



Agenda

Carmichael Water District/Sacramento Suburban Water District 2x2 Ad Hoc Committee Meeting

3701 Marconi Avenue, Suite 100
Sacramento, CA 95821

Friday, February 18, 2022
3:00 p.m.

This meeting will be conducted both in-person in the Sacramento Suburban Water District's Boardroom at the address above, and by videoconference and teleconference using the information provided below. The public is invited to listen, observe, and provide comments during the meeting by any method provided. The Chairperson will call for public comment on each agenda item at the appropriate time and all votes will be taken by roll call. If a member of the public chooses to participate in this public meeting via videoconference and/or teleconference, please see the instructions below.

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Join the meeting from a computer, tablet or smartphone:

<https://us02web.zoom.us/j/82072824895?pwd=SDFGeS9EWE9iaEZWa2VkREVrMFVRZz09>

Meeting ID: 820 7282 4895

Password: 213593

You can also dial in using your phone: 1 (669) 900-6833

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Please mute your line.

Where appropriate or deemed necessary, the Committee may take action on any item listed on the agenda, including items listed as information items. Public documents relating to any open session item listed on this agenda that are distributed to all or a majority of the members of the Committee less than 72 hours before the meeting are available for public inspection at each Agency's Administrative Offices.

The public may address the Committee concerning an agenda item either before or during the Committee's consideration of that agenda item. Persons who wish to comment on either agenda or non-agenda items should fill out a Comment Card and give it to either one of the General

Managers. The Chairperson will call for comments at the appropriate time. Comments will be subject to reasonable time limits (3 minutes).

In compliance with the Americans with Disabilities Act, if you have a disability, and you need a disability-related modification or accommodation to participate in this meeting, then please contact Sacramento Suburban Water District Human Resources at 916.679.3972. Requests must be made as early as possible, and at least one full business day before the start of the meeting.

Call to Order

Roll Call

Announcements

Public Comment

This is an opportunity for the public to comment on non-agenda items within the subject matter jurisdiction of the Committee. Comments are limited to 3 minutes.

Consent Items

The Committee will be asked to approve all Consent Items at one time without discussion. Consent Items are expected to be routine and non-controversial. If any Committee member, staff, or interested person requests that an item be removed from the Consent Items, it will be considered with the Items for Discussion and/or Action.

- 1. Minutes of the November 18, 2021, CWD/SSWD 2x2 Ad Hoc Committee Meeting
Recommendation: Approve subject minutes.

Items for Discussion and/or Action

- 2. Combination Study Business Case Analysis – Proposal Review
Recommendation: Review and discuss the proposal from Raftelis and direct staff as appropriate.

Adjournment

I certify that the foregoing agenda for the February 18, 2022, meeting of the Carmichael Water District/Sacramento Suburban Water District 2x2 Ad Hoc Committee was posted by February 16, 2022 in a publicly-accessible location at the Sacramento Suburban Water District office, 3701 Marconi Avenue, Suite 100, Sacramento, California, and at the Carmichael Water District office, 7837 Fair Oaks Boulevard, Carmichael, CA 95608, and was made available to the public during normal business hours.

Dan York
General Manager/Secretary
Sacramento Suburban Water District

Agenda Item: 1

Date: February 18, 2022

Subject: Minutes of the November 18, 2021, Carmichael Water District/Sacramento Suburban Water District 2x2 Ad Hoc Committee Meeting

Staff Contact: Dan York, General Manager

Recommended Board Action:

Approve the draft minutes of the November 18, 2021, Carmichael Water District/Sacramento Suburban Water District 2x2 Ad Hoc Committee Meeting.

Attachment:

1 – Draft Minutes

Minutes

Carmichael Water District/Sacramento Suburban Water District 2x2 Ad Hoc Committee Meeting Thursday, November 18, 2021

Location:

3701 Marconi Avenue, Suite 100, Sacramento, CA 95821, and Audio Conference at 1-669-900-6833, and Video Conference using Zoom at Meeting Id #828 7561 7471

Call to Order – Videoconference/Audioconference Meeting

Chair Locke called the meeting to order at 3:00 p.m.

Roll Call

SSWD Directors

Present: Craig Locke and Dave Jones.

SSWD Directors

Absent: None.

CWD Directors

Present: Mark Emmerson and Jeff Nelson.

CWD Directors

Absent: None.

SSWD Staff Present: General Manager Dan York, Assistant General Manager Matt Underwood, Susan Schinnerer, and Heather Hernandez-Fort.

CWD Staff Present: General Manager Cathy Lee.

Public Present: Robert Wichert, Kevin Thomas, David Hanscom, and Greg Zlotnick.

Announcements

Sacramento Suburban Water District (SSWD) General Manager Dan York (GM York) wished everyone a Happy Thanksgiving.

Public Comment

None.

Consent Items

1. **Minutes of the September 29, 2021, CWD/SSWD 2x2 Ad Hoc Committee Meeting**
SSWD Director Jones moved to approve the Consent Item; CWD Director Nelson seconded. The motion passed by unanimous vote.

AYES:	Locke, Jones, Emmerson, and Nelson.	ABSTAINED:	
NOES:		RECUSED:	
ABSENT:			

Items for Discussion and/or Action

2. **Combination Study Business Case Analysis – Request for Proposal**
SSWD GM York presented the staff report and answered clarifying questions.

Carmichael Water District (CWD) General Manager Cathy Lee (GM Lee) and SSWD GM York expressed they were hoping to get feedback on the Request for Proposals (RFP) by the Committee by November 29, 2021.

Chair Locke requested to place the consultants schedule into the RFP.

The Committee agreed that 4 weeks would be plenty of time for the consultants to respond to the RFP, and suggested to have it posted in each district's December Board Packet.

The Committee agreed for staff to provide the Committee with only the top 6 proposals.

CWD Director Emmerson noted he was not in a hurry and that he just wanted to continue in the process, while ensuring to cast a wide net to applicants. He also pointed out that it seemed to be more of an engineering and business project, and suggested looking at local colleges for students to offer proposals as well. He expressed some concern over the cost, noting \$200,000 might be a little high.

SSWD Director Jones expressed it might be a good idea to keep cost down and adjust as needed.

Chair Locke expressed there was no substitute for experience, and he wanted to ensure they get the best they could. He further expressed he was concerned \$200,000 was not enough for a proper study.

CWD Director Nelson expressed he felt it was more of a sophisticated study requiring more experienced consultants and he wanted to make sure it was done right.

Chair Locke summarized that the Committee requested to eliminate task 2 from the scope in the RFP, and requested to add the schedule and estimate of labor hours into the proposals. Noting it would be an RFP with cost proposal separately submitted. He expressed the Committee was good with the proposed budget and noted each district would place the RFP on their websites.

CWD Director Nelson expressed he was happy with the budgeted amount of \$200,000, noting it might not all get used, but that it allowed flexibility.

Chair Locke expressed the Committee members could provide their feedback to the General Managers by November 29, 2021, and allow them to incorporate any edits into the RFP as they saw fit. After both Boards get the updated RFP at their December regular Board meetings, they would have an opportunity to provide feedback to the General Managers as well. He then suggested providing the RFP to the public by the end of December, 2021, with responses due roughly 5 weeks later.

The Committee was flexible with the RFP due dates, noting they would allow the General Managers to decide.

Adjournment

Chair Locke adjourned the meeting at 3:44 p.m.

Dan York
General Manager/Secretary
Sacramento Suburban Water District

Agenda Item: 2

Date: February 18, 2022

Subject: Combination Study Business Case Analysis – Proposal Review

Staff Contact: Dan York, SSWD General Manager
Cathy Lee, CWD General Manager

Recommended Committee Action:

Review and discuss the proposal from Raftelis and direct staff as appropriate.

Discussion:

Proposals were due by 2:00 p.m. on February 11, 2022. Only one proposal was submitted by Raftelis (Attachment 1). The Committee will review/discuss the proposal and provide direction to staff as appropriate.



Carmichael Water District and Sacramento Suburban Water District

Business Case Analysis for a Potential Combination

PROPOSAL / FEBRUARY 11, 2022





Making our world better.

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

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

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



Diversity and inclusion are an integral part of Raftelis' core values.

We are committed to doing our part to fight prejudice, racism, and discrimination by becoming more informed, disengaging with business partners that do not share this commitment, and encouraging our employees to use their skills to work toward a more just society that has no barriers to opportunity.

Table of Contents

1

Letter of Transmittal

2

Approach to Conducting a Financial and Operational Review

4

Firm's Experience

10

Team Organization

20

Approach to Conducting the Required Study

22

Sub-consultant

33

Estimated Hours / Level of Effort

34

Timeline

35

References

36

Summary of Similar Past Projects

38

Exceptions

Photo on cover courtesy of Mitch Lorens (Flickr)

February 11, 2022

Mr. Daniel R. York, General Manager
c/o Ms. Heather Hernandez at hhernandez@sswd.org
Sacramento Suburban Water District
3701 Marconi Avenue, Suite 100
Sacramento, CA 95821

Subject: Proposal for a Business Case Analysis for a Potential Combination Between Carmichael Water District and Sacramento Suburban Water District

Dear Dan and Members of the Selection Committee:

Helping to identify and implement collaborative relationships between public water organizations is what we do at Raftelis. Partnered with Zanjero (formerly Tully & Young), we have unequaled local, regional, and national expertise in water planning and rights, water utility operations and management, and financial consulting.

You know from our work together on the Sacramento Regional Water Utility Collaboration Study that we appreciate that water resources are becoming harder to obtain and more complex to allocate, regulations are more burdensome, and budgets are increasingly tight in California. The development of new collaborative relationships and consolidated entities is an important path to innovation and improvement. Raftelis can bring diverse and even sometimes adversarial stakeholders together, and we can do it while sticking to a project budget.

