



Cover Page

Name of Business/Company: Raftelis Financial Consultants, Inc.

Business/Company Address: 445 S. Figueroa Street, Suite 1925, Los Angeles, CA 90071

Telephone Number(s): 951.395.1674

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E-mail Address: jwright@raftelis.com

Website Address: www.raftelis.com

Federal Tax ID Number: 20-1054069

Type of Business (Sole Proprietorship; Partnership; Corporation; or Other (Explain):
S-Corporation

Number of Years in Business: 29 years

Name, title, telephone number and if different, address of person(s) authorized to represent business entity:

John Wright, CPA, Senior Manager
24640 Jefferson Avenue, Suite 207, Murrieta, CA 92562
P: 951.395.1674

Name, title, telephone number and if different, address of person(s) authorized to sign contracts for the business entity:

Same as previous.

A handwritten signature in blue ink that reads "John J. Wright".

John Wright, CPA
Senior Manager



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.



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

Registration as a Municipal Advisor is a requirement under the Dodd-Frank Wall Street Reform and Consumer Protection Act. All firms that provide financial forecasts that include assumptions about the size, timing, and terms for possible future debt issues, as well as debt issuance support services for specific proposed bond issues, including bond feasibility studies and coverage forecasts, must be registered with the SEC and MSRB to legally provide financial opinions and advice. Raftelis' registration as a Municipal Advisor means our clients can be confident that Raftelis is fully qualified and capable of providing financial advice related to all aspects of financial planning in compliance with the applicable regulations of the SEC and the MSRB.

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STATEMENT OF EXPERIENCE

September 22, 2022

Mr. Arturo Ceja, MBA, Director of Finance
Mission Springs Water District
66575 Second Street, Desert Hot Springs, CA 92240

Subject: Proposal for Long-Range Financial Plan

Raftelis is pleased to submit this proposal to assist the Mission Springs Water District (District) with the development of long-range financial plans for you water and sewer utilities. We appreciate the opportunity to submit this proposal which details our proposed approach to meet the District’s objectives along with our qualifications and experience. The benefits of selecting our firm include:

- **Financial Planning Approach:** Beyond the fundamental goal of ensuring the long-term utility financial sustainability, the financial planning services offered by Raftelis are specifically geared toward the objective of assessing, and then mitigating, long-term risks through the development of an optimal financing strategy. The optimal financing strategy will not only ensure long-term utility financial sufficiency but also best achieve the District’s strategic, financial, and rate affordability goals.
- **Extensive Financial Planning Experience:** With offices in Los Angeles, Riverside County, and Santa Barbara, Raftelis has successfully developed financial plans for literally hundreds of California water and wastewater utilities.
- **Experienced Project Team:** Sudhir Pardiwala will serve as our Project Director. Sudhir is an Executive Vice President with Raftelis and is a registered Professional Engineer in the State of California (Certificate No. 44571). He has 45 years of experience providing financial consulting services to California water and wastewater utilities. I will serve as your Project Manager. I am a Senior Manager with Raftelis and have 26 years of industry experience. I am a Certified Public Accountant (Colorado #11959). Both Sudhir and I are registered with the Securities and Exchange Commission and Municipal Securities Rulemaking Board as Municipal Advisor Representatives.

I am authorized to represent Raftelis in contract negotiations. If you have any questions regarding our proposal, please contact me at 951.395.1674 or jwright@raftelis.com.

