

Agenda

Sacramento Suburban Water District

Finance and Audit Committee

3701 Marconi Avenue, Suite 100
Sacramento, CA 95821

Tuesday, May 22, 2018
11:30 a.m.

Where appropriate or deemed necessary, the Board 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 Board of Directors less than 72 hours before the meeting are available for public inspection in the customer service area of the District's Administrative Office at the address listed above.

The public may address the Board concerning an agenda item either before or during the Board'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 the General Manager. The President 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 the opportunity for the public to comment on non-agenda items within the Committee's jurisdiction. Comments are limited to 3 minutes.

Items for Discussion and Action

1. **2018 Water Rate Study Request for Proposals (RFP)**
*Review and comment on Draft 2018 Water Rate Study RFP and Consultant Distribution List.
Approve release of RFP, Schedule and Consultant Distribution List.*

2. **2018 Employee Compensation Study Request for Proposals (RFP)**
Review and comment on Draft 2018 Employee Compensation Study RFP and Consultant Distribution List. Approve release of RFP, Schedule and Consultant Distribution List.

Adjournment

Upcoming Meetings:

Wednesday, May 30, 2018 at 2:00 p.m., Facilities and Operations Committee Meeting
Monday, June 18, 2018 at 6:00 p.m., Regular Board Meeting

I certify that the foregoing agenda for the May 22, 2018, meeting of the Sacramento Suburban Water District Finance and Audit Committee was posted by May 18, 2018, in a publicly-accessible location at the Sacramento Suburban Water District office, 3701 Marconi Avenue, Suite 100, Sacramento, California, and was made available to the public during normal business hours.

Dan York
General Manager/Secretary
Sacramento Suburban Water District



Agenda Item: 1

Date: May 17, 2018

Subject: 2018 Water Rate Study Request For Proposals (RFP)

Staff Contact: Daniel A. Bills, Finance Director

Recommended Committee Action:

Commensurate with the scope and schedule approved by the Board in April, review, discuss and approve the proposed RFP, Schedule and Consultant Distribution List for the 2018 Water Rate Study (Study).

Discussion:

At the April 2018 Special Board meeting, the Board approved the following scope and schedule for the 2018 Water Rate Study:

Scope

1. Long-Range Financial Plan (5 years; 2019 - 2023)
 - Produce various operation and maintenance and capital improvement expense scenarios considering cost inflation factors expected in the drinking water industry, pending regulatory standards, and recent water quality results.
2. Water Revenue Study
 - Determine total water revenue needs of the District.
3. Cost of Service Study
 - Equitable allocation of revenue demands between various customer classes.
4. Water Rate Structure Design
 - With or without increasing District revenues, rate design options are to be explored looking at the portion of the total revenue collected through fixed versus volume dependent rates (conservation pricing). Provide support in accordance with requirements of San Juan Capistrano case and other pertinent case law.
5. Retail Water Rates
 - Propose various customer retail rate scenarios.
6. Wholesale Wheeling Water Rates
 - Propose various wheeling rate scenarios.
7. Water Transfer Rates
 - Determine various costs of water banked and recommend minimum per acre-foot price for transfers.
8. Facility Development Charges (Connection Charges)
 - Calculate charges as required by District regulations.

Schedule

1. Prepare and distribute Request for Proposals (RFP)
2. Receive Proposals
3. Select Consultant
4. Execute contract
5. Consultant begins study
6. Intermittent discussions with Committee and Board
7. Study completed
8. Board approval
9. 218 Hearing (if increases are necessary)

Staff has incorporated the approved scope and schedule into the attached RFP. Prior to its dissemination, staff is asking the Committee to review and approve the RFP and the Consultant Distribution List.

Staff is hopeful the Study can be completed and adopted by the Board prior to the 2019 Budget process that begins in earnest in late August.

Fiscal Impact:

\$60,000 is the approved budget for the Study. Actual cost of Study will be known once bids are received and the consultant selected.

Strategic Plan Alignment:

Finance – 4.B. Establish rates and connection fees that are fair, reflect the cost of service, encourage conservation, are simple to understand, and meet the District’s revenue requirements, including bond covenants.



CLEARLY REFRESHING SERVICE!

REQUEST FOR PROPOSALS

Water Rate Study

May 2018

Sacramento Suburban Water District
3701 Marconi Avenue, Suite 100
Sacramento, CA 95821-5346
(916) 972-7171
FAX: (916) 972-7639

I. PURPOSE

Through this Request for Proposals (RFP), the Sacramento Suburban Water District (“District”) is asking a select group of qualified firms to submit a proposal to prepare a Comprehensive Water Rate Study (Study) for the District. This Study will be funded from the District’s Operations and Maintenance Budget (O&M) for calendar year 2018. District staff desires to have the Study completed before the end of September 2018.

The District is looking for a committed, solution-oriented, and experienced consulting team to complete the Study. The successful consultant will be familiar with all aspects of water system rate setting processes and California Proposition 218 requirements. The control and supervision of the work shall be performed by an experienced manager with at least 10 years of water rate setting experience.

II. STUDY BACKGROUND

District Background and Water Rates

The District was formed on February 1, 2002 under the State of California’s County Water District Law by the consolidation of the Northridge Water District and the Arcade Water District. The consolidation was approved and ordered by the Sacramento County Local Agency Formation Commission. The District is located in northern Sacramento County, California and includes portions of the unincorporated area of Sacramento County, Antelope, Carmichael, Citrus Heights, Foothill Farms, and North Highlands; small portions of the cities of Sacramento and Citrus Heights; and all of McClellan Business Park (formerly McClellan Air Force Base). The District serves water to approximately 177,900 people with 46,000 billable connections.

The District currently includes approximately 23,032 acres of land. The District’s territory is substantially built out. Based on the State’s Department of Water Resources Population Tool, the District’s population is expected to be 190,700 in 2031, when the District is expected to be fully built out. Other than residential and commercial in-fill projects, and industrial and commercial development at the McClellan Business Park, the District does not expect significant additional development within its territory.

The service area experiences cool and humid winters and hot and dry summers. The combination of hot and dry weather results in higher water demands during the summer than in winter. Fluctuations in water production from year-to-year typically results from weather conditions in the spring and fall. Demand during the summer and winter does not vary significantly from one year to the next. The District’s water conservation efforts, including metering, have resulted in a lowering of per capita water use over the past several years.

The water supply of the District is a combination of both surface water and groundwater. Historically, the District had used groundwater as its water supply source; however, in 1998, the District initiated a conjunctive use program, supplementing its groundwater supply with surface water to address the declining groundwater table using in-lieu recharge. The District has made significant investments to put surface water supply and conjunctive use facilities in place.

The District is governed by a 5-member board of directors, the members of which are elected to four-year terms from geographical divisions by the registered voters residing in each division of the District.

The District's annual revenues come primarily from water sales. Operating revenues segregate water sales into three components used by the District in setting its water rate structure: consumption charges, service charges and capital facility charges. In addition, the District receives operating revenues from treated water passed through its conveyance system to neighboring water districts as well as from fees charged for certain District services, including penalty charges.

The District continues to be in a period of transition as water meters are installed on unmetered residential connections and customers are gradually converted from flat rate accounts to metered rate accounts. Presently, 62 percent of the District is metered, with all connections expected to be fully metered before the year 2025. Current flat rate accounts include a fixed monthly service charge with a "variable" charge varying based on parcel size. The fixed portion of the charge reflects the estimated fixed costs of service as well as a base water allotment considered sufficient for indoor usage. The portion of the service charge tied to parcel size is intended to reflect an estimate of water usage for irrigation purposes. A capital facility charge is applied based on connection size and is intended to cover pay-as-you-go capital improvements and debt service charges. The District offers a water meter and metered billing to any customer on request.

Current residential metered rates include fixed service charges plus two-tier water usage rates as well as a capital facility charge based on connection size. The tier structure includes 10 CCF (CCF means 100 cubic feet) per month at a lower initial rate with usage in excess of 10 CCF at a higher rate. 10 CCF is equivalent to roughly 250 gallons per day, and is representative of indoor water usage for residential customers.

Non-residential customers are subject to fixed service charges plus a seasonal water usage rate structure as well as a capital facility charge based on connection size. Under the seasonal rates, a higher rate applies to water usage during peak months (May through October) and a lower rate during non-peak months (November through April). All non-residential customers are on metered accounts.

The District's primary sources of revenue other than from District customers comes from state and federal capital grants, developer contributions and investment income.

Current rates and rate structure are located in Attachment A.

Need for Study

The District last performed a Study in 2013, which resulted in four consecutive 4.0% annual rate increases beginning January 1, 2015 and ending on January 1, 2018 (See Attachment A).

