

# City of Coachella

## Utility Operations Manpower Study

PROPOSAL / AUGUST 11, 2022





## Making our world better.

The Raftelis Charitable Gift Fund allocates profits, encourages employee contributions, and recognizes time to charitable organizations that support:

1. Access to clean water and conservation
2. Affordability
3. Science, technology, and leadership

Raftelis is investing in improved telecommunication technologies to reduce the firm's number one source of carbon emissions—travel.



## 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.

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No Deviations from the RFP

August 11, 2022



Mr. Nathan Statham  
Finance Director  
City of Coachella  
53-990 Enterprise Way  
Coachella, CA 92236

**Subject: Proposal for Utility Operations Manpower Study**

Dear Mr. Statham:

We know your community expects high levels of service, value, and efficiency from its utilities. Helping public utilities and local governments maximize resources to meet expectations is what we do at Raftelis Financial Consultants, Inc. (DBA Raftelis). We have the nation's largest and most experienced consulting practices focused on public utility and local government management, operations, and financial consulting. We provide exceptional services to assist public organizations to meet performance objectives. We believe Raftelis will be a great match for your needs.

Raftelis has served as a trusted advisor to more than 1,200 public utilities across the U.S. and several hundred in California. We have a thorough understanding of water, wastewater, reclaimed water, and electric utility operations, as well as organizational improvement methods required to help achieve operational and strategic objectives. Our project framework encourages collaboration, culture building, and continuous improvement.

Our core project team has extensive experience performing organizational, operational, and financial assessments as consultants, and also as employees of public organizations. I will serve as Project Director and am a former utility General Manager and elected board member of a regional public water and wastewater utility, who has over 25 years of experience regulating, leading, and consulting with utilities. I have served as a co-author and editor of the American Water Works Association (AWWA) *Manual M5, Water Utility Management*. I am also vice chair of the AWWA Benchmarking Advisory Committee and Chair Emeritus of the AWWA Strategic Management Practices Committee. I have worked together with our Project Manager, Rebekka Hosken, a seasoned local government finance and management expert, on multiple utility projects just like this one in Southern California.

We bring significant strengths that will contribute to meeting the desired staffing, organizational, and operations goals of the City of Coachella. The City will have the support of our full staff of 143 consultants and 22 support staff. If you have any questions, please do not hesitate to contact Seth Garrison by phone at (207) 303-0138 or by email at [sgarrison@raftelis.com](mailto:sgarrison@raftelis.com).

Sincerely,

A handwritten signature in blue ink that reads 'Seth W. Garrison'.

**Seth W. Garrison**  
*Project Director*

# Executive Summary

The City of Coachella is seeking a partner to perform an objective analysis of processes and staffing levels for its water and wastewater utilities. The goal is to establish the personnel needs of the utilities in an equitable, competitive, and legally defensible manner.

Our proposed process for performing an organization and workforce study for the public utilities serving the City of Coachella (City) is thoughtful, straightforward, and proven. We have used it many times for similar projects in Southern California and across the U.S., including recently for the water and wastewater utilities in the cities of Oceanside, San Diego, and Corona and those serving Bullhead City and Lake Havasu in Arizona. The foundation of the approach is built on Raftelis' **Engage-Assess-Compare-Enhance** methodology, which has been used successfully with numerous utilities.



We interview utility managers and supervisors, as well as a cross-section of staff from across the organization, carefully analyze data and documentation, compare operations with those in other agencies, and review business processes to identify potential inefficiencies, so we can provide defensible staffing and process recommendations. In addition, we will help with phasing and implementing our recommendations, considering your unique operating environment.

We don't just talk to managers and supervisors. We also visit facilities, observe activities, and talk with operators, maintenance technicians, engineers, and more so we fully understand activities. We spend time with billing and finance personnel to review the "meter to cash" cycle, which is critical to ensuring revenue capture and stability, as well as customer satisfaction. We will also review the use of Computerized Maintenance Management System (CMMS), SCADA, asset management, GIS, LMS, and other technologies. We will identify how the groups interact with each other and with other City departments to ensure smooth workflows and efficient use of resources. We will consider projections, planned changes, and initiatives to determine their impact on staffing and operations.

We have assembled a team of true public sector and utility experts. Your Project Director, Seth Garrison, has assisted hundreds of utilities throughout the U.S. and internationally. He is considered a national expert on performance management for water and wastewater utilities. The Project Manager, Rebekka Hosken, has worked in California cities and as a consultant for over 20 years and has direct experience in public works, finance, and city administration. They are supported by a team of skilled consultants, all of whom have advanced degrees and "hand-on" experience with utilities and local government operations. Our team is proven and has worked together on numerous assignments in the last three years remarkably similar to this one. This is what we do!

We are confident Raftelis is the right choice for this engagement, and we welcome the opportunity to serve as a trusted advisor to the City of Coachella.

# Who We Are

## RAFTELIS HELPS UTILITIES AND LOCAL GOVERNMENTS THRIVE

Utility and local government 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, including utilities serving 38 of the 50 largest metro areas in the U.S. We provide trusted advice, because our experts include former municipal and utility leaders with decades of 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.

+ VISIT [RAFTELIS.COM](https://www.raftelis.com) TO LEARN MORE



We believe that Raftelis is the *right fit* for this project. We provide several key factors that will benefit the City and help to make this project a success.



### DEPTH OF RESOURCES

With nearly 130 consultants, Raftelis has the largest dedicated water, wastewater, and stormwater utility organizational, financial, and technology consulting practice in the nation. Our depth of resources will allow us to staff this project with the personnel necessary to meet objectives efficiently and expeditiously.



### FOCUS

Raftelis is focused on providing management and financial services to water, wastewater, and stormwater utilities. This focus allows us to cultivate unique knowledge and skills that are extremely specialized to the services that we offer. We're not engineers dabbling in utility management like many design and engineering firms. Our focus is on helping utilities across the nation perform at their best. Our insightful, independent, and objective perspective will allow us to provide the City with the best possible outcomes.



### HANDS-ON UTILITY MANAGEMENT EXPERTISE

A unique differentiator of our team is that we offer the City the opportunity to directly access best practice experts. Our team has worked with hundreds of utilities using engaging, collaborative processes that often involve group facilitation. Our team members have also managed utility organizations. In other words, "they've walked in your shoes."



### UNPARALLELED EXPERIENCE

Raftelis staff have assisted numerous utilities throughout the U.S. and abroad with management and financial consulting services. Our extensive regional and national experience will allow us to provide innovative and insightful recommendations and will provide validation for our proposed methodology, ensuring that industry best practices are incorporated.



### INDUSTRY LEADERSHIP

Our senior staff is involved in shaping industry standards by chairing various committees within the prominent industry associations. Raftelis' staff members have also contributed to many industry standard books regarding utility management, operations, and finance. Being so actively involved in the industry will allow us to keep the City informed of emerging trends and issues and will give the City the confidence that our recommendations are insightful and founded on sound industry principles.



## Leading the industry

Raftelis staff shape industry standards for water and wastewater utility finance and management through our active leadership in AMWA, AWWA, WEF, NACWA, and EPA. Leadership positions for these organizations include:

### AWWA

- Past President
- Asset Management Committee - 2 members
- Benchmarking Committee - Vice Chair
- Finance, Accounting, and Management Controls Committee - 4 members
- Rates and Charges Committee - 6 members
- Strategic Management Practices Committee – Chair & 3 Past Chairs
- Public Affairs Council - 2 member

### WEF

- Finance and Administration Subcommittee - Chair
- Government Affairs Committee - 1 member
- Technical Practices Committee - 1 member
- Utility Management Committee - 7 members
- WEFTEC Conference Planning Committee - 1 member

### EPA

- Environment Financial Advisory Board - 1 member



## We wrote the book

Raftelis staff have co-authored many of the industry's leading guidebooks regarding water and wastewater financial and management issues, including:

- *Manual M5, Water Utility Management* (AWWA)
- *AWWA Utility Benchmarking: Performance Management for Water and Wastewater*
- *The Effective Water Professional* (WEF)
- *Affordability of Wastewater Service* (WEF)
- *Manual of Practice No. 27, Financing and Charges for Wastewater Systems* (WEF)
- *Manual M1, Principles of Water Rates, Fees and Charges* (AWWA)
- *Water and Wastewater Finance and Pricing: The Changing Landscape*
- *Water and Wastewater Rate Survey* (conducted and published in collaboration with AWWA)
- *INSIGHT* database and survey (conducted in collaboration with AMWA)
- *Water Rates, Fees, and the Legal Environment* (AWWA)

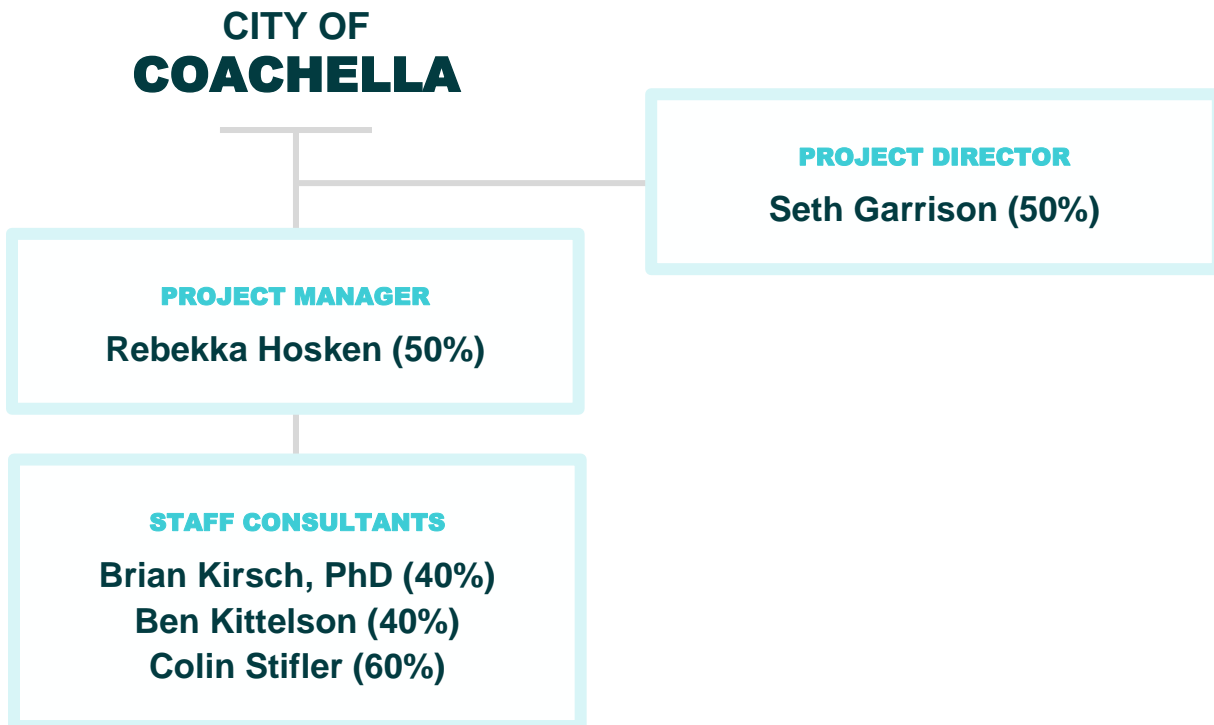
# Personnel

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

Our project team is made up of senior-level consultants with direct utility and local government experience. We place a high priority on being responsive to our clients and, as we determine scope and staffing for each project, we carefully consider our workload and the availability of resources to meet client needs and project schedules.