Sincerely,



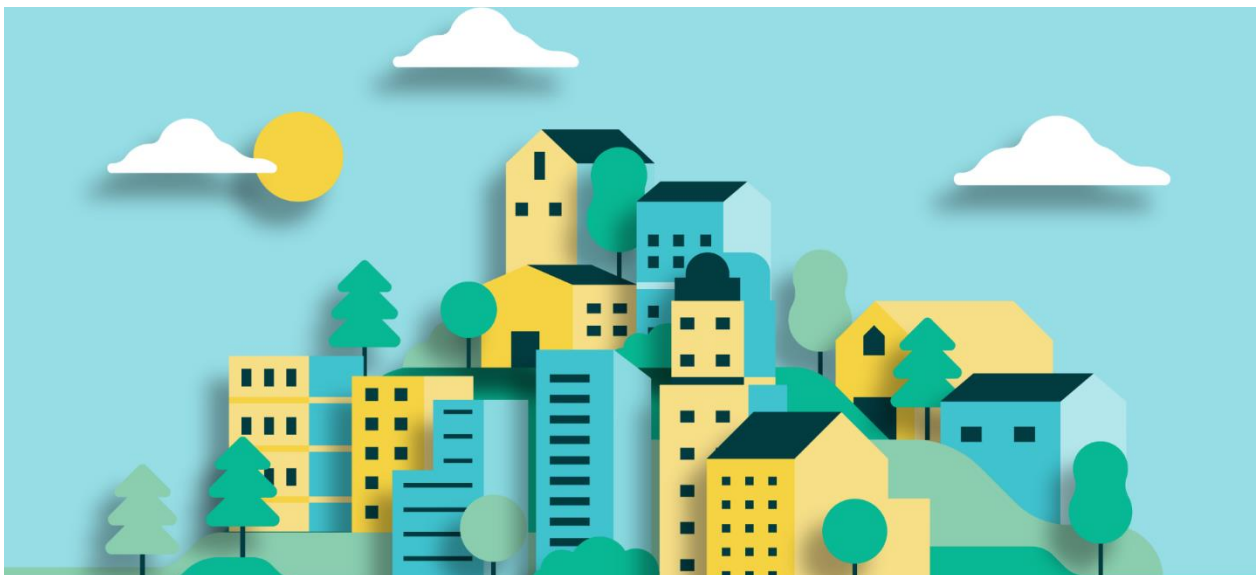
John Wright, Senior Manager

WHO IS Raftelis

HELPING LOCAL GOVERNMENTS AND UTILITIES THRIVE

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

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



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

RESOURCES & EXPERTISE: This project will require the resources necessary to effectively staff the project and the skillsets to complete all of the required components. With more than 140 consultants, Raftelis has the largest water-industry financial and management consulting practice in the nation. Our depth of resources will allow us to provide the District with the technical expertise necessary to meet your objectives. In addition to having many of the industry's leading rate consultants, we also have experts in key related areas, like stakeholder engagement and data analytics, to provide additional insights as needed.

DEFENSIBLE RECOMMENDATIONS: When your elected officials and customers are considering the validity and merit of recommended changes, they want to be confident that they were developed by experts using the latest industry standard methodology. Our senior staff is involved in shaping industry standards by chairing various committees within the American Water Works Association (AWWA) and the Water Environment Federation (WEF). Raftelis' staff members have also co-authored many industry-standard books regarding utility finance and rate setting. Being so actively involved in the industry will allow us to keep the District informed of emerging trends and issues and to be confident that our recommendations are insightful and founded on sound industry principles. In addition, with Raftelis' registration as a Municipal Advisor, you can be confident that we are fully qualified and capable of providing financial advice related to all aspects of utility financial planning in compliance with federal regulations.

HISTORY OF SIMILAR SUCCESSES: An extensive track record of past similar work will help to avoid potential pitfalls on this project and provide the know-how to bring it across the finish line. Raftelis staff has assisted 1,000+ utilities throughout the U.S. with financial and rate consulting services with wide-ranging needs and objectives. Our extensive experience will allow us to provide innovative and insightful recommendations to the District and will provide validation for our proposed methodology ensuring that industry best practices are incorporated.

USER-FRIENDLY MODELING: A modeling tool that your staff can use for scenario analysis and financial planning now and into the future will be key for the District going forward. Raftelis has developed some of the most sophisticated yet user-friendly financial/rate models available in the industry. Our models are tools that allow us to examine different policy options and cost allocations and their financial/customer impacts in real time. Our models are non-proprietary and are developed with the expectation that they will be used by the client as a financial planning tool long after the project is complete.

SIMILAR WORK

Recent examples of work completed by Raftelis that are similar in scope to those requested by the District are listed below.

San Bernardino Municipal Water District (CA)	City of Redlands (CA)
City of Beverly Hills (CA)	City of San Diego (CA)
Carpinteria Sanitary District (CA)	City of Pico Rivera (CA)
Valley County Water District (CA)	Eastern Municipal Water District (CA)
Olivenhain Municipal Water District (CA)	City of Poway (CA)

STRENGTH AND STABILITY OF BUSINESS/COMPANY

Raftelis has experienced rapid but well-managed and strategically controlled growth since our firm’s inception in 1993. Over the past 29 years, we have grown from a single office in Charlotte, NC, to fifteen offices in locations across the United States that employ over 140 consultants. We are financially strong and very stable.

History

Raftelis has been in existence since 1993. We currently operate as a subchapter S-Corporation that was incorporated in the State of North Carolina on April 23, 2004. The predecessor to Raftelis, Raftelis Environmental Consulting Group, Inc., was established on May 10, 1993, by George A. Raftelis to provide financial and management consulting services to public sector clients. In 1999, the firm’s name was changed to Raftelis Financial Consulting, PA. Following the sale of a portion of the firm to a group of employees on April 22, 2004, the firm’s name changed to Raftelis Financial Consultants, Inc., which remains the firm’s legal name. We currently do business as Raftelis.

Leadership

Our current President and Chief Executive Officer is Peiffer Brandt who, in 2017, transitioned into this role from the position of Chief Operating Officer Our previous President and CEO, William Stannard, is currently the Chairman of our Board of Directors.

Acquisitions

Raftelis has made recent acquisitions of three firms to enhance the services we provide to our clients. In 2019, Raftelis acquired Public Resources Management Group (PRMG) to add additional resources to our financial and rate consulting practice, particularly in the Southeast. We acquired The Novak Consulting Group in 2020 to enhance our management consulting services for local government agencies. Westin Technology Solutions was acquired in 2021 to enhance our technology services for utilities

Office Locations

Raftelis currently maintains offices in the following locations.

