



6.c.
1/28/2021

TO: Local Agency Formation Commission

FROM: Gary Thompson, Executive Officer

**SUBJECT: PROFESSIONAL SERVICE AGREEMENT SECOND AMENDMENT FOR
THE MURRIETA FOCUSED MUNICIPAL SERVICE REVIEW WITH
WEST YOST ASSOCIATES**

On December 6, 2018, the Commission awarded a professional services agreement (Agreement) to West Yost Associates for performing a Focused Municipal Service Review (FMSR) for a specified area within the City of Murrieta (City). The purpose of the FMSR is to ascertain water service delivery infrastructure requirements, costs and financing requirements, and revenue and rate projections necessary for the City to plan for future redevelopment and new development within a designated area of the City of approximately 4,018 acres (Study Area). As several water agencies provide service and infrastructure into the Study Area, or are adjacent to the Study Area, the City had requested this FMSR in order to assist in determining the most cost effective provision of retail water service, and required infrastructure, for residential and commercial current and future customers within the Study Area.

On June 25, 2020, the Commission approved the First Amendment to the Agreement extending the completion date to December 31, 2020, and authorizing additional analysis requested by the water agencies.

This Second Amendment to the Agreement is necessitated to extend the Agreement for an additional 6 months to June 30, 2021 due to the inability to conduct the final public presentation and subsequent Commission public hearing due to the ongoing COVID-19 situation. Additionally, two project management personnel assigned to the project have recently left the firm, however, and West Yost Associates is in process of securing their services through a sub-consultant agreement to complete the project.

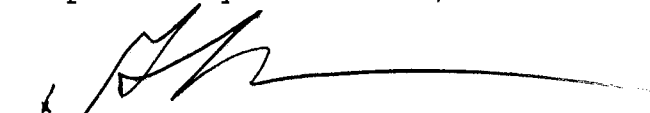
There is no additional cost associated with the Amendment to the Agreement.

The Second Amendment to the Agreement, the original Agreement and the First Amendment to the Agreement are attached for reference.

It is recommended that the Commission:

1. Approve the Second Amendment to the Agreement with West Yost Associates, and ratify the effective date as of December 31, 2020, subject to staff verification of a completed sub-consultant agreement between West Yost Associates and the sub-consultants.

Respectfully Submitted,



Gary Thompson
Executive Officer

Attachments:

- 1) The Second Amendment to the Agreement with West Yost Associates
- 2) The First Amendment to the Agreement with West Yost Associates with the Original Agreement attached.

**SECOND AMENDMENT TO THE
AGREEMENT WITH WEST YOST
ASSOCIATES**

1 SECOND AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT BETWEEN
2 THE RIVERSIDE LOCAL AGENCY FORMATION COMMISSION AND WEST YOST
3 ASSOCIATES
4

5 This SECOND AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT
6 BETWEEN THE RIVERSIDE LOCAL AGENCY FORMATION COMMISSION AND WEST
7 YOST ASSOCIATES, entered into this ____ day of _____, 2021 is made and entered, by and
8 between the Riverside Local Agency Formation Commission, a commission created within the
9 County of Riverside by the provisions of the Cortese-Knox-Hertzberg Local Government
10 Reorganization Act of 2000, set forth in Government Code section 56000 et seq. (herein referred
11 to as "LAFCO"), and West Yost Associates (herein referred to as the "CONTRACTOR").

12 RECITALS

13 A. CONTRACTOR and LAFCO (herein referred to collectively as Parties) entered into
14 that certain Professional Services Agreement dated March 22, 2019, (the "Original Agreement")
15 pursuant to which CONTRACTOR was to prepare a Focused Municipal Service Review (FMSR)
16 report for a specified area within the City of Murrieta for provision of retail water services; and

17 B. Parties entered into the First Amendment to the Original Agreement (the "First
18 Amendment") on July 14, 2020 extending the Original Agreement term to December 31, 2020, and
19 for performance of additional work; and

20 C. Parties have determined that due to the unanticipated continued disruption that the
21 COVID-19 virus issue has caused to conducting the final public meeting and hearing to complete
22 the project, another extension of the term is warranted; and

23 D. Parties now desire to amend the Original Agreement and the First Amendment to
24 extend the completion schedule through June 30, 2021.

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1 NOW THEREFORE, in consideration of the mutual covenants contained herein, the Parties hereto
2 agree as follows:

3 1. Paragraph 2.1 of Section 2 entitled Period of Performance of the Original
4 Agreement as amended by the First Amendment is hereby amended to read as follows as :

5 2.1 Unless terminated as specified in Section 8 TERMINATION, or
6 Section 3.3, this Agreement shall be effective upon execution of the
7 Agreement, ratified back to December 31, 2020, and shall continue in
8 effect through June 30, 2021. Extension of this Agreement shall
9 require mutual written consent by the CONTRACTOR and LAFCO
10 and shall be considered an amendment to this Agreement to be
11 processed in accordance with Section 10 ALTERATION.
12 CONTRACTOR shall commence performance of requested services
13 upon notification and shall diligently perform such services.

14 2. Section 12 entitled Subcontract for Work or Services of the Original
15 Agreement as amended by the First Amendment is hereby amended to read as follows as :

16 No Agreement shall be made by CONTRACTOR with any party for furnishing
17 any of the work or services herein contained without the prior written approval
18 of the Executive Officer, but this provision shall not require the approval of
19 contracts of employment between CONTRACTOR and personnel assigned for
20 services thereunder, or for parties named in the proposal and agreed to under any
21 resulting contract. FG Solutions, including Debi Fortin and Art Griffith of FG
22 Solutions, and independent consultants Stephen Dopudja and Jon Wells are
23 acknowledged as subcontractors to West Yost Associates for this project.

24 E. SECOND AMENDMENT TO PREVAIL. The provisions of this Second
25 Amendment shall prevail over any inconsistency or conflicting provision of the Original Agreement
26 and the First Amendment, as heretofore amended, and shall supplement the remaining provisions
27 thereof. Any capitalized terms shall have the meaning defined in the Original Agreement, unless
28 defined herein or context requires otherwise.

1 F. MISCELLANEOUS. Except as amended or modified herein, all terms of the
2 Original Agreement and the First Amendment shall remain in full force and effect. If any provisions
3 of this Second Amendment shall be determined to be illegal or unenforceable, such determination
4 shall not affect any other provision of the Original Agreement and the First Amendment, and all
5 such other provisions shall remain in full force and effect.

6 G. EFFECTIVE DATE. This Second Amendment shall not be binding or consummated
7 until it is fully executed by the parties hereto and once executed, shall be ratified back to an effective
8 date of December 31, 2020.

9 IN WITNESS WHEREOF, the Parties hereto have caused their duly authorized representatives to
10 execute this Agreement.

11

12 **Riverside Local Agency Formation Commission**

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14

15 Print Name:

16 Title:

17 Date:

18 //

19 **West Yost Associates**

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22 Print Name: Greg K. Chung

23 Title: Vice President

24 Date: 1/19/2021

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FORM APPROVED COUNTY COUNSEL

BY: _____

TIFFANY N. NORTH

**FIRST AMENDMENT TO THE
AGREEMENT WITH WEST YOST
ASSOCIATES WITH ORIGINAL
AGREEMENT ATTACHED**

FIRST AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT BETWEEN THE
RIVERSIDE LOCAL AGENCY FORMATION COMMISSION AND WEST YOST
ASSOCIATES

This FIRST AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT BETWEEN
THE RIVERSIDE LOCAL AGENCY FORMATION COMMISSION AND WEST YOST
ASSOCIATES, entered into this 14 day of July, 2020 is made and entered, by and between
the Riverside Local Agency Formation Commission, a commission created within the County of
Riverside by the provisions of the Cortese-Knox-Hertzberg Local Government Reorganization Act
of 2000, set forth in Government Code section 56000 et seq. (herein referred to as "LAFCO"), and
West Yost Associates (herein collectively referred to as the "CONTRACTORS").

RECITALS

A. CONTRACTOR and LAFCO (herein referred to as Parties) entered into that certain
Professional Services Agreement dated March 22, 2019, (the "Original Agreement") pursuant to
which CONTRACTOR was to prepare a Focused Municipal Service Review (FMSR) report for a
specified area within the City of Murrieta for provision of retail water services; and

B. LAFCO has received a requested modification to the Original Agreement with
CONTRACTOR (Exhibit A attached hereto) for additional work required to be performed which
was identified during the performance of the Original Agreement; and

C. The request has been reviewed and found the additional work to be necessary for
ensuring the technical accuracy and objectivity of the FMSR, and to allow for enhanced public
participation in the process; and

D. Parties now desire to amend the Original Agreement to fund the additional work and
to extend to completion schedule through December 31, 2020.