The District is in need of a new Study that is to be a comprehensive study. By comprehensive, we mean:

1. Long-Range Financial Plan (5 years; 2019 - 2023)
 - Produce various operation and maintenance and capital improvement expense scenarios considering cost inflation factors expected in the drinking water industry, pending regulatory standards, and recent water quality results.
2. Water Revenue Study
 - Determine total water revenue needs of the District.
3. Cost of Service Study
 - Equitable allocation of revenue demands between various customer classes.
4. Water Rate Structure Design
 - With or without increasing District revenues, rate design options are to be explored looking at the portion of the total revenue collected through fixed versus volume dependent rates (conservation pricing). Provide support in accordance with requirements of San Juan Capistrano case and other pertinent case law.
5. Retail Water Rates
 - Propose various customer retail rate scenarios.
6. Wholesale Wheeling Water Rates
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8. Facility Development Charges (Connection Charges)
 - Calculate charges as required by District regulations.

Since the last Study, various events have occurred that necessitate a current review of the District's rates and rate structure. Included among those changes are: 1) the adoption of a Water System Master Plan in March 2017 that incorporates a capital needs analysis for a 15-year period from 2017 to 2031. At that time, projects were divided into 7 categories with an estimated cost of approximately \$391.3 million; 2) effects from the sustained drought and the passage of legislation requiring the District to reduce its per capita water consumption by 20 percent by the year 2020 amongst other conservation practices; 3) the adoption of California Urban Water Conservation Council's Best Management Practices which target a significantly different mix of variable-rate pricing versus fixed-rate pricing than the District now enjoys as well as differences in conservation pricing practices; 4) continued conversions from customers on flat rate accounts to metered rate accounts, currently 86% of District customers are on metered billing with 100% metered accounts expected in roughly 5 years, and 5) based on evaluations from debt credit rating agencies a need to finance capital projects with pay-as-you-go financing as opposed to issuing additional debt. In totality, these elements are recommended to be considered in the Study. Other needs for the Study include prudent financial planning and the need to be contemporary in recognizing the financial situation of the District.

III. SCOPE OF WORK

The Consultant selected for this Study will be required to provide the following services. A brief description of the required elements of each work task is also provided. **Note: this may not be a complete list of all tasks required to complete this Study.** The consultant is expected to provide a more detailed scope of work with their proposal.

Provide a Study that includes at a minimum the following elements:

- a. Study administration and management. Includes day-to-day Study management and regular Study status meetings with District staff. Also includes frequent communication with District staff and/or directors. Other forms of communication may include meetings, phone calls, e-mail, etc.
- b. Study kickoff meeting. Conduct a Study kickoff meeting with District financial and operations staff. Purpose of the meeting will be to review the scope of work and schedule in detail and to review a list of information being requested by the consultant for completion of the Study.
- c. Review and evaluate existing financial status and rates. Review and understand the District's existing rate structure, current financial status and the legal and political climate the District operates in. Obtain information on the District's reserve policy, regulatory environment, expected capital project funding needs and other anticipated expenditures.
- d. Develop Alternative Scenarios. Provide alternative revenue, cost of service, rate structure, wheeling rates, water transfer rates and facility development charge scenarios. Provide benefit analysis for each scenario.
- e. Rates and Rate Structure Recommendation. Prepare a recommendation for an optimized retail rate and rate structure for the District; recommend wholesale wheeling rates, water transfer rates along with a determination of banked groundwater costs and facility development charges
- f. Present Study to Directors. Present the Study to the District's Board of Directors and/or any sub-committees of the Board.
- g. Develop a Rate and Charges implementation plan. The implementation plan should summarize and recommend an optimized plan for the adoption of a rate structure and charges from 2019 through 2023.
- h. Proposition 218 presentation. Present implementation plan at a District Rate Hearing. Receive and address Board and public comments and input.

Work Products:

- Meeting minutes from Study kick-off meeting, updated Study schedule and list of data and information required to be provided by the District.
- Meeting minutes from regular Study status meetings with District staff.
- Twenty (20) bound copies of draft Study.
- Twenty (20) bound copies of final Study. Also, provide an electronic copy of the final report in PDF file format.

The District welcomes and encourages thoughts and ideas on additional scope elements that may improve the efficiency of effort, increase the value and utility of the work products, or make logical sense to include as part of this Study effort.

IV. DISTRICT PROVIDED INFORMATION

As needed, District staff will provide the selected consultant with the following information for use in performing the work:

- Current rates and rate structure
- District reserve policy
- Projected capital project costs
- Projected operating costs
- Future operational plans
- Known regulatory issues
- Any other reports that might be useful in performing the work
- Other available information/data upon request

V. PROPOSAL REQUIREMENTS AND CONTENTS

In anticipation of your interest in this Study, proposals submitted for this Study are to follow the outline described below and must address all requested information.

Please submit one (1) original signed version and five (5) copies of the Proposal (six (6) copies in total).

Section 1 Study Overview

Provide a narrative description of the Study based on the Scope of Work presented in the Request for Proposal (RFP). District staff will assess the Consultant's understanding of all aspects of the Study based on the overview.

Section 2 Detailed Work Plan

Provide a description of the required tasks and duties for preparation of the Study. The description shall include details as described in the Scope of Work and any recommended

additions. Include any assumptions used in development of the work tasks including assistance expected from District staff. Also, identify any unique approaches or strengths that your firm may have related to this Study. Identify Study meetings anticipated and show those meetings on the Study schedule (see Section 4 below).

Section 3 Study Team

The Study team shall be identified with key tasks and the associated responsible personnel should be identified. A Study team organization diagram and summary resume of pertinent experience for each team member shall be included. The geographic location of the firm and key personnel shall also be identified. Any proposed sub consultants shall be listed. Include sub consultants assigned task(s) and experience.

Section 4 Study Schedule

District staff desires to have the Study completed by September 30, 2018. A Study schedule shall be included in the Proposal. Show all key Study milestones and deliverables. Assumptions used in developing the schedule and other potentially driving factors shall be identified.

Section 5 Staff Estimate and Cost

Provide an estimate of staff time required for each scope item. Estimates shall be broken down by task to enable District staff to determine the level of detail and number of management, staff and support personnel hours envisioned for each task. Estimates of hours for each staff classification shall be provided for each task.

Provide an hourly rate schedule for those job classifications to be billed to the Study and identify all other costs to be billed to the Study. Include total Study cost and identify any adjustments, which are predicted to occur during the life of the Study.

Section 6 References

Please provide a maximum of three (3) references of similar types of rate studies, design or other rate setting related Study's performed in the past 5 years. As a minimum, please include the client's name, Study name, Study description, total fee, contact name and title, address, phone number, fax number, and e-mail address.

Section 7 Conflicts of Interest

Firms submitting a proposal in response to this RFP must disclose any actual, apparent, direct or indirect, or potential conflicts of interest that may exist with respect to the firm, management, or employees of the firm or other persons relative to the services to be provided under the Agreement for engineering services to be awarded pursuant to this RFP. If a firm has no conflicts of interest, a statement to that effect shall be included in the Proposal.

Section 8 Proprietary Information

Firms submitting a Proposal in response to this RFP must provide a statement that nothing contained in the submitted proposal will be proprietary. All proposals shall become the property of the District once submitted.

Section 9 District Contract

A District standard consulting contract form will be used as the agreement between Consultant and District (Attachment B). Please review and inform us in writing with your proposal of any changes required to the contract. Please note the Insurance Requirements in section 11. Provide a summary of the firm’s (and sub consultants) insurance coverage. Summary should included a statement that the consultant and sub-consultant’s insurance meets or exceeds the District’s requirements.

Section 10 Signature

The proposal shall be signed by an official authorized to bind the consulting firm and shall expressly state that the proposal is valid for 90 days.

VI. SELECTION OF CONSULTANT

Qualification-based selection methods will be used for award of this Study. The proposals will be screened by a selection committee and rated on:

- Quality and adequacy of the proposal submitted in response to this RFP
- Understanding of the Study
- Experience and qualifications of the Study manager, key personnel assigned, and subconsultants
- Work Plan/Scope of Work
- Fee for completed Work*
- Accessibility and flexibility of Key Consultant staff during the Work
- Information obtained from references

*Fee may be used to distinguish between similarly qualified firms.

Following successful contract negotiations, a recommendation will be made to the District’s General Manager and the Board of Directors to award the contract. In the event that negotiations with the top ranked firm are not successful, the District reserves the right to enter into negotiations with other ranked firms.

VII. PROPOSAL SCHEDULE

The following is the anticipated schedule for awarding this project. If a change in this schedule becomes necessary, all recipients of the RFP will be notified.