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

STAFFING CAPABILITY

Our proposed project staff is led by two highly experienced industry professionals. Our Project Director is Sudhir Pardiwala, PE, and our Project Manager is John Wright, CPA. They will be assisted by staff consultants located in our Los Angeles office. The table below shows the estimated percentage of time that each team member is projected to devote to the District's project.

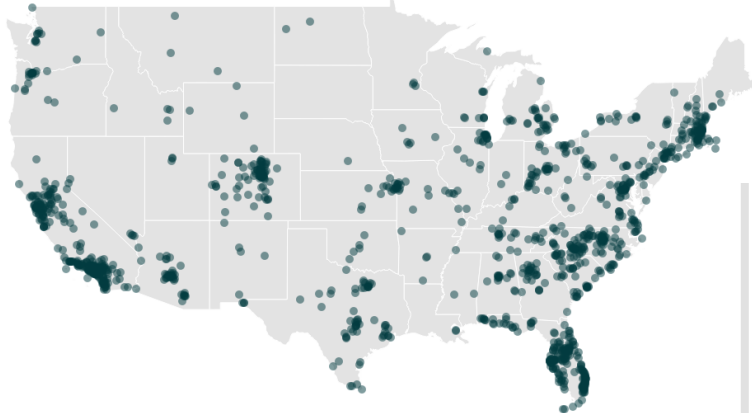
Staff Member	Role	Available Capacity Over Course of Project
Sudhir Pardiwala, PE	Project Director	30% - 35%
John Wright, CPA	Project Manager	20 - 25%
Jonathan Jordan, PGp Lindsay Roth Sarah Wingfield Nick Kennedy Cleo Koenig	Analysts	40% - 50%

WORKLOAD

With the depth of 140 consulting professionals, and specifically the current and anticipated workload of the individuals assigned to this project, we have the availability to provide the requested services in a timely and efficient manner to meet the scheduling requirements and objectives of the District. As a rule, Raftelis operates at a company-wide project utilization of approximately 65% to 75%. This level of utilization, which we expect to continue through the proposed timeline of this project, will provide the project team with ample time to allocate to the District's engagement.

Raftelis has a demonstrated track record to perform the required services.

REFERENCES



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

References

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

Our staff has assisted more than 1,200 local government agencies and utilities across the U.S., including some of the largest and most complex agencies in the nation. In the past year alone, Raftelis worked on more than 1,200 financial, organizational, and/or technology consulting projects for over 600 agencies in 46 states, the District of Columbia, and Canada. Below, we have provided descriptions of projects that we have worked on that are similar in scope to the District’s project. We have included references for each of these clients and urge you to contact them to better understand our capabilities and the quality of service that we provide.

City of San Bernardino Municipal Water Department CA

Contact Person: Cindy Mouser, Director of Finance
1350 SE Street, San Bernardino, CA 92408
P: 909.453.6010 / E: cindy.mouser@sbmwd.org

Project Size/Contract Cost: \$99,000 (cost of service and rate study) / **Responsibility:** Prime Consultant

Start/End Date: 2021 - 2022

Involvement of Key Personnel: Sudhir Pardiwala (Project Director)

Raftelis is currently completing a comprehensive water and wastewater rate study for the City of San Bernardino Municipal Water Department (Department). The study includes the development of 10-year financial plans, cost-of-service studies using industry standard principles, and the development

of entirely revised water and wastewater rate structures for consideration by the Department's Board of Water Commissioners. In addition, Raftelis is also developing drought surcharges for the Department. The ultimate outcome of the study will be the development of Proposition 218 compliant water and wastewater rates for the period FY 2022 - FY 2026. The Department provides wholesale wastewater service to the City of Loma Linda and the East Valley Water District. In 2022, the East Valley Water District will place in service its own new Water Reclamation Facility and no will longer be a wholesale wastewater customer of the Department. As part of the rate study, Raftelis has assisted the Department plan for this large loss of revenue.

City of Beverly Hills CA

Contact Person: Daniel Cartagena, Senior Management Analyst

345 Foothill Road, Beverly Hills, CA 90210

P: 310.285.1189 / E: dcartagena@beverlyhills.org

Project Size/Contract Cost: \$50,000 (2020 capacity fee study) / **Responsibility:** Prime Consultant

Start/End Date: 2007 - 2021 (multiple contracts)

Involvement of Key Personnel: Sudhir Pardiwala (Project Manager)

The City of Beverly Hills (City) wished to conduct a comprehensive water and wastewater rate study that included a review of revenue requirements, user classifications, costs of service, and the design of a system of user charges for the City's water service that would promote water conservation. The City engaged Raftelis to develop a rate and financial planning model that would be used to review customer classes, evaluate alternative rate structures, and to provide more detailed forecasts to assist in the preparation of updating rates in future years. Raftelis also assisted with the Proposition 218 notices and the public hearing. The City's existing water rate structure consisted of a three-tiered increasing block water rate structure with no differentiation among customer types. Raftelis modeled numerous alternative rate structures and reviewed customer and revenue impacts before recommending that the City modify its current three-tiered rate structure to include a fourth tier that targets large irrigation usage. In addition, Raftelis recommended that separate tiers be established for multi-family customers to reflect their usage characteristics. For commercial, industrial, and municipal customers, Raftelis recommended that the City implement a uniform commodity rate because of their non-homogenous usage characteristics. Raftelis continues to provide updates to the City so that the enterprise funds can continue to be financially stable.

