



10.
6/28/2018

TO: Local Agency Formation Commission

FROM: George J. Spiliotis, Executive Officer

SUBJECT: REQUEST FOR PROPOSALS FOR A SPECIAL STUDY/FOCUSED
MUNICIPAL SERVICES REVIEW (MSR) REGARDING WATER
SERVICE IN THE MURRIETA AREA

EXECUTIVE SUMMARY: In 2005, the Commission dissolved the Murrieta County Water District (MCWD). Western Municipal Water District (WMWD) assumed services provided by the dissolved District and was designated as successor agency. Over the past few years, issues regarding service provision have arisen. In particular, there have been local discussions regarding how to best provide service to proposed new development. As a result, the City of Murrieta has requested the Commission to conduct a focused Municipal Services Review (MSR) with an emphasis on the former territory of the MCWD.

Potentially affected local agencies include the City of Murrieta, WMWD, Eastern Municipal Water District (EMWD), Rancho California Water District (RCWD) and Elsinore Valley Municipal Water District (EVMWD). All but one of the agencies have tentatively committed to fully fund the analysis. A draft Request for Proposals (RFP) to perform the analysis has been prepared and reviewed by the affected parties. Staff is recommending the Commission authorize the issuance of the RFP.

BACKGROUND-DISSOLUTION OF MCWD: Prior to its dissolution, the MCWD provided retail water and wastewater collection services to an approximately six square mile area in Murrieta, west of I-15. In July 2004, an ad hoc committee of MCWD and WMWD Board Members was established to explore the potential for consolidation/dissolution. The ad hoc committee recommended to the two Boards the formation of a Blue Ribbon Advisory Committee (BRAC) composed of community members. The BRAC began meeting in November 2004 and over the next several months gathered information from staff and consultants regarding district operations, groundwater, infrastructure, future demand and supply, personnel, rates and other fiscal issues. Concurrent with these efforts, LAFCO's own Water and Wastewater Municipal Service Review (MSR) was also being prepared. The Public Review

Draft of the MSR, issued in the fall of 2004, recommended exploration of reorganization of MCWD with WMWD or RCWD.

In April 2005, the BRAC issued its final report. After consideration of alternatives, the BRAC rejected the option of a functional consolidation with RCWD, in part, because RCWD, at that time, discouraged annexation of territory that would require significant additional demand for imported water. The recommendation was to negotiate a functional merger with WMWD. This ultimately resulted in a joint application from the two Districts to dissolve MCWD and have WMWD assume its services.

Later that year, LAFCO approved the dissolution of MCWD and established WMWD as its successor to all rights, agreements, obligations and services of the former district. The dissolution was officially effective in November 2005 and the Murrieta service area was established as a separate cost center within WMWD.

POST-DISSOLUTION: Shortly after dissolution, water quality problems and physical well issues drastically reduced groundwater production. Around the time of dissolution, the Murrieta service area had five active wells producing in excess of 2,000 acre-feet per year. Beginning in 2008 through 2016, a maximum of two wells were producing a total of between approximately 250 and 1,100 acre-feet annually. Although WMWD has invested and continues to invest in capital improvements, the area has become much more reliant on an imported water connection with EMWD.

With the onset of the recession, development decreased significantly, with very little new construction taking place in the Murrieta service area. As a result, there has not been significant installation of new water lines in the area. The City of Murrieta has expressed concerns that lack of infrastructure expansion is delaying economic development in this area that still has significant development potential.

Some landowners have pointed to nearby RCWD transmission facilities as one potential solution. However, the current odd service boundaries are the result of near term solutions rather than a comprehensive look at long term efficient service benefitting new development and existing customers.

With this in mind, the City, with the support of area water districts, has requested that LAFCO undertake a detailed focused analysis of water service in the area. Incidental to the focus on water service, the study would also address wastewater

collection in the area. A draft RFP and Scope of Work has been prepared by City staff with input from affected districts and LAFCO staff. It is attached for the Commission's review.

As the Commission is aware, our Countywide Water and Wastewater Municipal Service Review is currently underway. It will provide a broad overview of these services and the individual agencies that provide them. The Countywide analysis will inform future decisions on spheres of influence and be the basis for statutorily required determinations. The focused MSR will be a supplement to that Countywide effort.

The level of detail and engineering analysis required for this focused Murrieta study is atypical of MSRs performed by this and other LAFCOs. The objective for this analysis is to identify specific infrastructure solutions in a localized area and, if determined appropriate, provide specific recommendations for agency boundary changes.


FUNDING: The cost for such an analysis has not been included in either this year's or next year's budget. However, the City of Murrieta, WMWD, EMWD and RCWD have sent correspondence (attached) tentatively agreeing to fund the study. EVMWD participated in the review of the RFP but has declined to participate in funding because the study area does not include areas (The Colony and Greer Ranch) the District believes should be addressed, as explained further in its letter, which is also attached. WMWD's correspondence also indicates a strong preference for inclusion of the entire City, including The Colony, within the study area; however, expansion of the study scope is not a condition of its participation in funding.

Prior to execution of any agreement with a consulting firm, formal funding agreements must be executed with the participating agencies.

SPECIFIC RECOMMENDATION:

1. Authorize the Executive Officer to issue a Request for Proposals for a focused analysis of water services in the Murrieta area substantially similar to the attached.