If selected for this project, we will conduct a scoping meeting with City staff and our project team to discuss the work plan to ensure we agree on how best to achieve the City’s goals and objectives. This meeting will include a discussion of our proposed schedule and timing requirements for meetings, milestones, and deliverables, so that our teams have a full understanding of what to expect on the project. Throughout the project, we will provide the City with frequent updates so that you are constantly aware of the status of the project and our progress towards meeting milestones and deadlines.

An organizational chart of our project team is as follows, and resumes for each team member are on the following pages. No subconsultants are proposed for this work; all team members are Raftelis employees. The availability of each member is noted.





# Seth Garrison

## PROJECT DIRECTOR

Senior Manager



### ROLE

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

### PROFILE

Seth has over 25 years of experience leading, providing consulting to, and regulating utilities and public agencies of all sizes, both public and private, domestically and internationally. He combines over 15 years of hands-on experience as the former General Manager/Executive Director of a regional utility and as an elected board member of two water and wastewater utilities, with an additional overlapping 15 years of consulting experience advising several of the largest and best-known utilities in the U.S., the U.S. Agency for International Development (USAID), and several foreign governments on management strategy, organizational development, and operations and maintenance practices. Seth has extensive knowledge of performance management techniques, advanced operations and maintenance practices, and change management frameworks.

Seth has a history of seeking challenging assignments where he can apply his extensive public sector experience and multi-disciplinary education in management, economics, and engineering to complex problems. He began his career as a regulator, leading implementation of the complex and enormously expensive Surface Water Treatment Rule as part of the Safe Drinking Water Act amendment of 1986. He became the General Manager/Executive Director of a failing utility that was teetering on the edge of financial insolvency at the age of 24. He turned the utility into an award-winning organization. Seth has worked internationally, helping the governments of Afghanistan, Jordan, Guam, and Mozambique implement management practices and environmental policy at the national level, while simultaneously assisting development agencies with the implementation of more than \$500 million in infrastructure and programmatic spending. In addition, he has assisted well-known utilities like Pittsburgh Water and Sewer Authority, Metro Water Services (Nashville), Boston Water and Sewer Commission, New York City DEP, Denver Water, Philadelphia Water, North Texas Municipal Water District, and PRASA (Puerto Rico) solve complex management and infrastructure strategic challenges.

### Specialties

- Utility and asset management
- Performance management (measurement, benchmarking, dashboarding, etc.)
- Operational efficiency and effectiveness
- Organizational and operations assessments
- Capital planning and budgeting
- Organizational capacity building
- Utility governance

### Professional History

- Raftelis: Senior Manager (2016-present)
- Portland Water District: Board of Trustees - Administration & Finance Committee Chair (2014-present)
- Scarborough Sanitary District: Board of Trustees (2013-2016)
- Woodard & Curran, Inc.: Vice President - Utility Management Practice Leader (2012-2016)
- CDM Smith, Inc.: Senior Management Consultant (2004-2012)
- Bath Water District: General Manger (1995-2004)
- State of Maine: Drinking Water Program: Surface Water Treatment Rule Coordinator (1993-1995)

### Education

- M.A. in Public Policy & Management - University of Maine (2010)
- Masters Cert. in Performance Management - University of Maine (2009)
- Masters Cert. in Non-Profit (Public Sector) Management - University of Maine (2008)
- B.S. in Environmental Engineering (Minor Economics) - Rensselaer Polytechnic Institute (1993)

### Certifications

- Certified Lean Six Sigma Master Black Belt
- BAMI-I (CTAM) Certification in Infrastructure Asset Management (Indiana University)
- Class IV Water System Operator (lapsed)
- Conflict Resolution Program - Harvard Business School

### Professional Memberships

- AWWA: Past Chair of Strategic Management Practices Committee & Vice Chair of the Benchmarking Advisory Committee
- WEF: Utility Management Committee
- New England Water Environment Association: Utility Management Committee
- New England Water Works Association
- Maine Water Utilities Association: Past Board of Directors Member

Seth is the recent past Chair of the AWWA's Strategic Management Practices Committee, which is responsible for the *M5 Utility Management Manual* – the industry guide for utility management practices. He participates bi-annually on producing AWWA's *Benchmarking Performance Indicators for Water and Wastewater* as the Vice Chair of the Benchmarking Advisory Committee. He has helped edit and co-author additional industry publications and guidance documents including AWWA *M29 Water Utility Capital Financing, Fourth Edition* and *M82 Utility Innovation*.

## KEY PROJECT EXPERIENCE

### **City of Corona – Department of Water and Power (CA)**

The City of Corona (Corona) is a community of 172,000 that lies on the northeastern edge of the Santa Ana Mountains about 70 miles southeast of Los Angeles. Wedged between affluent areas of Orange County and more rural areas to the west, the city and its Department of Water and Power (DWP) must find the right equilibrium between the levels of service provided and affordability. Traditionally, there has been an uneasy balance between customers wanting leaner service offerings at a lower cost and a similar-sized group of customers wanting more services at a moderate additional cost. A recent rate increase after a seven-year pause was the catalyst to reignite the debate over service levels and costs. In response, the DWP hired Seth (Project Director) and Raftelis to perform a comprehensive independent audit of the services and the associated value customers receive.

The audit reviewed all the major aspects of how the DWP operates from its organization and management through its business processes, relationships with other departments, and operations. Using Raftelis' tested Engage-Assess-Compare-Enhance methodology, the DWP learned how it compares with similar entities using a series of benchmarks, as well as national utility data. Raftelis looked beyond the numbers at business processes and practices to see how DWP aligns with industry best practices. Raftelis layered its analysis with Lean techniques to review the efficiency and effectiveness of practices, and an assessment of technologies such as the city's ERP, departmental Computerized Maintenance Management System (CMMS), and other major platforms. The results of the audit showed the DWP how much value it provides compared to other utilities and where it can provide more value.

Because the DWP provides water, water reclamation, reclaimed water (wastewater), and electricity services, under the larger city government umbrella, there are multiple opportunities for additional resources sharing and efficiency gains. Raftelis identified changes in procurement practices, for example, to better utilize the already lean number of staff in the department. Changes associated with leasing payments between the enterprise funds of the DWP utilities and the city's general fund are also being explored, in addition to a variety of specific workflow changes and the addition of business analysis and project management resources to support DWP strategic efforts.

### **Southern California Edison – Catalina Operations (CA)**

Since 1962, Southern California Edison (SCE) has owned and operated the water system on Santa Catalina Island, which serves approximately 2,000 accounts associated with over 4,000 full-time residents and over one million annual visitors. Catalina is situated roughly twenty-nine miles southwest of the port of Long Beach and. The only incorporated city on the island, the City of Avalon, accounts for roughly 4% of Catalina's land area, 91% of its population, and over 80% of its water use. Approximately 88% of the island is protected by the conservancy, a nonprofit organization whose mission is to preserve the island's natural resources, provide education and offer recreation. Catalina is completely isolated from mainland water sources and relies upon local groundwater wells which produces approximately 75% of the potable water and using two desalination plants producing the remaining 25% to meet customer water demands. In the event of emergencies or drought, potable water must be shipped to the island via barge.

SCE hired Seth (Project Director) and the team from Raftelis to perform a comprehensive organization and operations assessment of the Catalina operations as part of a multiphase planning effort. The project included a review of major operations practices, encompassing asset management strategies, staffing, organization, and management of the utility. Raftelis found that island staff struggled with many resource and logistics issues associated with the unique conditions on

the island. Many assets were in poor condition. Raftelis recommended several changes including enhancing the use of the SAP Computerized Maintenance Management System (CMMS), adopting SCADA, and providing additional equipment and training for operations personnel before considering additional staff. Raftelis also recommended that the Catalina operations have a “champion” to represent their interests to the larger SCE organization; currently there are several SCE groups that have various interests in the operation.

### **Montecito Water District (CA)**

The Montecito Water District (District) engaged Seth (Project Director) and Raftelis to perform a market compensation analysis for its full-time positions. Raftelis obtained current and relevant salary structure and selected pay information from published surveys representing peer California utilities, national water-sector utility data, and other employers in the relevant market areas for this analysis. The data is supplemented with additional information to reflect general economic trends related to compensation levels. The objectives of the analysis were to provide the District with information and recommendations to assist in ensuring the District’s ability to attract and retain qualified staff and to ensure staff are compensated fairly, in a manner commensurate with their job duties and responsibilities.

Based on industry, national, regional, and peer utility comparisons, Raftelis noted that the cost of living in Santa Barbara County is roughly equal to median levels across California, but the cost of living in Montecito, mainly driven by housing prices, is significantly higher than those in most other areas of Santa Barbara County and California. District salaries appear to be broadly in line with surveyed peers and the 2019 American Water Works Association (AWWA) salary survey, based on the cost of living in Santa Barbara County, which includes both higher and lower cost areas. A couple of positions appear undercompensated as compared to similar positions at other utilities, though there are very limited peer comparisons. Raftelis recommended that the District review its job descriptions and/or compensation for certain positions.

### **Sacramento Region Water Utility Collaboration/Consolidation Study (CA)**

Water resources are becoming harder to obtain and more complex to allocate, regulations are more burdensome, and budgets are increasingly tight in many areas of the U.S., particularly in California. In this environment, there simply are not enough resources to meet every need if utilities adhere to the same old ways of doing business. Innovation and improvement are critical. The Sacramento Region Water Utility Collaboration/Consolidation Study led by Seth and Raftelis is providing an opportunity for collaboration to help address many of these issues. Seven participating water agencies in the Sacramento Region are seeking to build successful collaborative efforts to benefit all agencies and their customers. The agencies include Sacramento Suburban Water District, San Juan Water District, Carmichael Water District, Citrus Heights Water District, City of Folsom, Del Paso Manor Water District, and Rio Linda/Elverta Community Water District.

The study identified and nurtured mutually beneficial opportunities that is leading to cost savings for customers, providing economies of scale, beneficial integration of resources, improved services, and more efficient use of staff, equipment, and capital resources. Sacramento Suburban Water District and San Juan Water District, two of the participating entities, have already identified opportunities to improve collaboration and potentially merge operations into one consolidated district as part of past studies. Seth (Project Manager) and Raftelis are worked closely with the participating agencies to through the following activities:

- Benchmarking and programs comparisons across entities
- Identifying and studying collaboration opportunities
- Building financial models to evaluate different delivery approaches and financial implications, including potential rate impacts
- Reviewing legislation, policies, and standard operating procedures (SOP) facilitate better resource sharing across entities
- Stakeholder engagement and communication

The project has produced a detailed assessment of seven areas where the participating agencies could potentially achieve benefits through additional collaboration. They include paving services, distribution system Preventative Maintenance (PM) activities, Human Resources (HR), on-call/emergency services (after normal business hours), water resources, leak detection and water conservation programs.

