

**CONTRACT FOR CONSULTANT SERVICES BETWEEN  
THE CITY OF WATSONVILLE AND RAFTELIS FINANCIAL CONSULTANTS, NC.**

**THIS CONTRACT**, is made and entered into this \_\_\_\_\_, by and between the **City of Watsonville**, a municipal corporation, hereinafter called "City," and **Raftelis Financial Consultants, Inc.**, hereinafter called "Consultant."

**WITNESSETH**

**WHEREAS**, the City needs to obtain certain professional, technical and/or specialized services of an independent contractor to assist the City in the most economical manner; and

**WHEREAS**, Consultant has the requisite skill, training, qualifications, and experience to render such services called for under this Contract to City.

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**THE PARTIES HEREBY AGREE AS FOLLOWS:**

**SECTION 1. SCOPE OF SERVICES.**

Consultant shall perform those services as specified in detail in Exhibit "A," entitled "SCOPE OF SERVICES" which is attached hereto and incorporated herein.

**SECTION 2. TERM OF CONTRACT.**

The term of this Contract shall be from July 1, 2025 to June 30, 2027, inclusive.

**SECTION 3. SCHEDULE OF PERFORMANCE.**

The services of Consultant are to be completed according to the schedule set out in Exhibit "B," entitled "SCHEDULE OF PERFORMANCE," which is attached hereto and incorporated herein. Consultant will diligently proceed with the agreed Scope of Services and will provide such services in a timely manner in accordance with the "SCHEDULE OF PERFORMANCE."

**SECTION 4. COMPENSATION.**

The compensation to be paid to Consultant including both payment for professional services and reimbursable expenses as well as the rate and schedule of payment are set out in Exhibit "C" entitled "COMPENSATION," which is attached hereto and incorporated herein.

**SECTION 5. METHOD OF PAYMENT.**

Except as otherwise provided in Exhibit "C," each month, Consultant shall furnish to the City a statement of the work performed for compensation during the preceding month. Such statement shall also include a detailed record of the month's actual reimbursable expenditures.

**SECTION 6. INDEPENDENT CONSULTANT.**

It is understood and agreed that Consultant, in the performance of the work and services agreed to be performed by Consultant, shall act as and be an independent Consultant and not an agent or employee of City, and as an independent Consultant, shall obtain no rights to retirement benefits or other benefits which accrue to City's employees, and Consultant hereby expressly waives any claim it may have to any such rights.

**SECTION 7. ASSIGNABILITY.**

Consultant shall not assign or transfer any interest in this Contract nor the performance of any of Consultant's obligations hereunder, without the prior written consent of City, and any attempt by Consultant to so assign this Contract or any rights, duties or obligations arising hereunder shall be void and of no effect.

**SECTION 8. INDEMNIFICATION.**

Consultant has the expertise and experience necessary to perform the services and duties agreed to be performed by Consultant under this Contract, and City is relying upon the skill and knowledge of Consultant to perform said services and duties. Consultant shall defend, indemnify and hold harmless City, its officers and employees, against any loss or liability arising out of or resulting in any way from work performed

under this Contract due to the willful or negligent acts (active or passive) or errors or omissions by Consultant or Consultant's officers, employees or agents.

## **SECTION 9. INSURANCE.**

A. Errors and Omissions Insurance. Consultant shall obtain and maintain in full force throughout the term of this Contract a professional liability insurance policy (Errors and Omissions), in a company authorized to issue such insurance in the State of California, with limits of liability of not less than One Million Dollars (\$1,000,000.00) to cover all professional services rendered pursuant to this Contract.

B. Auto and Commercial General Liability Insurance. Consultant shall also maintain in full force and effect for the term of this Contract, automobile insurance and commercial general liability insurance with an insurance carrier satisfactory to City, which insurance shall include protection against claims arising from bodily and personal injury, including death resulting therefrom, and damage to property resulting from any actual occurrence arising out of the performance of this Contract. The amounts of insurance shall not be less than the following:

(1) Commercial general liability insurance, or equivalent form, with a combined single limit of not less than \$1,000,000.00 per occurrence. If such insurance contains a general aggregate limit, such limit shall apply separately to each project Consultant performs for City. Such insurance shall (a) name City, its appointed and elected officials, and its employees as insureds; and (b) be primary with respect to insurance or self-insurance programs maintained by City and (c) contain standard separation of insured's provisions.

(2) Business automobile liability insurance, or equivalent form, with a combined single limit of not less than \$1,000,000.00 per occurrence. Such insurance shall include coverage for owned, hired and non-owned automobiles.

C. Workers' Compensation Insurance. In accordance with the provisions of Section 3700 of the Labor Code, Consultant shall be insured against liability for Workers' Compensation or undertake self-insurance. Consultant agrees to comply with such provisions before commencing performance of any work under this Contract.

D. Proof of Insurance to City before Notice to Proceed to Work. Consultant shall satisfactorily provide certificates and endorsements of insurance to the City Clerk before Notice to Proceed to Work of this Contract will be issued. Certificates and policies shall state that the policy shall not be canceled or reduced in coverage without thirty (30) days written notice to City. Approval of insurance by City shall not relieve or decrease the extent to which Consultant may be held responsible for payment of damages resulting from services or operations performed pursuant to this Contract. Consultant shall not perform any work under this Contract until Consultant has obtained the required insurance and until the required certificates have been submitted to the City and approved by the City Attorney. If Consultant fails or refuses to produce or maintain the insurance required by these provisions, or fails or refuses to furnish City required proof that insurance has been procured and is in force and paid for, City shall have the right at City's election to forthwith terminate this Contract immediately without any financial or

contractual obligation to the City. As a result of such termination, the City reserves the right to employ another consultant to complete the project.

E. Written notice. Contractor shall provide immediate written notice if (1) any insurance policy required by this Contract is terminated; (2) any policy limit is reduced; (3) or any deductible or self insured retention is increased.

#### **SECTION 10. NON-DISCRIMINATION.**

Consultant shall not discriminate, in any way, against any person on the basis of age, sex, race, color, creed, national origin, or disability in connection with or related to the performance of this Contract.

#### **SECTION 11. TERMINATION.**

A. City and Consultant shall have the right to terminate this Contract, without cause, by giving not less than ten (10) days written notice of termination.

B. If Consultant fails to perform any of its material obligations under this Contract, in addition to all other remedies provided by law, City may terminate this Contract immediately upon written notice.

C. The City Manager is empowered to terminate this Contract on behalf of City.

D. In the event of termination, Consultant shall deliver to City copies of all work papers, schedules, reports and other work performed by Consultant and upon receipt thereof, Consultant shall be paid in full for services performed and reimbursable expenses incurred to the date of termination.

#### **SECTION 12. COMPLIANCE WITH LAWS.**

Consultant shall comply with all applicable laws, ordinances, codes and regulations of the federal, state and local governments. Consultant shall obtain and maintain a City of Watsonville business license during the term of this Contract.