Respectfully submitted,


George J. Spiliotis
Executive Officer

OVERVIEW MAP

City of Murrieta Water District Areas

June 2015

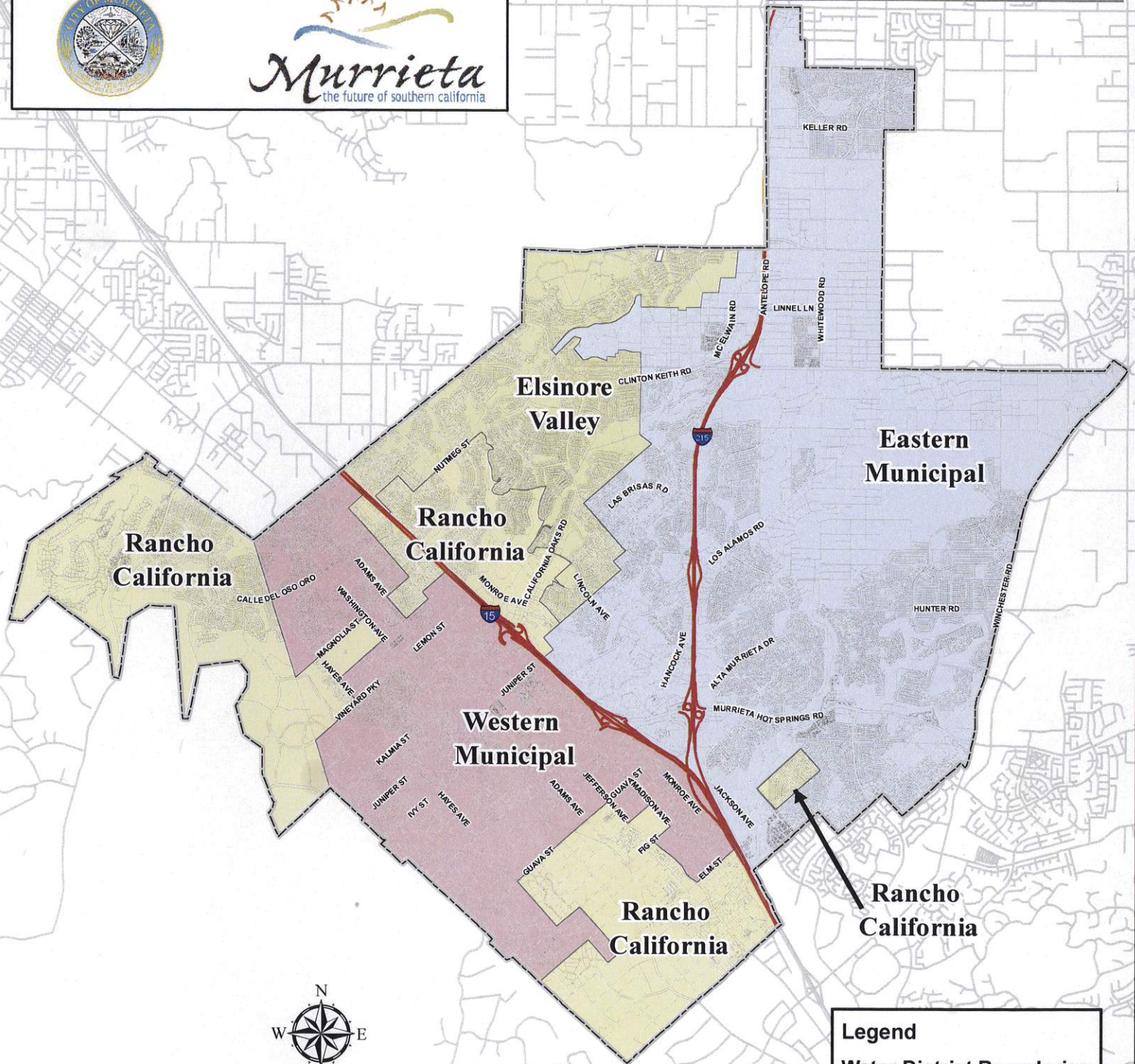


Western Municipal
14205 Meridian Pky
Riverside, CA 92518
951-571-7100

Rancho California
42135 Winchester Road
Temecula, CA 92590
951-296-6900

Eastern Municipal
2270 Trumble Road
Perris, CA 92570
951-928-3777

Elsinore Valley Municipal
31315 Chaney Street
Lake Elsinore, CA 92531
951-674-3146



Legend
Water District Boundaries

Eastern Municipal

Elsinore Valley

Rancho California

Western Municipal

This map is a public resource of general information. The City of Murrieta makes no warranty, representation or guaranty as to the content, accuracy, or completeness of the map information provided herein. City of Murrieta is not responsible for any claims, losses or damages resulting from the use of this map.



CORRESPONDENCE FROM AFFECTED AGENCIES

- **Eastern Municipal Water District**
 - **Western Municipal Water District**
 - **Elsinore Valley Municipal Water District**
 - **Rancho California Water District**
 - **City Of Murrieta**
-



June 19, 2018

Mr. George Spiliotis
Executive Officer
Local Agency Formation Commission
3850 Vine Street, Suite 240
Riverside, California 92507

Subject: Proposed Focused Municipal Services Review for Water Service in the City of Murrieta

Dear Mr. Spiliotis:

Over the past several months, we have been working with the City of Murrieta, Western Municipal Water District (WMWD), Rancho California Water District (RCWD) and Elsinore Valley Municipal Water District (EVMWD) to collaboratively address water service issues in WMWD's Murrieta division.

As part of this process, the City and water agencies determined that the completion of a Focused Municipal Services Review (MSR) by the Local Agency Formation Commission (LAFCO) would be the best approach and provide needed guidance for determining the most effective and efficient method of providing long-term water service to this area. To complete this work, the City and the water agencies have developed a scope of work and Request for Proposals (RFP) for LAFCO to use to secure consultant services for the Focused MSR.

Eastern Municipal Water District (EMWD) supports the completion of the Focused MSR and believes it would be a valuable tool to help clarify future water infrastructure needs for the area and to assist with reconciling boundary issues, including service area islands. As such, EMWD is willing to fund a proportionate share of the Focused MSR subject to final negotiated costs and approval of our Board of Directors.

