

PROFESSIONAL SERVICES AGREEMENT BETWEEN
TOWN OF ALPINE
AND
RAFTELIS FINANCIAL CONSULTANTS, INC.

This Consulting Agreement (“Agreement”) is entered into this _____ day of _____, 2025 (hereinafter referred to as the effective date of the agreement) by and between, Town of Alpine (the “Client”) and Raftelis Financial Consultants, Inc., 227 W. Trade Street, Suite 1400, Charlotte, NC 28202 (“Raftelis”).

Witnesseth

WHEREAS, Raftelis is engaged and experienced in public finance, management, and pricing, and service delivery, and WHEREAS, The Client desires to hire Raftelis and Raftelis agrees to provide services to the Client, NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree to the terms and conditions set forth herein.

Article 1 – Statement of Work

Raftelis shall provide professional consulting services to prepare Development Impact Fee/Capacity Fees Study for Water and Wastewater for Client. Raftelis will perform the services as set forth in its proposal sent to Client dated January 13, 2025 and included herein as Attachment A, the “Scope.”

Article 2 – Time for Completion

This Agreement will commence upon approval by the Client and remain in effect for a period of one year. Further renewals of this Agreement are at the option of and shall be mutually agreed to by the Parties.

Article 3 – Compensation

Client shall pay to Raftelis the sum not to exceed \$32,805, which includes professional fees and direct expenses incurred in performing the Scope of services, as well as an hourly technology expense reimbursement, outlined in Attachment B. The parties understand that this sum is based upon the Scope of work contained herein at Raftelis’ current standard hourly rate schedule included in Attachment B. Any expansion of the Scope of work by the Client shall involve discussion of and agreement about additional fees and time by both parties.

Raftelis shall submit invoices to the Client on a monthly basis for services rendered to the date thereof. Such invoices shall be supported by appropriate documentation; at a minimum, the task performed, the individuals working on such task, the level of each such individual, and expenses incurred. Each invoice

will contain all hours and expenses from Raftelis for the month. Upon receipt of monthly invoice, the Client will remit payment of same amount to Raftelis within 30 days.

Article 4 – Additional Services

At the Client's request, Raftelis may submit proposals for additional professional services. Each proposal submitted shall detail: (1) Scope of work for the additional services; (2) period of services to be performed; and (3) method and amount of compensation. The Client shall provide written acceptance and authorization to Raftelis prior to the commencement of work on any proposed additional services. Each proposal for additional services accepted and approved by the Client shall become part of this Agreement and shall be governed by the terms and conditions contained herein.

Article 5 – Place of Performance

Raftelis shall be responsible for maintaining its own office facilities and will not be provided with either office facilities or support by the Client.

Article 6 – Indemnification

Raftelis hereby agrees to indemnify and defend the Client, its officers, directors, managers, and employees ("Indemnified Party" or "Indemnified Parties") and to hold the Indemnified Parties harmless against third party claims, costs, and expenses, including reasonable attorney's fees, action, or demands against the Indemnified Parties and against damages for injury to or death of any person and for loss of or damage to all property caused by the negligent acts, errors, or omissions of Raftelis in performing this Agreement, except to the extent the claims, demands, liabilities, cost, and expenses are caused by the negligent acts, errors, or omission of an Indemnified Party.

Article 7 – Insurance

Raftelis shall maintain the types and levels of insurance during the life of this Agreement as specified below. The Client will be named as additional insured on Raftelis' Certificates of Insurance and Raftelis will provide the Client with these Certificates of Insurance.

Commercial General Liability Insurance – \$1,000,000 for each occurrence and \$2,000,000 in the aggregate

Comprehensive Automobile Liability Insurance – \$1,000,000 combined single limit each occurrence – hired and non-owned only

Workers Compensation Insurance – Statutory limits

Professional Liability Insurance – \$5,000,000 occurrence and \$5,000,000 in excess

Excess or Umbrella Liability – \$5,000,000 occurrence and \$5,000,000 in the aggregate

Cyber Security – \$5,000,000

Article 8 – Confidential Information

Raftelis acknowledges and agrees that in the course of the performance of the services pursuant to this Agreement, Raftelis may be given access to, or come into possession of, confidential information from the Client, of which information may contain privileged material or other confidential information. Raftelis acknowledges and agrees, except as required by judicial or administrative order, trial, or other governmental proceeding, that it will not use, duplicate, or divulge to others any such information marked as “confidential” disclosed to Raftelis by the Client (“Confidential Information”) without first obtaining written permission from the Client. All tangible embodiments of such information shall be delivered to the Client or the destination of such information by Raftelis requested by the Client. The Client acknowledges Raftelis has the right to maintain its own set of work papers, which may contain Confidential Information.