I will lead our diverse and knowledgeable team, bringing my more than 25 years of national experience in utility governance, collaboration, and management, including experience drafting the American Water Works Association's policy on regional collaboration. I am supported by Zach Green, Jim Armstrong, John Mastracchio, and Melissa Elliott of Raftelis, and Gwyn-Mohr Tully with his team at Zanjero, our subcontractor partners, who were involved in the Sacramento Regional Water Utility Collaboration Study. Other Raftelis team members – Kevin Kostiuik, Lisa Wilson, and Doug Spiers – will bring specific expertise developing consolidated water rates, implementing HR systems, and integrating technology systems for California utilities.

We're confident that we are the absolute best partner for this engagement, and we look forward to the opportunity to work with you again. If you have any questions or would like more information, please contact me at 207.303.0138 or email sgarrison@raftelis.com.

Sincerely,



Seth Garrison
Senior Manager



445 S. Figueroa Street, Suite 1925,
Los Angeles, CA 90071

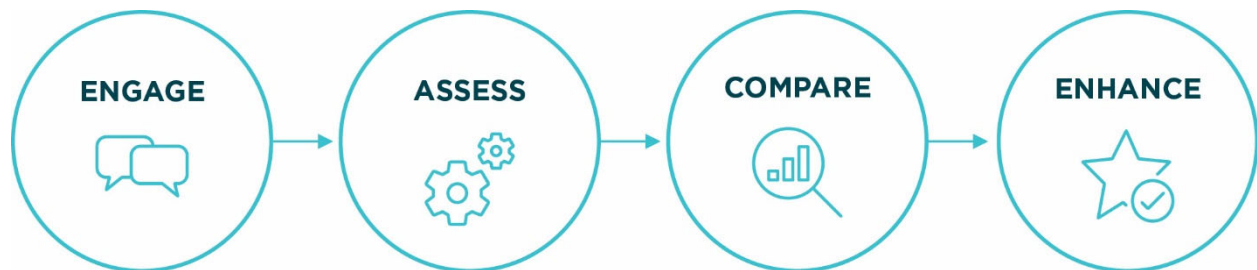
Approach to Conducting a Financial and Operational Review of Public Utilities

Our team brings the experience of working with dozens of utilities in California and across the country that have conquered a range of challenges and successfully realized savings and efficiency gains through various types of partnerships and consolidations. There are many lessons to be learned from these efforts, and we want to share these lessons with you as we helped assess a possible consolidation between Sacramento Suburban Water District (SSWD) and Carmichael Water District (CWD).

Our clients have achieved shared outcomes through extremely varied methods ranging from memoranda of understanding to fully combined operations. With our help, they have found workable ways to address:

- Water resource issues
- Rising capital and operating costs
- Changing regulations
- Growing consumer expectations for a safe, clean, and reliable water supply
- Pressure to limit rate increases and control costs
- Demand for cost-effective financial and technical expertise
- Aging infrastructure and increasing infrastructure deficits

Our overall approach for conducting most types of financial and operational reviews, including collaboration and consolidation efforts, is quite straightforward. It involves four steps which align well to the requested items in the Request for Proposals (RFP). The steps include:



Engage – We have worked with SSWD and CWD recently and our team already has a decent understanding of stakeholders’ motivations and drivers to collaborate, as well as their concerns. We will deepen this understanding by meeting with key staff and board members, identify goals and internal/external customer outcomes, and create a project charter to guide the project.

Assess - Our team will assess each of the important areas of the utilities from customer relations to utility finances and capital improvement planning in order to analyze the details of how a consolidated organization would function and the potential financial implications. We have

assembled a team of highly skilled and knowledgeable experts in utility operations, finances, governance, outreach, and staffing. Together, they will provide unparalleled insight.

Compare - Our team will identify potential changes that could occur under a consolidated model. We will provide a value assessment for each area and compare it to the current costs and practices of the individual agencies. We will evaluate the willingness of the partners to manage or “own” the service area and to relinquish responsibility. We will also look at how services could be effectively shared. This will help us identify possible models for consolidation across a full range of alternatives, from status quo to inter-District sharing or contracting to full consolidation.

Enhance – Our team will provide an assessment of each key aspect of the utilities’ functions under a consolidated model, including financial implications and operational changes required. The resulting study will capitalize on quick wins and consider the challenges associated with water resource and organizational consolidation in California.

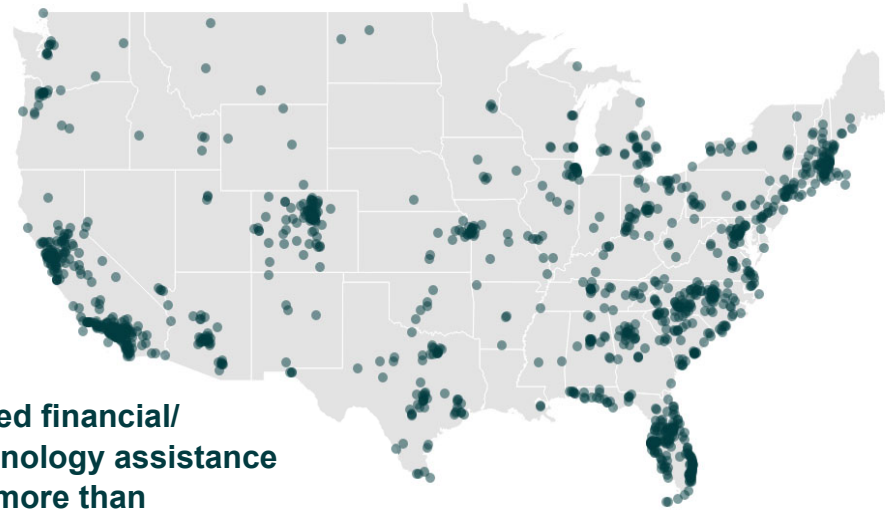
How Our Team Will Work with CWD and SSWD

Successful collaboration efforts start with building an inclusive, highly transparent foundation that involves public officials, leadership, and utility staff to identify common ground. This core engagement step is essential. We believe that we are well on our way, based on the previous regional collaboration work with the two agencies.

From that foundation of engagement and understanding, our team will proceed through a detailed analysis that evaluates key utility activities, selects achievable options, and pays attention to the details. Each step occurs with the involvement of key stakeholders. Successful collaborations require building a strong guiding coalition, strategic communication between all stakeholders, and resolution of organizational impacts to the collaborating jurisdictions. Combined, these keys to success help to maintain the momentum necessary to see the selected shared service efforts through to transition and implementation.

We will help the agencies build on the existing regional collaboration work that has already been done by highlighting relevant drivers, such as growth, and connecting them to the needs and wants of stakeholders at each utility. Our experience working with utility collaborations including shared services, wholesale purchase, interconnection, purchasing treatment capacity, joint ownership, and full consolidation shows that identifying the right reasons for the change at the outset is critical.

Our team will use a careful, proven process to engage stakeholders and analyze activities that ensures that collaboration drivers are defensible. We’ve found that proponents tend to oversell some benefits and often neglect motives for the individuals that must implement the change. What motivates are benefits that can be realized quickly, that are focused on service improvement and avoided costs, especially at the individual level. We will identify how quality of service, innovation, and organizational capacity benchmarks would be defined and measured.



Raftelis has provided financial/organizational/technology assistance to utilities serving more than 25% of the U.S. population.

Firm's Experience

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

Our staff has assisted more than 1,200 utilities and local government agencies across the U.S., including hundreds in California. In the past year alone, Raftelis worked on more than 1,000 financial, organizational, and/or technology consulting projects for over 600 agencies in 46 states, the District of Columbia, and Canada.

Below, we have provided descriptions of our projects that are similar in scope to yours. We have included references for each of these clients and urge you to contact them to better understand our capabilities and the quality of service that we provide.

Sacramento Regional Water Utility Collaboration/Integration Study CA

In 2020-21, the seven participating agencies of the Sacramento Regional Water Utilities sought to build successful collaborative efforts to benefit all agencies and their customers with help from Raftelis. Raftelis worked closely with the participating agencies to identify, analyze, and help foster collaborations of all types, across several service areas. We helped through the following activities:

- Benchmarking and programs comparisons across entities

- Building financial models to evaluate different delivery approaches and financial implications
- Reviewing legislation, policies, and standard operating procedures (SOP)
- Stakeholder engagement and communication
- Identifying and studying collaboration opportunities

SPLASH Study WI

People in northeastern Wisconsin share many things in common: a love for their prized cheese, the outdoors, and the Packers. One thing they haven't always shared is an effective way for their water utilities to collaborate. That has changed thanks to Raftelis and the SPLASH Study. SPLASH is an acronym for Sustainable Partnership Linking Area Services and H₂O. SPLASH was a joint effort between Green Bay Water Utility (GBWU) and the utilities that comprise the Central Brown County Water Authority (CBCWA) to identify opportunities for shared cost saving, greater efficiencies, and better customer service. It built on past and ongoing efforts between the agencies and the communities they serve.

With growth continuing in the area and a shift away from heavy manufacturing, it was vital that GBWU and CBCWA explore new and innovative ways to manage costs and provide better services. Raftelis helped the communities examine the services each organization provides and identified opportunities for collaboration. The SPLASH Study identified where the organizations can get together to benefit customers. The communities found many ways to work together, such as combined meter purchasing and joint tank painting contracts.

Monterey Peninsula Water Management District CA

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

City of St. Helena CA

The City of St. Helena (City) retained Raftelis in December 2020 as it was entering a Phase II water shortage emergency. While the City had formerly developed a water allocation approach to rationing water, it did not have a penalty structure in place to support the enforcement of shortage allocations. Raftelis worked with City staff and the City Council over the course of several months to identify the most appropriate penalty structure and monetary penalties. Considerations were given to the primary policy goals of a water penalty, a review of water penalty structures at similar water providers across California, and the legal and practical limits on penalty pricing. The penalty structure was adopted in the spring of 2021 and went into effect in June 2021. Subsequent to the penalty project, the City retained Raftelis to assist in developing, managing, and enforcing monthly water allocations. The Raftelis financial team developed individual, account level allocations based on the City's adopted criteria and was responsible for updating and amending these individual allocations on a monthly basis. Raftelis data services built a software program to interface with the City's customer information and billing system and automate a monthly routine of comparing water use to water allocation. Finally, Raftelis' strategic communications group assisted City staff in the development of conservation messaging, form letters generated by the City system to customers, as well as participation in local meetings about the local water emergency.