NOW THEREFORE, in consideration of the mutual covenants contained herein, the Parties hereto
agree as follows:

1. Paragraph 2.1 of the Original Agreement is hereby amended to read as
follows:

1 Unless terminated as specified in Section 8 TERMINATION, or Section 3.3, this
2 Agreement shall be effective upon execution and continue in effect through
3 December 31, 2020. Extension of this Agreement shall require mutual written
4 consent by the CONTRACTOR and LAFCO and shall be considered an amendment
5 to this Agreement to be processed in accordance with Section 10 ALTERATION.
6 CONTRACTOR shall commence performance of requested services upon
7 notification and shall diligently perform such services.

8 2. Paragraph 3.1 of the Original Agreement is hereby amended to read as
9 follows:

10 LAFCO shall pay CONTRACTOR for services performed and expenses incurred in
11 accordance with the terms of the "West Yost Fee Table" attached hereto as Exhibit
12 B and incorporated herein, and inclusive of the additional fees delineated in the
13 attached Exhibit "A" of this First amendment to the Original Agreement. Maximum
14 payments by LAFCO to CONTRACTOR shall not exceed \$309,857. LAFCO is not
15 responsible for any fees or costs incurred above or beyond contracted amount and
16 shall have no obligation to purchase any specified amount of service or products.

17 E. FIRST AMENDMENT TO PREVAIL. The provisions of this First Amendment shall
18 prevail over any inconsistency or conflicting provision of the Original Agreement, as heretofore
19 amended, and shall supplement the remaining provisions thereof. Any capitalized terms shall have
20 the meaning defined in the Original Agreement, unless defined herein or context requires otherwise.

21 F. MISCELLANEOUS. Except as amended or modified herein, all terms of the
22 Original Agreement shall remain in full force and effect. If any provisions of this First Amendment
23 shall be determined to be illegal or unenforceable, such determination shall not affect any other
24 provision of the Original Agreement and all such other provisions shall remain in full force and
25 effect.

26 G. EFFECTIVE DATE. This First Amendment shall not be binding or consummated
27 until it is fully executed by the parties hereto.

28 //

1 IN WITNESS WHEREOF, the Parties hereto have caused their duly authorized representatives to
2 execute this Agreement.

3 //

4 **Riverside Local Agency Formation Commission**

5 
6 _____

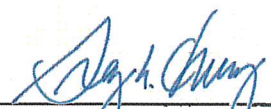
7 Print Name: Steve Sanchez

8 Title: Chairman

9 Date: 6/26/2020

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11 **West Yost Associates**

12 
13 _____

14 Print Name: Greg Chung

15 Title: Vice President

16 Date: 7/14/2020

17 //

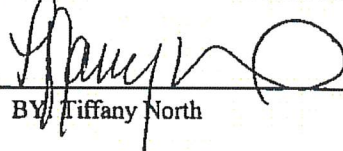
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FORM APPROVED LEGAL COUNSEL

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 6/25/2020
BY: Tiffany North DATE

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April 30, 2020

Project No.: 868-40-19-01

SENT VIA: EMAIL

Gary Thompson
Executive Officer
Riverside LAFCO
6216 Brockton Avenue, Suite 100
Riverside, CA 92506

SUBJECT: Proposal for Focused Water Municipal Service Review Murrieta Area Additional Services

Dear Mr. Thompson:

Thank you for the opportunity for West Yost Associates (West Yost) to provide consulting services to Riverside LAFCO for the Focused Water Murrieta Area Municipal Service Review. During the continued course of the project, our team has been requested to facilitate a second public kickoff meeting and some additional agency meetings. Through the additional agency meetings and coordination, additional hydraulic and financial scenarios were requested to be analyzed and modeled. West Yost has also been asked to budget for an additional public meeting at the conclusion of the Municipal Service Review report. The additional services are detailed in the attached Exhibit A and Budget Matrix.

We understand the importance of this sensitive project and are grateful for the opportunity to serve the Agency. Upon your review of this proposal, please feel free to contact me at (949) 517-9062 or sdopudja@westyost.com with any questions.

Sincerely,

WEST YOST ASSOCIATES

A handwritten signature in blue ink, appearing to read "Stephen Dopudja", is written over the typed name.

Stephen Dopudja, PE
Vice President

Exhibit A: Scope of Work

Exhibit B: Fee Schedule

Exhibit A

Focused Water Municipal Service Review Murrieta Area Additional Services

TASK 1. PROJECT MANAGEMENT – WEST YOST ASSOCIATES

Due to the additional requested tasks and effort, the West Yost team were required to provided additional overall project management services.

Deliverables: Deliverables under this task are merged with the other deliverables in this project.

Additional Kick-off Meeting.

The West Yost team were requested to attended and presented at the client-requested Additional Kick-off Meeting held on July 17, 2019 in Murrieta.

Deliverables: Attendance by the West Yost team and presentation at the July 17, 2019 Additional Kick-off Meeting.

Utility Requested Review Meeting: RCWD

The West Yost team prepared for, attended, and presented at a utility-requested meeting to review the draft financial analysis spreadsheets in person.

- January 22, 2020 at Rancho California Water District

Deliverables: Attendance and presentation of the financial model at a utility-requested meeting.

Utility-Requested Review Meeting: EMWD

The West Yost team prepared for, attended, and presented at a utility-requested meeting to review the draft financial analysis spreadsheets in person.

- January 23, 2020 at Eastern Municipal Water District

Deliverables: Attendance and presentation of the financial model at a utility-requested meeting.

Utility-Requested Review Meeting: WMWD

The West Yost team prepared for, attended, and presented at one utility-requested meeting to review the draft financial analysis spreadsheets in person. This meeting includes:

- February 4, 2020 at Western Municipal Water District

The West Yost team also attended a meeting with the City of Murrieta to obtain information on proposed development in the Study Area.

The West Yost team also participated in a follow up `meeting via conference call:

- March 26, 2020 with Western Municipal Water District

Deliverables: Attendance and presentation of the financial model at one utility-requested meeting, and attendance at meeting with the City of Murrieta. Participation in one utility-requested follow up conference call.

Exhibit A

Focused Water Municipal Service Review Murrieta Area

Additional Services

Additional Public Meeting in Murrieta

Due to the high level of community interest in this project, LAFCO has requested an additional public meeting in Murrieta. The date of this meeting will be determined at a later date but would be prior to the presentation to the LAFCO Board included in the scope as Meeting #5. Our scope includes:

- The West Yost team will travel to, attend, and present at a public meeting to be held in Murrieta.
- The West Yost team will prepare a presentation outlining the findings of our Murrieta Municipal Service Review analyses.

Deliverables: Attendance and presentation at the public meeting. Preparation of the final FMSR presentation for the public meeting.

TASK 2. DATA GATHERING

No amendment requested.

TASK 3. SUPPLY/INFRASTRUCTURE ANALYSIS

The West Yost team were requested to provide an additional level of effort. The requested effort is described below.

Additional Analyses

Additional analyses were requested by WMWD for a 2,000 Acre Feet per Year (AFY) groundwater production scenario. This alternative was modeled exclusively at the request of WMWD to determine the hydraulic impacts, infrastructure requirements and if there would be improved rate benefits for WMWD customers in the Murrieta Study Area from increased groundwater production versus imported water.

The estimated cost for the hydraulic and infrastructure analysis was \$1,594 and is included in Task 3.1 Hydraulic Analysis shown in Exhibit B, Fee Schedule. This cost for this specific alternative will be reimbursed by WMWD.

TASK 4. FINANCE/OPERATIONS/SERVICE/COST ANALYSIS – (BY FG SOLUTIONS, INC.)

In conjunction with the additional effort outlined above, the West Yost team were requested to provide an additional level of effort. The requested effort is described below.

