AGREEMENT FOR PROFESSIONAL SERVICES BY INDEPENDENT CONTRACTOR

THIS AGREEMENT FOR PROFESSIONAL SERVICES BY INDEPENDENT CONTRACTOR is made and effective as of the 6th day of December, 2022, by and between the CITY OF BEAUMONT ("CITY") whose address is 550 E. 6th Street, Beaumont, California 92223 and Raftelis Financial Consultants, Inc. dba Raftelis, whose address is 24640 Jefferson Avenue, Suite 207, Murrieta, CA 92562 ("CONTRACTOR").

RECITALS

This Agreement is entered into on the basis of the following facts, understandings and intentions of the parties to this Agreement:

A. CITY desires to engage CONTRACTOR to provide Professional Engineering Services for Sewer Rate Study; and

B. CONTRACTOR has made a proposal ("Proposal") to the CITY to provide such professional services, which Proposal is attached hereto as Exhibit "A"; and

C. CONTRACTOR agrees to provide such services pursuant to, and in accordance with, the terms and conditions of this Agreement, and represents and warrants to CITY that CONTRACTOR possesses the necessary skills, licenses, certifications, qualifications, personnel and equipment to provide such services.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing Recitals and mutual covenants contained herein, CITY and CONTRACTOR agree as follows:

1. Term of Agreement. This Agreement is effective as of the date first above written and shall continue until terminated as provided for herein. Notwithstanding anything in this Agreement to the contrary, this Agreement shall automatically terminate after one (1) year unless extended by the parties with the approval of the City Council of the CITY.

2. Services to be Performed. CONTRACTOR agrees to provide the services ("Services") as follows: Sewer Rate Study Services per Exhibit "A" and any other services which the City may request in writing. All services shall be performed in the manner and according to the timeframe set forth in the Proposal. CONTRACTOR designates John Wright as CONTRACTOR'S professional responsible for overseeing the Services provided by CONTRACTOR.

3. Associates and Subcontractors. CONTRACTOR may, at CONTRACTOR's sole cost and expense, employ such competent and qualified independent associates, subcontractors and consultants as CONTRACTOR deems necessary to perform the Services; provided, however, that CONTRACTOR shall not subcontract any of the Services without the written consent of CITY.

4. Compensation.

4.01 CONTRACTOR shall be paid at the rates set forth in the Proposal and shall not increase any rate without the prior written consent of the CITY. Notwithstanding anything in this Agreement to the contrary, total fees and charges paid by CITY to CONTRACTOR under this Agreement shall not exceed Forty-One Thousand, Three Hundred and Thirteen Dollars and Zero Cents ($41,313.00).

4.02 CONTRACTOR shall not be compensated for any Services rendered nor reimbursed for any expenses incurred in excess of those authorized unless approved in advance by the CITY, in writing.

4.03 CONTRACTOR shall submit to CITY, on or before the fifteenth (15^{th}) of each month, itemized invoices for the Services rendered in the previous month. The CITY shall not be obligated to pay any invoice that is submitted more than sixty (60) days after the due date of such invoice. CITY shall have the right to review and audit all invoices prior to or after payment to CONTRACTOR. This review and audit may include, but not be limited to CITY's:

a. Determination that any hourly fee charged is consistent with this Agreement's approved hourly rate schedule;

b. Determination that the multiplication of the hours billed times the approved rate schedule dollars is correct;

c. Determination that each item charged is the usual, customary, and reasonable charge for the particular item. If CITY determines an item charged is greater than usual, customary, or reasonable, or is duplicative, ambiguous, excessive, or inappropriate, CITY shall either return the bill to CONTRACTOR with a request for explanation or adjust the payment accordingly, and give notice to CONTRACTOR of the adjustment.

4.04 If the work is satisfactorily completed, CITY shall pay such invoice within thirty (30) days of its receipt. Should CITY dispute any portion of any invoice, CITY shall pay the undisputed portion within the time stated above, and at the same time advise CONTRACTOR in writing of the disputed portion.

5. Obligations of CONTRACTOR.

5.01 CONTRACTOR agrees to perform all Services in accordance with the terms and conditions of this Agreement and the Proposal. In the event that the terms of the Proposal shall conflict with the terms of this Agreement, or contain additional terms other than the Services to be rendered and the price for the Services, the terms of this Agreement shall govern and said additional or conflicting terms shall be of no force or effect.

5.02 Except as otherwise agreed by the parties, CONTRACTOR will supply all personnel, materials and equipment required to perform the Services. CONTRACTOR shall provide its own offices, telephones, vehicles and computers and set its own work

hours. CONTRACTOR will determine the method, details, and means of performing the Services under this Agreement.

5.03 CONTRACTOR shall keep CITY informed as to the progress of the Services by means of regular and frequent consultations. Additionally, when requested by CITY, CONTRACTOR shall prepare written status reports.

5.04 CONTRACTOR is responsible for paying, when due, all income and other taxes, fees and withholding, including withholding state and federal taxes, social security, unemployment and worker's compensation, incurred as a result of the compensation paid under this Agreement. CONTRACTOR agrees to indemnify, defend and hold harmless CITY for any claims, costs, losses, fees, penalties, interest, or damages suffered by CITY resulting from CONTRACTOR's failure to comply with this provision.

5.05 In the event CONTRACTOR is required to prepare plans, drawings, specifications and/or estimates, the same shall be furnished in conformance with local, state and federal laws, rules and regulations.

5.06 CONTRACTOR represents that it possesses all required licenses necessary or applicable to the performance of Services under this Agreement and the Proposal and shall obtain and keep in full force and effect all permits and approvals required to perform the Services herein. In the event CITY is required to obtain an approval or permit from another governmental entity, CONTRACTOR shall provide all necessary supporting documents to be filed with such entity.

5.07 CONTRACTOR shall be solely responsible for obtaining Employment Eligibility Verification information from CONTRACTOR's employees, in compliance with the Immigration Reform and Control Act of 1986, Pub. L. 99-603 (8 U.S.C. 1324a), and shall ensure that CONTRACTOR's employees are eligible to work in the United States.

5.08 In the event that CONTRACTOR employs, contracts with, or otherwise utilizes any CalPERS retirees in completing any of the Services performed hereunder, such instances shall be disclosed in advance to the CITY and shall be subject to the CITY's advance written approval.

5.09 Drug-free Workplace Certification. By signing this Agreement, the CONTRACTOR hereby certifies under penalty of perjury under the laws of the State of California that the CONTRACTOR will comply with the requirements of the Drug-Free Workplace Act of 1990 (Government Code, Section 8350 et seq.) and will provide a drug-free workplace.

5.10 CONTRACTOR shall comply with all applicable local, state and federal laws, rules, regulations, entitlements and/or permits applicable to, or governing the Services authorized hereunder.

6. Insurance. CONTRACTOR hereby agrees to be solely responsible for the health and safety of its employees and agents in performing the Services under this Agreement and shall

comply with all laws applicable to worker safety including but not limited to Cal-OSHA. Therefore, throughout the duration of this Agreement, CONTRACTOR hereby covenants and agrees to maintain insurance in conformance with the requirements set forth below. Attached hereto as **Exhibit "B"** are copies of Certificates of Insurance and endorsements as required by Section 7.02. If existing coverage does not meet the requirements set forth herein, CONTRACTOR agrees to amend, supplement or endorse the existing coverage to do so. CONTRACTOR shall provide the following types and amounts of insurance:

6.01 Commercial general liability insurance in an amount of not less than $1,000,000 per occurrence and $2,000,000 in the aggregate; CONTRACTOR agrees to have its insurer endorse the general liability coverage required herein to include as additional insured's CITY, its officials, employees and agents. CONTRACTOR also agrees to require all contractors and subcontractors to provide the same coverage required under this Section 6.

6.02 Business Auto Coverage in an amount no less than $1 million per accident. If CONTRACTOR or CONTRACTOR's employees will use personal autos in performance of the Services hereunder, CONTRACTOR shall provide evidence of personal auto liability coverage for each such person.

6.03 Workers' Compensation coverage for any of CONTRACTOR's employees that will be providing any Services hereunder. CONTRACTOR will have a state-approved policy form providing statutory benefits as required by California law. The provisions of any workers' compensation will not limit the obligations of CONTRACTOR under this Agreement. CONTRACTOR expressly agrees not to use any statutory immunity defenses under such laws with respect to CITY, its employees, officials and agents.

6.04 Optional Insurance Coverage. Choose and check one: Required __/Not Required _X_; Errors and omissions insurance in a minimum amount of $2 million per occurrence to cover any negligent acts or omissions committed by CONTRACTOR, its employees and/or agents in the performance of any Services for CITY.

7. General Conditions pertaining to Insurance Coverage

7.01 No liability insurance coverage provided shall prohibit CONTRACTOR from waiving the right of subrogation prior to a loss. CONTRACTOR waives all rights of subrogation against CITY regardless of the applicability of insurance proceeds and shall require all contractors and subcontractors to do likewise.

7.02. Prior to beginning the Services under this Agreement, CONTRACTOR shall furnish CITY with certificates of insurance, endorsements, and upon request, complete copies of all policies, including complete copies of all endorsements. All copies of policies and endorsements shall show the signature of a person authorized by that insurer to bind coverage on its behalf.

7.03. All required policies shall be issued by a highly rated insurer with a minimum A.M. Best rating of "A:VII"). The insurer(s) shall be admitted and licensed to do business in California. The certificates of insurance hereunder shall state that coverage shall not be

suspended, voided, canceled by either party, or reduced in coverage or in limits, except after thirty (30) days' prior written notice has been given to CITY.

7.04 Self-insurance does not comply with these insurance specifications. CONTRACTOR acknowledges and agrees that that all insurance coverage required to be provided by CONTRACTOR or any subcontractor, shall apply first and on a primary, non-contributing basis in relation to any other insurance, indemnity or self-insurance available to CITY.

7.05 All coverage types and limits required are subject to approval, modification and additional requirements by CITY, as the need arises. CONTRACTOR shall not make any reductions in scope of coverage (e.g. elimination of contractual liability or reduction of discovery period) that may affect CITY's protection without CITY's prior written consent.

7.06 CONTRACTOR agrees to provide immediate notice to CITY of any claim or loss against CONTRACTOR or arising out of the Services performed under this Agreement. CITY assumes no obligation or liability by such notice, but has the right (but not the duty) to monitor the handling of any such claim or claims if they are likely to involve CITY.

8. Indemnification.

8.01 CONTRACTOR and CITY agree that CITY, its employees, agents and officials should, to the extent permitted by law, be fully protected from any loss, injury, damage, claim, lawsuit, cost, expense, attorneys' fees, litigation costs, defense costs, court costs or any other costs caused by the performance of this Agreement by CONTRACTOR or any subcontractor or agent of either as set forth herein. Accordingly, the provisions of this indemnity are intended by the parties to be interpreted and construed to provide the fullest protection possible under the law to CITY. CONTRACTOR acknowledges that CITY would not enter into this Agreement in the absence of the commitment of CONTRACTOR to indemnify and protect CITY as set forth herein.

a. To the fullest extent permitted by law, CONTRACTOR shall defend, indemnify and hold harmless CITY, its employees, agents and officials, from any liability, claims, suits, actions, arbitration proceedings, administrative proceedings, regulatory proceedings, losses, expenses, damages or costs of any kind, actual attorneys' fees incurred by CITY, court costs, interest, defense costs, including expert witness fees and any other costs or expenses of any kind whatsoever, in whole or in part to the performance of this Agreement. CONTRACTOR's obligation to defend, indemnify and hold harmless shall include any and all claims, suits and proceedings in which CONTRACTOR (and/or CONTRACTOR's agents and/or employees) is alleged to be an employee of CITY. All obligations under this provision are to be paid by CONTRACTOR as they are incurred by CITY.

b. Without affecting the rights of CITY under any provision of this Agreement or this Section, CONTRACTOR shall not be required to indemnify and

hold harmless CITY as set forth above for liability attributable solely to the fault of CITY, provided such fault is determined by agreement between the parties or the findings of a court of competent jurisdiction.

9. Additional Services, Changes and Deletions.

9.01 In the event CONTRACTOR performs additional or different services than those described herein without the prior written approval of the City Manager and/or City Council of CITY, CONTRACTOR shall not be compensated for such services. CONTRACTOR expressly waives any right to be compensated for services and materials not covered by the scope of this Agreement or authorized by the CITY in writing.

9.02 CONTRACTOR shall promptly advise the City Manager and Finance Director of CITY as soon as reasonably practicable upon gaining knowledge of a condition, event or accumulation of events which may affect the scope and/or cost of Services. All proposed changes, modifications, deletions and/or requests for additional services shall be reduced to writing for review and approval by the CITY and/or City Council.

10. Termination of Agreement.

10.01 Notwithstanding any other provision of this Agreement, CITY, at its sole option, may terminate this Agreement with or without cause, or for no cause, at any time by giving twenty (20) days' written notice to CONTRACTOR.

10.02 In the event of termination, the payment of monies due CONTRACTOR for undisputed Services performed prior to the effective date of such termination shall be paid within thirty (30) business days after receipt of an invoice as provided in this Agreement. Immediately upon termination, CONTRACTOR agrees to promptly provide and deliver to CITY all original documents, reports, studies, plans, specifications and the like which are in the possession or control of CONTRACTOR and pertain to CITY.

11. Status of CONTRACTOR.

11.01 CONTRACTOR shall perform the Services in CONTRACTOR's own way as an independent contractor, and in pursuit of CONTRACTOR's independent calling, and not as an employee of CITY. However, CONTRACTOR shall regularly confer with CITY's City Manager as provided for in this Agreement.

11.02 CONTRACTOR agrees that it is not entitled to the rights and benefits afforded to CITY's employees, including disability or unemployment insurance, workers' compensation, retirement, CalPERS, medical insurance, sick leave, or any other employment benefit. CONTRACTOR is responsible for providing, at its own expense, disability, unemployment, workers' compensation and other insurance, training, permits, and licenses for itself and its employees and subcontractors.

11.03 CONTRACTOR hereby specifically represents and warrants to CITY that it possesses the qualifications and skills necessary to perform the Services under this Agreement in a competent, professional manner, without the advice or direction of CITY

and that the Services to be rendered pursuant to this Agreement shall be performed in accordance with the standards customarily applicable to an experienced and competent professional rendering the same or similar services in the same geographic area where the CITY is located. Further, CONTRACTOR represents and warrants that the individual signing this Agreement on behalf of CONTRACTOR has the full authority to bind CONTRACTOR to this Agreement.

12. Ownership of Documents; Audit.

12.01 All draft and final reports, plans, drawings, studies, maps, photographs, specifications, data, notes, manuals, warranties and all other documents of any kind or nature prepared, developed or obtained by CONTRACTOR in connection with the performance of Services performed for the CITY shall become the sole property of CITY, and CONTRACTOR shall promptly deliver all such materials to CITY upon request. At the CITY's sole discretion, CONTRACTOR may be permitted to retain original documents, and furnish reproductions to CITY upon request, at no cost to CITY. CITY may use Work Products as contemplated herein and may reuse or modify it without further compensation to Consultant. However, any reuse or modification shall be at the sole risk of the CITY. Nothing contained herein shall be deemed an assignment, transfer or divestiture by Consultant of its trade secrets, know-how or intellectual property.

12.02 CONTRACTOR shall retain and maintain, for a period not less than four years following termination of this Agreement, all-time records, accounting records and vouchers and all other records with respect to all matters concerning Services performed, compensation paid and expenses reimbursed. At any time during normal business hours and as often as CITY may deem necessary, CONTRACTOR shall make available to CITY's agents for examination all of such records and shall permit CITY's agents to audit, examine and reproduce such records.

13. Miscellaneous Provisions.

13.01 This Agreement, which includes all attached exhibits, supersedes any and all previous agreements, either oral or written, between the parties hereto with respect to the rendering of Services by CONTRACTOR for CITY and contains all of the covenants and agreements between the parties with respect to the rendering of such Services in any manner whatsoever. Any modification of this Agreement will be effective only if it is in writing signed by both parties.

13.02 CONTRACTOR shall not assign or otherwise transfer any rights or interest in this Agreement without the prior written consent of CITY. Unless specifically stated to the contrary in any written consent to an assignment, no assignment will release or discharge the assignor from any duty or responsibility under this Agreement.

13.03 CONTRACTOR shall timely file FPPC Form 700 Conflict of Interest Statements with CITY if required by California law and/or the CITY's conflict of interest policy.

13.04 If any legal action or proceeding, including an action for declaratory relief,

is brought to enforce or interpret the provisions of this Agreement, the prevailing party will be entitled to reasonable attorneys' fees and costs, in addition to any other relief to which that party may be entitled.

13.05 This Agreement is made, entered into and shall be performed in the County of Riverside in the State of California and shall in all respects be interpreted, enforced and governed under the laws of the State of California.

13.06 CONTRACTOR covenants that neither it nor any officer or principal of its firm has any interest, nor shall they acquire any interest, either directly or indirectly, which will conflict in any manner or degree with the performance of their Services hereunder. CONTRACTOR further covenants that in the performance of this Agreement, no person having such interest shall be employed by it as an officer, employee, agent, or subcontractor.

13.07 CONTRACTOR has read and is aware of the provisions of Section 1090 et seq. and Section 87100 et seq. of the Government Code relating to conflicts of interest of public officers and employees. CONTRACTOR agrees that they are unaware of any financial or economic interest of any public officer or employee of the CITY relating to this Agreement. It is further understood and agreed that if such a financial interest does exist at the inception of this Agreement, the CITY may immediately terminate this Agreement by giving notice thereof. CONTRACTOR shall comply with the requirements of Government Code section 87100 et seq. and section 1090 in the performance of and during the term of this Agreement.

