

PLUMAS EUREKA COMMUNITY SERVICES DISTRICT
200 LUNDY LANE BLAIRSDEN, CALIFORNIA 96103
PHONE: 530-836-1953 FAX: 530-836-2963 TOLL FREE: 877-377-1953

Email – admin.mgr@pecsd.org

Web-www.pecsd.org

**REGULAR
BOARD MEETING
AGENDA**

August 15, 2023

9:00am

Board of Directors

Chairperson Don Fregulia

Vice Chairperson Cheryl Sinsel

Director Kim Train

Director Todd Solomon

Director Rich Machado

*Members of the Public may address the Board on items of business immediately before or during the Board's consideration of the item after being recognized by the Board Chair (limit on the time the public may address the Board is 3 minutes)

1. Call Meeting to Order

Chairperson Don Fregulia

2. Approval of Agenda

Discussion and Possible Action

3. Approval of Minutes

Regular Meeting July 11th, 2023 (Attachment)

Discussion and Possible Action

4. Public/Board Comment Period

The public and/or the Board of Directors may address the Board on items within the District's subject matter jurisdiction that are not on the agenda. Written comments should be submitted to the Board Clerk 24 hours prior to the meeting to allow for distribution. **The Board cannot comment or take actions on non-agenda items** but may place the items on future agenda(s) for discussion and/or action. Strict limit on the time the public may address the Board is three (3) minutes per speaker.

Discussion Item

5. Meadow Lane Irrigation
General Manager Jamar Tate
The Board will discuss issues related to Meadow Lane irrigation tie-in to the District distribution system.
6. Rate Study
John Rowden, Project Manager
The Board will consider proposals for the conduct of a Rate Study that complies with Prop 218 as part of the process of establishing a new rate schedule for water and sewer service fees.
Discussion and Possible Action
7. Fire Tax
John Rowden, Project Manager
The Board will be briefed on the schedule and status of the measure to raise taxes to pay for the Fire Department.
Discussion and Possible Action
8. Water System Compliance & Pilot Study Update
General Manager Jamar Tate
The Board will be updated on water system compliance and the Pilot Study by Dowl
Discussion and Possible Action
9. Water Tank Inspection Quote
General Manager Jamar Tate
Discussion and Possible Action
10. DOWL Master Agreement
General Manager Jamar Tate
Discussion and Possible Action
11. Local Hazard Mitigation Plan
General Manager Jamar Tate
Discussion and Possible Action
12. Resolution Number 2023-03
Approving the Department of Forestry and Fire Protection Agreement #7GF23096
Discussion and Possible Action

13. Fire Chiefs Report

Fire Chief Steve Munsen

The Report may cover the following:

- a. Call Reports & Training
- b. Personnel Actions and Activities.
- c. Fire Apparatus & Equipment
- d. Plumas County Fire Chiefs Association Actions and Activities
- e. Firewise Committee Actions and Activities
- f. Financial Assistance from the Auxiliary, grants, and other funding sources
- g. Department administrative activities, actions, and issues such as budget and insurance.

Discussion and Possible Action

14. Committee Reports

- a. Budget and Finance Committee
Full Board
- b. Water and Wastewater Committee
Board Director Todd Solomon
- c. Personnel, Benefits, and Administrative Committee
Chairperson Don Fregulia, Vice Chairperson Cheryl Sinsel
- d. Safety and Emergency Committee
Chairperson Don Fregulia, Board Director Kim Train

Discussion and Possible Action

15. General Manager's Report

General Manager Jamar Tate

The Board will consider the status of the listed topics presented by staff and determine if any actions are needed.

- a. Operations Report
- b. Sequoia Circle Masters Agreement
- c. Weed abatement
- d. Mobile Generator Meeting
- e. Miscellaneous Discussion and Possible Action

16. Administration

Administrative Manager Gina-Marie Morris

- a. Status of Administrative Activities
- b. June 2023 Financial Reports - Limited
- c. Approval of July 2023 Transactions
- d. Status of Invoices & Liens
- e. Proposed Account Lists
- f. Proposed Funds
- g. Update on Cleaning up 22/23 for the Audit
- h. Actuarials
- i. Miscellaneous

Discussion and Possible Action

17. Written Correspondence to the Board

Written comments should be submitted to the Board Clerk 24 hours prior to the meeting to allow for distribution.

Discussion and Possible Action

18. Public/Board Comment Period

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Discussion Item

19. Future Agenda Items

Discussion and Possible Action

20. Closed Session

Personnel

Discussion and Possible Action

21. Adjournment

ADA Compliance: This Agenda shall be made available upon request in alternative formats to persons with disability, as required by the Americans with Disabilities Act of 1990 (42 U.S.C. Sec. 12132) and the Ralph M. Brown Act (Cal. Govt. Code Sec. 54954.2). Persons requesting a disability-related modification or accommodation should contact General Manager, Jamar Tate, at (530) 836-1953 during regular business hours, at least 24 hours prior to the time of the meeting.

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REGULAR

BOARD MEETING

MINUTES

July 11, 2023

9:00 AM

200 Lundy Lane

BLAIRSDEN, CA 96103

Board of Directors

Board Director Don Fregulia

Board Director Todd Solomon

Board Director Cheryl Trenwith-Sinsel

Board Director Rich Machado

Board Director Kim Train

1. Call Meeting to Order

Chairperson Don Fregulia called to order the Regular Board Meeting of Plumas Eureka Community Services District ("PECSD") @ 0904.

2. Approval of June 20, 2023, Regular Board Meeting Minutes

The Board was presented with the June 20, 2023, Regular Board Meeting minutes.

Motion to approve the June 20, 2023, Regular Board Meeting minutes as submitted.

Motioned: Board Director Todd Solomon

2nd: Board Director Don Fregulia

All in Favor.

Aye – Chairperson Don Fregulia

Aye – Board Director Todd Solomon

Aye – Board Director Kim Train

Aye – Board Director Cheryl Sinsel

Aye – Rich Machado

3. Appointment of Vice Chairperson

Motion to appoint a Vice Chairperson was discussed. Board Director Cheryl Sinsel volunteered to fill this role.

Motion was made to appoint Board Director Cheryl Sinsel as Vice Chairperson of PECSD Board.

Motioned: Board Director Todd Solomon 2nd
Board Director Rich Machado

All in Favor.

Aye – Chairperson Don Fregulia
Aye – Board Director Todd Solomon Aye – Board Director Cheryl Sinsel
Aye – Board Director Kim Train Aye – Rich Machado

4. Meadow Lane Irrigation

The Board was presented with a report on the Meadow Lane Irrigation, including the history, background, and possible options. There was substantial discussion and several questions asked. Home owner, Jeff Kapci, Meadow Lane resident, was present and was invited to address the Board on this topic. Mr. Kapci’s main statement was that the homeowners are “not using any more water” and that they “just need to make it work.” Several ideas were presented, including the upcoming new golf course owner being approached to maintain the previous arrangement that the golf course had with the homeowners, and the HOA stepping in and helping.

The concern of the Board was to make sure that the decision made would be fair to not only the golf course and the residents directly affected in this situation, but to all the other PECSD customers as well.

A motion was made to choose option 3.

Motioned: Chairperson Don Fregulia

A substitute motion was made to approve option 2, not to charge for the 1½” connection for the 10 properties in question for the next 15 years.

Motioned: Vice Chairperson or Cheryl Sinsel
2nd Board Director Don Fregulia

All in Favor

All Opposed

Aye – Vice Chairperson Cheryl Sinsel Nay – Chairperson Don Fregulia
Aye – Board Director Kim Train Nay – Board Director Todd Solomon
Nay – Board Director Rich Machado

The first motion to choose option 3 was withdrawn. In its place a motion was made to choose option 1.

Motioned: Chairperson Don Fregulia
2nd Board Director Todd Solomon

All in Favor

All Opposed

Aye – Chairperson Don Fregulia
Aye – Board Director Todd Solomon
Aye – Board Director Rich Macha

Nay – Vice Chairperson Cheryl Sinsel
Nay – Board Director Kim Train

Further discussion ensued regarding the implementation of option 1. It was decided to put the decision regarding implementation on the August 2023 Agenda in order to allow time to obtain cost estimates for installing valves on each property involved.

5. Rate Study

Jamar Tate shared that the request for proposals were sent out. The seven contractors listed are interested in submitting proposals. None have been submitted to date, but the closing date is the 14th, so we anticipate seeing those throughout this week.

6. Fire Tax

The Board was presented with a calendar of events that are forthcoming. It was highlighted that Arguments for and against begin “tomorrow” (July 12, 2023). The decision was made to post an announcement on the website, the bulletin boards, and the in the paper (if possible).

Vice Chairperson Cheryl Sinsel asked for additional information to be presented by Fire Chief Steve Munsen, who was not present at this meeting.

7. Water System Compliance & Pilot Study Update

Jamar Tate reported that no samples for July were taken yet, due to it being yet early in the month. The Pilot Study is having good results on the removal of iron and manganese, but did not see any arsenic removal. DOWL will be changing the oxidation agents to potassium permanganate, which they have previously had good results with. It was noted that the timeframe has been updated to allow for the fact that they are a month behind the last timeframe.

8. Fire Chief’s Report

Chairperson Don Fregulia read Fire Chief Munsen’s report to the Board. Discussion ensued regarding the “dirt circle in the field” and other possible landing locations for airlift helicopters. It was mentioned by Jamar Tate that we need to take care of the mowing of this area.

Discussion of Chief Munsen wanting a new rig followed. It was noted that in order to

accommodate such a rig that the building would need to be modified. The main concern would be the floor being hollow being able to sustain the weight. It was noted that Chief Munsen has already spoken with the PECAUX about moving their belongings to allow for the remodeling of the building.

9. Committee Reports

No reports were given. The Board determined the following committees would be formed:

- a. Budget and Finance Committee
 - the entire PECSD Board will serve as this committee
 - It was decided to have a Committee Meeting as a part of the next regular Board Meeting.
- b. Water and Wastewater Committee
 - Board Director Todd Solomon
 - It was decided to approach community members to find one willing to serve on this committee.
- c. Administrative, Personnel, and Benefits Committee
 - Vice Chairperson Cheryl Sinsel, Chairperson Don Fregulia
- d. Safety and Emergency Committee
 - Board Director Kim Train, Chairperson Don Fregulia

10. General Manager's Report

- a. Financial Report
 - Going forward the financial reports will be presented in a simpler format.
 - Minimal discussion of the reports ensued.

Administrative Manger Gina-Marie Morris was asked to comment on the reports. The issue with having two QuickBooks accounts was touched on, as well as what the issues are and what needs to be in place to make QuickBooks work as fund accounting. The need for an outside accounting agency was briefly discussed, as well as many of those functions be able to be handled in-house. The separation of duties was briefly discussed. Described what is currently being done to clean up the Funds and make them balanced. Mentioned that it is the goal to have the last fiscal year balanced by funds in time for the 22/23 audit.

It was asked by Vice Chairperson Cheryl Sinsel whether or not we are accepting cash for payments from customers. It was discussed and affirmed that PECSD will not be accepting cash payments. Such will be noted on the website and the billing.

It was noted that an actuarial has not been done in several years. Admin. Mgr. Gina-Marie will present more information regarding an actuarial in the next meeting.

Motion was made to approve the April Financials as presented.

Motioned: Board Director Kim Train
2nd Board Director Todd Solomon

All in Favor.

Aye – Chairperson Don Fregulia
Aye – Vice Chairperson Cheryl Sinsel Aye – Board Director Todd Solomon
Aye – Board Director Kim Train Aye – Board Director Rich Machado

Motion was made to approve the May Financials as presented.

Motioned: Vice Chairperson Cheryl Sinsel
2nd Chairperson Don Fregulia

All in Favor.

Aye – Chairperson Don Fregulia
Aye – Vice Chairperson Cheryl Sinsel Aye – Board Director Todd Solomon
Aye – Board Director Kim Train Aye – Board Director Rich Machado

b. Operations Report

Water

Not much to report as the time between this and the last meeting is minimal.

Wastewater

Not much to report as the time between this and the last meeting is minimal.

Misc.

Sending Admin. Mgr. Gina Morris to the Board Clerk and Secretary Conference by CSDA in November.

11. Administration

No additional report as all was discussed during the financial presentation.

12. Written Correspondence to the Board

Nothing to Report.

13. Public/Board Comment Period

Charlie & Pam Ross, 272 Sequoia Cir, asked if the Greenbelt maintenance was something that the CSD was maintaining. There was discussion of the “big stacks of wood and pine needles.”

It will be added to the next agenda to revisit the agreement with the HOA. This flowed into a discussion regarding what the CSD can and cannot do regarding fire hazards. The ordinance regarding fire hazard abatement will be brought before the Board for reevaluation during the next meeting.

14. Closed Session

The Board discussed possible litigation.

15. Future Agenda Items

A second time for Public Comment will be added to the front of the meeting.

Meadow Lane Irrigation – cost estimates to put valves on each property

Finance Committee Meeting

Agreement with the Masters Association

Ordinance 2000-B for revision

Discussion of the need for an actuarial report

16. Adjournment

Chairperson Don Fregulia adjourned the regular Board meeting @ 1141

In Attendance:

Chairperson Don Fregulia Board

Vice Chairperson Cheryl Sinsel

Board Director Todd Solomon

Board Director Rich Machado

Board Director Kim Train

Respectfully Submitted,

(Signature on file)

Gina-Marie Morris
Board Clerk

PECSD RATE STUDY PROPOSAL REVIEW

August 15, 2023

Background

On June 20, 2023, the District sent out a Request for Proposal for a consultant to complete a rate study that can be used to establish a new five-year schedule of rates for water and sewer service and comply with the Prop 218 process if the rates of the fees charged for water and sewer rates need to be changed.

The District's current rate schedule ends on June 30, 2024. The last comprehensive rate study for the water and sewer utility services was prepared in 2018.

The District intends to ensure its utility rates cover the true costs of providing water and sewer services to our customers. These costs include not limited to operations and maintenance, equipment repair and replacement costs, capital outlay and improvements, debt service, maintaining appropriate cash balances and reserves. In doing so, the proposed rate/fee structure shall ensure an equitable treatment of all charges on future and current users. To ensure the timely enactment of any needed rate increases, the Rate Study needs to be completed before May 1, 2024.

Requests for proposals were sent to seven (8) contractors.

The following contractors met the July 14 deadline and responded

- Hansford Economic Consultants (Truckee, CA)
- SCI Consulting Group (Fairfield, CA)
- Dowl Engineering (Reno, NV)

The proposals were reviewed by General Manager, Jamar Tate, Administrative Manager, Gina Morris, and Project Manager, John Rowden. Representatives of SCI and DOWL were interviewed during the week of August 6. A representative of Hansford was not available.

Recommendation

The three responders each had a different approach. DOWL relies on its engineering expertise, the use of a rate analysis model, and its rate setting experience in Northern Nevada, Hansford did not have an engineer on the team, but instead focused on its principals expertise in local utility rate setting and the importance of interaction with the citizens by including a public relations expert. SCI relies on the lengthy experience of its team members with Prop 218 processes and includes engineering and expertise in drafting Prop 218 notifications. SCI had the lowest cost, DOWL presented the highest.

Because SCI seemed to hit all the needed elements of the rate setting process at the lowest price, the reviewers recommend SCI Consulting Group to help the District conduct it rate study and if needed, help implement any new rates.

Summary

FACTOR	Hansford (Truckee)	SCI (Fairfield)	Dowl (Reno)
Responsiveness to the RFP	Responsive to the request for a rate study	Responsive to the request for a rate study	Responsive, to the request for engineering consulting services and rate study
Qualifications and relevant experience of firm with the Districts and other public agencies	Listed services to communities in Northern CA about the size of the District including Gold Mountain CSD and the American Valley CSD. Utility and HOA financial studies are core to its business.	Listed services in the Bay Area. Specializing in Prop 218 support. Provided services to PECSD in 2011 for fire tax. Prop 218 studies part of its core business practice.	Provides service to the District and listed Grizzley Ranch and northern Nevada communities as examples. The interview discovered a limited understanding of Prop 218. Engineering is the firms core business.
Qualifications and relevant experience of key staff	Highly qualified and experience in financial analysis and public relations/community affairs. No engineering was included on the team.	Highly qualified engineering and financial expertise related to local government rate setting. Experienced in related community outreach.	Highly qualified engineering. Financial experience limited to recent work with DOWL. Outreach experience is also limited is extra for this effort.
Approach to providing services including schedule	Relies on two small firms, a financial firm, and a public relations firm. The principal will conduct the analysis and provide the deliverables. The PR firm will lead in communication for the Prop 218 process. Effort may need to include a review of the current fee structure. Schedule is appropriate Total Hours: 262	Relies on the expertise of two principals, one a financial expert, the other an engineer. The firm will work with the existing fee structure. It will provide communication services for the Prop 218 process. Schedule is appropriate Total Hours: 150	Relies on a senior engineer and an associate engineer using an Excel economic model created by DOWL for rate analysis. The associate is an expert at using the model. Schedule is appropriate Total Hours:297
Cost of services	\$45, 530 \$174/hour	\$36, 870 \$245/hr	\$56, 442 \$190/hr
Support from references	Yes	Yes	Yes

PLUMAS EUREKA COMMUNITY SERVICES DISTRICT

REQUEST FOR PROPOSALS FOR ENGINEERING CONSULTING SERVICES TO PREPARE A COMPREHENSIVE RATE STUDY JUNE 20, 2023

PROPOSALS DUE

JULY 14 , 2023 3:00 PM

SUMMARY

The Plumas Eureka Community Services District seeks services of a consultant to complete a rate study that can be used to establish a new five-year schedule of rates and comply with the Prop 218 process if the rates of the fees charged for water and sewer rates need to be changed.

The District's current rate schedule ends on June 30, 2024. The last comprehensive rate study for the water and sewer utility services was prepared in 2018.

The District intends to ensure its utility rates cover the true costs of providing water and sewer services to our customers. These costs include not limited to: operations and maintenance, equipment repair and replacement costs, capital outlay and improvements, debt service, maintaining appropriate cash balances and reserves,. In doing so, the proposed rate/fee structure shall ensure an equitable treatment of all charges on future and current users.

To ensure the timely enactment of any needed rate increases, the District desires that the Rate Study be completed before May 1, 2024

BACKGROUND

The Plumas Eureka Community Services District is located along the Middle Fork of the Feather River near the intersection of California State Route 70 and State Route 89 off of County Road A15. The District provides water, waste water and emergency response services to approximately 650 customers. The District owns and maintains two small wastewater treatment plants, two supply wells, two water storage tanks, fire station with offices, roads, and open space. Customers are charged flat rates for water and sewer service. Emergency services are paid from assessments on property.

SCOPE OF SERVICES

The Consultant shall develop recommendations for a five-year utility service fee schedule, a billing structure, and (optionally) assessments for emergency services by completing the following tasks:

Task 1 Project Management and Start Up

The consultant will plan and manage the project in full cooperation with the PECSD staff. To start the project the consultant will meet with the Budget and Finance to confirm the scope of services and schedule of work. At or following the meeting, the contractor will work with District staff to identify, collect, and review existing District financial policies and principles; historic billing records; and define project objectives and goals prior to starting the rate analysis. Documents expected to be made available for validation and used in the analysis include:

- Previous Rate Studies,
- Certified audits from 2017 through 2022,
- Current Water and Sewer system Capital Improvement Plans
- Billing records for the last five years
- Existing rate structure and classifications,
- Debt service documentation,
- Water usage data,
- Influent sewer flow data, and
- Estimates of cost for existing infrastructure.
- Budget performance reports for the last five years
- Customer complaint reports for the last five years
- Accounts Receivable history for the last five years

Deliverables

1. Kick off meeting with the Board of Directors to confirm the scope and schedule of the effort
2. One (1) digital copy of a written status report identifying the documents reviewed and the trends, circumstances, and other assumptions that may effect future costs and rates.
3. Project completed on time and within budget.

Task 2 Utility Revenue Requirement

Determine the revenue required to ensure proper operation, maintenance, stability and improvement of the water system and the sewer system; as well the preservation of the District's financial integrity.

Deliverable

1. One (1) digital copy of the draft of the sections of the Rate Study Report that identify the revenue requirements for the review of District staff

Task 3 Utility Cost of Service & Rate Design

Allocate costs of utility service to customers in accordance with their service requirements and create utility rates that achieve equity among customers, while maintaining simplicity and limiting administrative burden.

Deliverable

1. One (1) digital copy of the draft of the sections of the Rate Study Report that identify the allocation of costs and the rate design including the rate model spreadsheets for the review of District staff

Task 4 Draft Report and Public Workshop

Reports & Presentations

The consultant shall produce visual presentations and any additional written materials to accompany the deliverables for Task 1, Task 2, and Task 3. The consultant shall also provide a draft and final Report. The draft and final Rate Study report shall include an Executive Summary.

Two public meetings are anticipated, with one meeting being an in-depth workshop addressing the draft report. The consultant will present the report and support staff in addressing questions and concerns from the public.

Deliverables:

1. Presentation materials for public meetings as agreed upon at the Kick-Off meeting with the Board Finance and Budget Committee.
2. Draft Engineer's Report that meets requirements of Prop 218.
3. Final Engineer's Report that meets requirements of Prop 218

CONTENTS OF PROPOSALS

- A. Cover Letter** that describes 1) the expertise and experience of the firm, 2) the firm's knowledge of the District, 3) the firm's knowledge and experience with Rate Studies required by Prop 218 4) the availability of key staff, and 5) the level of commitment the firm is willing to make to District project. The letter must be signed by project team member authorized to make commitments on behalf of proposer.
- B. Approach to Providing Services** to the District including:
 1. the location of office(s) that the contractor will use
 2. the members of the firm that will likely be engaged in the project
 3. a description of how the firm will complete the project
 4. a schedule for completing each of the tasks of the project
 5. preferred method of resolving disputes
- C. Fee Schedule:** Provide an hourly fee schedules for all those that will provide service to the District and for other anticipated expenses.
- D. References:** Provide a list of at least four references including names, positions and telephone numbers for the individuals identified in the qualifications. References from agencies similar to the PECSD are most helpful.