Additional Analyses

During the course of the project, additional analyses were requested by the utilities. These additional analyses included:

Exhibit A

Focused Water Municipal Service Review Murrieta Area

Additional Services

- A partial restructuring of the EMWD ownership scenario financial analysis based on more current utility information and policy direction. Specifically, this was the change from O&M expenses based on meter equivalents to O&M expenses based on water demands.
- Additional scenario from RCWD involving a revenue-neutral rate surcharge. The additional work included extracting projected ad valorem tax revenue from the subset of Study Area customers that are WMWD customers and restructuring the financial analysis formulas and graphs to accommodate.
- Revisions to WMWD-initiated capital expenditure costs and schedules.
- The number of funding mechanism variables and policy differences among the agencies was greater than anticipated. The requested analysis of these variables has increased the level of effort required to complete the financial analysis.
- Receipt of updated data that will require (a) recalculation of water rate revenues, expenses, projected financial impacts under all scenarios, (b) revising all graphs resulting from the financial analysis, and (c) revising financial model documentation:
 - Revised water supply projections including updated local water production volumes.
 - Obtaining concurrence on the amount of local water production to assume in this analysis, an issue where there is potential disagreement between agencies.
 - Revised metered consumption projections.
 - Updated number of existing connections by meter size in the Study Area.
 - Updated O&M expense projections.
 - Receipt of updated draft MWD long-range financial plan.
 - Additional analyses were requested by WMWD for a 2,000 Acre Feet per Year (AFY) groundwater production scenario. This alternative was modeled exclusively at the request of WMWD to determine the hydraulic impacts, infrastructure requirements and if there would be improved rate benefits for WMWD customers in the Murrieta Study Area from increased groundwater production versus imported water.

The estimated cost for the financial and rate analysis was \$4,150 and is included in Task 4.9 Additional Analysis shown in Exhibit B, Fee Schedule. This cost for this specific alternative will be reimbursed by WMWD.

Deliverables: These additional analyses will be incorporated into the financial analysis deliverables and the report.

TASK 5. SERVICE AREA BOUNDARIES ANALYSIS

No amendment requested.

Exhibit A

Focused Water Municipal Service Review Murrieta Area Additional Services

TASK 6. SUMMARY REPORT AND RECOMMENDATION

No amendment requested.

Exhibit B

West Yost Associates	P/P/P \$298	EM/SM/GM II \$295	EM/SM/GM II \$295	PE/PS/PG I \$257	PE/PS/PG II \$272	PE/PS/PG I \$272	SE/SS/SG II \$241	PE/PS/PG I \$257	ESG I \$160	TS I \$156	Labor		Sub. FGS	Costs		
	Dopudja	Smith	Boissevain	Mulligan	Savovic	Wells	Whatley	Girtz	Connell		Hours	Fee		Sub. w/ markup 10%	Other Direct	Total Costs
PROJECT: SCE Evaluations Phase 1																
Task 1	Project Management/QAQC															
1.1	Project Management/QAQC	12				8				4	24	\$ 6,376	\$ 1,890	\$ 2,079		\$ 8,455
1.2	LAFCO Meeting #1															
1.3	LAFCO Meeting #2															
1.4	LAFCO Meeting #3															
1.5	LAFCO Meeting #4															
1.6	LAFCO Meeting #5															
1.7	Additional July 17, 2019 Kick-Off Meeting	6				4				2	12	\$ 3,188	\$ 4,515	\$ 4,967		\$ 8,155
1.8	Utility Request Review Meetings: RCWD	6				2				1	9	\$ 2,488	\$ 2,100	\$ 2,310		\$ 4,798
1.9	Utility Request Review Meetings: EMWD	4				2				1	7	\$ 1,892	\$ 2,100	\$ 2,310		\$ 4,202
1.10	Utility Request Review Meeting: WMWD	6				4				2	12	\$ 3,188	\$ 2,625	\$ 2,888		\$ 6,076
1.11	Additional Public Meeting	7				4				1	12	\$ 3,330	\$ 4,515	\$ 4,967		\$ 8,297
Subtotal, 1.9 (hours)		41	0	0	0	0	24	0	0	0	11	76				
Subtotal, 1.9 (\$)		\$ 12,218					\$ 6,528			\$ 1,716		\$ 20,462	\$ 17,745	\$ 19,520		\$ 39,982
Task 2	Data Gathering															
2.1	Data Gathering										0					
Subtotal, Task 2 (hours)		0	0	0	0	0	0	0	0	0	0	0				
Subtotal, Task 2 (\$)																
Task 3	Supply/Infrastructure Analysis															
3.1	Hydraulic Analysis	3				2				1	6	\$ 1,594				\$ 1,594
3.2	Condition Analysis															
Subtotal, Task 3 (hours)		3	0	0	0	0	2	0	0	0	1	6				
Subtotal, Task 3 (\$)		\$ 894					\$ 544			\$ 156		\$ 1,594				\$ 1,594
Task 4	Finance/Operations/Service/Cost Analysis															
4.1	Financial and operational analysis of costs to serve existing/future development										0					
4.2	Research infrastructure financing capabilities, mechanisms, and costs										0					
4.3	Cost of service analysis for each water purveyor, for each service area										0					
4.4	Evaluate ability to respond to emergency repairs/customer service calls										0					
4.5	Define boundary conditions and policy assumptions										0					
4.6	Prepare example monthly water bills										0					
4.7	High-level DIF calculation										0					
4.8	Sensitivity analysis										0					
4.9	Additional Analyses												\$ 11,290	\$ 12,419		\$ 12,419
Subtotal, Task 4 (hours)		0	0	0	0	0	0	0	0	0	0					
Subtotal, Task 4 (\$)													\$ 11,290	\$ 12,419		\$ 12,419
Task 5	Service Area Boundaries Analysis															
5.1	Service Area Boundaries Analysis										0					
Subtotal, Task 5 (hours)		0	0	0	0	0	0	0	0	0	0					
Subtotal, Task 5 (\$)																
Task 6	Summary Report and Recommendation															
6.1	Summary Report and Recommendation															
Subtotal, Task 6 (hours)		0	0	0	0	0	0	0	0	0	0					
Subtotal, Task 6 (\$)																
TOTAL (hours)		44	0	0	0	0	26	0	0	0	12	82				
TOTAL (\$)		\$ 13,112					\$ 7,072			\$ 1,872		\$ 22,056	\$ 29,035	\$ 31,939		\$ 53,995

Professional Service Agreement between the Riverside Local
Agency Formation Commission and West Yost Associates

This Professional Services Agreement ("Agreement"), made and entered into this 22nd day of March, 2019 by and between West Yost Associates (herein referenced to as "CONTRACTOR"), and the Riverside Local Agency Formation Commission, a commission created within the County of Riverside by the provisions of the Cortese-Knox-Hertzberg Local Government Reorganization act of 2000, set forth in Government Code section 56000 et seq. (herein referred to as "LAFCO").

WHEREAS, Government Code Section 56375 authorizes LAFCO to contract for professional services with a person who is trained and experienced, and who is competent to perform the services required so as to carry out and effect the functions of the commission; and

WHEREAS, CONTRACTOR has the expertise, special skills, knowledge and experience to perform tasks set out herein; and

NOW THEREFORE, in consideration of the mutual covenants contained herein, the parties hereto agree as follows:

1. Description of Services

1.1 CONTRACTOR at the request of LAFCO shall analyze and prepare a Focused Municipal Service Review of Water Service in the Murrieta Area as outlined and specified in the Scope of Work attached hereto as Exhibit A, consisting of four (4) pages, and by this referenced incorporated herein.

1.2 CONTRACTOR represents and maintains that it is skilled to perform all services; duties and obligations required by this Agreement to fully and adequately complete the project. CONTRACTOR shall perform the services and duties in conformance to and consistent with the standards generally recognized as being employed by professionals in the same discipline in the State of California. CONTRACTOR further represents and warrants that it has all licenses, permits, qualifications and approvals of whatever nature is legally required to practice its profession/service.

CONTRACTOR further represents that it shall keep all such licenses and approvals in effect during the term of this Agreement. Contractor is not to perform services for LAFCO outside of this Agreement.

2. Period of Performance

2.1 Unless terminated as specified in Section 8 TERMINATION or Section 3.3, this Agreement shall be effective upon execution and continue in effect through December 31, 2019. Extension of this Agreement shall require mutual written consent by the CONTRACTOR and LAFCO and shall be considered an amendment to this Agreement to be processed in accordance with Section 10 ALTERATION. CONTRACTOR shall commence performance of requested services upon notification and shall diligently perform such services.