#### **SECTION 13. GOVERNING LAW.**

City and Consultant agree that the law governing this Contract shall be that of the State of California. Any suit brought by either party against the other arising out of the performance of this Contract shall be filed and maintained in the Municipal or Superior Court of the County of Santa Cruz.

#### **SECTION 14. PRIOR CONTRACTS AND AMENDMENTS.**

This Contract represents the entire understanding of the parties as to those matters contained herein. No prior oral or written understanding shall be of any force or effect with respect to those matters covered hereunder. This Contract may only be modified by a written amendment.

#### **SECTION 15. CONFIDENTIAL INFORMATION.**

All data, documents, discussions, or other information developed or received by or for Consultant in performance of this Contract are confidential and not to be disclosed to

any person except as authorized by the City Manager or his designee, or as required by law.

#### **SECTION 16. OWNERSHIP OF MATERIALS.**

All reports, documents or other materials developed or received by Consultant or any other person engaged directly by Consultant to perform the services required hereunder shall be and remain the property of City without restriction or limitation upon their use.

#### **SECTION 17. COVENANT AGAINST CONTINGENT FEES.**

The Consultant covenants that Consultant has not employed or retained any company or person, other than a bona fide employee working solely for Consultant, to solicit or secure the Contract, and that Consultant has not paid or agreed to pay any company or person, other than a bona fide employee working solely for Consultant, any fees, commissions, percentage, brokerage fee, gift, or any other consideration contingent on or resulting from the award or making of this Contract, for breach or violation of this covenant, the City shall have the right to annul this Contract without liability, or in its discretion, to deduct from the contract price or consideration or otherwise recover, the full amount of such fee, commission, percentage fee, gift, or contingency.

#### **SECTION 18. WAIVER.**

Consultant agrees that waiver by City or any one or more of the conditions of performance under this Contract shall not be construed as waiver of any other condition of performance under this Contract.

#### **SECTION 19. CONFLICT OF INTEREST.**

A. A Consultant shall avoid all conflict of interest or appearance of conflict of interest in performance of this Contract. Consultant shall file a disclosure statement, if required by City Council Resolution, which shall be filed within thirty (30) days from the effective date of this Contract or such Resolution, as applicable.

B. No member, officer, or employee of the City, during their tenure, or for one (1) year thereafter, shall have any interest, direct or indirect, in this Contract or the proceeds thereof and Consultant agrees not to allow, permit, grant, transfer, or otherwise do anything which will result in such member, officer, or employee of the City from having such interest.

#### **SECTION 20. AUDIT BOOKS AND RECORDS.**

Consultant shall make available to City, its authorized agents, officers and employees, for examination any and all ledgers and books of account, invoices, vouchers, canceled checks and other records or documents evidencing or related to the expenditures and disbursements charged to the City, and shall furnish to City, its authorized agents and employees, such other evidence or information as City may require with respect to any such expense or disbursement charged by Consultant.

**SECTION 21. NOTICES.**

All notices shall be personally served or mailed, postage prepaid, to the following addresses, or to such other address as may be designated by written notice by the parties:

**CITY**

City Clerk  
275 Main Street, Suite 400  
Watsonville, CA 95076  
(831) 768-3040

**CONSULTANT**

Raftelis Financial Consultants, Inc.  
611 Wilshire Blvd, Suite 900  
Los Angeles, CA 90017  
(951) 376-4405

**SECTION 22. EXHIBITS:**

Exhibit A: Scope of Services  
Exhibit B: Schedule of Performance  
Exhibit C: Compensation

**WITNESS THE EXECUTION HEREOF**, on the day and year first hereinabove written.

**CITY**

**CITY OF WATSONVILLE**

**CONSULTANT**

**RAFTELIS FINANCIAL CONSULTANTS,  
INC.**

BY \_\_\_\_\_  
Tamara Vides, City Manager

Signed by:  
  
BY \_\_\_\_\_  
755D533E4528481...  
Kevin Kostiuk, Senior Manager

**ATTEST:**

BY \_\_\_\_\_  
Irwin I. Ortiz, City Clerk

**APPROVED AS TO FORM:**

BY \_\_\_\_\_  
Samantha W. Zutler, City Attorney

## **EXHIBIT “A”**

### **SCOPE OF SERVICES**

The scope of services is as follows:

As described in the proposal submitted by Raftelis Financial Consultants, Inc. for the Request for Proposal (RFP) for the Consulting Services for Water, Sewer, and Solid Waste Utility Rate Study.

See attachment labeled **EXHIBIT “A”**.

## **EXHIBIT “B”**

### **SCHEDULE OF PERFORMANCE**

Services shall commence immediately upon execution of this Contract. All services performed under the provisions of this Contract shall be completed in accordance with the following schedule:

From July 1, 2025, to June 30, 2027.



## **EXHIBIT "C"**

### **COMPENSATION**

a. Total Compensation. The total obligation of City under this Contract shall not exceed Two Hundred Thousand dollars (\$200,000).

b. Basis for Payment. Payment(s) to Consultant for services performed under this contract shall be made as follows and shall include payment for reimbursable expenses:

Payment in the form of check will be mailed within Net 30 days from invoice date.

c. Payment Request. Consultant shall submit a request for payment for services on a monthly basis by letter to Director, or said Director's designated representative. Such request for payment shall cover the preceding monthly period during the term hereof, shall note the City's purchase order number for this contract, shall contain a detailed listing of the total number of items or tasks or hours for which payment is requested, the individual dates on which such services were rendered, and invoices for reimbursable expenses, if any. Upon receipt in the Office of Director of said payment request, Director shall cause payment to be initiated to Consultant for appropriate compensation.

# EXHIBIT "A"

## pg. 1 of 58



City of Watsonville  
Public Works & Utilities  
Courtney Lindberg, Director  
275 Main St, Watsonville, CA 95076

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### [RAFTELIS FINANCIAL CONSULTANTS, INC.] RESPONSE DOCUMENT REPORT

RFP No. TBD

#### CONSULTING SERVICES FOR WATER, SEWER, AND SOLID WASTE UTILITY RATE STUDY

RESPONSE DEADLINE: June 20, 2025 at 4:00 pm

Report Generated: Saturday, June 21, 2025

### Raftelis Financial Consultants, Inc. Response

#### CONTACT INFORMATION

**Company:**

Raftelis Financial Consultants, Inc.

**Email:**

vendor@raftelis.com

**Contact:**

David George

**Address:**

227 W. Trade Street  
Suite 1400  
Charlotte, NC 28202

**Phone:**

N/A

**Website:**

[www.raftelis.com](http://www.raftelis.com)

**Submission Date:**

Jun 20, 2025 11:29 AM (Pacific Time)

[RAFTELIS FINANCIAL CONSULTANTS, INC.] RESPONSE DOCUMENT REPORT

RFP No. TBD

CONSULTING SERVICES FOR WATER, SEWER, AND SOLID WASTE UTILITY RATE STUDY

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## ADDENDA CONFIRMATION

Addendum #1

*Confirmed Jun 20, 2025 11:27 AM by David George*

## QUESTIONNAIRE

### 1. Proposal Submittal Requirements

This section contains instructions on how to prepare and submit a response to this solicitation.