### **Fort Collins (CO)**

The City of Fort Collins (City) contracted Raftelis and our predecessor TNCG, to assess the organizational structure of Utility Services and recommend an appropriate structure for the current operating environment. The project effort included staff and stakeholder interviews, peer agency benchmark research, and a survey of Utility Services staff members. This information was used to better understand Utility Services' operating requirements and service demands as well as the changing and competitive service environment in which it now works. The report builds on this information to understand the current organizational structure and reporting relationships of Utility Services in order to consider alternative organizational approaches to meet their unique local demands.

The report concludes with a phased approach to reach a recommended organizational structure that will better support both the Department's and the City's needs for appropriate management support and organizational sustainability. The report also includes a high-level organizational structure to identify recommended actions necessary beyond Utility Services to support effective management of the utility and the City organization. The actions supporting the reorganization of Utility Services and the associated reporting changes for senior City executive leadership constitute a series of "building blocks" to move the organization forward.

### **Anchorage Water and Wastewater Utility (AK)**

Seth has worked on several projects over the years with Anchorage Water and Wastewater Utility (AWWU). These efforts have included a comprehensive organizational study as well as asset management projects. The organizational and operations assessment included a detailed look at how the utility operates, considering staffing, work processes and potential partial consolidation with other municipal department such as solid waste. This work included interviews with senior staff, as well as managers and supervisors through the organization. Benchmarking and business process work was done to highlight areas for improvement. The project produced a revised organizational design and decision-making process to help meet desired levels of service affordably.

In partnership with CDM Smith, he performed a comprehensive assessment of all the assets at two major AWWU facilities, the Ships Creek Water Treatment Facility and Asplund Wastewater Treatment Facility, to determine asset renewal priorities and implementation strategies for advanced risk-based Asset Management practices. These elements were incorporated into an overall facilities master plan. The project identified maintenance strategies, data collection methods, new approaches, and capital prioritization techniques to ensure sustainability at the lowest lifecycle cost. Implementing risk-based Asset Management practices was especially important for AWWU given the additional challenges of a harsh climate, the relative remoteness of the facilities, and the seismic hazards in the region.

### **Pittsburgh Water and Sewer Authority (PA)**

Threatened with privatization and challenged by Lead and Copper Rule exceedances and high-profile infrastructure failures, Pittsburgh Water and Sewer Authority (PWSA) was labeled a "failing utility" by many. Thanks to strong leadership and the help of Seth and the team from Raftelis, things have turned around. Raftelis provided assistance with both the financial and the organizational aspects of PWSA. Raftelis was instrumental in helping PWSA enact a series of rate adjustments totaling 51% over 3 years to provide the necessary revenue to hire additional staff and begin fixing a decades-long backlog of infrastructure needs. Seth, who worked side-by-side with PWSA leadership, helped address major organizational challenges. Seth and the Raftelis team provided an aggressive Compliance and Organizational Plan that convinced business leaders and community officials that PWSA had a framework for success. They then helped

PWSA implement elements of the plan including creation of a new PWSA Performance Improvement office, aligned PWSA practice with Pennsylvania Public Utility Commission requirements, and fixed a series of onerous legacy rules about hiring, resource sharing and metering that limited performance. PWSA is now on a path to success and is rapidly gaining the confidence of its customers.

### **City of College Station (TX)**

The City of College Station - Water Services Department (Department) provides water and wastewater services to the growing City, home to Texas A&M University. The Department provides approximately 79,000 retail accounts with an average of 11.4 million gallons per day (MGD) of safe and affordable drinking water and treats an average of 7.7 MGD of wastewater. The Department relies on treated drinking water from groundwater wells and treats its wastewater at two treatment plants. It operates and maintains extensive drinking water distribution facilities and pipelines, as well as wastewater conveyance systems that includes pump stations, gravity pipelines, and forcemains. The Department requested that Seth and Raftelis conduct a benchmarking study to compare its operating characteristics to other similar utilities in eastern Texas and to national survey data in conjunction with a rate study.

Raftelis used data from the AWWA Utility Benchmarking (2019): Performance Management for Water and Wastewater, and peer data from several utility organizations similar to College Station. College Station's benchmarking metrics appeared favorable in most categories suggesting that College Station has achieved greater efficiencies in many areas than most peers and a national sample of utilities. Two metrics warranted further discussion: the capital renewal rate and the wastewater pipe inspection rate.

### **Monterrey Peninsula Water Management District (CA)**

Raftelis completed a utility valuation, operations, and cost of service evaluation for the Monterey Peninsula Water Management District (District) to support the District's evaluation of the feasibility of securing and maintaining ownership of an investor-owned water utility that provides potable water services within the District's territory. This phase of the work included completing a preliminary valuation assessment and operations assessment, along with a cost of service evaluation analysis to support the District in its feasibility evaluation. The assessment considered three methods of valuation: the income, market, and cost approaches. The cost of service evaluation consisted of preparing a 20-year financial projection of the investor-owned utility continuing to own and operate the system and analyzing the incremental cost differences associated with District ownership, preparing a cash flow projection of several District ownership scenarios, and estimating customer bill impacts under each of the scenarios. The operations assessment determined appropriate staffing and operational costs under multiple models.

Some of Seth's many other U.S. clients have included:

- Fairfax Water (VA)
- Pinellas County (FL) Utilities
- City of Cedar Park (TX)
- City of Johnson City (TN)
- North Texas Municipal Water District (TX)
- Puerto Rico Aqueduct and Sewer Authority (Puerto Rico)
- San Gabriel Valley Water Company (CA)
- Polk County Utilities Department (FL)
- City of Lake Havasu (AZ)
- Orange County Utilities (FL)
- City of Portland (ME)
- Denver Wastewater Management Department (CO)
- City of Charleston (SC)

## KEY PRESENTATIONS AND PUBLICATIONS

- “How Are You Handling the People Component of Performance Improvement?” presented at the AWWA/WEF Utility Management Conference, February 2018 in Austin, TX.
- “Growing Along Successfully: Benchmarking Performance at the Rapidly Growing North Texas Municipal Water District” presented with Thomas W. Kula, Executive Director, and Brian Brooks, Process Improvement Advisor, NTMWD at the AWWA/WEF Utility Management Conference, February 2018 in Austin, TX.
- “Employing an Organizational Profiling Tool to Understand Your Organization” presented with Toby Fedder, Woodard & Curran, at the AWWA Annual Conference & Exhibition, June 2016 in Chicago, IL.
- “Making Real Progress in Organizational Improvement: Moving from a Study to Results” presented with M. Lowenstine, Polk County Utilities, at the AWWA Annual Conference & Exhibition, June 2015 in Anaheim, CA.
- “Utilities Improve Performance Using Private Business Techniques” presented with Brian Pena, City of Lawrence Water and Sewer Commissioner, at the AWWA Annual Conference & Exhibition, June 2015 in Anaheim, CA, the AWWA/WEF Utility Management Conference, February 2015, and at the NEWEA Annual Conference, January 2015.
- “Asset Management for Sanitary Sewer Systems - Beyond CMOM and Asset Management,” APWA Congress, 2014
- “Establishing Levels of Service for Your Utility,” GAWP Conference, 2014
- “Effective Asset Management Can Save You Money” NHPWA Annual Meeting, 2014
- “Effective Asset Management Can Save You Money” Connecticut Operator Forum, 2013-2014
- “Effective Asset Management Can Save You Money” Maine Wastewater Control Association Annual Meeting, 2013
- “Creating Change Starts with an Organizational Assessment: A Field-Tested Approach,” NEWEA Annual Conference, 2014
- “Paying for CSO Mitigation and Aging Infrastructure: Are Stormwater Fees the Answer?” AWWA/WEF UMC, 2013
- “Cobb County-Marietta Water Authority (CCMWA) Building on Past Successes to Streamline Operations and Optimize Asset Management,” AWWA ACE, 2013
- “Cobb County-Marietta Water Authority (CCMWA) Building on Past Successes to Streamline Operations and Optimize Asset Management,” NEWEA Annual Conference, 2013
- “Are We Doing a Good Job? Assessing How Cobb County-Marietta Water Authority (CCMWA) Manages their Assets,” NYWEA Annual Conference, 2013
- “Effective Asset Management Can Save You Money” Maine Municipal Association Annual Managers Retreat, 2012
- “Effective Asset Management Can Save You Money” Maine Town & County Manager’s Association Annual Conference, 2012

# Rebekka G. Hosken

## PROJECT MANAGER

Manager



### ROLE

Rebekka will serve as the City’s main point of contact for the project and will manage the day-to-day aspects of the project ensuring it is within budget, on schedule, and effectively meets the City’s objectives. She will lead the consulting staff in conducting analyses and preparing deliverables for the project.

### PROFILE

Rebekka joined Raftelis in 2020 with 16 years of direct service to local governments and 10 years of management consulting experience. As an experienced consultant, Rebekka has led organizational assessments for a broad range of operating departments and offices in cities, counties, universities, and special districts, including public works, community development, police, administration, and city attorney departments. With direct operational experience in municipal administration, public works, and finance departments, Rebekka’s breadth of knowledge makes her skillful in quickly identifying organizational strengths and opportunities, analyzing operations through creation of process maps and workflows, preparing actionable recommendations for improvement, and communicating findings to a wide variety of audiences. She has consulted for over 100 clients, including Boston, Massachusetts; Daly City, California; Surprise, Arizona; Shoreline, Washington; North Las Vegas, Nevada; San Diego, California; and Long Beach, California.

Rebekka served as finance director for the City of La Cañada Flintridge, California, a contract city north of Los Angeles. She prepared the annual budget and financial audit, as well as managed daily accounts payable, accounts receivable, payroll, and financial planning functions. During her tenure, she identified and successfully obtained a State loan for the financing of the City’s new city hall and played a key leadership role in successfully moving all operations and staff, as well as communicating all financial impacts of the project to management and City Council.

Previously, Rebekka was the budget officer for the City of Simi Valley, California, a full-service community in the Los Angeles region. She prepared the City’s \$196 million annual budget and \$160 million capital improvement program, as well as the City’s cost allocation plan. She managed the budget and capital projects module training and setup for a comprehensive citywide enterprise resource planning (ERP) system implementation across nine operating departments.

Rebekka earned a master’s degree in Business Administration with a Certificate in Local Government and Non-Profit Management from Boston University, and a Bachelor of Arts from the University of Michigan – Ann Arbor. She has published articles in Public Management magazine and served as a trainer in sessions at International City/County Management Association (ICMA) conferences.