13.08 Improper Consideration. CONTRACTOR shall not offer (either directly or through an intermediary) any improper consideration such as, but not limited to, cash, discounts, services, the provision of travel or entertainment, or any items of value to any officer, employee or agent of the CITY in an attempt to secure favorable treatment regarding this Agreement or any contract awarded by CITY. The CITY, by notice, may immediately terminate this Agreement if it determines that any improper consideration as described in the preceding sentence was offered to any officer, employee or agent of the CITY with respect to the proposal and award process of this Agreement or any CITY contract. This prohibition shall apply to any amendment, extension or evaluation process once this Agreement or any CITY contract has been awarded. CONTRACTOR shall immediately report any attempt by any CITY officer, employee or agent to solicit (either directly or through an intermediary) improper consideration from CONTRACTOR.

13.09 Severability. If any portion of this Agreement is declared invalid, illegal or otherwise unenforceable by a court of competent jurisdiction, the entire balance of this Agreement not so affected shall remain in full force and effect.

[Signatures on following page]

IN WITNESS WHEREOF, the parties hereby have made and executed this Agreement to be effective as of the day and year first above-written.

CITY:	**CONTRACTOR:**
CITY OF BEAUMONT	RAFTELIS FINANCIAL CONSULTANTS, INC. dba RAFTELIS
By: _____ Lloyd White, Mayor	By: _____ Print Name: _____ Title: _____

EXHIBIT "A"

PROPOSAL

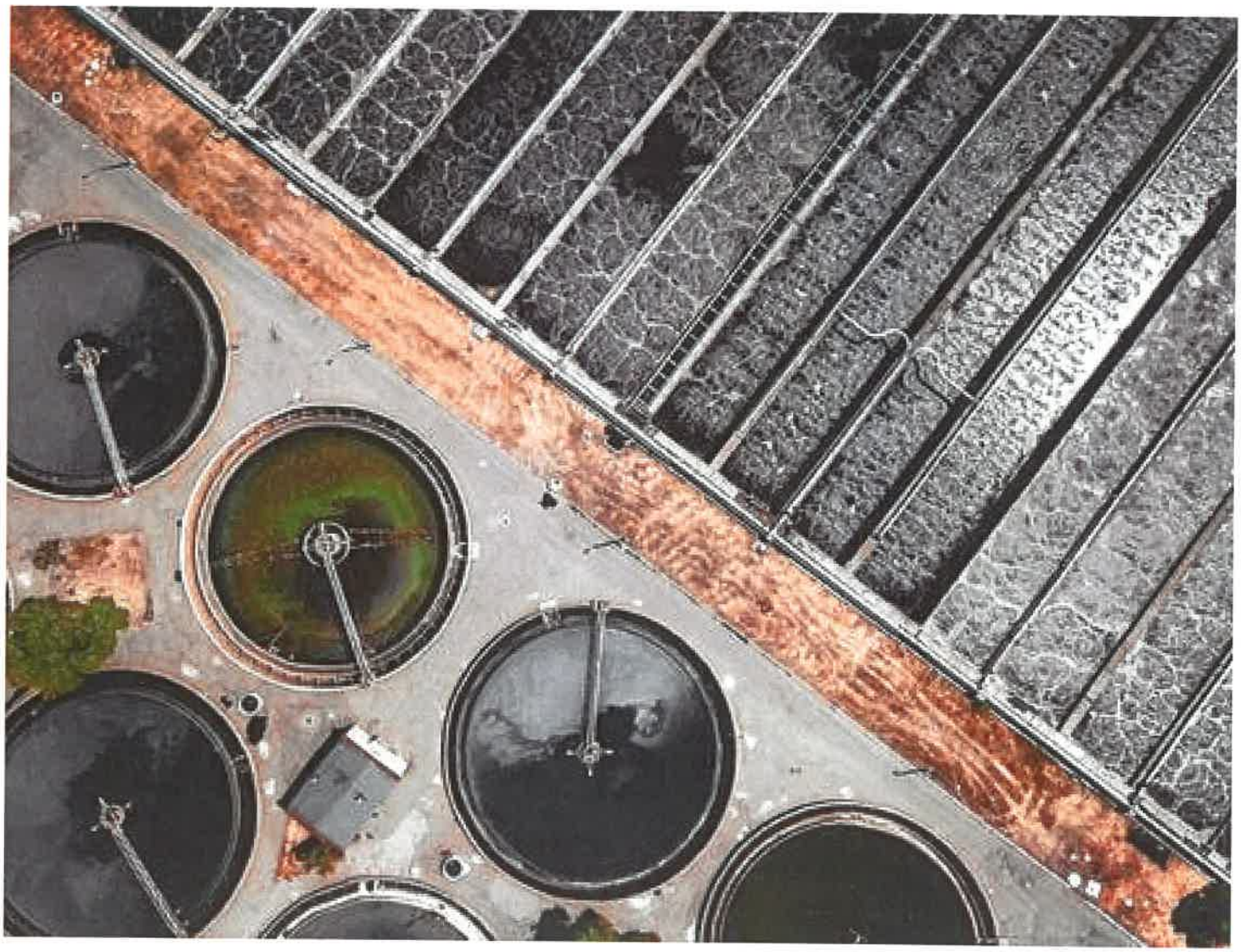
(insert behind this page)

RAFTELIS

City of Beaumont

Sewer Rate Study

PROPOSAL / OCTOBER 28, 2022



RAFTELIS

October 28, 2022

Mr. Dustin Christensen
Principal Engineer Public Works
City of Beaumont
550 E. 6th Street
Beaumont, CA 92223

Subject: Proposal for Sewer Rate Study

Dear Mr. Christensen:

Raftelis is pleased to submit this proposal to assist the City of Beaumont (City) with a sewer utility rate study. Our proposal details our approach to meet the City's objectives and our firm's qualifications. Raftelis was established in 1993 to provide financial consulting services of the highest quality to municipal water and sewer utilities. We have grown to be the largest rate consulting practice in the country and have offices in Los Angeles, Santa Barbara, and Riverside County. We ask that you consider Raftelis based on the expertise of our project team and our extensive experience conducting sewer rate studies in California.

Our proposed project team includes Mr. Steve Gagnon, PE (AZ), our Project Director. Steve is a Senior Manager with Raftelis and a registered professional engineer in the State of Arizona. He has 25 years of industry experience and has conducted sewer rates studies for clients throughout Southern California. Steve is registered with the Securities and Exchange Commission as a Municipal Advisor Representative.

I will serve as our Project Manager. I am a Senior Manager with Raftelis who leads our office in Riverside County. I am a certified public accountant in the State of Colorado and registered with the Securities and Exchange Commission as a Municipal Advisor Representative. I recently completed sewer rate studies for the San Bernardino Municipal Water Department and the City of San Diego.

Raftelis can successfully serve the City for the following key reasons:

- **Proposition 218 Expertise**. Raftelis has completed hundreds of rate studies for California sewer and water utilities. We understand the complexities of Proposition 218 compliance and the importance of building an administrative record that demonstrates the steps taken to achieve that compliance.

- **California-Based Staff.** Each member of our proposed project team is based in California. Steve Gagnon is based on Orange County. I am based in Riverside County.

RAFTELIS

- **Sewer Utility Cost-of-Service Expertise.** I am active member of the Water Environment Federation (WEF) and contributing author to the WEF publication, *Financing and Charges for Wastewater Systems, 2nd Edition*.

I am the contact person for this proposal and am authorized to bind and negotiate for the firm. My contact information is shown below. This proposal is valid for 120 days from the date of submittal. Should you have any questions please contact me.

Sincerely,

John Wright
Senior Manager (Authorized Representative)

24640 Jefferson Avenue, Suite 207, Murrieta, CA 92562
Office: 951-395-1674 / Mobile: 303-909-5575 / Email: jwright@raftelis.com

Diversity and inclusion are an integral part of Raftelis' core values.

We are committed to doing our part to fight prejudice, racism, and discrimination by becoming more informed, disengaging with business partners that do not share this commitment, and encouraging our employees to use their skills to work toward a more just society that has no barriers to opportunity.

REGISTERED MUNICIPAL ADVISOR

Raftelis is registered with the U.S. Securities and Exchange Commission (SEC) and the Municipal Securities Rulemaking Board (MSRB) as a Municipal Advisor.

Registration as a Municipal Advisor is a 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. Raftelis' registration as a Municipal Advisor means our clients can be confident that Raftelis is fully qualified and capable of providing financial advice related to all aspects of financial planning in compliance with the applicable regulations of the SEC and the MSRB.

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WHO IS Raftelis

HELPING LOCAL GOVERNMENTS AND UTILITIES THRIVE

Local government and utility leaders partner with Raftelis to transform their organizations by enhancing performance, planning for the future, identifying top talent, improving their financial condition, and telling their story. We've helped more than 600 organizations in the last year alone. We provide trusted advice, and our experts include former municipal and utility leaders with decades of hands-on experience running successful organizations. People who lead local governments and utilities are innovators—constantly seeking ways to provide better service to the communities that rely on them. Raftelis provides management consulting expertise and insights that help bring about the change that our clients seek.

Firm Information

Firm Name: Raftelis Financial Consultants, Inc. (DBA Raftelis)

Mailing Address and Location of Office Responsible for this Project: 24640 Jefferson Avenue, Suite 207, Murrieta, CA 92562 (Murrieta, CA Office); 445 S. Figueroa Street, Suite 1925, Los Angeles, CA 90071 (Los Angeles Office)

Contact Person: John Wright, Senior Manager, E: jwright@raftelis.com, P: 951-395-1674

Number of Professional Staff: 166 employees, including 144 consultants

Years in Business: 29 years

Organizational Structure: Corporation

Office Locations: Charlotte Office, NC; Albany Metro Office, NY; Austin Office, TX; Bellingham Office, WA; Boston Metro Office, MA; Cincinnati Office, OH; Denver Metro Office, CO; Durham Office, NC; Greensboro, NC; Kansas City Office, MO; Los Angeles Office, CA; Memphis Office, TN; Murrieta Office, CA; Orlando Metro Office, FL; Santa Barbara Office, CA

Firm Capabilities

FINANCE

- Rate, charge, and fee studies
- Financial and capital planning
- Cost of service and cost allocation
- Customer assistance programs
- Affordability analysis
- Utility valuation
- Budget development
- Financial condition assessments
- Debt issuance support
- Economic feasibility and analysis

ORGANIZATION

- Organizational and operational assessments
- Stormwater utility development and implementation support
- Performance measurement
- Staffing analysis
- Organizational climate and culture
- Asset management and operations
- Regional collaboration and service sharing
- Process improvement

COMMUNICATION

- Strategic communication planning
- Public involvement and community outreach
- Public meeting facilitation
- Graphic design and marketing materials
- Media and spokesperson training
- Risk and crisis communication
- Social media strategy
- Visual facilitation
- Virtual engagement

TECHNOLOGY

- Billing, permitting, and customer information audits
- Business process development
- Data management, analytics, and visualization
- Performance measurement and dashboarding
- Software solutions
- Website development
- Information technology assessments and strategic planning
- Customer management assessments and optimization
- CIS selection and implementation
- AMR/AMI feasibility studies
- Mobile workforce management
- Meter data management
- CMMS selection and implementation
- GIS optimization services
- Fleet management systems

STRATEGIC PLANNING

- Organization, department, and community-based strategic planning
- Effective Board / Commission / Council governance
- Retreat planning and facilitation

EXECUTIVE RECRUITMENT

Identify top talent to lead local governments and utilities

Project Understanding

The City of Beaumont (City) seeks a qualified consultant to conduct a comprehensive sewer cost-of-service study with the following primary objectives:

- **Financial Planning**: 10-year financial plan and associated revenue requirement projection featuring a capital financing strategy that best achieves the City's financial management and customer bill affordability objectives.
- **Cost-of-Service Analysis**: Industry standard cost-of-service analysis that results in the allocation of the annual revenue requirement to customer classes based on their proportionate contribution of wastewater flow and strength loadings.
- **Rate Development**: Development of three (3) sewer rate design alternatives with the quantification of bill impacts under each alternative.
- **Rate Projection**: 5-year projection of recommended rates developed in compliance with the requirements of Proposition 218.
- **Benchmarking**: Benchmarking analysis of typical customer bills under the City's current and recommended rates as compared to other nearby agencies.
- **Rate Model**: Development of a user-friendly Microsoft Excel rate model with training provided for staff.
- **Public Presentations**: Presentations at two (2) City Council meetings.
- **Reports and Proposition 218 Notice**: Comprehensive draft and final reports and Proposition 218 noticing assistance.

Project Approach

Project Management

Our project approach is based on the requirements of the City's Request for Proposals (RFP) and our experience conducting similar rate studies for sewer utilities in California and across the United States. Our experience indicates that providing consulting services of the highest quality requires consistent open and honest communication and allows us to serve our clients as a trusted business advisor. Raftelis believes in a no-surprises approach to project management so that the City is always aware of the project

status. We immediately notify our clients when challenges arise and make recommendations/seek clarification regarding how to proceed.

Raftelis will maintain consistent communications with City staff regarding data requests, data validation, and reviewing preliminary and final results. Much of this can be accomplished through conference calls, emails, and demonstrations using tools such as Microsoft Teams, Zoom, or GoToMeeting. These efforts provide for consistent and competent project management to ensure that all deadlines and objectives are met in a timely and efficient manner.

Quality Assurance/Quality Control

To ensure robust quality control, our Project Manager (John Wright) will review the data, model, and results to ensure they are based on sound rate-making principles. The QA/QC reviews will take place at each project task milestone, which means it will occur several times during the project.

Public Presentations

Senior Raftelis personnel such as myself and Steve Gagnon, our Project Director, are experts at making presentations to utility governing bodies and key stakeholder groups. We know how to explain complex conceptual and technical information in a direct and fully understandable manner. We make presentations in an efficient "cut to the chase" manner that identifies key decision points and recommendations without excessive detail.

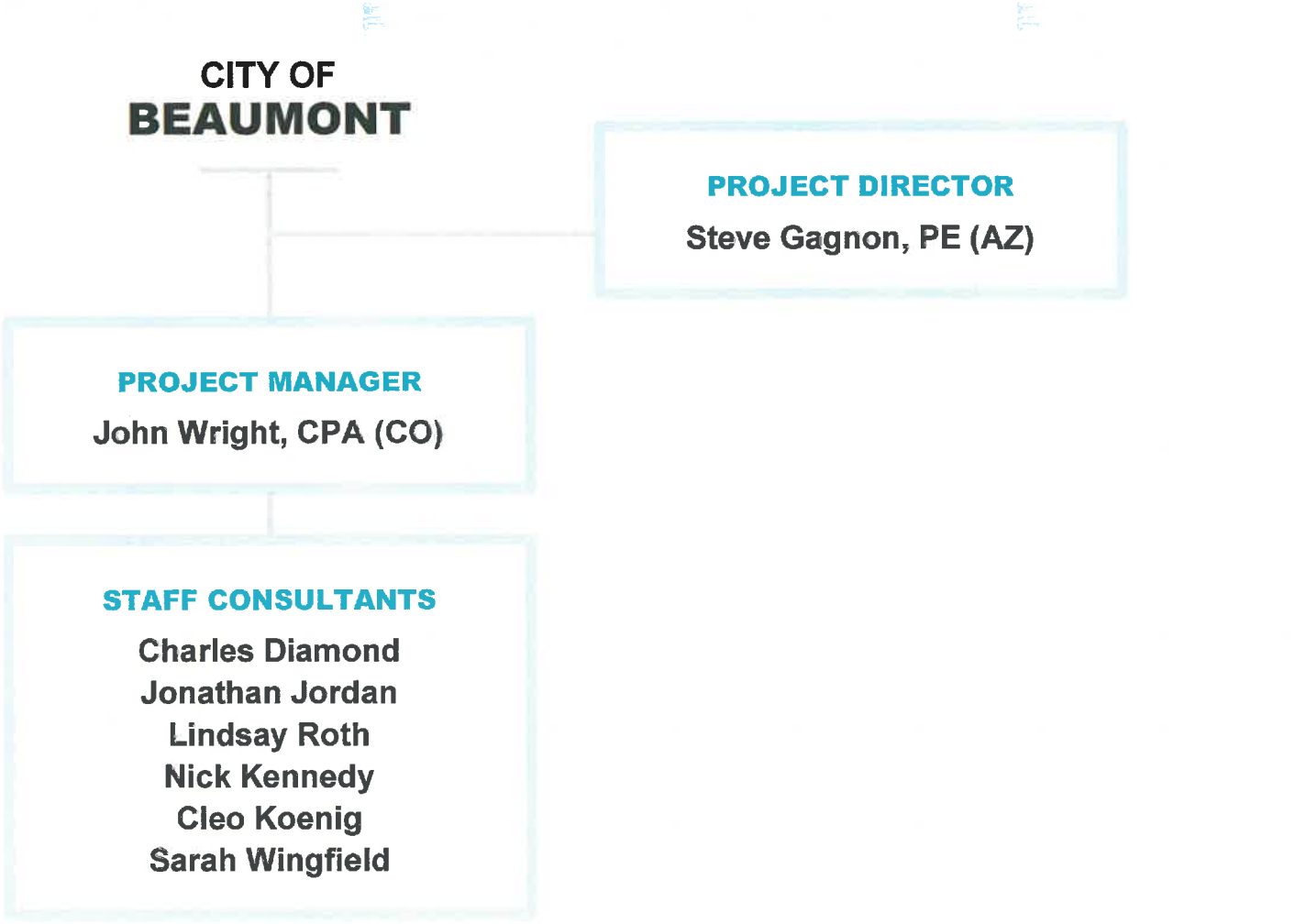
Our ability to make effective presentations is greatly enhanced by the Raftelis strategic communications practice group. Members of our strategic communications staff are accredited in public relations and have spent decades specializing in municipal and utility communications both as consultants and as leaders of public affairs programs. They stand ready to assist the City in the preparation of presentation materials and strategies.