#### a) Submittal Cover

The submittal cover shall include the title, submittal due date, name, address, telephone and fax numbers, and e-mail address of the principal contact.

#### b) Table of Contents

The table of contents shall be complete and clear, listing headings and pages to enable easy reference.

#### c) Cover Letter

The cover letter shall be brief. Any changes to the submittal format or deletions of requested material should be explained in the cover letter. Additional cover letter inclusions are the respondent's primary contact (include address, e-mail address and telephone number), responsible for all queries made during the intake and processing of the response and the location of the office(s) housing individuals assigned to provide services.

#### d) Statement of Understanding and Methodology

The statement of understanding shall contain a written narrative that demonstrates the respondent's understanding of the services required by the City.

#### e) Experience with Comparable Utility Enterprise Financial Analysis and Rate Study

**EXHIBIT "A"**  
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[RAFTELIS FINANCIAL CONSULTANTS, INC.] RESPONSE DOCUMENT REPORT

RFP No. TBD

CONSULTING SERVICES FOR WATER, SEWER, AND SOLID WASTE UTILITY RATE STUDY

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This section shall include examples of the respondent's experience related to the Scope of Work. Provide a list of five successfully completed cost of services analysis and rate studies and current studies underway by the respondent that are closely related to the Scope of Work.

Project examples shall be listed consecutively and include the name(s) and telephone number(s) of the respondent's project manager and the client's project manager.

**f) Project Personnel**

This section shall identify the contact person with primary responsibility for the study and the personnel proposed to work on the study. The persons listed will be considered committed to the study with no substitutions without prior agreement with City of Watsonville. A résumé for each professional person assigned to the study shall be submitted.

**g) Organization Chart**

This section shall include an organization chart containing the names of all key personnel with titles and their specific task assignment for this contract. If any subconsultants are planned, they should be included in the org chart with their role.

**h) Cost Proposal (Separate PDF)**

Provide a listing of the firm's estimated cost proposal to provide the scope of work outlined in the RFP, including estimated personnel hours and hourly billing rates. Include separate lines for each item, including an estimated budget for the two optional scope items. The fee schedule is to help the City get an understanding of the firm's approach to providing the services and the total estimated cost. Final contract price will be mutually negotiated between the City and consultant.

**PROPOSAL SUBMITTAL\****Pass*

Please upload one PDF of the proposal response which contains all items listed above except the cost proposal which will be uploaded separately.

Raftelis\_Proposal.pdf

**ESTIMATED COST PROPOSAL\***

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[RAFTELIS FINANCIAL CONSULTANTS, INC.] RESPONSE DOCUMENT REPORT

Request For Proposal - CONSULTING SERVICES FOR WATER, SEWER, AND SOLID WASTE UTILITY RATE STUDY

Page 3

## EXHIBIT "A"

### pg. 4 of 58

[RAFTELIS FINANCIAL CONSULTANTS, INC.] RESPONSE DOCUMENT REPORT

RFP No. TBD

CONSULTING SERVICES FOR WATER, SEWER, AND SOLID WASTE UTILITY RATE STUDY

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*Pass*

Please upload a separate PDF that only contains the cost proposal. Note that the cost proposal should not be submitted with the overall proposal PDF above.

Raftelis\_Cost\_Proposal.pdf

ADDITIONAL INFORMATION (OPTIONAL)

For any additional information requested or required by any of your provided answers please upload that additional documentation here. Scoring will be based on the official proposal submitted above, but the City may take any additional information submitted here into consideration when reviewing the submitted proposal. This section is optional.

No response submitted

ACCEPTANCE OF STANDARD AGREEMENT\*

*Pass*

**Does your firm accept the City of Watsonville standard consultant agreement, including specifically the City's Hold Harmless Indemnity requirements and insurance coverage requirements, without modification?** A copy of the current Consultant Agreement is included as Attachment A.

Yes

SUBMITTAL AUTHORIZATION\*

*Pass*

By confirming here and submitting, Respondent confirms their authority (and has uploaded necessary documentation proving such) to submit this Response in its entirety as submitted and enter into a contract on behalf of the Company Name stated in said Response. Such confirmation will be understood as the Respondent stating that they have completely read and understand this Request For Proposals in its entirety including any and all Addenda released prior to the time of submittal.

Confirmed

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[RAFTELIS FINANCIAL CONSULTANTS, INC.] RESPONSE DOCUMENT REPORT

Request For Proposal - CONSULTING SERVICES FOR WATER, SEWER, AND SOLID WASTE UTILITY RATE STUDY

Page 4



# City of Watsonville

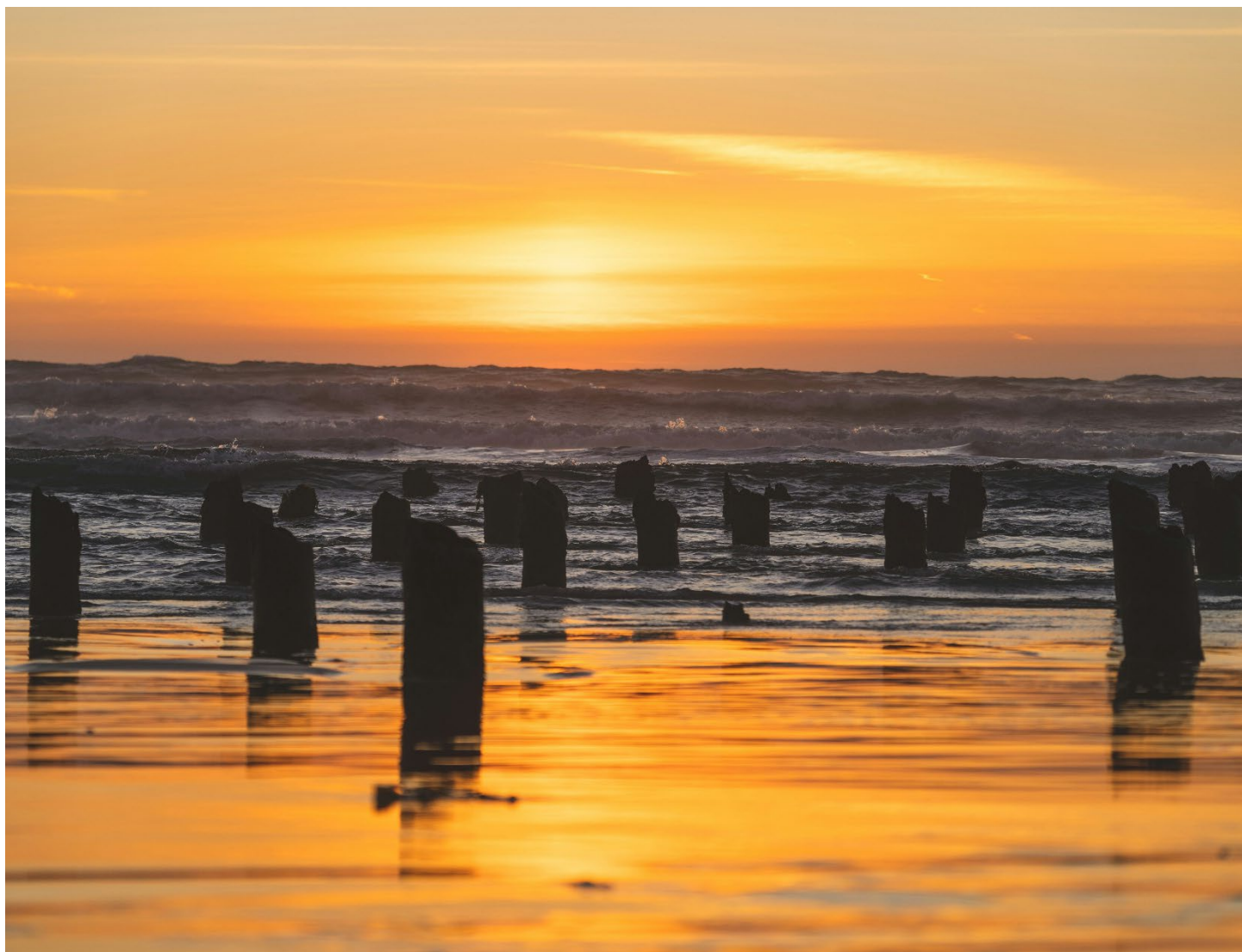
## Consulting Services for Water, Sewer, and Solid Waste Utility Rate Study