### Specialties

- Organizational assessment
- Budgeting and financial analysis
- Business process improvement
- Strategic planning
- Staffing analysis

### Professional History

- Raftelis: Manager (2020-present)
- City of La Cañada Flintridge, California; Finance Director (2017-2020)
- City of Simi Valley, California; Budget Officer (2012-2017)
- City of Burbank, California; Senior Management Analyst (2010-2012)
- Management Partners; Senior Consultant (1999-2010)
- Village of La Grange Park, Illinois; Assistant Village Manager (1996-1999)
- City of Appleton, Wisconsin; Assistant to the Mayor (1994-1996)
- Town of Lexington, Massachusetts; Management Intern (1992-1993)

### Education

- Master of Business Administration – Boston University (1993)
- Certificate in Local Government and Non-Profit Management – Boston University (1993)
- Bachelor of Arts in Russian Studies – University of Michigan (1989)

### Professional Memberships

- Government Finance Officers Association
- California Society of Municipal Finance Officers

# Brian Kirsch PhD

## STAFF CONSULTANT

Senior Consultant

### ROLE

Brian will work at the direction of Rebekka in conducting analyses and preparing deliverables for the project.

### PROFILE

Brian has a background in water resources management and possesses extensive analytical skills. His expertise lies in the areas of systems analysis and economic modeling. He has performed significant research in the field of water resources in which he has utilized aspects of engineering, policy analysis, risk management, economics, and market analysis.

### KEY PROJECT EXPERIENCE

#### City of Oceanside (CA)

The City of Oceanside (City) requested that Raftelis conduct an organizational assessment of their water and wastewater utility. Brian is assisting in this effort by conducting interviews with staff and conducting a benchmarking exercise with the City's peers.

#### Montecito Water District (CA)

The Montecito Water District (District) asked Raftelis to conduct a salary benchmarking study in order to remain competitive in the recruitment and retention of staff. Brian served as the Lead Analyst, collecting and analyzing data from peer utilities, and state and national survey data. Based upon this analysis, Brian made recommendations for salary adjustments in several job positions.

#### City of Corona (CA)

As part of an Operational Assessment of the City of Corona's (City) water and wastewater utilities, Brian conducted an on-site facilities review and interviewed staff. The review showed that facilities were well-maintained, but interviews with staff indicated the potential for improvement in areas of maintenance and wastewater operations, as well as capital project delivery.

#### Southern California Edison (CA)

Southern California Edison (SCE) is primarily an electric utility, but they also own and operate a small water utility that serves Catalina Island. While most customers are located in the City of Avalon, SCE serves customers spread throughout the island. The water utility is beset with a limited rate base, aging infrastructure with difficult accessibility, scarcity of water supplies, high operating costs due to its island location, and a stringent regulatory environment. Raftelis conducted an Operational Assessment for them, which involved extensive staff interviews, document reviews, and an on-site assessment of their facilities. Brian was part of the team that made recommendations for improved asset management, capital project review and delivery, and dedicated resources within the larger SCE organization. In a follow-on project, Raftelis was asked to produce a memo in support of the water utility's general rate case. Brian analyzed a variety of alternative funding mechanisms that the water utility could use as revenue generation mechanisms.



### Specialties

- Rate studies
- Financial planning
- Risk management
- Economic analysis
- Water resources management
- Data analysis

### Professional History

- Raftelis: Senior Consultant (2018-present); Consultant (2014-2017)
- Colorado School of Mines: Postdoctoral Research Fellow (2011-2014)
- University of North Carolina - Chapel Hill: Research Assistant (2001-2010)

### Education

- Master of Science & Doctorate - University of North Carolina at Chapel Hill (2004 & 2010, respectively)
- Bachelor of Science in Chemical Engineering & Bachelor of Arts in Environmental Engineering - Rice University (2001)



### **Incline Village General Improvement District (NV)**

The Incline Village General Improvement District (IVGID) provides water, wastewater, and recreational services to an area in the Lake Tahoe region. The IVGID is anticipating significant capital costs due to aging infrastructure and has experienced sizable staff turnover recently. Brian is part of the team that will be conducting an Operational Review of the water and wastewater components of the IVGID and will be conducting staff interviews and performing an on-site evaluation. In particular, this study is intended to provide IVGID with recommendations to improve their asset management.

### **American Water Works Association**

At the onset of the Covid-19 pandemic, the American Water Works Association (AWWA) was concerned with the potential financial impacts that the shutdowns may have on the water industry. Brian was part of a team at Raftelis that made estimates of potential impacts through changes in usage, construction, and delayed capital projects. The analysis and report were turned around to AWWA in less than two weeks.

### **City of Dayton (OH)**

The City of Dayton (City) is receiving pressure from wholesale customers as to their overall headcount and rates. Raftelis has been asked to conduct an Operational Assessment that is expected to address the efficiency of their operations and their staffing. Brian assisted in this initial effort. In a second phase, Brian is helping to conduct a workforce assessment for one of the water utility's divisions that will help the division most efficiently deploy their workforce assets.

### **Anchorage Water and Wastewater Utility (AK)**

The Anchorage Water and Wastewater Utility (AWWU) operates in a challenging environment. It has asked Raftelis to conduct an Organizational Structure Review. AWWU is unique, among other reasons, for the number of services they provide in-house, as opposed to outsourcing. Comparisons to other utilities are difficult without placing their operations in context. Brian is leading the effort to conduct benchmarking on the process level, in order to better contextualize AWWU's operations.

### **National Association of Clean Water Agencies**

In anticipation of the 50<sup>th</sup> anniversaries of the National Association of Clean Water Agencies (NACWA) and the Clean Water Act, Raftelis was asked to produce a deliverable to serve as the definitive record of success of NACWA and the Clean Water Act. As part of this effort, Brian is researching, collecting, and organizing environmental, economic, and social data related to clean water in the United States in order to present a narrative supported by quantitative information.

### **Metro Water Recovery (CO)**

Metro Water Recovery (Metro) is the wastewater treatment authority for much of metropolitan Denver. Metro conducts an annual operations and budget review in which external consultants are brought in to examine operating metrics, hear presentations on aspects of Metro's operations, and question senior leadership as to Metro's recent performance. Brian is one of the consultants that conducts this review and produces a report detailing our findings.

# Ben Kittelson

**STAFF CONSULTANT**  
Senior Consultant



## ROLE

Ben will work at the direction of Rebekka in conducting analyses and preparing deliverables for the project.

## PROFILE

Ben began consulting in 2019 after seven years of direct service to local governments on the East and West Coast. Most recently, Ben worked for the Budget and Management Services Department in the City of Durham, North Carolina. He worked on the annual budget and the community-wide strategic plan. He completed revenue projections for sales tax and water sales, assisted with financial planning for affordable housing, and led community engagement efforts designed to inform the City’s budget process. Ben also started an innovation partnership program with local technology startup companies, which was awarded the J. Robert Havlick Award for Innovation in Local Government from the Alliance for Innovation.

As a Senior Consultant, Ben has worked on dozens of projects across 17 states to help organization improve operations and become more effective through performance evaluations, process improvement, and strategic planning. He has worked on organizational assessments for a broad range of departments including public works, utilities, parks, public safety, human resources, and development review. He has analyzed staffing levels and organizational structure, created process maps, and developed actionable recommendations for improvement. Ben has also leveraged his experience to explore unique challenges for local governments. He has assessed employee satisfaction and organizational culture using qualitative methods, such as interviews and focus groups, and quantitative survey analysis.

Ben began his career in the Portland, Oregon region, where he served the Cities of Beaverton, West Linn, and Gresham, as well as Metro, the regional government for the Portland area. In those roles, he focused on community engagement, outreach, and communications initiatives. Ben expanded his experience in the Budget, Management, and Evaluation Department in Guilford County, North Carolina, where he analyzed government services such as jail operations and education funding. He also managed the County’s social media and internal employee newsletter.

In addition to his work for local governments, Ben is a founding member of Engaging Local Government Leaders (ELGL). Since 2013, ELGL has grown from a few hundred members in Oregon to over 4,800 across the nation. He produces and co-hosts ELGL’s GovLove Podcast, which discusses topics ranging from innovation and performance to equity and workforce development. He has led planning for the organization’s annual conference and written articles for the website. He currently serves as the Chair of the ELGL Board of Directors. Ben earned a master’s degree in public administration from Portland State University and a bachelor’s in politics and economics from Willamette University.

## Specialties

- Budgeting and financial analysis
- Organizational assessment
- Strategic planning
- Innovation
- Staffing analysis

## Professional History

- Raftelis: Senior Consultant (2022-present) Consultant (2020-2021); Consultant, The Novak Consulting Group: (2019-2020)
- City of Durham, North Carolina: Senior Budget and Management Analyst (2016-2019)
- Guilford County, North Carolina: Budget and Management Analyst (2014-2016)
- City of Gresham, Oregon: Intern (2014)
- Oregon Metro: Intern (2014)
- City of West Linn, Oregon: Intern (2013-2014)
- City of Beaverton, Oregon: Intern (2012-2013)

## Education

- Master of Public Administration - Portland State University (2014)
- Bachelor of Arts in Politics and Economics - Willamette University (2012)

## Professional Memberships

- Engaging Local Government Leaders (ELGL)
- North Carolina Local Government Budget Association (NCLGBA)
- Strong Towns

# Colin Stifler

## STAFF CONSULTANT

### Consultant

#### ROLE

Colin will work at the direction of Rebekka in conducting analyses and preparing deliverables for the project.

#### PROFILE

Colin brings diverse experiences in local government and management consulting to his projects and client relationships. He has participated in numerous organizational assessments and strategic planning initiatives for municipalities, counties, and public utilities across the United States. These engagements have involved individual department assessments and process improvement analyses, as well as organization-wide reviews spanning multiple departments. Colin is familiar with processing large datasets and assisted Lower Paxton Township, Pennsylvania, with developing a financial model to forecast future revenues and expenditures. He also leverages his experience to explore unique challenges facing clients, such as helping the City of Wilmington, North Carolina, assess the feasibility of automating its solid waste collections.

Colin began his consulting career following six years of education, non-profit, and local government experience. Most recently, he worked for Wake County, North Carolina's Community Services Department, where he analyzed and helped implement policies spanning five County divisions and over 700 employees. Notable projects included creating an operational framework for an innovative environmental education facility, as well as identifying performance measures and supporting metrics for the County's library book selectors.

Prior to Wake County, Colin worked with the North Carolina Department of Environmental Quality, where he specialized in local government solid waste and recycling issues. After helping dozens of counties and municipalities navigate contract disputes, Colin created an ideal contract template for local governments to use when outsourcing the collection and processing of recyclable materials. In his role with Fidelity Charitable, he coordinated multimillion dollar donations for prominent philanthropists. He began his career as an English teacher in South Korea and China.

Colin earned a bachelor's degree in philosophy from Miami University (Ohio) and a master's degree in public administration from the University of North Carolina at Chapel Hill.



