

**Agreement for Professional Services
Mission Springs Water District
66575 Second Street
Desert Hot Springs, CA 92240
Telephone 760-329-6448 – FAX 760-329-2482**

For your protection, make sure that you read and understand all provisions before signing. The terms on pages 2 - 5 are incorporated in this document and will constitute a part of the agreement between the parties when signed.

TO: **Raftelis Financial Consultants, Inc.** DATE: 3/8/2023
445 S. Figueroa St., Suite 1925
Los Angeles, CA 90071

TITLE: **Long-Range Financial Plan**

The undersigned Consultant agrees to furnish the following:

All Work/Services per the attached Exhibit A – Scope of Work and in accordance with Exhibit B – Cost Sheet provided by Raftelis Financial Consultants, Inc., and per Exhibit C – Term, Early Termination & Notice

Contract price \$: Not to Exceed \$37,195.00

Term: **One (1) year from the effective Agreement DATE above**

Instructions: Sign and return via email. Upon acceptance by Mission Springs Water District, a copy will be signed by its authorized representative(s) and promptly returned to you. Insert the names of your authorized representative(s) below.

Accepted:	Consultant:
<u>Mission Springs Water District</u>	<u>Raftelis Financial Consultants, Inc.</u>
	(Business Name)

By: <u>Arturo Ceja</u>	By: <u>John Wright</u>
Title <u>Director of Finance</u>	Title <u>Senior Manager</u>

Other authorized representative(s):	Other authorized representative(s):
<u>Brian Macy</u>	<u></u>
Assistant General Manager	
<u>Rachel Pust</u>	<u></u>
Accounting Manager	

Consultant agrees with the Mission Springs Water District that:

- a. When the law establishes a professional standard of care for Consultant's services, to the fullest extent permitted by law, Consultant will defend, indemnify and hold harmless Mission Springs Water District, its directors, officers, employees, and authorized volunteers against liability from claims and demands of the Consultant's negligence, recklessness, or willful misconduct in the performance (or actual or alleged non-performance) of the work under this agreement. Consultant shall defend itself against liabilities, claims, losses, damages, and costs caused by Consultant's breach of performance or non-performance of the work hereunder and shall not tender such claims to Mission Springs Water District nor to its directors, officers, employees, or authorized volunteers, for defense or indemnity.
- b. Other than in the performance of professional services, to the fullest extent permitted by law, Consultant will immediately defend, indemnify and hold harmless Mission Springs Water District, its directors, officers, employees and authorized volunteers from claims by Consultant's employees for damages to persons or property except for the sole negligence or willful misconduct or active negligence of Mission Springs Water District, its directors, officers, employees, or authorized volunteers.
- c. By his/her signature hereunder, Consultant certifies that he/she is aware of the provisions of Section 3700 of the California Labor Code which requires every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and that Consultant will comply with such provisions before commencing the performance of the professional services under this agreement. Consultant and sub-consultants will keep workers' compensation insurance for their employees in effect during all work covered by this agreement.
- d. Consultant will file with Mission Springs Water District, before beginning professional services, a certificate of insurance satisfactory to Mission Springs Water District evidencing professional liability coverage of not less than \$1,000,000 per claim and \$2,000,000 annual aggregate, that coverage shall not be cancelled except with notice to Mission Springs Water District. Coverage is to be placed with a carrier with an A.M. Best rating of no less than A: VII, or equivalent, or as otherwise approved by Mission Springs Water District. The retroactive date (if any) is to be no later than the effective date of this agreement. Consultant shall maintain such coverage continuously for a period of at least five (5) years after the completion of the contract work. Consultant shall purchase a five-year extended reporting period i) if the retroactive date is advanced past the effective date of this Agreement; ii) if the policy is canceled or not renewed; or iii) if the policy is replaced by another claims-made policy with a retroactive date subsequent to the effective date of this Agreement. In the event that the Consultant employs other consultants (sub-consultants) as part of the work covered by this agreement, it shall be the Consultant's responsibility to require and confirm that each sub-consultant meets the minimum insurance requirements specified above.
- e. Consultant will file with Mission Springs Water District, before beginning professional services, certificates of insurance (Acord Form 25 or equivalent) satisfactory to Mission Springs Water District evidencing