3. Compensation

3.1 LAFCO shall pay CONTRACTOR for services performed and expenses incurred in accordance with the terms of the "West Yost Fee Table" attached hereto as Exhibit B and by this reference incorporated herein. Maximum payments by LAFCO to CONTRACTOR shall not exceed \$255,862. LAFCO is not responsible for any fees or costs incurred above or beyond the contracted amount and shall have no obligation to purchase any specified amount of service or products.

3.2 Said compensation shall be paid in accordance with an invoice submitted to LAFCO by CONTRACTOR within fifteen (15) days from the last day of each calendar month, and LAFCO shall pay the invoice within thirty (30) working days from the date of receipt of the invoice. Payments are to be made to West Yost Associates.

3.3 It is mutually agreed and understood that the obligation of LAFCO is limited by and contingent upon the availability of LAFCO funds for the reimbursement of CONTRACTOR'S fees. In the event that such funds are not forthcoming for any reason, LAFCO shall immediately notify CONTRACTOR in writing and this Agreement shall be deemed terminated and have no further force and effect immediately on receipt of LAFCO'S notification by CONTRACTOR. In the event

1 of such termination, CONTRACTOR shall be entitled to reimbursement of its costs
2 in accordance with Section 8 TERMINATION.

3 4. Assignment

4 CONTRACTOR shall not delegate or assign any interest in this Agreement, and shall not
5 transfer any interest in the same, whether by operation of law or otherwise, without the prior written
6 consent of LAFCO.

7 5. Hold Harmless/Indemnification

8 5.1 To the fullest extent permitted by law, CONTRACTOR shall indemnify and hold
9 harmless LAFCO, its officials, officers, and employees, free and harmless from costs
10 (including reasonable attorney's fees), expenses liability, loss, damage or injury, in
11 law or equity, to property or persons, including wrongful death, to the extent caused
12 by any negligence of CONTRACTOR, its officials, officers, employees,
13 CONTRACTORS, and contractors for whom CONTRACTOR is legally liable in
14 performance of the Services under this Agreement. The parties expressly agree that
15 this indemnity provision does not include, and in no event shall the CONTRACTOR
16 be required to assume, any obligation or duty to defend any claims, causes of action,
17 demands, or lawsuits in connection with or arising out of the Project or the services
18 rendered by the CONTRACTOR. In no event shall the indemnification obligation
19 extend beyond the date when the institution of legal or equitable proceedings for
20 professional negligence would be barred by any applicable statute of repose or statute
21 of limitations.

22 5.2 With respect to any action or claim subject to indemnification herein by
23 CONTRACTOR, CONTRACTOR shall, at their sole cost, have the right to use
24 counsel of their own choice and shall have the right to adjust, settle, or compromise
25 any such action or claim without the prior consent of LAFCO; provided, however,
26 that any such adjustment, settlement or compromise in no manner whatsoever limits
27 or circumscribes CONTRACTOR'S indemnification to LAFCO as set forth herein.
28 CONTRACTOR'S obligation to defend, indemnify and hold harmless LAFCO shall

1 be subject to LAFCO having given CONTRACTOR written notice within a
2 reasonable period of time of the claim or the commencement of the related action, as
3 the case may be, and information and reasonable assistance, at the
4 CONTRACTOR'S expense, for the defense or settlement thereof.
5 CONTRACTOR'S obligation hereunder shall be satisfied when CONTRACTOR
6 has provided to LAFCO the appropriate form of dismissal relieving LAFCO from
7 any liability for the action or claim involved. Section 5 shall survive the termination
8 of this Agreement.

9 5.3 The specified insurance limits required in the Agreement shall in no way limit or
10 circumscribe CONTRACTOR'S obligations to indemnify and hold harmless
11 LAFCO herein from third party claims.

12 6. Waiver of Default

13 Any waiver by LAFCO of any breach of any one or more of the terms of this Agreement
14 shall not be construed to be a waiver of any subsequent or other breach of the same or of any other
15 term hereof. Failure on the part of LAFCO to require exact, full and complete compliance with any
16 terms of this Agreement shall not be construed as in any manner changing the terms hereof, or
17 estopping LAFCO from enforcement hereof.

18 7. Availability of Funding

19 LAFCO's obligation for payment of any contract beyond the current fiscal year end is
20 contingent upon the availability of funding from which payment can be made. No legal liability on
21 the part of LAFCO shall arise for payment beyond June 30 of the calendar year unless funds are
22 made available for such performance. If funds will not be available, LAFCO shall provide notice to
23 CONTRACTOR as soon as this fact is known.

24 8. Termination

25 8.1 LAFCO may terminate this Agreement without cause upon 30 days written notice
26 served upon CONTRACTOR stating the extent and effective date of termination.

27 8.2 LAFCO may, upon five (5) days written notice, terminate this Agreement for
28 CONTRACTOR'S default, if CONTRACTOR refuses or fails to comply with the

1 provisions of this Agreement or fails to make progress so as to endanger performance
2 and does not cure such failure within a reasonable period of time. In the event of
3 such termination, LAFCO may proceed with the work in any manner deemed proper
4 to LAFCO.

5 8.3 After receipt of the Notice of Termination pursuant to paragraph 8.1 or 8.2 above,
6 CONTRACTOR shall:

7 a.) Stop all work under this Agreement on the date specified in the Notice of
8 Termination.

9 b.) Transfer to LAFCO and deliver in the manner, and to the extent, if any, as
10 directed by LAFCO, any equipment, information data or reports which, if the
11 Agreement had been completed, would have been required to be furnished to
12 LAFCO;

13 8.4 After termination pursuant to paragraph 8.1 or 8.2 above, LAFCO shall make
14 payment for all services performed in accordance with this Agreement as of the date
15 of termination, a total amount which bears the same ratio to the total maximum fee
16 otherwise payable under this Agreement as the services actually bear to the total
17 services necessary for performance of this Agreement.

18 8.5 Notwithstanding any of the provisions of this Agreement, CONTRACTOR'S rights
19 under this Agreement shall terminate (except for fees accrued prior to the date of
20 termination) upon dishonesty, or a willful or material breach of this Agreement by
21 CONTRACTOR; or in the event of CONTRACTOR'S unwillingness or inability for
22 any reason whatsoever to perform the duties hereunder. In such event,
23 CONTRACTOR shall not be entitled to any further compensation under this
24 Agreement.

25 8.6 The rights and remedies of LAFCO provided in this section shall not be exclusive
26 and are in addition to any other rights and remedies provided by law or under this
27 Agreement.

1 9. Disputes

2 Unless otherwise required by law, disputes relating to this Agreement, which the Parties are
3 unable to informally resolve through good faith negotiations, may be submitted to a mutually
4 agreeable mediator. Any costs of the mediation shall be shared equally by the Parties.

5 10. Alteration

6 Modifications or changes to the scope of work or this Agreement may only be made by
7 written amendment to this Agreement signed by either the LAFCO Chair or the Executive Officer
8 and CONTRACTOR.

9 11. Independent Contractor

10 11.1 CONTRACTOR is, for purposes arising out of this Agreement, an independent
11 contractor and shall not be deemed an employee of LAFCO. It is expressly
12 understood and agreed that CONTRACTOR shall in no event, as a result of this
13 Agreement, be entitled to any benefits to which LAFCO employees are entitled,
14 including but not limited to overtime, any retirement benefits, worker's
15 compensation benefits, and injury leave or other leave benefits. CONTRACTOR
16 hereby holds LAFCO harmless from any and all claims that may be made against
17 LAFCO based upon any contention by any third party that an employer-employee
18 relationship exists by reason of this Agreement.

19 11.2 It is further understood and agreed by the parties hereto that CONTRACTOR in the
20 performance of its obligation hereunder is subject to the control or direction of
21 LAFCO merely as to the result to be accomplished by the services hereunder agreed
22 to be rendered and performed and not as to the means and methods for accomplishing
23 the results.

24 11.3 CONTRACTOR shall provide and maintain, throughout the term of this Agreement,
25 CONTRACTOR's own workplace, tools, equipment, and supplies necessary to
26 perform the duties set forth under this Agreement. Notwithstanding the foregoing,
27 LAFCO may, in its sole discretion, and with its prior written consent, provide access
28 to LAFCO facilities, offices, or meeting rooms during regular work hours for

meetings, conferences, or other work of CONTRACTOR.