Carmichael Water District CA

Zanjero has worked continuously for Carmichael Water District (CWD) over the last 10 years, preparing comprehensive water supply analyses to determine the short- and long-term reliability of CWD's water assets. This work revealed flaws in CWD's water rights and the need to secure additional water supplies to augment potential dry year and regulatory shortfalls. Zanjero helped CWD secure additional water assets to meet short-term needs and has out-lined actions to acquire additional water assets to meet long-term water portfolio diversification objectives. Zanjero assisted CWD in executing its first groundwater sub-situation water transfer and identified opportunities to share water assets among CWD's regional water agencies.

Zanjero assisted CWD in coordinating regional conjunctive use actions, drafting legislation for groundwater banking, and managing actions associated with the Aerojet-Rocketdyne groundwater contamination. The firm assisted CWD in developing an infrastructure and water delivery project with Golden State Water Company and recently prepared a detailed assessment of opportunities to expand water diversion, treatment, and delivery from CWD's existing water diversion facilities on the American River. The firm also continues to assist CWD in addressing water management issues related to environmental considerations in the lower American River. Zanjero is coordinating on-going cooperative water actions between CWD and SSWD to develop surface supplies for Sacramento Suburban Water District and deliver them through CWD's facilities.

2018 American River Water CA

Including San Juan Water District (SJWD), Sacramento Suburban Water District (SSWD), Carmichael Water District (CWD), Fair Oaks Water District (FOWD), Citrus Heights Water District (CHWD), and the City of Sacramento (City)

Zanjero prepared the first-ever multi-agency through-Delta regional groundwater substitution transfer that included managing water assets from six agencies. The firm prepared the technical assessment of surface water available for transfer as well as the mechanisms to replace the transferred surface water with groundwater among the participating public agencies – including cross-boundary groundwater deliveries. Zanjero prepared a regulatory compliance tactical plan and coordinated engagements with State Water Board staff, including assessing the water rights involved in the transaction and the materials necessary for regulatory approvals. They negotiated the terms for the water transfer with the purchasing party on behalf of the participating agencies and finalized all transaction details. Zanjero worked with all participating agencies in implementing all State Board transfer conditions and helped develop confirmation reporting materials. The firm coordinated all delivery actions with the United States Bureau of Reclamation and the California Department of Water Resources to use delta conveyance facilities to transport water to the buyers. The water asset sales price exceeded \$4.5 Million.

Suffolk County Water Quality Management District NY

For the 1.5 million people of Suffolk County, New York, there has been a disconnection between the regional water and wastewater suppliers, predominately the Suffolk County Water Authority (SCWA), and the regional wastewater providers, notably the Suffolk County Department of Public Works. To help address these problems, Suffolk County retained Raftelis to conduct a Countywide Water Quality Management District Feasibility Study. The study was commissioned to help the County move beyond the planning phase of efforts to improve water quality, and into a comprehensive and well supported implementation phase. The goal was to unify efforts, potentially unite various water and wastewater entities, and to provide more cohesive services to address water quality. Raftelis led a team of local engineering, public relations, and legal partners to develop a community-supported implementation plan.

Products of the engagement included a spatial tool used by the County for ongoing program management, identification of expanded and new functions and staff, a financial planning and rate model with 30 years of capital and operating projections, and an implementation plan covering recommended governance and legal considerations. Raftelis also worked with the County to ensure the rate design considers affordability for vulnerable populations, which is of particular importance given the relatively high cost of living in the region.

Montgomery County/City of Dayton OH

Raftelis led the economic evaluation team in completing a water efficiency and shared services evaluation and master plan for the City of Dayton's (City) water system. The project included developing a long-term strategic business plan to help guide the organization's operation and infrastructure investments. We performed an assessment of current operational efficiency, which identified areas with the most potential for savings and "quick wins." The assessment included multiple departments and functions and considered shared back office and core services with neighboring utilities. The project also involved completing benchmarking studies to assess cost competitiveness and in-depth financial analysis of shared services options.

Financial analysis included completing water and sewer rate studies for the City, consisting of estimation of revenue requirements, development of financial planning models, facilitating workshops, completion of cost-of-service evaluations, and developing projections of utility rates. This analysis resulted in successfully developing a long-term (40-year) shared services contract between the City of Dayton and Montgomery County.

Charlotte Water NC

Charlotte Water is a department of the City of Charlotte, providing regional water and wastewater services. The City and Mecklenburg County are national leaders in operating under a shared services or functional consolidation model. Services such as purchasing, planning, risk management, and others are performed jointly under Service Level Agreements.

Raftelis helped establish a number of collaborative arrangements including laboratory services and regional water supply management. A laboratory services function and single laboratory was developed to provide sampling and testing services on a contract basis for the Water Treatment Division, Wastewater Treatment Division, Collection and Distribution Divisions, Industrial Pretreatment Program, Mecklenburg County Land and Environmental Services, Mecklenburg County Health Department, and Union County Wastewater Treatment Department. Also, the Catawba Wateree Management Group was formed. This nonprofit organization is composed of 18 water suppliers in the Catawba Wateree basin that jointly manages water supply and other activities for the benefit of the entire region. Examples of other collaborations that led to shared services were a 311 call center, asset management, training, street patching, billing, and customer service.

City of Bullhead City AZ

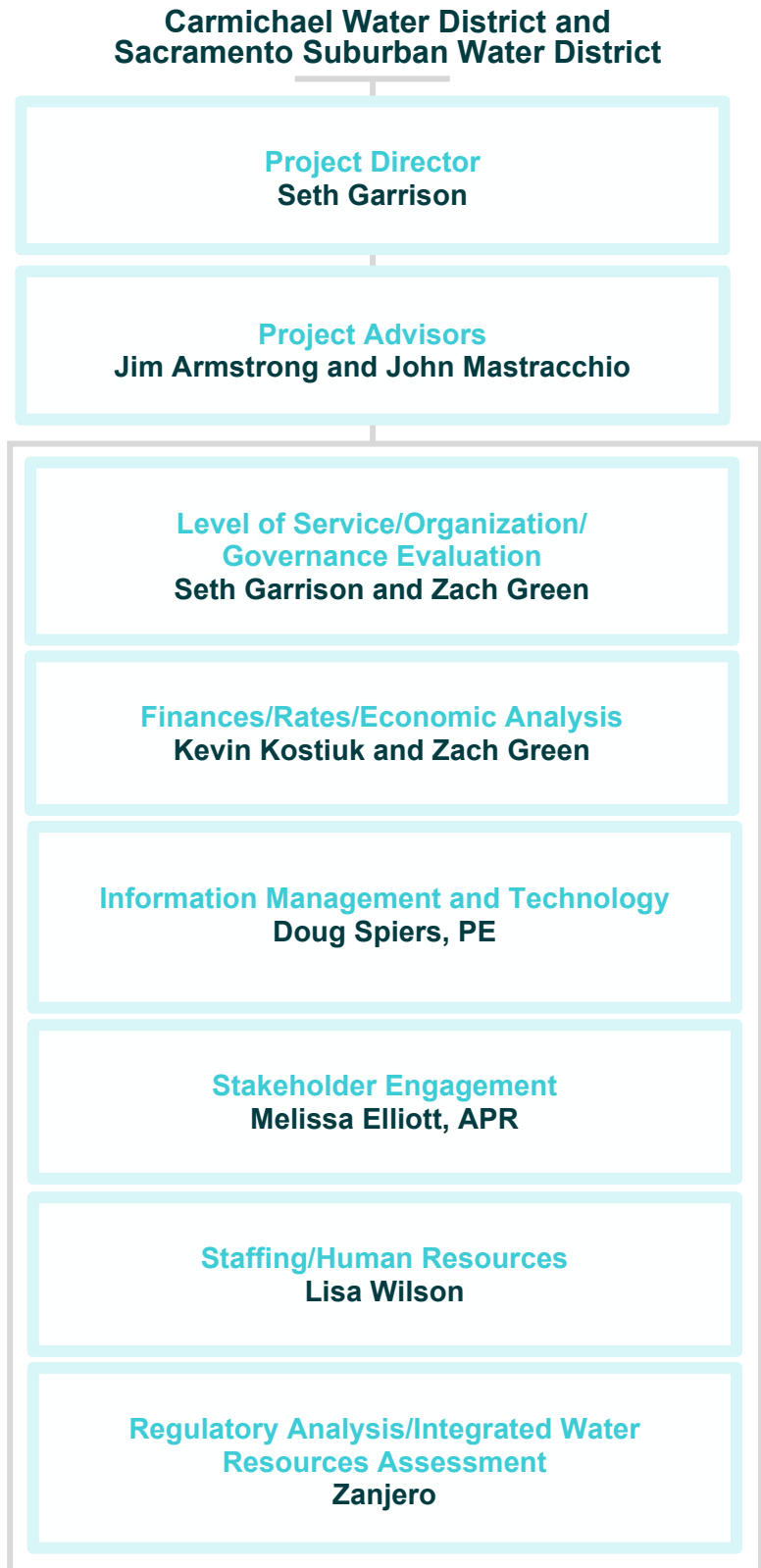
A series of significant rate increases caused the City of Bullhead City (City) to consider acquiring the assets of its private water supplier EPCOR. The City asked Raftelis to help ascertain the value of the EPCOR system using multiple approaches that would be defensible if the City chose to pursue an eminent domain acquisition. The City also asked Raftelis to develop an acquisition plan that addressed each of the key elements of water system operation and management, including an appropriate organizational structure, staffing, regulatory compliance approach, and operations and maintenance framework. Raftelis' work highlighted opportunities to take advantage of cross training, attrition, and the efficiencies of the public organization structure to reduce the current number of water system positions without compromising service.

On July 16, 2019, the City Council approved an initiative for the November ballot, Proposition 415, asking residents to allow the City to acquire EPCOR Water Arizona's local water system. Proposition 415, which was passed by voters, approved up to \$130 million to purchase the system (and other systems) through the sale of bonds payable from rates charged for water service. Bullhead City is now in the process of acquiring the water system.