Coverage – Coverage for commercial general liability and automobile liability insurance shall be at least as broad as the following:

1. Insurance Services Office (ISO) Commercial General Liability Coverage (Occurrence Form CG 00 01)
2. Insurance Services Office (ISO) Business Auto Coverage (Form CA 00 01), covering Symbol 1 (any auto)

Limit – The consultant shall maintain limits no less than the following:

General liability - coverage of not less than two million (\$2,000,000) per occurrence or the full per occurrence limits of the policies available, whichever is greater for bodily injury, personal injury, and property damage; (\$4,000,000 general and products-completed operations aggregate (if used)).

1. Auto liability - One million dollars \$1,000,000 for bodily injury and property damage each accident limit.
2. Workers' compensation (statutory limits) and employer's liability (\$1,000,000) (if applicable).

Required Provisions –

- The general liability coverage shall give Mission Springs Water District, its directors, officers, employees (collectively the District), and authorized volunteers insured status (via ISO endorsement at least as broad as CG 2010 1185 or **both** CG 20 10 plus CG 20 37 if a later edition is used) specifically naming the Mission Springs Water District, its directors, officers, employees, or authorized volunteers; or using the language that states "as required by written contract."
 - The general liability coverage is to state or be endorsed (with as broad as ISO endorsement CG 20 01 04 13) to state "such insurance shall be primary and any insurance, self-insurance or other coverage maintained by Mission Springs Water District, its directors, officers, employees, or authorized volunteers shall not contribute to it".
 - Workers Compensation Insurance – As required by the State of California, with Statutory Limits and Employer's Liability Insurance of no less than \$1,000,000 per accident for bodily injury or disease. **Waiver of Subrogation:** The insurer(s) named above agree to waive all rights of subrogation against the Mission Springs Water District, its elected or appointed officers, officials, agents, authorized volunteers, and employees for losses paid under the terms of this policy which arise from work performed by the named insured for the Mission Springs Water District; but this provision applies regardless of whether or not the Mission Springs Water District has received a waiver of subrogation from the insurer.
 - Consultant shall require and verify that all sub-contractors maintain insurance meeting all requirements stated herein, and Consultant shall ensure that Mission Springs Water District its directors, officers, employees, and authorized volunteers are an additional insured on Commercial General Liability Coverage.
 - Coverage is to be placed with a carrier with an A.M. Best rating of no less than A: VII, or equivalent, or as otherwise approved by Mission Springs Water District.
 - The coverage shall contain no special limitations on the scope of protection afforded to Mission Springs Water District, its directors, officers, employees, or authorized volunteers.
 - In the event that the Consultant employs other consultants (sub-consultants) as part of the work covered by this agreement, it shall be the Consultant's responsibility to require and confirm that each sub-consultant meets the minimum insurance requirements specified above.
- f. If any of the required coverages expire during the term of this agreement, the Consultant shall deliver the renewal certificate(s) to Mission Springs Water District at least ten (10) days prior to the expiration date.
- g. Consultant shall not accept direction or orders from any person other than the General Manager or the person(s) whose name(s) is (are) inserted on Page 1 as "other Authorized Representative(s)."
- h. Payment, unless otherwise specified on Page 1, is to be within thirty (30) days after acceptance by Mission Springs Water District.
- i. Professional permits required by governmental authorities will be obtained at Consultant's expense, and Consultant will comply with applicable local, state and federal regulations and statutes including but not limited to Cal/OSHA requirements.
- j. Any change in the scope of the professional services to be done, method of performance, nature of materials or price thereof, or to any other matter materially affecting the performance or nature of the professional services will not be paid for or accepted unless such change, addition or deletion is approved in advance, in writing by a supplemental agreement executed by Mission Springs Water District.