PROPOSAL / JUNE 20, 2025

**Principal Contact:** Jeremy Tamargo, Manager

611 Wilshire Blvd, Suite 900, Los Angeles, CA 90017

P: 951-376-4405 / F: 828-484-2442 / E: [jtamargo@raftelis.com](mailto:jtamargo@raftelis.com)





**Raftelis is registered with the U.S. Securities and Exchange Commission (SEC) and the Municipal Securities Rulemaking Board (MSRB) as a Municipal Advisor.**

Registration as a Municipal Advisor is a requirement under the Dodd-Frank Wall Street Reform and Consumer Protection Act. All firms that provide financial forecasts that include assumptions about the size, timing, and terms for possible future debt issues, as well as debt issuance support services for specific proposed bond issues, including bond feasibility studies and coverage forecasts, must be registered with the SEC and MSRB to legally provide financial opinions and advice. Raftelis' registration as a Municipal Advisor means our clients can be confident that Raftelis is fully qualified and capable of providing financial advice related to all aspects of financial planning in compliance with the applicable regulations of the SEC and the MSRB.

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**COVER LETTER**

June 20, 2025

City of Watsonville  
250 Main Street  
Watsonville, CA 95076

**Subject: Proposal for Consulting Services for Water, Sewer, and Solid Waste Utility Rate Study**

To Whom it May Concern:

Municipal utilities across California are facing increasing financial pressures due to aging infrastructure, evolving regulatory requirements, and limited access to affordable funding. These challenges often result in rising costs for customers, particularly those who are economically vulnerable. To navigate these complexities, utilities require expert financial guidance to ensure long-term stability. Raftelis, with our extensive experience in financial planning, provides solutions that help municipalities manage these financial constraints while maintaining reliable services. Also critical is ensuring that the City of Watsonville (City) grows public trust as it conducts these utility rate studies and implements new rates.

We believe that we can offer several advantages to the City to create a tailored financial strategy for water, sewer, and solid waste utilities. First, having conducted the 2020 Water, Sewer, and Solid Waste Utility Rate Study, Raftelis has developed utility rate models that can be leveraged to hit the ground running, maintain an efficient schedule, and reduce costs. Second, Raftelis maintains dedicated solid waste and communications practices in house. This ensures the City is provided with service from experts in their fields and that all three studies, as well as public outreach, can progress at a steady and relatively quick pace. Lastly, the proposed project team and our colleagues have significant experience in the region having conducted similar studies in Monterey and Santa Cruz counties including for Soquel Creek Water District, Marina Coast Water District, the City of Hollister, Monterey County Water Resources Agency, and Monterey Peninsula Water Management District. Just like our work with other agencies, our approach ensures that recommendations align with the City's specific service area needs. Instead of applying a standardized approach, Raftelis adapts our methodologies to fit the unique financial, operational, and regulatory challenges faced by the City of Watsonville.

As demonstrated in the previous study, Raftelis will customize our approach and model to meet your specific needs and objectives. For the upcoming study, we will focus on addressing the significant costs associated with regulatory compliance, such as **SB 1383 (food waste separation), Hexavalent Chromium limits, lead line and cross-connection regulations, and future PFAS standards**. Our expertise combines **financial planning, rate structure analysis, and stakeholder engagement**, ensuring that proposed solutions not only comply with evolving mandates but also support long-term sustainability. With a **team of over 190 consultants**, Raftelis brings technical and strategic communication capabilities that enable effective collaboration with City staff, officials, and ratepayers. Our holistic approach ensures that utility rates remain fair, equitable, and financially sound for the community.



Based on the scope of services requested by the City of Watsonville, we have assembled the following expert in-house team to accomplish the City's objectives:

- Kevin Kostiuk (based in the Santa Barbara, CA office) will serve as Project Director
- Jeremy Tamargo (based in the Los Angeles, CA office) will serve as Project Manager
- Morgan McCarthy (based remotely in KY) and Harold Mitchell (based remotely in TN) will serve as Solid Waste Leads
- Gina DePinto (based remotely in California) will serve as Public Outreach Services Lead
- Technical and analytical support will be provided by staff consultants Lindsay Roth, Nicholas Kennedy (based in the Los Angeles, CA office) and Casey Goodwin (based remotely in California)

We are eager to continue our partnership with the City of Watsonville and to demonstrate how Raftelis can continue to help you achieve your financial and rate study objectives. Please feel free to contact our proposed Project Manager, Jeremy Tamargo, at 951-376-4405 or [jtamargo@raftelis.com](mailto:jtamargo@raftelis.com) if you have any questions. Raftelis has no conflict of interest with regard to any other work performed by the firm for the City.

Sincerely,



**Kevin Kostiuk**  
*Senior Manager*



**Jeremy Tamargo**  
*Manager*

## STATEMENT OF UNDERSTANDING AND METHODOLOGY

# Project Understanding

The City of Watsonville is seeking an independent consultant to conduct a **comprehensive utility rate study** for its **water, sewer, and solid waste services**. This effort aims to evaluate the financial standing of each enterprise, including **liabilities, reserve funds, and prior reserve usage**, ensuring the City is prepared for emergencies while maintaining progress on its **capital improvement program**. The last study was completed in 2020 by Raftelis, and this new analysis will refine financial strategies to support long-term sustainability.

After evaluating the financial plan for each enterprise, a key component of the study is a **cost-of-service analysis**, which will assess potable and “blend” water, sewer transmission, wastewater treatment, recycled water production, and solid waste services. This analysis will ensure that costs are fairly distributed among ratepayers, as mandated by **Proposition 218**, and that rates cover essential expenses such as **operations, maintenance, capital improvements, and overhead payments** to the general fund. The study will distinguish between **fixed and variable costs**, providing a detailed framework for responsible financial planning.