Team Organization

Assessing the consolidation opportunities requires a knowledgeable team of management, financial, and communications specialists that knows SSWD and CWD, and has successfully helped other utilities achieve similar objectives. We have assembled a team of experts to assess the complex costs and operational implications of consolidated services.

Raftelis places a high priority on being responsive to our clients and, therefore, actively manages each consultant’s project schedule to ensure appropriate availability for addressing client needs. Raftelis currently has a team of more than 130 consultants specializing in financial, organizational, communications, and technology consulting services for water, wastewater, and stormwater utilities. In addition to our dedicated project team, the Participating Agencies will have the support of Raftelis’ full staff. In this section, we have included an organizational chart of the project team.



Team Roles

Below are the descriptions of the team member roles, and on the following page we provide brief descriptions of their qualifications.

Project Director: Seth Garrison

As Project Director, Seth will be responsible for overall project accountability and client satisfaction. Seth will manage the day-to-day aspects of the project ensuring it is within budget, on schedule, and effectively meets your needs. He will also lead the consulting staff in conducting analyses and preparing deliverables for the project.

Project Advisors: Jim Armstrong and John Mastracchio, CPA

Jim and John will help guide the project team in providing insight and analysis, particularly on the financial aspects of potential consolidation.

Level of Service/Organization/Governance Evaluation: Seth Garrison and Zachary Green

Seth will lead the Level of Service, Organization, and Governance Evaluation in addition to his role as Project Director. He will be supported by Zachary, who has diverse experience as a financial and management consulting expert.

Finances/Rates/Economic Analysis: Kevin Kostiuik and Zachary Green

Kevin and Zach will assess and quantify the economic and financial aspects of the collaborative alternatives that are identified during the project.

Stakeholder Communications: Melissa Elliott, APR

Melissa will advise on strategic communications aspects of the project including the development of a communications plan and assisting with messaging and engagement strategies.

Staffing/Human Resources: Lisa Wilson, PHR, SHRM-CP

Lisa Wilson is a human resources specialist and will provide assistance in evaluating staffing, employee benefits, and labor aspects of the project.

Regulatory Analysis/Integrated Water Resources Assessment (Zanjero): Gwyn-Mohr Tully, JD; Greg Young; Jim Crowley; Michael Preszler; Frank Lyles; Robert Heather; Kris Olof; Dave Bolland

Team roles for our subconsultant, Zanjero, are provided in the Sub-Consultant section.

Seth Garrison

Senior Manager (Raftelis)



PROFILE

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

Seth is the recent past Chair of the AWWA's Strategic Management Practices Committee, which is fostering collaboration at the national level as the source of AWWA's national policy on regional collaborations. He is also rewriting AWWA's *M5 Utility Management Manual* – the industry guide for utility management

KEY PROJECT EXPERIENCE

- Sacramento Regional Water Utility Collaboration/Consolidation Study (CA)
- Central Brown County Water Authority and Green Bay Water Utility SPLASH (WI)
- Suffolk County Department of Economic Development and Planning (NY)
- Monterey Peninsula Water Management District Utility Acquisition (CA)
- Bullhead City Utility Acquisition (AZ)

Education

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

Certifications

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

Professional Memberships

- AWWA: Past Chair of Strategic Management Practices Committee & Member of the Benchmarking Co.
- WEF: Utility Management Committee
- New England Water Environment Association: Utility Management Committee
- New England Water Works Association

Jim Armstrong

Principal Consultant (Raftelis)

PROFILE

Prior to joining Raftelis, Jim had a long and successful local government career in four California cities. Most recently, he served as City Administrator of Santa Barbara from 2001 to 2014. During his tenure, he successfully led the City through the 2008-10 recession; completion of a General Plan update; two major wildland fires; and the dissolution of the City's Redevelopment Agency. He was instrumental in the creation of the City's Neighborhood Improvement Task Force and the South Coast Task Force on Youth Gangs. Santa Barbara also implemented a comprehensive performance management program under Jim's direction.

After leaving government service, Jim has provided consulting services for several California cities and special districts. His assignments have included management studies, executive recruitments, and development of long-term financial plans. He is known for his extensive knowledge of local government finance, budgeting, and financial analyses.

KEY PROFESSIONAL AND PROJECT EXPERIENCE

- Ralph Andersen & Associates: Senior Consultant (2015-2018)
- Santa Barbara (CA): City Administrator (2001-2014)
- Fullerton (CA): City Manager (1992-2001)
- Anaheim (CA): Assistant City Manager (1990-1992)
- Hanford (CA): City Manager (1983-1990)
- Anaheim (CA): Assistant to the City Manager (1979-1983)
- Assisted with the Sacramento Region Water Utility Collaboration/Consolidation Study (CA)



Education

- Master of Public Administration - California State University, Long Beach
- Bachelor of Arts in Psychology, Political Science, Cum Laude - University of California, Los Angeles

Professional Memberships

- Santa Barbara County City Managers Association: Chair
- Orange County City Managers Association: President
- South San Joaquin Valley City Managers Association: President
- International City/County Management Association: Life Member
- Santa Barbara Neighborhood Clinics: President of the Board
- Channel Islands YMCA: Chair of the Board, Treasurer
- Santa Barbara Rotary Foundation: President
- Santa Barbara County United Way: Board of Directors
- Aircraft Owners and Pilots Association
- Experimental Aircraft Association

John Mastracchio ASA, CFA, PE Executive Vice President (Raftelis)

PROFILE

John is an Executive Vice President serving in a national role and leading the Northeastern practice of Raftelis. He has more than 25 years of experience as a financial and management consultant serving the utility, governmental, and private sectors. His extensive experience includes over 250 financial projects covering technical areas including financial planning and rate setting, capital financing, asset management, regionalization, valuation, litigation support, and transactional consulting, and spans several utility sectors including water, wastewater, electric, solid waste, and stormwater, along with consulting for federal and municipal general government, transportation, and ports.

John has authored manuals of practice and utility industry papers on valuation, infrastructure investment, capital financing, financial management practices, and rate-setting, including AWWA's *Manual of Practice M1, Principles of Water Rates, Fees, and Charges*; *Water Rates, Fees, and the Legal Environment*; *Manual of Practice M29, Water Capital Financing*; and *Financial Management for Water Utilities: Principles of Finance, Accounting, and Management Controls*, along with the textbook *The Effective Water Professional: Leadership, Communication, Management, Finance, and Governance*, published by the Water Environment Federation (WEF).

KEY PROJECT EXPERIENCE

- Sacramento Regional Water Utility Collaboration/Consolidation Study (CA)
- Central Brown County Water Authority and Green Bay Water Utility SPALSH (WI)
- Suffolk County Department of Economic Development and Planning (NY)
- Monterey Peninsula Water Management District Utility Acquisition (CA)
- Tri Village Collaboration (NY)



Education

- Master of Business Administration, Finance - Cornell University (2001)
- Master of Science, Civil & Environmental Engineering - Clarkson University (1994)
- Bachelor of Arts - State University of New York, College at Geneseo (1993)

Certifications

- Accredited Senior Appraiser (ASA)
- Chartered Financial Analyst (CFA)
- Professional Engineer (PA)
- Lean Six Sigma
- Series 50 Municipal Advisor Representative

Professional Memberships

- American Society of Appraisers
- AWWA: Chair of Finance, Accounting, & Management Controls Committee
- CFA Institute
- WEF

Zach Green

Manager (Raftelis)



PROFILE

Zach has an interdisciplinary background in water sector economics, science, and utility management, in both public and private settings. He is a frequent speaker at local, state, and national conferences, with a current focus on utility financial and strategic planning, cost-of-service and rate studies, cost-benefit analyses, shared service assessments, and affordability research. Zach's typical projects aim to achieve deep collective understanding through facilitated multi-stakeholder strategic decision-making processes supported by strong analytical foundations.

KEY PROJECT EXPERIENCE

- Sacramento Regional Water Utility Collaboration/Consolidation Study (CA)
- Central Brown County Water Authority and Green Bay Water Utility SPALSH (WI)
- Suffolk County Department of Economic Development and Planning (NY)
- Monterey Peninsula Water Management District Utility Acquisition (CA)
- Tri Village Collaboration (NY)

Education

- Master of Public Administration - Maxwell School of Citizenship & Public Affairs at Syracuse University (2014)
- Master of Professional Studies - SUNY College of Environmental Science & Forestry (2014)
- Bachelor of Science in Applied Economics & Management - Cornell University (2006)

Kevin Kostiuik

Manager (Raftelis)



PROFILE

Kevin has a background in economics and accounting and possesses extensive analytical skills. His expertise lies in water resources management, environmental economics, environmental policy, and federal water supply and flood control policy. Kevin is a member of the American Water Works Association (AWWA) Young Professionals and the Young Professionals Summit Committees in conjunction with the AWWA Utility Management Conference (UMC). He has authored an article on potable reuse in Journal AWWA discussing the treatment, financing structures, and pricing of treated water at advanced purification treatment plants; an article on municipal water demand pattern changes during the recent State-wide drought; and an article on proactive financial planning in times of drought for California Society of Municipal Finance Officers (CSMFO) Magazine. Most recently Kevin presented at the AWWA UMC discussing a recent evaluation of the conceptual CustomerSelect rate model for Soquel Creek Water District.

KEY PROJECT EXPERIENCE

Placer County Water Agency (CA)

In Phase I of the project, Kevin evaluated the current system's four service zones and numerous service classes and customer classes. In Phase II, Raftelis performed a cost allocation study between the four proposed classes of service to identify the cost of providing service to these distinct users. Phase III consisted of performing cost-of-service analyses for PCWA's four service classes and developing corresponding rates. Additional to the water system evaluation and cost-of-service study, Kevin developed a water budget model for PCWA's internal use.

Soquel Creek Water District (CA)

Kevin participated in several workshops with the District's citizen Water Rates Advisory Committee and Board of Directors to develop of policy framework for the rate structure and conduct pricing objectives exercises with both groups. Kevin served as the assistant project manager and oversaw the model creation for the financial plan, tiered rate model, and CustomerSelect rate model.