Consultant's "Authorized Representative(s)" has (have) the authority to execute such written change for Consultant.

- k. Unless otherwise agreed upon in writing, all reports, documents, or other written material, including any documents, images, photographs, video files, or other media created or developed by Consultant as part of the services required hereunder ("Written Products") shall be considered to be "works made for hire", and all Written Products and any and all intellectual property rights arising from their creation, including, but not limited to, all copyrights and all other proprietary rights, shall be and remain the property of Mission Springs Water District without restriction or limitation upon their use, duplication or dissemination by Mission Springs Water District, except as otherwise provided herein. Consultant shall not obtain or attempt to obtain copyright protection as to any of the Written Products.
- l. Consultant shall not disclose, publish, or authorize others to disclose or publish, design data, drawings, specifications, reports, or other information pertaining to the projects assigned to the Consultant by the Mission Springs Water District or other information to which the Consultant has had access during the term of this Agreement without the prior written approval of an Authorized Representative, or as required by court order, legal process, subpoena or applicable law, during the term of this Agreement. Consultant's covenant under this section shall survive the termination of this Agreement.
- m. Consultant shall maintain complete and accurate records with respect to sales, costs, expenses, receipts, and other such information required by the Mission Springs Water District or the Authorized Representative. The Consultant shall maintain adequate records on services provided in sufficient detail to permit an evaluation of service. All such records shall be maintained in accordance with generally accepted accounting principles and shall be clearly identified and readily accessible. At all times during regular business hours, Consultant shall provide access to such books and records to the Authorized Representative or his or her designees and shall give the Authorized Representative or his or her designees the right to examine and audit such books and records and to make transcripts as necessary, and shall allow inspection of all work, data, documents, proceedings, and activities related to this Agreement.
- n. This Agreement is personal to the Consultant. Any attempt to assign or subcontract any right or obligation hereunder by the Consultant shall be void unless approved in writing in advance by the Authorized Representative. Consultant's services pursuant to this Agreement shall be provided by the representative or directly under the supervision of the representative and Consultant shall not assign another to supervise the Consultant's performance of this Agreement without the prior written approval of the Mission Springs Water District, by and through the Authorized Representative.
- o. Consultant shall not maintain, commit, or permit the maintenance or commission of any nuisance in connection with the performance of services under this Agreement.
- p. Consultant agrees to be familiar with and comply with all applicable federal, state, and local conflict of Interest laws, including, but not limited to, the Political Reform Act (California Government Code Sections 81000, et seq.) and California Government Code Section 1090. During the term of this Agreement, Consultant shall retain the right to perform similar services for other clients, but Consultant and its officers, employees, associates and subcontractors shall not, without the prior written approval of the Authorized Representative, perform work for another person or entity for whom Consultant is not currently performing work that would require Consultant or one of its officers, employees, associates or subcontractors to abstain from a decision under this Agreement pursuant to a conflict-of-interest statute.
- q. A waiver by the Mission Springs Water District of any breach of any term, covenant, or condition contained in this Agreement shall not be deemed to be a waiver of any subsequent breach of the same or any other term, covenant, or condition contained in this Agreement whether of the same or different character.
- r. The Consultant shall commence, carry on, and complete all required tasks with all practicable dispatch, in a sound, economical, and efficient manner in accordance with all applicable laws and generally accepted industry standards.