Board of Directors
David J. Slawson, *President* Ronald W. Sullivan, *Vice President* Joseph J. Kuebler, CPA, *Treasurer* Philip E. Paule Randy A. Record

2270 Trumble Road • P.O. Box 8300 • Perris, CA 92572-8300
T 951.928.3777 • F 951.928.6177 www.emwd.org

Mr. George Spiliotis
June 19, 2018
Page 2

We appreciate the Commission's willingness to consider this item and look forward to working with you on the completion of this important study.

Sincerely,

A handwritten signature in black ink, appearing to read "Paul D. Jones II". The signature is stylized with a large, looped "P" and "J", and the "II" is written in a smaller, more formal script.

Paul D. Jones II
General Manager

c: EMWD Board of Directors
General Managers, EVMWD, RCWD and WMWD
Ivan Holler, City of Murrieta

Craig D. Miller
General Manager

Robert Stockton
Division 1

Thomas P. Evans
Division 2

Brenda Dennstedt
Division 3

Donald D. Galleano
Division 4

S.R. "Al" Lopez
Division 5



Securing Your Water Supply

June 20, 2018

Mr. George Spiliotis
Executive Officer
Local Agency Formation Commission (LAFCO)
3850 Vine Street, Suite 110
Riverside, CA 92507

SUBJECT: Western Support for Focused Water Municipal Service Review – Murrieta Area

Dear Mr. Spiliotis:

As you are aware, following LAFCO approval, the Murrieta County Water District's (MCWD) service area, its assets, permits, entitlements and obligations, were transferred to the Western Municipal Water District (Western) on November 27, 2005. Since completing the transfer, Western has focused on delivering high-quality water and wastewater service in a cost-effective manner to the residents and businesses in its Murrieta Division. Western has invested more than \$8 million in the Murrieta Division to increase reliability and sustain water quality throughout the area. Western takes the fiscal management of customer funds as earnestly as it does water quality and service. To insure that the rate payers in Murrieta are receiving the most effective service, Western supports the Municipal Service Review (MSR).

Western's financial participation in the proposed focused MSR in Murrieta is conditioned on all of the following:

- 1) The proportional financial support of the City of Murrieta
- 2) The proportional financial support of neighboring retail water agencies that elect to participate because of potential impacts on their existing customers
- 3) Western's approval of the final negotiated costs of the focused MSR
- 4) The execution of a formal cost sharing agreement between all funding entities

Although not a condition of Western's financial participation, Western's Board of Directors strongly encourages LAFCO to consider a thorough review of municipal services for the entire City of Murrieta, including a residential community known as The Colony located in the Cal Oaks area of Murrieta. As the

June 20, 2018

SUBJECT: Western Support for Focused Water Municipal Service Review – Murrieta Area

Page 2

City and its four retail water agencies are considering a cooperative effort to review Western's Murrieta Division, now might be the most appropriate and cost-effective time to conduct a more complete review of all water services within the City.

As previously stated, Western is supportive of any effort that results in increased water reliability, increased efficiency in water service, and/or lowers the cost of service for water customers.

Sincerely,

A handwritten signature in black ink, appearing to read "Craig D. Miller". The signature is fluid and cursive, with the first name "Craig" being more prominent.

CRAIG D. MILLER
General Manager

cc: Kim Summers, City of Murrieta
Ivan Holler, City of Murrieta
Paul Jones, Eastern Municipal Water District
Jeff Armstrong, Rancho California Water District
John Vega, Elsinore Valley Municipal Water District

Board of Directors
Harvey R. Ryan, President
Andy Morris, Vice President
Phil Williams, Treasurer
George Cambero, Director
Nancy Horton, Director



General Manager
John D. Vega
District Secretary
Terese Quintanar
Legal Counsel
Best Best & Krieger

Our Mission...

EVMWD will provide reliable, cost-effective, high quality water and wastewater services that are dedicated to the people we serve.

June 14, 2018

U.S. MAIL AND ELECTRONIC MAIL

Ivan Holler
Assistant City Manager
City of Murrieta
1 Town Square
Murrieta, CA 92562

SUBJECT: Focused Water Municipal Service Review

Dear Mr. Holler:

Thank you for the opportunity to review the Request for Proposal (RFP) for the evaluation of water service in Western Municipal Water District's (WMWD) Murrieta service area.

In an effort to improve efficiencies and provide better customer service, EVMWD requested the RFP to include a review of water and sewer service in the Colony and Greer Ranch developments, located in the Cal Oaks area. These developments receive services from multiple providers, which creates operational challenges and often causes confusion for customers. It would be most beneficial to the City of Murrieta, EVMWD, affected water and sewer providers, and our Murrieta customers if the study included these developments and was expanded to include the sewer component.

We understand that the focused Municipal Service Review will be strictly limited to studying the water system in WMWD's Murrieta service area and will not include EVMWD's additional request. Under these circumstances, the scope of this particular study does not address the needs EVMWD has with regards to its system, and therefore does not warrant EVMWD's participation.

If you would like to further discuss this matter, please contact me at (951) 894-8700.

Sincerely,

John Vega
General Manager

18083se



**Rancho
Water**

June 14, 2018

RECEIVED
RIVERSIDE LOCAL AGENCY
FORMATION COMMISSION
18 JUN 19 AM 9:50

George Spiliotis, Executive Officer
LOCAL AGENCY FORMATION COMMISSION
3850 Vine Street, Suite 240
Riverside, CA 92507

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Director of Human Resources

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Chief Engineer

Kelli E. Garcia
District Secretary

James B. Gilpin
Best Best & Krieger LLP
General Counsel

**SUBJECT: FOCUSED WATER MUNICIPAL SERVICE REVIEW
MURRIETA AREA**

Dear Mr. ~~Spiliotis~~: *GEORGE*


Over the past few months the City of Murrieta (City) has lead an effort, in conjunction with the four Water Districts serving the City, to review retail water service in a portion of Murrieta (Study Area). As a result of these efforts, consensus was reached that a Municipal Service Review (MSR) performed by LAFCO would be the appropriate means to assess the most effective and efficient method of providing water service to the Study Area. A draft Request for Proposal (RFP) has been developed to engage a consultant to perform the MSR.