11.4 CONTRACTOR has the right to perform services for other clients during the term of this Agreement as long as such services are not in direct conflict with the services provided to LAFCO.

12. Subcontract for Work or Services

No Agreement shall be made by CONTRACTOR with any party for furnishing any of the work or services herein contained without the prior written approval of the Executive Officer, but this provision shall not require the approval of contracts of employment between CONTRACTOR and personnel assigned for services thereunder, or for parties named in the proposal and agreed to under any resulting contract. FG Solutions, including Debi Fortin and Art Griffith, is acknowledged as subcontractor to West Yost Associates for this project.

13. Interest of Contractor

CONTRACTOR covenants that it presently has no interest, including but not limited to, other projects, independent contracts, and shall not acquire any such interest, direct or indirect, which would conflict in any manner or degree with the performance of services required to be performed under this Agreement. CONTRACTOR further covenants that in the performance of this Agreement, no person having any such interest shall be employed or retained by it under this Agreement.

14. Conduct of Contractor

14.1 CONTRACTOR agrees to inform LAFCO of all CONTRACTOR'S and subcontractors' interest, if any, which are or which CONTRACTOR believes to be incompatible with any interest of LAFCO.

14.2 CONTRACTOR and subcontractors shall not, under any circumstances, which might reasonably be interpreted as an attempt to influence the recipient in the conduct of its duties, accept any gratuity or special favor from individuals or organizations with whom CONTRACTOR or subcontractors are doing business or proposing to do business, in accomplishing the work under the Agreement.

14.3 CONTRACTOR, subcontractors or employees thereof shall not offer gifts, gratuity,

1 favors and/or entertainment directly or indirectly to LAFCO employees.

2 15. Disallowance

3 In the event CONTRACTOR receives payment for services under this Agreement which is
4 later disallowed for nonconformance with the terms and conditions herein by LAFCO,
5 CONTRACTOR shall promptly refund the disallowed amount to LAFCO on request, or at its
6 option, LAFCO may offset the amount disallowed from any payment due to CONTRACTOR under
7 any agreement with LAFCO.

8 16. Governing Law; Jurisdiction; Severability

9 This Agreement and its construction and interpretation as to validity, performance and
10 breach shall be construed under the laws of the State of California. Any legal action related to this
11 Agreement shall be filed in the Superior Court of the State of California located in Riverside,
12 California. In the event any provision in this Agreement is held by a court of competent jurisdiction
13 to be invalid, void, or unenforceable, the remaining provisions will nevertheless continue in full
14 force without being impaired or invalidated in any way.

15 17. Insurance

16 Without limiting or diminishing CONTRACTOR'S obligation to indemnify or hold LAFCO
17 and COUNTY harmless, CONTRACTOR shall procure and maintain or cause to be maintained, at
18 its sole cost and expense, the following insurance coverages during the term of this Agreement.

19 A. Workers' Compensation

20 If CONTRACTOR has employees as defined by the State of California, CONTRACTOR
21 shall maintain statutory Workers' Compensation Insurance (Coverage A) as prescribed
22 by the laws of the State of California. Policy shall include Employers' Liability
23 (Coverage B) including Occupational Disease with limits not less than \$1,000,000 per
24 person per accident. The policy shall be endorsed to waive subrogation in favor of
25 LAFCO, and, if applicable, to provide a Borrowed Servant/Alternate Employer
26 Endorsement.

27 B. Commercial General Liability

28 Commercial General Liability insurance coverage, including but not limited to, premises

1 liability, contractual liability, products and completed operations liability, personal and
2 advertising injury covering claims which may arise from or out of CONTRACTOR'S
3 performance of its obligations hereunder. Policy shall name LAFCO and all its
4 commissioners, employees, agents or representatives as Additional Insureds. Policy's
5 limit of liability shall not be less than \$1,000,000 per occurrence combined single limit.
6 If such insurance contains a general aggregate limit, it shall apply separately to this
7 agreement or be no less than two (2) times the occurrence limit.

8 **C. Vehicle Liability**

9 If CONTRACTOR'S vehicle or mobile equipment are used in the performance of the
10 obligations under this Agreement, then CONTRACTOR shall maintain liability
11 insurance for all owned, non-owned or hired vehicles so used in an amount not less than
12 \$1,000,000 per occurrence combined single limit. If such insurance contains a general
13 aggregate limit, it shall apply separately to this Agreement or be no less than two (2)
14 times the occurrence limit. Policy shall name LAFCO and all its commissioners,
15 employees, agents or representatives as Additional Insureds.

16 **D. Professional Liability Insurance**

17 CONTRACTOR shall maintain Professional Liability Insurance providing coverage for
18 CONTRACTOR'S performance of work included within this Agreement, with a limit of
19 liability of not less than \$1,000,000 per occurrence and \$2,000,000 annual aggregate. If
20 CONTRACTOR'S Professional Liability Insurance is written on a claims made basis
21 rather than an occurrence basis, such insurance shall continue through the term of this
22 Agreement and CONTRACTOR shall purchase at his sole expense either 1) an Extended
23 Reporting Endorsement (also known as Tail Coverage); or 2) Prior Dates Coverage from
24 new insurer with a retroactive date back to the date of, or prior to, the inception of this
25 Agreement; or 3) demonstrate through Certificates of Insurance that CONTRACTOR
26 has maintained continuous coverage with the same or original insurer. Coverage
27 provided under items; 1), 2) or 3) will continue for a period of five (5) years beyond the
28 termination of this Agreement, if available.

E. General Insurance Provisions – All Lines

- 1) Any insurance carrier providing insurance coverage hereunder shall be admitted to the State of California and have an A M BEST rating of not less than A: VIII (A:8) unless such requirements are waived, in writing, by the LAFCO Risk Manager. If the LAFCO'S Risk Manager waives a requirement for a particular insurer such waiver is only valid for that specific insurer and only for one policy term.
- 2) CONTRACTOR'S insurance carrier(s) must declare its insurance deductibles or self-insured retentions. If such deductibles or self-insured retentions exceed \$500,000 per occurrence, such deductibles and/or retentions shall have the prior written consent of the LAFCO Risk Manager before the commencement of operations under this Agreement. Upon notification of deductibles or self-insured retentions unacceptable to LAFCO, and at the election of the LAFCO Risk Manager, CONTRACTOR'S carriers shall either; 1) reduce or eliminate such deductibles or self-insured retentions with respect to this Agreement with LAFCO, or 2) procure a bond which guarantees payment of losses and related investigations, claims administration, and defense costs and expenses.
- 3) CONTRACTOR shall cause CONTRACTOR'S insurance carrier(s) to furnish LAFCO with either 1) a properly executed original Certificate(s) of Insurance and certified original copies of Endorsements effecting coverage as required herein, or 2) if requested to do so orally or in writing by the LAFCO Risk Manager, provide original certified copies of policies including all Endorsements and all attachments thereto, showing such insurance is in full force and effect. Further, said certificate(s) and policies of insurance shall contain the covenant of the insurance carrier(s) that thirty (30) days written notice shall be given to LAFCO prior to any material modification, cancellation, expiration or reduction in coverage of such insurance. In the event of a material modification, cancellation, expiration, or reduction in coverage, this Agreement shall terminate forthwith, unless LAFCO receives, prior to such effective date, another properly executed original Certificate of Insurance and

1 original copies of endorsements or certified original policies, including all
2 endorsements and attachments thereto evidencing coverage's set forth herein and the
3 insurance required herein is in full force and effect. **CONTRACTOR shall not**
4 **commence operations until LAFCO has been furnished original Certificate(s) of**
5 **Insurance and certified original copies of endorsements or policies of insurance**
6 **including all Endorsements and any and all other attachments as required in this**
7 **Section. An individual authorized by the insurance carrier to do so on its behalf**
8 **shall sign the original Endorsements for each policy and the Certificate of**
9 **Insurance.**

- 10 4) It is understood and agreed to by the parties hereto and the insurance company(s),
11 that CONTRACTOR'S Certificate(s) of Insurance and policies shall so covenant and
12 shall be construed as primary insurance, and LAFCO'S insurance and/or deductibles
13 and/or self-insured retention's or self-insured programs shall not be construed as
14 contributory.
- 15 5) LAFCO Reserved Rights-Insurance. If, during the term of this Agreement or any
16 extension thereof, there is a material change in the scope of services; LAFCO
17 reserves the right to adjust the types of insurance required under this Agreement and
18 the monetary limits of liability for the insurance coverage's currently required herein,
19 if; in the LAFCO Risk Manager's reasonable judgment, the amount or type of
20 insurance carried by CONTRACTOR has become inadequate.
- 21 6) CONTRACTOR shall pass down the insurance obligations contained herein to all
22 tiers of subcontractors working under this Agreement.
- 23 7) The insurance requirements contained in this Agreement may be met with a
24 program(s) of self-insurance acceptable to LAFCO.