RFP Approved for Release	May 18, 2018
Proposals Due (4:00 p.m.)	June 8, 2018
Screening and Ranking Completed	June 13, 2018
Selection of Consultant	June 15, 2018
Meeting(s)/Contract Negotiations (optional)	Week of June 18, 2018
Contract Approved by General Manager	June 22, 2018

No pre-proposal meeting will be held. Questions regarding this project can be made in writing or over the phone but must be received at least one (1) week prior to the proposal due date of June 8, 2018. This is to allow sufficient time to distribute questions and answers to all prospective firms. Address written or e-mailed questions to:

Daniel A. Bills, Finance Director
Sacramento Suburban Water District
3701 Marconi Avenue, Suite 100
Sacramento, CA 95821-5346

E-mail: dbills@sswd.org
Fax: (916) 972-7639
Phone: (916) 679-3970

VIII. PROPOSAL TERMS AND CONDITIONS

The District will not pay any costs incurred by the firm in preparing or submitting the proposal. The District reserves the right to modify or cancel, in part or in its entirety, this RFP. The District reserves the right to reject any or all proposals, to waive defects or informalities, and to offer the contract with any firm in response to any RFP. This RFP does not constitute any form of offer to contract.

to execute the District's standard agreement, suggested modifications to the standard agreement must be detailed in the proposal. The District will consider any proposed deviations to the standard agreement in the evaluation of consultant qualifications.

ATTACHMENT A

DISTRICT'S CURRENT AND HISTORICAL RATES



**SACRAMENTO SUBURBAN WATER DISTRICT
Water Rate Charges**

	Rates as of 01/01/2009	Rates Effective				
		1/1/2014	1/1/2015	1/1/2016	1/1/2017	1/1/2018
Flat Accounts						
Usage Charge (\$/1,000 square foot)	\$ 0.91	\$ 0.91	\$ 0.95	\$ 0.98	\$ 1.02	\$ 1.06
Flat Service Charge						
3/4" connection	\$ 14.89	\$ 14.89	\$ 15.49	\$ 16.11	\$ 16.75	\$ 17.42
1" connection	\$ 21.55	\$ 21.55	\$ 22.41	\$ 23.31	\$ 24.24	\$ 25.21
1 1/2" connection	\$ 40.69	\$ 40.69	\$ 42.32	\$ 44.01	\$ 45.77	\$ 47.60
2" connection	\$ 40.19	\$ 40.19	\$ 41.80	\$ 43.47	\$ 45.21	\$ 47.02
Multiple Unit Charge (\$/Add'l Dwelling Unit)	\$ 8.03	\$ 8.03	\$ 8.35	\$ 8.69	\$ 9.03	\$ 9.39
Meter Accounts						
Usage Charge (\$/100 cubic feet* (ccf))						
Residential - 1st Tier (0-10 ccf)	\$ 0.80	\$ 0.80	\$ 0.83	\$ 0.87	\$ 0.90	\$ 0.94
Residential - 2nd Tier (11+ ccf)	\$ 1.00	\$ 1.00	\$ 1.04	\$ 1.08	\$ 1.12	\$ 1.17
Non-Residential - Off-Peak Rate (Nov-Apr)	\$ 0.81	\$ 0.81	\$ 0.84	\$ 0.88	\$ 0.91	\$ 0.95
Non-Residential - Peak Rate (May-Oct)	\$ 1.01	\$ 1.01	\$ 1.05	\$ 1.09	\$ 1.14	\$ 1.18
*1ccf = 748 gallons						
Meter Service Charge						
5/8" meter	\$ 3.60	\$ 3.60	\$ 3.74	\$ 3.89	\$ 4.05	\$ 4.21
3/4" meter	\$ 5.25	\$ 5.25	\$ 5.46	\$ 5.68	\$ 5.91	\$ 6.14
1" meter	\$ 8.50	\$ 8.50	\$ 8.84	\$ 9.19	\$ 9.56	\$ 9.94
1 1/2" meter	\$ 16.60	\$ 16.60	\$ 17.26	\$ 17.95	\$ 18.67	\$ 19.42
2" meter	\$ 26.40	\$ 26.40	\$ 27.46	\$ 28.55	\$ 29.70	\$ 30.88
3" meter	\$ 49.20	\$ 49.20	\$ 51.17	\$ 53.21	\$ 55.34	\$ 57.56
4" meter	\$ 81.75	\$ 81.75	\$ 85.02	\$ 88.42	\$ 91.96	\$ 95.64
6" meter	\$ 163.15	\$ 163.15	\$ 169.68	\$ 176.46	\$ 183.52	\$ 190.86
8" meter	\$ 293.40	\$ 293.40	\$ 305.14	\$ 317.34	\$ 330.04	\$ 343.24
10" meter	\$ 472.50	\$ 472.50	\$ 491.40	\$ 511.06	\$ 531.50	\$ 552.76
12" meter	\$ 700.40	\$ 700.40	\$ 728.42	\$ 757.55	\$ 787.85	\$ 819.37
Flat and Meter Accounts						
Capital Facilities Charge						
5/8" meter	\$ 19.25	\$ 19.25	\$ 20.02	\$ 20.82	\$ 21.65	\$ 22.52
3/4" meter or connection	\$ 28.70	\$ 28.70	\$ 29.85	\$ 31.04	\$ 32.28	\$ 33.57
1" meter of connection	\$ 48.00	\$ 48.00	\$ 49.92	\$ 51.92	\$ 53.99	\$ 56.15
1 1/2" meter or connection	\$ 95.65	\$ 95.65	\$ 99.48	\$ 103.46	\$ 107.59	\$ 111.90
2" meter or connection	\$ 153.10	\$ 153.10	\$ 159.22	\$ 165.59	\$ 172.22	\$ 179.11
3" meter	\$ 287.30	\$ 287.30	\$ 298.79	\$ 310.74	\$ 323.17	\$ 336.10
4" meter	\$ 478.95	\$ 478.95	\$ 498.11	\$ 518.03	\$ 538.75	\$ 560.30
6" meter	\$ 957.60	\$ 957.60	\$ 995.90	\$ 1,035.74	\$ 1,077.17	\$ 1,120.26
8" meter	\$ 1,723.80	\$ 1,723.80	\$ 1,792.75	\$ 1,864.46	\$ 1,939.04	\$ 2,016.60
10" meter	\$ 2,777.45	\$ 2,777.45	\$ 2,888.55	\$ 3,004.09	\$ 3,124.25	\$ 3,249.22
12" meter	\$ 4,117.65	\$ 4,117.65	\$ 4,282.36	\$ 4,453.65	\$ 4,631.80	\$ 4,817.07
Other Charges if Applicable						
Private Fire Service Charge						
2-inch	\$ 13.65	\$ 11.35	\$ 11.80	\$ 12.28	\$ 12.77	\$ 13.28
3-inch	\$ 25.60	\$ 21.30	\$ 22.15	\$ 23.04	\$ 23.96	\$ 24.92
4-inch	\$ 41.65	\$ 34.70	\$ 36.09	\$ 37.53	\$ 39.03	\$ 40.59
6-inch	\$ 82.90	\$ 69.05	\$ 71.81	\$ 74.68	\$ 77.67	\$ 80.78
8-inch	\$ 146.65	\$ 122.15	\$ 127.04	\$ 132.12	\$ 137.40	\$ 142.90
10-inch	\$ 229.15	\$ 190.85	\$ 198.48	\$ 206.42	\$ 214.68	\$ 223.27
12-inch	\$ 255.35	\$ 212.70	\$ 221.21	\$ 230.06	\$ 239.26	\$ 248.83
Backflow Charge (per connection)	\$ 4.00	\$ 4.00	\$ 4.00	\$ 4.00	\$ 4.00	\$ 4.00

ATTACHMENT B

DISTRICT'S STANDARD CONSULTING CONTRACT

**SACRAMENTO SUBURBAN WATER DISTRICT
SERVICES AGREEMENT**

THIS AGREEMENT is entered into as of the date last signed and dated below by and between Sacramento Suburban Water District, a local government agency (“District”), and _____, a _____ [*Insert type and jurisdiction of entity*] (“Contractor”), who agree as follows:

1. Scope of Work. Contractor shall perform the work and render the services described in the attached Exhibit A (the “Work”). Contractor shall provide all labor, services, equipment, tools, material and supplies required or necessary to properly, competently and completely perform the Work. Contractor shall determine the method, details and means of doing the Work.

2. Payment.

a. District shall pay to Contractor a fee based on ***[check one]***:

___ Contractor’s time and expenses necessarily and actually expended or incurred on the Work in accordance with Contractor’s fee schedule on the attached Exhibit A.

___ The fee arrangement described on the attached Exhibit A.

The total fee for the Work shall not exceed \$ _____. There shall be no compensation for extra or additional work or services by Contractor unless approved in advance in writing by District. Contractor’s fee includes all of Contractor’s costs and expenses related to the Work.

b. At the end of each month, Contractor shall submit to District an invoice for the Work performed during the preceding month. The invoice shall include a brief description of the Work performed, the dates of Work, number of hours worked and by whom (if payment is based on time), payment due, and an itemization of any reimbursable expenditures. If the Work is satisfactorily completed and the invoice is accurately computed, District shall pay the invoice within 30 days of its receipt.