Organization, Key Personnel, And Resumes

WE HAVE DEVELOPED A TEAM OF CONSULTANTS WHO SPECIALIZE IN THE SPECIFIC ELEMENTS THAT WILL BE CRITICAL TO THE SUCCESS OF THE CITY'S PROJECT.

Our team includes senior-level professionals to provide experienced project leadership with support from talented consultant staff. This close-knit group has frequently collaborated on similar successful projects, providing the City with confidence in our capabilities.

Here, we have included an organizational chart showing the structure of our project team. On the following pages, we have included brief biographies well as a description of the project team roles. Full resumes are provided in the appendix.



TEAM QUALIFICATIONS & EXPERIENCE

Steve Gagnon PE (AZ)

Project Director, Senior Manager

Role: Steve will be responsible for overall project accountability and will be available to provide quality assurance and control, industry perspective, and insights into the project.

Steve has 24 years of experience in financial analysis and environmental engineering. For the past 14 years Steve has provided financial planning and rate setting services to agencies all over California. He has also helped utilities make major investment decisions such as whether to invest in food waste to energy projects. He has worked on rate studies for cities of Tracey, Orange, and Pomona, Trabuco Canyon Water District, Running Springs Water District, and more.

John Wright CPA (CO)

Project Manager, Senior Manager

Role: John 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 for the project. John will serve as the City's main point of contact for the project.

John Wright, CPA leads our Murrieta office and has over 25 years of utility industry experience. Prior to joining Raftelis in 2010, John served as Manager of Rate Administration at Denver Water, one of the largest and most complex utilities in the Western US. John is a Senior Manager with Raftelis and has rate studies experience for the City of San Diego, San Bernardino Municipal Water Department, Padre Dam Municipal Water District, Vallecitos Water District, Imperial County, and Irvine Ranch Water District.

Staff Consultants

Role: The staff consultants will work at the direction of John in conducting analyses and preparing deliverables for the project.

Charles Diamond, Senior Consultant: Charles has worked on rate studies for Olivenhain Municipal Water District, Municipal Water District of orange County, Cucamonga Valley Water District, and cities of Long Beach, Huntington Beach, Watsonville, and Thousand Oaks.

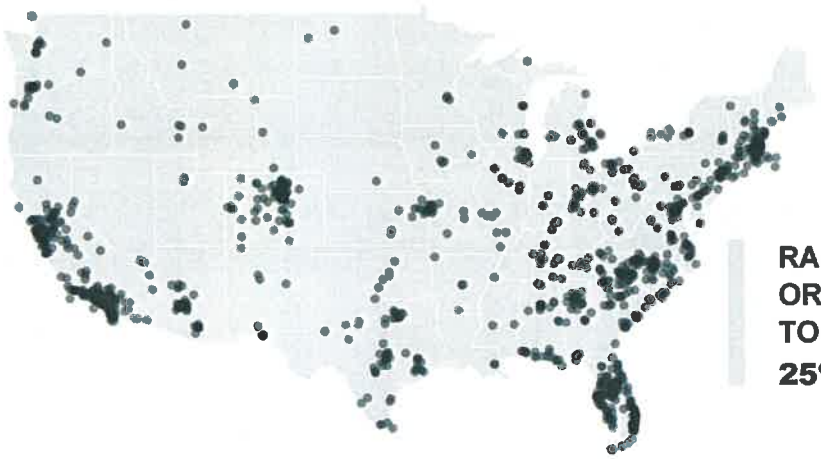
Jonathan Jordan, Consultant: Jonathan has worked on rate studies for the cities of Camarillo, Malibu, St. Helena, and Santa Cruz.

Lindsay Roth, Associate Consultant: Lindsay has worked on rate studies for the cities of Coronado, Hayward, Hollister, Torrance, Thousand Oaks, and Ventura.

Nick Kennedy, Associate Consultant: Nick has worked on rate studies for Padre Dam Municipal Water District and City of Hollister.

Cleo Koenig, Associate Consultant: Cleo has worked on rate studies for the cities of Orange and Long Beach.

Sarah Wingfield, Associate Consultant: Sarah has worked on rate studies for Padre Dam Municipal Water District and City of Orange.



RAFTELIS HAS PROVIDED FINANCIAL/ ORGANIZATIONAL/TECHNOLOGY ASSISTANCE TO UTILITIES SERVING MORE THAN 25% OF THE U.S. POPULATION.

Project Experiences and References

RAFTELIS HAS THE MOST EXPERIENCED UTILITY FINANCIAL AND MANAGEMENT CONSULTING PRACTICE IN THE NATION.

Our staff has assisted more than 1,200 local government agencies and utilities across the U.S., including some of the largest and most complex agencies in the nation. In the past year alone, Raftelis worked on more than 1,200 financial, organizational, and/or technology consulting projects for over 600 agencies in 46 states, the District of Columbia, and Canada. Below, we have provided descriptions of projects that we have worked on that are similar in scope to the City's project. 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.

City of San Bernardino Municipal Water Department CA

Reference: Cindy Mouser, Director of Finance
1350 SE Street, San Bernardino, CA 92408 / P: 909.453.6010 / E: cindy.mouser@sbmwd.org
Dates of Services: 2021 - 2022

Raftelis, with John Wright serving as Project Manager, completed a comprehensive water and wastewater rate study for the City of San Bernardino Municipal Water Department (Department). The study included the development of 10-year financial plans, cost-of-service studies using industry standard principles, and the development of entirely revised water and wastewater rate structures that were implemented by the Department's Board of Water Commissioners. The ultimate outcome of the study was the adoption of Proposition 218 compliant water and wastewater rates for the period FY 2022 - FY 2026.

City of San Diego CA

Reference: Adam Jones, Deputy Director of Finance
525 B Street, San Diego, CA 92101 / P: 858.614.4030 / E: jonesal@sandiego.gov
Dates of Services: 2019 - 2021

The City of San Diego (City) provides retail water, wastewater, and recycled water service to approximately 1.4 million people in metropolitan San Diego County. During the period 2019 – 2021 Raftelis completed a comprehensive wastewater cost-of-service study that resulting in the adoption of Proposition 218 compliant wastewater and recycled water rates that were approved by the San Diego City Council for the period FY 2022 – FY 2026. John Wright served as the lead consultant on the project.

The City's wastewater utility features two sub-systems. The Municipal sub-system is a sewage collection system for retail customers served within the City's jurisdictional boundaries. It consists of the piping and pumping infrastructure required for the collection and conveyance of the wastewater that is ultimately discharged into the Metropolitan sub-system. The Metropolitan sub-system is a regional sewage treatment and disposal system that operates under the auspices of the Metro Wastewater Joint Powers Authority (San Diego Metro). San Diego Metro serves the City and several other participating agencies in the County of San Diego through three City-owned wastewater treatment plants.

The distinct services completed by Raftelis as part of the wastewater cost-of-service study included:

- The addition of Pure Water Program capital improvement expenditures and operating costs in the wastewater financial planning model
- An analysis of the methodology used to allocate operating and capital costs between the City and the participating agencies in San Diego Metro
- The development of a comprehensive mass balance analysis that reconciled the wastewater flow and strength loadings contributed by the City's retail customers to the influent and strength loadings recorded at the City's Point Loma, North City, and South Bay wastewater treatment facilities
- The identification of wastewater costs appropriately allocable to recycled water service such as tertiarily treatment costs
- The development of proposed Proposition 218 compliant wastewater and recycled water rates based on the proportionate contribution of volumes and strength loadings for the following customer classes: residential, multi-family residential, commercial, industrial, the United States Navy, trucked waste, and stormwater transportation

City of Long Beach Water Department CA

Reference: Brandon Walker, Director of Finance
1800 E. Wardlow Road, Long Beach, CA 90807 / P: 562.570.2367 / E: brandon.walker@lbwater.org
Dates of Services: 2021 - 2022

In 2022 Raftelis completed a water, wastewater, and recycled water cost-of-service update for the Long Beach Water Department (Department). John Wright served as the Project Manager for this consulting engagement. The outcome of the study was a comprehensive report describing whether the Department's existing rates are compatible with principles of cost-of-service equity. The Department maintains a system of water, sewer, and recycled water infrastructure that provides services to nearly 470,000 Long Beach residents. Customer sewage discharges are conveyed to the Los Angeles County Sanitation District's Joint Water Pollution Control Plant in Carson, CA.

Scope of Services

Task 1: Project Management, Kick-Off, Data Collection

Task 1.1: Kick-Off Meeting

A productive kick-off meeting is the most effective way to begin a project of this nature. The goals for this meeting, as described in the City's RFP, will include a discussion of:

- Project background and constraints
- Pricing objectives and project goals
- Project reporting, communication protocols, and coordination
- Project work plan and schedule
- High priority scope items

Task 1.2: Data Collection

Prior to the kick-off meeting, we will prepare a detailed data request list that will identify the information needed to complete various analyses. Information that we typically request includes:

- Current and recent utility budgets
- Most recent annual report
- 4-years of customer billed water consumption data by customer class
- 4-years of wastewater treatment plant influent volumes and strength loadings
- 10-year capital improvement plan
- Most recent sewer system engineering master plan
- Financial policies related to cash reserves, capital financing strategies, and debt service coverage

Task 1.3: Project Management

As discussed previously in this proposal, the Raftelis approach to project management is based on maintaining consistent communications with client staff. The City's RFP specifies the items below in this regard. We will comply with these specified protocols.

- Schedule and lead monthly coordination and progress meetings with the City. Consultant shall prepare agenda, meeting minutes, and PowerPoint presentations (as necessary) for all meetings for the duration of the project.

- Submit all meeting agendas and presentations to the City a minimum of one (1) week prior to meetings, and all meeting minutes shall be submitted within three (3) working days following each meeting. City comments shall be incorporated, and final minutes published for distribution and record.

- Conduct weekly project updates via email and/or telephone to discuss budget, schedule, status, and project issues.

- Conduct and demonstrate effective quality assurance and quality control (QA/QC) procedures. QA/QC will be conducted on an ongoing basis throughout the project by our Project Manager and Project Director.

- Consultant shall notify the City of any out-of-scope work items and obtain City approval prior to proceeding, no exceptions. Consultant will not be compensated for at risk work.

PLANNED MEETINGS:

- On-site kick-off meeting
- Monthly and weekly meetings as specified in the City's RPP

DELIVERABLES:

- Kick-off meeting presentation and meeting minutes
- Initial data request

Task 2: Financial Planning (Financial Model Development)

Task 2.1: Analysis of Water Consumption and Billed Sewer Discharges

The starting point for the sewer rate study will be an analysis of historical customer class water consumption and associated billed sewer usage data for the four-year period FY 2018-19 through FY 2021-22. An outcome of this analysis will be the development of a 10-year forecast of sewer billed discharges.

Task 2.2: Cash Reserve and Debt Service Coverage Review and Analysis

As part of the financial planning process the City's current financial policies for the maintenance of operating and capital cash reserves will be analyzed. Modifications will be recommended by Raftelis as necessary to mitigate reasonably foreseeable risks. A similar analysis of the City's current debt service coverage policies will also be completed.

Task 2.3: Financial Plan Projections: Funding Gap Analysis

Raftelis will develop a comprehensive financial plan for the 10-year period FY 2023-24 through FY 2031-32. The financial plan will include projections of:

- Total system and customer class water consumption and associated billed sewer usage data
- Revenues earned from existing sewer rates
- Non-rate revenues earned from miscellaneous sources
- Operations and maintenance expenses using inflation escalation factors
- Debt service expenditures from both existing and projected future external debt financing
- Capital improvement program expenditures as developed by the City in its sewer system master plan

An outcome of the financial plan projections will be the determination of the "funding gap" which is the differential between projected revenues at existing rates versus projected costs.

Task 2.4: Scenario Analysis: Identification of Optimal Financing Strategy

As part of the financial planning process, Raftelis will work with City staff to develop a financing strategy for the 10-year period FY 2023-24 through FY 2031-32 that reflects optimal combination of rate revenue increases and external debt financing required to eliminate the funding gap and achieve the City's financial management and customer bill affordability objectives.

Task 2.5: Revenue Requirement Projection

An outcome of the financial planning process will be the development of a revenue requirement projections for the 10-year period FY 2023-24 through FY 2031-32.

Task 2.6: Microsoft Excel Financial Model: Financial Planning Module

A Microsoft Excel model will be developed that will include financial planning, cost allocation, rate design and customer bill impact modules. This financial planning module will allow for virtually unlimited inputs for items such as inflation factors, customer class demand, percentage revenue increases, capital improvement expenditures and external debt financing. Our proposed consulting fee contains a total of 6 hours for Raftelis personnel to provide on-site model training to City staff.

PLANNED MEETINGS:

- Up to two (2) webinars with City staff

DELIVERABLES:

- 10-year financial plan and revenue requirement projection
- Microsoft Excel financial planning module within a comprehensive financial model framework

Raftelis will develop a customized financial model that incorporates a dashboard to allow you to easily run scenarios and see the impacts in real time. Shown here is a sample dashboard that we developed for another project.

Task 3: Cost-of-Service Analysis

Task 3.1: Use of Industry Standard Cost-of-Service Process

Raftelis follows a multi-step cost-of-service process based on the industry standard methodologies published by the Water Environment Federation (WEF) in its *Manual of Practice No. 27, Financing and Charges for Wastewater Systems*. The use of WEF-standard cost allocation processes ensures that costs will be allocated to each wastewater customer class based on the proportionate demands they impose on the City's sewer system. This, in turn, serves as a critical outcome that assists in fully complying with the requirements of Proposition 218.

Task 3.2: Cost Functionalization

As a first step in the wastewater cost-of-service process, the total system revenue requirement must be allocated to the appropriate functional cost categories associated with both wastewater treatment and collection system activities. Wastewater functions typically include treatment (often subdivided by treatment processes), collection, solids management, and customer service. During the initial phases of the study, we will work with City staff to determine the appropriate functional categories and factors to use in the analysis. Criteria for allocating costs will be based on an evaluation of the design and function of system facilities. For a utility that maintains its own wastewater treatment facilities, these functional categories often include the functions listed below:

- Service laterals
- Collection sewers
- Interceptor/conveyance systems
- Lift and pumping stations
- Treatment plant - preliminary, secondary, and tertiary treatment
- Treatment plant - disinfection
- Sludge processing/biosolids handing
- Meters
- Customer service
- Administration

Task 3.3: Cost Allocation

Following functionalization, a cost allocation process is undertaken. Some costs the utility incurs are a function of the water quantity discharged by a customer, while other costs are associated with addressing wastewater strengths or conveying wastewater. Customer service, billing, and metering costs are generally a function of the number of customers served and the size and type of meter or service. As with the sewer cost functionalization process, Raftelis will work with City staff to determine the specific allocation factors that best represent wastewater utility system cost drivers.

Typical cost classification categories for a utility that maintains its own wastewater treatment facilities include:

- Average day volume

- Biochemical oxygen demand (BOD)
- Suspended solids (TSS)
- Nutrients such as nitrogen (TKN) or phosphorous (P), if applicable
- Customer billing, service, and metering

Task 3.4: Mass Balance Analysis (Strength Loadings and Return Flow Factors)

Raftelis will complete a "mass balance" analysis that correlates wastewater treatment plant influent volumes and strength loadings to the wastewater return flows and strength loading characteristics of different wastewater service customer types. *Note that the process of estimating customer wastewater return flows and strength loadings by customer type may be a key driver of potential recommendations regarding alternative wastewater customer class definitions.*

Task 3.5: Estimation of Total System Units of Service and Unit Costs of Service

Based on the return flow and strength loading analysis performed in Task 3.4, Raftelis will estimate the total system units of service associated with each cost classification parameter. We will then estimate the total system unit cost of service for each cost classification parameter.

Task 3.6: Identification of Fixed and Variable Cost Components

A natural outcome of the cost-of-service analysis will be an identification of the fixed and variable components of the City's sewer utility revenue requirement. This information will be used in the Task 4 Rate Development process.

Task 3.7: Distribution of Costs to Customer Classes

The final step in the cost-of-service process is the determination of the specific revenue requirement for each wastewater service customer class. This is achieved by multiplying the total system unit cost of service for each customer parameter by the unique units of service estimated for each customer class.

Task 3.8: Microsoft Excel Financial Model: Cost-of-Service Module

A Microsoft Excel model will be developed that will include financial planning, cost allocation, rate design and customer bill impact modules. This cost-of-service module will transparently show the cost allocations used on the cost-of-service process and allow for items such as strength loadings, return flow factors, and percentage allocations to cost causation factors such as flow, BOD, and TSS. Our proposed consulting fee contains a total of 6 hours for Raftelis personnel to provide on-site model training to City staff.

PLANNED MEETINGS:

- Up to two (2) webinars with City staff

DELIVERABLES:

- Customer class cost of service (fixed, variable, and total)
- Microsoft Excel cost-of-service module within a comprehensive financial model framework

Task 4: Rate Development

Task 4.1: Identification of Alternative Rate Designs

After the completion of the cost-of-service analyses, Raftelis will work with City staff to develop a maximum of three (3) alternative sewer rate structures. Each rate structures will be designed to ***ensure full revenue sufficiency*** and be developed in a manner that is compliant with Proposition 218.