INSTRUCTIONS FOR SUBMITTING PROPOSALS

The District requests that proposers submit one (1) pdf copy by email no later than 3:00 PM, July 14, 2023 to admin.mgr@pecsd.org and jtate@digitalpath.net.

QUESTIONS Please address any questions to Jamar Tate, General Manager jtate@digitalpath.net with a subject heading of "Rate Study RFP."

SELECTION PROCESS AND CRITERIA

The District will review proposals, check references, and select the most qualified cost-effective firm. The District may request interviews. The selection criteria include:

- Responsiveness to the RFP
- Qualifications and relevant experience of firm with the Districts and other public agencies
- Qualifications and relevant experience of key staff
- Approach to providing services including schedule
- Cost of services
- Support from references

AWARD SCHEDULE

The selection process schedule is as follows:

- District Issues RFQ: **June 20, 2023**
- Qualification Submittals Due to District: **July 14, 2023**
- District Board Approval: **July 18, 2023**

CONTRACT

Following selection of the most qualified consultant, the final contract will be negotiated with the PECSD General Manager and approved by the PECSD Board of Directors. The agreement will extend for the duration of the project. The District will reserve the right to terminate the agreements at any time for any reason.

REQUIREMENTS

Each firm, by the responding to this RFP, understands and agrees that the award of a contract shall be contingent upon the successful applicant providing the District with proof of the following:

1. An appropriate current license issued by the California Board of Professional Engineers, Land Surveyors, and Geologists.
2. Current Insurance including:
 - (a) Commercial General Liability: Commercial General Liability Insurance which affords coverage at least as broad as Insurance Services Office "occurrence" form CG 0001, or the exact equivalent, and shall be no less than \$1,000,000 per occurrence and no less than \$2,000,000 in the general

aggregate. Defense costs shall be paid in addition to the limits. The policy shall contain no endorsements or provisions limiting coverage for (1) contractual liability; (2) cross liability exclusion for claims or suits by one insured against another; or (3) contain any other exclusion contrary to the Agreement.

(b) Automobile Liability Insurance: Automobile Liability Insurance with coverage at least as broad as Insurance Services Office Form CA 0001 covering "Any Auto" (Symbol 1), or the exact equivalent, covering bodily injury and property damage for all activities shall be in an amount of not less than \$1,000,000 combined limit for each occurrence.

(c) Workers' Compensation: Workers' Compensation Insurance, as required by the State of California and Employer's Liability Insurance with a limit of not less than \$1,000,000 per accident for bodily injury and disease.

(d) Professional Liability: Professional Liability insurance with minimum limits of \$1,000,000. Covered professional services shall specifically include all work to be performed under the Agreement and delete any exclusions that may potentially affect the work to be performed (for example, any exclusions relating to lead, asbestos, pollution, testing, underground storage tanks, laboratory analysis, soil work, etc.). If coverage is written on a claims-made basis, the retroactive date shall precede the effective date of the initial Agreement and continuous coverage will be maintained or an extended reporting period will be exercised for a period of at least three (3) years from termination or expiration of this Agreement.

Friday, July 14, 2023

Submitted via e-mail

admin.mgr@pecsd.org

jtate@digitalpath.net

Jamar Tate, General Manager
Plumas Eureka Community Services District
200 Lundy Lane
Blairsden, CA 96103

Re: Proposal for Comprehensive Utility Rate Study and Five-Year Financing Plan

Dear Mr. Tate:

SCI Consulting Group (“SCI”) is pleased to submit, for your review, this proposal to provide a Comprehensive Utility Rate Study and Five-Year Financing Plan (“Rate Study”) for the Plumas Eureka Community Services District (“District”). We have thoroughly reviewed the District’s June 20, 2023, Request for Proposal, and this proposal covers all tasks described in the Scope of Services. If selected, SCI commits to providing the highest quality service to ensure a successful project.

We understand that the District would like to update its water and sewer rates to ensure its utility rates cover the actual costs of providing water and sewer services to its customers. The Rate Study would ensure sufficient funds will be generated annually for maintenance and system improvements and cover associated debt service payments for the next five years. Our approach to the Rate Study would be based on close interaction and coordination of the project with District staff and other key stakeholders. If selected, SCI Consulting Group would provide comprehensive services in a manner that limits the time and resources of District staff.

Please note that in late 2011 and early 2012, SCI assisted the District with successfully implementing a special tax supporting fire services, including project management, tax analysis, engineering, ballot question language, development of all documents, and community outreach. On March 6, 2012, the Plumas Eureka Community Services District Parcel Tax, Measure A, was approved by District voters with 71.01% support. We have continued to provide engineering consulting and community outreach services throughout Lassen, Plumas, and Sierra counties.

WORK PLAN AND APPROACH

Based on our current understanding of the project, the technical analysis, and the services needed by the District, we propose the following scope of work and approach:

Task 1: Information/Data Gathering and Planning

SCI will first hold a pre-kick-off video conference to discuss the process of gathering the data and the financial information needed to prepare the Comprehensive Utility Rate Study. After reviewing the

financial information and water usage and influent sewer flow data, SCI and the District will hold a kickoff meeting with the District Board's Budget and Finance Committee to discuss District's financial goals and objectives and the proposed methodologies and approaches that will be used to determine the new water and sewer rates. In conjunction with District staff, SCI will provide a timeline outlining the steps to completing the Comprehensive Rate Study through adoption by the Board.

Deliverable(s):

- Pre-Kickoff Meeting (Virtual)
- Information and data request list
- Project kickoff meeting with Board's Finance and Budget Committee (In-Person)
- Project timeline

Task 2: Five-Year Financing Plan and Rate Determination

SCI will then prepare a five-year financing plan for the District that details revenues, expenses, and increases in fee revenue needed to meet all obligations. A water and sewer rate schedule will be established based on the revenue required for the five years and considering existing reserve funds, target reserves, and reserve fund policies. The revenue requirements for the five-year period will equitably be allocated to each of the District's existing customer classes. The fee schedules will include proposed water and sewer rates for the next five years and a projection of the typical revenue for the five years.

Upon completion of the initial cost allocation and rate determination, SCI will meet virtually with District staff to review the technical analysis, key findings, and recommendations and make any necessary adjustments. SCI and the District will need to maintain a productive dialogue throughout this process to ensure cost allocation methodologies are technically defensible and comply with the requirements of Proposition 218 and recent case law.

Deliverable(s):

- Draft five-year financing plan (revenue requirement) for each enterprise (MS Excel)
- Draft cost allocation and water and sewer rate schedules, including the rate model (MS Excel)
- Project meeting (Virtual)

Task 3: Administrative Review Draft

SCI will prepare a clear, concise, and understandable draft Comprehensive Utility Rate Study and Five-Year Financing Plan Report ("Report") for administrative review and comment. The Report will include proposed water and sewer rates for the next five years, a summary of the methodology, approach, and findings, technical analysis, and the five-year financing plan to support the proposed water and sewer rates. SCI can assure the District that readers will find the Rate Study easy to read, calculations easy to follow, and assumptions well supported and documented.

Deliverable(s):

- Rate Study Administrative Review Draft (PDF)

Task 4: Public Review Draft and Community Outreach

After a review by District staff, SCI will revise the administrative draft according to one set of consolidated comments from the District. SCI will then provide a Public Review Draft and present the proposed water and sewer rates to the community. A PowerPoint presentation will be prepared for the meeting to

succinctly present the District's five-year financing plan, the cost allocation methodology, and proposed water and sewer rates for the next five years.

Deliverable(s):

- Rate Study Public Review Draft (PDF)
- Community presentation (PPT)
- Project meeting (Virtual)
- One (1) In-depth community workshop (In-Person)
- One (1) Community workshop (Virtual)

Task 5: Final Report and District Board Approval

After incorporating input from the community and various stakeholders, SCI will make any necessary changes based on one set of consolidated comments from the District and provide a Final Report. SCI will also revise the Final Report, if any, requested by the District Board. SCI will also review and present the Rate Study and water and sewer rates before the District Board and the public for approval.

Deliverable(s):

- Rate Study Final Report (PDF)
- Draft Resolution (MS Word)
- Draft Agenda Report (MS Word)
- Project meeting (Virtual)
- Board presentation (PPT)
- District Board meeting presentation (In-Person)

Optional Task 6: Proposition 218 Protest Proceedings

SCI can provide the District with a draft resolution, Proposition 218 protest hearing notice document, and agenda report to approve the new water and sewer rates. SCI can also support the District through the Proposition 218 protest proceeding, including drafting the protest notice.

Deliverable(s):

- Draft resolution (MS Word)
- Draft Proposition 218 protest hearing notice
- Draft agenda report
- District Board meeting presentation (In-Person)

In-Person Meetings. The Work Plan includes three (3) in-person meetings before the Board's Finance and Budget Committee, the community, and the District Board, plus an additional meeting for Option Task 6. Additional in-person meetings beyond our proposed three (3) in-person meetings will be billed at our 2023 hourly billing rates for the duration of the project. All other project meetings, community outreach meetings, and presentations will be conducted remotely via video or voice conference. Video and voice conferences are not considered in-person meetings in the Work Plan.

District Resources. SCI will carry out all tasks specified in the Work Plan and any other related services, as appropriate, to prepare the Rate Study and Five-Year Financing Plan. The District would be responsible for the following:

1. Designate a District point of contact with authority to act on its behalf regarding the Work Plan.
2. Meet or periodically participate in video or voice conference calls with SCI as needed.
3. Provide information and documentation regarding the District's finances, including:
 - Previous Rate Studies
 - Certified audits from 2017 through 2022
 - Current Water and Sewer system CIPs
 - Billing records for the last five years
 - Existing rate structure and classifications
 - Debt service schedules
 - Water usage data by existing customer classes
 - Influent sewer flow data
 - Estimates of cost for existing infrastructure
 - Budget performance reports for the last five years
 - Customer complaint reports for the last five years
 - Additional information and data as requested
4. Assist with planning, review of the Financing Plan, the proposed water and sewer rates, and the Report, and coordination of action items.

Timeline. We anticipate that the preparation of the rate model and administrative draft Rate Study will take approximately three months. The timeline will largely depend on the required data and financial information availability. Review of the Rate Study, two community workshops, and Board approval of the Rate Study shall take approximately two months. The District should allow another two to three months for the 45-day Proposition 218 notice period and the Board meeting in April 2024 to hold the protest proceeding and adopt the new water and sewer rates to become effective July 1, 2024. A more detailed timeline, task list, and deliverables will be developed at the project kickoff meeting in Task 1.

ABOUT SCI CONSULTING GROUP

Established in 1985, **SCIConsultingGroup** is a recognized public finance consulting firm with leading expertise in assisting California public agencies with local funding of public services and improvements. We also possess extensive expertise in the important legal and procedural issues involving benefit assessments, special taxes, fees, and charges. The principals at SCI are acknowledged experts on these public financing mechanisms and were involved with the cleanup legislation for Proposition 218.

SCI possesses extensive assessment, tax, fee engineering, and formation expertise, including polling and outreach, particularly for agency-wide assessments in politically challenging areas. These successful agency-wide assessments also include all of the largest successful assessments in the State.

QUALIFICATIONS AND EXPERIENCE

Any new revenue measure proposed by a public agency is challenging. California property owners are inherently hesitant to increase taxes, assessments, and fees upon themselves. Any such initiative must be founded on rigorous and clear fee engineering and a well-documented and compelling financial need.

Propositions 13, 218, and 26 place significant legal requirements on a local agency's ability to generate annual revenue. The "property-related fee," as described in Proposition 218, has emerged as the primary vehicle to fund water and sewer. This process requires extensive analysis, Rate Study, and a public hearing noticed to all affected property owners.

SCI is a well-known leader in California in Proposition 218-compliant property-related fee policy, funding, management, and implementation. We understand water, sewer, and storm drainage programs and how funding can be leveraged to meet local programmatic and infrastructure needs and to ensure compliance with relevant requirements permits. Also, through designing and establishing new Proposition 218-compliant fees and charges and working on these projects with many of the leading specialized attorneys in the State, we have gained unparalleled legal and Proposition 218 compliance expertise.

Also, SCI's expertise in the political arena and with community outreach (*including for the District, albeit over ten years ago*) will enable us to guide this project in the right direction. SCI has implemented over 140 successful Proposition 218-compliant revenue measures, including benefit assessments and property-related fees. We are currently engaged with similar, small rural water districts in Paradise (Butte County) and Irish Beach (Mendocino County).

PROJECT TEAM

If selected, Blair Aas, Director of Planning Services, would serve as the project manager. Edric Kwan, P.E., Vice President of SCI, would serve as the Senior Assessment Engineer on the project. John Bliss, President of SCI, would be the principal-in-charge and minimally involved in the project. We do not have any work commitments that would interfere with our responsiveness and ability to complete the project within a reasonable timeframe. This project work would be performed from our Fairfield, California office. Our approach and firm culture have made significant disputes with our clients virtually nonexistent – however, if a significant dispute does arise, we prefer mediation.

Blair Aas (Project Manager)

As Director of Planning Services, Blair specializes in the areas of developer mitigation, Mello-Roos CFD formations, development impact fees, cost of service studies, and utility rate studies. With over 21 years of experience in public finance, Blair has developed extensive expertise in assisting public agencies in addressing the financial impact of new . Blair Aas prepared over 120 development impact studies, utility rate studies, and financing plans and is a recognized Community Facilities District expert. Blair is a graduate of Boise State University with a B.A. in Economics with an emphasis in public finance. He is a commercial associate member of the California Society of Municipal Finance Officers, a member of the CSDA Legislative Committee Budget, Finance, and Taxation Working Group, and a Parks and Recreation Commissioner for the City of Vacaville.

Blair's LinkedIn profile can be found at www.linkedin.com/in/blairaas/.

Edric Kwan P.E. (Senior Engineer), License No. C62829

As Senior Vice President of SCI, Edric Kwan brings 25 years of experience serving the public works industry. His last 20 years have been with the public sector, with 13 years as public works director and/or city engineer for the County of Alameda, the cities of Richmond and Martinez, and the Town of Moraga. As a public official, he oversaw revenue compliance requirements, including annual levy assessment

administration when applicable for two sanitary sewer districts, one sewer district, nine landscaping and lighting districts, two pavement sales tax measures, five clean water programs, nine flood control zones, and one well standard program. His firsthand experience relating to the financial challenges of maintaining public infrastructure, including dealing with costly emergency infrastructure failures, led him to join SCI in 2022 to assist other agencies with meeting their revenue needs. His specialty is community engagement, including initial messaging and branding, followed by direct engagement with local stakeholders and the broader community, refinement of the messaging and branding, and effective and authentic community outreach through developing public opinion surveys and educational outreach materials and conducting public presentations. He is a licensed Civil Engineer with a Bachelor of Science in Civil Engineering from the University of California at Berkeley.

Edric's LinkedIn profile can be found at www.linkedin.com/in/edric-kwan-b6458064/.

John Bliss, M.Eng., P.E., (Principal-In-Charge), License No. C052091

John Bliss, a professional engineer and President of SCI, specializes in fee, tax, and assessment engineering; special and general benefit analysis; Proposition 218-compliant assessment and fee determination, assessment administration; cost estimating and budgeting; database design and implementation; regulatory compliance, and revenue measure formations. He has over 21 years of experience in this field of expertise. Moreover, John is a Proposition 13 and Proposition 218 compliance specialist and technical authority. He also has worked with most of the leading Proposition 218 specialized attorneys in the State, further expanding his professional and technical expertise. During his tenure at SCI, John has served as the responsible Assessment Engineer on over 300 Engineer's Reports for new or increased assessments, comprising more post-Proposition 218 new assessment engineering than any other assessment engineer in the State. John graduated from Brown University with a Bachelor of Science in Engineering and holds a master's degree in Civil Engineering from the University of California, Berkeley, where he was a Regent's Scholar. He is a licensed Professional Civil Engineer in the State of California.

John's LinkedIn profile can be found at www.linkedin.com/in/john-bliss-9687456/.

RECENT RELAVANT REFERENCES

CITY OF PLACENTIA – SEWER FEE STUDY AND FIVE-YEAR FINANCING PLAN

401 East Chapman Avenue

Placentia, CA 92870

(714) 993-8131

Contact: Luis Estevez, Public Works Manager

E-mail: lestevez@placentia.org

CITY OF SACRAMENTO – STORM DRAINAGE RATE PROPOSITION 218 PROTEST PROCEEDING

City of Sacramento Department of Utilities

1395 35th Ave

Sacramento, CA 95822

916-808-1284

Contact: Tyler Stratton, Capital Finance and Grants Manager

E-mail: TStratton@cityofsacramento.org

CITY OF ALAMEDA – WATER QUALITY AND FLOOD PROTECTION INITIATIVE

City of Alameda, Public Works Department
950 West Mall Square, Alameda, CA 94501
(510) 919-9271

Contact: Jim Barse, Clean Water Program Specialist

E-mail: JBarse@alamedaca.gov

CITY OF BERKELEY – CLEAN STORM DRAIN FEE INITIATIVE STUDY

City of Berkeley, Public Works Department
2180 Milvia Street, 3rd Floor
Berkeley, CA 94704
(510) 981-6306

Contact: Sean O’Shea, Administrative & Fiscal Manager, Public Works Department

E-mail: soshea@cityofberkeley.info

ACCOUNTABILITY AND WARRANTIES

Our approach to the Rate Study would be based on close interaction and coordination with District staff and other key stakeholders. If selected, SCI would provide comprehensive services that limit the District’s time and resources by following solid project management principles. We will ensure that the project deliverables will be of the highest quality, legally defensible, and delivered timely and on budget.

The District or SCI may end the engagement without cause with reasonable written notice. In the event that the engagement is canceled, payment shall still be due for all work performed, including any portion of a task, by SCI through the date of the notification of cancellation.

OTHER INFORMATION

Employment Policies. SCI Consulting Group complies with all civil rights laws and related statutes. SCI does not and shall not discriminate against any employee in the workplace, against any applicant for such employment, or against any other person because of race, religion, sex, color, national origin, handicap, age, or any other arbitrary basis.

Conflict of Interest Statements. SCI has no known past, ongoing, or potential conflicts of interest for working with the District, performing the Work Plan, or any other service for this project.

Independent Contractor. SCI shall perform all services included in this proposal as an independent contractor if selected.

Insurance Requirements. SCI carries professional errors and omissions insurance in the amount of \$2 million per occurrence and \$2 million aggregate. SCI also carries general liability insurance in the amount of \$2 million per occurrence and \$4 million aggregate. SCI will provide proof of insurance upon request.

FEE SCHEDULE / MANNER OF PAYMENT

In consideration of the work accomplished, as outlined in the Work Plan, SCI shall be compensated as detailed below. Our professional fees are based on our understanding of the District's needs as outlined in the RFP, and the level of effort we expect is necessary to complete the Work Plan successfully.

Detailed Fee and Hourly Labor Rate Schedule

	Billable Labor Hours			Total Billable Hours	Fixed Fees
	Planning Director / Project Manager	Vice President / Senior Engineer	President / Principal-In- Charge		
Work Plan and Approach ¹					
2023 Hourly Billing Rates	\$227	\$276	\$297		
Task 1: Information/Data Gathering and Planning	22	4	2	28	\$6,690
Task 2: Five-Year Plan and Rate Determination	30	4	2	36	\$8,510
Task 3: Administrative Review Draft	26	4	2	32	\$7,600
Task 4: Public Review Draft and Outreach	14	2	0	16	\$3,730
Task 5: Final Report and District Board Approval	16	2	0	18	\$4,180
Labor Costs	108	16	6	130	\$30,710
Incidental Costs NTE ²					\$1,500
TOTAL PROJECT COST					\$32,210
Optional Task 6: Proposition 218 Protest Proceeding	18	1	1	20	\$4,660

Notes:

¹ Work Plan shall include three (3) in-person meetings.

² Incidental costs incurred by SCI for purchasing property or statistical data, travel, lodging, mileage, printing, postage, and other out-of-pocket expenses incurred in performing the Work Plan shall be reimbursed separately at actual cost plus 10% not to exceed ("NTE") \$1,500 without prior authorization from the District. Mileage expense shall be reimbursed at the IRS-approved rate. Work will be performed from

After completing each task, SCI shall submit an invoice for the work performed. Payments shall be due and payable upon submitting an invoice for each completed task.

The Work Plan includes three (3) in-person meetings, plus an additional in-person meeting for optional Task 6. As requested, compensation for additional in-person meetings and out-of-scope services shall be billed at our 2023 hourly bill rates for the duration of the project. Our hourly bill rates are \$227 for Blair Aas (Project Manager), \$276 for Edric Kwan (Senior Assessment Engineer), \$297 for John Bliss (Principle-In-Charge), \$135 for Project Analysts, and \$76 for administrative staff. Travel time for attendance at additional in-person meetings shall be billed at 75% of the hourly bill rates.

We look forward to the opportunity to assist the District with this important project and stand ready to proceed. If you have any questions or require additional information, please do not hesitate to contact me. I can be reached at 707-816-9101 or via e-mail at blair.aas@sci-cg.com. I am authorized to make commitments on behalf of SCI.