This letter serves as Rancho California Water District's (RCWD) support for the MSR effort and the RFP. RCWD is committed to participating in funding this study; however, this is conditioned on the final negotiated cost of the study and subject to RCWD's Board approval of a formal funding agreement.

RCWD looks forward to participating in this study. Please do not hesitate to contact me if you have any questions.

Sincerely,

RANCHO CALIFORNIA WATER DISTRICT


Jeff D. Armstrong
General Manager

085.docx



CITY OF MURRIETA

June 14, 2018

Mr. George Spiliotis, Executive Officer
Riverside Local Agency Formation Commission
3850 Vine Street, Suite 240
Riverside, CA 92507-4277

RFP for Focused Murrieta Municipal Service Review

Dear Mr. Spiliotis,

The City of Murrieta is very supportive of having the Request for Proposals (RFP) for the Focused Murrieta Municipal Service Review (MSR) placed on the LAFCO agenda for June 28, 2018.

The City will also agree to help participate with funding for the MSR, subject to the final negotiated cost and approval by the City Council. We look forward to working with LAFCO and to hearing about the responses to the RFP.

Please feel free to contact me directly at (951) 461-6078 if you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Ivan Holler", is written over a horizontal line.

Ivan Holler, Assistant City Manager
City of Murrieta

REQUEST FOR PROPOSALS AND SCOPE OF WORK

June 4, 2018

The Riverside Local Agency Formation Commission (LAFCO) is seeking proposals from experienced consultants with demonstrated expertise in the analysis of water and wastewater services, including analysis of infrastructure requirements, facility financing and retail service rates.

Responses must be received by 5:00 p.m. Thursday, XXXX XX, 2018 either electronically or as a hard copy. Confirmation of receipt is the responsibility of the sender. Responses may be emailed to info@lafco.org or delivered to our office at the following address at 3850 Vine St. Suite 240, Riverside, CA 92507.

REQUEST FOR PROPOSALS FOR A FOCUSED WATER MUNICIPAL SERVICE REVIEW MURRIETA AREA

The Riverside Local Agency Formation Commission (LAFCO) is soliciting proposals from qualified consultants to prepare a detailed service review of retail water service in a portion of the City of Murrieta in Riverside County.

REQUEST FOR PROPOSALS FOR A FOCUSED MUNICIPAL SERVICE REVIEW OF WATER SERVICE IN THE PORTION OF MURRIETA CURRENTLY SERVED BY THE WESTERN MUNICIPAL WATER DISTRICT

I. Objective

To conduct a Focused Municipal Service Review (FMSR) that will inform the Local Agency Formation Commission (LAFCO), local water purveyors, the City of Murrieta and the public, regarding the most effective and efficient method of providing water service to the “Study Area”. The “Study Area” includes lands in and immediately adjacent to the “Murrieta Retail Area” of Western Municipal Water District located in the western portion of the City as well as the two separate areas Western serves south of Temecula, the Rainbow Service Area (Approx. 545 acres) and the Rock Mountain Service Area (approx. 1,355 acres). (Attachment A-1 – Murrieta Retail Area; Attachment A-2 – Murrieta Service Area; and Attachment A-3 – Rainbow and Rock Mountain Service Areas)

Depending on the resulting recommendations, the analysis will be the basis for proposed changes in the boundaries of public water districts. The work is to be performed in accordance with applicable California Government Code provisions and Riverside LAFCO policies and procedures. The analysis must present information that will allow LAFCO to make determinations as specified in Government Code Section 56430.

II. About the City of Murrieta

The City of Murrieta is located in Southwest Riverside County, and is located to the north of Temecula, southwest of Wildomar, south of Menifee and unincorporated Riverside County areas to the west, east and north.

Murrieta was incorporated in 1991 as a general law city. The incorporated City limits encompass approximately 33 square miles and the City has a current population of approximately 115,000. Murrieta has a Council/Manager form of government, with the City Manager reporting to a five-member City Council. In November of 2018, the City will transition to district elections for members of the City Council.

III. Background

LAFCO: In 1963, the State Legislature established Local Agency Formation Commissions (LAFCOs) to help direct and coordinate California's growth in a logical, efficient and orderly manner. LAFCOs are local public regulatory and planning bodies with specific authority to coordinate the orderly development of local agencies, such as cities and special districts, and associated provision of public services. This is accomplished primarily through the regulation of public agency boundaries. This authority extends to approximately 151 public agencies in Riverside County (28 cities, 62 dependent special districts and 61 independent special districts). Periodic comprehensive analyses, such as municipal service reviews (MSRs) help guide these decisions. LAFCO is currently conducting a Countywide Municipal Service Review on water and wastewater services. Due to the geographic scope and number of agencies involved, the larger countywide effort is being carried out at a general level rather than a detailed analysis sought in the proposals to this request. As indicated elsewhere in this RFP and the attached Scope of Services, a focused, detailed analysis is required to address water service issues in a localized area.

City of Murrieta: Murrieta and surrounding incorporated and unincorporated areas in Southwestern Riverside County have seen tremendous growth over the past three decades. The City provides a wide range of municipal services; however, water and wastewater services are not among these. Retail water and wastewater services are provided by four different independent special districts in different parts of the City. These Districts, and their respective boundaries, predate the incorporation of the City.