Article 9 – Independent Contractor Status

It is understood and agreed that Raftelis will provide the services under this Agreement on a professional basis as an independent contractor and that during the performance of the services under this Agreement, Raftelis’ employees will not be considered employees of the Client within the meaning or the applications of any federal, state, or local laws or regulations including, but not limited to, laws or regulations covering unemployment insurance, old age benefits, worker’s compensation, industrial accident, labor, or taxes of any kind. Raftelis’ employees shall not be entitled to benefits that may be afforded from time to time to Client employees, including without limitation, vacation, holidays, sick leave, worker’s compensation, and unemployment insurance. Further, the Client shall not be responsible for withholding or paying any taxes or social security on behalf of Raftelis’ employees. Raftelis shall be fully responsible for any such withholding or paying of taxes or social security.

Article 10 – Reliance on Data

In performance of the services, it is understood that the Client and/or others may supply Raftelis with certain information and/or data, and that Raftelis will rely on such information. It is agreed that the accuracy of such information is not within Raftelis’ control and Raftelis shall not be liable for its accuracy, nor for its verification, except to the extent that such verification is expressly a part of Raftelis’ Scope of services.

Article 11 – Standard of Performance

Raftelis will perform the services under this Agreement in accordance with the standard of professionals in its industry prevailing at the time and place the services are performed. Raftelis’ opinions, estimates, projections, and forecasts of current and future costs, revenues, other levels of any sort, and events and estimates of cost-justified system development fees shall be made on the basis of available information and

Raftelis' expertise and qualifications as a professional. Raftelis will perform the Scope of services in conformance with the professional standards in its field of expertise prevailing at the time and place the Scope of services are performed. Raftelis does not warrant or guarantee that its opinions, estimates, projections or forecasts of current and future levels and events will not vary from the Client's estimates or forecasts or from actual outcomes. Raftelis identifies costs, allocates costs to customer classes and provides rate models. It does not establish rates, which is the legislative responsibility of the Client.

Article 12 – No Consequential Damages

To the fullest extent permitted by law, neither party shall be liable to the other for any special, indirect, consequential, punitive or exemplary damages resulting from the performance or non-performance of this Agreement notwithstanding the fault, tort (including negligence), strict liability or other basis of legal liability of the party so released or whose liability is so limited and shall extend to the officers, directors, employees, licensors, agents, subcontractors, vendors and related entities of such party.

Article 13 – Termination of Work

This Agreement may be terminated as follows:

1. **By Client.** (a) for its convenience on 30 days' notice to Raftelis; or (b) for cause, if Raftelis materially breaches this Agreement through no fault of Client and Raftelis neither cures such material breach nor makes reasonable progress toward cure within 15 days after Client has given written notice of the alleged breach to Raftelis.
2. **By Raftelis.** (a) for cause, if Client materially breaches this Agreement through no fault of Raftelis and Client neither cures such material breach nor makes reasonable progress toward cure within 15 days after Raftelis has given written notice of the alleged breach to Client; or (b) upon five days' notice if Work under this Agreement has been suspended by either Client or Raftelis in the aggregate for more than 30 days.
3. **Payment upon Termination.** In the event of termination, Raftelis shall be compensated for all work properly performed prior to the effective date of termination.

(Remainder of page intentionally left blank)

Article 14 – Notices

All notices required or permitted under this Agreement shall be in writing and shall be deemed deliverable when delivered in person or deposited in the United States mail, postage prepaid, addressed as follows:

If for the Client:

If for Raftelis:

Name

Raftelis Financial Consultants, Inc.

227 W. Trade Street

Suite 1400

Title

Charlotte, NC 28202

Address

Article 15 – Ownership of Work Product

All documents, data, compilations reports and studies prepared by Raftelis in performing the Scope of services shall be the property of the Client; provided that any use other than as contemplated in this Agreement or any alteration or modification of the Work Product shall be at the sole risk of Client, and Client shall indemnify, defend and hold Raftelis harmless from any claim, demand, liability, cost or expenses incurred by Raftelis from such use or modification. Nothing contained herein shall be deemed an assignment, transfer, or divestiture of its use by Raftelis of any of its trade secrets, know-how, or intellectual property.