Carpinteria Sanitary District CA

Contact Person: Craig Murray, General Manager

5300 Sixth Street, Carpinteria, CA 93013

P: 805.684.7214 ext 12 / E: craigm@carpsan.com

Project Size/Contract Cost: \$44,940 / **Responsibility:** Prime Consultant

Start/End Date: 2010 - present (multiple contracts)

Involvement of Key Personnel: Sudhir Pardiwala (Project Manager)

Raftelis recently assisted Carpinteria Sanitary District (District) in conducting a comprehensive wastewater rate and development impact fees study in order to ensure financial sufficiency for the District. The District's wastewater rate structure included a fixed annual charge for residential customers. Non-residential customers were assessed a base charge plus flow and strength charges based on their classifications. The rates had not been updated since 2004. One of the main goals of the study was to restructure the wastewater rates to be simpler and more equitable. Raftelis reviewed the District's customer classification, revenue requirements, and cost allocation methodology, and recommended appropriate alternative wastewater rate structures that would meet the District's goals and objectives. Return factors for non-residential customers were revised to reflect wastewater discharges more closely. Equity issues among different customer classes were analyzed to ensure compliance with Proposition 218. Raftelis also updated the District's development impact fees and miscellaneous fees to reflect current costs. The District uses the tax roll to bill customers.

Valley County Water District CA

Contact Person: Jose Martinez, General Manager

14521 East Ramona Boulevard, Baldwin Park, CA 91706

P: 626.338.7301 ext 201 / E: martinez@vcwd.org

Project Size/Contract Cost: \$58,000 (2016 rate study) / **Responsibility:** Prime Consultant

Start/End Date: 2016 - present (multiple contracts)

Involvement of Key Personnel: Sudhir Pardiwala (Project Manager)

Raftelis was engaged to conduct a water rate study for Valley County Water District (District). This study involved updating the District's rate structures and calculating new rates based on cost-of-service principles. It also involved planning for significant revenue adjustments, due to rapidly increasing water supply costs and drought-related conservation. The District's groundwater assessment charges were projected to be rapidly increasing far beyond a level satisfied by their previously adopted rate increases. The current water rate structure had the same tiered rates for residential and commercial customers. Raftelis proposed uniform rates for multi-family customers and retained the tiers for the remaining customers. The cost of various water supply sources was considered in developing tiered rates. Raftelis incorporated the District's data and supply cost

projections to calculate rates for various customer classes. The rates were accepted by the District's Board in late 2017.

Beaumont Cherry Valley Water District CA

Contact Person: Dan Jagers, General Manager

5300 Sixth Street, Carpinteria, CA 93013

P: 951.845.9581 / E: dan.jagers@bcvwd.com

Project Size/Contract Cost: \$100,077 / **Responsibility:** Prime Consultant

Start/End Date: May 2019 - November 2019

Involvement of Key Personnel: Sudhir Pardiwala (Project Manager)

The Beaumont-Cherry Valley Water District commissioned Raftelis in 2019 to develop a financial plan and cost-of-service study. The main objectives of the study were to ensure financial sufficiency, meet operation and maintenance costs, and to ensure funding for both capital and reserves. Raftelis provided recommendations to the rate structure to ensure compliance with the cost of service principles of Proposition 218. Residential water rates switched from a two-tiered rate structure to a three-tiered rate structure. Additionally, Raftelis assisted the District in calculating drought rates and miscellaneous fees.

CALIFORNIA EXPERIENCE

This matrix shows a brief sample of some of the utilities throughout California that Raftelis staff has assisted with financial consulting services.