When considering potential alternative rate designs, Raftelis will perform the following analysis:

- Ability of potential alternative rate structures to fully comply with Proposition 218 and other applicable California regulatory requirements
- Evaluation of the effectiveness of the current sewer rate structure at achieving the City's pricing and policy objectives
- Ability of potential alternative rate structures to achieve the City's desired pricing and policy objectives
- Ability of customers to easily understand potential alternative rate structures and the ability of the City to administer such alternatives
- Impact of potential alternative rates on revenue stability/volatility

Task 4.2: Customer Bill Impact Analysis

For each of the three (3) alternative rate structures Raftelis will complete a bill impact analysis for typical residential customers and for commercial and industrial customers at different strength loading levels.

Task 4.3: Benchmarking Analysis

For up to five nearby comparable utilities identified by City staff, Raftelis will conduct a benchmarking analysis of typical customer bills under the City's current and recommended rates as compared to the surveyed agencies.

Task 4.4: Microsoft Excel Financial Model

The Microsoft Excel model will be developed that will include financial planning, cost allocation, rate design and customer bill impact modules. This rate design and customer bill impact module will transparently show how the fixed and variable rates under each alternative rate structure were determined. Similarly, it will transparently show the calculated fixed and variable portion of customer bills. Our proposed consulting fee contains a total of 6 hours for Raftelis personnel to provide on-site model training to City staff.

PLANNED MEETINGS:

- Up to two (2) webinars with City staff

DELIVERABLES:

- Evaluation of three (3) alternative rate structures
- Proposed 5-year projection of Proposition 218 rates

- Microsoft Excel rate design and bill impact module within a comprehensive financial model framework

Task 5: City Council Meetings

Task 5.1: Workshop Presentation

Raftelis will prepare a workshop presentation the items listed below. Our proposed workshop presentation will be fully vetted by and discussed with City staff prior to presentation to City Council.

- The need for revenue adjustments
- The rationale and basis for rate structure changes

Task 5.2: Final Rate Presentation

Feedback from the City Council workshop will be incorporated in the rate structure/model and final rates will be presented to the City Council at a second meeting. Our proposed final rate presentation will be fully vetted by and discussed with City staff prior to presentation to City Council.

PLANNED MEETINGS:

- Two (2) presentations

DELIVERABLES:

- Preparation of all meeting presentations and materials in a manner as specified in the City's RFP

Task 6: Final Report

Task 6.1: Report Preparation

Raftelis will complete comprehensive draft and final reports that meet the specifications provided in the City's RFP. The reports will provide an administrative record that demonstrates the steps taken to achieve compliance with Proposition 218.

Task 6.2: Assistance with Proposition 218 Noticing

In accordance with the specifications provided in the City's RFP, Raftelis will assist preparation of a Proposition 218 notice and the coordination/inspection/verification of the mailing to customers.

PLANNED MEETINGS:

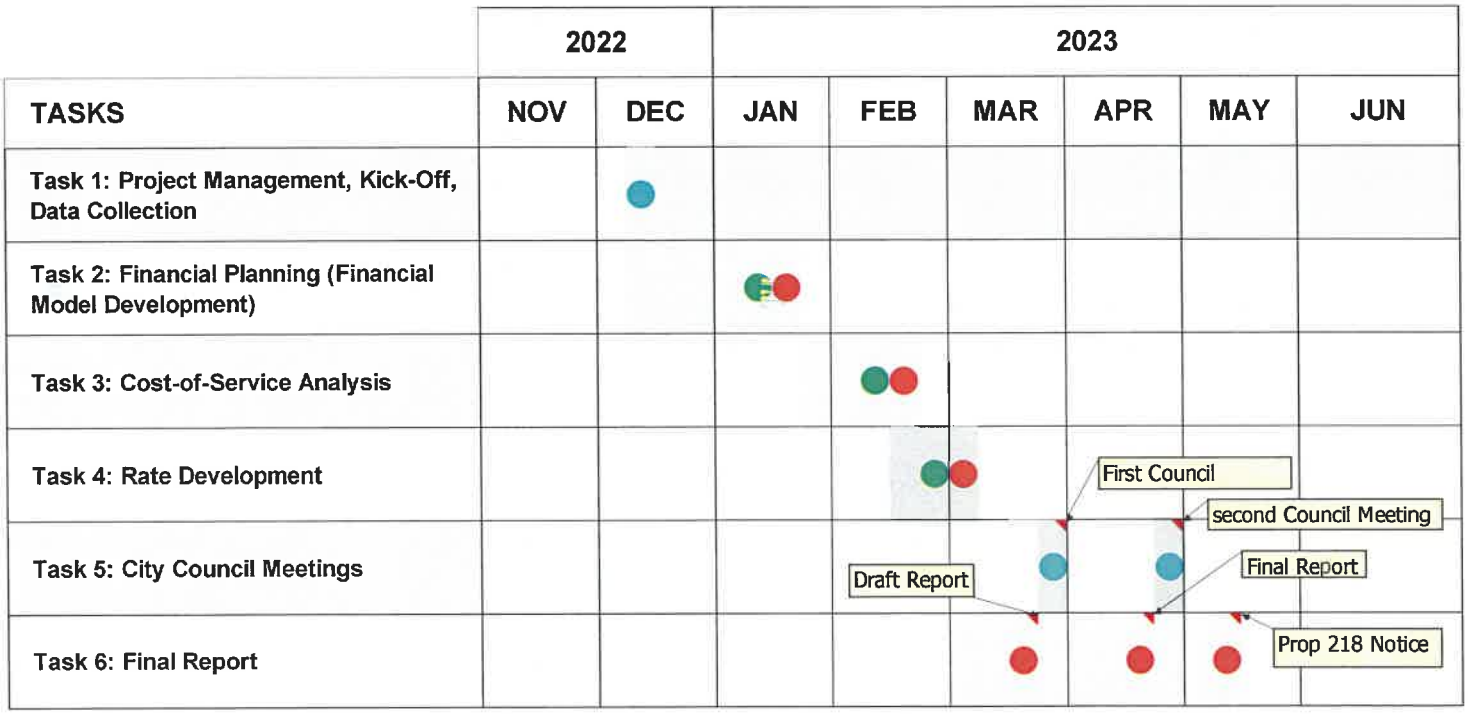
- N/A

DELIVERABLES:

- Draft and final reports
- Proposition 218 notification

Schedule

Raftelis will complete the scope of services within the timeframe shown in the schedule below. The proposed schedule assumes a notice-to-proceed by the beginning of December 2022 and that Raftelis will receive the needed data in a timely manner and be able to schedule meetings as necessary. Project completion is estimated for June 2023.



- *In-person Meetings*
- *Web Meetings*
- *Deliverables*

Additional Information

EXCEPTIONS

We request that the City consider making the following modifications, shown in red below, to the Professional Services Agreement. Please contact us if you have any questions or concerns about these modifications.

8. Indemnification.

8.01 CONTRACTOR and CITY agree that CITY, its employees, agents and officials should, to the extent permitted by law, be fully protected from any loss, injury, damage, claim, lawsuit, cost, expense, attorneys' fees, litigation costs, defense costs, court costs or any other costs ~~arising out of or in any way related to~~ caused by the performance of this Agreement by CONTRACTOR or any subcontractor or agent…

a. To the fullest extent permitted by law, CONTRACTOR shall defend, indemnify and hold harmless CITY, its employees, agents and officials, from any liability, claims, suits, actions, arbitration proceedings, administrative proceedings, regulatory proceedings, losses, expenses, damages or costs ~~of any kind, whether actual, alleged or threatened,~~ actual attorneys' fees incurred by CITY, court costs, interest, defense costs, including expert witness fees and any other costs or expenses of any kind whatsoever ~~without restriction or limitation incurred in relation to, as a consequence of or arising out of, or in any way attributable actually, allegedly or impliedly,~~ in whole or in part to the performance of this Agreement. CONTRACTOR's obligation to defend, indemnify and hold harmless shall include ~~any and all~~ claims, suits and proceedings in which CONTRACTOR (and/or CONTRACTOR's agents and/or employees) is alleged to be an employee of CITY. All obligations under this provision are to be paid by CONTRACTOR as they are incurred by CITY.

12. Ownership of Documents; Audit.

12.01 All draft and final reports, plans, drawings, studies, maps, photographs, specifications, data, notes, manuals, warranties and all other documents of any kind or nature prepared, developed or obtained by CONTRACTOR in connection with the performance of Services performed for the CITY shall become the sole property of CITY, and CONTRACTOR shall promptly deliver all such materials to CITY upon request. At the CITY's sole discretion, CONTRACTOR may be permitted to retain original documents, and furnish reproductions to CITY upon request, at no cost to CITY. CITY may use Work Product as contemplated herein and may reuse it or modify it without further compensation to Consultant. However, any reuse or modification shall be at the sole risk of the CITY. Nothing contained herein shall be deemed an assignment, transfer or divestiture by Consultant of its trade secrets, know-how or intellectual property.

~~12.02 Subject to applicable federal and state laws, rules and regulations, CITY shall hold all intellectual property rights to any materials developed pursuant to this Agreement. CONTRACTOR shall not such use data or documents for purposes other than the performance of this Agreement, nor shall CONTRACTOR release, reproduce, distribute, publish, adapt for future use or any other purposes, or otherwise use, any data or other materials first produced in the performance of this Agreement, nor authorize others to do so, without the prior written consent of CITY~~.

Insurance/Certification

We reviewed the insurance requirements, and we confirm that we can provide required insurance during the contract execution.

APPENDIX:

Resumes

Steve Gagnon PE (AZ)

PROJECT DIRECTOR
Senior Manager

PROFILE

Steve has 24 years of experience in financial analysis and environmental engineering. For the past 14 years Steve has provided financial planning and rate setting services to agencies all over California. He has also helped utilities make major investment decisions such as whether to invest in food waste to energy projects. He has also managed the construction and installation of water treatment equipment and oversaw Superfund remediation for the U.S. Army.

KEY PROJECT EXPERIENCE

Utility Rate Studies and Long-Range Planning Experience

City of Manhattan Beach (CA)

Steve is helping the City of Manhattan Beach to create a water financial plan and set rates. The City had two major concerns; 1) wells were impaired in the near term and the city would have to purchase more imported water and 2) the City was unsure about tiered rates given recent litigation. Steve worked with city staff to discuss the pros and cons of tiered rates. After reviewing these pros and cons with the city attorney and manager, staff is recommending cost based tiered rates as of this writing. Steve will present the financial need and rate study results to city council and the public.

Otay Water District (CA)

Steve led a recent water rate study for the District in the Spring of 2022. Working with the District he updated their cost-of-service study, rate structure which included tier breakpoints. The District decided to use the Commodity Demand method and only base (commodity) and max day cost components as opposed to max day and max hour components. Based on discussions with District operations staff, the project team decided to allocate water purchase costs to what is termed base costs, reducing the water rate for tiers 1 and 2.

City of Tracy (CA)

In 2019, the City of Tracy (City) engaged Raftelis to perform a wastewater rate study. Raftelis is currently working with City staff to

Specialties

- Utility cost-of-service & rate structure studies
- Conservation rate studies
- Economic feasibility studies
- Capital budgeting studies
- Wastewater rate studies
- Capital recovery/capacity fee studies
- Survey research of water & wastewater utility characteristics & rates

Professional History

- Raftelis: Senior Manager (2020-present); Manager (2017-2019); 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)

Certifications

- Registered Professional Environmental Engineer in Arizona
- Series 50 Municipal Advisor Representative

Professional Memberships

- AWWA

best plan for expenses to minimize customer impacts, and Steve is serving as Project Manager.

City of San Diego (CA)

The City of San Diego (City) is considering a renewable energy project to take landfill gas and create electricity. Steve prepared a financial model evaluating three alternatives: 1) do nothing and purchase electricity from a regional provider, 2) enter into a contract with a private entity to run and the renewable energy facility and sell electricity to the City at an agreed upon rate, 3) to purchase the facility and run it with City staff. The analysis gives the City a range of acceptable electricity rates for negotiating with a private party for option 2.

Delta Diablo Sanitary District (CA)

Steve, as a sub-consultant to HDR, is preparing the financial analysis for a potential food waste to energy project in which the Delta Diablo Sanitary District (District) would take food waste slurry, convert it to biogas and sell electricity. There are many unknowns in the project including exact operations and maintenance costs and the tipping fee from the nearby landfill. Steve is performing a Monte Carlo simulation to help the District visualize the probability of a financially viable project given all the unknowns.

Running Springs Water District (CA)

Steve is assisting the Running Springs Water District (District) establish water and wastewater rates and evaluate the financial health of the Fire and Ambulance Department. The District is unique in that many residents are absentee owners of vacation homes. As such, the District is maintaining a higher than average level of fixed charges for both water and sewer to equitably distribute costs among full-time and part time residents. Steve also prepared a 10-year financial plan for the Fire and Ambulance Department showing its financial health under different property tax, other revenue and expenses assumptions, including fire engine replacement.

Encina Wastewater Authority (CA)

Steve is helping the Encina Wastewater Authority (Authority) analyze the Net Present Value of three large capital investments: 1) their co-generation facility, 2) the heat dryer and 3) the fats, oils and greases (FOG) receiving facility that supports Encina's co-digestion facility operation. For the co-gen facility, the analysis involves calculating the Net Present Value of electricity purchase costs with and without the co-gen facility. The heat dryer analysis involves calculating the equivalent annual cost of operating solely the centrifuge (with the associated disposal cost of sludge) versus operating the heat dryer and its reduced sludge disposal costs. Lastly, he is helping the Authority analyze its options for alternative digester fuels for co-digestion to enhance digester gas production - FOG versus beer waste - based on the tipping fees and associated maintenance costs of each.

Hi-Desert Water District (CA)

Steve is helping the Hi-Desert Water District (District) establish defensible and affordable water rates for a District with a high number of low-income residents. The study includes an update of their miscellaneous

fees. The District has one main source of water, which limits the rate differentiation between tiers. The study includes an extensive outreach program to educate customers as to the need for rate adjustments.

City of Port Hueneme (CA)

The City of Port Hueneme (City) has some of the highest water rates in the area due to the amount of capital reinvestment needed to maintain the system. Steve is helping City Council and Staff assess the impacts of their decisions, including capital reinvestment, loan refinancing and fixed charge pricing on customer bills. The study included a rate workshop with City Council to show the Council the effects of their decisions.

Mesa Water District (CA)

Mesa Water District (District) prides itself on the fact that it is no longer dependent on imported water. Steve helped the District revise their water and recycled water rates in a few months during a fast-paced rate study. The study included over 10 financial plan options for the Board to select from.

City of Pomona (CA)

Steve is currently helping the City of Pomona (City) establish water, recycled water and wastewater rates. He is establishing defensible tiered rates based on the City's multiple sources of water and use characteristics. He is also establishing pumping charges based on the costs associated with serving water to high elevation customers. The engagement includes working with rate committee members, Staff and council members to ascertain their rate setting goals. It also includes a 10-year financial plan and modeling rates under industry standard reserve targets.

City of Lakewood (CA)

Steve helped the City of Lakewood (City) develop cost-of-service based tiered water rates. Of note, Steve recommended revising the current practice of providing free water for the first four units of water in single family first tier. To ease the impacts of this change, the City decided to transition the rates over a 5-year period. The study included a full five-year financial plan and a review and recommendations on reserve levels.

City of Orange (CA)

Steve is helping the City of Orange (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. Steve also helped the City establish wastewater rates for its sanitation enterprise. The rates were revised to reflect sewer whereas they were previously based on water use.

Channel Islands Beach Community Services District (CA)

Steve helped the Channel Islands Beach Community Services District (District) establish equitable water and wastewater rates. Particularly noteworthy in this study was a class of customers that required the District to reserve capacity in the water treatment plant for possible future growth. Steve explained the cost causation-based rate for this customer class at Board meetings and the Public Hearing. Steve 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 (City) 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. Steve 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. Steve presented the basis for revenue adjustments and rate development at a well-attended public hearing at City Hall.

Santa Fe Irrigation District (CA)

Santa Fe Irrigation District (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. Steve 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. Steve presented at a contentious Public Hearing, in which that rates were adopted, to answer Board and the Public's questions.

City of Encinitas (San Dieguito Water District, CA)

Steve helped the City of Encinitas (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. Steve 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)

Steve helped the Trabuco Canyon Water District (District) establish water, wastewater and recycled water rates. The Trabuco Canyon Water District's revenue plummeted significantly during the recent drought. Steve helped the District established rates, including drought rates, that fully funded operations, capital expenses and reserves. The District previously had a 7-tier rate structure. Steve 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. Steve presented financial plan options and rate study results and a public hearing.

Sweetwater Authority (CA)

Steve 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. Steve concluded the study with presentations to the District Board of Directors and the Public.

Moulton Niguel Water District (CA)

Steve prepared water and wastewater capacity fees and miscellaneous fees in June of 2016. The water and wastewater capacity fees were calculated using the buy-in methodology and varied by meter size. The Moulton Niguel Water District (District) also decided to implement a water demand offset fee for new water connections based on the premise that the recycled water system offsets potable water use and benefits potable water users. Steve attended Board meetings to help staff explain the rationale and basis for the capacity fees.

Steve also helped calculate miscellaneous fees by interviewing staff to assess the time and effort involved with the fees, benefit burden rates and material charges to properly calculate over three dozen fees for the water and wastewater systems. The deliverable included an excel model with which the District could update the miscellaneous fees in the future.

City of Henderson (NV)

Steve is creating water and wastewater rate and financial planning models for the City of Henderson 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)

Steve updated the City of Redland's (City) 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)

Steve 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)

Steve 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)

Steve 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)

Steve 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)

Steve performed the Walnut Valley Water District's (District) first professional rate study which included updating the rate structure. Steve 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.