Article 16 – Compliance with Applicable Laws

Raftelis is an equal opportunity employer and complies with all federal, state, and local fair employment practices laws. Raftelis strictly prohibits and does not tolerate discrimination against employees, applicants, or any other covered persons because of race, color, religion, national origin or ancestry, gender identity, sexual orientation, marital status, sex, pregnancy, age, disability, past, current, or prospective service in the uniformed services, or any other characteristic protected under applicable federal, state, or local law. All Raftelis employees, other workers, and representatives are prohibited from engaging in unlawful discrimination. This policy applies to all terms and conditions of employment, including, but not limited to, hiring, training, promotion, corrective action, compensation, benefits, and termination of employment.

Any act of discrimination committed by Raftelis in the course of its performance under this Agreement, or failure to comply with these statutory obligations when applicable, shall be grounds for termination of this Agreement.

Article 17 – General Provisions

- A. **Entire Agreement:** This Agreement represents the entire and sole agreement between the Parties with respect to the subject matter hereof.
- B. **Waiver:** The failure of either Party to require performance by the other of any provision hereof shall in no way affect the right to require performance at any time thereafter, nor shall the waiver of a breach of any provision hereof be taken to be a waiver of any succeeding breach of such provision or as a waiver of the provision itself. All remedies afforded in this Agreement shall be taken and construed as cumulative; that is, in addition to every other remedy available at law or in equity.
- C. **Relationship:** Nothing herein contained shall be construed to imply a joint venture, partnership, or principal-agent relationship between Raftelis and the Client; and neither Party shall have the right, power, or authority to obligate or bind the other in any manner whatsoever, except as otherwise agreed to in writing.
- D. **Assignment and Delegation:** Neither Party shall assign this Agreement or any rights, duties, or obligations hereunder without the express written consent of the other. Subject to the foregoing, this Agreement shall inure to the benefit of and be binding upon the successors, legal representatives, and assignees of the Parties hereto.
- E. **Severability:** If any provision of this Agreement is declared invalid or unenforceable, such provision shall be deemed modified to the extent necessary to render it valid and enforceable. In any event, the unenforceability or invalidity of any provision shall not affect any other provision of this Agreement, and this Agreement shall continue in force and effect, and be construed and enforced, as if such provision had not been included, or had been modified as above provided, as the case may be.
- F. **Governing Law:** This Agreement shall be governed by, and construed in accordance with, the laws of State of Wyoming, 3rd District Court, Kemmerer, Wyoming.
- G. **Paragraph Headings:** The paragraph headings set forth in this Agreement are for the convenience of the Parties, and in no way define, limit, or describe the Scope or intent of this Agreement and are to be given no legal effect.
- H. **Third Party Rights:** Nothing in this Agreement shall be construed to create or confer any rights or interest to any third party or third-party beneficiary. It is the intent of the parties that no other outside, non-party claimant shall have any legal right to enforce the terms of this Agreement.

Article 18 – Disclosures

As a registered Municipal Advisor under the Dodd-Frank Act, Raftelis is required to inform our clients of any existing or potential conflicts of interest that may be relevant to any proposed scope of services that may include providing “advice” as that term is defined in the Dodd-Frank Act. As of the date of this engagement letter, no conflicts of interest are known to exist.

Under the Dodd-Frank Act the definition of “advice” includes providing any opinion, information or assumptions related to the size, timing and terms of possible future debt issues or borrowing. This type of information may be integrated into the capital and financial planning components of a Development Impact Fee/Capacity Fees Study for Water and Wastewater. This definition is applicable regardless of whether this information is developed and used solely for planning and decision-making purposes. For the services addressed in the scope of work identified for this engagement, any information that is developed by Raftelis that falls under this definition of municipal advice is not intended to represent a recommendation that the should issue debt based on the terms and assumptions used to develop the financial plan or forecast, or that the Town of Alpine will, in fact, be able to issue debt under the exact terms and conditions assumed and used to develop the financial plan or forecast. The information developed as part of this Development Impact Fee/Capacity Fees Study for Water and Wastewater, including any related municipal advice, is intended only to provide information useful in evaluating the potential impact on the utility and future rate adjustments of one potential course of action for the Town of Alpine. If the Town of Alpine decides at some future date to issue debt, then at that time the Town of Alpine will need to engage an independent, registered Financial Advisor to assist in evaluating the availability of different types of debt, and the specific terms and conditions for issuing debt, which will be affected by market conditions and the Town of Alpine’s credit rating at the time of issuance. At that time, as a registered Municipal Advisor, Raftelis can also provide additional assistance related to a specific bond or debt issue, such as preparing a bond feasibility report or financial forecast for inclusion in bond documents.

