignments, promotional tests, recruitment and other personnel practices do not have a discriminatory effect; and
18. The Consultant is encouraged to participate in voluntary associations, which assist in fulfilling one or more of its non-discrimination obligations. The efforts of a consultant association, consultant/community professional association, foundation or other similar group of which the Consultant is a member will be considered as being part of fulfilling these obligations, provided the Consultant actively participates.

IV. Equal Opportunity Contracting. Prime consultants are encouraged to take positive steps to diversify and expand their subconsultant solicitation base and to offer contracting opportunities to all eligible subconsultants. To support its Equal Opportunity Contracting commitment, the City has established a voluntary *subconsultant participation level*.

A. Subconsultant Participation Level

1. Projects valued at \$25,000 or more have a voluntary Subconsultant Participation Level goal of 15%. Goals are achieved by contracting with any combination of Minority Business Enterprise (MBE), Women Business Enterprise (WBE), Disadvantaged Business Enterprise (DBE), Disabled Veteran Business Enterprise (DVBE) or Other Business Enterprise (OBE) level.
2. While attainment of the 15% Subconsultant Participation Level goal is strictly voluntary, the City encourages diversity in your outreach and selection efforts. Historical data indicates that of the overall 15% goal, 25% to 30% Disadvantaged Business Enterprise (DBE) and 1% to 3% Disabled Veteran Business Enterprise (DVBE) participation is attainable. The remaining percentages may be allocated to Other Business Enterprises (OBE). Participation levels may be used as a tiebreaker in cases of an overall tie between two or more firms.

B. Contract Activity Reports. To permit monitoring of the successful Consultant's commitment to achieving compliance, *Contract Activity Reports* (Attachment BB) reflecting work performed by subconsultants shall be submitted quarterly for any work covered under an executed contract.

V. **Demonstrated Commitment to Equal Opportunity**. The City seeks to foster a business climate of inclusion and to eliminate barriers to inclusion.

A. Proposers are required to submit the following information with their proposals:

1. **Outreach Efforts**. Description of Proposer's outreach efforts undertaken on this project to make subconsulting opportunities available to all interested and qualified firms.
2. **Past Participation Levels**. Listing of Proposer's subconsultant participation levels achieved on all private and public projects within the past three (3) years. Include name of project, type of project, value of project, subconsultant firm's name, percentage of subconsultant firm's participation, and identification of subconsultant firm's ownership as a certified Small Business, Disadvantaged Business Enterprise, Disabled Veteran Business Enterprise, or Other Business Enterprise.
3. **Equal Opportunity Employment**. Listing of Proposer's strategies to recruit, hire, train and promote a diverse workforce. These efforts will be considered in conjunction with Proposer's *Workforce Report* as compared to the County's Labor Force Availability.
4. **Community Activities**. Listing of Proposer's current community activities such as membership and participation in local organizations, associations, scholarship programs, mentoring, apprenticeships, internships, community projects, charitable contributions and similar endeavors.

B. Consultant selection panels will consider and evaluate the Proposer's demonstrated commitment to equal opportunity including the following factors:

1. **Outreach Efforts**. Proposer's outreach efforts undertaken and willingness to make meaningful subconsulting opportunities available to all interested and qualified firms on this project.
2. **Past Participation Levels**. Proposer's subconsultant participation levels achieved on all private and public projects within the past three (3) years.
3. **Equal Opportunity Employment**. Proposer's use of productive strategies to successfully attain a diverse workforce as compared to the County's Labor Force Availability.

4. Community Activities. Proposer's current community activities.

VI. **List of Subconsultants.** Consultants are required to submit a *Subconsultant List* with their proposal.

A. **Subconsultants List.** The *Subconsultant List* (Attachment CC) shall indicate the Name and Address, Scope of Work, Percent of Total Proposed Contract Amount, Dollar Amount of Proposed Subcontract, Certification Status and Where Certified for each proposed subconsultant.

1. Subconsultants must be named on the *Subconsultants List* if they receive more than one-half of one percent (0.5%) of the Prime Consultant's fee.

B. **Commitment Letters.** Proposer shall also submit subconsultant *Commitment Letters* on subconsultant's letterhead, no more than one page each, from all proposed subconsultants to acknowledge their commitment to the team, scope of work, and percent of participation in the project.

VII. **Definitions.** Certified "**Minority Business Enterprise**" (MBE) means a business which is at least fifty-one percent (51%) owned by African Americans, American Indians, Asians, Filipinos, and/or Latinos and whose management and daily operation is controlled by one or more members of the identified ethnic groups. In the case of a publicly-owned business, at least fifty-one percent (51%) of the stock must be owned by, and the business operated by, one or more members of the identified ethnic groups.

Certified "**Women Business Enterprise**" (WBE) means a business which is at least fifty-one percent (51%) owned by one or more women and whose management and daily operation is controlled by the qualifying party(ies). In the case of a publicly-owned business, at least fifty-one percent (51%) of the stock must be owned by, and the business operated by, one or more women.

Certified "**Disadvantaged Business Enterprise**" (DBE) means a business which is at least fifty-one percent (51%) owned and operated by one or more socially and economically disadvantaged individuals and whose management and daily operation is controlled by the qualifying party(ies). In the case of a publicly-owned business, at least fifty-one percent (51%) of the stock must be owned by, and the business operated by, socially and economically disadvantaged individuals.