Sincerely,



Blair E. Aas
Director of Planning Services

cc: John Rowden, Plumas Eureka Community Services District
John Bliss, SCI Consulting Group
Edric Kwan, SCI Consulting Group



ENGINEERING CONSULTING SERVICES TO PREPARE A COMPREHENSIVE RATE STUDY

JUL 14, 2023

Prepared For:
Plumas Eureka Community Services District
200 Lundy Lane
Blairsden, CA 96103



5510 Longley Lane ■ Reno NV ■ 775-851-4788
www.dowl.com



July 14, 2023

Plumas Eureka Community Services District
200 Lundy Lane
Blairsden, CA 96103

RE: Engineering Consulting Services to Prepare a Comprehensive Rate Study

Dear Members of the Selection Committee,

The Plumas Eureka Community Services District (District) is pledged to effectively and efficiently provide community services needed or desired by the residents/eligible voters of the District, including drinking water and sewer collection and treatment services. To effectively provide these services, the District maintains complete fiscal transparency to its customers and assesses user rates that cover the true cost of providing water and sewer services to its customers. In 2018, the District completed a cost of service based rate study for both utilities and implemented rate adjustments to recover projected operational, maintenance, capital outlay, and debt service needs while maintaining appropriate reserve account balances.

Since 2001, DOWL's Reno office has had the opportunity to work with multiple public entities and utility districts to develop comprehensive rate studies for water and sewer services. This experience provides us with an extensive understanding of industry best practices, applicable regulations, American Water Works Association (AWWA) standards, and the value of developing a cost-effective, user-friendly rate model. We offer expert services in a variety of disciplines, including rate studies and analyses. DOWL has the depth of resources to support the scope of work outlined in this Request for Proposals (RFP). The successful execution of the rate study calls for a talented and experienced team of professionals who can dedicate themselves to the project. In response, DOWL has curated a readily accessible project team with experience delivering rate studies and connection fee analysis that integrate operations and maintenance costs, and infrastructure replacement or rehabilitation needs for water and sewer utilities. Our team offers the following benefits to the District:

- **Proven partner** of the District. DOWL was initially selected by the District to complete the Arsenic Mitigation Project in 2016 and has been functioning as the District Engineer since 2017.
- **Conducted the most recent rate study for the District** in 2018, including adherence to Proposition (Prop) 218 guidelines and requirements. We bring institutional knowledge of the District's customer base, operational needs, and Capital Improvement Program.
- **Extensive similar rate study experience** in northern California and Nevada, including Grizzly Ranch Community Services District, Washoe County, City of Reno, City of Carson City, City of Sparks, Kingsbury General Improvement District, and the Round Hill General Improvement District.
- **Locally based cost-effective team** with District and local knowledge to develop an effective rate model that is robust but simple to operate to meet the needs of the District and the community it serves.
- **Dedicated and available** team ready to meet the District's level of commitment expected, as well as your schedule. We have assigned three Reno-based staff as our core team, with the experience and capacity to achieve the District's schedule of completion for the final report by May 2024.

As the project manager, I am authorized to commit DOWL to this project and to be the point of contact for the District. I can be reached at the address in the footer and by cell (775-815-3289) and email (ltipton@dowl.com). We look forward to your favorable review of our team and approach for your project.

Sincerely,

A handwritten signature in blue ink, appearing to read "LTipton", written over a light blue horizontal line.

Lucas Tipton, PE, WRS

Water & Wastewater Business Leader

Table of Contents

1.0	Approach to Providing Services	1
a.	Locations of Office Providing Services	1
b.	Members of the Firm Engaged in the Project	1
c.	How DOWL Will Complete the Project	4
d.	Schedule for Completing Each Task of the Project	6
e.	Preferred Method of Resolving Disputes	6
2.0	Fee Schedule	6
3.0	References and Sample Projects.....	6

Appendix 1: Scope of Work

EXHIBIT A SCOPE OF WORK

EXHIBIT B BUDGET

Appendix 2: Fee Estimate

1.0 Approach to Providing Services

The District currently provides water and sewer services to approximately 650 active residential water and sewer service connections. Having the technical and managerial resources to operate and maintain this utility is vital to upholding the commitments the District has made to its customers and the region. Therefore, proper financial planning and fiscal policy are necessary to meet the needs of the community.

After conducting a rate study in 2018, the District implemented a system for collecting water and sewer rate revenues that is based on the cost of service methodology and results in fairness for rate payers. However, Prop 218 stipulates that special districts may only adjust rates over a 5-year period (even inflationary adjustments) without implementing the notice, protest, and hearing requirements of Government Code Section 53753. As industry professionals, DOWL will provide the District with an updated analysis of user charges and effectively communicate critical information to its customer base so that all rate adjustments remain in compliance with Prop 218.

a. Locations of Office Providing Services

Members from DOWL's Reno, Nevada office will deliver your services. Our Reno office team, led by Lucas Tipton, PE, WRS, offers extensive expertise in conducting rate studies that combine the essential elements of rate setting, utility operation and management, and regional experience to deliver the result the District is looking for. At DOWL, we believe that communication builds trust and is at the core of all successful projects. Our project management approach integrates constant communication and quality management from kickoff through completion.

As the project progresses, Lucas will provide regular updates to District staff related to scope, schedule, and budget, as well as any items requiring resolution. In the upcoming pages, we outline our preferred approach for this rate study; however, we encourage the reader to reference our attached scope of services to verify any specific component or task that has been included in the scope of work or to understand any assumptions we have made in developing our approach to the project.

DOWL is a leader in municipal engineering and utility planning for local governments throughout Nevada and Northern California. Our staff of more than 75 professionals are all located in Northern Nevada and will be reliable and responsive. Scheduling meetings and collaborating with the District will be easily done from our Reno office. Our firm has a comprehensive understanding of all facets of the utility business and we leverage that knowledge to provide the most comprehensive utility rate and connection fee study services in our region.

b. Members of the Firm Engaged in the Project

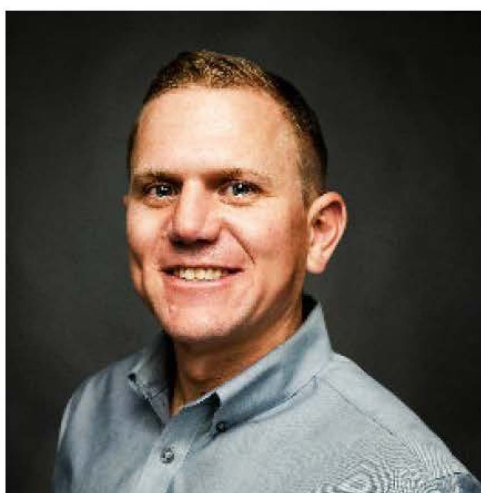
DOWL is dedicated to the pursuit of excellence in our fields of practice and in the services we provide. This pursuit is especially well-represented in our utility rate analysis services.

DOWL's Reno office maintains a water resource and utility planning group who specialize in and provide comprehensive planning services, including rate studies, to every utility we work with. DOWL has invested considerable resources into the acquisition of key talent, staff training, and software development to provide the most robust utility rate setting and financial analysis services in the region. These services started with our Water Services Practice Leader, Brent Farr, and his dedication to numerous rural communities across Nevada. Durign the last 20 years, DOWL grown and maintained a bench of six engineers/professionals who perform rate studies on a regular basis.

This team is led by Lucas, who will be the project manager for this rate study. Working alongside Lucas will be Kristi Thompson who recently managed the study we completed for the Grizzly Ranch CSD. Finally, Brent Farr will provide quality control reviews of all project calculations and documents. Our team of three talented staff will implement our proven approach to rate analysis for the District, resulting in recommendations that are accurate, straightforward, and uphold the District's commitment to fiscal responsibility.

DOWL is committed to partnering with local municipal water and wastewater utilities to protect our regional water resources and the communities they serve. This mission is carried out with a thorough commitment to stewardship both within our organization and in the communities we work in. More specifically, DOWL has developed a deep utility planning group that provides comprehensive services to each utility we work with.

LUCAS TIPTON, PE, WRS | Water & Wastewater Business Leader



Lucas has focused his career on water resource and utility planning. From hydraulic modeling to water and sewer system master planning, Lucas brings a passion for solving the problems of tomorrow for each utility today. Since 2015, Lucas has provided utility rate and connection fee studies for numerous communities across Northern Nevada and California. Lucas will serve as project manager, principal-in-charge, and the primary point of contact for District staff.

Lucas is a creative and practical problem solver, able to adapt quickly to challenges. His knowledge and expertise extends to facility master plans, alternatives analysis, water resource planning, rate and connection fee studies, GIS, hydrologic and hydraulic modeling, and water and wastewater infrastructure. Lucas is skilled at working with clients to develop a comprehensive set of evaluation criteria, providing an unbiased evaluation of multiple project alternatives.

Lucas thrives in a solutions-focused environment where he can identify opportunities to be more cost-effective and leverage lessons learned. Currently the Water & Wastewater Business Leader, Lucas is regularly involved with assisting communities with utility and water resource planning to avoid operational difficulties districts and utilities face across the Mountain West.

Lucas has extensive experience in planning document and studies, including Water Resources Plans, facility plans, alternatives analysis, master plans and Preliminary Engineering Reports for utilities and agencies of multiple sizes.

Most recently, Lucas led the rate and connection fee studies for the City of Reno and Washoe County and was the architect of the complete overhaul of the DOWL rate model.

KRISTI THOMPSON | Project Designer



Brainstorming and solving project challenges – that is Kristi’s superpower. With a degree in environmental science, she applies her real-world experience to successfully plan and deliver projects. Her versatile capabilities are in the management of data, cost estimating, and developing comprehensive utility rate studies. With a broad range of engineering and planning experience, Kristi has developed proficiency with GIS, AutoCAD Civil 3D, and Microsoft Excel.

Her project experience includes planning, design, and calculations for water pipelines, sanitary sewers, drainage facilities, and grading. Kristi’s knowledge and understanding of water and sewer infrastructure allow her to provide insight related to rehabilitation and replacement during the rate study and planning process. Most recently, Kristi teamed with Lucas to complete the user rate and connection fee study for Washoe County.

Kristi has mastered the DOWL rate model and has personally trained Washoe County utility staff on its functionality and operation. Kristi will provide technical support in the review of previous rate studies, evaluating billing policies and procedures, and assisting in developing recommendations for the proposed rate schedule.

BRENT FARR, PE | Water & Environmental Services Practice Area Lead



Brent began his career working on utility rate studies and has become a local expert in the field. While the responsibilities of running a practice area are considerable, Brent has always made himself available to team or self-perform rate studies. This occurred most recently with our utility rate work for the City of Sparks and the City of Carson City. To provide each utility with dedicated services, Brent and Lucas each managed projects in parallel to meet the needs of the City of Sparks, City of Carson City, the City of Reno, and Washoe County. Brent will administer quality control reviews of all material issued to the District for comment/review, as well as assist during any key project meetings or presentations.

An innate problem solver, Brent is skilled at addressing complex issues, creating a framework that makes sense and provides solutions. For more than 27 years, he has tackled challenges and tasks to identify solutions and opportunities through innovative and sustainable options. His comprehensive understanding of the water and wastewater industry is a valuable asset to clients. He has developed a reputation among local municipalities and engineering community as a skilled project manager and trusted advisor. Brent has developed long-standing relationships with many public works officials through delivering outstanding projects. His clients appreciate his ability to effectively communicate and his responsiveness in addressing questions and concerns.

c. How DOWL Will Complete the Project

This section includes a narrative of our approach to project completion. See Appendix 1 for a full scope of work.

Each of our user rate projects begins with a formal data request memorandum that identifies all information that will be used in the analysis. This information includes but is not limited to:

- Customer Information (number, type, water use data, etc.)
- Influent Sewer Flow and Water Production Data
- 5 Years of Operating Budgets and Expense Accounting
- Historical System Revenues
- Debt Terms and Schedules
- System Depreciation Schedules
- Utility Financial Policies
- Capital Improvement Plans
- Capital Replacement Plan (if available)
- Reserve Account Beginning Balances
- GIS Shapefiles of Service Area (if needed)

The data request memorandum will then be followed by a formal invite for a project kickoff meeting with project stakeholders. At this meeting, DOWL and District staff will review operational and capital improvement needs, historical and projected revenues and expenses, reserve account balances, approve economic growth factors, project risks, critical success factors, and discuss any other information that is unique to the District, its system, and its customer base.

Using the principles and methodology set forth in the AWWA Manual of Practice 1 – Principles of Water Rate, Fees and Charges and Financing and Charges for Wastewater Systems – Manual of Practice No. 27 published by the Water Environment Federation, DOWL will determine the revenue requirement for both the water and sewer systems for a 5-year period beginning in fiscal year 2025. The revenue requirement will be the first step of three interrelated analyses that make up the rate study process. These three analyses are summarized in Figure 1 below.

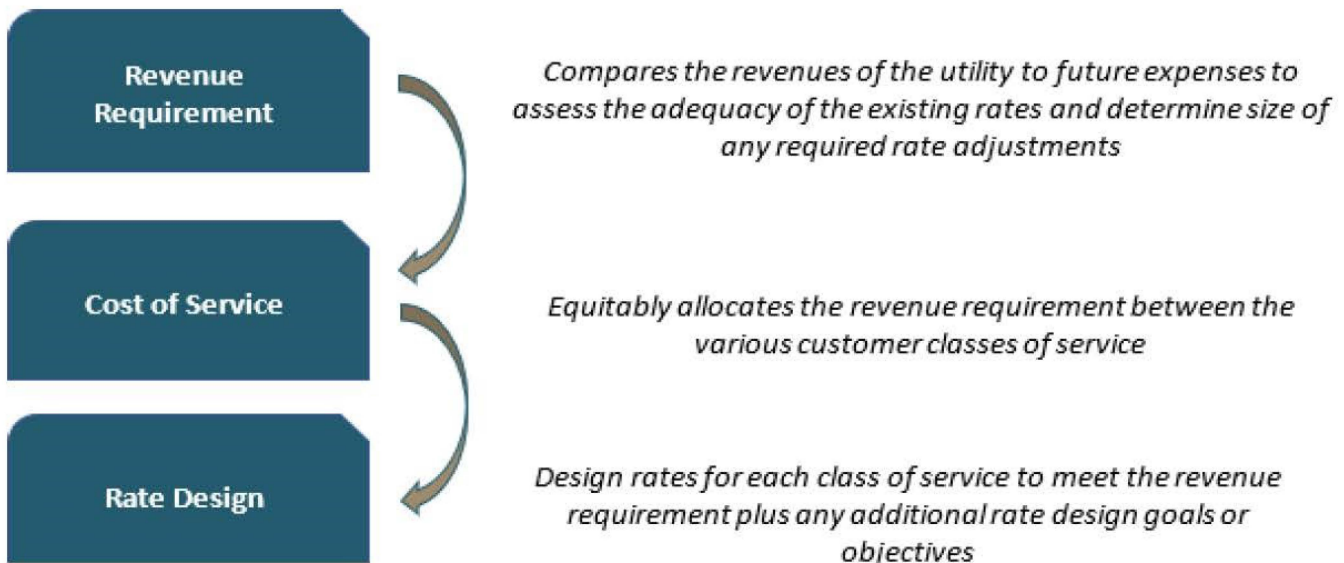


Figure 1: Rate development process

The objective of the revenue requirement is to verify that future revenues are adequate to maintain operations at current service levels for the 5-year planning period. More specifically, the revenue requirement will include expenses related to operations, maintenance, stability, and improvement of both the water and sewer systems.

This phase will also include an evaluation of the financial impacts various Capital Improvement and Capital Replacement Programs would have on the system and user rates.

This area is a particular strength of the DOWL rate model as the tool is capable of modeling multiple capital plans and funding alternatives for utility management to consider as part of the rate setting process. In 2020, DOWL developed a model for the City of Reno wastewater utility that analyzed more than 10 different Capital Improvement Programs (CIP) to help guide future wastewater utility capital planning efforts. With the ability to switch back and forth and see the impacts of each alternative in a collaborative meeting setting, DOWL provided the City of Reno with the data driven solutions they required for a 10-year capital program that exceeded \$600 million with more than half of that associated with repair and replacement projects.

Once capital and funding plans have been determined, the scale of annual shortfalls or surpluses will be understood. Subsequently, DOWL will present two rate adjustment alternatives to the District for consideration. These rate adjustment alternatives will represent system-wide adjustments and will not yet identify any specific changes to customer classes or the rate structure/tiering for each class. Immediately following the determination of how rates should be adjusted (e.g., 5-year average adjustment, year to year variable), DOWL will commence work on the Cost-of-Service study.

A user rate that is determined through a Cost-of-Service-based analysis will be just, reasonable, and non-discriminatory. Built into the DOWL rate model, the Cost-of-Service functionality allocates the revenue requirement between the various customer classes of service and provides average unit costs of service per customer class. Industry standard methodology exists with the Base-Extra capacity method and the Commodity-Demand method for allocating these costs. Of note, the Cost-of-Service component of the rate study can present a challenge if the composition of the customer base or completeness of financial records does not fit well with the requirements of one method over another. The homogeneity of the District's customer base (i.e., 95% residential) and the lack of individual metering present some challenges in adhering to standard methodology. However, DOWL anticipates using the same Cost-of-Service approach used in the 2018 study as the basis for the updated analysis, which provides significant efficiencies to the study. Ultimately, our Cost-of-Service analysis will verify that those customers who drive the cost will pay the cost and recover the direct and indirect costs of providing water and sewer service equitably and comply with all Prop 218 requirements.

Typically, the third significant phase of a rate study is the rate design phase where the analyst generates a small number of rate alternatives for the utility to consider. Without the ability to meter individual water usage, the need for a system-wide base plus commodity charge is eliminated so DOWL proposes to provide a streamlined approach to this portion of the scope of services. DOWL also intends on providing a final copy of the water and sewer system rate models to the District for ongoing use for no additional cost.

The final phase will include a summary report and PowerPoint presentation of the key findings for use at public meetings. The report will include a summary of the methodology used in the analysis, the data and assumptions used for projecting system revenues and expenses, proposed CIPs (including funding sources), an analysis of reserve account balances over the 5-year study period, the proposed rate and fee structure, recommendations for future rate adjustments, and a benchmark comparison of proposed rates to other utilities in the basin.

Prop 218 amended the California Constitution by adding articles XIII C and XIII D, which affect the ability of special districts to levy and collect existing and future taxes, assessments, and property-related fees and charges. Water and sewer user rates have been determined to be property-related fees so the implementation of any proposed increase in fees, even inflationary (e.g., COLA, CPI), will be subject to the Prop 218 notice, protest, and hearing process. Our scope of services will include time to provide proposed rate schedules to District staff for inclusion in the customer mailers and time to prepare and support the District at hearings/presentations of the analysis. In total, the Prop 218 process will take 45-60 days following the Board's decision to adjust user rates. Please see Appendix 1 for additional details.

d. Schedule for Completing Each Task of the Project

Below is a proposed schedule which will be replaced with a detailed schedule at the start of the project.

Milestone	Date
Notice to Proceed	August 1, 2023
Data Request Memo	August 2, 2023
Project Kickoff Meeting + Project Management Plan	September 1, 2023
Revenue Requirement Workshop	October 6, 2023
Cost-of-Service and Rate Design Alternatives	November 3, 2023
Draft Rate Study Report	December 1, 2023
Public Meeting #1	January 18, 2024
Final Rate Study Report	Within 1 week of receiving comments from PECSD
Public Meeting #2 – First Reading of Ordinance	March 12, 2024
Public Meeting #3 – Public Hearing	April 27, 2024
Adjusted Rates Go Into Effect	July 1, 2024

e. Preferred Method of Resolving Disputes

Maintaining good relations with the client is DOWL's top priority. The preferred method for achieving this involves a combination of effective communication and a commitment to finding mutually beneficial solutions.

First and foremost, open and honest communication is essential. Establishing expectations for the project's schedule and desired outcome will align everyone's efforts toward a common purpose and minimizes misunderstandings or ambiguity.

Building on this foundation of communication, the next step is to explore various options for resolution. This can involve brainstorming potential solutions, considering alternatives, and seeking common ground. By collaborating and working together towards a resolution, we can minimize the impact on the project and lay the groundwork for the success of the project.

2.0 Fee Schedule

The table below includes an hourly fee schedule for all those that will provide service to the District on this project. See Appendix 2 for a full fee proposal.

Team Member	Hourly Rate
Lucas Tipton	\$265
Kristi Thompson	\$125
Brent Farr	\$310

3.0 References and Sample Projects

The following projects highlight our experience and qualifications to do similar work for the District.

Utility Rate and Connection Fee Study

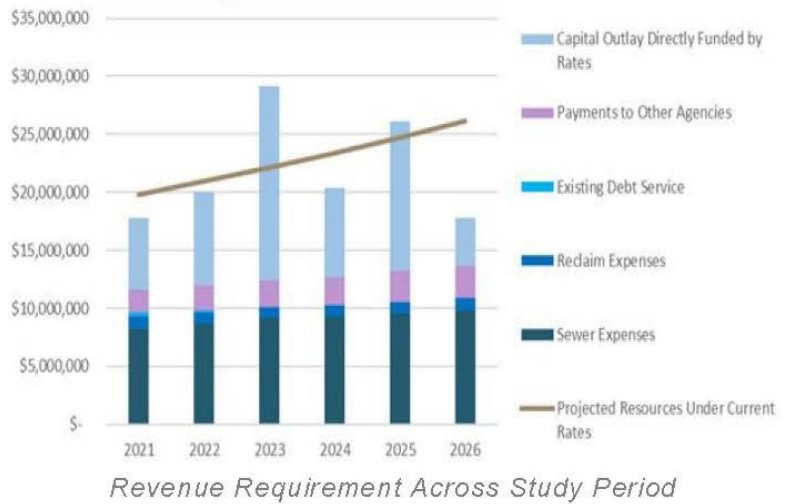
Washoe County Community Services Department

Dwayne Smith, PE, Director, Engineering and Capital Projects

(775) 328-2043 | desmith@washoecounty.us

Original Contract Value	Final Contract Value	Variance
\$166,800	\$223,594	\$56,794

Since 2020, DOWL has partnered with the Washoe County Community Services Department (CSD) to perform a sewer and reclaim utility user rate analysis for the 25,000 customers across multiple service areas where they provide sewer collection, sewer treatment, and effluent water services. The DOWL user rate, connection fee, and financial model are being used to guide utility operation and capital project decisions for the next five to 30 years. The DOWL model was constructed to simultaneously evaluate the financial impacts of multiple CIP alternatives or operational scenarios. DOWL also trained County staff on the functionality of the rate model and successfully transferred the rate model for CSD use.