Any services provided under this agreement that fall under the definition of municipal advice are only covered through the term of this agreement. Raftelis may withdraw from providing municipal advisory services upon written notification to the Town of Alpine.

The Municipal Securities Rulemaking Board (“MSRB”) provides significant protections for municipal entities and obligated persons that are clients of a municipal advisor. To understand the protections provided and how to file a complaint with an appropriate regulatory authority, visit the MSRB’s web site at www.msrb.org.

Raftelis does not have any legal events or disciplinary history on Raftelis’ Form MA and Form MA-I, which includes information about any criminal actions, regulatory actions, investigations, terminations, judgements, liens, civil judicial actions, customer complaints, arbitrations, and civil litigation. Raftelis’ most recent form MA and each most recent Form MA-I filed with the SEC may be assessed electronically at the following website: www.sec.gov/edgar/searchedgar/companysearch.html

There have been no material changes to a legal or disciplinary event disclosure on any Form MA or Form MA-I filed with the SEC. If any material legal or regulatory actions is brought against Raftelis, Raftelis will provide complete disclosure to the Town of Alpine in detail.

By signing this Engagement Letter indicating its approval and acceptance of the of the proposed scope of work and fees, the Town of Alpine is also explicitly acknowledging that Raftelis has provided the necessary disclosures addressing conflicts of interest and any limitations on the scope of Municipal Advisory services to be provided by Raftelis' part of this engagement.

IN WITNESS WHEREOF, the Parties have executed this Agreement by their duly authorized representatives.

By: _____
Signature

Title

Date

Raftelis Financial Consultants, Inc.

By: _____
Signature

Title

Date

Title

ATTACHMENT A

STATEMENT OF WORK/ENGAGEMENT LETTER

The purpose of this study is to update the Town's water and wastewater impact fees (referred to as connection fees in the Town ordinances) to reflect the cost to serve new development with the capacity they require. The fees developed in this study will be based on industry-standard methodologies and Raftelis' experience working with other communities like Alpine. Our study consists of four tasks:

1. **Project initiation.** Establish the goals and expectations for the study
2. **Impact fee analysis.** Develop fees to meet the needs of the Town
3. **Financial plan cash flow analysis.** Cash flow analysis to demonstrate the ability of the fees to fund capital projects and the impact on potential user rate increases
4. **Presentations and reports.** Council presentations and study report

Given its historically low growth rates, Wyoming has little case law and no direct statutory authority regarding impact fees. However, Wyoming planning statutes¹ grant authority to municipalities to govern land use matters. The statutes further specify that municipalities are given the express authority to construct, maintain, and provide for sewer and water facilities; and create a fund for which financial activities can be managed. A legal point of reference for Wyoming impact fees includes the 1983 case *Coulter v. City of Rawlins* where the court held that a municipality can assess fees to connect to the water and sewer systems under Wyoming planning statutes. Raftelis will follow the elements of this court case, the provisions in the State planning statutes, and guidelines in developing legally defensible fees for the Town.

Task 1: Project Initiation/Management and Data Management

This task highlights the project management tasks, data review process, and the contents of the project initiation or project kick-off meeting.

Project Initiation: Finalize study scope, milestones, set up regular project conference calls, and determine primary points of contact. Finalize project goals and objectives to establish guiding principles for the study against which we will measure results. Our project schedule can be found in the Schedule section of this proposal. With every major milestone meeting or regular project meeting, we will produce and circulate an email summarizing the key points of the discussion.

Data Request: Prior to the meeting we will submit a data request list for the information needed for this study.

Project Initiation Meeting: We will facilitate a meeting with Town staff to review the key aspects of the study, current challenges, as well as discuss the current political environment and how that may influence our approach in this study. We will also review the data we received to date, get clarification on certain items where needed, and present our initial model populated with the validated data.