Specialties

- Water & Drought rate design
- Utility cost-of-service
- SGMA

Professional History

- Raftelis: Manager (2020-present); Senior Consultant (2014-2019); Consultant (2014-2015)
- Turner New Zealand, Inc.: Director of Operations (2009-2012); Accounting Manager (2007-2009)
- Lesley, Thomas, Schwarz & Postma, Inc.: Staff Accountant (2007)

Education

- Master of Environmental Management - Duke University (2014)
- Bachelor of Arts in Business-Economics & History - UC, Santa Barbara (2006)

Doug Spiers PE

Vice President (Raftelis)



PROFILE

Doug brings over 35 years of experience in strategic planning, information technology, customer management, asset and maintenance management, organizational assessments, and business work practice improvements to help many of the most forward-looking utilities in North America. He specializes in a variety of business, technology, and management consulting services to improve the utilities' overall efficiency, effectiveness, and service level.

Doug works closely with utility executives to achieve optimal performance by aligning their organization, operations, business processes, work practices, information systems, and performance measures with their desired strategic business goals. Through Board and executive management visioning sessions, interactive manager and staff workshops, performance assessments, and extensive knowledge of industry best practices, Doug helps solve utilities' most complex business and technology issues.

KEY PROJECT EXPERIENCE

Santa Clara Valley Water District (CA)

Doug led the Operations and Management Review for the Santa Clara Valley Water District to assess the current efficiency and effectiveness of the water operations.

El Dorado Irrigation District (CA)

Doug managed the transformation and upgrade of the CIS and CMMS solution for the El Dorado Irrigation District (District). Doug also led the Comprehensive Management and Operations Assessment of the District's practices.

East Bay Municipal Utility District (CA)

Doug provided subject matter expertise in the assessment of East Bay Municipal Utility District's computerized maintenance management systems (CMMS) and asset management program.

Education

- Juris Doctorate – Santa Clara University (1992)
- Master of Science in Environmental Management - University of San Francisco (1995)
- Bachelor of Science in Chemical Engineering – Cal Poly Pomona (1980)

Certifications

- CA State Bar #165762
- PE Chemical Engineer CA #4143

Professional Memberships

- AWWA Chair of Strategic Management Practices Committee
- AWWA: CA/NV Section, Past Chair of Asset Management Committee
- AWWA: CA/NV Section, Past Chair of Information Technology

Melissa Elliott APR

**Vice President of Communications and Marketing
(Raftelis)**



PROFILE

Melissa's 25+ year public relations career is focused on helping water and wastewater utilities and municipalities tell their stories. She consults with local government and utility leaders on strategic communication planning, stakeholder engagement, and risk communication strategies for Raftelis. She also provides strategic counsel and facilitates public involvement efforts and public meetings. Highly active in the water industry, Melissa is the Immediate Past President of the American Water Works Association, is a former chair of AWWA's Public Affairs Council, and a regular volunteer for The Water Research Foundation. Prior to joining Raftelis, Melissa directed the public affairs efforts at Denver Water, which included creating public engagement strategies for massive infrastructure projects, developing a nationally recognized lead service line replacement program, and leading conservation outreach efforts through the innovative "Use Only What You Need" campaign.

KEY PROJECT EXPERIENCE

Sacramento Utility Collaboration and Integration Study (CA)

Melissa provided facilitation and strategic communications planning to help the partners determine how best to talk about the study, its benefits, and their relationship to each other.

Sweetwater Authority (CA)

Sweetwater Authority asked Melissa to develop a 5-year master communications plan to provide structure and strategy to the utility's communications efforts.

City of Port Hueneme (CA)

Melissa directed public outreach efforts for the City of Port Hueneme (City) that included the development of an infographic that explains the City's rate structure changes, a Proposition 218 notice, and three public workshops to explain the changes.

Education

- Graduate, Water & Wastewater Leadership Center - University of North Carolina, Kenan-Flagler Business School (2016)
- Master of Science in Technical Communication (Public Relations) - Colorado State University (2005)
- Bachelor of Arts in Technical Journalism (Public Relations) - Colorado State University (1991)

Professional Memberships

- AWWA: Immediate Past-President; Former Public Affairs Council Chair; Former Strategic Planning Committee Chair
- AWWA/WEF Transformative Issues Symposium on Affordability: Former Chair
- WEF
- NACWA
- Public Relations Society of America: Accredited in Public Relations (APR)

Lisa Wilson PHR, SHRM-CP

Director of Human Resources (Raftelis)



PROFILE

Lisa has more than 13 years of public and private sector Human Resources experience including 5 years serving as a Human Resources Professional at Orange Water and Sewer Authority (OWASA). Her experience includes partnering with leadership to align human capital initiatives with business strategy. Her progressive accomplishments in the areas of employee development include leading performance management processes that effectively utilize assessment tools to identify competencies, create development plans and including identified training opportunities, and track progress towards established goals.

KEY PROJECT EXPERIENCE

Orange Water & Sewer Authority (NC)

Employee Relations: Built a strong consultative relationship with managers and acted as key HR contact, trusted advisor, and sounding board for managers. Provided guidance to managers throughout the employee lifecycle.

Performance Management: Led the annual talent review process allowing for employees and managers to develop and track goals, objectives, and developing competencies. Collaborated with managers to develop expectation setting letters and performance improvement plans.

PEAK 10

Employee Relations: Built a strong consultative relationship with leaders and acted as a trusted advisor and sounding board. Provided guidance to managers throughout the employee life cycle.

SABIC

Organizational Effectiveness: Fostered a collaborative environment conducive to positive dialogue across the organization. Personal efforts include conducting employee focus group to capture feedback regarding the bi-annual All Employee Survey.

Performance Management (Sabic)

Bolstered their performance driven culture by redesigning the non-exempt performance appraisal forms. Developed and rolled out communication plans and on-line and live training sessions.

Education

- Master of Science in Human Resources – Western Carolina University (2014)
- Bachelor of Arts in Psychology – University of North Carolina at Chapel Hill (2000)

Certifications

- Human Resources Certified Professional (SHRM-CP) designation from the Society of Human Resources Management (2015)
- Professional in Human Resources (PHR) designation from Human Resources Certification Institute (2006)

Approach to Conducting the Required Study

Raftelis has developed the following approach for this work, which will result in a comprehensive study of current forms of governance, operations, and financials across the two Districts, and will develop a range of alternatives for potential collaboration and consolidation.

Task 1: Project Initiation and Management

We will use the kick-off meeting to identify important project outcomes and, more importantly, to create a shared vision for this engagement. Our team will meet with the Joint Committee and/or other designated representatives from the Districts to establish projects goals, key tasks and milestones, and non-negotiables, as well as to identify potential areas for collaboration, including consolidation of the entities. We will prepare a document/data request for each District to gather important background information.

Our team will develop a project plan with communication expectations, a timeline, and a project charter to clearly identify stakeholder expectations, goals, in-scope and out-of-scope activities, success factors and potential risks, key participants, and constraints as a product of the kickoff meeting. Getting buy-in on the project plan from stakeholders will be a critical success factor.

DELIVERABLES:

- Agenda, kick-off meeting materials, and participation
- Project plan with communication expectations, a timeline, and a project charter

Task 2: Describe the Current Environment

In this task, our team will review and document how each District operates, including services and programs, service standards, policies and procedures, staffing levels, structure, governance, costs, and -- something that is often overlooked -- culture. Because of our work on the previous Sacramento Regional Collaboration study, we are familiar with the two entities which will allow us to expedite some of the data gathering.

Our team will thoroughly analyze and assess the financial condition and practices of each District. We will review financial documents, including the ACFR and budget at a minimum, and document rate structure, financial policies, asset base, reserve levels, annual revenues, customer volume, pension liabilities, operating expenses, credit ratings, debt capacity, connection fees, and more. We will then shift focus to the range of alternatives, which will be subjected to analytics necessary to determine how shared or combined finances would impact the fiscal condition of the Agencies and what the resulting ratepayer burdens look like over time.

DELIVERABLES:

- Summary of current operations and forms of governance at both Districts
- Summary of financials at both Districts

Task 3: Identify Opportunities and Challenges

We will compare and contrast the operating models of each entity and of a consolidated entity using a business case format. In this phase, we will comprehensively analyze and identify opportunities and challenges to change the District's operations, that addresses:

- Governance form/structure
- Organization structure
- Service sharing/integration
- Facilities sharing/integration
- Financial impacts and challenges of combining Districts
- Staffing opportunities, impacts, and challenges
- Stakeholder and community organization outreach
- Other opportunities and challenges.

For each item above, our team will identify opportunities and challenges for consolidation or sharing between the Districts, associated costs and benefits (such as cost savings), key factors needing to be addressed, and more. In particular, we will perform this analysis informed about known and potential future changes that might impact operations (e.g., growth or legislation). For governance, we will assess issues of apportionment, customer equality, and equity. For staffing, we will include discussion of the impact with respect to collective bargaining. This analysis will also be informed by information from our work with other clients in the region as a means of comparison.

We will review preliminary observations and recommendations with the Districts and perform any follow-up required to finalize recommendations.

DELIVERABLES:

- Preliminary observations and recommendations

Task 4: Project Deliverables

Once recommendations have been finalized, our team will prepare a comprehensive draft report with our assessment using data from all project tasks and make recommendations as to whether, and for which services or operations, the Districts can and should consolidate and what the costs and efficiencies are likely to be from such a consolidation. This draft report will detail the information collected, the analysis conducted, and our recommendations, and make use of creative graphics, tables, and figures to clearly tell the story to a broad audience. To ensure factual accuracy, the entities will have the opportunity to provide one round of consolidated comments. Raftelis will then produce and present a final report.

DELIVERABLES:

- Draft and final report.



Our Partner: Zanjero

Zanjero, formerly Tully & Young, is a small business that bridges the gap between traditional engineering firms and traditional law firms. They prepare comprehensive water demand and water supply analyses, analyze water rights and contracts, and develop water management strategies to meet their client's short- and long-term objectives. They recognize that each client's water assets are valuable resources that deserve protection, and, where appropriate, monetization. They have executed unique water transfers, water preservation strategies, and planning assessments in the western United States.