To enhance system reliability, the City anticipates **increased expenditures** for operations, maintenance, engineering, and management. The selected consultant will incorporate these projected costs into the analysis while developing **proposed utility rates** for various services. Additionally, the consultant will evaluate and recommend updates to **service connection fees (system development fees)** for water and sewer. This study will provide a **sustainable financial model** that ensures the continued delivery of **reliable, cost-effective utility services** for all three utilities while complying with **state regulations and Proposition 218**.

# Project Approach

We have developed the following proposed services based on our extensive experience in completing comprehensive water, wastewater, and gas rate studies for other utilities while taking into account the considerations identified by the City of Watsonville in its Request for Proposals (RFP). The approach has been tailored to address the specific objectives and concerns identified in the RFP while maintaining those elements that we believe are essential for a successful project. We have used a similar project approach on many of our rate study projects for utilities throughout the State of California and the United States.

## Task 1: Project Initiation and Management

We believe that the execution of a productive kick-off meeting is the most effective way to begin a project of this nature. The goals for this meeting include:

- Providing a forum to finalize the scope of the project, work plan, and schedule with City staff
- Discussing the City’s preliminary pricing objectives
- Ensuring that we have an understanding of the overall goals of the study
- Providing an opportunity for City staff to meet and become comfortable with the project staff from Raftelis
- Reviewing the data needs for the project

Accomplishing these objectives will help to ensure that the project progresses as smoothly as possible.

Prior to the kick-off meeting, we will prepare a detailed data request list that will identify the information needed to complete the various analyses. Information that is typically required to perform a comprehensive cost-of-service study includes recent Annual Comprehensive Financial Reports (ACFR), recent and current utility budgets, a description of service areas, current and historical billing data, utility plant in service records, debt service schedules, water, wastewater, and gas master plans, and a long-term capital improvement plan. Some of this information will be readily available, whereas other components may require more detailed analyses of operational data, customer billing information, and costs. We will also prepare a comparison of the City's existing utility rates to comparable peers as a basis for discussion during the kick-off meeting to review the City's existing rates and determine if additional types of fees may be appropriate to be analyzed and considered for use by the City's utilities.

The completion of this task is contingent upon the timely receipt of the requested information and in the format requested. We will incorporate one set of information into our analysis. This initial set of information will serve as the basis of our analysis and our model and report deliverables. If you provide subsequent updated information during the course of our work that necessitates updates to our analysis, these revisions will be subject to additional costs. The additional costs will be determined based on the extent of the required changes to the analysis and will be discussed and agreed upon prior to commencing the required updates and revisions.

### **Data Collection and Review**

As part of this task, we will conduct interviews with City staff to obtain a thorough understanding of the financial, operational, regulatory, master planning, and political environments. Existing rate policies and ordinances will be reviewed for consistency with current and possible future fees. Key issues, areas of concern, and pricing objectives will be reviewed and discussed. Historical information will be reviewed related to costs, customers, usage, demand patterns, capital spending, plant in service, and revenues generated to provide a better understanding of recent changes in operating characteristics and to develop appropriate trends and growth factors for creating financial forecasts. Other information reviewed will include regulatory requirements, bond covenants, contractual requirements, and capital plans for each utility. During the data collection and review, we will begin to identify assumptions used to allocate and project costs that will be integrated into our model. As these assumptions are identified, City staff will have an opportunity to review our findings to ensure that the assumptions make sense with regard to each of the City's utility systems.

### **Project Management**

In order to successfully complete the project, Raftelis will be in constant communication with City staff regarding data requests, data validation, data decisions, and reviewing preliminary and final results. Much of this can be accomplished through conference calls, emails, and demonstrations using tools such as Microsoft Teams or GoToMeeting. These efforts provide for consistent and competent project management to ensure that all deadlines and objectives are met in a timely and efficient manner. We believe in a no-surprises approach so that the City is always aware of the project status.

### **PLANNED MEETINGS:**

- Virtual meeting (1) for study kick-off

### **DELIVERABLES:**

- Data request list
- Agenda for kick-off meeting
- Documentation summarizing the kick-off meeting

## Task 2: User Demand and Revenue Requirements Analysis

Projecting future service demand and developing realistic per capita demand for service estimates is one of the single most difficult tasks that a utility faces each year. The reason for this is that there are several unforeseeable factors that can affect user demand. A particularly rainy or dry season, unforeseen population growth or decline, and commercial customers moving in and out of City's service area or not returning after the pandemic can and will have a dramatic effect on user demand. However, projecting user demand for services is also one of the most important tasks that a utility faces. These projections directly affect user rates, which, in turn, determine how much cash a utility will collect. If a utility overestimates demand for services, then rates will be too low leading to revenue under recovery, a deficit, and decreasing fund balances. Yet, if a utility underestimates demand for services, then revenue over recovery occurs and this can be met with public scrutiny because of unjustly high rates.

Comprehensive operation and customer billing information will be collected to classify customers and project user demand over the planning period. We will study available historical demand of the City's different customer types in order to arrive at a corresponding usage and growth rate for each type. As a result of these analyses, Raftelis will be able to develop projections of consumption for the forecast period under various scenarios, resulting in an optimistic projection, pessimistic projection, and most likely projection. Raftelis will also examine the City's current customer classifications and identify any changes that may be necessary to make them more consistent with current industry practices and standards. Raftelis will then calculate the revenues under current rates at projected user demand levels (optimistic, pessimistic, and most likely) to understand the potential revenues realizable. We will then compare these revenues to the revenue requirements forecast in the financial plan developed in Task 3 to understand the magnitude of the potential shortfall under the current rates.

### PLANNED MEETINGS:

- Virtual meeting (1) to review draft user demand projections for water, sewer and solid waste utilities

### DELIVERABLES:

- Forecast of user demand and revenues under existing rates over multi-year forecast period for water, sewer and solid waste utilities

## Task 3: Development of Financial Plans

An important element in conducting a comprehensive rate study is to establish comprehensive short- and long-term financial plans for the City's utilities. In preparing these plans, we will analyze the City's current policies and practices for funding its operations, capital facilities plans, and debt service requirements. As appropriate, and as discussed with City staff, we will consider various financing options, or a combination of options, such as operating revenue, new debt issuances, and miscellaneous fees.

We will assist the City in achieving a suitable balance among the financing options when developing the proposed financial plans, which will accomplish the following:

- Ensure financial sufficiency to meet operating and capital costs as well as prudent reserves
- Meet the City's service policies and objectives
- Fairly distribute financing responsibility to appropriate users
- Result in an appropriate capital structure so that the City maintains a high rating with bond rating agencies

Maintaining detailed financial plans will ensure that City's utilities are operating in a revenue self-sufficient manner and meet debt covenant requirements. We will develop separate financial plans for the water, wastewater, and gas utilities to understand if any of the utilities may be subsidized by the others.

The financial plans for each utility will include a capital improvement financing component that ensures each utility can fully finance the City's proposed capital improvement program while minimizing impacts to existing ratepayers and complying with existing revenue bond covenants.