The following goals and objectives were used as guiding principles in the preparation of the user rate analysis:

- User rate study period shall be five years or through fiscal year ending in 2026 (FY 26).
- The analysis will separate revenues and expenses based on existing customer user rates.
- Meet all County financial policies throughout the study period(s).
- User rates were studied under the following scenarios:
 - Scenario 1 - Current customer base; separate sewer and reclaim utilities;
 - Scenario 2 - Current customer base; combined sewer and reclaim utility; and
 - Scenario 3 - Customer base realigned based on treatment facility; combined sewer and reclaim utility.
- Develop a financial plan for each scenario that allows for a proper debt to revenue position, does not significantly deplete cash reserves, and minimizes future increases to user rates.

In May 2021, the County elected to postpone the connection fee study report until planning for future infrastructure projects could evolve and become better defined prior to finalizing any decisions on connection fees. DOWL was recently issued a new purchase order from the County in February 2023 to update the financial model with new system information and provide updated recommendations for user rates and connection fees. DOWL recently completed a sewer and reclaim utility user rate analysis for the Washoe County Community Services Department. Starting in the Spring of 2020, DOWL teamed with utility management staff to construct a rate, connection fee, and financial model to guide user fee, connection fee, and utility operation decisions for the next five to 30 years. DOWL also trained County staff on the functionality of the rate model and successfully transferred the rate model for CSD use.

User Rate and Connection Fee Analysis

City of Reno

John Flansberg, PE, Director of Public Works,
(775) 334-2350 | Flansbergj@reno.gov

Original Contract Value (Phase 1&2)	Final Contract Value (Phase 1-3)	Variance
\$80,750	\$165,750	\$85,000

In April 2017, the City of Reno hired DOWL to provide on-call professional services related to analyzing sewer connection fees for the entire service area. The Phase 1 scope included two tasks: evaluation of the applicability of the current connection fee methodology, and an assessment of the adequacy of the current fees. The methodology for current connection fee calculation was evaluated relative to the City’s current system operation and capital improvement plans to determine if new considerations or factors that should be taken into account to develop a more appropriate methodology.



10-YEAR CAPITAL IMPROVEMENT PROGRAM

Cost or Funding (in millions)	Alt 1	Alt 2	Alt 3
Repair & Replacement Projects	\$ 448.4	\$ 392.8	\$ 342.1
Expansion Projects	\$ 253.7	\$ 249.2	\$ 198.5
10-Year Total	\$ 702.1	\$ 624.0	\$ 540.6
Capital Reserve Funding	\$ 80.1	\$ 61.6	\$ 45.6
Other Funding Sources	\$ 100.5	\$ 190.9	\$ 100.5
Total Funded by User Rates	\$ 521.5	\$ 390.2	\$ 394.4

Once the City completed additional capital planning and project feasibility studies in early 2020, they requested DOWL to update the studies completed the previous year and to complete an additional evaluation of user rates as part of a City-wide Sewer User and Connection Fee Rate Analysis. The purpose of this study was to review updated financial data and assess the adequacy of the current user rate structure to finance future capital replacement projects. Particularly successful was DOWL’s ability to model the financial impacts of eleven different CIP alternatives in the rate model and display the results to City staff in a workshop setting in a clear and straightforward manner. Two CIP alternatives were selected for detailed study in the final report, which presented recommendations for user rates and connection fees through fiscal year ending 2024. DOWL’s rate model was robust enough to calculate connection fees based on customer service area as opposed to a uniform connection fee for all three service areas. This data was a key piece of the presentation made to the City Council and has helped the City understand the costs of providing sewer service across all areas.

Separate Connection Fees for the Reno-Stead Water Reclamation Facility Service Territory: The City’s connection fee schedule applies to all areas of the service territory equally, even though there are particular areas within the service territory with quantifiable differences in future capacity costs associated with growth. This analysis provided a comparison of the existing unified connection fee versus the Reno-Stead Water Reclamation Facility and Truckee Meadows Water Reclamation Facility specific fee(s).

Separate Connection Fees for the Lawton/Verdi Interceptor Service Territory: The Lawton/Verdi Interceptor was constructed to eliminate several small wastewater treatment plants and to provide service to areas using septic tanks to the west of Reno. This analysis calculated the fee associated with providing service to this area.

Infill Housing Types: There are a number of different housing types proposed for infill areas throughout the City, including affordable housing, multi-family housing, and even “tiny homes.” At times, questions have been raised by developers or other interested parties about the appropriateness of uniform connection fees for these housing types. This analysis evaluated a variable connection fee schedule based on structure size.

Rate Study Analysis

City of Sparks

John Martini, Assistant City Manager,
(775) 353-2273 | Jmartini@cityofsparks.us

Original Contract Value	Final Contract Value	Variance
\$125,300 (2018)	\$215,595 (includes 2023 contract)	\$90,295

In 2008, The FCS Group completed a sewer, storm drain, and effluent Utility Rate Study for the City of Sparks, which included a rate model for City use. The work was subsequently updated in 2012 in a combined effort between City staff and The FCS Group. The final rate adjustment recommended in the 2012 update was implemented on July 1, 2017, creating a need for another 5-year analysis to be completed. Looking to team with a Reno/Sparks-based professional, the City hired DOWL to review sewer, stormwater and effluent rates and connection fees and consider implementing recommended changes over a 5-year period beginning on July 1, 2018.



DOWL updated revenue requirements and previous model assumptions to forecast future rates. The following issues and methods, identified by the City and during prior rate studies, were evaluated during the rate design:

Commercial/Industrial Surcharges

One of the key issues to be addressed in the sewer rate analysis was the commercial/industrial surcharge schedule. According to City staff, the rates are based on a study that is more than 20 years old. There are new commercial/industrial customers that do not fit into the existing categories, which create the need to develop unique individual agreements with customers. DOWL worked to simplify the commercial/industrial surcharges into three classes: domestic, medium and high strength.

Septage Disposal

DOWL investigated the feasibility of charging septage haulers based on strength and volume rather than by volume alone.

Rebate Program

The rebate program needed to be updated. Some of the qualifying programs listed in the City Code no longer exist.

Intra-fund Subsidy Review

The stormwater and effluent utilities have, at times, been subsidized by the sewer fund. The unique circumstances of the City's three utilities, coupled with varying policy viewpoints, may make self-supporting enterprise funds a challenge. This task included a review of the three utilities financial dependence on each other and what would need to be done to make each utility financially independent.

Benchmark Comparison to City of Reno, Washoe County & TMWA Rates for Uniformity

Utility rates, methodologies, and policies were compared to other local agencies, with the intent of establishing consistency wherever practical.

With the five percent annual adjustments set to sunset in July of 2023, DOWL has again been retained by the City of Sparks to provide an updated analysis. The project is currently ongoing with a projected completion date of May 2024.

Water, Wastewater, and Stormwater Rate Study Refresh

City of Carson City

Eddy Quaglieri, PE, Water Utility Manager, Carson City Public Works
(775) 283-7395 | equaglieri@carson.org

Original Contract Value	Final Contract Value	Variance
\$93,772	\$93,772	\$0.00

The City of Carson City began working with DOWL to perform a water and wastewater rate refresh and a stormwater rate study for approximately 17,000 parcels. The City was experiencing growth and needed to verify that water and wastewater rates were complying with their utility financial goals. Additionally, the City is in need of a well-structured stormwater utility to meet the revenue requirement and capital needs associated with their stormwater system. The current stormwater rate structure was in need of updating to confirm customers who contribute to stormwater management costs, are paying their fair share of those costs.



Revenue Requirements - FYE	2021	2022	2023	2024	2025
Revenues					
Rate Revenues Under Existing Rates	\$ 16,052,056	\$ 16,164,421	\$ 16,277,572	\$ 16,391,515	\$ 16,506,255
Other Revenues	363,075	363,730	360,795	361,637	363,055
Total Revenues	\$ 16,435,131	\$ 16,528,150	\$ 16,638,366	\$ 16,753,152	\$ 16,869,310
Expenses					
Cash Operating Expenses	\$ 8,842,121	\$ 9,211,724	\$ 9,556,577	\$ 9,920,892	\$ 10,306,178
Capital Outlay	-	-	-	-	-
Existing Debt Service	4,857,850	4,901,289	4,925,884	4,915,316	4,839,789
New Debt Service	185,302	604,558	604,558	604,558	604,558
Rate Funded System Reinvestment	3,340,738	3,425,316	3,685,782	3,730,128	3,799,844
Total Expenses	\$ 17,226,010	\$ 18,142,888	\$ 18,772,801	\$ 19,170,894	\$ 19,550,370
Annual Surplus / (Deficiency)	\$ (790,880)	\$ (1,614,737)	\$ (2,134,435)	\$ (2,417,742)	\$ (2,681,060)
Net Revenue from Rate Increases	-	984,413	1,509,370	2,057,279	2,629,019
Net Surplus / (Deficiency)	\$ (790,880)	\$ (630,324)	\$ (625,065)	\$ (360,462)	\$ (52,042)
Annual Rate Adjustment	0.00%	6.09%	3.00%	3.00%	3.00%
Cumulative Annual Rate Adjustment	0.00%	6.09%	9.27%	12.55%	15.93%

Water System Revenue Requirement Summary

The City preferred working with a locally based team and hired DOWL to review and update the water and wastewater rate models prepared by another consultant with current financial data to predict the appropriate water and wastewater utility rates for a 5-year period. DOWL gathered and entered updated financial data into the models and ran several rate scenarios to evaluate specific rate adjustments that verify compliance with the City's financial policies and utility goals. DOWL was heavily involved in the public approval process and worked closely with the City Financial Oversight Committee and Board of Supervisors to see the process through adoption of the final rates.

For the stormwater rate study portion, DOWL was tasked with updating the existing stormwater rate structure from a land use zoning approach to a more equitable rate structure. The following subtasks were included to establish a new stormwater rate structure:

1. **Establish the revenue** requirement of the stormwater utility to confirm proper operation and maintenance, development and perpetuation of the utility, and preservation of the utility's financial integrity.
2. **Develop stormwater rate structure** approaches for the City to consider. Since impervious area is the most important factor influencing stormwater runoff, DOWL proposed rate structure methodologies based on impervious area considerations of stormwater customers.
3. **DOWL developed connection fees** for the stormwater utility with the goal of equalizing the financial participation in capital investments among ratepayers served by the system at different points in time.

Water, Sewer, and Process Utility Rate Study

TRI GID

Shari Whalen, PE, CPM, General Manager,
(775) 636-6126 | swhalen@tri-gid.org

Original Contract Value	Final Contract Value	Variance
\$100,219	\$100,219	\$0

In January 2022, the Tahoe-Reno Industrial General Improvement District (TRI GID) retained DOWL to provide an analysis of user rates for the water, sewer, and process water utilities. DOWL completed the analysis within a 6-month schedule and assisted the TRI GID to pass an ordinance which set new user rates through FY 27.

The GID serves approximately 205 water customers and 118 sewer customers, all of which are classified as commercial or industrial. The emergence of the unique economy in TRI GID, which consists of large industrial customers (e.g., Tesla, Switch, Google) with high water demand, has led to concerns about future sustainability. The process water utility, which will begin operations midway through FY 23, will allow the GID to put effluent to beneficial use and will ultimately free up potable water for other uses while reducing capital costs to store the effluent. It is assumed that four accounts that are currently served by the water and sewer utilities will transfer to the process water utility when operations commence. In the long term, the process water utility is a critical component to improve the viability and sustainability of the GID’s water resources. In the short term, however, the process water system will reduce the demand for potable water, impacting both water and sewer fund revenues. As a result of these changes, the GID concluded that an evaluation of all user rates should be completed. To address these needs, this study examined existing water and sewer user rates and developed user rates for the new process water utility. The following goals and objectives were used as guiding principles in preparation for the user rate analysis:

- Examine water and sewer fund user rates over a 5-year study period or through FY 27. All rate model calculations are based on a fiscal year starting on July 1st of each year and ending on June 30th of the following calendar year.
- Develop the new process water utility user rates over a 5-year study period or through FY 27.
- Financial policies shall be met throughout the study period. These policies include:
 - All operating funds shall maintain a minimum reserve equal to 60 days of operating expenses
 - Debt service reserve shall accrue at the rate of one-tenth of the annual average loan installment for ten years until a full year of debt service payments has accumulated
 - Maintain a positive ending cash balance throughout the study period

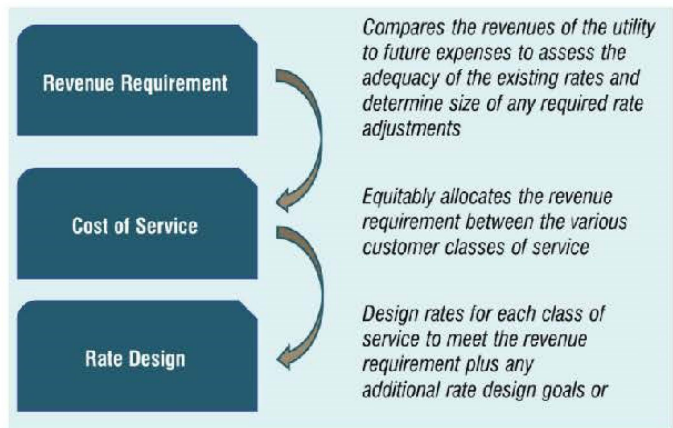


Figure 2: Process of Rate Making

Condition Assessment and Rate Study

Grizzly Ranch CSD

Larry Smith, General Manager

(918) 728-4776 | gmsmithgrcsd@gmail.com

Original Contract Value	Final Contract Value	Variance
\$73,000	Projected under \$73,000	\$0.00

In October 2022, Grizzly Ranch Community Services District (GRCS D) contracted DOWL to conduct a high-level evaluation of their current water and sewer infrastructure and to analyze user rates for the next five years or until FY 28. GRCS D is a golf course community located in Plumas County, California that serves approximately 300 residential, commercial, and standby customers. In conjunction with the rate study, a condition assessment of the utility systems was performed as GRCS D's assets had not been assessed since the system was constructed in 2004. The water system consists of a treatment plant, three wells, one storage tank, and 6.2 miles of water pipes ranging from six to eight inches. The existing system consists of a wastewater treatment/recycle facility, an emergency storage pond, an irrigation pond, and 5.8 miles of low-pressure collection system. The capital improvement plan was developed based on the deficiencies identified during the condition assessment.

The following goals and objectives were used as guiding principles in preparation for the user rate analysis:

- Adjust the rate revenue to fully fund annual operating expenses
- Fund a portion of the capital improvement plan that cannot be covered by unrestricted cash reserves
- Fund all restricted cash reserves
- Comply with the provisions of Prop 218

GRCS D is challenged with rising annual operating expenses and the ongoing need to replace sewer grinder pumps used in the low-pressure sewer collection system. To address this issue, DOWL has identified specific revenue targets required to cover necessary expenses and replacement projects. DOWL is continuing to work with GRCS D through the rate design process with the goal to implement new rates in October 2023.

Water and Sewer Rate Check

Round Hill GID

Andrew Hickman, District Manager

(775) 588-2571 | andrew@rhgid.org

Original Contract Value	Final Contract Value	Variance
\$11,200	\$11,200	\$0

In February 2022, the Round Hill General Improvement District (RHGID) retained DOWL to provide an analysis of user rates for the water and sewer utilities. RHGID is situated in Round Hill, Nevada, to the east of Lake Tahoe, and serves approximately 500 residential and commercial customers.

The objective of this study was to review RHGID's operating and capital costs to evaluate the adequacy of existing rates and provide a recommendation for proposed rates through FY 27. The project scope was focused on determining the revenue required to fund annual operating expenses, capital improvement projects, and cash reserves as required by the fiscal policies. DOWL worked with RHGID to determine annual revenue adjustments, which were subsequently presented to the Board. The Board approved the rate adjustment in May 2022.

APPENDIX 1: SCOPE OF WORK



EXHIBIT A
SCOPE OF WORK
Plumas Eureka Community Services District
Utility Rate Study

INTRODUCTION

The Plumas Eureka Community Services District (PECSO) has requested DOWL to provide a scope of work (SOW) to prepare a utility rate study and recommend a utility rate schedule and billing structure for the water and sewer utilities through the next five years or FY 29.

In general, the project will include the following:

- Develop an electronic rate model.
- Provide a Cost-of-Service analysis for user rates.
- Project future system revenues and expenses to recommend appropriate adjustments to user rates and fees.
- Evaluate and recommend a rate structure for the PECSO to maintain over the next five fiscal years.
- Provide a draft and final report of updated water and sewer rates.

The phase and task breakdown for the project is designated as follows:

- Task 1 – Project Management and Start Up
- Task 2 – Utility Revenue Requirement
- Task 3 – Utility Cost of Service & Rate Design
- Task 4 – Draft Report and Public Workshop

DESIGN SERVICES

Task 1 – Project Management and Start Up

Objective

To plan and manage the project in full cooperation with PECSO staff.

Approach

DOWL will routinely review project progress and communicate project status on a regular basis. Communication will be through email and telephone, and at any project coordination meetings with PECSO and DOWL staff. This task will include the following activities:

- Organize, direct, control, and communicate all relevant activities set forth in this SOW within the approved budget and schedule.
- Project administration includes scheduling maintenance, cost control, monthly invoicing, filing, resource allocation, and routine communications.
- Team coordination, including conference calls and internal meetings.
- Monitoring changes to the scope, budget, or schedule and developing change management strategies with PECSO.
- DOWL will request (via a written data request) and review financial documents and policies for both utilities.



- Review current billing processes, policies, procedures, and billing format.

Deliverables

The following deliverables will be submitted under this task:

- Project schedule, including milestones, major activities, and deliverables.
- Monthly status reports.
- Project Management Plan.
- Kickoff Meeting Agenda and Minutes.

Assumptions

The following assumptions apply:

- This task includes one (1), one (1) hour project kickoff meeting with Budget and Finance to confirm the scope of services, the schedule, and the project management plan. This meeting will be held in person at the PECSD office.
- One (1) digital copy of a written status report identifying the documents reviewed and the trends, circumstances, and other assumptions that may affect future costs and rates will be provided with Task 2: Utility Revenue Requirement.
- Monthly reports will be provided with timely invoices.
- Project-related issues will be identified, communicated, and resolved.
- Project will be completed on time and within budget.
- Project duration is assumed per the schedule shown in proposal section 1.0.d, on page 6 of the proposal. Any amendment to the project schedule will require an amendment to this task.

Task 2 – Utility Revenue Requirement

Objective

To conduct a financial analysis of the water and sewer utilities to determine the revenue required to confirm proper operation, maintenance, stability, and improvement of the water system and the sewer system; as well the preservation of PECSD's financial integrity through FY 29.

Approach

DOWL will update the digital financial model(s) for the water and sewer utilities system and perform the following subtasks:

- Populate historical system financial and customer information.
- Provide allowances for economic growth factors.
- Perform a reserve account analysis over the 5-year study period.
- Incorporate the most up-to-date Capital Improvement Plan.
- Project and analyze future system revenues and expenses so that general rate adjustment recommendations can be made.

Deliverables

The following deliverables will be submitted under this task:

- Preliminary and Final Rate model in electronic format.
- Draft version of the Revenue Requirement section(s) of the Rate Study Report.



- PowerPoint presentation of Revenue Requirement findings and recommendations.

Assumptions

The following assumptions apply:

- Significant capital planning or system assessment will not be required as part of this task.
- All data will be provided by PECSD in a digital format, which is easily sorted or input into a spreadsheet.
- One (1), two (2.0) hour workshop is anticipated to be required to complete this task. This workshop will be held virtually via Microsoft Teams. The workshop will review the data and assumptions used in the analysis, a 5- to 10-year cash flow analysis, and the results of the revenue requirement. The workshop will also review two rate adjustment alternatives, the performance of each alternative over the 5-year study period, and a discussion of the pros and cons of each alternative.
- While the planning period for this study is five years, the rate model will allow for a capital plan of 10 years or longer to account for future significant projects in the development of connection or other special fees.
- If significant rate changes are necessary, DOWL will provide implementation strategies to reduce adverse impacts on specific groups at the request of PECSD staff.

Task 3 – Utility Cost of Service & Rate Design

Objective

To allocate costs of water and sewer utility service to customers in accordance with their service requirements and create utility rates that achieve equity among customers, while maintaining simplicity and limiting administrative burden.

Approach

DOWL will perform the following subtasks:

- Perform a Cost-of-Service Study to determine the unit costs of service for each customer class and use findings to support recommended rate design in compliance with Prop 218.
- Advance the unit costs of service to associate the appropriate direct and indirect costs with the associated customer class.
- Develop one new rate structure alternative and compare its performance to the existing rate structure over the 5-year study period.
- Provide a test-year analysis of proposed rate alternatives to provide a comparison of each rate structure and confirm that actual revenues will meet previous projections.
- Review current billing processes, policies, procedures, and billing format.
- Confirm that the proposed rate structure can be administered by the PECSD's existing billing system.
- Recommend rate structure for future use by the PECSD.

Deliverables

The following deliverables will be submitted under this task:

- Preliminary and Final Rate model in electronic format.
- Draft version of the Revenue Requirement section(s) of the Rate Study Report.



- PowerPoint presentation of Revenue Requirement findings and recommendations.