Client	Affordability Analysis & Program Development	Debt Issuance Support	Dispute Resolution	Financial & Capital Improvements Planning	Rate Case Support	Rate Design	Risk Analysis	Cost of Service	Development / Impact Fees	Organizational Optimization	Water/Wastewater Utility Valuation
Alameda County Water District		•		•		•	•	•	•		
Anaheim, City of				•		•	•	•			
Arroyo Grande, City of				•		•	•	•			
Atwater, City of				•	•	•		•			
Bakersfield, City of		•		•		•		•			
Benicia, City of									•		
Beverly Hills, City of		•		•		•	•	•	•	•	
Borrego Water District			•	•		•					
Brea, City of				•		•		•			
Brentwood (CA), City of				•		•	•	•			
CAL FIRE/San Luis Obispo								•			
Calleguas Municipal Water District		•		•		•	•	•			
Camarillo, City of		•		•		•		•	•		
Carlsbad Municipal Water District		•		•		•	•	•			
Casitas Municipal Water District				•		•		•			
Castaic Lake Water Agency			•	•		•	•	•	•		
Central Basin Municipal Water District		•		•			•	•			
Central Contra Costa Sanitary District				•		•		•			
Channel Islands Beach Community Services District				•		•		•			

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Chino Hills, City of				•		•		•			
Chino, City of				•		•		•			
Chowchilla, City of				•		•	•	•			
Corona, City of						•			•		
County of San Diego				•				•			
Crescenta Valley Water District				•		•		•			
Cucamonga Valley Water District				•		•					
Del Mar Union School District		•									
Delta Diablo Sanitation District										•	
East Bay Municipal Utility District				•				•	•		
East Orange County Water District				•		•		•	•		
East Valley Water District				•		•	•	•			
Eastern Municipal Water District				•							
El Toro Water District				•		•		•			
Elk Grove Water District	•			•		•	•	•	•		
Elsinore Valley Municipal Water District				•		•			•		
Escondido, City of		•		•		•	•	•	•		
Galt, City of		•		•		•		•	•		
Glendora, City of						•					

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Goleta Water District				•		•	•	•			
Goleta West Sanitary District			•	•		•	•	•	•		
Helix Water District				•		•		•			
Henderson, City of				•		•		•	•		
Hollister, City of				•		•		•	•		
Holtville, City of				•				•			
Huntington Beach, City of				•		•	•	•			
Imperial County				•		•		•			
Inland Empire Utilities Agency				•							
Irvine Unified School District		•									
Jurupa Community Services District				•		•	•	•			
Kern County Water Agency					•						
La Canada Irrigation District				•		•		•			
La Habra Heights County Water District				•		•	•	•	•		
Laguna Beach, City of				•							
Lake Valley Fire Protection District				•			•	•			
Las Virgenes Municipal Water District				•		•		•			
Leucadia Wastewater District				•		•					

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Livermore, City of				•		•		•	•		
Long Beach City of	•	•		•		•		•			
Los Alamos Community Services District		•		•		•		•	•		
Los Angeles Department of Water and Power						•		•			
Los Angeles, City of Bureau of Sanitation					•						
Madera, City of		•		•							
Mammoth Community Water District				•		•		•			
Marin Municipal Water District					•						
Merced, City of				•		•		•	•		
Mesa Water District				•				•			
Metropolitan Water District of Southern California			•								
Modesto Irrigation District						•		•			
Mojave Water Agency				•		•	•				
Monterey County Water Resources Agency				•		•		•			
Monterey, City of		•		•		•	•				
Moulton Niguel Water District									•		
Municipal Water District of Orange County					•			•			
Napa Sanitation District				•		•		•			

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Ojai Valley Sanitary District				•		•		•			
Olivenhain Municipal Water District				•		•	•				
Ontario Municipal Utilities Company								•			
Ontario, City of				•		•	•	•			
Orange, City of				•		•		•			
Palo Alto, City of				•		•	•	•			
Phelan Pinon Hills Community Services District	•			•		•		•	•		
Placer County Water Agency					•			•			
Pleasant Hill Recreation & Park District				•				•			
Pomona, City of				•		•		•	•		
Rainbow Municipal Water District				•		•	•	•			
Ramona Municipal Water District				•		•		•			
Rancho California Water District						•	•	•	•		
Redlands, City of				•		•	•	•	•		
Rincon del Diablo Municipal Water District				•		•		•			
Riverside Public Utilities				•		•	•	•	•		
Roseville, City of		•		•					•		
Sacramento Regional County Sanitation District						•					

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Sacramento, City of				•		•		•			
Salton Community Services District				•				•			
San Bernardino Valley Municipal Water District						•					
San Bernardino, County of				•		•		•	•		
San Clemente, City of				•		•	•	•			
San Diego, City of Public Utilities Department		•	•	•		•	•	•	•		
San Dieguito Water District				•		•		•			
San Elijo Joint Powers Authority				•	•	•	•	•	•		
San Gabriel County Water District				•		•		•			
San Gabriel, City of				•		•		•			
San Jose, City of								•			
San Juan Capistrano, City of				•		•	•	•	•		
Santa Ana, City of								•			
Santa Barbara, City of				•		•	•	•	•		
Santa Clara Valley Water District			•	•	•						
Santa Clarita Water District		•		•		•	•	•	•		
Santa Cruz, City of				•		•	•	•			
Santa Fe Irrigation District				•		•	•	•	•		
Santa Fe Springs, City of				•		•		•			