### **Review and Evaluate Current Financial Information and Recommend Financial Policies and Programs**

As part of this task, Raftelis will evaluate the City's operating and capital reserve requirements as well as financial and rate policies and recommend appropriate changes to the existing policies that will allow the utilities to most effectively meet their financial goals. These financial policy requirements will include identifying appropriate target reserve levels for the operating and capital programs; when these reserves can be used; infrastructure replacement funding from operations; debt funding of Capital Improvement Program (CIP), if needed; review of the level of transfers to the general fund; and debt service coverage designed to allow the City to meet its financial objectives and goals while achieving improved rate stability and revenue sufficiency. Raftelis will also provide recommendations on how the City may wish to fund operating and maintenance (O&M) expenses that do not occur annually, such as tank painting and meter replacement.

### **Develop Revenue Requirements**

This task will include the projection of budget items, such as annual costs related to labor, power, materials, capital expenditures, plant investment, O&M expenses, transfers, reserve contributions, and debt service coverage using assumptions based on different economic factors and growth trends.

We will develop forecasts of revenue requirements over the multi-year planning period. Revenue requirements will be projected over the rate-setting period based on historical results, the current budget, capital improvement plans, master planning studies, existing debt service, other obligations, and current economic trends. We will examine the effect of variations in factors that impact the utility's revenue requirements and provide comparisons of potential revenue requirement scenarios for review with the City to identify the most appropriate revenue requirements for proposed rates. Projecting revenue adjustments over a multi-year planning horizon can illustrate future rate impacts and potential challenges to the City's financial situation. This will allow the City to adjust its expenses, transfers, and reserve balances or schedule capital projects to smooth rate impacts and maintain financial stability.

### **Develop Multi-year Cash Flow Analysis and Recommend Reserve Balances**

We will develop a multi-year cash flow analysis to determine the revenue adjustments needed to meet projected revenue requirements for the multi-year planning period while minimizing sharp rate fluctuations. The cash flow worksheet incorporates revenues generated from different sources, expenses needed to maintain the utility systems, any transfers in and out of the enterprise funds, as well as the coverage needed to meet current and proposed debt service requirements. The level of the transfers will be considered and compared to industry standards as well as considered based on regulatory guidelines. We will also review the reserve policies to recommend appropriate reserve balances consistent with industry standards and the City's desire to appropriately address risk associated with various factors, including emergency expenditures or revenue shortfalls.

#### **PLANNED MEETINGS:**

- Virtual meetings (3) to review multi-year financial plans for water, sewer and solid waste utilities

#### **DELIVERABLES:**

- Multi-year financial plans for water, sewer and solid waste utilities

## Task 4: Cost-of-service Analysis and Rate Calculation

Although we take care to tailor a utility's cost-of-service analysis to meet the needs of the individual utility, we always make sure to follow the basic premise of cost-of-service allocations set forth by state and local laws, the American Water Works Association's (AWWA) *Manual M1, Principles of Water Rates, Fees, and Charges*, the Water Environment Federation's (WEF) *Manual of Practice No. 27, Financing and Charges for Wastewater Systems*, and other authoritative bodies.

The first step of a cost-of-service analysis is to complete a cost functionalization to allocate costs to the various functions within the utility. For example, in the water utility, these categories may include source of supply, treatment plant, transmission, and distribution. The next step is the classification of costs based on cost-causative parameters. In water, these parameters would be average day demand, maximum day demand, maximum hour demand, meters, and customer service. Finally, the cost of serving each customer class will be determined based on each class' usage characteristics. Raftelis will discuss with the City whether this task and allocation analysis is necessary for each utility.

### Rate Calculation

After the revenue requirements have been functionalized, classified, and allocated, we will use the user demand analysis performed in Task 2 and combine it with the new revenue requirements to calculate user rates reflecting the City's specific rate goals and objectives. In identifying these goals and objectives, Raftelis will evaluate the City's current rate structures and discuss how they compare to industry standards. At this point, we will discuss and evaluate the need for new customer classes, such as senior citizen or irrigation/sprinkler rates. Raftelis has worked with many customers to evaluate existing and new customer classes. This evaluation will be based on existing data and the needs of the City.

We will project these rates for the forecast period to ensure that all covenant requirements are met and to ensure that customer impacts of rate increases do not lead to rate shock. At the end of this task, we will conduct a meeting with City staff. At this meeting, Raftelis will review the entire cost-of-service and rate-setting process and present preliminary rates. Prior to the meeting, City staff will be provided with the draft rate model and preliminary rates so that they will be able to review our methodology and suggest changes. We will discuss all suggested changes and then work with the City to come up with our final rate recommendations to incorporate into the City's rate ordinances.

### Comparison of Costs by Customer Class

Based on the rate structures identified in this task, we will develop a comparison of the cost of service to rate recovery under the new rates as well as existing rates. This will allow the City to understand any inequities in the existing rate structure as well as how any proposed changes to the rate structure addresses those inequities.

### PLANNED MEETINGS:

- Virtual meetings (3) with City staff to review costs by customer classes and resulting rates for water, sewer and solid waste utilities

### DELIVERABLES:

- Costs by customer classes as well as preliminary and final rate recommendations for water, sewer and solid waste utilities



## Task 5: Rate Model Development

At the heart of any successful cost-of-service and rate study is the computer model that is used to develop revenue requirements; perform cost functionalization, classification, and allocation; and calculate rates. The model must be sophisticated enough to perform the complex calculations involved in a comprehensive cost-of-service and rate analysis and yet still be simple enough to allow for future updates by City staff.

The model will incorporate the rate structures and rate calculation methodologies that are identified during Task 4. During the course of the project, City staff will be provided with working copies of rate model drafts in Microsoft Excel so that they will be able to provide input into the development of the model. Once the project is complete, the City will be provided with fully functioning copies of the model and Raftelis personnel will train members of the City staff in its use.

### PLANNED MEETINGS:

- Virtual meeting (1) to train City staff on the use of the rate model for water, sewer and solid waste utilities

### DELIVERABLES:

- Functional rate model for the City's future use for water, sewer and solid waste utilities



Raftelis will develop a customized financial model that incorporates a dashboard to allow you to easily run scenarios and see the impacts in real time. Shown here is a sample dashboard that we developed for another project.

## Task 6: Reports

### Rate Comparison

Raftelis will prepare a comparative analysis of the City's current and proposed water, wastewater, and solid waste rates to comparable peer utilities. This comparison will be used in the reports and presentations of the findings of the study to provide a frame of reference for stakeholders and decision makers.

## **Draft Report**

The draft report will document the rate development process, describe any recommended changes to the existing rate structures and the reason for such changes, and present the results of the cost-of-service and rate study. An electronic copy of the draft report will be presented to City staff for their review and comment.

Our fee estimate assumes the preparation and delivery of a draft report, and a final report. The City will provide one consolidated set of comments after the delivery of the draft report. We will consider and address these comments in the final report. Any additional review comment cycles beyond the one included in this scope will be subject to additional costs, which will be determined based on the extent of the revisions required. Additional services, such as further revisions or additional deliverables, will be discussed and agreed upon separately.