Assumptions

The following assumptions apply:

- All data will be provided by PECSD in a digital format which is easily sorted or input into a spreadsheet.
- Two (2), one (1.0) hour workshops are budgeted into this task. These workshops will be held virtually via Microsoft Teams.
- While the planning period for this study is five years the rate model will allow for a capital plan of 10 years or longer to account for future significant projects in the development of connection or other special fees.
- If significant rate changes are necessary, DOWL will provide implementation strategies to reduce adverse impacts on specific groups at the request of PECSD staff.
- A comparative analysis of the existing rate schedule to no more than two (2) rate structure options will be provided as part of this task.

Task 4 – Draft Report and Public Workshop

Objective

Provide a Final Report of all findings and recommendations and make three (3) presentations at PECSD public meetings.

Approach

This task will include the following activities:

- Provide evaluation and redrafting of PECSD Ordinance to include the changes to user rates and financial policies per the rate study.
- Detail the rate implementation plan (if necessary).
- Preparation of an Executive Summary.
- Preparation of a preliminary report detailing all rate recommendations and analyses performed as part of this project.
- Preparation of a final report detailing all rate recommendations and analyses performed as part of this project.
- Presentation of findings and recommendations of the Rate Study at a PECSD Board Meeting.
- Revise report and recommendations based on Board Member feedback at Meeting #1.
- Present the revised report and recommendations of the Rate Study at the second PECSD Board Meeting. Proposed ordinance modifications will also be heard at this meeting.
- Attend and present at the public hearing held 45 days or more after Board Meeting #2.

Deliverables

The following will be delivered to PECSD under this task:

- Draft Report (2 hard copies + 1 .pdf copy).
- Final Report (4 hard copies + 1 .pdf copy).
- Any digital versions of presentations or materials issued at public meetings.



Assumptions

The following assumptions apply:

- Two (2), one (1.0) hour presentations to the public and/or Board is anticipated to be provided as part of this task.
- One (1), two (2.0) hour public hearing is anticipated to be needed to present the findings of the study and rate adjustment recommendations to the public. Meeting is to be held on a Saturday.
- PECSD comments will be received within 10 business days after the Draft Report is submitted.
- DOWL is capable of supporting PECSD staff with presentation slides, graphs and figures should the PECSD prefer to present the findings of the study to the Board.
- DOWL is capable of supporting PECSD staff with draft notice to the public
- Recommend best practice financial policies for the PECSD to consider and adopt.
 - 1) Example financial policies include creating a capital reserve, an operating reserve, a rate stabilization reserve, an amount funded to capital replacement or depreciation, and setting a minimum debt coverage ratio for the utility.

EXHIBIT B BUDGET

Task	Description	Total Cost
1	Project Management and Start Up	\$10,808
2	Utility Revenue Requirement	\$16,810
3	Utility Cost of Service & Rate Design	\$13,350
4	Draft Report and Public Workshop	\$15,474
	TOTAL:	\$56,442

APPENDIX 2: FEE ESTIMATE



Plumas Eureka CSD FY 24 Water & Sewer Rate Study Scope Fee Estimate													Prepared By : Luke Tipton						
													Checked By : Kristi Thompson						
Employee Initials	Senior Manager III	Senior Manager V	Engineer I			Total Labor	Per Diem (\$/day)	Lodging (\$/Night)	Vehicle Miles (\$/mi)	Misc Expenses (Lump Sum)	Expenses Total	Subconsultant #1	Subconsultant #2	Subconsultant #3	Subconsultant #4	Subconsultant Mark Up	Subconsultant Total	LINE TOTALS	
	LT	BF	KT																
Phase	Labor Rate (\$/hr)		\$265	\$310	\$125	\$0	\$0	Hours									15%		
1.0 Project Management and Start Up																			
Task 1 Project Coordination and Management	10	1				11	\$2,960				\$0						\$0	\$0	\$2,960
Task 2 Monthly Status Reports and Billing	5		2			7	\$1,443				\$0						\$0	\$0	\$1,443
Task 3 Project Management Plan	4		1			5	\$1,053				\$0						\$0	\$0	\$1,053
Task 4 Data Request Letter	1		2			3	\$515				\$0						\$0	\$0	\$515
Task 5 Data Collection & Review	4		8			12	\$2,060				\$0						\$0	\$0	\$2,060
Task 6 Meetings	7		8			14	\$2,660		118		\$118						\$0	\$0	\$2,778
						0	\$0				\$0						\$0	\$0	\$0
						0	\$0				\$0						\$0	\$0	\$0
						0	\$0				\$0						\$0	\$0	\$0
						0	\$0				\$0						\$0	\$0	\$0
Subtotal	30	1	21	0	0	51	\$10,690	0	0	118	\$0	\$118	\$0	\$0	\$0	\$0	\$0	\$0	\$10,808
2.0 Utility Revenue Requirement																			
Task 1 Water Digital Rate Model	6	1	16			23	\$3,900				\$0						\$0	\$0	\$3,900
Task 2 Sewer Digital Rate Model	6	1	16			23	\$3,900				\$0						\$0	\$0	\$3,900
Task 3 Revenue Requirement	4	1	8			13	\$2,370				\$0						\$0	\$0	\$2,370
Task 4 Draft Section of Report	6	2	16			24	\$4,210				\$0						\$0	\$0	\$4,210
Task 5 Workshops	4	2	6			12	\$2,430				\$0						\$0	\$0	\$2,430
						0	\$0				\$0						\$0	\$0	\$0
						0	\$0				\$0						\$0	\$0	\$0
						0	\$0				\$0						\$0	\$0	\$0
						0	\$0				\$0						\$0	\$0	\$0
Subtotal	26	7	62	0	0	95	\$16,810	0	0	0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$16,810
3.0 Utility Cost of Service & Rate Design																			
Task 1 Allocation of Costs	4		10			14	\$2,310				\$0						\$0	\$0	\$2,310
Task 2 Distribution of Costs	4	1	10			15	\$2,620				\$0						\$0	\$0	\$2,620
Task 3 Rate Test	2		6			8	\$1,280				\$0						\$0	\$0	\$1,280
Task 4 Draft Section of Report	4	2	16			22	\$3,680				\$0						\$0	\$0	\$3,680
Task 5 Workshops	6	2	10			18	\$3,480				\$0						\$0	\$0	\$3,480
						0	\$0				\$0						\$0	\$0	\$0
						0	\$0				\$0						\$0	\$0	\$0
						0	\$0				\$0						\$0	\$0	\$0
						0	\$0				\$0						\$0	\$0	\$0
Subtotal	20	5	52	0	0	77	\$13,350	0	0	0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$13,350
4.0 Draft Report and Public Workshop																			
Task 1 Executive Summary	4	1	2			7	\$1,620				\$0						\$0	\$0	\$1,620
Task 2 Draft Report	4	2	8			14	\$2,680				\$0						\$0	\$0	\$2,680
Task 3 Final Report	2	1	4			7	\$1,340				\$0						\$0	\$0	\$1,340
Task 4 PECSD Board Meeting 1	9		4			13	\$2,753		118		\$118						\$0	\$0	\$2,871
Task 5 PECSD Board Meeting 2	6		4			10	\$1,958		118		\$118						\$0	\$0	\$2,076
Task 6 Public Hearing	8		8			16	\$3,120		118		\$118						\$0	\$0	\$3,238
Task 7 Miscellaneous Calculations & Schedules	2	2	4			8	\$1,850				\$0						\$0	\$0	\$1,850
						0	\$0				\$0						\$0	\$0	\$0
						0	\$0				\$0						\$0	\$0	\$0
Subtotal	34	6	34	0	0	74	\$15,120	0	0	354	\$0	\$354	\$0	\$0	\$0	\$0	\$0	\$0	\$15,474
COLUMN TOTAL	110	19	169	0	0	297	\$55,970	0	0	472	\$0	\$472	\$0	\$0	\$0	\$0	\$0	\$0	\$56,442



5510 Longley Lane ■ Reno NV ■ 775-851-4788
www.dowl.com

HANSFORD

ECONOMIC CONSULTING LLC

Utilities Rate Study

Plumas Eureka
Community Services District

July 14, 2023

PROPOSAL

HEC No. 230415

July 14, 2023

Mr. Jamar Tate, General Manager
Plumas Eureka Community Services District
200 Lundy Lane
Blairsden, CA 96103

Subject: Utilities Rate Study

Dear Mr. Tate:

Hansford Economic Consulting LLC (HEC) is pleased to submit the enclosed proposal to provide a Utilities Rate Study (Study) for the Plumas Eureka Community Services District (PECSD or District). The Study will serve as an essential cornerstone in planning for the District's water and wastewater systems, supporting continuation of excellent services to its customers with sufficient revenues.

HEC is a self-member LLC. Its Principal, Catherine Hansford, brings more than 20 years of experience in municipal finance with specialization in the water industry. With a proven track record of completed projects and references listed herein, HEC offers the necessary skill set for successful, straightforward execution of the Study. The Project Team also includes Schaelene Rollins for public outreach assistance. Early and clear communication with PECSD's customer base will be critical to adopting new utility rates.

HEC has provided professional services to many special districts in California and is familiar with the Graeagle and Blairsden communities. HEC has provided water and wastewater rate studies to the Gold Mountain CSD and American Valley CSD, both also located in Plumas County. HEC is based just one hour away in Truckee; however, we work throughout Northern California, Southern Oregon, and Northern Nevada. We hope that you contact our references to learn more about us.

HEC does not have any conflict of interest and we are committed to successful execution of the Study. We look forward to hearing from you. Please direct all correspondence to catherine@hansfordecon.com or call me at (530) 412-3676.

Sincerely,



Catherine R. Hansford
Principal, Hansford Economic Consulting LLC

TABLE OF CONTENTS

SECTION	PAGE
1. Qualifications	1
About HEC	1
Why HEC is Best Qualified	2
2. Project Experience	4
Team Experience Select Projects	4
References	7
3. Project Team	8
Staffing	8
4. Scope of Services	12
Project Understanding and Objectives	12
Work Plan Approach	13
Scope of Services	13
Schedule	17
5. Pricing	18
Fee Schedule	18
Estimated Budget	18
Terms of Payment	19

Section 1. Qualifications

About HEC

Hansford Economic Consulting LLC (HEC), self-member LLC, provides planning, economic, and financial services to public and private clients in the Western United States. The company is owned and managed by Catherine Hansford, an applied economist with more than 25 years of experience.

Catherine can be reached at PO Box 10384, Truckee CA 96162.
Email: catherine@hansfordecon.com or phone: (530) 412-3676.

HEC clients include regional agencies, counties and cities, special districts, non-profits, private entities, and homeowner associations. HEC's services include:

- Water Utilities Resource Planning, Rate and Fee Studies
- Infrastructure Networks Analysis
- Agency Governance, Mergers & Organization
- Fee Nexus Studies
- Public Facilities and Services Financing Plans
- Economic Development & Business Impact Analysis
- Fiscal Impact Studies

Our high-quality work products span a breadth of land and water resource related topics that touch our human communities and environments. HEC endorses progressive and adaptive planning, understanding that plans are useful only if they are comprehensive, relevant to the specific local conditions, and lead to implementation.

HEC synthesizes ideas with data to produce deliverables that exceed client expectations. Our approach is especially desirable when working on sensitive community issues with a divergent customer base and/or the interests of multiple stakeholders. HEC appreciates the challenge of balancing equity, feasibility, and public acceptance goals when approaching fee studies. Water fees and charges are sensitive topics, and our approach has been proven successful. HEC collaborates with clients to find the best solutions for their own unique circumstances by listening to and collaborating with them; this is what sets HEC apart from our competition.

HEC is committed to a positive experience with an outcome that provides concrete steps forward; we strive to offer solutions that are legally grounded and follow best practices. Our financial models have withstood the scrutiny of California's municipal finance laws.

HEC's Principal, Catherine Hansford, is the Project Leader. Catherine's leadership is most advantageous for this project because of her experience working on utility rate studies for small, rural communities and working with special districts such as community services districts, county water districts, waterworks districts, and public utilities districts.

A list of providers serving similar sized communities (smaller than population 5,000) in California that HEC has conducted water and/or wastewater cost of service studies for is provided in Table 1. In addition to the service providers listed in the table, HEC has conducted rate studies for several small communities in Nevada and Oregon.

Table 1
Cost of Service Studies for Similar Sized Communities in California

Service Provider	Water	Wastewater
City of Bishop	X	X
City of Colfax		X
Town of Floriston	X	
Amador Water Agency		X
Calaveras Public Utility District	X	
Sierraville Public Utility District	X	
Donner Summit Public Utilities District	X	X
Georgetown Divide Public Utility District		X
June Lake Public Utility District	X	
Midway Heights County Water District	X	
Linden County Water District	X	X
Lockeford Community Services District	X	
Gold Mountain Community Services District	X	X
American Valley Community Services District	X	X
Grizzly Flats Community Services District	X	
Heather Glen Community Services District	X	
Squaw Valley Public Services District	X	X
Woodbridge Sanitary District		X
San Andreas Sanitary District		X
Sierra County Water Works District #1	X	
Bishop Paiute Tribe	X	X

Why HEC is Best Qualified

HEC specializes in helping utility providers not only reach revenue sufficiency and stability, but design rate structures that make the most sense. We appreciate the task of balancing equity, feasibility, and customer acceptance goals when approaching utility rate and fee changes. HEC will strive to help the District operate the water and wastewater utility systems to meet all regulatory requirements with affordable rates and charges. HEC works with clients to find the best solutions for their own unique circumstances.

Catherine is tenacious in securing the best terms for her clients. HEC assisted the Donner Summit Public Utility District (DSPUD) secure the first California Clean Water State Revolving Fund (CWSRF) planning loan to finance the significant planning costs associated with their wastewater treatment plant upgrade project in July 2010. Also, for the for the same project, HEC helped DSPUD obtain refinancing of debt in the State through the California CWSRF (saving customers \$3.5 million in repayment). The wastewater treatment plant upgrade led to the first snow making from a recycled water permit in California. Soda Springs Ski Resort is the main recipient.

HEC has earned a reputation for being open-minded, patient, thorough, and excellent at communications with decision makers. Catherine Hansford has first-hand experience of working at a water utility and understands the process necessary for adopting updated rates and charges. In addition to utility fee consulting, HEC has spearheaded strategic planning efforts to help agencies and communities define their goals and set achievable action items. These skills help with fee-setting, which is often a very difficult topic for decision makers. Here are some things our clients say about HEC:

“Hansford Economic Consulting has helped take our Regional Water Plan to a higher level. Catherine’s specialized knowledge in the utility field has been invaluable in collecting and analyzing cost and financing data from various sources in our community. Her firm’s work is thorough, accurate, and well presented; it’s executed with the highest level of professionalism. I would not hesitate to highly recommend Hansford Economic Consulting to any of my colleagues.” **Jim Smitherman**, retired Program Manager, **Western Regional Water Commission**

“Thank you for your excellent work. You and your staff are always professional and on time with deliverables. Thank you for being patient with us as we went through the myriad of changes regarding our Well #10 project. The report your staff provided is excellent. It includes all the information anyone would need to see why we need the rate changes and it’s written so that anyone could understand it.” **Lewis Humphries**, Finance Director, **City of Newman**

“Catherine and Schaelene, we so much appreciate your expertise and guidance over this past year. Seems like it was just last week when we met with you in Truckee to learn how you could help us. Boy were we clueless back then and actually, somewhat frightened about the prospect of tackling a rate increase. Besides the mounds of data compilation you completed to bring a set of rates to meet our objectives, you brought clarity to what we needed to accomplish and how to go about doing it. Thank you! It has been a pleasure working with you both and we look forward to continuing our relationship.” **Cary Curtis**, Board President, **Gold Mountain Community Services District**

Catherine puts together the right team for the project. Catherine has a network of colleagues to enlist for projects: engineers, municipal finance advisors, bond counsel, communications strategists, hydrologists, designers, special tax consultants, assessment district experts, legal counsel, and proof-readers. Catherine puts together the right team for the project, but if it turns out an expertise is missing, Catherine can bring in the right person.

Section 2. Project Experience

Team Experience Select Projects

American Valley Community Services District Utility Rates, Capacity Fees and Administrative Fees Study

Relevance to PECSD: Cost of service study and implementation assistance of new rates and fees for a rural special district.

The American Valley Community Services District was formed with the consolidated of the Quincy Community Services District and the East Quincy Services District. In 2021, the District contracted with HEC to complete the final piece of consolidation – a common rate and fee structure and schedule for all customers. The study updated three types of fees: (1) Property-related fees (rates), (2) Capacity fees (only applicable to new development), and (3) Regulatory fees for administrative actions provided to customers upon their request.

HEC completed the rate and fee study, discussed the findings with the Board at two public meetings, and with the public at a separately noticed workshop at the Quincy library. The rate study included changing the rate structures, which were different in the two old service areas, to the same water rate structure and the same wastewater rate structure throughout the District's service area.

After completing the public hearing and receiving very few protests, the Board of Directors adopted the recommended rate schedules at its May 2022 meeting. The Board adopted the recommended capacity and regulatory fees as its June 2022 meeting. Schaelene Rollins assisted with the Proposition 218 notice.

Gold Mountain Community Services District Utility Rates Study

Relevance to PECSD: Cost of service study for rural special district, coordination with Schaelene Rollins on public outreach and education.

The Gold Mountain community is located in a rural portion of Plumas County. The community is only about 25% developed, but all properties pay toward the operations and maintenance costs of the water and sewer systems. The CSD operates wells to provide potable water and disposes of wastewater currently at a community leach field.

The District last conducted a utilities rate study in 2006. A rate study was needed to ensure revenue sufficiency of the utility systems for the next five years, to demonstrate cost of service, and to

demonstrate ability to repay potential future debt for capital projects. HEC worked with the District to determine the best rate structure moving forward. Several changes were proposed, including:

- Separating the water and sewer rates into their own schedules,
- Abandoning standby fees, which are assessments,
- Defining different customer groups,
- Removing water usage tiers, and billing for water use every quarter rather than annually,
- Determining the number of non-residential sewer equivalent dwelling units based on actual wintertime water use.

The Board of Directors considered the findings and recommendations of the Study, and with their input, rates were proposed and noticed to customers in spring 2022. The public hearing was held June 15, 2022, and the new rates were adopted.

Sierraville Public Utility District, CA Water Rate Study

Relevance to PECSD: Water user rates calculated pursuant to Proposition 218.

The Sierraville Public Utility District (SPUD or District) provides water to 109 residences and businesses in the community of Sierraville, California. The District had not conducted a cost of service study for several years and was in need of one to ensure that it has sufficient revenue to operate the system safely as required by Federal and State regulations, to pay for capital improvements, and to repay debt to the United States Department of Agriculture (USDA), as it is obligated to do.

The District's water rate structure consisted of a monthly service charge per Equivalent Dwelling Unit (EDU) and a consumption charge per thousand gallons applied when a customer's water use exceeds a base allowance of 40,000 gallons per EDU per month. As part of the water rate study conducted by HEC, standby customers were redefined as possessing EDUs with a will-serve for a lot without a building or a lot with a building that has not yet connected to the District's facilities. A standby customer had been defined as any customer that has their water service turned off either permanently or only during winter months. Changes to the water rate structure included:

- Separating the base monthly charge into two components: a customer charge and a capacity charge. All 109 customers of the District will now pay the customer charge every month, whether the property is using water or not. All full-service EDU customers (excludes wholesale and standby EDUs) will now pay the monthly capacity charge based on the number of EDUs they have.
- The base monthly allowance was lowered from 40,000 gallons per month per EDU to 30,000 gallons per month per EDU to more accurately reflect the community's consumption and to promote water conservation.

Midway Heights County Water District Potable and Raw Water Systems Rates and Fees Study

***Relevance to PECSD:** Cost of service study and implementation of updated fees for potable and irrigation (raw) water.*

Midway Heights provides dual (raw and potable) water delivery. It purchases wholesale raw water from Placer County Water Agency and treated potable water from Weimar Water. With known system rehabilitation costs looming, particularly for the raw water system, the District needed an evaluation of its financial health, a financing plan for the anticipated capital improvements costs of each system, a cost-of-service study, and calculated five-year water rates, as well as updated connection fees for each system. The District also needed to incorporate new State laws regarding connection fees for Accessory Dwelling Units into their fee structure.

The cost increases were large; although there were not sufficient protests to thwart adoption of maximum fees, the Board asked HEC to re-evaluate the fees given a less ambitious capital improvements completion schedule. With re-evaluated fees, the Board adopted the recommended new fee schedules in February 2020.

Donner Summit Public Utility District Water and Sewer Utility Rates and Outreach Services

***Relevance to CPUD:** Cost of service studies for a rural special district, coordination with Schaelene Rollins on public outreach and education.*

Donner Summit Public Utility District (DSPUD) engaged HEC, who conducted the cost of service and rate studies for water and wastewater, and Schaelene Rollins, at the beginning of a contentious project to upgrade its wastewater treatment plant. HEC liaised with the SWRCB and the USDA rural utilities programs staff, as well as local CDBG representatives, to craft a financing strategy for construction of the approximately \$24 million in improvements. HEC assisted the District with formation of a Community Facilities District (CFD) to fund the costs of the project and completed a cost-of-service study, including user fees and capacity fees. Under Schaelene's advice, the district began a series of one-on-one meetings with community groups, key individuals, and regional environmental groups which were previously antagonistic toward the project. It was critical to first establish a personal connection with stakeholders and gatekeepers. This was followed by numerous educational efforts including engagement through public meetings, social channels, and direct mail. Ultimately, the project secured its funding and received overwhelming community support and positive recognition by the Regional Water Quality Control Board.

In 2017, HEC helped the District with renegotiating their Clean Water State Revolving Fund loan for the wastewater treatment plant. The effort was successful; the District's interest rate was decreased to 0%, saving District customers \$3.5 million. HEC completed an updated wastewater

cost of service study in 2018 and updated rates were adopted June 2018. The District and HEC worked with Schaelene Rollins on messaging and the design and content of the Proposition 218 notice. HEC and Schaelene Rollins also supported the District with water rate changes in 2016, and in 2018 conducted a water rate study for a satellite water system in Big Bend.