25 **18. Licensing and Permits**

- 26 **18.1** All offerers and contractors shall be licensed, if required, in accordance with the laws
27 of this State and any offerer or contractor not so licensed is subject to the penalties
28 imposed by such laws.

1 18.2 CONTRACTOR further warrants that it has all necessary permits, approvals,
2 certificates, waivers and exemptions necessary for the provision of services
3 hereunder and required by the laws and regulations of the United States, State of
4 California, the County of Riverside and all other appropriate governmental agencies
5 and shall maintain these throughout the term of this Agreement.

6 19. Contractor's Responsibility

7 19.1 It is understood that CONTRACTOR has the skills, experience and knowledge
8 necessary to perform the services agreed to be performed under this Agreement, and
9 that LAFCO relies upon CONTRACTOR'S representations about its skills,
10 experience and knowledge to perform CONTRACTOR'S services in a competent
11 manner. Acceptance by LAFCO of the services to be performed under this
12 Agreement does not operate as a release of said CONTRACTOR from responsibility
13 for the work performed.

14 19.2 It is further understood and agreed that CONTRACTOR is apprised of the scope of
15 the work to be performed under this Agreement and CONTRACTOR agrees that said
16 work can and shall be performed in a fully competent manner.

17 20. Conflict of Interest

18 CONTRACTOR shall have no interest, and shall not acquire any interest, direct or indirect,
19 which will conflict in any manner or degree with the performance of services required under this
20 Agreement.

21 21. Non-Discrimination

22 CONTRACTOR shall not discriminate in the provision of, services, allocation of benefits,
23 accommodation in facilities, or employment of personnel on the basis of ethnic group identification,
24 race, religious creed, color, national origin, ancestry, physical handicap, medical condition, marital
25 status or sex in the performance of this Agreement, and, to the extent they shall be found to be
26 applicable hereto, shall comply with the provisions of the California Fair Employment Practices Act
27 (commencing with Section 1410 of the Labor Code), the Federal Civil Rights Act of 1964 (P.L. 88-
28 352), and the Americans with Disabilities Act of 1990 (42 U.S.C. §1210 et seq.) and all other

1 applicable laws and regulations.

2 22. Assurances

3 CONTRACTOR will comply with LAFCO policies and procedures where applicable. In
4 the event that the policies and procedures promulgated by LAFCO are more restrictive, but not in
5 conflict with Federal or State policies and procedures, those issued by LAFCO will prevail.

6 23. Records and Documents

7 CONTRACTOR shall make available, upon written request by LAFCO and any duly
8 authorized Federal, State or County agency, a copy of this Agreement and such books, documents
9 and records as are necessary to certify the nature and extent of the costs of the services provided by
10 CONTRACTOR. All such books and records shall be maintained by CONTRACTOR for at least
11 five years from the termination of this Agreement and be available for audit by LAFCO.
12 CONTRACTOR shall provide LAFCO with reports and information relative to this Agreement and
13 in accordance with terms set forth herein, as requested by LAFCO. All work papers prepared by
14 CONTRACTOR shall remain the property of CONTRACTOR.

15 24. Confidentiality

16 CONTRACTOR shall protect from unauthorized disclosure names and other identifying
17 information concerning persons receiving services pursuant to this Agreement, except for statistical
18 information not identifying any client. CONTRACTOR shall not use such information for any
19 purpose other than carrying out CONTRACTOR'S obligations under this Agreement.
20 CONTRACTOR shall promptly transmit to LAFCO all requests for disclosure of such information
21 not emanating from the client. CONTRACTOR shall not disclose, except as otherwise specifically
22 permitted by this Agreement or authorized by the client, any such information to anyone other than
23 LAFCO. For purposes of this paragraph, identity shall include, but not be limited to, name,
24 identifying number, symbol, or other identifying particular assigned to the individual, such as finger
25 or voice print or a photograph. CONTRACTOR in this Agreement is subject to all relevant
26 requirements contained in the Health Insurance Portability and Accountability Act of 1996
27 (HIPAA). Public Law 104-191, enacted August 21, 1996, and the laws and regulations promulgated
28 subsequent thereto. CONTRACTOR hereto agrees to cooperate in accordance with the terms and

1 intent of this Agreement for implementation of relevant law(s) and/or regulations(s) promulgated
2 under this Law. CONTRACTOR further agrees that it shall be in compliance, and shall remain in
3 compliance with the requirements of HIPAA, and the laws and regulations promulgated subsequent
4 hereto, as may be amended from time to time.

5 **25. Administration/Contract Liaison**

6 The Executive Officer, or designee, shall administer this Agreement on behalf of LAFCO.

7 **26. Notices**

8 All correspondence and notices required or contemplated by this Agreement shall be
9 delivered to the respective parties at the addresses set forth below and are deemed submitted on the
10 day after their deposit in the United States mail, postage prepaid:

11 //

12 Riverside Local Agency Formation Commission

West Yost Associates

13 Attn: Crystal M. Craig, Interim Executive Officer

Attn: Stephen Dopudja, Vice President

14 6216 Brockton Avenue, Suite 111-B

6 Venture, Suite 290

15 Riverside, CA 92506

Irvine, CA 92618

16 //

17 **27. Force Majeure**

18 27.1 In the event CONTRACTOR is unable to comply with any provision of this
19 Agreement due to causes beyond their control such as acts of God, acts of war, civil
20 disorders, or other similar acts, CONTRACTOR shall not be held liable to LAFCO
21 for such failure to comply.

22 27.2 In the event LAFCO is unable to comply with any provision of this Agreement due
23 to causes beyond its control relating to acts of God, acts of war, civil disorders, or
24 other similar acts, LAFCO shall not be held liable to CONTRACTOR for such failure
25 to comply.

26 **28. Mutual Cooperation**

27 LAFCO agrees to cooperate with CONTRACTOR in CONTRACTOR'S performance of
28 services for LAFCO under this Agreement, including providing CONTRACTOR with reasonable

1 facilities and timely access to LAFCO data, information and personnel. LAFCO shall be responsible
2 for the performance of its employees and agents and for the accuracy and completeness of all data
3 and information provided to CONTRACTOR.

4 **29. EDD Reporting Requirements**

5 In order to comply with child support enforcement requirements of the State of California,
6 LAFCO may be required to submit a Report of Independent Contractor(s) form DE 542 to the
7 Employment Development Department.

8 It is expressly understood that this data will be transmitted to governmental agencies charged
9 with the establishment and enforcement of child support orders and for no other purposes and will
10 be held confidential by those agencies. Failure of CONTRACTOR to timely submit the data and/or
11 certificates required may result in contract being awarded to another contractor. In the event a
12 contract has been issued, failure of CONTRACTOR to comply with all federal and state reporting
13 requirements for child support enforcement or to comply with all lawfully served Wage and
14 Earnings Assignments Orders and Notices of Assignment shall constitute a material breach of the
15 Agreement. Failure to cure such breach within 60 calendar days of notice from LAFCO shall
16 constitute grounds for termination of the Agreement.

17 If you have any questions concerning this reporting requirement, please call (916) 657-0529.
18 You may also contact your local Employment Tax Customer Service Office listed in your telephone
19 directory in the State Government section under "Employment Development Department," or you
20 may access their Internet site at www.edd.ca.gov.

21 **30. Entire Agreement**

22 This Agreement, including any Exhibits attached hereto and Scope(s) of Work entered into
23 pursuant to it, constitutes the entire Agreement of the parties hereto with respect to its subject matter
24 and supersedes all prior and contemporaneous representations, proposals, discussions and

25 //

26 //

27 //

28 //

1 communications, whether oral or in writing. This Agreement may be modified only in writing and
2 shall be enforceable in accordance with its terms when signed by each of the parties hereto.