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Santa Margarita Water District				●		●	●	●			
Santa Rosa, City Attorney's Office									●		
Scotts Valley Water District		●		●		●	●	●	●		
Shafter, City of				●		●		●			
Shasta Lake, City of				●		●	●	●			
Sierra Madre, City of	●			●		●		●			
Signal Hill, City of				●		●		●			
Simi Valley, City of				●		●	●	●	●		
Sonoma, City of				●		●		●			
South Mesa Water Company				●		●	●	●			
South Pasadena, City of				●		●		●			
South San Francisco, City of				●				●			
Sunnyslope County Water District				●		●	●	●	●		
Sweetwater Authority				●		●		●			
Temescal Valley Water District				●		●		●	●		
Thousand Oaks, City of				●		●	●	●	●		
Torrance, City of				●		●		●			
Trabuco Canyon Water District				●		●		●			
Triunfo Sanitation District				●		●		●			

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Client	Affordability Analysis & Program Development	Debt Issuance Support	Dispute Resolution	Financial & Capital Improvements Planning	Rate Case Support	Rate Design	Risk Analysis	Cost of Service	Development / Impact Fees	Organizational Optimization	Water/Wastewater Utility Valuation
Tustin, City of				●		●		●			
Union Sanitary District				●		●	●	●	●		
Ventura Regional Sanitation District				●		●		●			
Ventura, City of	●	●	●	●	●	●	●	●	●		
Vista, City of				●		●			●		
Walnut Valley Water District				●		●		●			
Watsonville, City of	●			●		●	●	●			
West Basin Municipal Water District				●		●	●	●			
Western Municipal Water District				●		●		●	●		
Yorba Linda Water District				●		●		●			
Zone 7 Water Agency				●		●		●			