- s. No Third-Party Beneficiaries. The Mission Springs Water District shall not be obligated or liable under this Agreement to any party other than the Consultant.
- t. In no event shall the making by the Mission Springs Water District of any payment to the Consultant constitute or be construed as a waiver by the Mission Springs Water District of any breach of covenant, or any default which may then exist, on the part of the Consultant, and the making of any such payment by the Mission Springs Water District while any such breach or default shall exist shall in no way impair or prejudice any right or remedy available to the Mission Springs Water District with regard to such breach or default.
- u. If any legal action is necessary to enforce any provision of this Agreement or for damages by reason of an alleged breach of any provisions of this Agreement, the prevailing Party shall be entitled to receive from the losing Party all costs and expenses in such amount as the courts may determine to be reasonable. In awarding the cost of litigation, the court shall not be bound by any court fee schedule, but shall, if it is in the interest of justice to do so, award the full amount of costs, expenses, and attorneys' and experts' fees paid or incurred in good faith.
- v. In the performance of the work required by this Agreement, Consultant shall abide by and conform with and to applicable laws of the United States and the State of California, and with the local County and Municipal Code, ordinances, regulations and policies.
- w. If any part, term, or provision of this Agreement shall be held illegal, unenforceable, or in conflict with any law of a federal, state, or local government having jurisdiction over this Agreement, the validity of the remaining portions or provisions shall not be affected by such holding.
- x. The terms of this Agreement shall be interpreted according to the laws of the State of California. Should litigation occur, venue shall be the Superior Court of Riverside County, California.
- y. This Agreement represents the entire Agreement between the Mission Springs Water District and Consultant with respect to the subject matter hereto and supersedes all prior oral or written negotiations, representations, or agreements. No verbal agreement or implied covenant shall be held to vary the provisions of this Agreement. This Agreement shall bind and inure to the benefit of the parties to this Agreement and any subsequent successors and assigns. In the event of any inconsistency between the provisions of this Agreement and Consultant's proposal or Quote, and Exhibits hereto, the provisions of this Agreement shall control.
- z. Precedence of Exhibits. All documents referenced as exhibits in this Agreement are hereby incorporated in this Agreement. In the event of any material discrepancy between the express provisions of this Agreement and the provisions of any document incorporated herein by reference, the provisions of this Agreement shall prevail.
- aa. Consultant will act hereunder as an independent contractor. This agreement shall not and is not intended to constitute Consultant as an agent, servant, or employee of the Mission Springs Water District and shall not and is not intended to create the relationship of partnership, joint venture or association between the Mission Springs Water District and Consultant.
- bb. Each of the signatories herein hereby represents that he or she has the authority to execute the Agreement on behalf of his or her contracting party.

EXHIBIT A

SCOPE OF WORK

Scope of Work

We have developed the following proposed scope of work based on the District's RFP and our experience developing financial plans for water and sewer utilities in California and across the United States.

Task 1: Project Initiation and Management

Task 1.1: Data Collection

After receiving a notice to proceed, Raftelis will prepare a detailed data request that will be submitted to the District as soon as possible prior to the kick-off meeting.

Task 1.2: Kick-Off Meeting: Focus on the Identification of Risk Factors and Emerging Trends

Raftelis will facilitate a kick-off meeting with District staff. The goals for this meeting include:

- Confirming the project objectives, approach, and schedule
- Discussing potential critical risks and key emerging trends that may impact the District's water and sewer utilities in the long-term future. Examples may include, but not necessarily be limited to:
 - Reductions in groundwater supplies
 - Prolonged or recurring drought conditions
 - Changes in service territory land use patterns
 - Reductions in customer per capita water consumption
 - Enhanced regulatory requirements

Task 1.3: Schedule Management and Client Communications

Raftelis believes in a no-surprises approach to project management. This requires constant on-going communication with our clients throughout the duration of a project. We suggest weekly virtual meetings with District staff in order to report our progress and immediately identify data needs or project challenges as they arise.

Task 1.4: Quality Assurance and Control

Our quality assurance/quality control process ensures that all work performed by Raftelis is consistent, accurate, and of the highest quality. Our Project Director, Sudhir Pardiwala, and our Project Manager, John Wright, will ensure that the financial modeling work performed by our staff consultants is of the highest level of quality.