In 2021, HEC updated both wastewater and water cost of service and rate studies in one comprehensive report. New rates were adopted June 2021.

References

Client	Contact	Location
Midway Heights County Water District	Jason Tiffany, General Manager (530) 878-8096 <i>admin@mhcwd.org</i>	Meadow Vista, CA
Donner Summit Public Utility District	Steve Palmer, General Manager (530) 426-3456 <i>spalmer@dspud.com</i>	Soda Springs, CA
Sierraville Public Utility District	Elizabeth Archer, Secretary (530) 414-1835 <i>sierravillepud.325@gmail.com</i>	Sierraville, CA
Gold Mountain Community Services District	Skyler Allingham, General Manager (530) 258 6255 <i>skyler.allinghamgmcsd@gmail.com</i>	Portola, CA
American Valley Community Services District	Katie Nunn, Business Manager (530) 283-0836 <i>katie@americanvalleycsd.com</i>	Quincy, CA

Section 3. Project Team

Staffing

The HEC Project Team consists of Catherine Hansford (HEC) and Schaelene Rollins (Rollins PR). Catherine Hansford and Schaelene Rollins will work closely with the District to communicate effectively with the customer base the reasons for rate and/or fee adjustments, including any proposed change in rate structure(s). As a former water utility employee, Catherine understands how critical this step is in the process of adopting revised rates and fees.

Catherine Hansford will serve as Project Leader and Manager. Catherine has all the necessary professional skills and knowledge to complete the project; she will coordinate meetings and respond directly to Plumas Eureka Community Services District (District) staff and leaders. Schaelene Rollins will provide public outreach and communication services and will create the content and design of the Proposition 218 required notices. Our Project Team carries these core strengths:

- More than 30 years of experience in municipal finance, planning, and economic services.
- Specialization in water utilities public finance.
- Small project team; hands-on and readily accessible.
- Large portfolio of completed rate, user fee, development impact and connection fee water and wastewater utility studies.
- Assisted many water utility providers with USDA and SRF funding applications and administration of funds.

In addition to projects described previously, some recent projects we have worked on, or are currently working on, together are shown in Table 2. Our resumes follow.

Table 2
HEC and Rollins PR Projects

CLIENT	PROJECT
Ukiah Valley Basin GSA	Regulatory fee to fund GSA activities
Grizzly Flats Community Services District	Water rates update
City of Live Oak	Utility rates update
City of Colfax	Wastewater rates update
Midway Heights County Water District	Strategic Plan
Linden County Water District	Utility rates update
City of Livingston	Utility rates update
Sierra County Waterworks District #1	Water rates update
Woodbridge Sanitary District	Wastewater rates update

Utility Rate Studies • Municipal Finance • Water Resources Planning • Economic Analysis

Catherine is a practitioner of financial, economic, and resource sciences. As a professional for more than 20 years, Catherine has built a reputation for creative problem solving, excellent speaking skills and written products. Catherine combines her powerful analytical skills with the invaluable ability to take complex topics, distill them into key components, and deliver relevant information in a clear and concise manner. She is particularly sensitive to the public process required to address most municipal finance issues; her presentations are crafted so that public finance decisions are understood, even if constituents do not favor them.

“Catherine is a rare combination of powerful analytical skills with an extraordinary ability to assess the big picture.”
Lori Williams, Liberty Utilities Energy Efficiency Manager

Experience

Catherine has worked in both the public and private sectors over the course of her career. In the public sector, Catherine worked as a senior planner for the Truckee Meadows Water Authority (TMWA), performing management analyst functions such as cost-benefit analysis, managing interlocal agreements, performing rate and fee studies, and working with stakeholders. Catherine served as liaison/chair between TMWA and various customer groups. These included a Rate Making Review Committee and Landscape Subcommittee. Catherine served as the Chair of the Advisory Committee on Conservation for the Washoe County Regional Water Planning Commission from 2003 through 2005.

In the private sector, Catherine worked for Economic and Planning Systems (Sacramento office) helping clients with municipal bond sales, financing plans, special district formation, user fee studies, fiscal studies, and nexus fee studies. At ECO:LOGIC Engineering (now Stantec), Catherine specialized in water utilities public financing. Since 2005, Catherine has been the owner and principal of HEC, engaging in municipal planning and finance issues, primarily in the water industry.

Education

Master of Science, Agricultural Economics, University of Nevada, Reno
Bachelor of Science, Rural and Environmental Economics, University of Newcastle-upon-Tyne, UK

Career

Hansford Economic Consulting	Principal	Truckee, CA
ECO:LOGIC Engineering	Senior Economist	Rocklin, CA
Truckee Meadows Water Authority	Senior Water Planner	Reno, NV
Economic and Planning Systems	Senior Associate	Sacramento, CA

Presentations and Publications

The Dichotomy of Grant Funding for Groundwater Activities: Leverage and Reliance, 2023
Groundwater Resources Association 101 Week

Funding Groundwater Management Programs, How Fees were established for Two New Agencies tasked with Groundwater Sustainability, 2021 Nevada Water Resources Association Conference

Water Rights for Sale: Know what you're Selling or Buying, 2020 Schroeder Law Offices Webinars

Utility Financial Planning: Facility Funding Options and Different Types of Fees, 3-Hour
Videoconference class for the Nevada Rural Water Association, 2019

Stormwater Rate Calculation, 2018 Tri-State Seminar, Las Vegas

Western US Water Issues, 2018 Women In Economics, University of Nevada Reno

Funding for Flood Facilities, 2017 Nevada Water Resources Association Fall Event

Financial Management: Understand your Cost Structure, Customer Cost-Share Responsibilities and Funding Options, 3-Hour Videoconference class, Nevada Rural Water Association (multiple times)
Successful Strategic Planning Starts with Understanding Your Financial Position and Engaging a Wide Range of Stakeholders, 2014 Nevada Rural Water Association Conference

The Cost of Rectifying Over-Appropriation of Groundwater in Diamond Valley, 2014 Nevada Water Resources Association Conference

Rate Setting Fundamentals: Math or Art? 2013 Nevada Rural Water Association Conference

A Misunderstood Relationship: Economic Vitality and Environmental Improvement in the Tahoe Basin, 2012 Tahoe Science Conference

What is a Reasonable Water Rate? 2011 Nevada Water Resources Association Conference

Projecting Population and Employment: A Platform for Projecting Water Purveyor Demands in an Urban Area, 2003 Nevada Water Resources Association Conference

Water Conservation Recommendations from a Consumer Outreach Group, 2002 AWWA Cal-Nev Section Conference

"Setting and Assessing the Impact of Water-Related Development Fees", The Water Spot, First Joint issue of the Nevada Water Environment Association and Nevada Water Resources Association, Winter 2017.



Schaelene Rollins

c: 916.397.1915 ● RollinsPRconsulting@gmail.com

Summary

Twenty-seven-year veteran of public relations and outreach with 24 years specifically working with municipalities in outreach campaigns that effectively communicate and engage the public. Experienced in gauging public sentiment through interviews, polling, surveying and general research. Broad experience in managing public outreach programs for informational and educational purposes or for more formal outreach efforts such as those required under CEQA or for rate increase hearings and fee adoptions. Skilled at consensus building and working with governing boards and councils.

Professional Experience

Freelance Strategic Consultant, 2011-current

- Work in tandem with clients to develop and implement public outreach plans and elements to obtain identified outreach goals and objectives.
- Conduct strategic planning sessions to identify mission, vision and short- long-term strategic plans for special districts and small communities.
- Conduct public outreach and notification as required by the California Constitution, ballot initiatives, public noticing for CEQA, and fee-setting projects.
- Provide research strategy and execution.
- Facilitate stakeholder meetings, workshops and public hearings.
- Write copy for program materials: newsletters, brochures, flyers, bill inserts, advertisements; coordinate design and printing of materials; write and post social media content.
- Develop website content.

*Crocker & Crocker Communications, Client Services Manager (part-time contract) 2004-2017;
Account Supervisor - 1997-2000*

Rogers & Associates, Onsite Media Specialist, CA Dept. of Health Services – 2000-2002

Dairy Council of California, Communications Manager – 2002-2004

Latimer Burch Public Relations, Account Executive - 1996-97

Prima Publishing – Publicity Coordinator - 1994-95

Education

California State University, Chico-Bachelor of Arts, English 1994

California State University, Chico-Technical Writing Certificate Program 1994

Regular participation in industry related webinars, seminars and conventions

Section 4. Scope of Services

Project Understanding and Objectives

The District needs to assess its financial health, accounting for existing and future financial demands of the water and wastewater systems. Based on that assessment, the Study objectives are to explore water and wastewater rate structures that demonstrate cost of service and raise sufficient revenue to operate and maintain the utility systems for at least the next five years.

- The Study will calculate five years of water and wastewater rates that will ensure the financial stability of the enterprise funds during normal and drought conditions, collecting the revenue required to operate the utilities in a safe manner and in compliance with existing and anticipated regulations. Revenues will pay for ongoing operations and maintenance, completion of rehabilitation projects and existing users' share of new capital improvement projects, as well as any current and/or anticipated debt service payments.
- The cost allocation methodologies used for the cost of service and calculation of rates will adhere to legal requirements of the California Constitution to demonstrate that customer groups are paying for their proportionate share of the utility systems' costs. The final proposed rates will be adopted pursuant to the Proposition 218 Omnibus Implementation Act.

Utility rates must be studied on a routine basis to ensure that the utility enterprise funds are achieving revenue sufficiency in the most equitable fashion. Any recommended increases must be robust in determination and clearly understood by the public. HEC follows standard industry practices in the rate-setting process. HEC is knowledgeable in the requirements of Proposition 218 and will ensure that California legal requirements are met. Recommended rates, fees, and charges will be designed to achieve reasonableness, equity among customer groups, and compatibility with the District's billing software, and will be both understandable and easy to implement.

HEC's goal is to enable the District to make informed decisions and to increase customer understanding and knowledge of its utility services so that financial decisions are understood, even if they are not favored. Additionally, it's best to give customers an opportunity to comment during the process before new rates are adopted. Early outreach helps build trust and ultimately assists with gaining acceptance for the new rates with minimal opposition. Part of the education effort is explaining how water is safely treated and delivered, and how wastewater is safely collected, treated, and disposed. Customers are typically not aware of the projects or operations and maintenance efforts required to keep utilities running in compliance with local, state and federal regulations. These are some of the critical messages to be conveyed prior to a rate adjustment.

Work Plan Approach

The work plan approach includes these two steps:

1. **Perform Cost of Service analysis and Calculate Fees.** Catherine Hansford will conduct the analysis and provide all the deliverables for the utility rates. Catherine will present the draft and final Study report(s) for the PESCD Board of Directors (Board)'s consideration.
2. **Implementation.** Schaelene Rollins will work closely with the District to communicate effectively with its customer base the reasons for fee adjustments, including proposed changes in rate structures, if any. The goal is to make the proceedings as transparent as possible. In addition, Catherine and Schaelene will draft the public notices that are required for updated rates. We can coordinate the printing and mailing of the notice, if the District would rather not do this. *The proposed rates schedule must be mailed to every property owner of record at least 45 days prior to the public hearing for the fees to be adopted pursuant to Proposition 218.*

HEC customizes rate and fee models for each client's needs. HEC will craft a multi-year financial model in Microsoft Excel, giving the ability to test various key assumptions, such as operating reserve levels, different capital financing scenarios, and rate structures. All assumptions used in the models will be clearly defined, and tables will be presented in an easily understandable format. The models may include several scenarios; all scenarios will be defined, and a baseline scenario will be developed, which will serve to evaluate the impact of changes to any key model assumptions. Industry best practices are followed to ensure the quality and legal standing of our work. Our utility rate models have withstood the scrutiny of California's rate-setting laws, which are rigorous for cost-of-service demonstration, and rate design. We have helped agencies set rates during California's historic drought and have on-the-ground experience with running water conservation programs and groundwater sustainability programs. We are also very familiar with State and Federal low-cost financing sources, which the District may pursue as part of the financing strategy included in the Study.

The proposed scope of services to complete the Study is described in the following tasks. Tasks one through four provide the analysis, calculations and report. Task five includes implementation steps to allow for new rates to be effective July 1, 2024. The scope of each task is detailed below.

Scope of Services

TASK 1: ORIENTATION, DATA COLLECTION, AND PROJECT MANAGEMENT

Task 1.a: Orientation and Policy Review

Orientation includes an initial meeting with staff to review the scope and schedule. The meeting can be in person or virtual, as preferred by the District. Topics to be reviewed at orientation include, but are not limited to:

- Existing rate and fee design
- Capital improvement plans and schedules
- Target operating reserve levels
- Pay as you go funding versus debt financing for capital facilities
- Asset replacement and funding
- Water conservation policies
- Potential rate designs

Additionally, policy review with staff includes the key factors driving the need for rate adjustments, including regulatory requirements, District policies, legislative mandates, and so forth. Review of financial goals and policy objectives is important as they will shape the development of the financial models and recommendations of the Study.

Task 1.b: Data Gathering and Review. HEC will provide a list of data and information needs to be provided by the District. HEC will also research and acquire applicable secondary sources of data. This task includes time to review data provided and gathered, and determine what additional information is needed.

Task 1.c: Project Management

This task includes time for Catherine Hansford to manage, track, and report on project progress every month. It entails review of work status/progress, invoicing/determination of remaining budget, and coordination with District staff.

Task 1 Deliverables: *Data information request; monthly progress reporting and invoices; orientation agenda and meeting notes.*

TASK 2: REVENUE REQUIREMENT AND FINANCIAL PLAN

Task 2a: Financial Review

HEC will thoroughly review the utility funds, including revenue and cost information, for all operations, maintenance, administration, general expenses, short- and long-term liabilities, as well as capital and reserve expenditures. The financial review will establish the historical and current financial health of the District’s utility funds under the current rate and fee structures, generally describe components of annual revenues, and characterize expenses.

Task 2b: Capital Improvement Financing Plan and Revenue Requirement Projection

The projected revenue requirement is the revenue necessary to fully cover all expenditures net of other operating and non-operating revenues. The revenue requirement comprises operating expenses, capital improvement costs (system rehabilitation and new infrastructure costs to be paid for by existing system users), debt service, and additional reserves if needed for specific purpose(s).

HEC will summarize the existing users’ portion of the capital improvement plan (CIP) costs as provided by the District and will present a financing strategy to ensure the facilities are completed

in a timely fashion, while minimizing the impact to rate payers. HEC's Excel model will be able to evaluate the impact of funding the CIP by priority and cash/debt funding combinations.

Operation and maintenance expenses may be projected using historical annual percentage increases, or some other index, such as a consumer price index; projection methodology will be discussed with staff. The projected revenue requirement may also include other non-operating cost considerations, such as an operating reserve, rate stabilization fund, or additional revenues to meet debt service coverage requirements. Non-operating revenues, such as interest revenue, property taxes, late charges and other miscellaneous revenue sources, will be included as credits in the analysis so that the revenue requirement is not overestimated.

Task 2c: Cash Flow Projection

Cash flow will be presented to demonstrate sufficiency of funding, adequate debt service coverage and prudent reserves for the next five years.

***Task 2 Deliverables:** Draft financing strategy, projected revenue requirement and cash flow projection table.*

TASK 3: COST OF SERVICE AND RATE CALCULATIONS

Task 3a: Cost of Service and Rate Design

Once the projected revenue requirement is established, it is allocated to user groups based on cost classification (collection or treatment plant costs for wastewater, customer or demand costs for water) and customer usage characteristics (flow and any other parameters that may be relevant; however, PECSO primarily has a residential customer base; customer profiling will be limited. Accurately describing different customer types will be the most important exercise in the cost-of-service analysis.

The current rate structures for water and wastewater will be assessed for alignment with current District goals and objectives and fit with customer characteristics. Up to two alternative rate structures may be modeled for both systems, depending on available data. New and/or alternative customer classifications will be recommended if appropriate to fit with District objectives and current legal interpretations. The recommended rate structures will be determined with input from staff, while considering billing system capabilities, public understanding of utility bills, and customer concerns.

In this task time will be spent evaluating the effect of the potential rate structure(s) on developed policy, including operations, revenue sufficiency during drought periods, the bill impacts to different customer groups, and the economic effect / hardship on low-income households.

Task 3b: Rate Calculations and Bill Impact Analysis

The cost-of-service analysis leads to the calculation of monthly user rates for water and wastewater so that the systems are adequately funded for existing and projected future costs and that the rates

are based on the demand for service by each customer type. HEC will provide guidance and advice to District staff to ensure the proposed rate structures comply with Proposition 218 and all related laws, and that rates are implemented within the District's desired timeframe.

Bill impact analysis provides an important reality check to assess customer acceptability of changes in fees. Customer bills will be compared with an affordability indicator to assess the impacts of changes to the rate structures. In addition, HEC will prepare a user rate comparison that will measure the current and project bills of District customers with those charged in neighboring communities.

The work completed under tasks 1 through 3 culminates in a Board workshop to review and discuss findings.

Task 3 Deliverables: Draft tables and figures demonstrating alternative rate structures and bill impacts. Board workshop materials.

TASK 4: RATE STUDY REPORT

HEC will prepare a report that includes the methodologies used, detailed calculations of rates, findings, and recommendations. The report will also demonstrate cost-of-service and proportionality requirements so that the District is in compliance with Proposition 218. Following edits and changes to the draft document discussed with staff and presented to the Board, HEC will prepare the Final Study for the Board.

Task 4 Deliverables: Draft and final reports. PowerPoint or other materials for Board meetings.

TASK 5: IMPLEMENTATION

Following completion of the rate study report, the Board would authorize staff to move forward with the noticing of proposed fees. Catherine and Schaelene would develop the notice. The notice specifies the basis of the fees, the reason for the fees, the customer's right to protest the fees, and the date/time/location of the public hearing. District staff would be responsible for printing and mailing the notices. Following distribution of the notices, a workshop (the workshop could be virtual if many of the customers are not permanent residents of the area) is proposed to allow property owners the opportunity to learn about, and engage in, the rate study.

Schaelene Rollins will create key messages to address the reasons for the change in utility rates, including available information about compliance, capital projects, operations and maintenance costs, and responsible fiscal planning. From this, outreach materials may be developed. Examples of outreach materials include:

- A **bill insert** that explains the need for the study and the process going forward while

establishing a relationship with the community. The insert would highlight pertinent educational information about utility services, public workshop date(s) and how to stay informed during the Study process.

- **Website content** about the Study – reasons for the Study, timeline, and opportunities for public input.
- **Newspaper advertisement** announcing proposed rate adjustments and public hearing information (this is not legally required but recommended).

Task 5 Deliverables: Proposition 218 notice, outreach materials.



Schedule

The preliminary schedule depicted below assumes that the process goes smoothly. The public hearing would be at a regular Board meeting in April 2024, and new rates would be effective July 1, 2024. The schedule allows room for date changes, should that be necessary.

Three in-person Board meetings are shown as red stars, and one informational public workshop (shown as a white star) are included in the scope and budget. HEC is assuming that all staff meetings will be virtual, and any additional meetings with the Board will be virtual.

Preliminary Schedule

Task	2023					2024			
	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr
1. Orientation, Data Collection & Project Mgt	[Redacted]								
2. Revenue Requirement & Financial Plan		[Redacted]							
3. Cost of Service & Rate Calculations			[Redacted]						
4. Rate Study Report					[Redacted]		[Red Star]	[Red Star]	
5. Implementation								[White Star]	[Red Star]

 Public meeting  Public workshop

Section 5. Pricing

Fee Schedule

Billing rates will be held for up to 12 months from award of contract at the following levels:

<u>Staff</u>	<u>Position</u>	<u>Rate per Hour</u>
Catherine Hansford	Principal	\$200
	Associate	\$160
	Clerical	\$95
Schaelene Rollins	Outreach Specialist	\$145
	Designer	\$90

Direct costs are billed at cost (no markup) and mileage reimbursement is at the Federal rate (currently \$0.655 per mile).

Estimated Budget

Our price estimate is preliminary and negotiable. It reflects the level of effort to complete the scope of services described in our proposal. HEC is open to changing the scope of services and reducing or increasing costs if there are tasks or portions of tasks that the District would like to revise.

The estimated budget, shown in Table 3 on the next page by task, is \$45,530.

Cost Estimate Assumptions

- The cost estimate assumes up to four in-person meetings in Blairsden. The estimated cost for each additional meeting, if necessary, is \$1,200 per meeting for staff time and direct costs.
- The budget estimate excludes direct outreach costs. Direct outreach costs include printing, handling and postage of Proposition 218 notices, and the cost of placing notices in local newspapers.
- The only direct costs included in the cost proposal are travel-related costs. HEC bills mileage reimbursement at the current Federal mileage reimbursement rate, and parking, printing, and meals only when travelling for meetings.
- Subconsultants and direct costs are at cost (not marked up).
- Deliverables will only be provided in electronic format.

Table 3
HEC Budget Estimate

Cost Item	Total Cost	Cost of Service Study				Implementation
		Task 1	Task 2	Task 3	Task 4	Task 5
Staff	<i>per hour</i>			<i>Hours</i>		
Hansford	\$200	24	22	70	36	20
Rollins	\$145	4			10	30
Clerical	\$95	12			16	18
Subtotal Staff Hours		40	22	70	62	68
Estimated Staff Cost	\$45,150	\$6,520	\$4,400	\$14,000	\$10,170	\$10,060
Direct Costs	<i>per trip</i>			<i>Number of Trips</i>		
Trips to Blairsden [1]	\$95				2	2
Estimated Direct Costs	\$380				\$190	\$190
Total Proposed Budget [2]	\$45,530	\$6,520	\$4,400	\$14,000	\$10,360	\$10,250

[1] Direct Costs per Trip:

Travel (100 miles @ \$0.655 per mile)	\$70
Miscellaneous	\$25
Total Estimated Direct Costs per Trip	\$95

[2] HEC reserves the right to move budget between tasks as necessary to complete the scope of services up to the authorized budget amount.