## **Final Report**

Raftelis will incorporate the City staff's comments of the draft report into a final report. Upon finalization of the report, the City will be provided an electronic copy of the report. In addition to the final report, the City will also be provided with electronic copies of the final rate model in Microsoft Excel. Raftelis will also deliver a model training workshop for City staff.

### **PLANNED MEETINGS:**

- Virtual meeting (1) to review draft report with City staff

### **DELIVERABLES:**

- Rate comparison
- Draft report
- Final report

## **Task 7: Presentations**

### **Presentations**

We will prepare a PowerPoint presentation summarizing the rate study process, findings, and recommendations in a clear and concise manner. We will provide a draft of this presentation to City staff for their review and comment prior to delivering the final version. Our fee estimate assumes the preparation and delivery of one draft of the presentation. The City will provide one consolidated set of comments after the delivery of the draft and the project team will consider and address these comments in the final presentation. Any additional review comment cycles beyond the one included in this scope will be subject to additional costs, which will be determined based on the extent of the revisions required and will be discussed and agreed upon separately.

Raftelis will also present our findings using this presentation and other outreach materials at a public hearing as well as at a maximum of two other meetings at the City's direction.

### **PLANNED MEETINGS:**

- Up to three (3) on-site presentations as directed by the City, including the Public Hearing

### **DELIVERABLES:**

- PowerPoint presentations (draft and final)



## Task 8: Public Outreach and Proposition 218 Assistance

Finding opportunities to communicate the work you do, and the value the City's utility services bring can be complicated, made even more complex with an ever-evolving communication landscape. With a team of senior communications and outreach professionals, we would be honored to support the execution of outreach and engagement strategies for the rate study. We speak your language and have an in-depth understanding of the factors and objectives that are critical for municipal utility organizations to effectively communicate with their customers and other community stakeholders. We envision our work with you as an extension of your own team. Working closely with our financial consulting team, we'll bring insight, strategy, and expertise that can flex with your needs.

Strategic communication increases community acceptance of rate changes, enhances credibility with stakeholders and policymakers, and builds awareness of the value of the services and the need for utility investments on behalf of the community. As the Raftelis communications lead for this rate study, Gina DePinto, APR (Accredited in Public Relations), has 35 years of strategic communications experience including 25 years within city, county, and water agencies. Gina also holds certificates in public participation from the International Association for Public Participation (IAP2). Our full range of communication services include strategic communication planning, public involvement / community outreach, public meeting facilitation, graphic design and marketing materials, risk and crisis communication, spokesperson media training, social media strategy, and technical writing and content development.

### Task 8.1: Community Engagement Sessions

An integral part of developing rates and fees is ensuring that key stakeholders are included in the process from the beginning, with the opportunity to provide meaningful input that is reflected in the final rate recommendations. Raftelis can facilitate public outreach sessions, open houses, workshops and webinars to inform customers and communities about the need to adjust rates. This engagement would be separate from publicly noticed City Council meetings, workshops, and hearings.

We recommend a public meeting process that can be highly collaborative and iterative; the feedback we receive from key stakeholders in these meetings can help guide the overall direction of the study and inform the methodologies and options ultimately selected for the final rate fee proposal. Raftelis will provide guidance and oversight of outreach activities, and work with City staff to secure locations, promote the event, design and facilitate the content, and develop summary reports for staff and the community. If interpretation services are needed, we can assist the City in identifying suitable and certified language service providers.

#### PLANNED MEETINGS:

- Up to 3 community engagement meetings (in person, virtual webinars, open houses, etc.)
- Virtual planning and logistics meetings

#### DELIVERABLES:

- Meeting/event logistics; presentation materials, display posters, fliers, surveys, social media content, etc.
- Reports documenting public input and feedback; feedback to continually inform FAQs
- Field customer emails and phone calls regarding proposed rates and fees

### Task 8.2: Develop Public Outreach Materials

Key messages developed as part of the strategic communications framework come to life when woven together into powerful communications pieces by Raftelis' strategic communicators and professional graphic designers. Visual representation of proposed changes in an easy-to-understand and accessible format significantly improves

understanding of rate structure changes that may impact customer bills. Raftelis will develop a suite of communications pieces to assist with communicating rate and rate structure changes. Materials typically include a mix of the following: website copy and graphics, fact sheets, talking points/FAQs, bill stuffers, on-bill messaging, social media posts and graphics, “explainer” videos, presentation slide decks with speaker scripts, etc.

### **DELIVERABLES:**

- Develop presentation PPT decks with edits as meeting content evolves and changes
- FAQs for communicating with the City Council and general public
- Key messages and talking points about the rate study process, need for rates revenues, and how rate revenues are invested
- Content for the website, e-blasts, newsletters, and on-bill messaging
- Press releases (up to three)
- Social media content
- 2-minute animated explainer video about legal rate setting in City branding

### **Task 8.3: Develop Proposition 218 Notice**

While requirements of Proposition 218 notifications are easy to satisfy, too many municipalities and utility districts miss the opportunity to strategically educate and inform ratepayers. Over the years, Raftelis has designed countless Proposition 218 notifications that go beyond the minimum dictated by statute to deliver visually appealing pieces that customers want to read.

Content will include all statutorily required elements, along with strategic communications messages to ensure it properly communicates the need and justification for rate increases and the public is given tools to understand the impacts to their individual bills. Beyond satisfying legal requirements, the goal of the Notice will be to describe any relevant public process that went into the recommendations and make the case for why adoption is critical.

Once the content passes the City’s legal review, Raftelis' will match the City’s established brand guidelines and flow the content into an attractive design that will encourage your customers to read the information and have a broader understanding of the issues. Our pricing includes the development of a print-ready PDF in two languages, excluding the cost of translation. If the City does not have access to the services of a certified translator, Raftelis can recommend and coordinate translation.

### **Mailing Coordination**

It is anticipated that City staff will liaise with the printer and mail house, and contract directly with them for payment. If desired, Raftelis can provide liaison services at our standard hourly rates. The notice must be postmarked to all affected property owners in the City’s service area no less than 45 days prior to the public hearing to adopt rates.

### **PLANNED MEETINGS:**

- Virtual meetings (2) to review development process, timelines, and content with City staff

### **DELIVERABLES:**

- Draft notification language for legal counsel’s review/approval
- Designed notification with two rounds of revisions and a final print-ready PDF in English and one other language.

## Task 9: Capacity Fee Study

### Approach

We will discuss the different capacity fee methods (also known as “system development charges” or “connection fees”) and provide a capacity fee data request. We will then review all relevant documentation, including the engineering master plans. We will discuss the appropriate methodology to use. There are three industry-standard methods for the calculation of capacity fees:

#### Buy-In Method

The buy-in approach is most suitable when the current utility system has excess capacity to accommodate growth. It is also the most common methodology. The buy-in approach rests on the premise that new customers are entitled to service at the same “price or cost” as existing customers. However, existing customers have already developed the facilities that will serve new customers, including the costs associated with financing those services. Under the buy-in approach, new customers pay an amount equal to the net investment (accounting for depreciation) already made by existing customers, based on the value of the utility. The value is normally established using the cost approach of replacement cost less depreciation. There are two variations of the buy-in approach: the system buy-in and the equity buy-in. For the system buy-in, the system value is divided by the ultimate system demand to determine the proposed capacity fee. For the equity buy-in, the system value is divided by the current demand.