3. Term.

a. This Agreement shall take effect on the above date and continue in effect until completion of the Work, unless sooner terminated as provided below. Time is of the essence in this Agreement. If Exhibit A includes a Work schedule or deadline, then Contractor must complete the Work in accordance with the specified schedule or deadline, which may be extended by District for good cause shown by Contractor. If Exhibit A does not include a Work schedule or deadline, then Contractor must perform the Work diligently and as expeditiously as possible, consistent with the professional skill and care appropriate for the orderly progress of the Work.

b. This Agreement may be terminated at any time by District upon 10 days advance written notice to Contractor. In the event of such termination, Contractor shall be fairly compensated for all work performed to the date of termination as calculated by District based

on the above fee and payment provisions. Compensation under this subsection shall not include any termination-related expenses, cancellation or demobilization charges, or lost profit associated with the expected completion of the Work or other such similar payments relating to Contractor's claimed benefit of the bargain.

4. Professional Ability of Contractor. Contractor represents that it is specially trained and experienced, and possesses the skill, ability, knowledge and certification, to competently perform the Work provided by this Agreement. District has relied upon Contractor's training, experience, skill, ability, knowledge and certification as a material inducement to enter into this Agreement. All Work performed by Contractor shall be in accordance with applicable legal requirements and meet the standard of care and quality ordinarily to be expected of competent professionals in Contractor's field.

5. Conflict of Interest. Contractor (including principals, associates and professional employees) represents and acknowledges that (a) it does not now have and shall not acquire any direct or indirect investment, interest in real property or source of income that would be affected in any manner or degree by the performance of Contractor's services under this agreement, and (b) no person having any such interest shall perform any portion of the Work. The parties agree that Contractor is not a designated employee within the meaning of the Political Reform Act and District's conflict of interest code because Contractor will perform the Work independent of the control and direction of the District or of any District official, other than normal contract monitoring, and Contractor possesses no authority with respect to any District decision beyond the rendition of information, advice, recommendation or counsel.

6. Contractor Records.

a. Contractor shall keep and maintain all ledgers, books of account, invoices, vouchers, canceled checks, and other records and documents evidencing or relating to the Work and invoice preparation and support for a minimum period of three years (or for any longer period required by law) from the date of final payment to Contractor under this Agreement. District may inspect and audit such books and records, including source documents, to verify all charges, payments and reimbursable costs under this Agreement.

b. In accordance with California Government Code section 8546.7, the parties acknowledge that this Agreement, and performance and payments under it, are subject to examination and audit by the California State Auditor for three years following final payment under the Agreement.

7. Ownership of Documents. All works of authorship and every report, study, spreadsheet, worksheet, plan, design, blueprint, specification, drawing, map, photograph, computer model, computer disk, magnetic tape, CAD data file, computer software and any other document or thing prepared, developed or created by Contractor under this Agreement and provided to District ("Work Product") shall be the property of District, and District shall have the rights to use, modify, reuse, reproduce, publish, display, broadcast and distribute the Work Product and to prepare derivative and additional documents or works based on the Work Product without further compensation to Contractor or any other party. Contractor may retain a copy of any Work Product and use, reproduce, publish, display, broadcast and distribute any Work Product and prepare derivative and additional documents or works based on any Work Product; provided, however, that Contractor shall not provide any Work Product to any third

party without District's prior written approval, unless compelled to do so by legal process. If any Work Product is copyrightable, Contractor may copyright the same, except that, as to any Work Product that is copyrighted by Contractor, District reserves a royalty-free, nonexclusive and irrevocable license to use, reuse, reproduce, publish, display, broadcast and distribute the Work Product and to prepare derivative and additional documents or works based on the Work Product. If District reuses or modifies any Work Product for a use or purpose other than that intended by the scope of work under this Agreement, then District shall hold Contractor harmless against all claims, damages, losses and expenses arising from such reuse or modification. For any Work Product provided to District in paper format, upon request by District at any time (including, but not limited to, at expiration or termination of this Agreement), Contractor agrees to provide the Work Product to District in a readable, transferable and usable electronic format generally acknowledged as being an industry-standard format for information exchange between computers (e.g., Word file, Excel spreadsheet file, AutoCAD file).

8. Confidentiality of Information.

a. Contractor shall keep in strict confidence all confidential, privileged, trade secret, and proprietary information, data and other materials in any format generated, used or obtained by the District or created by Contractor in connection with the performance of the Work under this Agreement (the "Confidential Material"). Contractor shall not use any Confidential Material for any purpose other than the performance of the Work under this Agreement, unless otherwise authorized in writing by District. Contractor also shall not disclose any Confidential Material to any person or entity not connected with the performance of the Work under this Agreement, unless otherwise authorized in advance in writing by District. If there is a question if Confidential Material is protected from disclosure or is a public record or in the public domain, the party considering disclosure of such materials shall consult with the other party concerning the proposed disclosure.

b. Contractor, and its officers, employees, agents, and subcontractors, shall at all times take all steps that are necessary to protect and preserve all Confidential Material. At no time shall Contractor, or its officers, employees, agents, or subcontractors in any manner, either directly or indirectly, use for personal benefit or divulge, disclose, or communicate in any manner, any Confidential Material to any person or entity unless specifically authorized in writing by the District or by order of a court or regulatory entity with jurisdiction over the matter. Contractor, and its officers, employees, agents, and subcontractors shall protect the Confidential Material and treat it as strictly confidential in accordance with applicable law, District policies and directives, and best industry security practices and standards.

c. If any person or entity, other than District or Contractor, requests or demands, by subpoena, discovery request, California Public Records Act request or otherwise, Confidential Material or its contents, the party to whom the request is made will immediately notify the other party, so that the parties may collectively consider appropriate steps to protect the disclosure of those materials. The parties agree to take all steps reasonably necessary to preserve the confidential and privileged nature of the Confidential Material and its content. In the event that the parties cannot agree whether to oppose or comply with a disclosure demand, the opposing party may oppose the demand at its sole cost and expense, in which event the party favoring disclosure will refrain from disclosing the demanded Confidential

Material until such time as a final agreement regarding disclosure is reached or, if an agreement is not reached, a judicial determination is made concerning the demand.

d. Unless otherwise directed in writing by the District, upon contract completion or termination, Contractor must destroy all Confidential Materials (written, printed and/or electronic) and shall provide a written statement to the District that such materials have been destroyed.

9. Compliance with Laws.

a. General. Contractor shall perform the Work in compliance with all applicable federal, state and local laws and regulations. Contractor shall possess, maintain and comply with all federal, state and local permits, licenses and certificates that may be required for it to perform the Work. Contractor shall comply with all federal, state and local air pollution control laws and regulations applicable to the Contractor and its Work (as required by California Code of Regulations title 13, section 2022.1). Contractor shall be responsible for the safety of its workers and Contractor shall comply with applicable federal and state worker safety-related laws and regulations.

b. Pre- and Post-Construction Related Work.

Intentionally Omitted.

10. Indemnification.

a. Contractor shall indemnify, defend, protect, and hold harmless District, and its officers, employees and agents (“Indemnitees”) from and against any claims, liability, losses, damages and expenses (including attorney, expert witness and Contractor fees, and litigation costs) (collectively a “Claim”) that arise out of, pertain to, or relate to the negligence, recklessness, or willful misconduct of Contractor or its employees, agents or subcontractors. The duty to indemnify, including the duty and the cost to defend, is limited as provided in this section. However, this indemnity provision will not apply to any Claim arising from the sole negligence or willful misconduct of District or its employees or agents. Contractor’s obligations under this indemnification provision shall survive the termination of, or completion of Work under, this Agreement.

b. This subsection (b) applies if the Contractor is a “design professional” as that term is defined in Civil Code section 2782.8. If a court or arbitrator determines that the incident or occurrence that gave rise to the Claim was partially caused by the fault of an Indemnitee, then in no event shall Contractor’s total costs incurred pursuant to its duty to defend Indemnitees exceed Contractor’s proportionate percentage of fault as determined by a final judgment of a court or final decision of arbitrator.