#### Specialties

- Organizational assessment
- Survey and data analysis
- Best practice and benchmarking research
- Program design and implementation
- Contracting and oversight

#### Professional History

- Raftelis: Consultant (2021-present);
- Wake County, North Carolina: Assistant to the Community Services Director (2021)
- North Carolina Dept. of Environmental Quality: Research Analyst (2020-2021)
- Fidelity Charitable: Senior Specialist (2017-2019)
- Gannan Normal University (China): Adjunct Professor (2015-2016)
- South Korean Ministry of Education: English Program Coordinator (2014-2015)

#### Education

- Master of Public Administration - University of North Carolina (2021)
- Bachelor of Arts in Philosophy - Miami University (2014)

#### Professional Memberships

- Engaging Local Government Leaders (ELGL)

# Understanding of Project

The City of Coachella is seeking a partner to perform an objective analysis of processes and staffing levels for its water and wastewater utilities. The goal is to establish the personnel needs of the utilities in an equitable, competitive, and legally defensible manner.

Our proposed process for performing an organization and workforce study for the public utilities serving the City of Coachella is thoughtful, straightforward, and proven. We have used it many times for similar projects in California and across the U.S. The foundation of the approach is built on Raftelis' **Engage-Assess-Compare-Enhance** methodology as previously introduced. All work will be done by Raftelis employees; no subcontractors will be used for this engagement.

## ENGAGE

Our first step will be to engage the City to develop a thorough understanding of its utilities by reviewing:

- Organizational objectives, structures, and workflows
- Staffing
- Desired levels of services
- Performance management approaches

It is imperative that we thoroughly understand the ways things are done and your goals so that we can identify areas of inefficiency that could be addressed or that could impact the organization structure.

## ASSESS

Our next step will be to assess the utilities' key practices and attributes to identify opportunities including:

- Organizational structure and staffing
- Effective and efficient use of technology systems
- Day-to-day operational activities throughout the utility systems
- Operations and maintenance activities

This effort will involve activities such as interviewing stakeholders, examining workloads, and reviewing business processes and practices for alignment, duplication, waste, and potential streamlining. We will leverage efficiency-finding techniques from Lean as part of this step.

## COMPARE

Using data from the Engage and Assess phases, we will compare the utilities' organization structures, staffing levels, and systems against industry best appropriate practices and a select group of regional peers, which will allow us to identify gaps, and generate a list of opportunities to improve organizational efficiency and effectiveness. We will describe the associated benefits and relative level of effort to implement recommendations. We will also identify areas that need additional controls.

## ENHANCE

We will make recommendations for enhancing the City's utilities' organization structure, staffing levels, and business processes, and suggest guidelines for implementation.

Using this Engage, Assess, Compare, and Enhance methodology, the Raftelis project team will work closely with City staff and follow the project tasks developed specifically for Coachella below.

## Task 1: Project Administration and Kick Off

Raftelis will hold a kick-off meeting with City-designated staff to review the objectives of the project and schedule and to start developing a comprehensive understanding of the utility. We will discuss and identify with appropriate peer entities that may be used for benchmarking comparison during this session.

The kick-off meeting will be followed by an intense data gathering effort. We will provide a detailed data request and access to a shared electronic drive for the City to upload background information for both phases of the work including, but not limited to:

- Organizational charts (City overall and each utility if available)
- City and/or utility strategic plans
- Updated master plans or work plans
- Utilities’ budgets for the past three years
- An annual City financial report for the past three years
- A complete set of utility job descriptions
- A list of appropriate peer utilities/entities for comparison

We will review and analyze these materials to provide context for the work to come.

Task 1 will also include standard, ongoing communications and quality assurance activities to ensure the project achieves the City’s stated objectives on schedule and within budget. This includes monthly progress reports with a narrative discussion of all activities in progress and services anticipated to be performed during the next month.

### TASK 1 DELIVERABLES

- Agenda and materials for project kick-off meeting
- Detailed data request and shared drive
- Monthly project status reporting

## Task 2: Organizational Assessment

The first phase of the work will focus on the organizational assessment to ensure the City’s utilities have the appropriate staffing and structure to achieve its goals now and for the next five years.

## WHY CHOOSE RAFTELIS OVER A DEDICATED HR OR MANAGEMENT CONSULTING GENERALIST FIRM?

No one understands how utilities operate better than Raftelis. Having worked with hundreds of utilities, private and public, in California and over 1,200 nationwide, Raftelis understands the best practices for staffing and organizing utilities. We can offer defensible guidance on how best to perform all key utility functions, including the appropriate staffing, technology, and processes to support them.

Our team covers the gamut of resources needed to understand Coachella’s utilities, from human resources data to technology and operations subject matter experts. With decades of experience working at utilities and developing the guidance that the utility industry depends on under our belts, no one understands utilities like Raftelis.

The goal is to confirm the City is meeting its mission, vision, and goals now and for the next several years. In order to prepare such a plan, it is critical to fully understand operations and initiatives so that current and future workload, and staffing, can be determined. Our project team is comprised of experts in utility operations and management with the knowledge of human resources to prepare an accurate and comprehensive plan.

After the kick-off meeting, Raftelis will spend up to three days performing onsite and virtual data gathering, as appropriate, including interviews with key staff, site tours, and data discussions to understand utility practices. Note that while we prefer to be onsite for the majority of data gathering activities, we are also fully capable and extremely comfortable conducting many of the project data gathering activities remotely, as we have done on projects across the U.S. We have used a hybrid approach on many projects with web-based meetings and some on-site activities, such as facility tours, interviews with operations staff, and board presentations. This helps manage projects costs and allows us to meet with staff when it aligns with their schedules.

Using the kick-off meeting and data gathered in Task 1 as a foundation, Raftelis will interview all managers, supervisors, and key staff in the utilities to gain a thorough understanding of activities. In addition, we will hold small group interviews with designees at all levels of the operation to ensure a more detailed understanding of daily operations and staff perceptions of staffing levels, workload and workload drivers, inter-relationships between workgroups, and potential ways to increase efficiency and effectiveness. Our team will identify themes from these interviews for follow-up research and analysis, and we will develop a core program matrix that summarizes the utilities' organization and staff into work programs, staffing levels, and workload.

Based on data review and interview themes, our team will next evaluate the utilities' organizational structure and staffing, including an understanding of workgroup functions, program areas, and workload drivers. We will compare current structure and staffing to industry best practices and recommend options to capitalize on potential efficiencies to meet current and future regulatory and strategic goals. Part of the review will evaluate the processes and practices that govern activities. Raftelis will likely request additional follow-up data as we delve into the organization and structure.

Raftelis will evaluate and compare desired level of service with staffing levels and identify areas in which the City can streamline resources to maximize efficiency as well as identify areas where it may consider additional resources to achieve stated levels of service and address workloads. Raftelis will benchmark Coachella's utility organizational and staffing elements with both peer and national benchmarks for available data. Benchmarking and best practice information from industry-leading organizations<sup>1</sup> will be utilized, including the *Ten Attributes of Effectively Managed Water Sector Utilities*, as presented in the Effective Utility Management (EUM) framework. The EUM framework is a set of organizational, operational, and management guidelines for utilities universally endorsed by major industry associations.

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<sup>1</sup> AMWA, APWA, AWWA, NACWA, NAWC, WEF, and the US Environmental Protection Agency, June 2008

Based upon this analysis, our team will create a current and future state organizational structure for each utility that shows the positions and staffing required to accomplish the current and planned work and strategic goals of the City over the next five years, including specifics related to the type and number of staff positions necessary. We will also identify how to transition the current structure to the new structure over the next several years while minimizing disruptions and taking advantage of factors like attrition.

**TASK 2 DELIVERABLES**

- Up to three days of combined onsite and virtual data gathering, including interviews with staff
- Core program matrix
- Benchmarking with regional and industry peers (typically, five to seven peers)

**EUM’s Ten Attributes of Effectively Managed Water Sector Utilities**



**Task 3: Operational Efficiency Review**

Raftelis is an industry thought leader in driving organizational and operational efficiency within utilities. We have developed and co-authored many of the guiding publications in the industry such as the American Water Works Association (AWWA) M5 *Water Utility Management* manual and AWWA *Utility Benchmarking: Performance Management for Water and Wastewater*. Many of the proposed project team members have served within municipal departments, serve on national benchmarking committees within the utility industry, and have worked with both high-performing and struggling utilities across the U.S. to assess and improve efficiency and effectiveness. Our project team understands the regulatory and resource challenges municipal utilities face, and we have the operational and tactical expertise to help utilities achieve their operational performance and strategic goals.

Raftelis will review the utilities against industry standards set by associations such as the AWWA, American Metropolitan Water Association (AMWA), Water Environment Foundation (WEF), National Association of Clean Water Agencies (NACWA), and American Public Power Association (APPA). Using our industry expertise, our team will thoroughly review operation of the City’s utility distribution, collection, and treatment functions. Our project team will provide the City with a clear understanding of current performance and recommendations for enhancing it that are backed by industry benchmarks. We will formulate recommendations that consider the utilities’ current resources with a goal to leverage existing resources to the maximum extent.

We will collaborate with the City to evaluate and recommend enhancements to the utilities’ use and application of major utility software systems, such as Computerized Maintenance Management Systems (CMMS), and ensure that our review considers and incorporates industry standards and best practices for use of these types of systems. Our review of software systems will not stop at the operational application, it will reach into the cultural acceptance and use of preventative, predictive, and corrective maintenance programs. Modern utilities rely on both people and data to maintain systems, and

our team has the specialized experience to ensure the utilities' people and data work together to achieve efficiency, while simultaneously achieving desired service levels and strategic objectives.

Our team will perform a review of customer service processes and practices. Rates for water, wastewater, reclaimed water, and electricity continue to rise, and ensuring customers understand and see the value in the rates they pay is paramount to utility success. The processes and practices that govern a utility's customer experience must be efficient, effective, and provide value for customers. Our project team has deep expertise in evaluating the utility customer experience and will bring a wealth of industry knowledge to bear as we work with the City to ensure customer service functions achieve their desired impact.

Having completed interviews, data review, benchmarking, operational efficiency, and staffing level analysis, Raftelis will present its preliminary observations and recommendations to the City for review and discussion. Appropriate follow-up and revision will occur based upon the City's feedback.

### TASK 3 DELIVERABLES

- Preliminary observations and recommendations presentation

## Task 4: Final Report and Presentation

Once recommendations have been finalized, Raftelis will prepare a comprehensive draft report which includes our methodology, steps taken, analysis, findings, and recommendations for improvement, including detailed staffing level projections for each work unit within the water and wastewater utilities.

Raftelis will solicit feedback on the draft report. We will ask that the City provide one set of consolidated comments and edits within 25 business days of the draft being issued. Raftelis is also available for a web meeting or conference call to review the draft document and answer any questions.

Once the City's feedback is received, Raftelis will produce a final deliverable document. Raftelis will provide the final report within 30 days of receiving consolidated comments and after any web meetings and conference calls. Our team will be available to make up to two presentations of the report to staff, City management, or policymakers.