PLANNED MEETINGS:

- On-site kick-off meeting

DELIVERABLES:

- Kick-off meeting agenda, presentation, and minutes; data request list

Task 2: Water and Sewer 10-Year and 30-Year Financial Plans

Task 2.1: Customer Water Consumption Analysis and Demand Forecast

A key component of the financial planning and revenue requirement projection process is the development of a comprehensive demand forecast based on realistic assumptions regarding current and future customer water demand and associated sewer discharges. Key inputs into the demand projection process will include an analysis of:

- The risk factors and emerging trends identified in Task 1
- Historical water billed water consumption for the period FY 2017 – FY 2022
- Historical wastewater treatment plant influent volumes for the period FY 2017 – FY 2022
- Historical water and sewer customer account growth for the period FY 2017 – FY 2022
- Relevant District, city, county, or State of California planning documents that may address potential population growth and potential changing land use patterns in the District's service territory

Raftelis anticipates developing the 10-year and 30-year water demand forecast using two different, but potentially equally valid methodologies. The first is a “standard” forecast based on the following formula:



OPTIMIZING CAPITAL SPENDING

Revenue requirements are only as good as the operating and capital spending needs and assumptions that go into them. If there is uncertainty in operating or capital spending needs, then revenue requirements, cost of service, and the associated rates being requested may be too high or too low. If your utility is concerned with capital spending needs and would like a third-party review of your needs and/or assumptions, Raftelis' subject matter experts in capital project development and delivery are here to help. Likewise, if your utility is interested in opportunities to take advantage of the new Integrated Planning Law added to the Clean Water Act in 2019, Raftelis can help. Contact us to discuss these value-added services, which can be provided under an optional task or a separate scope of work.

$$\text{Projected annual customer account growth} * \text{Projected annual billed consumption per account} = \text{Projected annual demand}$$

The second is an econometric demand forecasting model that uses linear regression analysis to forecast future demand based on independent variables such as population growth, average per capita consumption, economic conditions, etc.

Special Note on Water

The projection of future billed water demand will be based on the District's existing water rate structure which includes four separate customer classes and tiered rates for Single Family Residential and Multi-Family Residential customers.

Special Note on Sewer

We recognize that the District does not charge volumetric sewer rates. Nonetheless, we will develop a projection of billed sewer discharges which may aid in the development of projected future wastewater treatment costs.

PLANNED MEETINGS:

- Weekly web-based meetings

DELIVERABLES:

- 10-year and 30-year forecast of billed water consumption and water customer accounts by customer type and consumption tier
- 10-year and 30-year forecast of projected sewer discharges and sewer customer accounts by customer type

Task 2.2: Review of District Financial Policies

Raftelis will review the District's existing financial policies relating to items such as:

- Operating, capital improvement program (CIP), emergency, and rate stabilization cash reserves
- Contractually obligated minimum and planning target debt service coverage ratios
- Funding practices for both growth-related CIP expenditures that expand system capacity and CIP expenditures associated with the repair and replacement of existing infrastructure

PLANNED MEETINGS:

- Weekly web-based meetings

DELIVERABLES:

- Financial policy review

- Potential recommendations for the modification of existing financial policies or the creation of entirely new policies

Task 2.3.1: Projection of Rate Revenues at Existing Rates

Using the District's current FY 2023 rates, coupled with the demand forecasts developed in Task 2.1, Raftelis will project water and sewer revenues at existing rates over 10-year and 30-year planning horizons.

Task 2.3.2: Projection of Non-Rate Revenues

Raftelis will develop 10-year and 30-year projections of water and sewer non-rate funding sources such as property taxes, investment earnings, grants, and connection fees. These projections will be fully informed by the risk factors and emerging trends identified in Task 1.

PLANNED MEETINGS:

- Weekly web-based meetings

DELIVERABLES:

- 10-year and 30-year projections of water and sewer utility operating and non-operating revenues

Task 2.4: Operations and Maintenance Expense Projections

Raftelis will develop 10-year and 30-year projections of future O&M expenses. Key areas of focus will be projected groundwater extraction costs and wholesale wastewater treatment costs. The projections will feature the consideration of:

- The Risk factors and emerging trends identified in Task 1
- The appropriate inflation assumptions/cost escalation factors for different types of expenses
- Potential changes in the District's organizational structure or operating activities that may significantly alter future O&M expenses