Through nearly 50 years of collective experience, Zanjero has built a unique skillset in California, comprising practical knowledge of water governance, water rights, transfer protocols, infrastructure configurations, Delta operations, water user dynamics, and urban and agricultural water needs. Further, they have prepared regulatory compliance documents, developed legislation and regulations, prepared water management agreements, facilitated stakeholder meetings, and modeled potable water delivery systems. Their firm has worked on projects that involve all levels of government, non-government, and private business, giving us unparalleled insight into the needs and challenges of water management from multiple perspectives.

Zanjero has served dozens of clients in California through hundreds of projects throughout the state and across many sectors. Most of their clients have active projects within the last two years and frequently request that Zanjero propose on follow-up tasks and new projects. Their repeat business with existing clients demonstrates their understanding of complex water management issues and the quality of their work – a hallmark for the survival of our small business. Most importantly, Zanjero clients repeatedly affirm that they provide exemplary work products as well as the personal attention to detail that only small businesses truly embrace.

Team Roles

Regulatory Analysis Lead: Gwyn-Mohr Tully, JD

Gwyn-Mohr will analyze the opportunities to integrate water asset management between Carmichael Water District and Sacramento Suburban Water District by emphasizing beneficial use of regional surface water assets, conjunctive use activities and options, and conveyance alternatives for optimal water allocation. He will closely work with Seth Garrison on characterizing water management opportunities and challenges for the districts, facilitating water integration discussions, and helping develop creative collaboration options.

Integrated Water Resources Assessment Team: Greg Young and Jim Crowley

Greg and Jim will work closely with Gwyn-Mohr on technical components related to districts integration activities including long-term water demand analysis, infrastructure opportunities and limitations, and potential water resource impacts derived from sharing water assets and system operations. Greg and Jim will assist in developing materials for stakeholder briefings and facilitation.

Technical and Regulatory Support: Michael Preszler, Frank Lyles, Robert Heather, Kris Olof, and Dave Bolland

The Zanjero supporting team will provide detailed technical and regulatory analyses and support on water management issues developed as part of the integration assessment. The Zanjero supporting team will also conduct water rights research, mapping consultation, and data management to support the water asset and systems integration components of the joint study.

Gwyn-Mohr Tully JD

Zanjero



PROFILE

Gwyn-Mohr is a licensed attorney in California with over 25 years of experience in surface and subsurface hydrology, law, and policy. Gwyn-Mohr consults with public agencies and private clients on developing and implementing water resource management plans and individual water projects. In this context, Gwyn-Mohr has conducted water rights investigations; assessed contractual water obligations; negotiated water transfers; prepared water settlements; evaluated surface and subsurface water supplies; prepared regulatory, legal, and political assessments; researched historical water rights and supplies; and conducted and coordinated high-level stakeholder interactions. Gwyn-Mohr wrote an Amicus Brief to the California Supreme Court in the case *Barstow v. Mojave* on the fundamental underpinnings of California Water Rights law.

Education

- J.D., University of the Pacific, McGeorge School of Law
- M.A., Geography (hydrology), University of Montana
- B.A., Geography, UC, Berkeley

Registration

- California State Bar No. 199525

KEY EXPERIENCE

Principal, Author, Water Supply Section for DWR's 2020 UWMP Guidebook, California Department of Water Resources. Researched and analyzed all statutory criteria for preparing a water supply analysis for the 2020 UWMP cycle. Prepared guidance for urban water suppliers on how to meet the statutory criteria and prepare detailed assessments of all water supplies in a water supply portfolio.

Principal, Comprehensive Water Management Strategy and 2020 UWMP, City of Benicia. Assessed intricacies of all water supplies available to the City and addressed attributes and vulnerabilities. Created comprehensive water management strategy that identified monthly water availability and integrated supplies to meet long-term water planning objectives. Identified new water supplies for City with neighboring purveyors and acquired pre-14 appropriative water right.

Principal, Water Asset Management Strategy, 2020 UWMP, CVP Contract Negotiation, and Transfers, City of West Sacramento. Analyzed the City's water assets and assessed potential to maximize utility and monetize unused portions. Developed annual revenue stream for the City through the CVPIA Accelerated Water Transfer program. Negotiated WIIN Act conversion of CVP Contract and prepared detailed water management analysis for negotiation team. Prepared comprehensive supply and demand assessment for City's anticipated build-out conditions.

Principal, Water Asset Evaluation and Regional Water Transfer Actions, Sacramento Suburban Water District. Analyzed SSWD's water contracts with neighboring agencies and assessed strengths and vulnerabilities.

James P. Crowley PE

Zanjero

PROFILE

James Crowley has over 30 years of experience working in all aspects of water, wastewater, and power development projects. These projects include integrated water resource plans, climate adaption strategies, capital improvement plans, financial analysis, hydropower analysis, energy market strategies, conservation program analysis, master plans, capacity evaluations, renovations, expansions, and operations support to assist utilities in developing and implementing capital improvement projects. James also has a depth of experience in management consulting, assisting utilities in assessing, evaluating, developing, and implementing strategic efforts to optimize both annual operations and long-term capital costs to strengthen utility resiliency.

Education

- M.S., Environmental Engineering, San Jose State University
- B.S., Civil Engineering, Santa Clara University

Registration

- California PE No. 52181
- North Carolina PE No. 25156 (inactive)
- South Carolina PE No. 21123 (inactive)

KEY EXPERIENCE

- Urban Water Management Plans (2005, 2010, 2015, 2020). Placer County Water Agency, Montecito Water District, City of Thousand Oaks, Ventura County WWD #8- Simi Valley, San Bernardino CSD 64, City of Chino Hills, San Juan Water District, Sacramento Suburban Water District, City of Davis, City of Roseville, City of Merced, City of Antioch, City of Vallejo, City of Petaluma, Orange Vale Water Company, Calaveras County Water District, El Dorado Irrigation District, Georgetown Divide PUD, Elk Grove Water Service, Rio Linda/Elverta Community Water District, and South Tahoe PUD.
- Water Conservation Master Plan. Cities of Roseville, Sacramento, and Folsom, San Juan Water District, Sacramento Suburban Water District, and Placer County Water Agency, California.
- Integrated Water Resources Plan and UWMP. City of Petaluma, California.
- US Bureau of Reclamation Water Management Plan Update (2005, 2010). San Juan Water District, Fair Oaks Water District, City of Folsom, Citrus Heights Water District, Orange Vale Water Company
- Customer Demand Analysis and Rate Setting Support. Placer County Water Agency.
- Customer Demand and Conservation Program Analysis. City of Folsom.
- Raw Water Master Plan Update Program Manager. Nevada Irrigation District.
- Groundwater Basin Investigation. City of Pasadena Water and Power.
- District Engineer. Calaveras County Water District.
- Energy Strategy Support. Confidential Clients.

Greg Young PE

Zanjero



PROFILE

Greg is a registered civil engineer with over 30 years of extensive experience in strategic water resource management and planning. Greg helps clients develop workable solutions that meet their fundamental water planning objectives, with experience and skill gained from his work throughout California and other western states. Greg provides expertise to local agricultural and urban water purveyors, public agencies, non-profits and private interests on matters ranging from SGMA compliance, to water asset management and water rights reporting, to aiding clients with the purchase or sale of water assets, to drafting legally supportable documents for use in CEQA and NEPA compliance efforts. Through all of this work, Greg focuses on providing objective-based facts that help his clients make informed decisions regarding the reliable management of their vital water resources.

Education

- B.S., Agricultural Engineering, California Polytechnic State University, San Luis Obispo

Registration

- Registered Engineer: CA #C51255

KEY EXPERIENCE

2020 UWMP development and submittal, multiple clients. Led efforts to prepare multifunctional Urban Water Management Plans for 30 clients throughout the State, ranging from retail and wholesale water suppliers in Southern California to retail suppliers in the Bay Area and Sacramento Valley.

Advisor and guidance development for 2015 and 2020 UWMP Guidebook, CA Department of Water Resources, Sacramento CA. Leading efforts with DWR personnel to revise and update the 2020 UWMP Guidebook to (1) clarify and improve prior guidance and (2) develop new guidance and tools to address several new UWMP Act requirements.

Madera County and Merced County GSA Technical Consultant and Strategist. Acting as the GSA technical lead and providing strategic planning associated with SGMA compliance, working directly for County management.

Water Supply Assessment development, multiple clients. Over the past decade, drafted legally defensible documents for projects throughout California including most recently for Madera County, City of Sunnyvale, Sacramento County, Yuba City, El Dorado Irrigation District, San Benito County, and City of Brisbane. Each WSA involves comprehensive demand analysis, characterization and analysis of water supplies, and close coordination among land-use authority, EIR consultant, project proponent and water supplier.

Michael J. Preszler PE

Zanjero

PROFILE

Michael is a Partner at Zanjero serving as a Strategic Water Advisor with a long and proven track record as an advisor to complex water resources projects. He brings over 30 years of experience managing, evaluating and providing strategic advisory on water rights and water resources projects in California. He has directed and/or carried out legal and technical aspects of major water right projects including hydrology, groundwater, streamflow and watershed simulation modeling for many water projects. He has a deep appreciation and understanding of watershed management, water rights, watershed modeling, state and Federal legislation, and regulation concerning water rights and water quality. Michael is skilled in all phases of planning and management of multi-disciplinary projects including economic, natural resources, water rights, regulatory compliance, permitting, litigation support, settlement negotiations, water accounting, political, social, and administrative concerns relating to the use and conservation of water.