11. Insurance.

Types & Limits. Contractor at its sole cost and expense shall procure and maintain for the duration of this Agreement the following types and limits of insurance:

<i>Type</i>	<i>Limits</i>	<i>Scope</i>
Commercial general liability	\$1,000,000 per occurrence & \$2,000,000 aggregate	at least as broad as ISO CG 0001
Automobile liability	\$2,000,000 per accident	at least as broad as ISO CA 0001, code 1 (any auto)
Workers' compensation	Statutory limits	
Employers' liability	\$1,000,000 per accident	
Professional liability*	\$1,000,000 per claim	

*Required only if Contractor is a licensed engineer, land surveyor, geologist, architect, doctor or attorney.

a. Other Requirements. The general and automobile liability policy(ies) shall be endorsed to name District, its officers, employees, volunteers and agents as additional insureds regarding liability arising out of the Work. Contractor's coverage shall be primary and apply separately to each insurer against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability. District's insurance or self-insurance, if any, shall be excess and shall not contribute with Contractor's insurance. Each insurance policy shall be endorsed to state that coverage shall not be canceled, except after 30 days (10 days for non-payment of premium) prior written notice to District. Insurance is to be placed with admitted insurers with a current A.M. Best's rating of A-VII or better unless otherwise acceptable to District. Workers' compensation insurance issued by the State Compensation Insurance Fund is acceptable. Contractor agrees to waive subrogation that any insurer may acquire from Contractor by virtue of the payment of any loss relating to the Work. Contractor agrees to obtain any endorsement that may be necessary to implement this subrogation waiver. The workers' compensation policy must be endorsed to contain a subrogation waiver in favor of District for the Work performed by Contractor.

b. Proof of Insurance. Upon request, Contractor shall provide to District the following proof of insurance: (a) certificate(s) of insurance evidencing this insurance; and (b) endorsement(s) on ISO Form CG 2010 (or insurer's equivalent), signed by a person authorized to bind coverage on behalf of the insurer(s), and certifying the additional insured coverage.

12. Entire Agreement; Amendment. The parties intend this writing to be the sole, final, complete, exclusive and integrated expression and statement of the terms of their contract concerning the Work. This Agreement supersedes all prior oral or written negotiations, representations, contracts or other documents that may be related to the Work, except those other documents (if any) that are expressly referenced in this Agreement. This Agreement may be amended only by a subsequent written contract approved and signed by both parties.

13. Independent Contractor. Contractor's relationship to District is that of an independent contractor. All persons hired by Contractor and performing the Work shall be Contractor's

employees or agents. Contractor and its officers, employees and agents are not District employees, and they are not entitled to District employment salary, wages or benefits. Contractor shall pay, and District shall not be responsible in any way for, the salary, wages, workers' compensation, unemployment insurance, disability insurance, tax withholding, and benefits to and on behalf of Contractor's employees. Contractor shall, to the fullest extent permitted by law, indemnify District, and its officers, employees, volunteers and agents from and against any and all liability, penalties, expenses and costs resulting from any adverse determination by the federal Internal Revenue Service, California Franchise Tax Board, other federal or state agency, or court concerning Contractor's independent contractor status or employment-related liability.

14. Subcontractors. No subcontract shall be awarded nor any subcontractor engaged by Contractor without District's prior written approval. Contractor shall be responsible for requiring and confirming that each approved subcontractor meets the minimum insurance requirements specified in Section 11 of this Agreement. Any approved subcontractor shall obtain the required insurance coverages and provide proof of same to District in the manner provided in Section 11 of this Agreement.

15. Assignment. This Agreement and all rights and obligations under it are personal to the parties. The Agreement may not be transferred, assigned, delegated or subcontracted in whole or in part, whether by assignment, subcontract, merger, operation of law or otherwise, by either party without the prior written consent of the other party. Any transfer, assignment, delegation, or subcontract in violation of this provision is null and void and grounds for the other party to terminate the Agreement.

16. No Waiver of Rights. Any waiver at any time by either party of its rights as to a breach or default of this Agreement shall not be deemed to be a waiver as to any other breach or default. No payment by District to Contractor shall be considered or construed to be an approval or acceptance of any Work or a waiver of any breach or default.

17. Severability. If any part of this Agreement is held to be void, invalid, illegal or unenforceable, then the remaining parts will continue in full force and effect and be fully binding, provided that each party still receives the benefits of this Agreement.

18. Governing Law and Venue. This Agreement will be governed by and construed in accordance with the laws of the State of California. The county and federal district court where District's office is located shall be venue for any state and federal court litigation concerning the enforcement or construction of this Agreement.

19. Notice. Any notice, demand, invoice or other communication required or permitted to be given under this Agreement must be in writing and delivered either (a) in person, (b) by prepaid, first class U.S. mail, (c) by a nationally-recognized commercial overnight courier service that guarantees next day delivery and provides a receipt, or (d) by email with confirmed receipt. Such notices, etc. shall be addressed as follows:

District:
Sacramento Suburban Water District
Attn: Dan Bills
3701 Marconi Avenue, Suite 100
Sacramento, CA 95821-5346

Contractor:

Attn: _____

E-mail: dbills@sswd.org
Phone: (916) 679-3970

E-mail: _____
Phone: _____

Notice given as above will be deemed given (a) when delivered in person, (b) three days after deposited in prepaid, first class U.S. mail, (c) on the date of delivery as shown on the overnight courier service receipt, or (d) upon the sender's receipt of an email from the other party confirming the delivery of the notice, etc. Any party may change its contact information by notifying the other party of the change in the manner provided above.

20. Signature Authority. Each party warrants that the person signing this Agreement is authorized to act on behalf of the party for whom that person signs. The Parties may execute and deliver this Agreement and documents necessary to perform it, including task orders and amendments, in any number of original or facsimile counterparts. When each Party has signed and delivered at least one counterpart to the other Party, each counterpart shall be deemed an original and, taken together, the counterparts shall constitute one and the same document, which shall be binding and effective.

Sacramento Suburban Water District:

Contractor:

Dated: _____

Dated: _____

By: _____
Daniel R. York
General Manager

By: _____
Name
Title

Sacramento Suburban Water District
Water Rate Consultants
May 2018

Willdan Financial Services
27368 Via Industria, Suite 200
Temecula, CA 92590
Attn: Chris Fisher
951.587.3528

The Reed Group, Inc.
3053 Freeport Blvd., #158
Sacramento, CA 95818-4346
Attn: Bob Reed
916.444.9622

Raftelis Financial Consultants
445 South Figueroa Street, Suite 2270
Los Angeles, CA 90071
Attn: Sanjay Gaur
213.327.4405

Atkins
1410 Rocky Ridge Drive, Suite 140
Roseville, CA 95661
Attn: Sandy Aguirre
916.782.7275

Bartle Wells Associates
1889 Alcatraz Avenue
Berkeley, CA 94703
Attn: Tyler Old
510.653.3399, Ext. 110
ddove@bartlewells.com

Hawksley
Mark Hildebrand
Principal Consultant
(925) 627-4714
(510) 316-0621
mhildebrand@hawksley.com

Public Financial Management
601 S. Figueroa Street, Suite 4500
Los Angeles, CA 90017
Attn: Brian Thomas
213.489.4075

Brown And Caldwell
10540 White Rock Road, Suite 180
Rancho Cordova, CA 95670
Attn: Paul Selsky
916.444.0123

HDR
500 108th Ave NE, STE 1200
Bellevue, WA 98004
Attn: Tom Gould
425.450.6386



Agenda Item: 2

Date: May 16, 2018

Subject: 2018 Employee Compensation Study Request For Proposals (RFP)

Staff Contact: Daniel A. Bills, Finance Director

Recommended Committee Action:

Commensurate with the scope and schedule approved by the Board in April, review, discuss and agree with the proposed RFP, Schedule and Consultant Distribution List for the 2018 Employee Compensation Study (Study).

Discussion:

At the April 2018 Special Board meeting, the Board approved the following scope and schedule for the 2018 Water Rate Study. Staff will be utilizing the services of Bryce Consulting for items 1 and 2 below, but will select a different firm for the Study:

Scope

1. Update/Revise the Organization Chart (Performed by Staff and Bryce Consulting)
 - Based on the focus and objectives of new management team, prepare a revised/updated organization chart.
2. Updating/Revising all Job Descriptions (Performed by Staff and Bryce Consulting)
 - Review all job descriptions and update as needed in line with revised organization chart.
3. Perform Study, to include:
 - Collect and analyze base salary/pay for all employee classes
 - Collect and analyze all employer provided benefits
 - Survey Employers, consider organization type, proximity and size
 - Analyze Results
 - Make Recommendations

Schedule

1. Prepare and distribute Request for Proposals (RFP)
2. Receive Proposals
3. Select Consultant
4. Execute contract
5. Consultant begins study
6. Intermittent discussions with Committee and Board
7. Study completed
8. Board approval

2018 Employee Compensation Study Request For Proposals (RFP)

May 16, 2018

Page 2 of 2

Staff has incorporated the approved scope and schedule into the attached RFP. Prior to its dissemination, staff is asking the Committee to review and approve the RFP and the Consultant Distribution List.

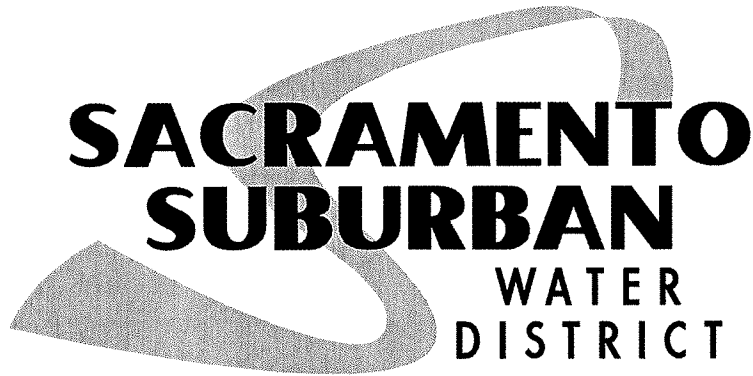
Staff is hopeful the Study can be completed and adopted by the Board prior to the 2019 Budget process that begins in earnest in late August.