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. Steve 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)

Steve 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)

Steve 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.

Steve 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.

Steve 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.

Steve 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)

Steve completely rebuilt the City of Poway's water and wastewater rate models to reflect the latest rate setting practices.

Helix Water District (CA)

Steve created an economic model to add life-line and a water waster tier to the Helix Water District's (District) three-tier rate 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.

Steve 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)

Steve 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)

Steve 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)

Steve 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)

Steve 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.

Julian and Pine Valley Sanitation Districts (CA)

Steve 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)

Steve 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)

Steve 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 10 years into their long-range financial plan and user rates.

City of La Habra (CA)

Steve 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)

Steve 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)

Steve 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 (UT)
Steve assisted Boxelder 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 floodplain extents.

City of Fullerton (CA)
Steve 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.

Utility and Water Right Valuations Experience

Blue Plains Wastewater Treatment (DC)
Steve 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)
Steve updated a prior valuation study which values treatment capacity in the San Diego Metropolitan Wastewater System. The valuation study considered several different valuation methodologies 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)
Steve 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 Experience

Town of Parker (AZ)
Steve 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)
Steve 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)
Steve 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)
Steve 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)
Steve 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)
Steve 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)
Steve 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)
Steve 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. Steve 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.

PROJECT LIST

- 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

John Wright CPA

PROJECT MANAGER
Senior Manager

PROFILE

John has more than 25 years of utility industry financial management and economic analysis experience. He has provided consulting services to numerous complex utility clients including the City of San Diego, Austin Water, the Portland Water Bureau, Milwaukee Water Works, the City of Calgary, and the Puerto Rico Aqueduct and Sewer Authority.

Prior to joining Raftelis in 2010, John was the Manager of Rate Administration at Denver Water where he was responsible for the annual financial planning, cost-of-service, and capacity fee studies. He also served as a Senior Economist for the City of Portland Oregon's Bureau of Environmental Services where he was responsible for the annual wastewater and stormwater cost-of-service and capacity fee studies.

In addition to his direct utility experience, John was a Senior Analyst at the both the Colorado and Oregon Public Utility Commissions. His work at the Colorado PUC included testifying as an expert witness in electric power and natural gas utility rate cases. At the Oregon PUC, John specialized in telecommunications utility issues and served as an expert witness in regulatory proceedings.

KEY PROJECT EXPERIENCE

City of Long Beach Water Department (CA)

The Long Beach Water Department (Department) provides water, sewer, and recycled water service to population over 460,000 in the City of Long Beach. John is currently serving as the project manager on a water and sewer cost-of- service study for the Department. The key objective of the study is the comprehensive review of the cost allocations used to support the Department's currently effective utility rates and the creation of a new financial planning and cost allocation model. John is also currently serving as the project manager for a study investigating the potential implementation of water capacity fees. The study includes valuation of City's water infrastructure, the identification

Specialties

- Cost-of-service studies
- Capacity fee studies
- Financial & economic analysis
- Public speaking and presentations
- Expert witness testimony
- Litigation support

Professional History

- Raftelis: Senior Manager (2020-present); Manager (2017-2019); Senior Consultant (2010-2016)
- Denver Water: Manager of Rate Administration (2006-2009)
- Portland Bureau of Environmental Services: Senior Economist (2004-2006)
- Public Utility Commission of Oregon: Senior Utility Analyst (2002-2004)
- Positions in the Competitive Telecommunications Industry (1997-2002)
- Colorado Public Utilities Commission: Senior Financial Analyst (1991-1997)

Education

- Master of Science in Finance - University of Colorado, Denver
- Bachelor of Science in Accounting - Metropolitan State University of Denver

Certifications

- Certified Public Accountant, State of Colorado #11959
- Series 50 Municipal Advisor Representative

Professional Memberships

- AWWA - Rates & Charges Committee, Finance Accounting & Management Controls Committee, Asset Management Committee
- WEF Utility Management Committee

of capacity fee calculation methodologies, and the development of proposed capacity fee assessment schedules.

San Bernardino Municipal Water Department (CA)

John served as the project manager for a comprehensive water and wastewater rate study for the City of San Bernardino (Department). The study included the development of 10-year financial plans, cost-of-service studies using industry standard principles, and the development of completely revised water and wastewater rate structures that were implemented by the Department's Board of Water Commissioners. In addition, Raftelis also developed drought surcharges for the Department. The outcome of the study was the development of Proposition 218 compliant water and wastewater rates for the period FY 2022 - FY 2026. The Department provides wholesale wastewater service to the City of Loma Linda and the East Valley Water District. In 2022, the East Valley Water District begin using its own Water Reclamation Facility and no will longer be a wholesale wastewater customer of the Department. As part of the rate study, Raftelis has assisted the Department plan for this large loss of revenue.

City of San Diego (CA)

The City of San Diego (City) provides retail water, wastewater, and recycled water service to approximately 1.4 million people in metropolitan San Diego. John served as the lead consultant on the City's recent wastewater and recycled water rate studies. His responsibilities included working with City staff to prepare a revenue requirement projection for the wastewater enterprise fund; 2) developing wastewater and recycled water cost allocations as part of the wastewater cost of service study; and 3) calculating proposed wastewater and recycled water rates for the period FY 2022 – FY 2026.

The City's wastewater utility system consists of Municipal and Metropolitan sub-systems. The Municipal sub-system is a wastewater collection and conveyance system for retail customers served within the City's jurisdictional boundaries. The Metropolitan sub-system is a regional wastewater treatment and disposal system that provides service to 16 member agencies in the County of San Diego. John's work on the project included analyzing the methodology used to allocate Municipal and Metropolitan subsystem operating and capital costs to the City's retail wastewater and recycled water customers. He also developed a comprehensive mass balance analysis that reconciled the wastewater flow and strength loadings contributed by the City to the flow and strength loadings recorded at each of three City-owned treatment plants.

Padre Dam Municipal Water District (CA)

The Padre Dam Municipal Water District (District) provides water, wastewater, and recycled water service to a population of over 100,000 in East San Diego County. The District features two separate service territories with distinct elevation levels and customer demographics. John served as a project manager for a rate study that included the development of financial plans and revenue requirement projections, cost-of-service studies, and proposed Proposition 218 rates for water (including drought rates), wastewater, and recycled utility services.

Vallecitos Water District (CA)

The Vallecitos Water District (District) provides water service to over 22,000 potable water accounts northern San Diego County. John served as a project manager for a water cost-of-service study and the development of proposed water rates.

Irvine Ranch Water District (CA)

The Irvine Ranch Water District (District) serves a 181 square mile area that includes all of the City of Irvine and portions of the cities of Tustin, Newport Beach, Costa Mesa, Orange, and Lake Forest, as well as certain unincorporated areas of Orange County. The total estimated daytime population served is approximately 600,000 people through approximately 118,000 water and 113,000 sewer connections. John served as the project manager responsible for a water, sewer, and recycled water cost-of-service and rate design study for the District. The overarching objective of the Study was to conduct a comprehensive review of the methods used by the District to develop the rates it charges for water, sewer, and recycled water service in order to confirm compliance with Proposition 218 and other applicable legal requirements.

Eastern Municipal Water District (CA)

The Eastern Municipal Water District (District) provides water, wastewater, and recycled water service to a population of approximately 850,000 in Riverside County. John served as the project manager for an update of the long-term financial planning models for each of the District's utilities. The models featured scenario planning capabilities and developed revenue requirement projections over a fifteen year planning horizon.

City of Coronado (CA)

The City of Coronado (City) operates a wastewater collection and conveyance system that provides services to customers located within the City's jurisdictional boundaries. The City is a member of the San Diego Metro Regional Wastewater Joint Powers Authority and customer wastewater discharges are transported to this agency for treatment. Raftelis completed a wastewater cost-of-service study for the City with John serving as the project manager in this consulting engagement.

City of Pico Rivera (CA)

Raftelis, with John in the role of project manager, served the City of Pico Rivera as a subcontractor to the engineering firm IMEG. IMEG was retained by the City to complete master plans for the City's water, wastewater, and stormwater infrastructure. For the City's water utility, Raftelis developed a financial plan featuring IMEG's proposed capital improvement program (CIP) expenditures, a water cost-of-service study, and alternative water rate structures. The City's wastewater collection and conveyance system is maintained by the Los Angeles County Consolidated Sewer Maintenance District (CSMD). Raftelis developed a financial plan that analyzes the customer impacts of IMEG's proposed wastewater CIP expenditures and whether the City should continue as a member of the CSMD. Raftelis also assisted the City analyze the funding required to support IMEG's proposed stormwater CIP expenditures.

City of Solana Beach (CA)

The City of Solana Beach (City) operates a wastewater collection and conveyance system that provides services to customers located within its boundaries. The City is a member of the San Elijo Joint Power Authority and customer wastewater discharges are transported to this agency for treatment. Raftelis completed a wastewater cost-of-service study for the City with John is serving as the project manager in this consulting engagement.

Rancho California Water District (CA)

Rancho California Water District (District) serves approximately 43,000 water and wastewater customers in Temecula, CA. The City has a sophisticated water budget rate structure that was developed by Raftelis. John served as the project manager for an update of the District's rates for FY 2021 - FY 2023.

Santa Clara County Water District (CA)

The Santa Clara Valley Water District (District) is the primary water resources agency for almost 2 million people in Santa Clara County. The District is responsible for water supply, watershed stewardship, and flood management. In 2019, the District completed an updated zone of benefit study for its groundwater management activities. Based on this updated study, Raftelis assisted the District modify its cost-of-service allocations to reflect this update. John served as the lead consultant on this project.

Austin Water (TX)

Austin Water (AW) provides water and wastewater service to a population of over one million in metropolitan Austin. In 2017, AW undertook a comprehensive review of its water and wastewater cost-of-service models to ensure the maximum possible equity in customer class revenue requirement determination and to aid regulatory analysis of AW's wholesale rates by the Public Utility Commission of Texas. As part of this process, John has played a lead role in the redesign of AW's water and wastewater cost-of-service models to enhance their transparency and ease of usage. He has also made numerous presentations to stakeholder groups composed of AW retail and wholesale customers.

Puerto Rico Aqueduct and Sewer Authority (Puerto Rico)

The Puerto Rico Aqueduct and Sewer Authority (PRASA) provides water and wastewater service to approximately three million people in the Commonwealth of Puerto Rico. John was a member of the Raftelis project team retained to provide an independent third-party Professional Opinion regarding operations and financial position of PRASA. The Raftelis professional opinion report was prepared in light of the on-going economic and fiscal challenges facing Puerto Rico and was specifically intended to identify opportunities for cost reductions and revenue increases to ultimately position PRASA to access capital markets. John's role in this consulting assignment was the development of financial planning models used to assess PRASA's projected financing gap without the restructuring of existing debt or the acquisition of new external debt financing.

Metropolitan Water District of Southern California (CA)

John served as the lead consultant on a project with the Metropolitan Water District of Southern California (MWD) to develop a recommended alternative rate design for the recovery of wholesale water

treatment costs from MWD's member agencies. John is also assisted MWD in the economic/financial analysis of a potential regional water recycled program with the Los Angeles County Sanitation District.

City of Calgary Utilities and Environmental Protection Department (AB, Canada)
John served as the lead consultant of a comprehensive financial review of the water, wastewater and stormwater utilities operated by the City of Calgary's Utilities and Environmental Protection Department (UEP). The objective of the financial review was to assess UEP's current and projected levels of financial risk and to make recommendations regarding how to mitigate these risks by modifying UEP's financial policies, financial management practices, governance structure, and financial management organizational structure. John's activities included conducting detailed interviews with UEP senior executives and high-level management personnel; reviewing UEP financial, engineering and planning documents; analyzing the assumptions used in UEP's long-range financial planning models; and comparing UEP financial and managerial performance to metrics to the benchmarks used by U.S. credit ratings agencies to assess the default risk of water and wastewater utility debt.

Portland Water Bureau (OR)
The Portland Water Bureau (PWB) operates a regional water supply system that delivers drinking water to approximately 950,000 people in the Portland metropolitan area. The PWB provides service to wholesale customers under the terms of a standardized wholesale water supply contract that defines the specific ratemaking methodology that must be used. Per the requirements of this contract, the wholesale rate model is subject to a comprehensive audit every five-years to determine its continued compliance with contract requirements and industry standard cost-of-service methodologies as contained in AWWA Manual M1. John served as Raftelis' lead consultant on this project and was responsible for auditing all aspects of the wholesale rate model in order to assess the appropriateness of the PWB's revenue requirement calculation for wholesale customers under the utility basis method of revenue requirement determination and the commodity-demand method of cost allocations.

Milwaukee Water Works (WI)
Milwaukee Water Works (MWW) provides water service to a population of approximately 860,000 in metropolitan Milwaukee including nine wholesale customers. Municipal utilities in the State of Wisconsin are subject to economic regulation by the Public Service Commission of Wisconsin (PSCW). Raftelis represented MWW in a litigated rate case before the PSCW (Docket No. 3720-WR-108) that was opposed by MWW's wholesale customers who account for approximately 20% of total treated water sales. John served as the lead consultant responsible for the development of a cost-of-service model filed with the PSCW. John also provided both written and oral expert testimony on cost-of-service issues including the allocation of water main costs between the retail and wholesale service functions, the provision of public fire protection services to wholesale customers, and the rate of return on rate base assets paid by outside city customers.

City of Westminster (CO)
The City of Westminster (City) is a northern suburb of Denver with a population of over 120,000. The City has a sophisticated asset management process and plans to make large capital expenditures for the

repair and replacement of existing water and wastewater underground infrastructure. The City also plans to construct a new water treatment facility to enhance system reliability. John served as the project manager for a comprehensive consulting engagement with the City that includes the development of water and wastewater utility financial plans, the completion of water and wastewater cost-of-service and capacity fee studies, and the development of alternative water and wastewater rate designs. John continues to serve the City on water and wastewater financial issues on an on-call consulting basis.

East Larimer County Water District (CO)

The East Larimer County Water District (District) provides water service to approximately 9,000 customer accounts in Fort Collins, CO. In 2018, John served as the project manager who led the completion of a financial plan, cost-of-service, and capacity fee study for the District. As part of the project, Raftelis developed a new rate structure that was adopted and successfully implemented by then District.

Boxelder Sanitation District (CO)

The Boxelder Sanitation District (District) serves approximately 6,000 customer accounts in Fort Collins, CO. John served as the project manager who led the successful completion of a capacity fee study and financial plan update for the District.

Ken Caryl Ranch Water and Sanitation District (CO)

The Ken Caryl Ranch Water and Sanitation District (District) is serves approximately 6,000 customer accounts in the southwest portion of metropolitan Denver. The District purchases water supplies from Denver Water and wastewater treatment services from the South Platte Water Renewal Partners. John served as the project manager for a study that included financial planning, a cost-of-service study, and modifications to the District's inclining TIER water rate design.

Soldier Canyon Water Treatment Authority (CO)

The Soldier Canyon Water Treatment Authority (Authority) provides wholesale water treatment services to three retail water districts in northern Colorado. The Authority was initially jointly owned by these three districts. In 2017, the Authority was created as a separate and distinct entity that required the development of a new long-range financial plans and rate structures. John served as the project manager responsible for conducting the study.

Left Hand Water District (CO)

The Left Hand Water District (District) serves approximately 7,000 customer accounts in Boulder County, CO. John served as the project manager responsible for updating the District's financial planning, cost allocation and rate design model. He also helped the District develop a pricing tool to analyze how the cost of short-term leases of water supplies would impact the District's capacity fee calculation.

Fort Collins Loveland-Water District (CO)

The Fort Collins-Loveland Water District (District) serves approximately 17,000 water service customers in the City of Fort Collins, CO, and surrounding areas. In 2018, John served as the project manager who

led a water rate study for the District that included the development of a financial plan and long-term capital financing strategy for the District's share of the costs for the Northern Integrated Supply Project (NISP). NISP will provide up to 40,000 acre feet of additional water supplies to 15 water agencies in northern Colorado. The District's share of NISP is 3,000 acre feet at an estimated cost of approximately $75 million. Traditionally, the District has used the same volumetric rate structure to bill all customer classes. Raftelis conducted a cost-of-service study and recommended the development of customer class specific rate structures that were implemented by the District in 2019. Raftelis also developed a new tap fee assessment schedule for single family residential customers based on gross lot size. This new assessment schedule was implemented by the District in September 2018. As part of the rate study, Raftelis developed a comprehensive strategic communications strategy for outreach to key stakeholders on financial planning, cost-of-service and rate design issues.

South Fort Collins Sanitation District (CO)

The South Fort Collins Sanitation District (District) operates a 5 MGD wastewater treatment facility and serves approximately 14,000 customer accounts on the eastern side of the City of Fort Collins, CO. In 2018, John served as the project manager for a consulting engagement that included the completion of a financial plan, cost-of-service study and capacity fee update. Key issues faced by the District that were addressed by Raftelis included whether the current residential flat rate structure should be converted to volumetric rates and whether multi-family and single family residential capacity fees should reflect different estimated discharge volumes.

Prosper Coordinating Metropolitan District (CO)

Prosper Coordinating Metropolitan District (District) in Arapahoe County is a greenfield 5,100-acre master planned development located in unincorporated Arapahoe County, east of Aurora, CO. At buildout, the District is envisioned to feature 9,000 housing units and over 8 million square feet of mixed use non-residential development. John served as the project manager responsible for developing the initial financial plans, capacity fees, and rate designs for the District's water and wastewater utilities. John also assisted the District on financial planning and capacity fee issues related to its acquisition of long-term renewable water supplies.