### TASK 4 DELIVERABLES

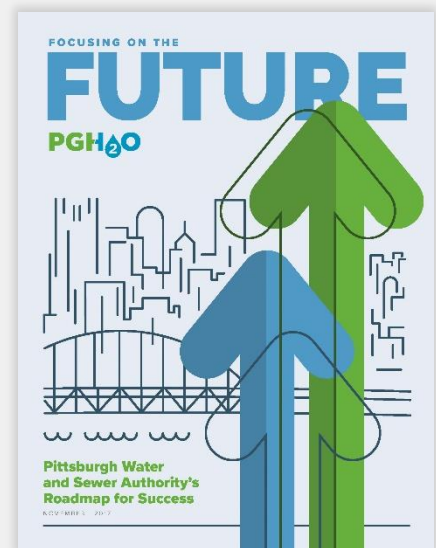
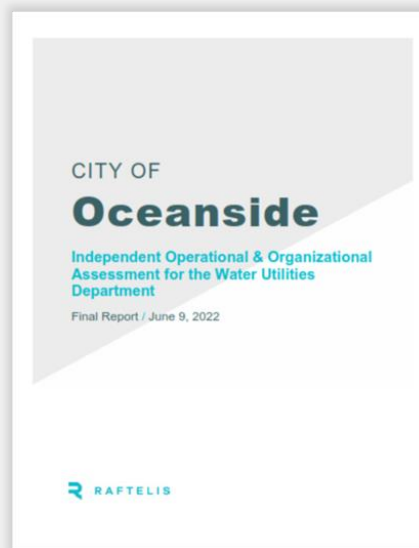
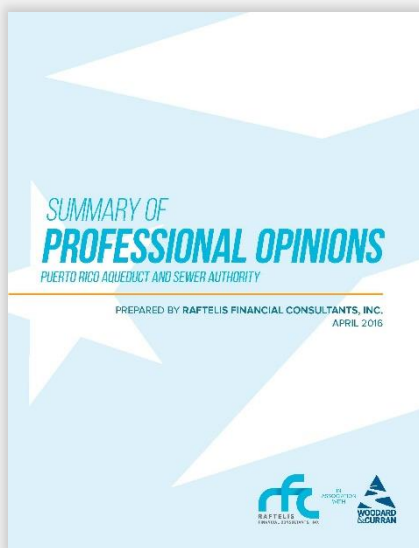
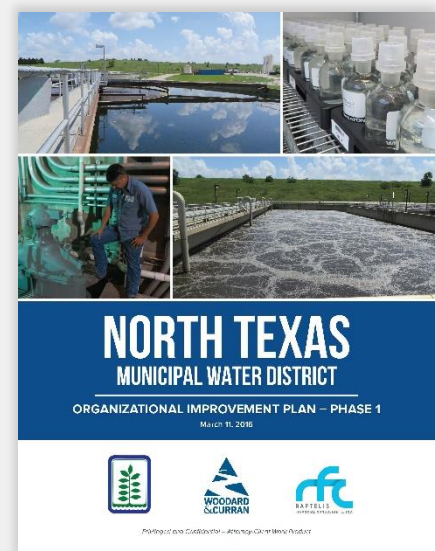
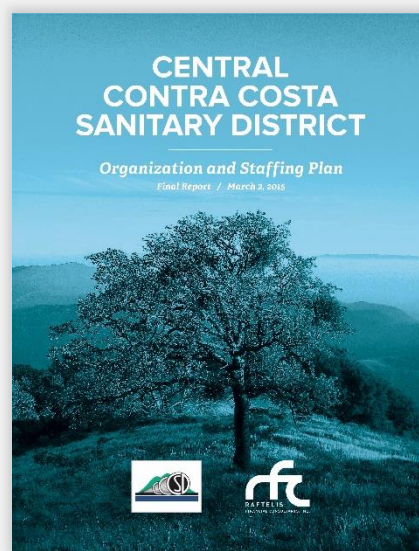
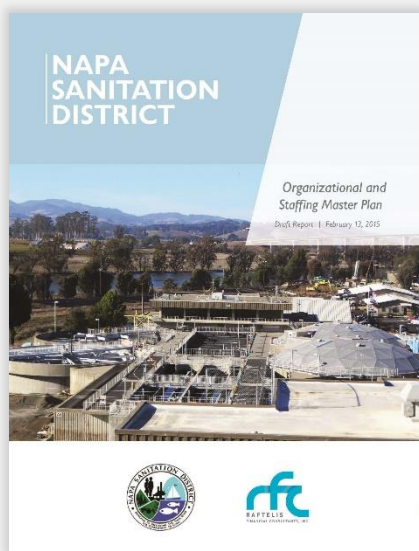
- Draft report for review and comment
- Final report
- Two report presentations



# Sample Deliverables

DESIGNED AND DEVELOPED BY RAFTELIS

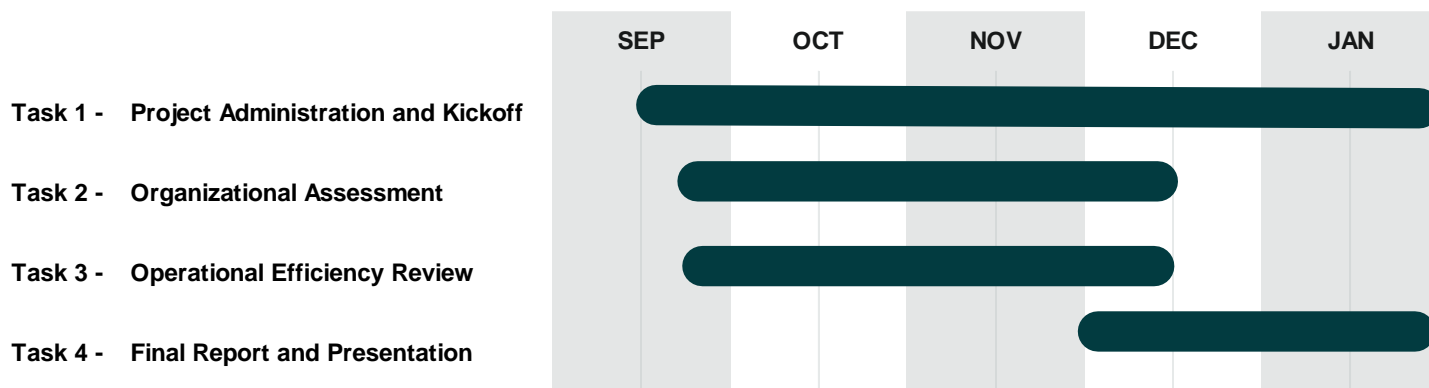
Full copies these deliverables can be provided upon request.



# Project Schedule

A proposed project schedule by Task is provided below. In our experience, projects of this scope typically take 4-6 months to complete. We expect to refine and finalize this schedule with the City during Task 1.

As shown, Task 1 will be active throughout the duration of the project. Tasks 2-3 are estimated to conclude by mid-December. Task 4 is estimated to conclude by the end of January.



# References

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 Corona, Department of Water and Power CA

**Reference:** Katie Hockett, Assistant General Manager

755 Public Safety Way, Corona, CA 92880 / P: 951.279.3601 / E: katie.hockett@coronaca.gov

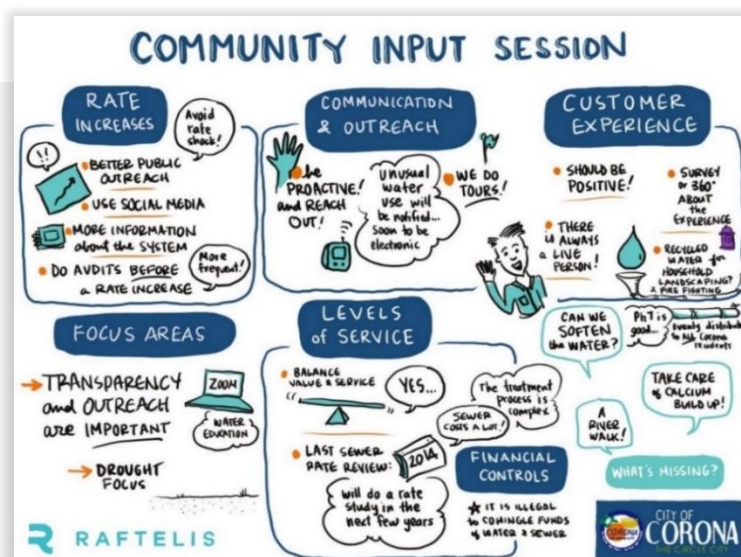
**Term of Engagement:** June 2020 - February 2021

**Cost/Project Size:** \$122,280

The City of Corona (City) is wedged between affluent areas of Orange County and more rural areas to the west. Traditionally, there has been an uneasy balance between customers wanting fewer and cheaper community service offerings and customers wanting more services at a moderate additional cost, similar to neighboring areas. A recent water and sewer rate increase after a seven-year pause was the catalyst to reignite the debate over service levels and costs. In response, the Department of Water and Power (DWP) hired Raftelis to perform a comprehensive review of DWP services, structure, staffing, and the value customers receive.

The review examined all the major aspects of how the DWP operates, from its organization and management through its business processes, relationships with other departments, and operations. Using Raftelis' tested Engage-Assess-Compare-Enhance methodology, the DWP learned how it compares with similar entities using a series of benchmarks, as well as national utility data. Raftelis looked beyond the numbers at positions, business processes, and practices to see how DWP aligns with industry best practices. Raftelis employed Lean techniques to review the efficiency and effectiveness of practices and assessed technologies such as the City's Enterprise Resource Planning system (ERP), Computerized Maintenance Management System (CMMS), and other major platforms. Raftelis identified changes in procurement practices, for example, to better utilize the already lean number of staff. Significant recommendations from the report were a variety of specific workflow changes and the addition of business analysis and project management staffing resources to support DWP strategic efforts.

Our visual facilitator developed the graphic here during a community input session to bring the discussion to life for participants.



## Montecito Water District CA

**Reference:** Daryl Smith, Business Manager

583 San Ysidro Road, Montecito, CA 93108 / P: 805.452.8953 / E: dsmith@montecitowater.com

**Term of Engagement:** March 2020 – September 2020, plus pending projects

**Cost/Project Size:** \$28,220

The Montecito Water District (District) engaged Raftelis to perform a market compensation analysis and review position descriptions, as well as benchmark the organization against peer utilities in the area and across California. Raftelis obtained current and relevant salary structure and pay information from published surveys representing peer California utilities, national water-sector utility data, and other employers in the relevant market. Raftelis supplemented the data with additional information it has gained from working with hundreds of California utilities to reflect general economic trends related to compensation levels. The analyses provided information and recommendations to assist in ensuring the District's ability to attract and retain qualified staff and to ensure staff are compensated fairly, in a manner commensurate with their job duties and responsibilities.

Based on industry, national, regional, and peer utility comparisons, Raftelis noted that the cost of living in Santa Barbara County is roughly equal to median levels across California, but the cost of living in Montecito, mainly driven by housing prices, is significantly higher than those in most other areas of Santa Barbara County and California. District salaries appear to be broadly in line with surveyed peers and the 2019 American Water Works Association (AWWA) salary survey, based on the cost of living in Santa Barbara County, which includes both higher and lower cost areas. Raftelis identified, for example, that a couple of positions appeared undercompensated as compared with peers and that several job descriptions were relatively unique and not entirely reflective of duties performed.