Western Municipal Water District (WMWD): WMWD is a large independent special district that provides both wholesale and retail water (limited to retail potable water in the Study Area), as well as wastewater service (wastewater treatment for most of the Murrieta Retail Area is provided through a JPA consisting of EVMWD, RCWD & WMWD). Until 2005, WMWD's retail service was mostly within the northwestern portion of the County in and around the City of Riverside as well as a very small area south and southwest of Rancho California Water District (referred to as Rainbow and Rock Mountain). In 2005, Riverside LAFCO dissolved the Murrieta County Water District (MCWD), which had provided service to a six square mile area in Murrieta. WMWD was named as the successor agency and assumed the assets, obligations and services of MCWD. Additional information related to the dissolution of MCWD is attached as **Appendix I**.

Eastern Municipal Water District (EMWD): EMWD is another large independent special district providing wholesale and retail water (potable and recycled water adjacent to the Murrieta Retail Area), wastewater and recycled water service to seven cities and unincorporated county, including a portion of the City of Murrieta northeast of the Murrieta Retail Area. Both WMWD and EMWD are member agencies of, and receive imported water from, the Metropolitan Water District of Southern California. Its retail water, wastewater and recycled water service area is adjacent to the Murrieta Retail Area on the northeast and its wholesale water and sewer service area extends within the Murrieta Retail Area. EMWD supplies wholesale water to WMWD's Murrieta service

area. Also, EMWD conveys and treats wastewater from 74 connections within the Murrieta Retail Area.

Rancho California Water District (RCWD): RCWD provides retail water (potable and recycled water adjacent to the Study Area) and wastewater service to the areas within the Cities of Temecula and Murrieta and surrounding unincorporated communities. Its retail water service area surrounds the Murrieta Retail Area on three sides. RCWD acquires its imported water through service connections with EMWD and WMWD. RCWD also has water transmission infrastructure within the Murrieta Retail Area and currently provides contract services to WMWD's Rainbow and Rock Mountain Service Areas.

Elsinore Valley Municipal Water District (EVMWD): EVMWD provides retail water (only potable water adjacent to the Murrieta Retail Area) and wastewater service to the northern portion of the City of Murrieta and is adjacent to a smaller area of the Murrieta Retail Area. EVMWD acquires its imported water through service connections with WMWD and EMWD.

Property owners and developers seeking to construct projects on the vacant lands within the area that WMWD acquired from MCWD have voiced concerns and contend that there are service issues that have arisen since the dissolution of MCWD that require a detailed evaluation of the current service configuration. The study area includes existing residential and non-residential customers as well as significant amounts of vacant developable land. More details are provided in the attached Scope of Services.

IV. Scope of Services

The Consultant shall provide the technical expertise and administrative management to complete the FMSR for the "Study Area." A draft Scope of Services is included with this RFP as Attachment B. A final scope of services will be negotiated and possibly modified with the firm selected to conduct the service review and will be included as part of the professional services agreement.

V. Budget

LAFCO and participating agencies have limited resources to devote to the many MSRs to be conducted over the next few years. **Proposals that demonstrate that the final product will meet the requirements of this RFP and provide useful information in a concise format at a low cost will be looked upon most favorably.** A final budget amount for this project will be negotiated with the firm selected for the work prior to execution of an agreement.

VI. Proposal Requirements

Responses to this RFP must include all of the following:

1. A statement about the firm that describes history, as well as the competencies and resumes of the project manager and lead professionals who will be involved in the work. This statement should address the following:
 - Expertise in various aspects of water service provision, including supply, quality, delivery, recycled water, demand projection, water conservation and stewardship, groundwater recharge and pumping, storm-water runoff, etc.
 - Expertise in water infrastructure analysis, required capacity, water supply economics, rate and rate structure analysis, cost of service analysis, and funding/financing options.
 - Experience in water and wastewater service organization analysis, including evaluating government structure options and related advantages and disadvantages of these options.
 - Experience in governmental organization analysis, including performance measurement and evaluation.
 - Ability to present information in an organized format, understandable by professionals and laypersons.
 - Ability to facilitate and synthesize input from stakeholders.
 - Familiarity with public input processes and experience presenting and disseminating public information for review and comment in a public setting.
 - Experience in identifying and fostering multi-agency partnerships and cooperative problem-solving.
 - Ability to provide flexible and creative alternatives where necessary to resolve service and policy issues.
 - Ability to work cooperatively with divergent interests.
2. Identification of any sub-consulting firms who will be involved. If sub-consultant firms are proposed, describe the work they will perform and include the same information for each sub-consultant as required for item 1 above.
3. Documentation of similar or related experience accomplished in the last five years and references for each such project, including the contact name, address and telephone number. Electronic copies of, or links to, such analyses must be provided.
4. Description of the anticipated approach for this project, explicitly discussing and identifying any suggested changes to the Draft Scope of Services (Attached).

5. Disclosure of potential conflicts of interest with the water districts involved with the study, the City of Murrieta and / or landowners or developers in Riverside County that have an interest in the Study Area.
6. Provide a preliminary project schedule showing start and ending times for each major work task and associated deliverables, and indicate strategies for adhering to the schedule.
7. The anticipated project cost, including:
 - a. A not-to-exceed total budget amount.
 - b. The cost for each major sub-task identified in the draft scope of services.
 - c. The hourly rates for each person who will be involved in the work, including the rates for any associate consultants.

VII. Non-Discrimination & Equal Opportunity

CONTRACTOR shall not discriminate in the provision of services, allocation of benefits, accommodation in facilities, or employment of personnel on the basis of ethnic group identification, race, religious creed, color, national origin, ancestry, physical handicap, medical condition, marital status or sex in the performance of this Agreement; and, to the extent they shall be found to be applicable hereto, shall comply with the provisions of the California Fair Employment and Housing Act (Gov. Code 12900 et. seq), the Federal Civil Rights Act of 1964 (P.L. 88-352), the Americans with Disabilities Act of 1990 (42 U.S.C. S1210 et seq.) and all other applicable laws or regulations.