Fiscal Impact:

\$30,000 is the amended approved budget for the Study. Actual cost of Study will be known once bids are received and the consultant selected.

Strategic Plan Alignment:

Finance – 4.H. Produce and monitor an annual budget for system operations, maintenance and replacements.



CLEARLY REFRESHING SERVICE!

**Request for Proposals
for
2018 Compensation Study**

May 14, 2018

Sacramento Suburban Water District
3701 Marconi Avenue, Suite 100
Sacramento, CA 95821-5346
(916) 972-7171
FAX: (916) 972-7639

I. PURPOSE

Through this Request for Proposals (RFP), the Sacramento Suburban Water District (“District”) is asking a select group of qualified consultants to submit a proposal to perform a compensation study. This project will be funded from the District’s Human Resources Budget for calendar year 2018.

The purpose of the study is to collect and analyze base pay/salary and benefit survey data for selected survey classes, and update the pay/salary plan for all classes in the District using market data and internal relationships to insure parity to the labor market and internal equity within the organization.

II. SCOPE OF WORK

A list of anticipated project elements is provided below. The consultant is expected to provide a detailed scope of work with the proposal.

Project elements to be considered include:

1. Labor Market*:

All Classes: Carmichael Water District, Citrus Heights Water District, City of Davis, City of Folsom, City of Roseville, City of Sacramento, City of West Sacramento, City of Woodland, El Dorado Irrigation District, Elk Grove Water District, Fair Oaks Water District, Placer County Water Agency, Sacramento County and San Juan Water District.

Management Classes: Amador Water Agency, City of Lodi, San Luis and Delta Mendota Water, Stockton East Water District and Stockton Municipal Utility.

*The adequacy, sufficiency and applicability of the proposed Labor Market Classes are subject to the consultant’s review and recommendation of possible alternate agencies as long as the total number of agencies surveyed is consistent.

2. Survey Classes:

All classes.

3. Data to be collected:

- Maximum monthly base pay/salary
- Employee’s Portion of Retirement Paid by Employer (% & \$)
- Longevity Pay Paid by Employer
- Deferred Compensation Paid by Employer
- Health Plan Premium Paid by Employer
- Dental Plan Premium Paid by Employer
- Vision Plan Premium Paid by Employer
- Long-Term Disability Insurance Plan Premium Paid by Employer
- Life Insurance Plan Premium Paid by Employer
- Retiree Health Savings Account Paid by Employer
- Social Security Paid by Employer
- Employer’s Portion of Retirement Paid by Employee (% & \$)

- COLA: Index Used; Date of Last COLA, Amount of Last COLA, Date of Next COLA, Amount of Next COLA
 - Equal Pay Act: Are there different pay/salary levels for employees of the opposite sex who perform substantially similar work? (If yes, additional pay/salary information may need to be obtained from the responding agency.)
 - Retirement Practices: Plan, Benefit, Formula, Employer's Portion of Cost (% & \$)
 - Retiree Medical Information: Employer Contribution for Retiree Only, for Retiree and Spouse, for Retiree and Family, and Vesting Policy
 - Retiree Dental Information: Employer Contribution for Retiree only, for Retiree and Spouse, for Retiree and Family
 - Retiree Vision Information: Employer Contribution for Retiree Only, Retiree and Spouse, for Retiree and Family
 - All Classes Paid Vacation, Sick Leave and Holidays
 - Management Class Paid Administrative Leave
4. Recommendations: Based on the compensation analysis, make specific recommendations, including: Calculating 62.5th Percentile of Total Compensation and % Above or Below Market, Recommending Maximum, Calculating Difference (\$ and %) and Recommending Internal Relationship.
 5. Prepare Draft and Final Reports: Prepare draft and final reports that document and describe the work performed and present specific recommendations as indicated above.
 6. Presentation at District Committee Meeting: Prepare and conduct presentation of the draft report at a District Committee Meeting to describe the study process and recommendations. Receive and address Committee and public comments.
 7. Presentation at District Board Meeting. Prepare and conduct presentation at a District Board Meeting to describe the study process and recommendations. Receive and address Board and public comments.
 8. Meetings with District Management Staff: Meetings will be scheduled as necessary for the coordination and completion of all items included in the scope of work.
 9. Work Products:
 - Ten (10) bound copies of Draft report describing the study process and recommendations for both the Committee and Board Meetings.
 - Ten (10) bound copies of Final report describing the study process and recommendations following Board acceptance. Also provide an electronic copy of the final accepted report in .pdf file format.

The District welcomes and encourages thoughts and ideas on additional scope elements that may improve the efficiency of effort, increase the value and utility of the study, or make logical sense to include as part of the study.

III. PROPOSAL REQUIREMENTS AND CONTENTS

In anticipation of your interest in this project, proposals submitted for this project are to follow the outline described below and must address all requested information. Please submit one (1) original signed Proposal and three (3) copies of the Proposal (four (4) in total).

Section 1 Project Overview

Provide a narrative description of the project based on the Scope of Work presented above. District staff will assess the Consultant's understanding of all aspects of the project based on the overview.

Section 2 Detailed Work Plan

Provide a description of the required tasks and duties for the compensation study. The description shall include details as described in the Scope of Work and any recommended additions. Include any assumptions used in development of the work tasks including assistance expected from District staff. Also identify any unique approaches or strengths that your firm may have related to this project.

Section 3 Project Team

The project team shall be identified with key tasks and the associated responsible personnel should be identified. A project team organization diagram and summary resume of pertinent experience for each team member shall be included.

Section 4 Project Schedule

The study shall be completed by August 3, 2018, including the Committee presentation, with the Board presentation to be scheduled for August 20, 2018. A project schedule shall be included in the proposal to show all key project milestones and deliverables. Assumptions used in developing the schedule and other potentially driving factors shall be identified.

Section 5 Staff Estimate and Cost

Provide an estimate of staff time required for each scope item. Estimates shall be broken down by task to enable District staff to determine the level of detail and number of management, staff and support personnel hours envisioned for each task. Estimates of hours for each staff classification shall be provided for each task.

Provide an hourly rate schedule for those job classifications to be billed to the Study and identify all other costs to be billed to the Study. Include total Study cost and identify any adjustments, which are predicted to occur during the life of the Study.

Section 6 Conflicts of Interest

Firms submitting a proposal must disclose any actual, apparent, direct or indirect, or potential conflicts of interest that may exist with respect to the firm, management, or employees of the firm or other persons relative to the services to be provided. If a firm has no conflicts of interest, a statement to that effect shall be included in the proposal.

Section 7 Proprietary Information

Firms submitting a proposal must provide a statement that nothing contained in the submitted proposal will be proprietary. All proposals shall become the property of the District once submitted.

Section 8 Insurance

Provide a summary of the firm’s insurance coverage. This summary should include a statement that the consultant’s insurance meets or exceeds the District’s requirements. Minimum limits and types of insurance that are required to be maintained throughout the term of the project are:

- General Liability: \$1,000,000 per occurrence, or full per occurrence limits of available policies
Scope at least as broad as ISO CG 0001
- Automobile Liability: \$1,000,000 per occurrence
Scope at least as broad as ISO CA 0001 (Code 1, any auto)
- Workers’ Compensation: California statutory limits

Section 9 Signature

The proposal shall be signed by an official authorized to bind the consulting firm and shall expressly state that the proposal is valid for 90 days.

IV. SELECTION OF CONSULTANT

Qualification-based selection methods will be used for award of this project. The proposals will be screened by a selection committee and rated on:

- Quality and adequacy of the proposal
- Understanding of the project
- Experience and qualifications of the project manager and key personnel
- Scope of Work/Schedule

In addition, the cost estimate may be used to distinguish between similarly qualified firms.

Following successful contract negotiations, a recommendation will be made to the District’s General Manager to award the contract. In the event that negotiations with the top ranked firm are not successful, the District reserves the right to enter into negotiations with other ranked firms.

V. PROPOSAL SCHEDULE

The following is the anticipated schedule for awarding this project. If a change in this schedule becomes necessary, all recipients of the RFP will be notified.