City of Norman (OK)

The City of Norman (City) retained the services of Raftelis to update the water and wastewater capacity fees paid by developers and assist in the development of a long-term CIP financing strategy for the City's water, wastewater and planned future reuse water options. John served as the project manager on this consulting engagement.

City of Chandler (AZ)

John served as the project manager for a cost-of-service study update of the potable water, reuse water, and wastewater services provided by the City of Chandler (City). The City's water supply includes underground aquifers augmented by a large scale aquifer storage and recovery program, purchases from the Central Arizona Project and exchanges with the nearby Gila River Indian Reservation. The City's water and wastewater supply infrastructure must not only meet State of Arizona and U.S. EPA

requirements, but the exacting standards imposed by large semiconductor manufacturing facilities located in the City.

City of Thornton (CO)

John served as the project manager for a financial planning and cost-of-service study consulting engagement with the City of Thornton (City). The City, located in the fast growing northern suburbs of metropolitan Denver, currently provides water service for a population of 125,000 with a projected service territory population of approximately 250,000 at full system build-out. The City plans to invest approximately $560 million in new water resource and treatment facilities over the next fifteen years to meet this projected long-term demand growth. As part of the consulting engagement, John assisted in the development of a long-range financial plan and updated capacity fees in addition to performing a comprehensive cost-of-service study.

Strathcona County (AB, Canada)

John served as the project manager and lead consultant on water and wastewater utility cost-of-service study engagements with Strathcona County (County), Alberta. The County is located in a fast growing region located east of Edmonton, Alberta that includes urban, suburban, and rural land use areas. The County provides differing levels of retail water and wastewater service to customers in each land use area. The County, which purchases its water supplies from the City of Edmonton, also serves four different wholesale water customers. As part of the water cost-of-service study, John developed cost allocations and customer class demand ratios that allowed the County to consolidate its retail water customer classes while maintaining rate equity and the adherence to industry cost-of-service principles. The County's wastewater utility provides wastewater collection and conveyance services to its retail customers. Wastewater discharges from these customers are conveyed to treatment facilities operated by the City of Edmonton and the Alberta Capital Region Wastewater Treatment Commission. As part of the wastewater cost-of-service study, John assisted in the development of a new rate design applied to residential wastewater customers in the County's urban and suburban land use areas.

Town of Prescott Valley (AZ)

John served as the lead consultant responsible for updating the Town of Prescott Valley's (Town) non-utility development impact fees to comply with new State of Arizona statutory requirements. In this capacity, John assisted the Town develop the land use assumptions and infrastructure improvement plans supporting its proposed transportation, public safety, parks and recreation, and library impact fees. John also calculated the residential and non-residential development impact fee assessment schedules adopted by the Town for each of the above referenced service categories.

City of Corvallis (OR)

John served as the project manager on a cost-of-service consulting engagement with the City of Corvallis (City). The City's water rate structure includes separate inclining block rate designs for its single-family residential, multi-family residential, commercial, and irrigation rate classes. As part of the consulting engagement John completed a comprehensive cost-of-service study that resulted in a significant revenue requirement reallocation between each customer classes to reflect the maximum day and maximum hour loads they impose on the City's water system. John's cost-of-service recommendations were fully and

successfully implemented by the City without the use of a multiyear transition to cost-of-service-based rates.

City of Wichita (KS)

John served as the lead consultant water and wastewater cost-of-service study for the City of Wichita (City). The City operates water and wastewater utilities that serve approximately 140,000 customers with combined annual revenues of more than $100 million. Key challenges faced by the City included ensuring adequate funding for major capital improvements in water supply infrastructure that are forecast to cost more than $400 million over the next 10 years and the need to reduce the water rate revenue volatility associated with the conservation-oriented demand management rate structure. John prepared long-range financial plans for the City's water and wastewater utilities; conducted water and wastewater cost-of-service studies; modified the forecast base and peak demand costs recovered in each consumption block of the water rate structure; and developed a modeling tool that allows monthly comparisons of budgeted versus actual water and wastewater rate revenues.

City of Naperville (IL)

As lead consultant on a consulting engagement with the City of Naperville's Department of Public Utilities (City), John prepared cost-of-service rate studies for the City's water and wastewater utilities. The City was confronted by the challenges of deficit cash reserve balance in its utility operating fund, rapidly escalating purchased water costs, and the need to make significant capital investments in its wastewater treatment facilities to meet regulatory requirements. As part of this engagement, John developed a water rate structure that separately identified purchased water costs, assisted in the review of a large wholesale wastewater service contract, and the review of the depreciation rates used by the City for water and wastewater infrastructure.

PROFESSIONAL EXPERIENCE

Denver Water: Manager of Rate Administration (2006-2009)

Management position supervising three rate analysts and reporting to the Director of Finance at a municipal water utility serving over 1.3 million people.

- Supervised preparation of Denver Water's annual 10-year financial plan including the coordination of inputs from the water resource planning, engineering, budgeting, and treasury functions
- Supervised preparation of the annual cost-of-service, capacity fee, and miscellaneous fee studies
- Provided corporate finance/economic analysis support for capital investment decisions, integrated resource planning, reclaimed water system expansion, and raw water operations
- Managed relationships with Denver Water's wholesale customers and outside city retail water distributors
- Extensive public speaking and presentation experience before the Denver Water Board of Commissioners and external stakeholder groups

Portland Bureau of Environmental Services: Senior Economist (2004-2006)

Economic analysis position reporting to the Director of Business Services at a municipal utility wastewater utility serving over 500,000 people.

- Assisted in the preparation of the annual wastewater and stormwater utility financial plans
- Prepared the annual wastewater and stormwater cost-of-service and capacity fee studies
- Developed solid waste and recycling rates for the Portland Office of Sustainable Development
- Developed pricing for services provided by the Bureau of Environmental Services' water pollution control laboratory
- Presentations before the City of Portland's Public Utility Review Board

Public Utility Commission of Oregon: Senior Utility Analyst (2002-2004)

Specialist in telecommunications industry financial, economic, and public policy issues at a state regulatory agency.

- Testified as an expert staff witness in regulatory proceedings related to incumbent local exchange carrier access charges, interexchange carrier credit quality, and wireless carrier high cost funding
- Developed financial models to analyze telecommunications utility cost allocations and rate structures including incumbent local exchange carrier unbundled network element pricing
- Financial advisor to the Oregon Universal Service Fund which provided over $50 million annually to support the availability of telecommunications services in rural Oregon

Positions in the Competitive Telecommunications Industry (1997-2002)

Senior financial analyst at Electric Lightwave, Inc. (Vancouver, WA) and Marketing Analyst at WCI Cable, Inc. (Hillsboro, OR).

- Developed pricing for high capacity fiber optic services (DS3 - OC193) in terrestrial, submarine and metropolitan-area networks
- Developed financial models and business cases to analyze network infrastructure expansions and proposed acquisitions
- Developed pricing for Indefeasible Rights of Use (i.e., long-term leases) for dark and lit fiber optic capacity in amounts up to $30 million

Colorado Public Utilities Commission: Senior Financial Analyst (1991-1997)

Specialist in energy utility financial, economic, and public policy issues at a state regulatory agency.

- Testified as an expert staff witness in Public Service Company of Colorado and San Miguel Power Association rate cases
- One of three staff members selected by the Colorado PUC Commissioners to the first independent team of litigation support advisors in agency history
- Advisor to the Colorado PUC Commissioners on electric power and natural gas utility rate cases, integrated resource planning, and electric power retail deregulation issues
- Participated in the development of electric power utility integrated resource planning rules requiring competitive bidding for new resources, the submission of alternative resource portfolios, and the use of discounted cash flow techniques to estimate ratepayer impacts
- Served as liaison to the Clinton Administration's Council on Sustainable Development representing former Colorado PUC Commissioner Christine Alvarez
- Author of Colorado PUC staff comments on proposed Federal Energy Regulatory Commission rules for open access electric transmission (FERC Order No. 888) as published in the National Regulatory Institute Bulletin, Volume 17, No. 1.

EXPERT WITNESS TESTIMONY

- **Public Service Commission of Wisconsin - Milwaukee Water Works (Docket No. 3720-WR-108).** Filed direct and rebuttal testimony, on behalf of Milwaukee Water Works, on wholesale water service cost allocation and public fire protection issues. Provided oral testimony under oath before a Wisconsin PSC Administrative Law Judge. Subject to hostile cross-examination by legal counsel representing the Wisconsin PSC, wholesale customer intervenors, and Miller-Coors.

- **Oregon Public Utility Commission - CenturyTel of Oregon (Docket No. UT 154).** Filed direct testimony on, on behalf of the Oregon PUC staff, incumbent local exchange carrier access charges and interexchange carrier credit quality. Provided oral testimony under oath before an Oregon PUC Administrative Law Judge. Subject to hostile cross-examination by legal counsel representing AT&T, Sprint, and WorldCom.

- **Oregon Public Utility Commission - United States Cellular Corporation (Docket Nos. UM-1083 and UM-1084).** Filed direct testimony, on behalf of the Oregon PUC staff, on the applications of United States Cellular Corporation and RCC Minnesota, Inc., to be designated as Eligible Telecommunications Carriers authorized to receive support from the Federal Communications Commission's Universal Service Fund. Provided oral testimony under oath before an Oregon PUC Administrative Law Judge. Subject to hostile cross-examination by legal counsel representing US West.

- **Colorado Public Utilities Commission - Public Service Company of Colorado (Docket No. 93S-001EG).** Filed direct testimony, on behalf of the Colorado PUC staff, on the proposed test-year revenue requirements of the electric and gas utility operations of Public Service Company of Colorado (PSCO, now operating as Xcel Energy). Testimony included the integration of the assets acquired from the Colorado-Ute Rural Electric Association in the PSCO rate base and the recovery of costs associated with a new PSCO utility billing system. Provided oral testimony under oath before the Colorado PUC Commissioners *en banc*. Subject to hostile cross-examination by legal counsel representing PSCO, the Colorado Office of Consumer Counsel, the Land and Water Fund of the Rockies, and municipal and industrial intervenors.

- **Colorado Public Utilities Commission - San Miguel Power Association (Docket No. 93A-211E).** Filed direct testimony, on behalf of the Colorado PUC staff, on the proposed test-year revenue requirements and electric rates of the San Miguel Power Association (SMPA). Provided oral testimony under oath before the CPUC Commissioners *en banc*. Subject to hostile cross-examination by legal counsel representing SMPA and Colorado Office of Consumer Counsel.

PROJECT LIST

- Austin Water (TX) – Water and wastewater cost-of-service studies for retail and wholesale services
- Box Elder Sanitation District (CO) – Financial planning and capacity fees
- City of Calgary Utilities and Environmental Protection Department (AB, Canada) – Comprehensive financial risk assessment of water, wastewater, and stormwater utilities

- City of Chandler (AZ) – Water and wastewater cost-of-service and rate design
- City of Corvallis (OR) – Water and wastewater financial planning, cost-of-service, and rate design
- Contra Costa County Sanitary District – Recycled water project financial analysis
- Eastern Municipal Water District (CA) – Water, wastewater, and sewer financial planning
- East Larimer County Water District (CO) – Water financial planning, cost-of-service, rate design and capacity fees
- Fort Collins Loveland-Water District (CO) – Water financial planning, cost-of-service, and rate design
- Imperial County (CA) – Water and sewer financial planning, cost-of-service, and rate design studies
- Irvine Ranch Water District (CA) – Water, sewer, and recycled water cost-of-service and rate design
- Ken Caryl Ranch Water and Sanitation District (CO) – Water and wastewater financial planning, cost-of-service, and rate design
- Left Hand Water District (CO) – Financial model update and capacity fees
- Long Beach Water Department (CA) – Water, wastewater, and recycled water cost-of-service, and rate design; water capacity fees
- Metropolitan Water District of Southern California (CA) – Potential rate structure alternatives for the recovery of wholesale treatment costs
- Milwaukee Water Works (WI) – Expert witness testimony in a rate case proceeding at the Public Service Commission of Wisconsin
- City of Naperville (IL) – Water and wastewater financial planning, cost-of-service, and rate design
- City of Norman (OK) – Water and wastewater capacity fees
- Padre Dam Municipal Water District (CA) – Water, wastewater, and recycled water financial planning, cost-of-service, and rate design; drought rates
- City of Pico Rivera (CA) – Water financial planning, cost-of-service, and rate design
- Portland Water Bureau (OR) – Audit of wholesale rate model
- Prescott Valley (AZ) – Non-utility impact fee study
- Prosper Coordinating Metropolitan District (CO) – Financial planning, cost-of-service, rate design, and system development charges for a greenfield planned development east of metropolitan Denver
- Puerto Rico Aqueduct and Sewer Authority (PR) – Review of financial planning forecasts
- Rancho California Water District (CA) – Water cost-of-service and rate update
- San Bernardino Municipal Water District (CA) – Water, sewer, and recycled water financial planning, cost-of-service, and rate design; drought rates
- City of San Diego (CA) – Wastewater and recycled water financial planning, cost-of-service, and rate design
- Santa Clara County Water District (CA) – Groundwater zone of benefit cost-of-service study
- Santa Clarita Valley Municipal Water Department – Water stand-by charges
- Soldier Canyon Water Treatment Authority (CO) – Financial planning and rate design
- South Fort Collins Sanitation District (CO) – Financial planning, cost-of-service, and rate design
- Strathcona County (AB, Canada) – Water and wastewater financial planning, cost-of-service, and rate design
- City of Thornton (CO) – Water financial planning, cost-of-service, and rate design
- Vallecitos Water District (CA) – Water cost-of-service and rate design

- City of Westminster (CO) – Water and wastewater financial planning, cost-of-service, and rate design study
- City of Wichita (KS) – Water and wastewater financial planning, cost-of-service, and rate design

PUBLICATIONS

- "Financing and Charges for Wastewater Systems," WEF Manual of Practice No. 27 Second Edition, 2018
- "Principles of Water Rates, Fees and Charges," AWWA Manual M1, Sixth and Seventh Edition, 2012 and 2017
- "Water Utility Capital Financing," AWWA Manual M29, Fourth Edition, 2017
- "AWWA Asset Management Definitions Guidebook," Version 1.0, 2018
- "WEF Effective Water Professional," First Edition, 2015
- "WEF User-Fee Funded Stormwater Programs," Second Edition, 2013
- "WEF The Energy Roadmap: A Water & Wastewater Utility Guide to More Sustainable Energy Management," First Edition, 2013
- "Water and Wastewater Finance and Pricing, The Changing Landscape," CRC Press, Fourth Edition, 2015

PRESENTATIONS

- "Developing a Financial Plan to Support Deferred Maintenance Funding," AWWA/WEF Utility Management Conference, 2019
- "Water System Development Charges Tailored to Land Use," AWWA/WEF Utility Management Conference, 2019
- "Utility Financial Risk Assessment - The Calgary Experience," AWWA Annual Conference, 2017
- "Water Profession: Current Issues and Future Challenges," Guest Lecturer at the University of Colorado-Boulder, Civil Engineering Class No. 5574, 2017 and 2018
- "Community Involvement Committees from a Municipal Utility Perspective," Colorado GFOA Conference, 2016
- "Securing Thornton's Water Future," RMSAWWA/RMWEA Annual Joint Conference, 2015
- "Financial Strategies to Prepare for the Next Economic Crises," AWWA Annual Conference, 2014
- "Weathering Economic Crises: Creating a Resilient Financial Plan for Your Utility," AWWA Webinar, 2014
- "Wichita Water Utilities Financial Restructuring," KWEA/KAWWA Annual Joint Conference, 2013
- "Capital Planning - A Business Case Process," AWWA Annual Conference, 2013
- "Declining Revenues and Your Rate Structure," AWWA Annual Conference, 2012

Charles Diamond

STAFF CONSULTANT
Senior Consultant

Specialties
- Utility financial analysis
- Data collection & analysis
- Statistical analysis

Professional History
- Raftelis: Senior Consultant (2021-present); Consultant (2019-2020); Associate Consultant (2017-2018)

Education
- Master of Environmental Science & Management (Water Resources Management) - University of California, Santa Barbara (2017)
- Bachelor of Science in Environmental Economics & Policy - University of California, Berkeley (2013)

PROFILE

Charles has a background in natural resource economics and water resources management. His expertise lies in financial modeling and data analysis. He joined Raftelis initially in 2017 as an associate consultant upon receiving a master's degree from the University of California, Santa Barbara's Bren School of Environmental Science & Management. Charles has developed financial models and conducted analyses for water and wastewater rate studies as well as capacity fee studies.

KEY PROJECT EXPERIENCE

Alameda County Water District (CA)

Alameda County Water District (ACWD) engaged Raftelis in 2017 to provide multi-year rate design and financial advisory services. Charles provided ACWD staff with technical support in updating the existing financial plan model that Raftelis had developed for ACWD's previous financial plan update. Additionally, Charles designed alternative inclining tiered rates for consideration by the ACWD Board and developed drought rates to be activated during ACWD's varying drought stages as defined in the agency's Urban Water Management Plan. Charles developed a study report for ACWD staff that outlined the financial plan update and the newly proposed drought rates. Charles also assisted other Raftelis staff in conducting a facility capacity fee study for ACWD during this time.

Antelope Valley-East Kern Water Agency (CA)

The Antelope Valley-East Kern Water Agency (Agency) engaged Raftelis in 2019 to provide an annual update of the Agency's five-year financial plan and to propose rates for 2020. Charles served as lead analyst on the study update. He updated the existing financial plan model, and also worked with Agency staff to evaluate potential rate structure alternatives to be considered in future years. Charles developed a study report to document the key results of the study.