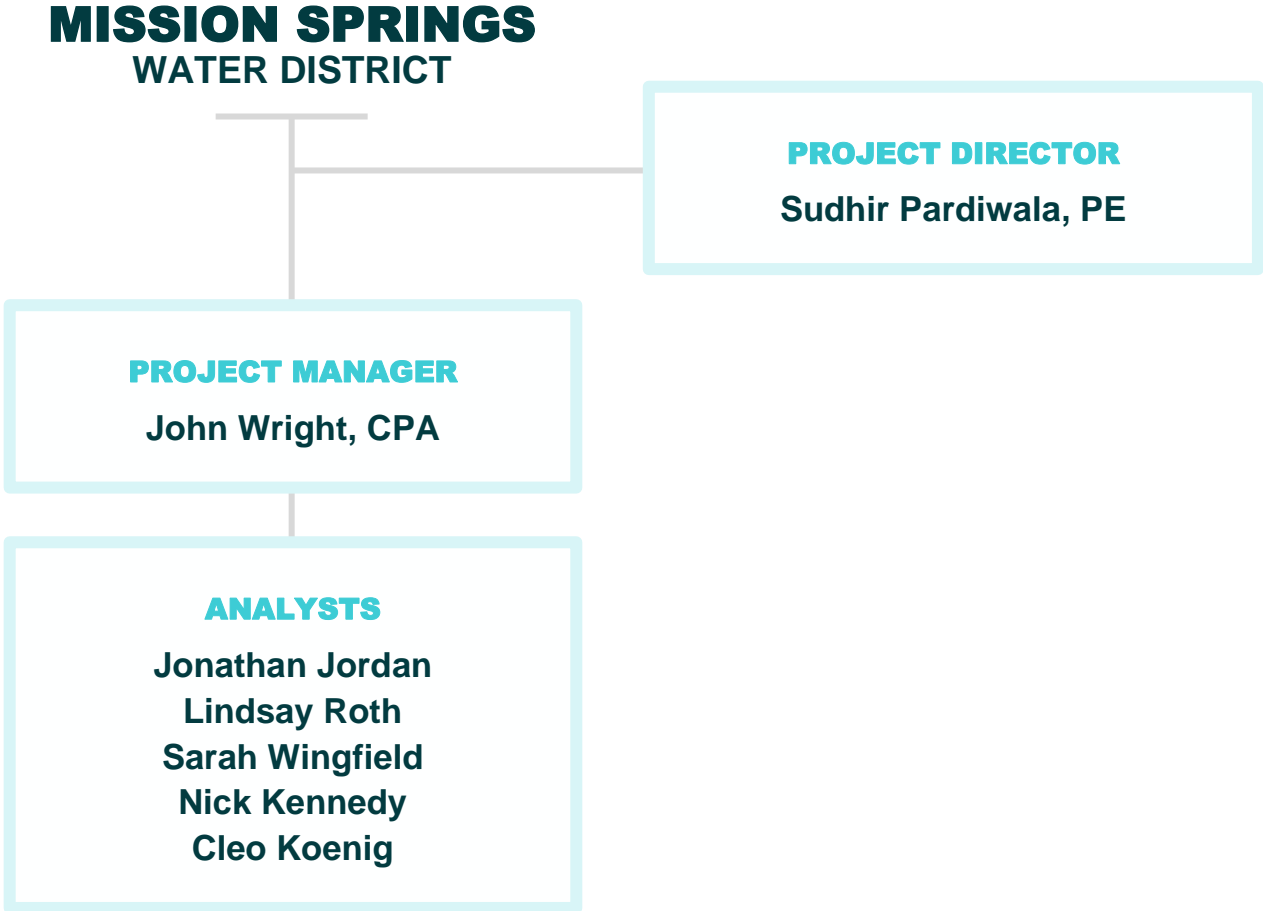
PROPOSED STAFFING AND PROJECT ORGANIZATION

Proposed Staffing and Project Organization

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

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

Here, we have included an organizational chart showing the structure of our project team. We have included resumes for each of our team members as well as a description of their role on the project in Appendix A: Resumes.



Project Understanding

The District's Request for Proposals (RFP) provides a high level overview of the District's operations as well as its budgeted revenues and expenses. The RFP also provides a detailed summary of your required scope of services. There is no need to repeat that information here. Our summary of the project requirements is as follows:

Risk and Trend Assessment as a Foundation for Financial Plan Development: As part of the financial planning process, the District requires an assessment of key long-term financial and operational risk factors. For example, potential long-term groundwater supply constraints and prolonged or recurring drought conditions. Similarly, key long-term trends such as potentially changing service territory land use patterns and continuing declines in customer per capita customer water consumption must also be mitigated in the financial plans.

Water and Sewer Utility 10-Year Financial Plan and 30-Year Liquidity Models: Raftelis sees the requirement for the development of 30-year liquidity models to be a natural extension of the development of 10-year financial plans for your water and sewer utilities. In effect, we see these two models as being a single comprehensive *30-Year Financial Plan* for each utility. Regardless of the length of the planning horizon, the financial plan will feature a projection of cash flows under a variety of demand forecasting and capital improvement financing scenarios.

- The financial plans will be fully informed by financial, engineering, and planning documents such as your Urban Water Management Plan, most recent engineering master plans, your asset management tool, relevant bond and/or loan covenants, and District financial policies.
- As part of the financial planning process, Raftelis will review the District's existing financial policies for items such target cash reserve balances, target debt service coverage ratios, and policies regarding the use of external debt financing for capital improvements. We will recommend modifications to these policies as required.

Optimal Capital Financing Scenario: In the vast majority of cases, the financial plans we prepare for clients are developed as part of a rate study process that also include a cost-of-service analysis and the development of proposed Proposition 218 rates. Regardless of whether a financial plan is developed as part of a rate study process, or through a stand-alone financial planning engagement such as that requested by the District, the Raftelis approach to financial planning is to assist our clients in the identification of an optimal capital financial strategy that best mitigates probable long-term risks while achieving our client's long-term strategic, financial, and rate affordability objectives. This is accomplished through comprehensive scenario analysis that determines the most effective combination of funding sources such as additional rate revenues, external debt financing, connection fees, property taxes, and grants.

Comprehensive Yet User Friendly Microsoft Excel Financial Planning Model: The District requires the development of financial planning model that will allow for a virtually unlimited number of demand, revenue, cost, and debt financing scenarios to be modeled by staff on an ongoing basis. The model must produce estimates of financial metrics such as cash reserves and debt service coverage. The model must also be capable of providing a comprehensive array of graphs and charts that are both informative and easily understandable by the District's Board of Directors (Board), customers, and a variety of other internal and external stakeholders.

Long-Range Finance Plan: The District requires the preparation of a long-term finance plan that not only describes the results of the financial planning process but fully explains all of the underlying assumptions used to the develop the water and sewer financial plans. The long-term finance plan will serve as a management information tool that can be used to track actual versus projected results an on-going basis.

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 with 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
-

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.

TASKS	2022			2023		
	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*

APPENDIX A:

Resumes



Sudhir Pardiwala PE

PROJECT DIRECTOR Executive Vice President

ROLE

Sudhir 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

Sudhir has 45 years of experience in financial studies and engineering. He has extensive expertise in water and wastewater utility financial and revenue planning, valuation, and assessment engineering. He has conducted numerous water, wastewater, stormwater, and reclaimed water rate studies involving conservation, drought management, risk analysis, as well as system development fee studies, and has developed computerized models for these financial evaluations. Sudhir has assisted public agencies in reviewing and obtaining alternate sources of funding for capital improvements, including low-interest state and federal loans and grants. He has assisted several utilities with State Revolving Fund and Water Reclamation Bond loans. Sudhir authored the chapter on reclaimed water rates in the *Manual of Practice No. 27, Financing and Charges for Wastewater Systems*, published by the Water Environment Federation (WEF). He also authored a chapter entitled, "Recycled Water Rates," for the Fourth Edition of the industry guidebook, *Water and Wastewater Finance and Pricing: The Changing Landscape*. Sudhir was vice-chairman of the California-Nevada AWWA Business Management Division and Chairman of the Financial Management Committee.