Raftelis has worked with Montecito Water District on other efforts including financial and rate studies and is developing a scope to perform an organization-wide organization and operations assessment to correlate staffing and organization with customer service levels and rates. We are currently preparing a study on potential consolidation of the District with the Montecito Sanitary District.



**With a median home price above \$3 million in the service area, the Montecito Water District must weigh many factors when determining appropriate compensation for its staff.**

## Monte Vista Water District CA

**Reference:** Justin Scott-Coe, General Manager

10575 Central Avenue, Montclair, CA 91763 / P: 909.624.0035 / E: jscottcoe@mvwd.org

**Terms of Engagement:** May 2021 – October 2021

**Cost/Project Size:** \$92,275

Located at the intersection of San Bernardino, Los Angeles, Orange, and Riverside Counties, Monte Vista Water District (District) provides retail and wholesale water supply to over 130,000 residents in a 30 square-mile area of San Bernardino County. The District has suffered historically poor preventive maintenance and is playing “catch up” with a significant capital projects investment in order to reduce a high leak and failure rate. A new General Manager and strategic plan, several new department heads, and other changes, including a campus construction plan and consideration of adding sewer service as a new business line, have resulted in the need to take a comprehensive look to ensure operations align with future growth and strategic goals.

Raftelis interviewed numerous employees, visited the site to tour facilities and assess maintenance practices, performed benchmarking with several other comparable utility operations, and reviewed numerous documents. We reviewed and compared all District job classifications and salary ranges to those in comparable agencies in the region, recommending where adjustments were necessary to remain competitive.



**The Monte Vista Water District engaged Raftelis to review operations against the 10 Effective Utility Management (EUM) criteria and to perform a comprehensive compensation comparison.**

## City of Oceanside CA

**Reference:** Lindsay Leahy, Water Utilities Director

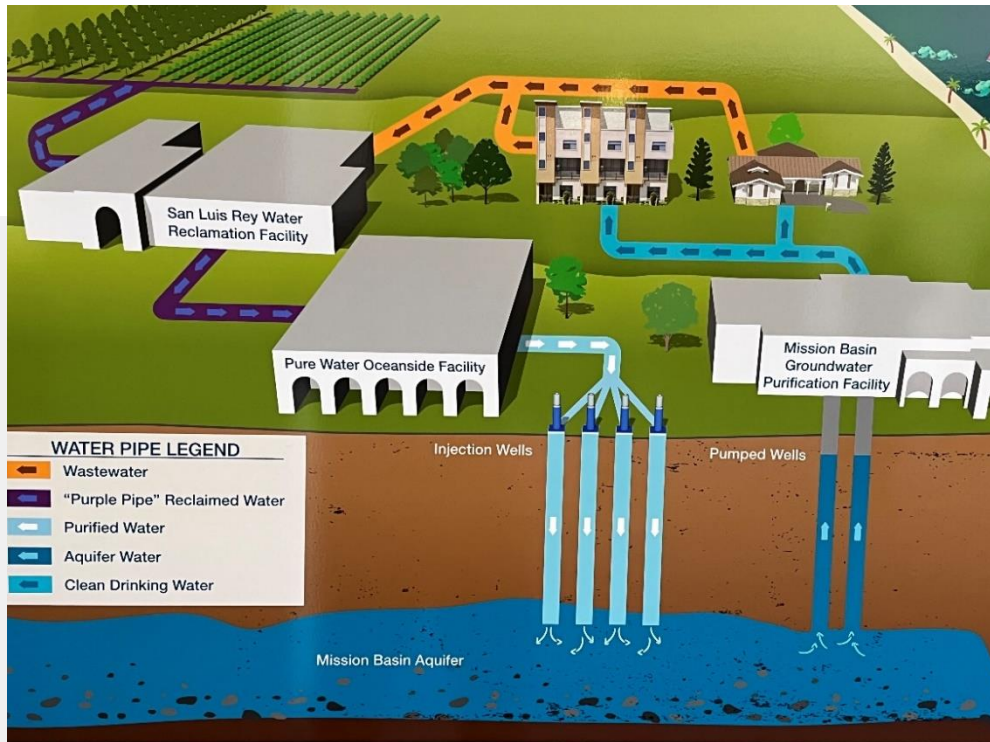
300 North Coast Highway, Oceanside, CA 92054 / P: 760.435.5800 / E: lleahy@oceansideca.org

**Terms of Engagement:** May 2021 – October 2021

**Cost/Project Size:** \$92,500

The services delivered to the community by the Oceanside Water Utility Department (Department) are vitally important—they support a thriving downtown, a vibrant agricultural area, as well as meet the needs of the many residents and businesses that call Oceanside home. With that in mind, the Department engaged Raftelis to initiate a strategic planning process in September 2019 for updating its organizational vision and develop a framework for guiding the organization into the future. Using techniques from appreciative inquiry, Raftelis worked with a core team of employees to review feedback from stakeholders and evaluate organizational strengths, identify opportunities, discuss compelling aspirations, and agree on results and measures of strategic progress.

The Department’s strategic planning process involved input from a broad group of internal and external stakeholders and consistent communications of the Department’s vision, mission and overall strategic plan, both internally and externally. Based on this process, the Department elected to focus on workforce, finance, communication and outreach, infrastructure, sustainable resource management, and technology in its updated strategic plan. The strategic framework developed will help guide investment, allocate resources, and provide a structure for annual strategy reviews to ensure that long-term goals and objectives are achieved.



**Oceanside’s facilities treat water at various stages of the water cycle to ensure environmental protection, sustainability, and safe drinking water.**

## Southern California Edison – Catalina Operations CA

**Reference:** Bach Tsan, PE, Audit Engineer – Operational, Safety Audits, and Audit Services Department  
 2244 Walnut Grove Avenue, Rosemead, CA 91770 / P: 626.302.637 / E: bach.tsan@sce.com

**Term of Engagement:** June 2020 – December 2020

**Cost/Project Size:** \$58,158

Since 1962, Southern California Edison (SCE) has owned and operated the water system on Santa Catalina Island, which serves approximately 2,000 accounts associated with over 4,000 full-time residents and over one million annual visitors. Catalina is situated roughly twenty-nine miles southwest of the port of Long Beach and. The only incorporated city on the island, the City of Avalon, accounts for roughly 4% of Catalina’s land area, 91% of its population, and over 80% of its water use. Approximately 88% of the island is protected by the conservancy, a nonprofit organization whose mission is to preserve the island’s natural resources, provide education and offer recreation. Catalina is completely isolated from mainland water sources and relies upon local groundwater wells which produces approximately 75% of the potable water and two desalination plants producing the remaining 25% to meet customer water demands. In the event of emergencies or drought, potable water must be shipped to the island via barge.

SCE hired Raftelis to perform a comprehensive organization and operations assessment of the Catalina operations as part of a multiphase planning effort. The project included a review of major operations practices, encompassing asset management strategies, staffing, organization, and management of the utility. Raftelis found that island staff struggled with many resource and logistics issues associated with the unique conditions on the island. Many assets were in poor condition. Raftelis recommended several changes including enhancing the use of the SAP Computerized Maintenance Management System (CMMS), adopting SCADA, and providing additional equipment and training for operations personnel before considering additional staff. Raftelis also recommended that the Catalina operations have a “champion” to represent their interests to the larger SCE organization; currently there are several SCE groups that have various interests in the operation.

**Southern California Edison’s Catalina Operations must supply water to island residents under challenging conditions. The airport tanks on the ridgeline in the background are representative of the remote island assets that staff must operate and maintain.**



## City of San Diego, Public Utilities Department CA

**Reference:** Wanda Forte Mason, Key Customer Advocacy Team Program Manager  
 1200 Third Avenue, San Diego, CA 92101 / P: 619.533.6241 / E: wfortemason@sandiego.gov

**Terms of Engagement:** December 2020 – April 2021

**Cost/Project Size:** \$229,441

At their best, organizational policies support the activities of a utility, ensuring that customers and stakeholders are treated fairly and consistently, that staff are supported in carrying out their work on a day-to-day basis, and that the organization has clear guidance on what it should and should not be doing. Often, however, policies and their associated SOPs are shelf documents – rarely referenced, updated on an ad-hoc and infrequent basis, and not comprehensive enough to truly support the organization. The San Diego Public Utilities Department engaged Raftelis in 2020 to facilitate a review and update of its policies and procedures relating to water and wastewater practices.

Raftelis observed a utility that is staffed with dedicated, hardworking employees, but who are generally working without clear policies and procedures, leading to delays and inefficiency. Our team met weekly with the City of San Diego’s team to review chapters of the existing policy manual, identify new sections or regulatory changes and requirements such as SB998 water shutoff policies, met with staff to review the changes and get input for missing elements or items difficult to implement, and drafted a new policies and practices. Our team also revised and updated the process narratives which guide staff through the steps of various processes as outlined in the policy manual. In this way, the representatives have clear direction and process steps to assist customers with their needs.

Raftelis provided guidance throughout the project on benchmarking with other utilities nationally to determine industry standards and best practices. Policies and procedures are under legal and management review at this time.

**The San Diego Public Utility Department  
 is streamlining its policies and procedures  
 to enhance service to customers.**





## North Texas Municipal Water District TX

**Reference:** Brian Brooks, Process Improvement Advisor  
 501 E. Brown Street, Wylie, TX 75098 / P: 469.626.4337 / E: bbrooks@ntmwd.com

**Term of Engagement:** January 2015 – December 2017

**Cost/ Project Size:** \$63,445

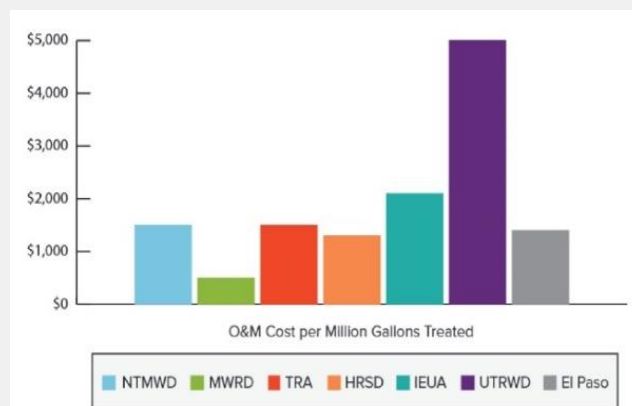
Over the last 60 years, the North Texas Municipal Water District (NTMWD or District) has quietly grown from a small operation on the outskirts of Dallas to a major U.S. utility with over 1.6 million customers over an area the size of the State of Delaware. Rapid growth has stretched resources, taxed assets, and created organizational challenges. NTMWD has tackled these challenges head on to become a world-class utility.