RFP Released	May 30, 2018
Proposals Due (4:00 p.m.)	June 15, 2018
Screening and Ranking Completed	June 20, 2018
Contract Approved by General Manager	June 22, 2018
Notice to Proceed	June 25, 2018

No pre-proposal meeting will be held. Questions regarding this project **must** be received **in writing** at least one (1) week prior to the proposal due date. This is to allow sufficient time to distribute questions

and answers to all prospective firms. No questions will be answered by telephone. However, e-mailed or faxed questions are acceptable. Address written or e-mailed questions to:

Dan Bills, Finance Director
Sacramento Suburban Water District
3701 Marconi Avenue, Suite 100
Sacramento, CA 95821-5346

E-mail: dbills@sswd.org
Fax: (916) 972-7639
Phone: (916) 679-3970

VI. PROPOSAL TERMS AND CONDITIONS

The District will not pay any costs incurred by the firm in preparing or submitting the proposal. The District reserves the right to modify or cancel, in part or in its entirety, this RFP. The District reserves the right to reject any or all proposals, to waive defects or informalities, and to offer the contract with any firm in response to any RFP. This RFP does not constitute any form of offer to contract.

VII. CERTIFICATE OF INSURANCE

The Consultant shall submit a certificate evidencing such coverage in a form satisfactory to the District's legal counsel. Said certificate shall provide at least thirty (30) days written notice to the District prior to cancellation or modification of any insurance required for this project. Any insurance written on claims made basis is subject to approval of the District's legal counsel. Insurance coverage in the minimum amounts set forth shall not be construed to relieve the Consultant of liability in excess of such coverage, nor shall it preclude the District from taking such other actions as are available to it under any other provisions of the law.

VIII. STANDARD HOLD HARMLESS AGREEMENT

The Consultant shall defend, indemnify and save and hold harmless the District, its officers, agents and employees from any claims, suits or actions of every name, kind and description brought forth, or an account of, injuries to or death of any persons, including, but not limited to, works and the public or damage to property, resulting from or arising out of the Consultant's negligence or willful misconduct in the performance of this project.

IX. DISTRICT CONTRACT

A District standard consulting contract form will be used as the agreement between Consultant and District. A copy of the District's standard agreement is attached. Please review and inform us in writing with your proposal of any changes required to the contract. Please note the Insurance Requirements in section 11. Provide a summary of the firm's (and sub consultants) insurance coverage. Summary should included a statement that the consultant and sub-consultant's insurance meets or exceeds the District's requirements.

ATTACHMENT A
DISTRICT'S STANDARD CONSULTING CONTRACT

**SACRAMENTO SUBURBAN WATER DISTRICT
SERVICES AGREEMENT**

THIS AGREEMENT is entered into as of the date last signed and dated below by and between Sacramento Suburban Water District, a local government agency (“District”), and _____, a _____ [Insert type and jurisdiction of entity] (“Contractor”), who agree as follows:

1. Scope of Work. Contractor shall perform the work and render the services described in the attached Exhibit A (the “Work”). Contractor shall provide all labor, services, equipment, tools, material and supplies required or necessary to properly, competently and completely perform the Work. Contractor shall determine the method, details and means of doing the Work.

2. Payment.

a. District shall pay to Contractor a fee based on *[check one]*:

___ Contractor’s time and expenses necessarily and actually expended or incurred on the Work in accordance with Contractor’s fee schedule on the attached Exhibit A.

___ The fee arrangement described on the attached Exhibit A.

The total fee for the Work shall not exceed \$_____. There shall be no compensation for extra or additional work or services by Contractor unless approved in advance in writing by District. Contractor’s fee includes all of Contractor’s costs and expenses related to the Work.

b. At the end of each month, Contractor shall submit to District an invoice for the Work performed during the preceding month. The invoice shall include a brief description of the Work performed, the dates of Work, number of hours worked and by whom (if payment is based on time), payment due, and an itemization of any reimbursable expenditures. If the Work is satisfactorily completed and the invoice is accurately computed, District shall pay the invoice within 30 days of its receipt.

3. Term.

a. This Agreement shall take effect on the above date and continue in effect until completion of the Work, unless sooner terminated as provided below. Time is of the essence in this Agreement. If Exhibit A includes a Work schedule or deadline, then Contractor must complete the Work in accordance with the specified schedule or deadline, which may be extended by District for good cause shown by Contractor. If Exhibit A does not include a Work schedule or deadline, then Contractor must perform the Work diligently and as expeditiously as possible, consistent with the professional skill and care appropriate for the orderly progress of the Work.

b. This Agreement may be terminated at any time by District upon 10 days advance written notice to Contractor. In the event of such termination, Contractor shall be fairly compensated for all work performed to the date of termination as calculated by District based

on the above fee and payment provisions. Compensation under this subsection shall not include any termination-related expenses, cancellation or demobilization charges, or lost profit associated with the expected completion of the Work or other such similar payments relating to Contractor's claimed benefit of the bargain.

4. Professional Ability of Contractor. Contractor represents that it is specially trained and experienced, and possesses the skill, ability, knowledge and certification, to competently perform the Work provided by this Agreement. District has relied upon Contractor's training, experience, skill, ability, knowledge and certification as a material inducement to enter into this Agreement. All Work performed by Contractor shall be in accordance with applicable legal requirements and meet the standard of care and quality ordinarily to be expected of competent professionals in Contractor's field.

5. Conflict of Interest. Contractor (including principals, associates and professional employees) represents and acknowledges that (a) it does not now have and shall not acquire any direct or indirect investment, interest in real property or source of income that would be affected in any manner or degree by the performance of Contractor's services under this agreement, and (b) no person having any such interest shall perform any portion of the Work. The parties agree that Contractor is not a designated employee within the meaning of the Political Reform Act and District's conflict of interest code because Contractor will perform the Work independent of the control and direction of the District or of any District official, other than normal contract monitoring, and Contractor possesses no authority with respect to any District decision beyond the rendition of information, advice, recommendation or counsel.

6. Contractor Records.

a. Contractor shall keep and maintain all ledgers, books of account, invoices, vouchers, canceled checks, and other records and documents evidencing or relating to the Work and invoice preparation and support for a minimum period of three years (or for any longer period required by law) from the date of final payment to Contractor under this Agreement. District may inspect and audit such books and records, including source documents, to verify all charges, payments and reimbursable costs under this Agreement.

b. In accordance with California Government Code section 8546.7, the parties acknowledge that this Agreement, and performance and payments under it, are subject to examination and audit by the California State Auditor for three years following final payment under the Agreement.

7. Ownership of Documents. All works of authorship and every report, study, spreadsheet, worksheet, plan, design, blueprint, specification, drawing, map, photograph, computer model, computer disk, magnetic tape, CAD data file, computer software and any other document or thing prepared, developed or created by Contractor under this Agreement and provided to District ("Work Product") shall be the property of District, and District shall have the rights to use, modify, reuse, reproduce, publish, display, broadcast and distribute the Work Product and to prepare derivative and additional documents or works based on the Work Product without further compensation to Contractor or any other party. Contractor may retain a copy of any Work Product and use, reproduce, publish, display, broadcast and distribute any Work Product and prepare derivative and additional documents or works based on any Work Product; provided, however, that Contractor shall not provide any Work Product to any third

party without District's prior written approval, unless compelled to do so by legal process. If any Work Product is copyrightable, Contractor may copyright the same, except that, as to any Work Product that is copyrighted by Contractor, District reserves a royalty-free, nonexclusive and irrevocable license to use, reuse, reproduce, publish, display, broadcast and distribute the Work Product and to prepare derivative and additional documents or works based on the Work Product. If District reuses or modifies any Work Product for a use or purpose other than that intended by the scope of work under this Agreement, then District shall hold Contractor harmless against all claims, damages, losses and expenses arising from such reuse or modification. For any Work Product provided to District in paper format, upon request by District at any time (including, but not limited to, at expiration or termination of this Agreement), Contractor agrees to provide the Work Product to District in a readable, transferable and usable electronic format generally acknowledged as being an industry-standard format for information exchange between computers (e.g., Word file, Excel spreadsheet file, AutoCAD file).

8. Confidentiality of Information.

a. Contractor shall keep in strict confidence all confidential, privileged, trade secret, and proprietary information, data and other materials in any format generated, used or obtained by the District or created by Contractor in connection with the performance of the Work under this Agreement (the "Confidential Material"). Contractor shall not use any Confidential Material for any purpose other than the performance of the Work under this Agreement, unless otherwise authorized in writing by District. Contractor also shall not disclose any Confidential Material to any person or entity not connected with the performance of the Work under this Agreement, unless otherwise authorized in advance in writing by District. If there is a question if Confidential Material is protected from disclosure or is a public record or in the public domain, the party considering disclosure of such materials shall consult with the other party concerning the proposed disclosure.

b. Contractor, and its officers, employees, agents, and subcontractors, shall at all times take all steps that are necessary to protect and preserve all Confidential Material. At no time shall Contractor, or its officers, employees, agents, or subcontractors in any manner, either directly or indirectly, use for personal benefit or divulge, disclose, or communicate in any manner, any Confidential Material to any person or entity unless specifically authorized in writing by the District or by order of a court or regulatory entity with jurisdiction over the matter. Contractor, and its officers, employees, agents, and subcontractors shall protect the Confidential Material and treat it as strictly confidential in accordance with applicable law, District policies and directives, and best industry security practices and standards.

c. If any person or entity, other than District or Contractor, requests or demands, by subpoena, discovery request, California Public Records Act request or otherwise, Confidential Material or its contents, the party to whom the request is made will immediately notify the other party, so that the parties may collectively consider appropriate steps to protect the disclosure of those materials. The parties agree to take all steps reasonably necessary to preserve the confidential and privileged nature of the Confidential Material and its content. In the event that the parties cannot agree whether to oppose or comply with a disclosure demand, the opposing party may oppose the demand at its sole cost and expense, in which event the party favoring disclosure will refrain from disclosing the demanded Confidential

Material until such time as a final agreement regarding disclosure is reached or, if an agreement is not reached, a judicial determination is made concerning the demand.

d. Unless otherwise directed in writing by the District, upon contract completion or termination, Contractor must destroy all Confidential Materials (written, printed and/or electronic) and shall provide a written statement to the District that such materials have been destroyed.