VIII. Conflict of Interest

Proposers warrant and covenant that no official or employee of the Riverside LAFCO, nor any business entity in which an official of the Riverside LAFCO has an interest, has been employed or retained to solicit or aid in the procuring of the resulting contract, nor that any such person will be employed in the performance of such contract without immediate divulgence of such fact to the Riverside LAFCO. Proposers will notify LAFCO of any potential conflict of interest regarding other work or third party contracts.

IX. Insurance Requirements

The chosen consultant will be required to comply with the LAFCO standard insurance provisions for professional services agreement. Contact Riverside LAFCO for more details. (Attachment XXX)

Evidence of Insurance - Before commencing any operations under the contract, the successful proposer shall furnish the Riverside LAFCO with a Certificate of Insurance and copies of all applicable endorsements evidencing compliance with the above insurance requirements and that such insurance will not be canceled or materially changed without thirty (30) days advance written notice.

X. Proposal Submittal

Confirmation of receipt is the responsibility of the sender. Proposals received after the deadline will not be considered. Responses may be emailed to info@lafco.org or delivered to our office at the following address:

DUE DATE:

Completed responses must be received on or before 5:00 p.m. on **XXXX XX, 2018.**

DELIVER TO:

Riverside LAFCO
Attn: George Spiliotis, Executive Officer
3850 Vine Street, Suite 240
Riverside, CA 92507

Note: If delivery is to be in person, please first call the LAFCO office (951) 369-0631 to arrange a delivery time.

- Each proposal shall be submitted in a sealed envelope that is clearly marked with the title of the RFP.
- All proposals will become property of the Riverside LAFCO.
- Cost of preparation of proposals shall be borne by the proposers.
- Proposals shall be signed by an authorized employee or officer in order to receive consideration.
- Riverside LAFCO is not responsible for proposals delivered to a person/location other than that specified herein.

XI. Selection Process

Based on relevant work experience, the completeness of the responses, cost and the overall project approach identified in the proposals received, up to four firms will be selected for follow-up interviews. Tentatively, interviews will be scheduled three to four weeks following submittal of proposals.

The selection committee may use some or all of the criteria listed below to evaluate the proposals. Additional criteria may be used. At the discretion of the selection committee, additional information may be requested to clarify and explain proposals.

- *Applicability of overall experience and qualifications relating to required services.*
- *Evaluation of quality and comparability of previous related work products on which the proposer was the sole or lead consultant.* Successful recent

related experience is highly desirable. Successful experience is defined as that which was completed to the satisfaction of the client, on time and within budget.

- *Cost.* Proposals that demonstrate that the final product will best meet the requirements outlined in the Scope of Services and provide requisite information and recommendations in a concise format at a low cost will be looked upon favorably. A final budget will be negotiated with the selected firm.

Riverside LAFCO reserves the right to award a contract to the firm(s) that presents the proposal which, in the sole judgment of Riverside LAFCO, best accomplishes the desired results.

Riverside LAFCO reserves the right to not proceed with the project, to reject any or all proposals, to waive minor irregularities in said proposals, or to negotiate deviations with the successful firm.

After the award of the contract, the Riverside LAFCO may revise the work program to meet budget constraints.

XII. Tentative Schedule

A preliminary schedule must be provided pursuant to Section VI.6 of this RFP. Timing is a concern to LAFCO and the participating agencies. It is strongly desired that the requested analysis and associated recommendations be completed by **XXX 2018**. The final overall schedule for this project will be negotiated with the firm selected for the work prior to an agreement being recommended to LAFCO for adoption.

XIII. LAFCO Contact

George Spiliotis, Executive Officer
Riverside LAFCO
3850 Vine St. Suite 240
Riverside, CA 92407