Terms of Payment

- HEC prepares monthly invoices with a brief description of services performed in the period, as well as the percentage of budget utilized, that are due on receipt unless another payment term has been negotiated and is included in the contract. HEC bills on a time and materials basis and only for work completed up to the authorized budget amount; however, HEC reserves the right to move budget between tasks, should one task be completed under the estimated amount, and another task be completed over the estimated amount.
- If additional work is requested that is beyond the authorized scope of services, HEC will request authorization for increased budget. No work beyond that expressly included in the authorized scope of services and budget will be conducted without prior authorization.

Plumas Eureka CSD - Fire

Revenues vs. Expsnenditures

12/13 through 22/23

Fiscal Year Ending	Revenues from Program Taxes and Fees	Revenues from fund Raising and Donations	Revenues from County Property Tax Sharing
2013	97,780.00	10,120.00	25,522.00
2014	102,937.00	5,430.00	27,205.00
2015	69,788.00		35,185.00
2016	69,743.00	45.00	35,185.00
2017	109,678.06	1,195.34	25,283.86
2018	99,594.46	9,304.66	31,879.29
2019	130,495.09	1,441.00	31,895.48
2020	92,725.53	20,000.00	33,163.06
2021	131,825.59		35,089.18
2022	75,964.00		14,661.00
2023	103,634.50		37,369.35
Average 5 years prior	106,120.93		29,337.60
2023	103,634.50		37,369.35
Change in \$	(2,486.43)		8,031.75
% Change	98%		127%

Total Regular Revenues	Regular Expenses	Excess (Deficit) of Regular Revenues Over Regular Expenditures	Net Mutual Aid Revenue*	Excess (Deficit) of All Revenues Over All Expenditures	Insurance Expenses
133,422.00	118,742.00	14,680.00		14,680.00	31,174.00
135,572.00	110,051.00	25,521.00		25,521.00	30,628.00
104,973.00	126,722.00	(21,749.00)		(21,749.00)	?????????
104,973.00	106,443.00	(1,470.00)		(1,470.00)	32,402.00
136,157.26	129,268.46	6,888.80		6,888.80	31,999.18
140,778.41	113,835.26	26,943.15		26,943.15	27,396.21
163,831.57	122,267.38	41,564.19		41,564.19	27,481.15
145,888.59	112,119.72	33,768.87		33,768.87	27,126.28
166,914.77	120,667.18	46,247.59	12,061.91	58,309.50	25,159.35
90,625.00	123,113.00	(32,488.00)	185,081.00	152,593.00	25,458.11
141,003.85	231,174.71	(90,170.86)	40,965.38	(49,205.48)	83,303.47
141,607.67	118,400.51	23,207.16			26,524.22
141,003.85	231,174.71	(90,170.86)	40,965.38	(49,205.48)	83,303.47
(603.82)	112,774.20	(113,378.02)			56,779.25
100%	195%	-389%			314%

Report on Arsenic Compliance Actions

August 15, 2023

Submitted by Jamar Tate, General Manager

Arsenic Levels

The most recent reported sample from the Compliance point were taken on July 10, 2023. The result showed the arsenic levels at 9 ppb. The second quarter 2023 average was 8 ppb. The current Running Annual Average (RAA) is 8 ppb.

Samples were taken at Well 1B and Well 2 on July 10, 2023. The result from Well 1B was 8 ppb. The result from Well 2 was 18 ppb. The second quarter 2023 average for Well 1B was 7 ppb with the RAA of 7 ppb. The second quarter average for Well 2 was 13 with the RAA of 17 ppb.

Iron and Manganese Compliance Levels

The most recent results of the tests of the Quarterly samples taken on July 10, 2023 for Iron were .130 mg/l at Well 1B and .580 mg/l at Well 2; for Manganese were .084 mg/l at Well 1B and .121 mg/l at Well 2. (The Secondary Standard for Iron is .300 mg/l. The Secondary Standard for Manganese is .05 mg/l.).

Remediation Project Development Project Schedule

Schedule is unchanged from last month.

STAGE	TIMEFRAME	COMMENT
FINANACAL		
SRF application submittal	September 2023	Submittal is contingent on the final pilot study report being accepted by SWRCB. Pilot study should be completed by July 2023 and Pilot Study Report will be submitted to SWRCB in August 2023 (three weeks after final pilot testing).
Application Review	September 2023 – February 2024	Assumes a six-month review
CONSTRUCTION		
Contractor Selection	May 2024-June 2024	Assumes and 90 day bid and selection process
Construction	July 2024 – July 2025	Assumes a one-year construction
OPERATION		
Shakedown	Jul 2025 – Jun 2026	Needed to ensure the systems work and to train operators
Pilot Testing	Jul 2026-Jun2027	Needed to refine operational procedures to maximize removal of As, Fe,and Mn.
Full Operation	Jul 2027	

Dowl Engineering continues to work on the Pilot Test at Well 2. They have seen a good results on the removal of iron and manganese using sodium hypochlorite, chlorine/bleach, for oxidation, hydrochloric acid for pH adjustment, and polyaluminum chloride for coagulation, but did not see any arsenic removal. The iron levels need to be higher than the arsenic levels to achieve arsenic removal, which was not being accomplished. Dowl has used ferric chloride to increase the iron levels and has seen arsenic reduction below the maximum contaminate level (MCL) of 10ppm. Ferric chloride is a common chemical used in water treatment for coagulation and removal of impurities in water.

Next steps will be to use potassium permanganate as the oxidation agent instead of sodium hypochlorite and compare the removal results of iron, manganese and arsenic. Samples will be sent to a laboratory for verification of field results. Pilot study completion is anticipated within the next few weeks. A final report will be submitted to SWRCB for review three weeks after the pilot study is completed.



Plumas Eureka Community
 Service District
Jamar Tate
 200 Lundy Lane
 Blairsden, CA 96103

Date: July 31, 2023
 Phone: 530-836-1953
 Email: management@pecsd.org

Diving Services for Cleaning and Inspection of Potable Water Tanks

Tanks	Tank Description	Additional Information	Scope of Work Includes
1	400KG Tank On-Grade, Steel Bolted 55` Dia x 24` Dp	All Discharge water does not require de-chlorination.	<u>Clean and Inspect</u> Up to three (3) inches of sediment removal from the tank floor. Visual inspection of the interior and exterior of the tank.
1	300KG Tank On-Grade, Steel Bolted 38` Dia x 29` Dp	All Discharge water and sediment may be released onto the ground.	Written report (PDF format) with photos. and a digital recording of the dive.
		This is a <u>Prevailing Wage Job</u> for Plumas County	
<p><u>Proposal Total: \$4,107.00</u></p> <p>California Contractor License # 941676 DIR # 1000015893</p> <p>Our minimum day rate for eight hours including set up and breakdown of equipment. The prevailing wage rate dated August 22, 2023, until June 30, 2024 was used for Plumas County for Certified Commercial Divers and Tenders in our calculations. Overtime, holidays and weekends are not included.</p>			

JR

Payment terms: 1% Ten Days, Net 30 Days. 1.5% interest will be charged on all accounts past 30 days.

This contract is based on a total price which includes time and mobilization to and from the project site, set-up and breakdown of equipment, and the preparation for the dive and diving services. Diving services will include sediment removal up to 3 inches from the floor, a video inspection and written report for your records (still photos included). During the initial dive, sediment depths will be measured by the diver and documented on video.

If removal of sediment of an abnormal consistency (clay, calcium, rocks, pebbles, mud, etc.), additional sediment removal (over 3 inches from the floor), wall cleaning or epoxy repairs is requested and approved by designated on-site representative, each of these services will be performed at a rate of \$425.00 per hour.

Inland Potable Services, Inc. will provide all personnel and equipment necessary to provide diving services in the above referenced tank(s) or reservoir(s). We will provide your utility with a written report as well as a narrated color video for the services performed. The tank(s) or reservoir(s) will be inspected according to American Water Works Association (AWWA), NACE, SSPC, ASNT, ACI and AWS standards.

- All divers employed by Inland Potable Services are certified Commercial Divers.
- Inland Potable Services is fully bondable and insured.
- All equipment entering the tanks will be disinfected with a minimum of 200 ppm Chlorine.
- Schedule dates are tentative and are subject to change.
- If Inland Potable Services dive team is required to stop working or is delayed working due to unforeseen circumstances or any reasons beyond our control (i.e. no utility personnel onsite, inability to access designated work site, low water level, etc.) a down-time charge of \$425.00.00 per hour will be charged.
- A fee based on \$425.00 per hour will be charged if we are unable to get our truck and trailer to a tank location. We will use portable dive gear and cleaning equipment to complete the job. Please understand that use of utility vehicles or equipment may be necessary to get our equipment to a tank.
- Inland Potable Services makes every attempt to obtain complete information from customers prior to the presentation of bids concerning fees required for municipal licenses, registration fees, Sales Tax or Use Taxes in your area. These items are identified on your contract. In the event that additional fees are discovered or charged, after the bid has been submitted, these charges will be added to the stated contract amount when billed.

Paul Click, Regional Account Manager

Date: July 31, 2023

Important Information

Hatch Size - The entry hatch on top of the tank must be at least 20 inches in diameter or square with no obstructions that would prevent entry. A futile trip charge of \$500.00 will be levied if the team is unable to enter the tank due to the hatch size being too small or objects are blocking the entry.

Water Level – Please be advised and understand, the water level within the tank must be within ten (10) feet or less of the hatch opening prior to the dive team’s arrival. A futile trip charge of \$500.00 will be levied if the team is unable to complete job if water levels cannot be adjusted to the appropriate level.

Tank Information – Please verify the type of tank, dimensions or information listed in the proposal is accurate. If the tank dimensions or information is not accurate as listed then additional costs may be added.

Completion Date – With acceptance this work will be completed at a mutually acceptable date within one year. If money budgeted for this work must be used by a specific date, please indicate the date on this line and every attempt will be made to meet the given date: _____

Option – If a hatch gasket (\$125), a #24 mesh vent screen (\$75) and/or a lock for the hatch (\$25) is needed, would you like the dive team to install while on-site? **Yes** ___ **No** ___
 If a hard bound copy of the inspection report is needed (\$125.00) **Yes**___ **No**___

To accept, please sign and date the proposal. Please fax both pages to 303-400-4215 or scan and email them to me at paul@inlandpotableservices.com

 Printed Name and Title

 Signature

Date: _____



DOWL Project No.: _____

MASTER TASK ORDER AGREEMENT FOR PROFESSIONAL SERVICES

THIS AGREEMENT between **Plumas Eureka Community Services District, 200 Lundy Ln., Blairsden, CA 96103 (Client)** and **DOWL, 5510 Longley Ln, Reno, NV 89511 (DOWL)** shall be effective as of the date of the last signature below and shall expire on **June 30, 2028**. Client and DOWL agree that DOWL will provide various professional and technical services as requested by Client through issuance of individual, consecutively numbered Task Orders on an as needed and requested basis.

Representatives: **CLIENT:** Jamar Tate, General Manager

DOWL: Luke Tipton, Engineer

SCOPE OF SERVICES and SCHEDULE: The specific services and corresponding schedule shall be mutually agreed upon by Client and DOWL and included in each individual Task Order executed under the authority of this Agreement. Task Orders shall be in a format similar to Attachment 1, attached and made part of this Agreement.

COMPENSATION by CLIENT to DOWL: The method of compensation to DOWL shall be agreed upon and included in each Task Order. Compensation will normally be on a Time and Materials (Unit Rates) or Fixed Price (Lump Sum) basis. Time and Material task orders shall include the hourly rate compensation schedule.

The following are hereby made a part of this AGREEMENT by attachment:

- Terms and Conditions** (4 pages)
- Attachment 1 – Sample Task Order Form**

Services covered by this Agreement will be performed in accordance with the attached Terms and Conditions and any Exhibits, Attachments, and/or Special Conditions included in individual Task Orders. This Agreement supersedes all prior agreements and understandings and may only be changed by written amendment executed by both parties.

IN WITNESS WHEREOF: Persons authorized to commit the resources of the Parties have executed this Agreement: and this Agreement may be signed in any number of counterparts, each of which is an original, and all of which taken together constitute one single document:

Accepted for PESCD:

Accepted for DOWL:

By: _____
Title: _____
Date: _____

By: _____
Title: Water & Wastewater Business Leader
Date: _____

Tax ID No. 92-0166301



DOWL STANDARD CONTRACT TERMS AND CONDITIONS

SECTION 1 - SERVICES OF DOWL

A. Basic Services

DOWL's services will be detailed in a duly executed Task Order for each Specific Project. The general format of a Task Order is shown in Attachment 1 to this Agreement. Each Task Order will indicate the specific services to be performed and deliverables to be provided. DOWL shall not be obligated to perform any prospective Task Order unless and until Client and DOWL agree as to the particulars of the Specific Project, including the scope of DOWL's services, time for performance, DOWL's compensation, and all other appropriate matters.

B. Task Order Procedure

Client and DOWL shall agree on the scope, time for performance, and basis of compensation for each Task Order. With respect to the scope of DOWL's services, and compensation each specific Task Order shall either (1) be accompanied by and incorporate a customized Exhibit A, "DOWL's Services for Task Order," and Exhibit B, "DOWL's Compensation for Task Order" prepared for the Specific Project, or (2) state the scope of services and Compensation in the Task Order document itself. Each duly executed Task Order shall be subject to the terms and conditions of this Agreement.

C. Schedule

DOWL's services and compensation under this each Task Order have been agreed to in anticipation of the orderly and continuous progress of the scope of work through completion. Unless specific periods of time are specified in the individual Task Orders, DOWL's obligation to render services hereunder will be for a period that may reasonably be required for the completion of said services.

D. Authorization to Proceed

Execution of individual Task Orders by Client will be authorization for DOWL to proceed with the Work as scheduled, unless otherwise provided for in the Task Order.

E. Delay

If in the individual Task Orders specific periods of time for rendering services are set forth, or specific dates by which services are to be completed, are provided, and if such periods of time or dates are changed through no fault of DOWL, the rates and amounts of compensation and time for completion provided herein shall be subject to equitable adjustment.

F. Changes/Additional Services

The Scope of Services set forth in the individual Task Orders is based on facts known at the time of execution of the Task Order, including, if applicable, information supplied by the Client. For some projects the scope may not be fully definable during the initial stages and/or the Client may at any time during the term of this Agreement make changes within the general scope of the Task Orders. If such facts discovered as the Specific Project progresses, or changes that are requested by the Client, change the cost of, or time for performing the services hereunder, DOWL will promptly provide Client with an amendment to recognize such changes.

SECTION 2 - TERMS OF PAYMENT

G. Invoicing

DOWL will submit invoices to Client for services rendered and reimbursable expenses incurred each month. Invoices will be prepared in accordance with DOWL's standard invoicing practices. Such invoices will represent the value of the completed Work and will be in accordance with the terms for payment in this Agreement.

H. Progress Payments

Invoices are due and payable within 30 calendar days of the date of the invoice. If Client fails to pay undisputed invoices when due, the amounts due will be increased at the rate of 1.0% per month from said 30th day. In addition, DOWL may at any time, without waiving any other claim against the Client, and without thereby incurring any liability to the Client, suspend or terminate performing work hereunder in accordance with Section 5.Y of this Agreement. Payments will be credited first to interest and then to principal. In the event of a disputed or contested invoice, only that portion so contested may be withheld from payment, and the undisputed portion will be paid.

SECTION 3 - OBLIGATIONS OF CLIENT

I. Furnish Data

- a) Client shall provide all criteria and full information as to Client's requirements for the Specific Project and furnish all available information pertinent to the Specific Project, including reports and data relative to previous designs or investigations at or adjacent to the site.
- b) Client shall provide such legal, independent cost estimating, and insurance counseling services as may be required for the Specific Project.

J. Representative

Client will designate a person to act with authority on Client's behalf in respect of all aspects of the Specific Project.

K. Timely Review

Client will examine DOWL's studies, reports, drawings, and other project-related work products and render decisions required in a timely manner.

L. Prompt Notice

Client will give prompt written notice to DOWL whenever Client observes or otherwise becomes aware of hazardous environmental conditions or of any development that affects the scope or timing of DOWL's Scope of Services or any defect in the Services of DOWL or the work of any Contractor.

M. Site Access

Client will arrange for safe access to and make provisions for DOWL and DOWL's subconsultants to enter upon public or private property as required for DOWL to perform the Services under any Task Order.

SECTION 4 - OBLIGATIONS OF DOWL

N. Independent Contractor

DOWL is an independent contractor and will maintain complete control of and responsibility for its employees, subcontractors and subconsultants. DOWL shall also be solely responsible for the means and methods for carrying out the Scope of Services and for the safety of its employees.

O. Performance

DOWL will perform its Services using that degree of care and skill ordinarily exercised under the same conditions by Design Professionals practicing in the same field at the same time in the same or similar locality. Professional services are not subject to, and DOWL cannot provide any warranty or guarantee, express or implied, including warranties or guarantees contained in any uniform commercial code. Any such warranty or guarantee contained in any purchase order, requisition, or notices to proceed issued by the Client are specifically objected to.

P. Publicity

DOWL will not disclose the nature of its Scope of Services on Task Order or engage in any publicity or public media disclosures with respect to the Specific Project without the prior written consent of Client.

Q. Insurance

DOWL will maintain the liability insurance coverages listed below for Professional, Commercial General, Automobile, as well as, Worker's Compensation and Employer's Liability.

1. Workers' Compensation Insurance for all employees of DOWL engaged in work under this Agreement as required by the laws of the state where the work is to be performed. This coverage will include statutory coverage and employer's liability protection of \$1,000,000 per person, \$1,000,000 per occurrence.
2. Commercial General Liability Insurance with limits of \$1,000,000 per occurrence and \$2,000,000 aggregate. This policy shall include the Client as an additional insured, with respect to the work done by or on behalf of DOWL and arising out of the Scope of Services under this agreement.
3. Automobile Liability Insurance with limits of \$1,000,000 per occurrence and combined single limit. This policy shall include the Client as an additional insured, with respect to the work done by or on behalf of DOWL and arising out of the Scope of Services under this agreement.
4. Professional Liability Insurance with limits of \$1,000,000 per claim and \$1,000,000 aggregate, written on claims made basis. Such coverage shall remain in effect for three (3) years after the expiration of this agreement with evidence thereof to be forwarded.

Certificates evidencing such coverage will be provided, upon request, to Client upon request once the contract is fully executed.

R. Compliance with Laws

DOWL will use reasonable care in accordance with 4.B to comply

with applicable laws in effect at the time the Services are performed hereunder, which to the best of its knowledge information and belief, apply to its obligations under this Agreement.

S. No responsibility for Contractor Performance

DOWL will not be responsible for the quality of work for any person or entity (not including DOWL, its employees, representatives, and Consultants) performing or supporting construction activities relating to the Project (Contractor), or for any Contractor's failure to furnish or perform its work in accordance with the contract documents

T. No responsibility for Site Safety

If any Task Order involves construction phase engineering services, the construction contractors shall be solely responsible for the supervision, direction, and control of their work; means, methods, techniques, sequences, and procedures of construction; safety precautions and programs and compliance with applicable laws and regulations.

U. Equal Opportunity Employment

DOWL is committed to the principles of equal opportunity and affirmative action in employment and procurement. DOWL does not discriminate against applicants, employees, or suppliers on the basis of factors protected by federal or applicable state laws.

V. Services Not Included:

DOWL's services and Additional Services do not include:

1. Serving as a "municipal advisor" for purposes of the registration requirements of Section 975 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (2010) or the municipal advisor registration rules issued by the Securities and Exchange Commission;
2. Advising Client, or any municipal entity or other person or entity, regarding municipal financial products or issuance of municipal securities, including advice with respect to the structure, timing, terms, or other similar matters concerning such products or issuances;
3. Providing surety bonding or insurance-related advice, recommendations, counseling, or research, or enforcement of construction insurance or bonding requirements; or
4. Providing legal advice or representation.

SECTION 5 - GENERAL CONSIDERATIONS

W. Reuse of Documents

1. All documents produced under this Agreement are instruments of service in respect to Specific Projects, and DOWL shall retain an ownership and property interest therein (including the right of reuse at the discretion of DOWL) whether or not the Specific Project is completed. Client may make and retain copies for information and reference in connection with the use and occupancy of the Specific Project. Such documents are not intended or represented to be suitable for reuse by Client or others on extensions of the Specific Project or on any other project. Any reuse without written verification of DOWL will be at Client's sole risk. Client shall indemnify and hold harmless DOWL and DOWL's Consultants from all

claims, damages, losses, and expenses, including attorney fees arising out of or resulting, therefore.

2. Copies of documents that may be relied upon by Client are limited to the original printed copies (also known as hard copies) that are signed or sealed by DOWL.
3. Because data stored in electronic media format can deteriorate or be modified, inadvertently or otherwise, without authorization of DOWL, the party receiving the electronic files agrees to perform acceptance tests or procedures within 60 days, after which the receiving party shall have deemed to have accepted the data thus transferred. Any errors detected within the 60-day acceptance period will be corrected by DOWL.
4. DOWL will not be responsible to maintain documents stored in electronic media format after acceptance by Client.
5. DOWL makes no representations as to long term compatibility, usability, or readability of documents resulting from use of software application packages, operating system, or computer hardware differing from those used by DOWL at the beginning of this Project.