Certified "**Disabled Veteran Business Enterprise**" (DVBE) means a business which is at least fifty-one percent (51%) owned by one or more veterans with a service related disability and whose management and daily operation is controlled by the qualifying party(ies).

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

VIII. **Certification.**

A. The City of San Diego is a signatory to a Memorandum of Understanding (MOU) with the California Department of Transportation (CALTRANS), and therefore has adopted a policy regarding certification of MBE/WBE/DBE/DVBE firms. As a result of the MOU, an MBE, WBE or DBE is certified as such by any of the following methods:

1. Current certification by the City of San Diego as MBE, WBE, or DBE;
2. Current certification by the State of California Department of Transportation (CALTRANS) as MBE, WBE or DBE;
3. Current MBE, WBE or DBE certification from any participating agency in the statewide certified pool of firms known as CALCERT.

B. DVBE certification is received from the State of California's Department of General Services, Office of Small and Minority Business (916) 322-5060.

IX. List of Attachments.

- AA - *Work Force Report*
- BB - *Subconsultants List*
- CC - *Contract Activity Report*



CITY OF SAN DIEGO WORK FORCE REPORT – ADMINISTRATIVE

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 (Black, Hispanic, Asian, American Indian, Filipino) for each occupation. Currently, our CLFA data is taken from the 2000 Census. In order to compare one firm to another, it is important that the data we receive from the consultant 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 Work Force Report.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 Work Force Report from that county.² For example, if participation in a San Diego project is by work forces from San Diego County, Los Angeles County and Sacramento County, we will ask for separate Work Force Reports representing the work forces of

your firm from each of the three counties.^{1,2} On the other hand, if the project will be accomplished completely outside of San Diego, we ask for a Work Force Report from the county or counties where the work will be accomplished.²

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 One 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: Work Force Report Job categories

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

SUBCONSULTANTS LIST

INFORMATION REGARDING SUBCONSULTANTS PARTICIPATION:

1. Subconsultant's List shall include name and complete address of all Subconsultants who will receive more than one half of one percent (0.5%) of the Prime Consultant's fee.
2. Proposer shall also submit subconsultant commitment letters on subconsultant's letterhead, no more than one page each, from subconsultants listed below to acknowledge their commitment to the team, scope of work, and percent of participation in the project.
3. Subconsultants shall be used for scope of work listed. No changes to this Subconsultants List will be allowed without prior written City approval.

NAME AND ADDRESS SUBCONSULTANTS	SCOPE OF WORK	PERCENT OF CONTRACT	DOLLAR AMOUNT OF CONTRACT	MBE/WBE/ DBE/DVBE/ OBE	WHERE CERTIFIED
NONE					

**For information only.* As appropriate, Proposer shall identify Subconsultants as:

- | | |
|--|------|
| Certified Minority Business Enterprise | MBE |
| Certified Woman Business Enterprise | WBE |
| Certified Disadvantaged Business Enterprise | DBE |
| Certified Disabled Veteran Business Enterprise | DVBE |
| Other Business Enterprise | OBE |

***For information only.* As appropriate, Proposer shall indicate if Subconsultant is certified by:

- | | |
|--|----------|
| City of San Diego | CITY |
| State of California Department of Transportation | CALTRANS |

DETERMINATION FORM

**CONFLICT OF INTEREST CODE:
DETERMINATION OF APPLICABILITY TO CONSULTANT**

Name of Consultant & Company: **Sudhir Pardiwala,
Raftelis Financial Consultants Inc.,
201 S Lake Av, Ste 803
Pasadena, CA 91101**

Consultant Duties: **Provide professional services to assist the City of San Diego Water Department in developing a recycled water rate model and rate increase proposal and provide support during stakeholder presentations.**

Disclosure determination:

Consultant will not be "making a government decision" or "serving in a staff capacity" as defined in Sections A and B attached. No disclosure required.

Consultant will be "making a government decision" or "serving in a staff capacity" as defined in Sections A and B attached. Consultant is required to file a Statement of Economic Interests with the City Clerk of the City of San Diego in a timely manner as required by law.

Disclosure required to the broadest level.

Disclosure required to a limited extent:

By: Jaimie Jainto / Senior Mgmt. Analyst / Project Manager
[Name] [Title]

10/24/07
[Date]

*Forward a copy of this form to the Consultant to notify them of the determination.
*Forward a copy of this form to the City Clerk's office to go on file for reporting purposes.

PLANS / SPECIFICATION ACCURACY	EXCELLENT	SATISFACTORY	POOR	N/A	RESPONSIVENESS TO STAFF	EXCELLENT	SATISFACTORY	POOR	N/A
Plan/Specification clear and precise					Timely Responses				
Plans/Specs Coordination					Attitude toward Client and review bodies				
Plans/Specs properly formatted					Follows direction and chain of responsibility				
Code Requirements covered					Work product delivered on time				
Adherence to City Standard Drawings/Specs					Timeliness in notifying City of major problems				
Drawings reflect existing conditions					Resolution of Field problems				
As-Built Drawings					CONSISTENCY WITH BUDGET	EXCELLENT	SATISFACTORY	POOR	N/A
Quality Design					Reasonable Agreement negotiation				
Change Orders due to design deficiencies are minimized					Adherence to fee schedule				
					Adherence to project budget				
					Value Engineering Analysis				

Section III

SUPPLEMENTAL INFORMATION

Please ensure to attach additional documentation as-needed.

Item _____ :

(*Supporting documentation attached yes _____ no _____)