(951) 369-0631
Email: info@lafco.org

XIV. Attachments

- A. Map of Study Area Boundaries
- B. Draft Scope of Services

XV. Reference Information

For general information about LAFCOs, visit the CALAFCO website: www.calafco.org

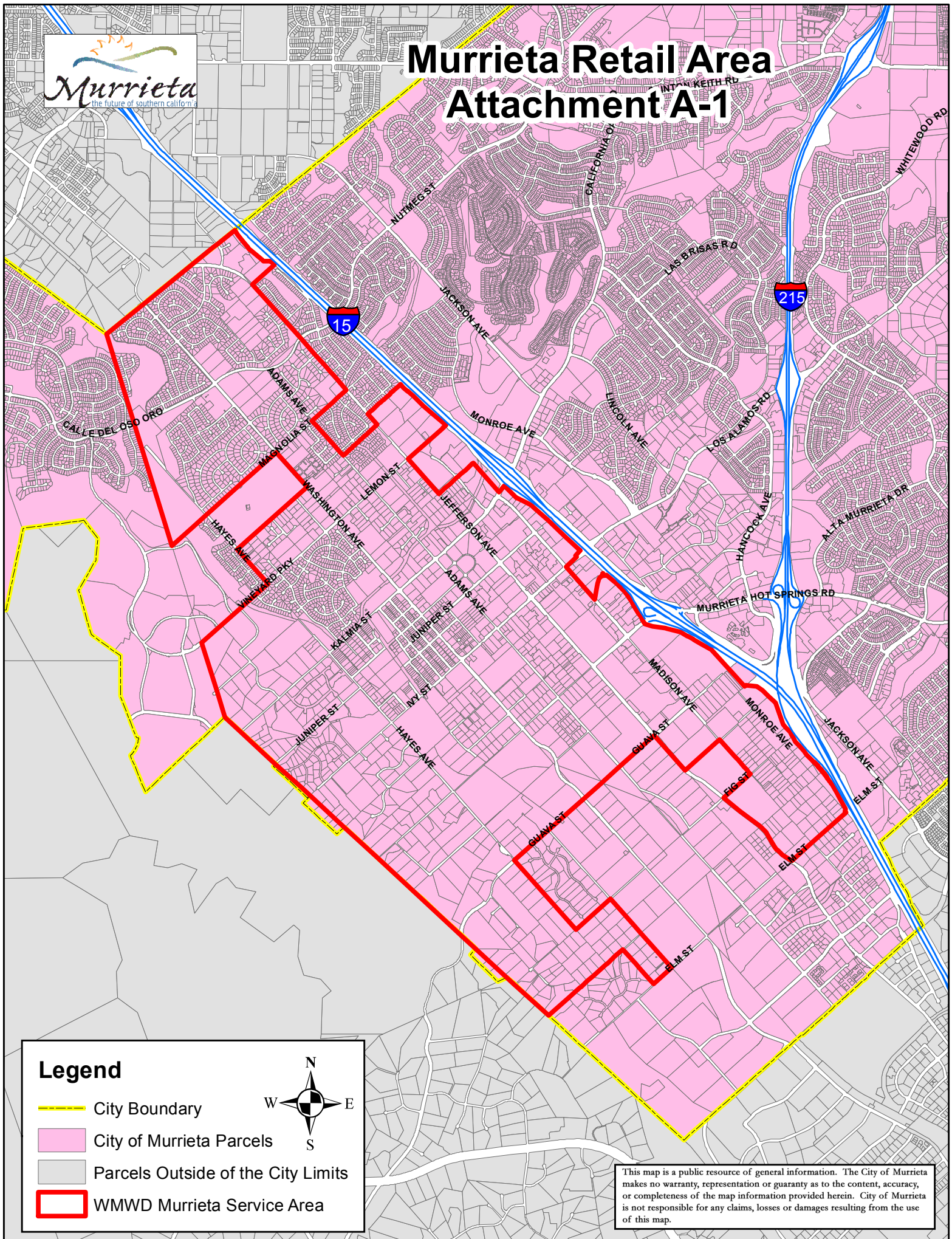
For information about Riverside LAFCO along with previously completed MSRs, please visit our website: www.lafco.org

ATTACHMENT A
Study Area Boundary Maps

A-1: Murrieta Retail Area
A-2: Murrieta Service Area
A-3: Rainbow and Rock Mountain Service Area

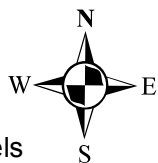


Murrieta Retail Area Attachment A-1



Legend

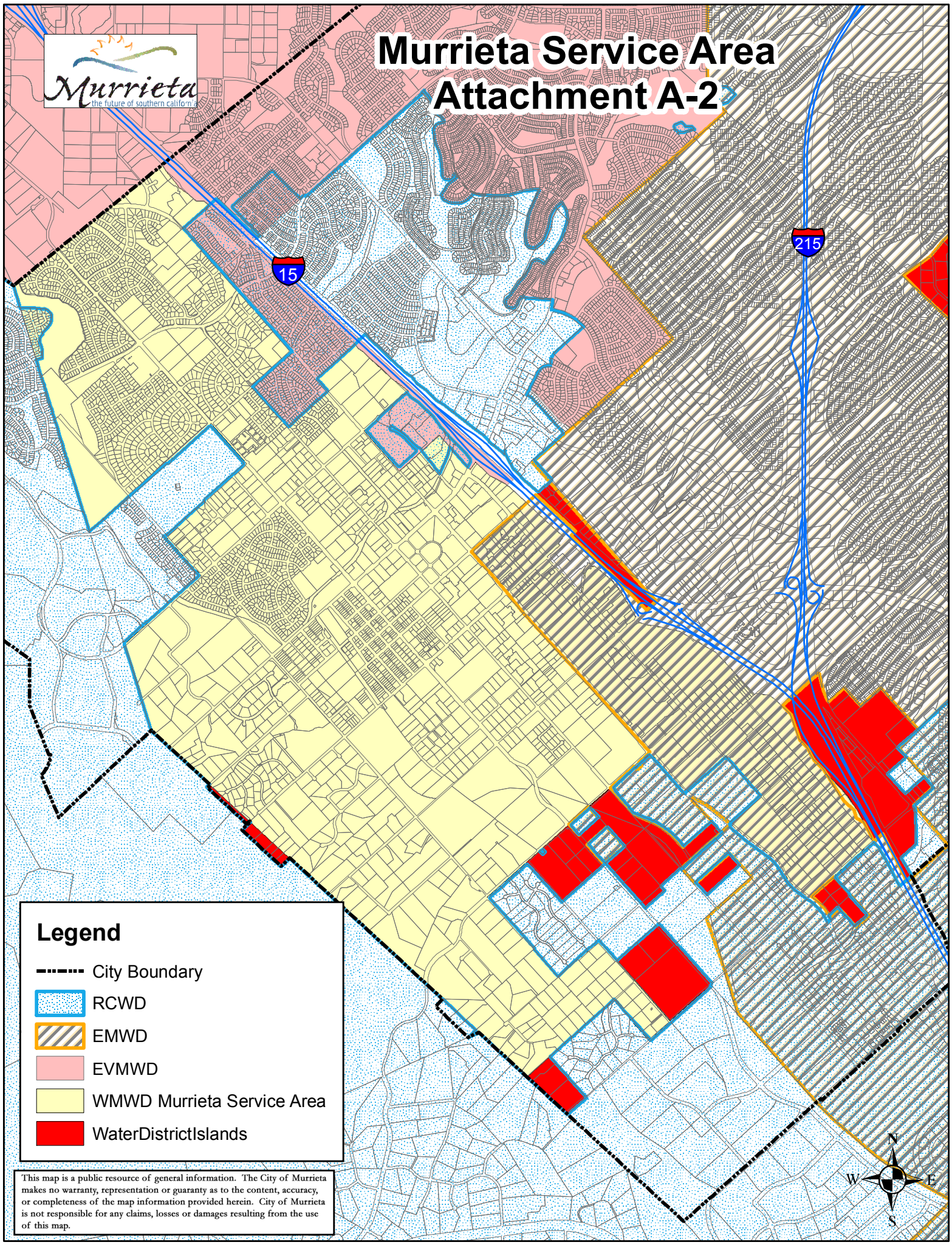
- City Boundary
- City of Murrieta Parcels
- Parcels Outside of the City Limits
- WMWD Murrieta Service Area