PLANNED MEETINGS:

- Weekly web-based meetings

DELIVERABLES:

- 10-year and 30-year projections of water and sewer utility O&M expenses

Task 2.5: Projection of Capital Improvement Program (CIP) Expenditures

Raftelis will develop 10-year and 30-year projections of future CIP expenditures. These projections will be based on the timing and cost of required capital projects *as prepared by the District's engineering staff or the District's third-party engineering consultant*. The CIP projections developed by the District will be reviewed by Raftelis in light of:

- The risk factors and emerging trends identified in Task 1
- Engineering and planning documents such as the most recent engineering master plans and the District's Asset Management Tool
- Estimates of future construction cost inflation developed by Raftelis

PLANNED MEETINGS:

- Weekly web-based meetings

DELIVERABLES:

- 10-year and 30-year projections of water and sewer utility CIP expenditures

Task 2.6: Projection of Existing Debt Service

Raftelis will develop 10-year and 30-year projections of future debt service payments for existing external debt obligations.

PLANNED MEETINGS:

- Weekly web-based meetings

DELIVERABLES:

- 10-year and 30-year projections of existing water and sewer utility debt service

Task 2.7: Funding Gap Analysis

Raftelis will develop detailed cash flow projections that compare the projection of revenues developed in Tasks 2.3 to the projection of costs developed in Tasks 2.4 through 2.6. This will result in a determination of the "funding gap" that must be met through a portfolio of potential options (rate increases, external debt financing, cash reserve drawdowns, etc.)

PLANNED MEETINGS:

- Weekly web-based meetings

DELIVERABLES:

- 10-year and 30-year projection of fund gap as defined by the difference between projected revenues and projected costs.

Task 2.8: Scenario Analysis: Identification of the Optimal Water and Sewer Capital Financing Strategies

After identifying the projected funding gap in Task 2.7, Raftelis will work with District staff to identify the optimal capital funding strategy. This will require extensive scenario analysis of key factors such as those listed below.

- Annual required percentage increase in rate revenues and the associated projection of annual revenue requirements
- Long-term changes in water demand
- CIP expenditures scenarios including different spending levels on both growth and non-growth (i.e., repair and replacement) capital projects
- The amount and timing of future external debt financing
- Interest rates and their potential impact on projected debt service payments
- Projected customer water and wastewater bills
- Projected year-end cash reserve balances and debt service coverage ratios

The outcome of the scenario analysis process will be the development of *up to three* long-term planning scenarios with *up to three* associated optimal capital financing strategies

PLANNED MEETINGS:

- Weekly web-based meetings

DELIVERABLES:

- 10-year and 30-year projection of up to three long-term planning scenarios with up to three associated optimal capital financing strategies

Task 3: Microsoft Excel Financial Model

All Raftelis financial models are specifically tailored to meet the individual needs of our clients. We do not use canned “one-size-fits-all” model templates and we do not use proprietary software. Our models are developed in Microsoft Excel and can be as simple (no VBA macros) or as complex (VBA macros) as desired by our clients. Our models allow for a virtually unlimited input assumptions for the items such as those listed in Item #4 on page 4 for the District’s RFP. District staff will observe and participate in the development of the water and sewer financial planning models as part of our weekly virtual meetings. An example of graphical output of our models is shown on the following page. Finally, our proposed consulting fee includes four (4) hours of time for one-site model training.



Raftelis will develop a customized financial model that incorporates a dashboard to allow you to easily run scenarios and see the impacts

PLANNED MEETINGS:

- Weekly web-based meetings

DELIVERABLES:

- Comprehensive yet easy to use 10-year and 30-year financial planning models in a Microsoft Excel format
- Functional rate model for the City's future use and update

Task 4: On-Site Meetings at the District

Our proposed consulting fee includes:

- Three (3) meetings on-site meetings with District staff: kick-off meeting, one milestone meeting, and a review of the final report. Our proposed on-site
- Two (2) meetings with the District Board as requested

PLANNED MEETINGS:

- 3 on-site meetings with District staff
- 2 meetings with the District Board

DELIVERABLES:

- Meeting materials including agendas, presentations, and meeting minutes

Task 5: Report (Long-Range Finance Plan)

Raftelis will create a Long-Range Finance Plan document that meets the specifications described in Item #6 on page 4 of the District's RFP.