KEY EXPERIENCE

- Santa Margarita River Watershed Watermaster. San Diego and Riverside Counties.
- Customer Demand and Conservation Program Analysis. City of Folsom.
- County-Wide Water Use Efficiency Strategic Plan. El Dorado County Water Agency (EDCWA), El Dorado County.
- Water Right Change Petition. El Dorado County – El Dorado Irrigation District.
- Daguerre Point Dam Hydroelectric Project FERC Environmental Review. Yuba County.
- Snell Valley Ranch Water Availability Analysis. Napa County
- Upper Feather River Integrated Regional Water Management Plan. Plumas County.
- Long-Term Warren Act Contract NEPA Review. Sacramento County, CA, Sacramento Suburban Water District and U.S. Bureau of Reclamation.
- Forebay Dam Modification Project CEQA EIR. El Dorado County.
- Los Padres Dam and Reservoir Long-Term Strategic and Short-Term Tactical Plan. Monterey County.
- Water Rights Optimization Study. El Dorado Irrigation District.
- El Dorado County Supplemental Water Rights Project CEQA EIR. El Dorado County.
- El Dorado Hydroelectric Development Options Study. El Dorado County.
- Regional Water Supply Project EIR. Nevada Irrigation District (NID), Nevada / Placer Counties.

Education

- B.S., Civil Engineering, California State University, Chico

Registration/Affiliations

- California Professional Engineer, No. C55133
- American Society of Civil Engineers
- Association of California Water Agencies

Frank Lyles

Zanjero

PROFILE

Frank is a Water Resource Planner at Zanjero, where he provides a diverse array of services for clients across California. He brings multiple years of experience in local and regional planning, climate change adaptation, water resource management, GIS, and environmental fieldwork. With a background in geology, climate science, and economics, Frank thrives in the challenging multidisciplinary world of complex water resources projects. His specific expertise includes management of adjudicated groundwater basins, stormwater compliance, public water supply infrastructure planning, stream and wetland restoration, and drought adaptation. He has personally led the development of City General Plans, Master Plans, Capital Improvement Plans, and Urban Water Management Plans. Science communication and understanding local history are key to his stakeholder engagement approach, and he seeks to build consensus and buy-in from all parties even in controversial and contentious water disputes. A former AmeriCorps member, he is thoroughly committed to public service and protecting water resources as a public good. He has a deep understanding of watershed management, water rights, State and Federal legislation, CEQA, and water quality regulation.

Education

- B.A., Environmental Analysis, Pomona College, Claremont, CA

KEY EXPERIENCE

Santa Margarita River Watershed Watermaster, San Diego and Riverside Counties.

Provide research, planning, and scientific support to the Santa Margarita River Watershed Watermaster appointed by the U.S. District Court to administer and enforce provisions of the Modified Final Judgement. Led efforts to improve stream gaging, water quality, and groundwater monitoring in the Adjudicated Basin while saving Parties hundreds of thousands of dollars annually and ensuring continuity of high-quality hydrologic data and regulatory compliance.

Stormwater Master Plan, City of Mt Shasta Public Works Department. Lead author of comprehensive update of the City of Mt Shasta's Stormwater Master Plan. This effort included comprehensive field-inspections of the entire City's drainage infrastructure, development of a new GIS asset management system, and creation of a prioritized Capital Improvement Plan. Major themes included climate change adaptation, environmental justice, and use of green infrastructure such as restored wetlands.

Water Resource Element of City General Plan, City of Mt Shasta Planning Department.

Lead author of the Water Resource Element of the City's General Plan, providing goals, policies, and implementation measures to ensure protection and continuity of the City's water resources through 2045. Focus areas included drinking water supply, elimination of inflow and infiltration into the City's sanitary sewers, drought response plans, groundwater management, land use policy around wetlands, funding mechanisms and grant opportunities, and regulations on commercial beverage bottling.

Robert A. Heather EIT

Zanjero

PROFILE

Robert is a Water Resources Engineer at Zanjero. Robert is a Certified Engineer in Training with experience in water rights investigations and research, water accounting, water use efficiency strategic planning, water quality data collection, Geographic Information System (GIS), interpretations of geophysical well logs, electrical power market participation, and regulatory, legislative, and judicial compliance. Robert has both participated and managed projects, and his understanding of time and resource allocation have been implemented in all of his projects.

Robert is highly skilled in communication and organization and provides great strategic and technical assistance in all phases of the planning, management, and/or implementation of various water resource projects.

KEY EXPERIENCE

Santa Margarita River Watershed Watermaster-Assistant. Basin-wide water accounting, water rights research, data collection, record retention, stakeholder interaction, and production of Court ordered annual report as well as administering the Modified Final Judgement and Decree, subsequent Interlocutory Judgements, and orders of the Court.

Water Right Change Petition (Permit 21112) for El Dorado Irrigation District (2020). Project Engineer assisting in the development of water rights accounting priority to show the District's ability to produce water under the change petition. Utilized the flexibility of water rights possessed by the District in order to optimize production and operations associated with the change petition in various hydrologic year types while meeting all permit conditions and District demands.

Water Rights Accounting (2018-20). Determine jurisdictional requirements with respect to California water rights accounting within a federally adjudicated watershed for Rancho California Water District and Marine Corps Base Camp Pendleton. Managed analysis and interpretations of geophysical well logs to determine aquifer delineation(s).

Lake Nacimiento Operational Investigation for Nacimiento Regional Water Management Advisory Committee (2018). Investigate the operations of Lake Nacimiento with respect to water rights requirements. Researched local hydrology as well as historical and current operations to determine possible violations of applicable State Water Resource Control Board and other regulatory agency permit conditions.

Education

- B.S., Civil Engineering, California State University, Sacramento

Registration/Affiliations

- Certified Engineer in Training, Certificate No. 158487
- American Society of Civil Engineers
- Mountain Counties Water Resources Association

Kris Olof EIT

Zanjero



PROFILE

Kris graduated from U.C. Davis with a degree in Civil Engineering and a minor in Construction Engineering and Management. Mr. Olof's education and experience in water resources engineering and planning, water quality management, and cartography provide an ideal foundation for the specialties offered by Tully & Young. Combining previous experience in rural small businesses, residential construction, farming, and the California wine industry

with an engineering degree gives Kris practical tools and a unique perspective on water issues. Kris has helped clients assess and solve water resource management and planning challenges by pre-emptively identifying complex water issues and providing feasible solutions.

Education

- B.S., Civil Engineering, University of California, Davis

Registration

- California EIT #138353

KEY EXPERIENCE

Resource Planner, San Juan Water District, 25 Year Demand Projections. Assess current land use and water use data for wholesale and retail service areas combined with building codes to project water demands out 25 years for master planning. Analyze capacity of current treatment infrastructure and identify potential additional wholesale supply capacity.

Resource Planner and Design Engineer, El Dorado Irrigation District, Engineering and Planning Staff Support. Provide staff support in engineering, planning, and operations. Guide and advise staff on water system modeling, hydrologic modeling, water rights support, recycled water modeling, water transfer support, USGS gauge reporting and compliance, meter and flow analysis, Urban Water Management Plans, and SB 610 documents.

Resource Planner, City of Tracy, Title 22 Water Recycling Project. Develop materials for the larger Title 22 Engineering Report for the use of recycled water for the City of Tracy. Work with regulatory agencies to obtain approvals for operation of a reclaimed water system in compliance with evolving policy.

Resource Planner, Department of Water Resources, Policy Development. Provide Guidebook revisions for new regulations and development of revised DWP UWMP reporting tables template. Develop "method 4" weather normalization for GPCD calculations and development of Guidebook appendix section on land use-based water demand analysis and projection.

Jennie McCarl

Zanjero



PROFILE

Jennie is an experienced professional with a background in marketing and project management. She provides both substantive client work and executive level support at Tully & Young. The client work includes conducting project research, preparing and editing project documents, coordinating client communications, and conducting QA/QC. Her executive support includes accounting and bookkeeping work, preparation of corporate financial documents, and management of client contracts.

Education

- B.A., Political Science and B.A., Philosophy, University of Southern California

KEY EXPERIENCE

Researcher, GSP Services, Audubon California. Reviewed multiple draft and final GSPs throughout the San Joaquin Valley to identify whether managed wetlands were adequately represented. Highlighted areas where wetlands were considered in GSPs. Prepared initial comment letters addressing issues related to wetland representation in each GSP.

Legal Researcher, UWMP Guidebook, Department of Water Resources. Analyzed legal changes between the 2015 UWMP laws and the 2020 UWMP laws. Prepared documents comparing legislative differences and identified issues associated with those legislative differences. Prepared first draft of chapters in the 2020 UWMP Guidebook and provided quality assurance and quality control on additional drafted sections.

Researcher, Geosyntec/McMullin Area GSA. Reviewed McMullin Area Groundwater Sustainability Plan and compiled data associated with 12 local water supply projects to track water quantity and timing of recharge. Identified each project proponent and briefed Principals on supply project components identified in the GSP.

Legal Researcher, City of West Sacramento. Reviewed American River negotiated long-term Central Valley Project (CVP) Contracts and WIIN Act conversion contracts. Assessed language in the contracts to help client identify areas of opportunity related to the City of West Sacramento's ongoing negotiations with the United States Bureau of Reclamation.

Dave Bolland

Zanjero



PROFILE

Dave is a respected water resource policy and regulatory specialist with over 30 years of experience as a water policy advocate, project manager, land use and natural resource conservation planner, and environmental impact analyst. Dave has extensive, productive relationships with water agency leaders and state and local officials and decision makers gained from his work throughout California. He has expertise in public policy analysis, local government and inter-agency coordination, and multi-disciplinary team leadership.

Education

- B.S., Environmental Planning & Management, University of California, Davis

KEY EXPERIENCE

Association of California Water Agencies (ACWA), 1999-2020. Led water resource policy advocacy for a statewide nonprofit association of over 450 public water agencies that collectively supply over 90 percent of the water delivered to California's cities and farms. Issue specializations: water supply and conveyance, groundwater management, urban and agricultural water use efficiency, integrated water management, recycling, and desalination. Responsibilities included drafting policy papers and regulatory comment letters, delivering testimony to regulatory and legislative bodies, coordinating member agency committee and task group activities, conducting member agency outreach, leading advocacy, negotiation, and coalition- building activities.

Environmental Consultant and Project Manager, Jones & Stokes Associates (now ICF International), 1990 - 1999. Demonstrated success leading and managing multi- disciplinary teams on complex environmental planning projects for local government, special district, military, and private-sector clients. Successfully prepared proposals, led project teams, hired and directed sub-consultants, and managed project schedules and budgets.