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Murrieta Service Area Attachment A-2



Legend






- City Boundary
- RCWD
- EMWD
- EVMWD
- WMWD Murrieta Service Area
- WaterDistrictIslands

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Rainbow and Rock Mountain Attachment A-3

Legend

-  City Boundary
-  Rainbow & Rock Mountain
-  County Boundary
- Water Districts**
 -  EMWD
 -  WMWD

Rock Mountain

Rainbow

San Diego County



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Source: Esri, DigitalGlobe, GeoEye, Earthstar Geographics, CNES/Airbus DS, USDA, USGS, AeroGRID, IGN, and the GIS User Community

ATTACHMENT B

Draft Scope of Services

The Consultant shall provide the technical expertise and administrative management to complete the FMSR for the “Study Area” shown in Attachments A-1, A-2 and A-3. The project consists of three distinct topic areas; 1) Supply / Infrastructure, 2) Finance / Operations / Service / Cost, and 3) Service Area Boundaries. A more detailed description of the project effort and the deliverables is provided below:

Data Gathering and Document Review

- Collect and review applicable water agency documents for relevant information about current services, facilities, and operations. Attachment C includes a list of anticipated documents that will be available for review.

Supply / Infrastructure Analysis

- 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 Rancho California Water District (RCWD), Eastern Municipal Water District (EMWD), and Elsinore Valley Municipal Water District (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.

Deliverables

A combination of maps, exhibits, engineering calculations and reports to adequately respond to the tasks in the Supply / Infrastructure section above.

Assumptions

The City of Murrieta will provide electronic and hard copies of the adopted General Plan and Downtown Specific Plan. EMWD, EVMWD, WMWD, RCWD will provide electronic maps of their respective, existing infrastructure facilities, as well as future master plans. Electronic copies of each agency’s hydraulic models will also be made available.

Finance / Operations / Service / Cost Analysis

- 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.

Deliverables

A combination of reports and calculations to adequately respond to the tasks in the Finance / Operations / Service section above.

Assumptions

EMWD, EVMWD, WMWD, RCWD will provide information describing any known deficiencies or deferred maintenance for infrastructure facilities as well as current rate structures for residential, commercial, industrial and institutional customers.

Service Area Boundaries Analysis

- Review and establish logical water agency service areas and sphere boundaries, and eliminate any “islands” 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.

Deliverables

A combination of maps, exhibits, and reports to adequately respond to the tasks in the Service Area Boundaries section above.

Assumptions

LAFCO, EMWD, EVMWD, WMWD, RCWD will provide electronic files of existing boundaries and areas that have not been annexed into a water district.

Summary Report and Recommendations-Deliverables

The Consultant will provide a Summary Report and recommendation(s) based on the information derived from the tasks described above as to which agency or agencies would be the best long-term water service provider for lands contained in the “Study Area.” The analyses and recommendations must take into consideration and describe the impacts on owners of vacant land, developers and existing customers. An electronic copy and six hard copies of the Summary Report are required.

ATTACHMENT C

The following documents will be made available for review. The consultant may identify additional documents or reports necessary to conduct the assessment.

City of Murrieta

- General Plan;
- Downtown Specific;

Western Municipal Water District (WMWD)

- Transition Agreement Between Western Municipal Water District and Murrieta County Water District, June 2, 2005;
- Amended and Restated Transition Agreement Between Western Municipal Water District and Murrieta County Water District, August 7, 2005;
- WMWD Murrieta Water Master Plan Report 2014, Albert A. Webb Associates (2014 Master Plan);
- WMWD Murrieta Water Master Plan Report – 2018 Update, West Yost, Summer 2018;
- WMWD Murrieta Service Area Demand Projections Through 2040, October 2017, Kennedy/Jenks Consultants (Murrieta Demand Projections);
- WMWD Murrieta Service Area Build-Out Projections, February 2018, Kennedy/Jenks Consultants (Murrieta Build-Out Projections);
- WMWD Water Wheeling Hydraulic Analysis Technical Memorandum, September 7, 2017, Rancho California Water District (Rancho Water Wheeling Hydraulic Analysis);
- Elsinore Valley Municipal Water District Water Wheeling Hydraulic Analysis, February 2018, Carollo Engineers, Inc. (Elsinore Water Wheeling Hydraulic Analysis);
- Jefferson Avenue Business Corridor – Hydraulic Analysis, July 6, 2017, Albert A. Webb Associates (Jefferson Avenue Hydraulic Analysis);

- Murrieta Comprehensive Water Rate Study Report (Cost of Service Study), August 17, 2017, Raftelis Financial Consultants, Inc.;

Eastern Municipal Water District (EMWD)

- 2015 Water Facilities Master Plan Update
- 2017 Cost of Service and Rate Study
- 2006 Agreement Between EMWD and WMWD Regarding Rights and Obligations in Murrieta County Water District
- 2007 Interagency Agreement for EMWD / WMWD Intertie Connections
- 2002 EMWD / MCWD Interconnection Facilities in Los Alamos