¹ Wyo. Stat. Ann. 15-1-601(d)(i)

MEETINGS:

- Virtual project kick-off meeting
- Regularly scheduled project check-in meetings (30 minutes)

DELIVERABLES:

- Data request list
- Tech memo summarizing the key points of the meeting

Task 2: Impact Fee Analysis

This task will ensure that new development funds their share of system needs thereby maintaining equity between existing and new customers. We will develop separate water and wastewater connection fees using the following approach

- Evaluate the water and wastewater system's existing available capacity to serve growth and the capacity anticipated to be added with the 10-year capital improvement program to determine best methodology for calculating PIFs. The basic methodologies include
 - **Buy-in:** Historical perspective. Existing available capacity with nominal future growth
 - **Incremental:** Forward-looking. Little to no capacity available with large expansions projects in the new future
 - **Hybrid:** Combination of buy-in and incremental. Some existing capacity available with future expansion projects anticipated in the near future.
- Calculate the current value of available capacity and planned growth-related costs. We will evaluate the valuation of existing assets:
 - Value of existing system facilities at current replacement costs using Engineering News Record Construction Cost Index (ENR-CCI) or other similar construction-related index
 - The unit replacement cost of the water system's backbone facilities (treatment plant. Large transmission mains, pump stations, treated storage, etc.).
- For the incremental method, identify growth-related projects with assistance from Town staff.
- Estimate the remaining capacity in existing facilities and capacity to be added with future facilities (e.g. growth-related CIP)
- Apply adjustments such as developer contributions and outstanding loans currently paid through rates
- Determine the remaining existing capacity and future capacity to be added for the water system. Estimate buildout land use categories and parcel square footage.
- Establish peak water demand and peak wastewater flow for a 1.0 SFE or $\frac{3}{4}$ " water meter calculate fee by multiplying the unit cost of capacity by the SFE demand requirement

Guidelines for Wyoming Legally Defensible Impact Fees

- Impact fees may be enacted for a broad range of public facilities (i.e. water and sewer systems)
- Regardless of the name of the fee, ensure it is not a tax
- A formula-based impact fee should be based on the implied authority from statute for "harmonious development...which will best promote the general welfare as well as efficiency and economy*"

***Wyo. Stat. Ann. 15-1-1504**

DELIVERABLES:

- TM summarizing results of water and wastewater connection fee analysis
- Peer survey of connection fees

Optional Task 3: Financial Plan Cash Flow Analysis

The financial plan task will forecast the revenue from proposed fees along with the Town's operating revenues and expenditures to determine the ability of the fees to fund proposed capital projects and the need for user rate revenue increases to fund O&M, debt, and other capital expenditures. We will develop separate cash flows for the water and wastewater utilities. *This task is beneficial as it will provide the Town with a future roadmap for planning rate adjustments and establishing adequate reserves to finance essential long-term projects.*

- Forecast revenue under existing rates, the calculated connection fees from Task 2 and other miscellaneous revenues. Connection fee revenues will be projected based on the growth estimates of infill and new development.
- Forecast operations and maintenance (O&M), repair and replacement (R&R) capital, expansion capital (based on master plan results or other engineering reports), and existing and proposed debt service. Incorporate new positions, changes in operating efficiencies, etc.
- Identify the projects eligible for bond or state loans based on timing, duration, and the amount of the project. Raftelis can present financial plan alternatives considering specific projects financed through state loans or grants that have been secured by the Town.
- Develop 'optimal' revenue requirement financial plan balancing a mix of cash funding and debt financing capital projects (if applicable) while meeting reserve targets, debt service coverage requirements, while maintaining conservative debt capacity levels and minimizing revenue increases. Calculate annual rate revenue adjustments needed through the study period.

DELIVERABLES:

- Financial plan alternative cash flows
- Virtual meeting with Staff to review and finalize cash flows for use in the cost of service and rate design analysis
- Technical memorandum summarizing results of the financial plan alternatives.

Task 4: Council Meetings and Draft/Final Reports

Raftelis will create, with guidance from Town staff, a PowerPoint presentation summarizing the results of the study. We will attend one on-site Council meeting to present the results and one virtual meeting.

Raftelis will provide a draft report to Town staff for review and comment. We will then incorporate any revisions into the final report. A final report will be prepared following the presentation of the results to Town Council.

MEETINGS:

- Attendance at one on-site Town Council meeting and one virtual Town Council meeting

DELIVERABLES:

- Draft report, final report, and PowerPoint presentation Town Council

ATTACHMENT B

RAFTELIS' 2024 STANDARD HOURLY BILLING RATES

Position	Hourly Billing Rate
Vice President	\$360
Senior Manager	\$320
Manager	\$285
Senior Consultant	\$250
Consultant	\$220
Analyst	\$150
Administration	\$100