Antelope Valley State Water Contractors Association (CA)

The Antelope Valley State Water Contractors Association (AVSWCA) engaged Raftelis in 2018 to conduct a financial analysis study to develop a proposed replacement water assessment for groundwater users in the area. Charles conducted financial analyses necessary to develop an equitable and defensible replacement water assessment that accounts for State Water Project costs incurred by AVSWCA's

member agencies. As the lead analyst on the project, Charles developed an Excel-based replacement water assessment model and drafted a study report for AVSWCA staff.

City of Brentwood (CA)

The City of Brentwood (City) engaged Raftelis to conduct a water and wastewater rate study. In 2017, Raftelis helped the City evaluate the current water and wastewater utilities' cost-of-service and adjusted rates accordingly. Recently Charles updated a financial plan model and performed a cost-of-service analysis for the City's wastewater utility. Charles assisted with the update of existing rates as well as the development of a proposed alternative rate structure and rates.

Cucamonga Valley Water District (CA)

The Cucamonga Valley Water District (District) engaged Raftelis in 2019 to conduct a water financial plan and cost-of-service study. The Study included the development of a five-year financial plan, a cost-of-service analysis, and the development of a proposed five-year schedule of rates. Raftelis also developed drought rates to be implemented during periods of declared water supply shortages per the District's Water Supply Shortage Contingency Plan. Charles served as lead analyst, conducting technical analysis and preparing key deliverables for the study. The study was temporarily postponed due to the COVID-19 pandemic, and proposed rates were successfully adopted by the District's Board of Directors in September 2021.

City of Dixon (CA)

The City of Dixon (City) engaged Raftelis in 2018 to conduct a water rate study to develop updated water rates for the City's water utility. Charles developed a 10-year financial plan model, performed a cost-of-service analysis, and developed a five-year schedule of proposed water rates. Charles also assisted in the preparation of presentation materials for water rate workshops with the City Council.

City of El Monte (CA)

The City of El Monte (City) engaged Raftelis in 2019 to conduct a water rate study. Charles attended meetings with City staff, collected and reviewed necessary data for the study, developed a user-friendly five-year financial plan model, and developed a proposed rate schedule over a five-year period. Additionally, Charles developed water shortage rates to be implemented by the City during times of declared water supply shortages. He also developed a Cost Allocation Plan model in concurrence with the water rate study to assist the City in allocating personnel costs associated with providing water service to the City's water utility.

Goleta Water District (CA)

The Goleta Water District (District) engaged Raftelis in 2019 to conduct a water rate study. Charles developed a multi-year financial plan model, performed a cost-of-service analysis, and developed a five-year schedule of proposed water rates as Raftelis' lead analyst on the study. Additionally, Charles prepared presentation materials for meetings with the District's Board of Directors tings and the rate study report and drafted the study report to serve as an administrative record.

City of Huntington Beach (CA)

The City of Huntington Beach (City) engaged Raftelis in 2017 to conduct a cost-of-service analysis and rate study for the water utility. The 2017 study established a five-year financial plan for the City's water utility and proposed water rates. In 2019, Raftelis was engaged to update the 2017 study, develop an updated five-year financial plan, and establish updated water rates. The primary purpose of this study update was to revise the rate structure based on customer feedback. Charles served as lead analyst for the 2019 study update. He updated the financial plan projections, conducted a revised cost-of-service analysis, developed revised water rates over a five-year period, and drafted the study report.

La Cañada Irrigation District (CA)

La Cañada Irrigation District (District) engaged Raftelis to conduct a water rate study. Since the last rate study was performed in 2008, Raftelis helped the District evaluate the cost-of-service and adjusted rates accordingly. In 2017, Charles developed a financial plan model for the District to support the financial plan development for fiscal years 2018 to 2027. Charles also recently performed a cost-of-service analysis to assist with the update of the District's rates.

City of Long Beach (CA)

The City of Long Beach (City) engaged Raftelis in 2018 to develop an updated financial plan model for the City's water and wastewater utilities. Raftelis had previously conducted a comprehensive water and wastewater cost-of-service rate study in 2016 for the City. Charles developed an updated financial plan model to be used by City staff in future financial planning efforts. The financial plan model was designed specifically to facilitate ease of use and understanding while providing for convenient and flexible scenario analysis. Charles worked with City staff to provide customized model features with specific functionalities based on requests and input from City staff.

Olivenhain Municipal Water District (CA)

Olivenhain Municipal Water District (District) engaged Raftelis in 2019 to conduct a comprehensive water rate study. As a member agency of the San Diego County Water Authority (SDCWA), the District provides water service to over 80,000 people in northern San Diego County. Raftelis had conducted the previous cost-of-service analysis and rate study for the District in 2014. As part of the rate study effort, Charles developed a new financial plan model for the District's water enterprise, performed a cost-of-service analysis, and developed updated tiered rates based on current customer usage characteristics. Additionally, Charles assisted in redesigning the District's water supply shortage rates, which are activated during periods of reduced water demand in order to recover reduced revenues from volumetric rates.

Municipal Water District of Orange County (CA)

The Municipal Water District of Orange County (District) engaged Raftelis in 2020 to conduct a study to establish service charges for the District (which is a wholesale water importer) to recover its costs from its member agencies. Raftelis evaluated the District's existing rate structure and recommended changes as necessary. Charles conducted all technical analysis and prepared deliverables to be presented to District staff and its member agencies. Charles documented the results of the study in a final report to District staff.

National Water and Sewerage Authority of Grenada (Eastern Caribbean)

The National Water and Sewerage Authority of Grenada (NAWASA) engaged Raftelis in 2019 to conduct a water and sewer rate study for the eastern Caribbean country of Grenada's national water and sewer utility. Charles developed a water and wastewater financial plan and rate model in Microsoft Excel and travelled out to Grenada for a week of onsite meetings with NAWASA staff. Charles worked directly with NAWASA staff to develop and refine model results, and assisted with the development of a study report to document the key results of the study.

Rancho California Water District (CA)

Rancho California Water District (District) engaged Raftelis in 2017 to conduct a water capacity fees study. Raftelis reviewed and updated the existing methodology for calculating the District's water capacity fees, developed a water capacity fee model for use in calculating updated capacity fees. As part of the study, Charles developed the water capacity fee model, calculated updated water capacity fees, and drafted the study report.

The District engaged Raftelis in 2018 to conduct a two-year water, recycled water, and wastewater rate study. Raftelis developed a cost-of-service rate model to allocate costs and calculate rates for fiscal years 2019 and 2020. Charles assisted with rate model revisions, prepared presentation materials for meetings with the District's Board of Directors, and drafted the rate study report.

Santa Ana Watershed Project Authority (CA)

The Santa Ana Watershed Project Authority (Authority) engaged Raftelis in 2017 to develop a rate model for the Inland Empire Brine Line, which is a pipeline used to divert non-reclaimable wastewater of high brine content from the upper Santa Ana River Basin. Raftelis reviewed and recommended changes to the Authority's reserve policies, developed a 10-year financial plan for the Brine Line Enterprise Fund, performed a multi-year cost-of-service analysis, and developed a rate model for use in calculating rates assessed to the Brine Line's dischargers. Additionally, Raftelis assessed and recommended potential methodologies to be used in the development of long-term capacity leasing rates and rental charges. Charles developed the financial plan, assisted with the cost-of-service analysis and rate calculation, drafted the study report, and attended multiple meetings with the Authority's staff.

Scotts Valley Water District (CA)

The Scotts Valley Water District (District) engaged Raftelis in 2020 to conduct a water cost-of-service study for the District's potable water and recycled water funds. The Study included the development of a five-year financial plan, a cost-of-service analysis, and the development of proposed five-year rate schedules for the potable water fund and recycled water fund. Charles served as lead analyst, conducting all technical analysis and preparing all key deliverables for the study. The proposed rates were successfully adopted by the District's Board of Directors in October 2021.

City of Simi Valley (CA)

The City of Simi Valley (City) engaged Raftelis in 2019 to conduct a water rate study for the City's water utility. The Study included the development of a five-year financial plan, a cost-of-service analysis, and the

development of proposed water rates over a five-year period. Charles served as lead analyst and conducted the vast majority of the technical analyses required for the study.

City of Sonoma (CA)

The City of Sonoma (City) engaged Raftelis in 2018 to conduct a water rate study for the City's water utility. The study included the development of a five-year financial plan, a cost-of-service analysis, and the development of proposed water rates for fiscal years 2019-2023. Charles processed and analyzed account level billed water consumption data, assisted in development of the water rate model, and drafted the water rate study report.

City of Thousand Oaks (CA)

The City of Thousand Oaks (City) engaged Raftelis in 2021 to conduct a water cost-of-service and wastewater financial plan update study for the City's water and wastewater utilities. The Study included the development of a five-year financial plan for water and wastewater, a cost-of-service analysis for water, and the development of proposed water and wastewater rates. Charles served as project manager for the study. The proposed rates were successfully adopted by City Council in December 2021.

City of Watsonville (CA)

Raftelis was engaged to develop 10-year financial plans for the City of Watsonville's (City) water, wastewater, and solid waste enterprise funds. The goal was to develop a financial plan model that could be used as a financial planning tool to determine the necessary rate adjustments and bond issuances for maintaining operations as well as handling several large capital projects. Charles assisted with developing a water, wastewater, and solid waste financial plan and cost of service rate model as part of the study.

PROJECT LIST

- Alameda County Water District (CA) – Water rate update study
- Antelope Valley-East Kern Water Agency (CA) – Water rate update study
- Antelope Valley State Water Contractors Association (CA) – Replacement water assessment study
- Borrego Water District (CA) – Water affordability assessment
- City of Brentwood (CA) – Water and wastewater rate study
- Castaic Lake Water Agency (CA) – Facility capacity fee update study
- Cucamonga Valley Water District (CA) –Multi-year water and drought rate study
- City of Dixon (CA) – Water rate study
- City of El Monte – Water rate study and cost allocation plan
- Goleta Water District (CA) – Water rate study
- City of Huntington Beach (CA) – Water rate study update
- County of Inyo (CA) – Water rate study
- La Cañada Irrigation District (CA) – Water rate study
- Las Virgenes Municipal Water District (CA) – Water and wastewater rate study
- City of Lincoln (CA) – Water rate study
- City of Long Beach (CA) – Water and wastewater financial plan development
- Marin Municipal Water District (CA) – Miscellaneous fee study

- Mojave Water Agency (CA) – Strategic financial plan
- Municipal Water District of Orange County (CA) – Core service charge allocation study
- National Water and Sewerage Authority of Grenada (Eastern Caribbean) – Water and sewer rate study
- Olivenhain Municipal Water District (CA) – Water rate study
- Rancho California Water District (CA) – Water capacity fee study
- Rancho California Water District (CA) – Water cost of service study
- Sacramento Suburban Water District (CA) – Water rate study
- Santa Ana Watershed Project Authority (CA) – Inland Empire Brine Line rate model
- Santa Rosa Plain, Sonoma Valley, & Petaluma Valley Groundwater Sustainability Agencies (CA) – Groundwater sustainability agency fee analysis and rate setting services
- Scotts Valley Water District (CA) – Water and recycled water rate study
- South Mesa Water Company (CA) – Water rate study and connection fee update
- City of Simi Valley (CA) – Water rate study
- City of Sonoma (CA) – Water rate study
- South Mesa Water Company (CA) – Water rate study
- City of Thousand Oaks (CA) – Water financial plan update and wastewater cost of service rate study
- City of Thousand Oaks (CA) – Water cost of service and wastewater financial plan update study
- City of Ventura (CA) – Water and wastewater rate study
- Victor Valley Wastewater Reclamation Authority (CA) – Wastewater rate study and capacity fee study
- City of Watsonville (CA) – Water, wastewater, and solid waste rate study

Jonathan Jordan PGp (CA)

STAFF CONSULTANT
Consultant

Specialties
- Utility rate analysis
- Geospatial Data Analysis
- Data Visualization

Professional History
- Raftelis: Consultant (2022-present); Associate Consultant (2020-2021)
- GEOVision Geophysical Services: Project Geophysicist (2015-2020)
- Signal Hill Petroleum, Inc.: Intern Data Analyst (2013)

Education
- Master of Science in Geological Sciences/Geophysics -California State University at Long Beach (2019)
- Bachelor of Science in Geophysics – University of California at Riverside (2012)

Professional Memberships
- AGU
- AEG
- EEGS (Former)
- AAPG (Former)

PROFILE

Jonathan has focused on financial plan model development and rate design studies for California water, wastewater, recycled water, and wholesale agencies. Jonathan is a California licensed Professional Geophysicist (PGp) with a background in GIS analysis and remote sensing. He has been involved in the survey design, data analysis, and reporting for large capital projects in the engineering, environmental, and geotechnical fields.

KEY PROJECT EXPERIENCE

Camarillo / Camarillo Sanitary District (CA)

Raftelis is performing water, wastewater, and recycled water rate study for the City of Camarillo/Camarillo Sanitary District. Jonathan is lead analyst developing the rates and financial plan. Jonathan assisted the City during the 2020 studies y to update the financial plans for the water and sanitation enterprises.

City of Encinitas (San Dieguito Water District, CA)

Jonathan was the lead analyst for the City of Encinitas (City) to establish water rates based on cost-of-service principles. Jonathan worked with City staff and the Board rate-setting committee to evaluate rates and explain rate-setting basics to the committee.

City of St. Helena (CA)

Jonathan assisted the City of St. Helena in developing a drought penalty allocation model. The project's goal was to evaluate the customer class and customer water allocation during a water shortage emergency declaration. Jonathan worked in tandem with City staff and the data services team to ensure the generated customer bills corrected billed the drought penalties for any water use over-allocation and ensure each customer received a correct allocation during the water use restrictions.

Alameda County Water District (CA)

Jonathan provided financial review and a cost of service rate update consulting experience to Alameda County Water District (District) since 2020. Jonathan served as the lead analyst for the 2020 Water Cost of Service and Rate Update study, including an update of fire rates, development of drought rates, and public outreach to stakeholders. During these projects, Jonathan has participated in the preparation of

deliverables and Board presentation of workshops with the Executive Management and the Board of Directors in evaluating and identifying which financial/rate solutions meet their objectives.

California Domestic Water Company (CA)

Jonathan assisted California Domestic Water Company in conducting a Wholesale Water Financial Study and Rate Update. The project included developing a new financial planning and rate model for the District. Using the model, Raftelis developed the required rate increase scenarios based on the City's capital obligations, projected expenditures, and projected debt issuance.

City of Malibu (CA)

Jonathan assisted the City of Malibu (City) as the Lead Analyst in conducting a rate update for the City's wastewater operation. Jonathan assisted in updating its financial plans, rates, and debt repayment for the wastewater and recycled water enterprises. Furthermore, Jonathan is helping the City wastewater fee charges onto the LA County Assessor property roll.

City of Santa Cruz (CA)

The City of Santa is currently updating its financial model to evaluate different water demand factors and associated drought rates, reserve policies, a comprehensive rate study, drought rates, capacity fees, and other financial/rate matters. The City experienced a significant drought and had to allocate water. Water use was already at a historically low level, and residential water use was one of the lowest in California. With the desire to refund a debt and low commodity revenues sales, the City needed to adopt drought rates within a short period. Jonathan is currently working with the City and Raftelis team staff on completing the 2021 update.

California Rate Survey (CA)

Jonathan is the Lead analyst that conducted the CA-NA AWWA Water rate survey for water enterprises in California. The project involved surveying rates from select water districts, which will be available for qualitative and quantitative analyses. Raftelis and CA-NVAWWA deployed a functional data visualization dashboard, which has been shared with all CA-NV agencies as a database and regional rate metric.

PROJECT LIST

- San Dieguito Water District (CA)
- City of Malibu (CA)
- Alameda County Water District (CA)
- City of Santa Cruz (CA)
- City of Camarillo (CA)
- California Domestic Water Company (CA)
- San Gorgonio Pass Water Agency (CA)
- El Toro Water District (CA)
- Madera County Groundwater Sustainability Agency (CA)
- Zone 7 Water Agency (CA)

Lindsay Roth

STAFF CONSULTANT
Associate Consultant

Specialties
- Data analysis & visualization
- Water & sewer financial analysis
- Statistical analysis

Professional History
- Raftelis: Associate Consultant (2020-present)
- North Carolina Department of Environmental Quality: Student Consultant (2019-2020)
- Conservation Trust for North Carolina: Disaster Mitigation and Climate Resiliency Intern (2019)

Education
- Master of Environmental Management in Water Resources Management - Nicholas School of the Environment, Duke University (2020)
- Bachelor of Science in Earth and Environmental Sciences - Tulane University (2016)

PROFILE

Lindsay has over two years of experience working in the environmental field and has a graduate degree in water resources management. At Raftelis, she has contributed to financial models and analyses for water and wastewater rate studies as well as bill impact analyses. Prior to joining Raftelis, Lindsay was a student consultant for the North Carolina Department of Environmental Quality, assessing the state's algal bloom monitoring program and nutrient criteria. She also interned for the Conservation Trust for North Carolina, developing best practices for the organization to participate in community-based environmental justice. She is based in Raftelis' Los Angeles Office.

KEY PROJECT EXPERIENCE

Carpinteria Valley Groundwater Sustainability Agency (CA)

The Carpinteria Groundwater Sustainability Agency (Agency) engaged Raftelis in 2021 to conduct a GSA Fee Study to proposed groundwater user fees to fund Phase Two of GSA Operations. Lindsay served as the lead analyst on the fee study. She developed a financial plan and worked with the project team as well as Agency staff to evaluate the best methodology for calculating the GSA user fee.