Professional History

- Raftelis: Executive Vice President (2013-present); Vice President (2004-2013)
- Black & Veatch: Principal Consultant (1997-2004)
- MWH: Principal Engineer (1985-1997)
- CF Braun: Senior Engineer (1979-1985)
- PFR Engineering Systems: Research Engineer (1977-1979)

Education

- Master of Business Administration - University of California, Los Angeles (1982)
- Master of Science in Chemical Engineering - Arizona State University (1976)
- Bachelor of Science in Chemical Engineering - Indian Institute of Technology, Bombay (1974)

Certifications

- Series 50 Municipal Advisor Representative

Professional Registrations

- Registered Professional Engineer, California: Civil (1988); Chemical (1981)

Professional Memberships

- AWWA
- WEF
- California Municipal Finance Officers Association

John Wright CPA

PROJECT MANAGER

Senior Manager

ROLE

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

PROFILE

John has more than 25 years of utility industry financial management and economic analysis experience. He has provided consulting services to numerous complex utility clients including the City of San Diego, Austin Water, the Portland Water Bureau, Milwaukee Water Works, the City of Calgary, and the Puerto Rico Aqueduct and Sewer Authority. Prior to joining Raftelis in 2010, John was the Manager of Rate Administration at Denver Water where he was responsible for the annual financial planning, cost-of-service, and capacity fee studies. He also served as a Senior Economist for the City of Portland Oregon's Bureau of Environmental Services where he was responsible for the annual wastewater and stormwater cost-of-service and capacity fee studies. In addition to his direct utility experience, John was a Senior Analyst at the both the Colorado and Oregon Public Utility Commissions. His work at the Colorado PUC included testifying as an expert witness in electric power and natural gas utility rate cases. At the Oregon PUC, John specialized in telecommunications utility issues and served as an expert witness in regulatory proceedings.



Professional History

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

Education

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

Certifications

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

Professional Memberships

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

Jonathan Jordan PGp (CA)

ANALYST Consultant

ROLE

Jonathan will work at the direction of John in conducting analyses and preparing deliverables for the project.

PROFILE

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

KEY PROJECT EXPERIENCE

California Rate Survey (CA)

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

PROJECT LIST

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



Professional History

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

Education

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

Professional Memberships

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

Lindsay Roth

ANALYST

Associate Consultant



ROLE

Lindsay will work at the direction of John in conducting analyses and preparing deliverables for the project.

PROFILE

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

PROJECT LIST

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

Professional History

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

Education

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

Sarah Wingfield

ANALYST

Associate Consultant

ROLE

Sarah will work at the direction of John in conducting analyses and preparing deliverables for the project.

PROFILE

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

KEY PROJECT EXPERIENCE

City of Orange (CA)

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

Padre Dam Municipal Water District (CA)

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



Professional History

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

Education

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

Nick Kennedy

ANALYST

Associate Consultant

ROLE

Nick will work at the direction of John in conducting analyses and preparing deliverables for the project.

PROFILE

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

KEY PROJECT EXPERIENCE

City of Hollister (CA)

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

Padre Dam Municipal Water District (CA)

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

PROJECT LIST

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



Professional History

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

Education

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

Cleo Koenig

ANALYST

Associate Consultant



ROLE

Cleo will work at the direction of John in conducting analyses and preparing deliverables for the project.

PROFILE

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

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

KEY PROJECT EXPERIENCE

City of Orange (CA)

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

Professional History

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

Education

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

APPENDIX B:

Exceptions



Exceptions

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

- a. When the law establishes a professional standard of care for Consultant's 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 ~~all~~ claims and demands of all persons that ~~arise out of, pertain to, or relate to~~ ~~caused by~~ 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 ~~any and all~~ liabilities, claims, losses, damages, and costs ~~arising out of or alleged to arise out of~~ ~~caused by~~ Consultant's 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 ~~all~~ claims and demands of all persons ~~arising out the performance caused by the breach or default by Consultant in the performance after written notice of and a reasonable opportunity to cure any such breach or default~~ of the work or furnishing of materials; including but not limited to, claims by the Consultant or 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.

- 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 .~~ Mission Springs Water District may reuse and/or modify the written products without obligation for additional compensation to Consultant; provided that Mission Springs Water District shall be solely responsible for such reuse or modification. Nothing contained

herein shall be deemed a transfer, assignment or divestiture of Consultant's trade secrets, know-how or intellectual property.

- m. Expect as required by legal process (subpoena, court order, etc.) or applicable law, 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 during the term of this Agreement. Consultant's covenant under this section shall survive the termination of this Agreement.
- n. 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 reasonable 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.
- s. 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 in Consultant's industry prevailing at the time and place the professional services are rendered.
- w. In the performance of the work required by this Agreement, Consultant shall abide by and conform with and to ~~any and all~~ applicable laws of the United States and the State of California, and with the local County and Municipal Code, ordinances, regulations and policies.