Challenged by the rate of population growth and by its extreme geographic reach, NTMWD asked Raftelis to conduct an organizational assessment to evaluate operating practices and staffing to aid the delivery of affordable services. The scope of the project was of such a size that the project was divided into two phases over several years. Phase I assessed the Wastewater Division and the Shared Support Services, while Phase II assessed the Water Division. Elements included:

- Reviewing staffing needs both in terms of quantity and function of staff
- Assessing workforce support functions, including HR policies, safety, and training
- Evaluating operating practices and conditions at facilities
- Conducting workshops with Executive Leadership to validate findings and to maintain communication pathways
- Surveying staff as to their views of the District’s performance in relation to the principles of Effective Utility Management (EUM)
- Benchmarking the District’s performance to other peer utilities and national standards

Following these activities in Phase I, Raftelis identified opportunities for the District to improve its organization. In addition to a range of specific recommendations, Raftelis developed five initiatives to transform the organization. The initiatives are in the areas of: Safety and Risk Management; Training; Asset Management; Maintenance; and Total Quality Operations. Raftelis worked with NTMWD to implement several of the elements of these initiatives and has completed a training master plan. In conjunction with the organizational development and performance improvement services, Raftelis has provided facilitation services to aid in strategic partnering between the District and its member and customer cities. Raftelis has assisted with updating and reformulating job descriptions for several operations positions. Raftelis is also worked with the District Board on Governance strengthening and member relationships.

**For North Texas Municipal Water District, Raftelis conducted benchmarking of other utilities to find opportunities for improvement. The tables below show some of the results of our analysis.**



UTILITY	AVERAGE ANNUAL FLOWS (MGD)	# OF LARGE PLANTS (51+ MGD CAPACITY)	# OF MEDIUM PLANTS (6-50 MGD CAPACITY)	# OF SMALL PLANTS (<5 MGD CAPACITY)	O&M COST/MILLION GALLONS TREATED
North Texas Municipal Water District (NTMWD)	90	1	4	12	\$1,529
Metropolitan Water Reclamation District (MWRD)	133	1	0	0	\$637
Trinity River Authority (TRA)	146	1	2	2	\$1,502
Hampton Roads Sanitation District (HRSD)	215	0	5	4	\$1,420
Inland Empire Utilities Agency (IEUA)	52	0	4	0	\$2,219
Upper Trinity Regional Water District (UTRWD)	5	0	0	2	\$4,987
El Paso Water Utilities (El Paso)	59	0	4	0	\$1,642

## Lake Havasu City, Utilities Department AZ

**Reference:** Mark Clark, PE, PTOE, Director of Operations and Maintenance Services

2330 McCulloch Boulevard North, Lake Havasu City, AZ 86403 / P: 928.855.3377 / E: clarkm@lhcaz.gov

**Term of Engagement:** February 2018 – August 2018

**Cost/ Project Size:** \$35,098

Lake Havasu City (City) engaged Raftelis to conduct an Organizational and Operations Assessment (Assessment) for the City's utilities. The main goal was to investigate opportunities to improve the efficiency and effectiveness of the organization. This included the following major objectives:

- Interview utility staff to understand the organizational structure of the utility and how responsibilities are assigned across job titles
- Gain insight into asset conditions, labor needs, and capital needs
- Review staffing levels and organizational structure to find opportunities to best meet the long-term needs of the utilities with a minimum of staff
- Identify other opportunities in workflow, utility operations, or potential initiatives that may improve the long-term efficiency and effectiveness of the utilities

Raftelis observed a utility that is staffed with dedicated, hardworking employees, but who are generally understaffed and forced into a “firefighting” mode in which actions are more reactive than proactive. The primary recommendations of this study focused on workforce and business practice enhancements to ensure the long-term stability of the utilities.

Some of the workforce and business practice recommendations included:

- Adjusting the organizational structure to address the lack of management capacity and delegation
- Adopting succession planning activities
- Conducting a salary study to aid employee retention
- Initiating a program to recruit and train new hires

Raftelis provided guidance on re-thinking the data collection burdens (e.g., Lucity, work orders, timesheets); simplifying the budget reporting process, opportunities to outsource less-skilled tasks and preparing master and strategic plans to shape utility systems' growth and development.

**Climate and water source impact performance.**  
**Lake Havasu City, AZ is one of the hottest communities in the U.S. with competition for water resources.**

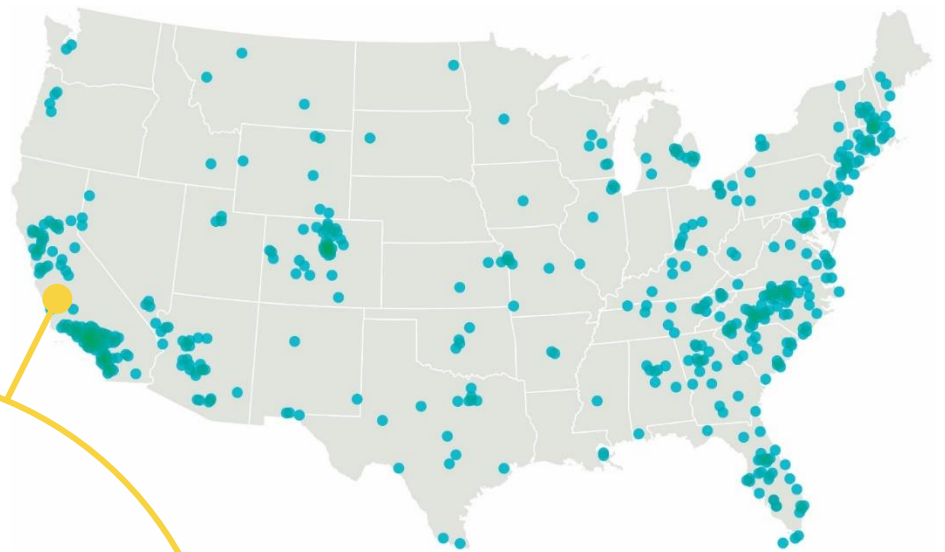


# List of Representative Projects

**RAFTELIS HAS ONE OF THE MOST EXPERIENCED UTILITY AND LOCAL GOVERNMENT FINANCIAL AND MANAGEMENT CONSULTING PRACTICES IN THE NATION.**

Our staff has assisted more than 1,200 local government organizations 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 900 financial, management, and/or technology consulting projects for over 600 public-sector agencies in 44 states, the District of Columbia, and Canada.

**THIS MAP AND THE MATRIX ON THE FOLLOWING PAGES SHOW SOME OF THE LOCAL GOVERNMENT CLIENTS THAT WE HAVE ASSISTED.**



Raftelis has provided financial/organizational/technology assistance to public agencies serving more than

**25%** of the U.S. population



Client	Finance						Organization					Technology				
	Affordability Analysis & Program Development	Capital Improvements Planning/Prioritization	Debt Issuance Support	Economic & Financial Evaluations	Financial Planning & Modeling	Rate, Charge, & Fee Studies	Stormwater Utility Development & Support	Organizational, Governance, & Operations Optimization	Performance Measurement & Benchmarking	Program Planning & Support	Stakeholder Engagement & Communication	Strategic Planning	Billing, Permitting, & Customer Information Audits	Business Process Development	Data Management, Analytics, & Visualization	Software Solutions
MI Saginaw, City of		●			●	●										
MO Metropolitan St. Louis Sewer District		●	●		●	●	●	●								
MS Jackson, City of	●	●			●	●		●							●	
NC Asheville, City of		●	●		●	●		●			●					
NC Charlotte Water	●	●			●	●										
NC Durham, City of		●	●		●	●										
NC Fayetteville, City of		●	●		●	●	●									
NC Raleigh, City of		●	●		●	●	●	●		●						
NH Concord, City of		●			●	●										
NJ Brick Township Municipal Utilities Authority					●	●										
NJ Jersey City Municipal Utilities Authority		●			●	●										
NV Henderson, City of		●			●	●										
NY Erie County Water Authority					●	●										
NY New York City Water Board		●			●	●									●	
OH Akron, City of		●			●	●				●						
OH Franklin County		●			●	●		●								
OH Montgomery County Environmental Services		●			●	●		●	●				●	●	●	●
OH Northeast Ohio Regional Sewer District	●	●			●	●	●	●						●	●	●
OK Chickasha, City of					●	●	●	●		●			●	●		
OK Stillwater Utilities Authority					●	●									●	
OR Portland Bureau of Water, City of		●	●		●	●									●	
PA Capital Region Water	●	●	●		●	●	●			●	●					
PA Philadelphia Water Department	●	●	●		●	●		●	●	●	●		●	●	●	
PA Pittsburgh Water and Sewer Authority	●	●	●	●	●	●		●	●	●	●		●	●	●	
RI Newport, City of		●	●		●	●										
RI Providence Water Supply Board		●			●	●		●	●							
SC Greenville Water					●	●		●								
SC Mount Pleasant Waterworks		●			●	●					●					
TN Johnson City, City of	●	●	●		●	●										
TN Metro Water Services of Nashville and Davidson County		●	●		●	●	●		●		●	●				
TX Austin, City of		●	●		●	●		●								
TX Dallas, City of		●			●	●	●			●			●	●		
TX El Paso Water Utilities		●	●		●	●				●				●	●	●
TX North Texas Municipal Water District		●		●				●	●	●	●		●	●	●	
TX Round Rock, City of						●										
TX San Antonio Water System	●	●			●	●				●						
UT Salt Lake City					●	●				●						
VA Newport News Department of Public Utilities, City of		●	●		●	●					●				●	
VA Richmond Department of Public Utilities	●	●			●	●	●			●					●	
VA Suffolk, City of		●	●		●	●										
VT Burlington, City of		●	●		●	●										
WA Tacoma, City of				●		●					●				●	
WI Milwaukee Metropolitan Sewerage District		●			●	●										
WI Milwaukee Water Works		●			●	●										
WV Charleston Sanitary Board						●										
Can Calgary, City of		●			●			●							●	
PR Puerto Rico Aqueduct and Sewer Authority		●	●		●			●	●	●						

# Disclosure of Claims/Lawsuits

Raftelis has been joined as a third-party defendant in a lawsuit filed by local developers against the Town of Fuquay-Varina, North Carolina. The subject of this currently pending litigation is development impact fees assessed by the town and developed by Raftelis. This is the only legal case in which Raftelis has been joined as a party in the history of our firm. Raftelis intends to vigorously defend the allegations and claim.

Raftelis has not made any claims against a public agency that concern work performed by Raftelis pursuant to a contract or payment for a contract.

# Cost Proposal

The total fixed fee for completion of the scope of work is \$75,600. This includes all professional fees and expenses.

The following is the cost by project activity.

Activity	Description	Cost
1	Project Administration and Kickoff	\$5,500
2	Organizational Assessment	\$26,175
3	Operational Efficiency Review	\$22,075
4	Final Report and Presentation	\$21,850
<b>TOTAL</b>		<b>\$75,600</b>

The City will be invoiced monthly as tasks are completed.

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## NO DEVIATIONS FROM THE RFP

# No Deviations from the RFP

We have reviewed the proposed Professional Services Agreement and certify that we take no exceptions.