City of Coronado (CA)

The City of Coronado (City) engaged Raftelis in 2021 to review and evaluate the City's current rate-setting methodology, update the financial plan for a five-year period, and propose rates for 2022. The City's sewer rates included contracted transportation and treatment fees for three US Navy Campuses. Lindsay served as the lead analyst on the study update. She developed a financial plan and worked with the project team to evaluate potential rate structure alternatives.

City of Hayward (CA)

The City of Hayward (City) engaged Raftelis in 2021 to conduct a comprehensive water cost of service and rate study proposing rates for the next two years and to provide a financial plan and rate model to serve as a planning resource for future use. The project required a balance of multiple financial objectives, including managing increasing water costs from the San Francisco Public Utilities Commission while also producing rates that were affordable for all customer classes. Lindsay served as an associate consultant on

the project and assisted in the development of an updated 10-year financial plan for the City and a detailed rate study report explaining each step of the rate study process.

City of Hollister (CA)

City of Hollister (City) engaged Raftelis in 2021 to conduct a water and wastewater cost of service and rate study as well as a water and wastewater capacity fee study. Lindsay served as an associate consultant on the project and was the lead analyst for the water cost of service and rate study. The study required Raftelis to develop rates that built up reserves over time without creating rate shock to water users as well as work with the project team and City staff to evaluate various rate structure options. Lindsay also wrote a detailed rate study report explaining every step of the water rate study and water capacity fee study process.

City of Pleasanton (CA)

City of Pleasanton (City) engaged Raftelis in 2019 to update its water, recycled water, and wastewater rates as well as conduct capacity fee and drought rate studies. Lindsay is serving as lead analyst on the City's rate study. The study involves developing long-term financial plans, conducting cost of service analyses, and designing rate structures for each of the three enterprises. The main considerations for the study include funding capital projects to remediate PFAS groundwater contamination, maintaining financial sufficiency for all enterprises, encouraging conservation during periods of drought, and reducing rate shock to customers.

City of Thousand Oaks (CA)

City of Thousand Oaks (City) engaged Raftelis in 2021 to conduct water and wastewater financial plan update as well as a water rate study. Lindsay served as an associate consultant on the project and helped to develop an updated water rate model and an updated wastewater financial plan model forecasting projected revenues and expenditures for the next 5 years. The study required Raftelis to develop rates that accounted large CIP project expenditures planned for the study period for both the water and wastewater utilities while avoiding rate shock for customers. The updated models also included various capital expenditure and rate adjustment scenarios in order to aid in the City's decision-making process.

City of Torrance (CA)

City of Torrance (City) engaged Raftelis in 2021 to conduct wastewater rate study update. Lindsay served as the lead analyst on the project and helped to build a wastewater rate model projecting revenues and expenditures for the next 5 years. The City had recently taken on more CIP projects under the wastewater fund due to a new policy that required stormwater projects to fall under wastewater's jurisdiction. The study required Raftelis to develop cost of service rates that generated enough revenue to fund these projects without having to issue any debt while maintaining fairness and affordability goals for all customer classes.

City of Ventura (CA)

The City of Ventura (City) engaged Raftelis in 2020 to conduct a comprehensive water and wastewater cost of service and rate study. Lindsay served as an associate consultant on the project and helped analyze the impacts of the proposed rates on monthly water and wastewater bills for each customer class.

San Benito County Water District (CA)

San Benito County Water District (SBCWD) engaged Raftelis in 2021 to develop a longer-term financial plan to capture planned major capital improvements that will come from the pending water master plan, as well as updating the cost allocating methodology. The SBCWD has a unique water system driven by allocations of purchased water, groundwater sources, and maintaining adequate water reserves in storage. Lindsay is building the financial planning and cost of service model.

RELEVANT PROFESSIONAL EXPERIENCE

North Carolina Department of Environmental Quality: Student Consultant (2019-2020)

The Division of Water Resources at the North Carolina Department of Environmental Quality works to understand and manage the proliferation of algal blooms in lakes and reservoirs across the state. Lindsay worked with a team of Nicholas School students to analyze ambient water quality monitoring data and provide recommendations on how the agency could improve their harmful algal bloom nutrient criteria and management strategies. Her work included the development of multiple linear regression statistical models to understand the morphological drivers of lakes and reservoirs for algal blooms across the Piedmont region of North Carolina.

PROJECT LIST

- Borrego Water District (CA) – Water & Wastewater Capacity Fees
- Carpinteria Valley Groundwater Sustainability Agency (CA) – GSA Fee Study
- Carpinteria Valley Water District (CA)– Water rate study
- Coastside County Water District (CA) – Drought rate study
- Contra Costa Water District (CA) – Drought rate study
- City of Coronado (CA) – Wastewater rate study
- City of Hayward (CA) – Water rate study
- City of Hollister (CA) – Water rate studyMontecito Water District (CA) – Financial plan update
- City of Pleasanton (CA) – Water, Wastewater, Capacity Fee, and Drought Rate Study
- Rincon Del Diablo (CA) – Reserve policy survey study
- San Benito County Water District (CA) – Water rate study
- City of Torrance (CA) – Wastewater rate study
- Thousand Oaks (CA) – Water and wastewater rate study
- City of Ventura (CA) – Water and wastewater bill impact study
- Yorba Linda Water District (CA) – Capacity fee study

Nick Kennedy

STAFF CONSULTANT
Associate Consultant

Specialties
- Environmental Economics
- Community Development
- Business Sustainability

Professional History
- Raftelis: Associate Consultant (2021-Present)
- City of Columbus: Department of Development Intern (2020-2020)
- Brightview Enterprise Solutions: Data Analytics Intern (2020-2020)

Education
- Bachelor of Science in Environment, Economy, Development, and Sustainability – Ohio State University (2020)

PROFILE

Nick is an Associate Consultant based in the Los Angeles office with a professional background in sustainable community development and data analysis. He holds a BS in Environmental Economics with a focus in Business Sustainability from Ohio State University. Nick joined Raftelis after graduating in December 2020.

KEY PROJECT EXPERIENCE

City of Hollister (CA)

The City of Hollister (City) engaged Raftelis in 2021 to conduct a comprehensive water and wastewater cost-of-service and rate study as well as a capacity fee study for the water and wastewater utilities. Nick served as an associate consultant on the project and was the lead analyst for the wastewater cost-of-service, rate study, and capacity fee study. The rate study required Raftelis to develop wastewater rates that would keep reserves in a healthy position while still providing fair and equitable rates to wastewater customers.

Padre Dam Municipal Water District (CA)

Padre Dam Municipal Water District (PDMWD) engaged Raftelis in 2021 to complete a comprehensive cost of service and rate study for their potable, recycled, and sewer enterprises as well as establishing an updated fully burdened hourly rate and creating a miscellaneous fee calculator for District use. Nick served as an associate analyst on the project and assisted in the development of rates for all three enterprises. Nick served as the lead analyst in creating an updated fully burdened hourly rate and creating the miscellaneous fee calculator.

PROJECT LIST

- City of Hollister (CA) – Wastewater rate study
- Padre Dam Municipal Water District (CA) – Water, recycled, and wastewater rate study
- Mesa Water District (CA) – Cost comparison study

RELEVANT PROFESSIONAL EXPERIENCE

City of Columbus Department of Development Intern (OH)

Nick served as a Department of Development intern with the City of Columbus (City). He collaborated within the City's government as well as other cities across the country. Nick led process reviewing recent

updates to zoning codes in similar cities in the United States and making recommendations for the City moving forward, specifically pertaining to sustainable and equitable development. Research was also done to compare the City's waste reduction goals compared to other cities. Recommendations were made and implemented into the Office of Sustainability's 2030 Waste Reduction Plan.

Brightview Enterprise Solutions: Data Analytics Intern (OH)

Nick served as a data analytics intern with Brightview Enterprise Solutions in New Albany, OH. He worked across all business fronts in the company, including the Finance, Client Analytics, and Data Analytics teams. Nick created an annual breakdown within the Client Analytics team for one of the company's largest clients and made recommendations on where money is best spent in future years based off the historical data. He assisted the Finance department in billing clients and paying vendors, as well as ensuring data quality. Nick used GIS applications to map out properties. He also created a dashboard for executive leadership to universally track KPI's across different clients within the Data Analytics department.

Cleo Koenig

STAFF CONSULTANT
Associate Consultant

Specialties
- Data analysis and Visualization
- Environmental Policy
- Statistical Analysis

Professional History
- Raftelis: Associate Consultant (2021-Present)
- Stetson University Hatter Network: Event Coordinator (2017-2019)
- ReMax Absolute Service Team: Head of Social Media (2015-2019)
- Palm Bay Water Utilities: Water Treatment Program Intern (2015)

Education
- Bachelor of Science in Environmental Sciences with a minor in Biology – Stetson University (2019)
- Master of Science in Environmental Sciences and Policies – Johns Hopkins University (2021)

PROFILE

Cleo has been studying the environment and its connections to humans for six years, first at Stetson University where she earned a degree in Environmental Sciences with a minor in Biology and then at Johns Hopkins where she earned a degree in Environmental Sciences and Policies. While at Stetson, she took courses in Urban Planning, Sustainable Business Models, GIS, and Biostatistics. She also worked as an Event Coordinator for the student media organization Hatter Network while there, where she organized and held multiple release parties, tabling, and award events under tight budgets and time constraints.

While at Johns Hopkins, she continued her education in statistics and GIS and supplemented it with Understanding Public Attitudes for the Communication of Climate and Energy Policy and U.S. Offshore Energy: Policy, Science, and Technology. During high school, she was enrolled in a Drinking Water Operator Licensing program where she studied for her licensing examination and interned at a drinking water treatment plant. She is currently based out of the LA office.

KEY PROJECT EXPERIENCE

City of Camarillo (CA)

The City of Camarillo (City) engaged Raftelis in 2021 to conduct a water and wastewater financial plan update and a water rate study. Cleo served as an associate consultant on the project and helped by updating the water and wastewater rate study from previous years, as well as updating the visualization of the data to reflect the new information.

City of Orange (CA)

The City of Orange (City) engaged Raftelis in 2021 to conduct a water and wastewater financial plan update and a water and wastewater cost of service study. Cleo served as a lead analyst on the water portion of the project where she developed a new financial plan and conducted a cost of service study for water rate development. This study also required accounting for possible passthrough charges from water purchases and a temporary increase in water pumping charges due to water quality concerns. This study also focused on covering expenses, including any CIP, without any debt issuance.

City of Long Beach (CA)

The City of Long Beach (City) engaged Raftelis in 2021 to conduct a water and wastewater cost of service and rate update. Cleo served as the lead analyst on the project where she developed an in-depth and updated cost of service for water, wastewater, and recycled accounts to produce rates. Long Beach was primarily concerned with affordability and fairness with their rates and had a defined low-income tier for residents that did not have to pay potable tier 1 rates. The study reviewed current rate structures and developed rates with both affordability and Prop-218 in mind.

RELEVANT PROFESSIONAL EXPERIENCE

Senior Research at Stetson University: Climate Change and Public Opinion Study (FL)

Stetson University requires all seniors to complete an in-depth research or experimental study in order to graduate. During this study, Cleo designed and organized the distribution of a survey designed to gauge public opinion on climate change and climate change mitigation techniques and policies in the Indialantic, Florida area. After responses were gathered, Cleo analyzed the data in Excel and did statistical analysis to see if there was a significant difference in responses between experimental groups. She wrote a 15-page paper on the results and presented her results and conclusions before a board of her professors and peers in order to gain her degree.

Stetson University's Hatter Network: Event Coordinator (2017-2019)

Hatter Network is a student media organization on Stetson University's campus that develops a monthly news magazine, a yearly literary and arts magazine, and a variety of radio shows. Cleo worked as the Event Coordinator, who oversaw weekly events to grow interest and advertise for Hatter Network products alongside special tabling and holiday events to advertise for Hatter Network all under tight budgets and often happening on similar and overlapping timescales.

ReMax Absolute Service Team: Head of Social Media (2015-2019)

Cleo worked as a Social Media Manager for ReMax Absolute Service Team, a real estate company based out of Viera, Florida. While there, she designed and coordinated social media postings to increase customer engagement and community outreach. She also designed logos, business cards, and email signatures for employees to create a unified and cohesive team brand.

Palm Bay Water Utilities: Water Treatment Intern (2015)

Palm Bay Water Utilities and Heritage High School partnered to form a path for students to earn Class C Drinking Water Treatment Licensing. Interns were expected to learn all aspects of water treatment and pass the Class C Drinking Water Treatment Licensing examination and assist Class B and Class A personnel on monitoring and maintaining drinking water treatment and distribution sites in the local Palm Bay, Florida area.

Sarah Wingfield

STAFF CONSULTANT
Associate Consultant

PROFILE

Sarah is a recent graduate from Georgetown University with a range of academic and professional experience in water resources management. Through her work with the California Data Collaborative and the Latitude Zero Ecuador Research Initiative, Sarah has developed a broad knowledge of analytical methods, as well as management approaches and legislation relevant to rate implementation and utilities management. Sarah's work on *Challenges to Water Management in Ecuador: Legal Authorization, Quality Parameters, and Socio-Political Responses* was recently published in the open-access journal, *Water*.

Specialties

Professional History

- Raftelis: Associate Consultant (2021-present)
- California Data Collaborative: Communications and Marketing Intern (2020-2021)
- Latitude Zero Ecuador Research Initiative: Research Assistant (2019-2021)

Education

- Bachelor of Science in International Affairs - Georgetown University (2021)

KEY PROJECT EXPERIENCE

Padre Dam Municipal Water District (CA)

Padre Dam Municipal Water District is currently updating its financial model and cost allocation system to evaluate different CIP scenarios, reserve policies, a comprehensive rate study, debt issues, and other financial/rate matters. The District has recently established two significant capital improvement projects and is in the process of developing advanced purification programs for its recycled water utility. Sarah is currently working with the District and Raftelis team staff to design the 2022 update to the financial and cost allocation models for the District's sewer, potable, and recycled utilities.

City of Orange (CA)

The City of Orange is currently updating its 2015 financial model (also conducted by Raftelis) to evaluate different water demand factors, reserve policies, and other financial/rate matters. With Raftelis' help, the City recently implemented a new rate structure and is now working to understand the long-term impacts to the City's financial health and customer affordability. Sarah is currently working with the City and Raftelis team staff on completing the 2021 update.

California Data Collaborative Communications and Marketing Intern (CA)

Sarah served as the Communications and Marketing intern with the California Data Collaborative (CaDC). Sarah worked directly with water utilities agencies and academics to analyze and describe the impacts of new legislation on water allocation and conservation in California. These provided valuable resources for water agencies to adapt their data collection and analytical methods and improve operations in their service areas.

Latitude Zero Ecuador Research Initiative Research Assistant (Ecuador)

Sarah served as a Research Assistant in the Latitude Zero Ecuador Research Initiative (LOERI)

Environmental Engineering Lab at the Universidad de San Francisco in Quito, Ecuador. Sarah collaborated with several USFQ-affiliated researchers to develop a comprehensive study of the Ecuadorian water and wastewater system. Sarah's work was recently published in the open-access journal, *Water*, and provides a unique perspective to her work in the water sector.

PUBLICATIONS

- "Challenges to Water Management in Ecuador: Legal Authorization, Quality Parameters, and Socio-Political Responses," 2021

Cost Proposal

The following table provides a breakdown of our proposed fee for this project. This table includes the estimated level of effort required for completing each task and the hourly billing rates for our project team members. Expenses include costs associated with travel and a $10 per hour technology charge covering computers, networks, telephones, postage, etc.

Tasks	Web Meetings	In-person Meetings	Hours					Total Fees & Expenses
			SP	JW	SC	Admin	Total	
Task 1: Project Management, Kick-Off, Data Collection		1	2	8	4	1	15	**$3,963**
Task 2: Financial Planning (Financial Model Development)	1		2	6	18		26	**$6,050**
Task 3: Cost-of-Service Analysis	1		3	10	20		33	**$7,935**
Task 4: Rate Development	1		2	12	18		32	**$7,820**
Task 5: City Council Meetings		2		14	2		16	**$4,725**
Task 6: Final Report			2	18	24		44	**$10,820**
Total Meetings / Hours	3	3	**11**	**68**	**86**	**1**	**166**	
Hourly Billing Rate			**$285**	**$285**	**$195**	**$90**		
Total Professional Fees			**$3,135**	**$19,380**	**$16,770**	**$90**	**$39,375**	

SG - Steve Gagnon (Project Director)
JW - John Wright (Project Manager)
SC - Staff Consultants
Admin - Administration

Total Fees	**$39,375**
Total Expenses	**$1,938**
Total Fees & Expenses	**$41,313**

Hourly Billing Rates

Project team hours and expenses will be billed on the same invoice. Expenses related to travel will be billed at cost. Additional services outside the agreed upon scope of work will be billed on a time and materials basis. Raftelis' billing rates can be found below. These rates will be in effect for calendar year 2022 and will then increase annually by 3% unless specified otherwise by contract.

POSITION	HOURLY BILLING RATE**
Chair/Chair Emeritus	$475
Chief Executive Officer/President	$400
Executive Vice President	$350
Vice President	$325
Senior Manager	$285
Principal Consultant	$270
Manager	$250
Senior Consultant	$225
Consultant	$195
Creative Director	$195
Associate	$165
Graphic Designer	$140
Analyst	$120
Administration	$90
Technology Charge*	$10

**Technology/Communications Charge: This is an hourly fee charged monthly for each hour worked on the project to recover telephone, facsimile, computer, postage/overnight delivery, conference calls, electronic/computer webinars, photocopies, etc.*

***For services related to the preparation for and participation in deposition and trials/hearings, the standard billing rates listed above will be increased by an amount up to 50 percent.*

EXHIBIT "B"

CERTIFICATES OF INSURANCE AND ENDORSEMENTS A

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