3 //

4 IN WITNESS WHEREOF, the parties hereto have caused their duly authorized representatives to
5 execute this Agreement.

6 //

7 LAFCO

West Yost Associates

8 Riverside Local Agency Formation Commission

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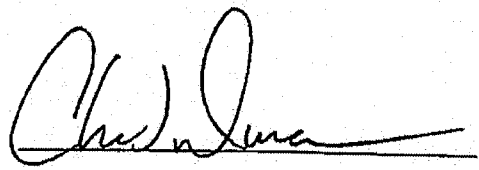
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 3/22/2019

Print Name: STEVE SANCHEZ

Title: Chair

Date: 3/22/2019



Print Name: Charles Duncan

Title: President/Chief Operating Officer

Date:

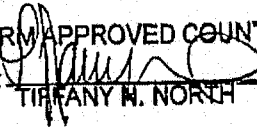
FORM APPROVED COUNTY COUNSEL
BY:  3/26/19
Tiffany W. North DATE

Exhibit "A"

SCOPE OF WORK



Scope of Work

Task 1. Project Management and Meetings.

Task 1a. Project Management. Project Management activities include monthly invoice and status update preparation, along with miscellaneous correspondence with Riverside LAFCO and local water purveyors.

Task 1b. Meetings. Our team anticipates attending five meetings with Riverside LAFCO and the local water purveyors during the project.

Meeting 1. Kick-off meeting. We will facilitate the kick-off meeting. Attendees are expected to include Riverside LAFCO and the local water purveyors and the City of Murrieta. The purposes of the kickoff meeting will be to:

- Review the scope, schedule, and budget.
- Solicit input from the water purveyors regarding what they each need to see in a successful FWMSR.
- Review proposed methodology for the Supply/Infrastructure Analysis and the Finance/Operations/Service/Cost Analysis.
- Review and obtain concurrence on boundary conditions/limiting assumptions for the project.
- Discuss potential criteria for decision making

The kickoff meeting will include a public session to receive input from existing customers, landowners and developers. The meeting will be meeting hosted by LAFCO at a location to be determined, possibly Murrieta City Hall. We anticipate the kickoff meeting with public input session will occur on the same day.

Meeting 2. Review Draft Supply/Infrastructure Analysis.

- Review the draft results of Task 3 (Supply/Infrastructure Analysis).
- Solicit feedback from the local water purveyors regarding the methodology and results of Task 3.

Meeting 3. Review Draft Finance/Operations/Service/Cost Analysis

- Review the draft results of Task 4 (Finance/Operations/Service/Cost Analysis)
- Solicit feedback from the local water purveyors regarding the methodology and results of Task 4.

Meeting 4. Review draft FWMSR Results

Meeting 5. Present FWMSR Results to Riverside LAFCO Board

Task 1 Deliverables:

Attendance, facilitation, and presentation at five project meetings.

Task 2. Data Gathering and Document Review

West Yost has reviewed the list of available documents provided in the RFP Attachment C. Not only is West Yost already in possession of these documents, we have already thoroughly reviewed and used these documents during the completion of the recent Murrieta Service Area Water Master Plan Update. West Yost is very familiar with the infrastructure and operations of the Murrieta Service Area,



**RELATIONSHIP
TO PROPOSAL
REQUIREMENTS
OUTLINE ON RFP
PAGES 6 AND 7**

This section describes the Scope of Work (including suggested changes to the RFP's Draft Scope of Services) required under Item 4 of the Proposal Requirements, along with the Deliverables associated with Item 6 of the Proposal Requirements.

as well as with the performance and design standards that are applicable to all of Western's service areas. This familiarity will allow West Yost to hit the ground running with no learning curve.

West Yost will also prepare a supplemental data request for any additional outstanding data, such as financial data, rate structures, staffing, operations and maintenance, etc..

Task 3. Supply/Infrastructure Analysis

West Yost will complete the following tasks specified in Attachment B of the RFP:

- Evaluate existing and future water demands for residential, commercial, industrial, and institutional uses in the Study Area based on the City's adopted General Plan and Downtown Specific Plan. This should include those portions of the Study Area that are currently served by private wells that may require municipal water service in the future.
- Evaluate existing water supply sources and production capacity, water quality, reliability and cost. Existing sources of municipal water supply includes both wells and imported water.
- Determine the capacity and condition of existing water transmission and distribution system facilities and storage reservoirs to accommodate current and future demands. The condition of the existing above ground system facilities will be made through visual observations. The condition of the existing below ground systems facilities will consider the age of the facilities and remaining useful life.
- Determine municipal water system operating capabilities such as pressure and fire flow. Fire flow should be based on the requirements published by Murrieta Fire and Rescue.
- Determine the additional water supply needs (if any) for future development in the Study Area based on the City's adopted General Plan and Downtown Specific Plan. This should include the analysis listed above for lands that are currently served by private wells but that may require municipal water service where further subdivision occurs to the extent allowed by the General Plan. In addition, where four-story mixed-use development is allowed in the Downtown Specific Plan the analysis should include fire flow rates for development at that

intensity. Include recycled water for non-potable uses if available.

- Determine the future requirements for transmission, distribution and storage infrastructure based on the City's adopted General Plan and Downtown Specific Plan based on the future demand analysis listed above. Future infrastructure requirements should include the replacement or refurbishment of any existing, sub-standard infrastructure.
- Analyze the available water supply sources, and transmission, distribution, and storage capacity of adjacent agencies, including the RCWD, EMWD, and EVMWD and determine whether they are adequate to serve both the existing and future needs of the Study Area. Any discrepancies in sizing or design criteria between the agencies should be noted in the analysis.
- Develop a preferred water system infrastructure plan to serve existing and future water demands in the Study Area. Preferred water system infrastructure plan shall consider integration and alignment with areas surrounding Study Area including accommodation of service area "islands" or "holes" located in vicinity of Study Area.

West Yost will also complete the following additional items:

- Review existing available information, reports, and analyses provided by Riverside LAFCO and the local water purveyors and advise Riverside LAFCO which components of the above tasks are already complete.
- Incorporate existing available information into the analyses that is part of this task.

Task 3 Deliverables:

A combination of maps, exhibits, engineering calculations, and reports to adequately respond to the task described above.

Task 4. Finance/Operations/Service/Cost Analysis

Our West Yost team will complete the following tasks specified in Attachment B of the RFP:

- Provide a financial analysis of water supply and infrastructure costs to serve existing needs and future development. Such an analysis should



also address the cost of existing infrastructure replacement and/or refurbishment as required.

- Research infrastructure financing capabilities, mechanisms, and costs. Document operation and maintenance costs and accompanying rates and charges for residential, commercial, industrial and institutional customers. A cost of service analysis will be necessary for each prospective agency that may be considered to assume the responsibilities of retail water service for Western's Murrieta Division. Western completed a cost of service study specific to the Murrieta Division in 2017 and will make the report available to the selected consultant.
- Evaluate the Districts' ability to respond to emergency repairs and customer calls for service.

Our West Yost team will also complete the following additional items:

- Define boundary conditions and policy assumptions that will govern Task 4, including
 - Confirming that each agency will provide the same level of service that it does for its other customers (which may differ by agency).
 - Confirming that the rate schedule charged by each agency would be the same in the Study Area compared with the rate schedule charged to its other retail customers.
 - Confirming that the Study Area does not have to be financially self-supporting, which would make the previous policy assumption possible.
- Using the cost of service analyses for each prospective agency, estimate the change in water rates for each prospective agency if the Study Area(s) are assumed.
- Estimate monthly water bills for an example residential and commercial customer under each prospective agency.

Our analysis will consider Rancho California WD's ad valorem tax and a scenario where the ad valorem tax is not applicable to newly acquired areas. Our analysis will also consider other current assessments applicable to other water districts.

The West Yost team also suggests that evaluation of an area-specific Development Impact Fee (DIF) is warranted. Such a DIF may provide a method of paying for the growth-related infrastructure while

minimizing financial impacts to existing customers. This could be a factor that would promote a policy objective of "growth pays for growth", which would address concerns of existing customer related to financial impacts of changing service providers.

After the determination of infrastructure cost requirements for each of the Districts in the Murrieta sub-area, West Yost will work with each District to establish an estimate or range for development impact fees/connection fees for the sub-area. If LAFCO, after consultation with the Districts, determines additional or more detailed analysis of such fees is warranted, an amendment to the Professional Services Agreement will be required. No fee analysis will be required for the Rock Mountain and Rainbow sub-areas.