X. Indemnification

1. DOWL agrees to indemnify and hold harmless Client, to the fullest extent allowed by law, from and against any liability, damages and costs, (including reimbursement of reasonable attorney's fees and costs of defense) arising out of the death or bodily injury to any person or the destruction or damage to any property, arising during the performance of professional services under this Agreement, but only to the extent caused by the negligent acts, errors, and omissions of DOWL or anyone for whom DOWL is legally responsible. DOWL's defense obligation under this Agreement, any Task Order, and this indemnity paragraph means only the reimbursement of reasonable defense cost to the proportionate extent of DOWL's actual liability obligation hereunder.
2. Client agrees to indemnify and hold harmless DOWL from any liability, damages, and costs, (including reasonable attorney's fees and costs of defense) to the extent caused by the negligent acts, errors, and omissions of the Client, Client's contractors, consultants, and anyone for whom Client is legally responsible.
3. A Party's total liability to the other Party and anyone claiming by, through or under the other Party for any claim, cost, loss or damage (including attorney fees and cost of defense) caused in part by the negligence of the Party and in part by the negligence of the other Party or any other negligent entity or individual, shall not exceed the percentage share that the Party's negligence bears to the total of all negligence of Client, DOWL and all other negligent entities and individuals.

Y. Termination / Suspension

1. Client may terminate this Agreement for convenience. In such event, DOWL will be entitled to compensation for Services performed up to the date of termination, including profit related thereto, plus any expenses of termination.

2. The obligation to provide further Services under this Agreement may be suspended by either party upon 7 days written notice or terminated by either party upon thirty (30) days written notice in the event of substantial failure by the other party to perform in accordance with the terms hereof (including Client's obligation to make payments required hereunder) through no fault of the suspending or terminating party, and defaulting party does not commence correction of such nonperformance within five (5) days of written notice and diligently completes the correction thereafter.

Z. Mutual Waiver

To the fullest extent permitted by Laws and Regulations, DOWL and Client waive against each other, and the other's employees, officers, directors, members, agents, insurers, partners, and consultants, any and all claims for or entitlement to special, incidental, indirect, or consequential damages arising out of, resulting from, or in any way related to this Agreement, any Task Order, or any Special Project, from any cause or causes.

AA. Limitation of Liability

Notwithstanding any other provision of this Agreement, the total liability, in the aggregate, of DOWL and DOWL's officers, directors, members, partners, agents, employees, and Consultants, to Client and anyone claiming by, through or under Client for any and all claims, losses, expenses, costs, or damages whatsoever arising out of, resulting from, or in any way related to a Specific Project, DOWL's or its Consultants' services, relating to a specific Task Order, from any cause or causes whatsoever, including but not limited to the negligence, professional errors or omissions, strict liability, breach of contract, indemnity obligations, or warranty express or implied, shall not exceed the total amount of \$50,000 or two times the total compensation received by DOWL under a Task Order associated with a Specific Project, whichever is greater.

BB. Limits of Agreement

This instrument and the associated Task Orders contain the entire Agreement between the parties, and no statement, promise or inducement made by either party that are not contained in this written Agreement and associated Task Orders shall be valid or binding. This Agreement and the associated Task Orders upon execution by both parties hereto, can only be amended by written instrument signed by both parties.

CC. Accrual of Claims:

To the fullest extent permitted by Laws and Regulations, all causes of action arising under a Specific Project shall be deemed to have accrued, and all statutory periods of limitation shall commence, no later than the date of Substantial Completion of such Specific Project.

DD. Applicability to Task Orders:

The terms and conditions set forth in this Agreement apply to each Task Order as if set forth in the Task Order, unless specifically modified. In the event of conflicts between this Agreement and a Task Order, the conflicting provisions of the Task Order shall take precedence for that Task Order. The provisions of this Agreement shall be modified only by a written instrument. Such amendments shall be applicable to all Task Orders issued after the effective date of the amendment if not otherwise set forth in the amendment.



EE. Severability and Survival

The various terms, provisions and covenants herein contained and in any Task Order shall be deemed to be separate and severable, and the invalidity of unenforceability of any of them shall not affect or impair the validity or enforceability of the remainder.

FF. Waiver

No waiver by either party of any default by the other party in the performance of any particular section of this Agreement or any Task Order shall invalidate any other section of this Agreement or any Task Order or operate as a waiver of any future default, whether like or different in character.

GG. Choice of Law and Venue

The parties agree that any action at law or judicial proceeding for the enforcement of this Agreement or any provision thereof shall be instituted only in the courts of the State of Nevada and it is mutually agreed that this Agreement shall be governed by the laws of the State of Nevada, both as to interpretation and performance.

HH. Dispute Resolution

The parties agree to negotiate each dispute between them in good faith during the 30 days after notice of dispute. If negotiations are unsuccessful in resolving the dispute, then the dispute shall be mediated. If mediation is unsuccessful, then the parties may exercise their rights at law. If the dispute involves the Client, the dispute resolution procedures of the Prime Agreement will prevail.

II. Material Adverse Effect

This Agreement and any Task Order issued under this Agreement

may be amended if an event, change, or effect creates a material adverse effect upon the operation of DOWL. Such material adverse effect may be created by, or be the effects of Acts of God (including fire, flood, earthquake, storm, or other natural disaster), war (whether declared or not declared), terrorist activities, labor dispute, strike, lockout or interruption or failure of electricity or telephone service which materially impairs DOWL's ability to operate its business in accordance with the standard of professional practice ordinarily exercised by our profession and which formed the basis for this Agreement.

JJ. No Third-Party Beneficiaries

Nothing contained in this Agreement nor the performance of the parties hereunder, is intended to benefit, nor shall inure to the benefit of, any third party, including Client's contractors, in any.

KK. Successor, Assigns, and Beneficiaries

Neither Client nor DOWL may assign, sublet, or transfer any rights under or interest (including but without limitation, moneys that are due or may become due during or post-contract performance) in this Agreement without the written consent of the other, except as mandated or restricted by law. No assignment will release or discharge the assignor from any duty or responsibility under this Agreement.

LL. Authority

The person signing this Agreement warrants that they have the authority to sign as, or on behalf of, the party for whom they are signing.

(The remainder of this page is blank)



Attachment 1
Sample Task Order to Master Task Order Agreement for Professional Services

DOWL Project No.: [Click here to enter text.](#)

TASK ORDER

Task Order No.: _____

Issued under the authority of Professional Services Master Task Order Agreement

dated: _____

Task Order Title: _____

Effective Date: _____

This Task Order is issued under the provisions of the above Professional Services Master Task Order Agreement dated _____, 20__ between (add Client name) (CLIENT) and **DOWL (DOWL)**.

The following representatives have been designated for the work performed under this Task Order:

CLIENT: _____

DOWL: _____

SCOPE OF WORK: (attach additional sheet(s) as required)

(insert scope or reference Exhibit A – DOWL’s Services for Task Order)

COMPENSATION: *(revise the following as necessary or reference Exhibit B- DOWL’s compensation for Task Order)*

DOWL shall be reimbursed on a (Time & Materials, Lump Sum, Percent of Completion, etc.) basis. DOWL shall invoice no more often than monthly for services provided in the prior month.

The provisions of the Professional Services Master Task Order Agreement and any Special Terms and Conditions and/or Exhibits or Attachments to this Task Order shall govern the Work.

IN WITNESS WHEREOF: Persons authorized to commit the resources of the Parties have executed this Task Order and this Task Order may be signed in any number of counterparts, each of which is an original, and all of which taken together constitute one single document:

(insert Client name) _____

DOWL

By: _____

By: _____

Title: _____

Title: _____

Date: _____

Date: _____

Fed. ID. No. 92-0166301



Exhibit A – DOWL’s Services for Task Order

Task Order No.: _____

Task Order Title: _____

Issued under the authority of Professional Services Master Task Order Agreement
Number: _____

(Provide a detailed description of the services to be provided and the schedule)



Exhibit B – DOWL’s Compensation for Task Order

Task Order No.: _____

Task Order Title: _____

Issued under the authority of Professional Services Master Task Order Agreement
Number: _____

(Insert rate schedule and/or other information required to define fee)



DOWL Project No.: _____

TASK ORDER

Task Order No.: 20

Issued under the authority of Professional Services Master Task Order Agreement

dated: _____

Task Order Title: FY 24 General Services

Effective Date: July 1, 2024

This Task Order is issued under the provisions of the above Professional Services Master Task Order Agreement dated _____, 2023 between (*Plumas Eureka CSD*) (CLIENT) and **DOWL (DOWL)**.

The following representatives have been designated for the work performed under this Task Order:

CLIENT: Jamar Tate

DOWL: Luke Tipton

SCOPE OF WORK:

Task 1 - Professional Services

Objective

Provide professional engineering services on an on-call basis as requested by PECSD.

Approach

The following approach applies:

- DOWL will respond to requests generated by PECSD.
- DOWL will attend meetings or make site visits as requested by PECSD.
- DOWL will develop Scopes of Work for larger projects and generate individual task orders for significant projects as requested by PECSD.
- DOWL will prepare Contract Documents and Technical Specifications for the bidding of improvement projects as requested by PECSD.
- DOWL will review product submittals and provide construction engineering as requested by PECSD.

Deliverables

The following will be delivered under this task:

- Monthly status updates and invoices.
- Maps, exhibits, and permit applications.

Assumptions

The following assumptions apply:

- Any amendment to the Project budget will be executed in writing between PECSD and DOWL.
- A new General Services Task Order shall be executed every fiscal year.



COMPENSATION:

DOWL shall be reimbursed on a *Time & Materials* basis not to exceed \$15,000 (fifteen thousand dollars). DOWL shall invoice no more often than monthly for services provided in the prior month.

The provisions of the Professional Services Master Task Order Agreement and any Special Terms and Conditions and/or Exhibits or Attachments to this Task Order shall govern the Work.

IN WITNESS WHEREOF: Persons authorized to commit the resources of the Parties have executed this Task Order and this Task Order may be signed in any number of counterparts, each of which is an original, and all of which taken together constitute one single document:

Plumas Eureka CSD

By: _____

Title: _____

Date: _____

DOWL

By: _____

Title: Water & Wastewater Business Leader

Date: _____

Fed. ID. No. 92-0166301



NEVADA FEE SCHEDULE

Personnel Billing Rates

Personnel are identified on our invoices by name and/or labor category.

Description	Rate	Description	Rate
Accounting Manager	\$180.00	Engineer IX	\$245.00
Accounting Technician	\$115.00	Engineer X	\$260.00
Administrative Assistant	\$90.00	Engineering Technician I	\$95.00
Administrative Manager	\$120.00	Engineering Technician II	\$110.00
Biologist I	\$125.00	Engineering Technician III	\$120.00
Biologist II	\$135.00	Engineering Technician IV	\$135.00
Biologist III	\$145.00	Engineering Technician V	\$150.00
Biologist IV	\$155.00	Engineering Technician VI	\$170.00
Biologist V	\$200.00	Environmental Specialist I	\$115.00
CAD Drafter I	\$100.00	Environmental Specialist II	\$130.00
CAD Drafter II	\$115.00	Environmental Specialist III	\$135.00
CAD Drafter III	\$125.00	Environmental Specialist IV	\$145.00
CAD Drafter IV	\$135.00	Environmental Specialist V	\$150.00
CAD Drafter V	\$145.00	Environmental Specialist VI	\$185.00
Senior CAD Drafter	\$165.00	Environmental Specialist VII	\$205.00
Civil and Transportation Designer	\$130.00	Environmental Specialist VIII	\$220.00
Senior Civil and Transportation Designer	\$165.00	Environmental Specialist IX	\$240.00
Contract Administrator I	\$155.00	Environmental Specialist X	\$260.00
Contract Administrator II	\$180.00	Field Project Representative I	\$125.00
Corporate Development Manager	\$225.00	Field Project Representative II	\$140.00
Cultural Resources Specialist I	\$115.00	Field Project Representative III	\$150.00
Cultural Resources Specialist II	\$135.00	Field Project Representative IV	\$165.00
Cultural Resources Specialist III	\$140.00	Geologist I	\$130.00
Cultural Resources Specialist IV	\$175.00	Geologist II	\$140.00
Cultural Resources Specialist V	\$190.00	Geologist III	\$150.00
Document Production Supervisor	\$145.00	Geologist IV	\$170.00
Engineer I	\$125.00	Geologist V	\$200.00
Engineer II	\$135.00	GIS Technician	\$100.00
Engineer III	\$150.00	GIS Specialist	\$120.00
Engineer IV	\$170.00	GIS Coordinator	\$170.00
Engineer V	\$190.00	GIS Manager	\$175.00
Engineer VI	\$200.00	Graphics Designer	\$125.00
Engineer VII	\$210.00	Senior Graphics Designer	\$160.00
Engineer VIII	\$220.00	Hydrogeologist I	\$135.00



Description	Rate	Description	Rate
Hydrogeologist II	\$160.00	Professional Land Surveyor V	\$155.00
Hydrogeologist III	\$190.00	Professional Land Surveyor VI	\$160.00
Senior Hydrogeologist	\$220.00	Professional Land Surveyor VII	\$170.00
Intern I	\$80.00	Professional Land Surveyor VIII	\$180.00
Intern II	\$100.00	Professional Land Surveyor IX	\$205.00
Laboratory Supervisor	\$100.00	Professional Land Surveyor X	\$215.00
Laboratory Manager	\$120.00	Professional Land Surveyor XI	\$240.00
Landscape Architect I	\$125.00	Project Assistant I	\$110.00
Landscape Architect II	\$140.00	Project Assistant II	\$125.00
Landscape Architect III	\$155.00	Project Administrator	\$130.00
Landscape Architect IV	\$170.00	Project Controller	\$160.00
Landscape Architect V	\$185.00	Senior Project Controller	\$180.00
Landscape Architect VI	\$195.00	Project Manager I	\$155.00
Landscape Architect VII	\$205.00	Project Manager II	\$170.00
Landscape Designer I	\$90.00	Project Manager III	\$185.00
Landscape Designer II	\$110.00	Project Manager IV	\$200.00
Marketing Assistant	\$100.00	Project Manager V	\$215.00
Marketing Coordinator	\$130.00	Project Manager VI	\$230.00
Marketing & Administrative Manager	\$220.00	Project Manager VII	\$245.00
Materials Technician	\$90.00	Proposal Manager	\$135.00
Materials Technician II	\$100.00	Senior Proposal Manager	\$205.00
Lead Materials Technician	\$110.00	Public Involvement Assistant	\$110.00
Senior Materials Technician	\$120.00	Public Involvement Planner	\$130.00
Materials Manager	\$125.00	Public Involvement Coordinator	\$150.00
Planner I	\$115.00	Public Involvement Program Manager	\$195.00
Planner II	\$140.00	Real Estate Services Manager	\$175.00
Planner III	\$155.00	Right of Way Assistant	\$110.00
Planner IV	\$170.00	Right of Way Agent I	\$120.00
Planner V	\$185.00	Right of Way Agent II	\$135.00
Planner VI	\$195.00	Right of Way Agent III	\$150.00
Planner VII	\$205.00	Right of Way Agent IV	\$165.00
Planner VIII	\$220.00	Right of Way Agent V	\$180.00
Planner IX	\$235.00	Right of Way Agent VI	\$210.00
Planner X	\$275.00	Risk Manager	\$195.00
Planning Technician	\$105.00	Senior Manager I	\$235.00
Professional Land Surveyor I	\$115.00	Senior Manager II	\$255.00
Professional Land Surveyor II	\$125.00	Senior Manager III	\$265.00
Professional Land Surveyor III	\$135.00	Senior Manager IV	\$300.00
Professional Land Surveyor IV	\$145.00	Senior Manager V	\$310.00



Description	Rate	Description	Rate
Senior Manager VI	\$330.00	Systems Administrator	\$150.00
Survey Technician I	\$85.00	Technical Coordinator	\$175.00
Survey Technician II	\$90.00	Utility Operator	\$140.00
Survey Technician III	\$95.00	Water Resource Specialist	\$190.00
Survey Technician IV	\$110.00	Water Rights Specialist I	\$145.00
Survey Technician V	\$115.00	Water Rights Specialist II	\$165.00
Survey Technician VI	\$125.00	Water Rights Specialist III	\$200.00
Survey Technician VII	\$140.00	Water Rights Technician I	\$100.00
Survey Technician VIII	\$155.00	Water Rights Technician II	\$110.00
Survey Technician IX	\$165.00	Water Rights Technician III	\$120.00
Survey Technician-Supervisor	\$150.00		

Survey Crews

One-Person Survey Crew	=	\$155.00 / hour
One-Person Survey Crew GPS/Robotics	=	\$175.00 / hour
Two-Person Survey Crew	=	\$220.00 / hour
Two-Person Survey Crew (PLS + LSIT)	=	\$255.00 / hour
Two-Person Survey Crew GPS/Robotics	=	\$230.00 / hour
Three-Person Survey Crew	=	\$305.00 / hour

Travel, Mileage, and Miscellaneous

Lodging	=	Cost per night
Airfare	=	Cost
Vehicle Usage – Passenger Cars	=	\$1.05/mile
Vehicle Usage – Trucks & SUV's	=	\$1.25/mile
Printing/Supplies/Phone/Fax/Postage	=	Note 3
In-House Usage Charges	=	Note 4

Per Diem

Unless otherwise specified contractually, per diem will be billed when travel is more than 50 miles from the office during a meal allowance period of three or more consecutive hours or involves an overnight stay. The three meal allowance periods are breakfast (midnight to 10 am), lunch (10 am – 3 pm) and dinner (3 pm to midnight).

	Breakfast	Lunch	Dinner	Incidentals	1 st and Last Day	DOD Per Diem Rate
Elko	\$13.00	\$15.00	\$26.00	\$5.00	\$44.25	\$59.00
Reno	\$16.00	\$17.00	\$31.00	\$5.00	\$51.75	\$69.00

For all other cities not listed above and meal breakdown, use the following link: <https://www.gsa.gov/travel/plan-book/per-diem-rates>

Notes

1. DOWL's Professional Services Fee Schedule is subject to adjustment each year or at the end of a contract period, whichever is appropriate. Should adjustments be anticipated or required, such adjustments will not affect existing contracts without prior agreement between Client and DOWL.
2. Straight-time rates are given. Multiply by 1.5 for overtime rates. Overtime rates will be applied at the rate prescribed by applicable state law.
3. Direct reimbursable expenses such as travel, freight, subcontractors, and request beyond those requests considered reasonable by the Project Manager for phone/fax/postage, office supplies, reproduction and photography, and laboratory analysis will be billed at cost plus the negotiated markup.
4. In-house equipment usage charges or specialized software/equipment that are not separately stated on the fee schedule will be negotiated at rates deemed fair and reasonable.
5. Late charges will be assessed on the unpaid balance of all accounts not paid within 30 days of the billing date, at a rate of 1.0 percent per month (12% per year).



August 1, 2023

Debra Lucero
County Administrative Officer
Plumas County
520 Main Street, Room 309
Quincy, CA 95971

**SUBJECT: LETTER OF INTENT
TO PARTICIPATE IN THE PLUMAS COUNTY MULTI JURISDICTIONAL
LOCAL HAZARD MITIGATION PLAN (LHMP) UPDATE**

Dear Debra Lucero,

The Federal Emergency Management Agency's (FEMA) Local Mitigation Plan requirements under 44 CFR Part 201.6 specifically identify criteria that allow for multi-jurisdictional hazard mitigation plans, as many issues are better resolved by evaluating hazards more comprehensively through coordination at a county, regional, or watershed level.

The PLUMAS EUREKA COMMUNITY SERVICES DISTRICT is submitting this Letter of Intent to confirm that it has agreed to participate in the PLUMAS COUNTY MULTI-JURISDICTIONAL LOCAL HAZARD MITIGATION PLAN UPDATE.

Furthermore, as a condition of participation in this project, **PLUMAS EUREKA COMMUNITY SERVICES DISTRICT** agrees to meet the requirements for mitigation plan as identified in 44 CFR Part 201, FEMA's new Local Mitigation Planning Policy Guide (fema.gov) (2022), and FEMA's Local Mitigation Planning Handbook (fema.gov) (2013). Climate change will be incorporated to comply with SB 379 and SB 1000; and the final LHMP will be incorporated into the Safety Element of our jurisdictional General Plan, if applicable, to comply with AB 2140.

PLUMAS EUREKA COMMUNITY SERVICES DISTRICT agrees to provide such cooperation as is necessary and in a timely manner to PLUMAS COUNTY to complete the LHMP in conformance with FEMA requirements.

PLUMAS EUREKA COMMUNITY SERVICES DISTRICT understands that it must actively engage in the following planning process, as more fully described in FEMA's Local Mitigation Planning Handbook, including but not limited to:

- Identification of hazards unique to the jurisdiction and not addressed in the master planning document;
- The conduct of a vulnerability analysis and an identification of risks, where they differ from the general planning area;
- The formulation of mitigation goals responsive to public input and development of mitigation actions complementary to those goals. A range of actions must be identified specific for each jurisdiction;

- Demonstration that there has been proactively offered an opportunity for participation in the planning process by all community stakeholders (examples of participation include relevant involvement in any planning process, attending meetings, contributing research, data, or other information, commenting on drafts of the plan, etc.);
- Documentation of an effective process to maintain and implement the plan; and
- Formal adoption of the Multi-Jurisdictional Hazard Mitigation Plan by the jurisdictions' governing body (each jurisdiction must officially adopt the plan).

Therefore, with a full understanding of the obligations incurred by participating in the FEMA hazard mitigation planning process as a participant in a MULTI-JURISDICTIONAL LOCAL HAZARD MITIGATION PLAN UPDATE, Jamar Tate, commits the **PLUMAS EUREKA COMMUNITY SERVICES DISTRICT** to the PLUMAS COUNTY MULTI-JURISDICTIONAL LOCAL HAZARD MITIGATION PLAN UPDATE.

This document is executed this first day of August 2023.

Please contact Jamar Tate at (530) 836 1953 or via e-mail at jtate@digitalpath.net with questions.

Sincerely,

Jamar Tate
General Manager
Plumas Eureka Community Services District
(530) 836 1953
200 Lundy Lane
Blairsdan, CA