PLANNED MEETINGS:















- On-site report review meeting

DELIVERABLES:

- Long-Range Financing Plan document per the District's specifications
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SCHEDULE

Raftelis will complete the scope of services within the timeframe shown in the schedule below. The proposed schedule assumes a notice-to-proceed by the beginning of October 2021 and that Raftelis will receive the needed data in a timely manner and be able to schedule meetings as necessary. Project completion is estimated for December 2021.

	2022			2023		
TASKS	OCT	NOV	DEC	JAN	FEB	MAR
Task 1: Kick-off Meeting Including Discussion of Risks and Emerging Trends)						
Task 2.1 Customer Water Consumption Analysis and Demand Forecast						
Task 2.2 Review of District Financial Policies						
Task 2.3 Revenue Projections						
Task 2.4 Operations and Maintenance Expense Projections						
Task 2.5 Projection of Capital Improvement Program (CIP) Expenditures						
Task 2.6 Projection of Existing Debt Service						
Task 2.7 Funding Gap Analysis						
Task 2.8 Scenario Analysis: Identification of the Optimal Water and Sewer Capital Financing Strategies						
Task 3: Microsoft Excel Financial Model						
Task 4: On-Site Meetings at the District						
Task 5: Report (Long-Range Finance Plan)						




-  In-person Meetings
-  Web Meetings
-  Deliverables

EXHIBIT B



LONG-RANGE FINANCIAL PLAN
SEPTEMBER 22, 2022

MISSION SPRINGS WATER DISTRICT

Cost Sheet

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

Tasks	Web Meetings	In-person Meetings	Hours					Total Fees & Expenses
			SP	JW	AL	Admin	Total	
Task 1: Project Initiation and Management (Includes Risk and Emerging Trend Assessment at the Kick-Off Meeting)	1	1	3	12	2	1	18	\$5,218
Task 2: Water and Sewer 10-Year and 30-Year Financial Plans	1	1	3	16	36		55	\$13,268
Task 3: Microsoft Excel Financial Model (On-Site Training Hours)	1				4		4	\$820
Task 4: On-Site Meetings at the District	1	4		20	12		32	\$8,710
Task 5: Report (Long-Range Finance Plan)	1			20	16		36	\$9,180
Total Meetings / Hours	5	6	6	68	70	1	145	
Hourly Billing Rate			\$350	\$285	\$195	\$90		
Total Professional Fees			\$2,100	\$19,380	\$13,650	\$90	\$35,220	
SP - Sudhir Pardiwala JW - John Wright AL - Analysts Admin - Administration			Total Fees					\$35,220
			Total Expenses					\$1,975
			Total Fees & Expenses					\$37,195

EXHIBIT C

Term, Early Termination & Notice

Long-Range Financial Plan

A. Term of Agreement

This professional services agreement shall be effective upon approval by the parties thereof and shall expire upon one (1) calendar year from the effective Agreement DATE therein. This contract also terminates and replaces any previous agreements between the District and Raftelis Financial Consultants, Inc. for Long-Range Financial Plan in force prior to the effective date of this agreement.

B. Early Termination of Agreement

This agreement may be terminated at any time upon a thirty (30) day written notice from either party, and without fault or claim for damages by either party.

C. Notice

All correspondence and Notices will be sent to the following addresses as noted below for Mission Springs Water District and Raftelis Financial Consultants, Inc.

OWNER

Attn: Arturo Ceja
Mission Springs Water District
66575 Second Street
Desert Hot Springs, CA 92240

CONTRACTOR

Attn: John Wright
Raftelis Financial Consultants, Inc.
445 S. Figueroa St. Suite 1925
Los Angeles, CA 90071