9. Compliance with Laws.

a. General. Contractor shall perform the Work in compliance with all applicable federal, state and local laws and regulations. Contractor shall possess, maintain and comply with all federal, state and local permits, licenses and certificates that may be required for it to perform the Work. Contractor shall comply with all federal, state and local air pollution control laws and regulations applicable to the Contractor and its Work (as required by California Code of Regulations title 13, section 2022.1). Contractor shall be responsible for the safety of its workers and Contractor shall comply with applicable federal and state worker safety-related laws and regulations.

b. Pre- and Post-Construction Related Work.

Intentionally Omitted.

10. Indemnification.

a. Contractor shall indemnify, defend, protect, and hold harmless District, and its officers, employees and agents (“Indemnitees”) from and against any claims, liability, losses, damages and expenses (including attorney, expert witness and Contractor fees, and litigation costs) (collectively a “Claim”) that arise out of, pertain to, or relate to the negligence, recklessness, or willful misconduct of Contractor or its employees, agents or subcontractors. The duty to indemnify, including the duty and the cost to defend, is limited as provided in this section. However, this indemnity provision will not apply to any Claim arising from the sole negligence or willful misconduct of District or its employees or agents. Contractor’s obligations under this indemnification provision shall survive the termination of, or completion of Work under, this Agreement.

b. This subsection (b) applies if the Contractor is a “design professional” as that term is defined in Civil Code section 2782.8. If a court or arbitrator determines that the incident or occurrence that gave rise to the Claim was partially caused by the fault of an Indemnitee, then in no event shall Contractor’s total costs incurred pursuant to its duty to defend Indemnitees exceed Contractor’s proportionate percentage of fault as determined by a final judgment of a court or final decision of arbitrator.

11. Insurance.

Types & Limits. Contractor at its sole cost and expense shall procure and maintain for the duration of this Agreement the following types and limits of insurance:

<i>Type</i>	<i>Limits</i>	<i>Scope</i>
Commercial general liability	\$1,000,000 per occurrence & \$2,000,000 aggregate	at least as broad as ISO CG 0001
Automobile liability	\$2,000,000 per accident	at least as broad as ISO CA 0001, code 1 (any auto)
Workers' compensation	Statutory limits	
Employers' liability	\$1,000,000 per accident	
Professional liability*	\$1,000,000 per claim	

*Required only if Contractor is a licensed engineer, land surveyor, geologist, architect, doctor or attorney.

a. Other Requirements. The general and automobile liability policy(ies) shall be endorsed to name District, its officers, employees, volunteers and agents as additional insureds regarding liability arising out of the Work. Contractor's coverage shall be primary and apply separately to each insurer against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability. District's insurance or self-insurance, if any, shall be excess and shall not contribute with Contractor's insurance. Each insurance policy shall be endorsed to state that coverage shall not be canceled, except after 30 days (10 days for non-payment of premium) prior written notice to District. Insurance is to be placed with admitted insurers with a current A.M. Best's rating of A-VII or better unless otherwise acceptable to District. Workers' compensation insurance issued by the State Compensation Insurance Fund is acceptable. Contractor agrees to waive subrogation that any insurer may acquire from Contractor by virtue of the payment of any loss relating to the Work. Contractor agrees to obtain any endorsement that may be necessary to implement this subrogation waiver. The workers' compensation policy must be endorsed to contain a subrogation waiver in favor of District for the Work performed by Contractor.

b. Proof of Insurance. Upon request, Contractor shall provide to District the following proof of insurance: (a) certificate(s) of insurance evidencing this insurance; and (b) endorsement(s) on ISO Form CG 2010 (or insurer's equivalent), signed by a person authorized to bind coverage on behalf of the insurer(s), and certifying the additional insured coverage.

12. Entire Agreement; Amendment. The parties intend this writing to be the sole, final, complete, exclusive and integrated expression and statement of the terms of their contract concerning the Work. This Agreement supersedes all prior oral or written negotiations, representations, contracts or other documents that may be related to the Work, except those other documents (if any) that are expressly referenced in this Agreement. This Agreement may be amended only by a subsequent written contract approved and signed by both parties.

13. Independent Contractor. Contractor's relationship to District is that of an independent contractor. All persons hired by Contractor and performing the Work shall be Contractor's

employees or agents. Contractor and its officers, employees and agents are not District employees, and they are not entitled to District employment salary, wages or benefits. Contractor shall pay, and District shall not be responsible in any way for, the salary, wages, workers' compensation, unemployment insurance, disability insurance, tax withholding, and benefits to and on behalf of Contractor's employees. Contractor shall, to the fullest extent permitted by law, indemnify District, and its officers, employees, volunteers and agents from and against any and all liability, penalties, expenses and costs resulting from any adverse determination by the federal Internal Revenue Service, California Franchise Tax Board, other federal or state agency, or court concerning Contractor's independent contractor status or employment-related liability.

14. Subcontractors. No subcontract shall be awarded nor any subcontractor engaged by Contractor without District's prior written approval. Contractor shall be responsible for requiring and confirming that each approved subcontractor meets the minimum insurance requirements specified in Section 11 of this Agreement. Any approved subcontractor shall obtain the required insurance coverages and provide proof of same to District in the manner provided in Section 11 of this Agreement.

15. Assignment. This Agreement and all rights and obligations under it are personal to the parties. The Agreement may not be transferred, assigned, delegated or subcontracted in whole or in part, whether by assignment, subcontract, merger, operation of law or otherwise, by either party without the prior written consent of the other party. Any transfer, assignment, delegation, or subcontract in violation of this provision is null and void and grounds for the other party to terminate the Agreement.

16. No Waiver of Rights. Any waiver at any time by either party of its rights as to a breach or default of this Agreement shall not be deemed to be a waiver as to any other breach or default. No payment by District to Contractor shall be considered or construed to be an approval or acceptance of any Work or a waiver of any breach or default.

17. Severability. If any part of this Agreement is held to be void, invalid, illegal or unenforceable, then the remaining parts will continue in full force and effect and be fully binding, provided that each party still receives the benefits of this Agreement.

18. Governing Law and Venue. This Agreement will be governed by and construed in accordance with the laws of the State of California. The county and federal district court where District's office is located shall be venue for any state and federal court litigation concerning the enforcement or construction of this Agreement.

19. Notice. Any notice, demand, invoice or other communication required or permitted to be given under this Agreement must be in writing and delivered either (a) in person, (b) by prepaid, first class U.S. mail, (c) by a nationally-recognized commercial overnight courier service that guarantees next day delivery and provides a receipt, or (d) by email with confirmed receipt. Such notices, etc. shall be addressed as follows:

District:
Sacramento Suburban Water District
Attn: Dan Bills
3701 Marconi Avenue, Suite 100
Sacramento, CA 95821-5346

Contractor:

Attn: _____

E-mail: dbills@sswd.org
Phone: (916) 679-3970

E-mail: _____
Phone: _____

Notice given as above will be deemed given (a) when delivered in person, (b) three days after deposited in prepaid, first class U.S. mail, (c) on the date of delivery as shown on the overnight courier service receipt, or (d) upon the sender's receipt of an email from the other party confirming the delivery of the notice, etc. Any party may change its contact information by notifying the other party of the change in the manner provided above.

20. Signature Authority. Each party warrants that the person signing this Agreement is authorized to act on behalf of the party for whom that person signs. The Parties may execute and deliver this Agreement and documents necessary to perform it, including task orders and amendments, in any number of original or facsimile counterparts. When each Party has signed and delivered at least one counterpart to the other Party, each counterpart shall be deemed an original and, taken together, the counterparts shall constitute one and the same document, which shall be binding and effective.

Sacramento Suburban Water District:

Contractor:

Dated: _____

Dated: _____

By: _____
Daniel R. York
General Manager

By: _____
Name
Title

Sacramento Suburban Water District
Compensation Study Consultants
May 2018

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