Environmental Consultant, Project Manager and Office Manager for Regional Environmental Consultants (RECON), 1989-1990. Managed a wide range of environmental documents, while establishing a new regional branch office, hiring and supervising staff, and developing new clients. Coordinated multi-disciplinary teams of environmental professionals to deliver high quality work products on schedule and within budget.

Community Planner, City of Lake Elsinore, California, 1986-1989. Supervised municipal planning department technical and support staff under the direction of the Community Development Director in a rapidly growing suburban community. Responsibilities included policy development, environmental assessment, conservation planning, zoning administration and site plan review, and making presentations for city council, planning commission, and citizen groups.

Estimated Hours / Level of Efforts

Below we have provided a table showing the level of effort by personnel and task as well as each team member's availability for this project.

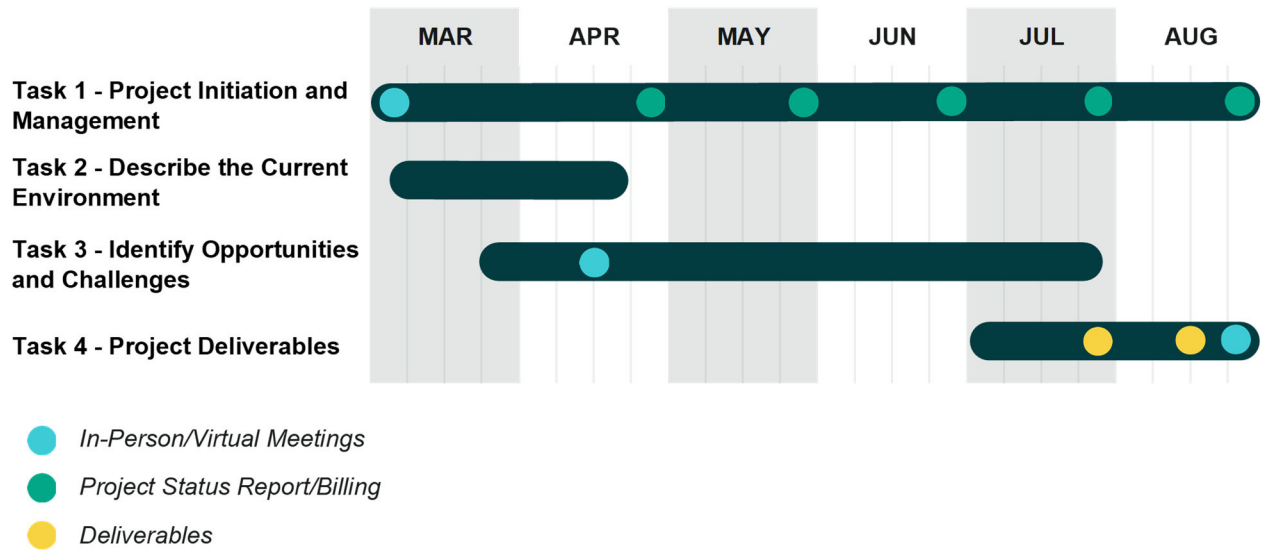
With the depth of more than 130 consulting professionals and our sub-consultant, and specifically the current and anticipated workload of the individuals assigned to this project, we have the availability to provide the requested services in a timely and efficient manner to meet the scheduling requirements and objectives of the project.

As a rule, Raftelis operates at a company-wide project utilization of approximately 65% to 75%. This level of utilization, which we expect to continue through the proposed timeline of this project, will provide the project team with ample time to allocate to the engagement.

Role	Name	Availability	PROJECT HOURS				
			Task 1	Task 2	Task 3	Task 4	Total Hours
Project Director	Seth Garrison	40%	7	8	72	28	115
Project Advisor	Jim Armstrong	30%	2	1	11	2	16
Project Advisor	John Mastracchio	25%	--	1	2	2	5
Finance/Organization	Zach Green	60%	12	20	126	40	198
Finance	Kevin Kostiuik	25%	1	2	6	6	15
Information Technology	Doug Spiers	20%	1	2	4	2	9
Engagement	Melissa Elliott	25%	2	--	16	2	20
Staffing/HR	Lisa Wilson	20%	--	2	4	1	7
Regulatory Analysis	Zanjero	35%	8	6	66	30	110
LABOR HOURS			33	42	307	113	495

Timeline

A proposed project schedule is included. We estimate approximately six months to complete this work. We expect to further detail and refine this schedule with the Districts during Task 1 at the Kick-Off Meeting.



References

We have included our three most representative from the projects described in the Firm Experience section. We urge you to contact them to better understand our capabilities and the quality of service that we provide.

Sacramento Region Water Utility Collaboration/Integration Study CA

Reference: Dan York, General Manager
P: 916.679.3973 / E: dyork@sswd.org

Dates of Service: March 2020- March 2021

Firm's Role in Project: Raftelis was the prime consultant on the project.

SPLASH Study WI

References: Nicolas Sparacio, Manager, Central Brown County Water Authority
P: 920.639.0078 / E: manager@cbcwa.com

Nancy Quirk, PE, General Manager, Green Bay Water Utility
P: 920.448.3499 / E: nancyqu@greenbaywi.gov

Dates of Service: July 2018 to September 2019

Firm's Role in Project: Raftelis was the prime consultant on the project.

Suffolk County Water Quality Management District NY

Reference: Sarah Lansdale, Director of Planning and Environment
P: 631.853.5190 / E: sarah.lansdale@suffolkcountyny.gov

Dates of Service: March 2019 to January 2020

Firm's Role in Project: Raftelis was the prime consultant on the project.

Summary of Similar Past Projects

The following information provides a summary of past projects completed by Raftelis and Zanjero, which involved any Agency that is part of this project.

RAFTELIS

Citrus Heights Water District

Contact: Melissa Pieri, / Principal Civil Engineer / P: 916.735.7724

- 2018: Water Rate Study & Water Main Replacement Study
- 2019: Graphical User Dashboard & Water District Financial Planning and Analysis Services

Sacramento Suburban Water District

Contact: Dan York, General Manager / P: 916.679.3973

- 2018: Water Rate Study
- 2020-2021: Sacramento Region Water Utility Collaboration/Integration Study

ZANJERO

Carmichael Water District

Contact: Steve Nugent, General Manager / P: 916.483.2452

- 2010 and 2015 Urban Water Management Plans: Zanjero prepared all water supply, water demand, and water reliability analyses for CWD's UWMPs.
- 2016-2018 Water Asset Management Strategy: Zanjero coordinate's CWD's long-term water asset and infrastructure utilization, water asset acquisition, and water conservation and reporting actions.
- 2014 Aerojet-Rocketdyne Water Purchase Agreement: Zanjero advised, initiated, and completed CWD's interim and long-term water asset purchase with Aerojet-Rocketdyne, Inc.
- 2019-2020 Water Management Options: Zanjero is coordinating regional water transfers and regional conjunctive use among CWD and its partnering agencies.

Sacramento Suburban Water District

Contact: Dan York, General Manager / P: 916.972.7171

- 2012 Groundwater Substitution Transfer: Zanjero led the first through-Delta urban groundwater substitution transfer on behalf of SSWD.
- 2015 (Other)
- 2018-2020 Water Management Strategy: Zanjero is coordinating SSWD's regional conjunctive use and surface water supply opportunities.

City of Folsom

Contact: Marcus Yasutake, Environmental and Water Resources Director /
P: 916.461.6161

- 2005, 2010, and 2015 Urban Water Management Plans: Zanjero prepared all water supply, water demand, and water reliability analyses for Folsom's UWMPs.
- 2008 Water Management Strategy: Zanjero prepared an overall assessment of the City's water assets and opportunities in order to meet long-term growth projections.
- 2008-2009 SB 610 Water Supply Assessment: Zanjero prepared the statutorily mandated water supply assessment for the 10,000+ unit Folsom Area Specific Plan development project.
- 2010 Water Transfer: Zanjero coordinated the development of a water transfer with Golden State Water Company, an entity with co-tenancy water rights with Folsom.
- 2012-2013 Regional Water Alliance: Zanjero prepared regional collaboration materials for legislative and lobbying coordination among participating agencies under Folsom's leadership.

San Juan Water District

Contact: Paul Helliker, General Manager / P: 916.791.6936

- 2019 25-Year Projections of Wholesale Demand and Treatment and Conveyance Capacity: Zanjero is preparing the 25-year water demand analysis for SJWD and all of its retail agencies, including Fair Oaks Water District, Citrus Heights Water District, and Orangevale Water District.
- 2018 American River Watershed Regional Water Transfer: Zanjero prepared a multi-agency through-Delta regional groundwater substitution transfer, including SJWD, CWD, SSWD, City of Sacramento, Fair Oaks Water District, and Citrus Heights Water District.

Please note that this list is not exhaustive. A more comprehensive list can be provided upon request.

Exceptions

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

11. Ownership of Documents. All drawings, designs, data, photographs, reports and other documentation prepared or obtained by Consultant in the performance of the services contemplated by this Agreement shall be the property of the Agencies and shall be delivered to the Agencies upon demand. ~~Any use of the drawings, designs, data, photographs, reports or other documents prepared by Consultant other than as contemplated in this Agreement, or any modification of thereof, shall be at the sole risk of SSWD. Nothing contained herein shall be deemed an assignment, transfer, or divestiture by Consultant of its trade secrets, know-how or intellectual property.~~

13. Hold Harmless and Indemnity. Consultant agrees to defend, indemnify and hold Agencies, their elected officials, officers, directors, employees, agents and designated volunteers harmless from and against ~~any and all~~ loss, liability, damage, including but not limited to reasonable attorney, consultant and expert fees and/or court costs, ~~arising out of or in connection with~~ ~~caused by the negligence, gross negligence or willful misconduct of Consultant in the performance of its services under~~ this Agreement, except for the gross negligence and willful misconduct of Agencies, their elected officials, officers, directors, employees, agents and designated volunteers.



Carmichael Water District and Sacramento Suburban Water District

Business Case Analysis for a Potential Combination

COST PROPOSAL / FEBRUARY 11, 2022