If it became necessary, the following two additional subtasks, which are not included in our budget, could be considered by Riverside LAFCO:

Complete high-level Development Impact Fee calculations specific to the Study Area. These calculations would not be of sufficient precision to be implemented but would be used to assess how much capital project funding could be provided by Development Impact Fees in lieu of water rates.

Complete a sensitivity analysis related to the amount and timing of future development, to identify the effect of development rates on Development Impact Fee revenues and rate revenues. This sensitivity analysis will provide a risk assessment on the dependency on growth in the Study Area after the infrastructure is installed.

Task 4 Deliverables:

A combination of reports and calculations to adequately respond to the task described above.

Task 5. Service Area Boundaries Analysis

West Yost will complete the following tasks specified in Attachment B of the RFP:

- Review and recommend logical water agency service areas and sphere of influence boundaries and eliminate any "island" or "holes" in and adjacent to the Study Area.
- Where feasible, align retail water and sewer service areas.
- As needed, identify where annexation of specific areas into the Metropolitan Water District of



Southern California is required to allow access to imported water as well as the required annexation fees needing to be paid by property owners.

Task 5 Deliverables:

A combination of maps, exhibits, and reports and calculations to adequately respond to the task described above.

Task 6. Summary Report and Recommendations

At the end of our analysis, West Yost will provide a Summary Report and recommendation(s) based on the information derived from the tasks describe above as to which agency or agencies would be the best long-term water service provider for lands contained within the Study Area. The analysis and recommendations must take into consideration the impacts on owners of vacant land, developers, and existing customers.

Task 6 Deliverables:

Draft, final draft, and final Summary Reports. Draft and final draft copies will be provided in electronic form only. The final Summary Report will be provided in electronic form and six hard copies will also be provided.



EXHIBIT "B"

ANTICIPATED PROJECT COST/ WEST YOST FEE TABLE

Cost

Anticipated Project Cost

The table in the following page summarizes our fee to provide the services described in the Riverside LAFCO's RFP, subject to the assumptions indicated in the table.

As mentioned earlier, unique assignments such as this one require involvement of highly qualified and experienced professional staff to provide the most supportable analyses and work products that will withstand public scrutiny. While our deep experience in developing public-private partnerships for water utilities has allowed us to create some efficiencies that we have incorporated in our cost proposal, we also remain open to discussions with Riverside LAFCO regarding our proposed scope and budget.



RELATIONSHIP
TO PROPOSAL
REQUIREMENTS
OUTLINE ON RFP
PAGES 6 AND 7

This section contains the
information called for in Item 7
of the Proposal Requirements.

West Yost Fee Table

West Yost Associates PROJECT: SCE Evaluations Phase 1	P/V P \$285 Dopudja	EM/SM/GM II \$274 Smith	EM/SM/GM II \$274 Boissevain	PE/PS/PG I \$240 Mulligan	PE/PS/PG II \$254 Savovic	PE/PS/PG I \$240 Wells	SE/SS/SG II \$225 Whatley	PE/PS/PG I \$240 Girtz	ESG I \$154 Connell	ADM IV \$131	Labor		Sub. FGS	Costs		
											Hours	Fee	DETAILED	Sub. w/ markup 10%	Other Direct	Total Costs
Task 1 Project Management/QAQC																
1.1 Project Management/QAQC	28	16		16		16				8	84	\$ 21,092	\$ 3,400	\$ 3,740		\$ 24,832
1.2 LAFCO Meeting #1	12					8			4		24	\$ 5,956	\$ 4,300	\$ 4,730		\$ 10,686
1.3 LAFCO Meeting #2	6					4			2		12	\$ 2,978	\$ 2,500	\$ 2,750		\$ 5,728
1.4 LAFCO Meeting #3	6					4			2		12	\$ 2,978	\$ 2,500	\$ 2,750		\$ 5,728
1.5 LAFCO Meeting #4	6					4			2		12	\$ 2,978	\$ 2,500	\$ 2,750		\$ 5,728
1.6 LAFCO Meeting #5	6					4			2		12	\$ 2,978	\$ 2,500	\$ 2,750		\$ 5,728
Subtotal, Task 1 (hours)	64	16	0	16	0	40	0	0	12	8	156					
Subtotal, Task 1 (\$)	\$ 18,240	\$ 4,384		\$ 3,840		\$ 9,600			\$ 1,848	\$ 1,048		\$ 38,960	\$ 17,700	\$ 19,470		\$ 58,430
Task 2 Data Gathering																
2.1 Data Gathering	6		2		12	8	8		16		52	\$ 11,490	\$ 3,600	\$ 3,960		\$ 15,450
Subtotal, Task 2 (hours)	6	0	2	0	12	8	8	0	16	0	52					
Subtotal, Task 2 (\$)	\$ 1,710		\$ 548		\$ 3,048	\$ 1,920	\$ 1,800		\$ 2,464			\$ 11,490	\$ 3,600	\$ 3,960		\$ 15,450
Task 3 Supply/Infrastructure Analysis																
3.1 Hydraulic Analysis			24			48	64		108		244	\$ 49,128				\$ 49,128
3.2 Condition Analysis	4				32	8			32	4	80	\$ 16,640				\$ 16,640
Subtotal, Task 3 (hours)	4	0	24	0	32	56	64	0	140	4	324					
Subtotal, Task 3 (\$)	\$ 1,140		\$ 6,576		\$ 8,128	\$ 13,440	\$ 14,400		\$ 21,560	\$ 524		\$ 65,768				\$ 65,768
Task 4 Finance/Operations/Service/Cost Analysis																
Financial and operational analysis of costs to serve existing/future development	8				48		12	16		8	92	\$ 22,060	\$ 6,000	\$ 6,600		\$ 28,660
4.1 Research infrastructure financing capabilities, mechanisms, and costs	4									4	8	\$ 1,664	\$ 4,800	\$ 5,280		\$ 6,944
4.2 Cost of service analysis for each water purveyor, for each service area	4									4	8	\$ 1,664	\$ 16,800	\$ 18,480		\$ 20,144
4.3 Evaluate ability to respond to emergency repairs/customer service calls	4						24			4	32	\$ 7,064	\$ 4,200	\$ 4,620		\$ 11,684
4.4 Define boundary conditions and policy assumptions	8									4	12	\$ 2,804				\$ 2,804
4.5 Prepare example monthly water bills	4									4	8	\$ 1,664	\$ 2,600	\$ 2,860		\$ 4,524
4.6 High-level DIF calculation	4									4	8	\$ 1,664				\$ 1,664
4.7 Sensitivity analysis	4									4	8	\$ 1,664				\$ 1,664
Subtotal, Task 4 (hours)	40	0	0	0	48	0	36	16	0	36	176					
Subtotal, Task 4 (\$)	\$ 11,400				\$ 12,192		\$ 8,100	\$ 3,840		\$ 4,716		\$ 40,248	\$ 34,400	\$ 37,840		\$ 78,088
Task 5 Service Area Boundaries Analysis																
5.1 Service Area Boundaries Analysis	16					20			8	4	48	\$ 11,116	\$ 2,800	\$ 3,080		\$ 14,196
Subtotal, Task 5 (hours)	16	0	0	0	0	20	0	0	8	4	48					
Subtotal, Task 5 (\$)	\$ 4,560					\$ 4,800			\$ 1,232	\$ 524		\$ 11,116	\$ 2,800	\$ 3,080		\$ 14,196
Task 6 Summary Report and Recommendation																
6.1 Summary Report and Recommendation	8	2		2	20	2	2	24	8	68	\$ 13,810	\$ 9,200	\$ 10,120			\$ 23,930
Subtotal, Task 6 (hours)	8	0	2	0	2	20	2	2	24	8	68					
Subtotal, Task 6 (\$)	\$ 2,280		\$ 548		\$ 508	\$ 4,800	\$ 450	\$ 480	\$ 3,696	\$ 1,048		\$ 13,810	\$ 9,200	\$ 10,120		\$ 23,930
TOTAL (hours)	138	16	28	16	94	144	110	18	200	60	824					
TOTAL (\$)	\$ 39,330	\$ 4,384	\$ 7,672	\$ 3,840	\$ 23,876	\$ 34,560	\$ 24,750	\$ 4,320	\$ 30,800	\$ 7,860		\$ 181,392	\$ 67,700	\$ 74,470		\$ 255,862