#### Incremental Method

The incremental method is a forward-looking calculation and can be used when substantial new investment in capital facilities is required to serve new customers. Stated simply, it is the value of the new facilities divided by the total capacity of the new facilities.

#### Hybrid Method

A hybrid approach can be used when new customers will use both current excess capacity in existing facilities and new facilities. Mathematically, it is the weighted average of the buy-in method and the incremental method.

The capacity fees we develop will be based on industry practices and informed by California Government Code Sections 66000-66025 which include the California’s Mitigation Fee Act and general legal principles related to impact fees. Under California law, “fees,” as opposed to “taxes,” can be adopted without the two-thirds vote of the public as required by Proposition 13. The State of California Mitigation Fee Act, also known as AB 1600 and codified in Sections 66000-66025 of the California Government Code, establishes a requirement for “nexus” in the establishment of a development fee. The nexus requirements are that: 1) a development fee is directly related to the impacts of the development and 2) the fee is roughly proportional to the impacts of the project.

### Methodology

Raftelis will discuss the capacity fee calculation methodologies (mentioned above) and will work with City staff to determine the appropriate methodology (i.e., Buy-In, Incremental, Hybrid). Generally speaking, the Buy-in is usually the simplest and most common. If the City has a large capital plan for the water and/or sewer utilities, it may consider the Incremental or the Hybrid approach methodology.

### PLANNED MEETINGS:

- One virtual meeting with City staff, if needed

**DELIVERABLES:**

- Recommendations for water and sewer capacity fees
  - Water and Sewer Capacity Fee Report, if the City requests a separate, stand-alone report for the capacity fee study
- 

**Optional Services**

As requested in the RFP, Raftelis is providing an estimated budget for the two optional scope items described below:

**Freedom County Sanitation District Transfer**

The City has been approached by Freedom County Sanitation District to explore the possibility of transferring the district fully into the City's sewer collection service area. The City would like to evaluate the financial impacts this may have on the cost of service for the sewer fund and how it may affect sewer rate increases for the City's existing customers.

**Citywide Stormwater Utility Analysis**

The City is considering developing a Citywide stormwater utility and may be interested in a detailed analysis of the potential structure of a new enterprise fund, a technical analysis of how reasonable and sustainable rates could be assessed consistent with Proposition 218. The analysis would be specific to the City and not a general description of the process. The scope may also potentially include a public outreach and analysis component to determine the benefits and concerns the City's constituents may have with the establishment of a new utility.

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**Workload and Availability**

With the depth of more than 190 consulting professionals, and specifically the current and anticipated workload of the individuals assigned to this project, we have the availability to provide the requested services in a timely and efficient manner to meet the scheduling requirements and objectives of the City. As a rule, Raftelis operates at a company-wide project utilization of approximately 65% to 75%. This level of utilization, which we expect to continue through the proposed timeline of this project, will provide the project team with ample time to allocate to the City's engagement.

Raftelis actively manages the distribution of our staff hours to ensure we allocate the necessary resources to meet the needs of each of our clients. Raftelis' executive and management team participate in a weekly conference call to review the number of consulting hours required to meet the needs of our clients during the upcoming week. This weekly meeting allows our project managers to deploy our consulting staff in a flexible manner that ensures a suitable level of hours will be devoted to each client.

## EXPERIENCE WITH COMPARABLE UTILITY ENTERPRISE FINANCIAL ANALYSIS AND RATE STUDY

# Who is Raftelis

## HELPING LOCAL GOVERNMENTS AND UTILITIES THRIVE

Local government and utility leaders partner with Raftelis to transform their organizations by enhancing performance, planning for the future, identifying top talent, improving their financial condition, and telling their story. We've helped more than 700 organizations in the last year alone.

**We believe that Raftelis is the *right fit* for this project. We provide several key factors that will benefit the City and help to make this project a success.**

**RESOURCES & EXPERTISE:** Specialized and highly experienced utility rate consultants that all stakeholders can have confidence in. With more than 190 consultants, Raftelis has the largest water-industry financial and rate consulting practice in the nation. Our depth of resources will allow us to provide the City with the technical expertise necessary to meet your objectives. In addition to having many of the industry's leading rate consultants, we also have experts in key related areas, like stakeholder engagement and data analytics, to provide additional insights as needed.

**DEFENSIBLE RECOMMENDATIONS:** Industry knowledge to ensure methodologies reflect best practices. Our senior staff is involved in shaping industry standards by chairing various committees within the American Water Works Association (AWWA) and the Water Environment Federation (WEF). Raftelis' staff members have also co-authored many industry-standard books regarding utility finance and rate setting. Being so actively involved in the industry will allow us to keep the City informed of emerging trends and issues and to be confident that our recommendations are insightful and founded on sound industry principles. In addition, with Raftelis' registration as a Municipal Advisor, you can be confident that we are fully qualified and capable of providing financial advice related to all aspects of utility financial planning in compliance with federal regulations.

**HISTORY OF SIMILAR SUCCESSES:** A long history of project experience to ensure successful execution. Raftelis staff has assisted 1,700+ utilities throughout the U.S. with financial and rate consulting services with wide-ranging needs and objectives, which includes over 350 utilities and local governments in California. Our extensive experience will allow us to provide innovative and insightful recommendations to the City and will provide validation for our proposed methodology ensuring that industry best practices are incorporated.

**USER-FRIENDLY MODELING:** Powerful and easy-to-use tools for ongoing financial management success. Raftelis has developed some of the most sophisticated yet user-friendly financial/rate models available in the industry. Our models are tools that allow us to examine different policy options and cost allocations and their financial/customer impacts in real time. Our models are non-proprietary and are developed with the expectation that they will be used by the client as a financial planning tool long after the project is complete.

**EXPERTS ON CALIFORNIA REGULATORY REQUIREMENTS:** This expertise will allow the City to be confident that our recommendations take into account all of these regulatory requirements. The regulatory environment in California has become more stringent due to Proposition 220. Besides developing well-thought-out financial plans, Raftelis staff members are very knowledgeable about these regulations and have made presentations on this subject at various industry conferences. In addition, we are frequently called on to be expert witnesses regarding these regulatory matters.

**32** years  
serving the  
public sector

## How we stack up

### OUR TEAM INCLUDES

**190+** consultants focused on  
finance/management/communication/  
technology for the public sector

**2** chairs & **16** members of  
AWWA and WEF utility finance and  
management committees and subcommittees

### RAFTELIS HAS PROVIDED ASSISTANCE FOR

**1,700+** public agencies  
and utilities

that serve more than

**25%** of the  
U.S. population

including the agencies serving

**41** of the nation's  
50 largest cities

in the past year alone, we worked on

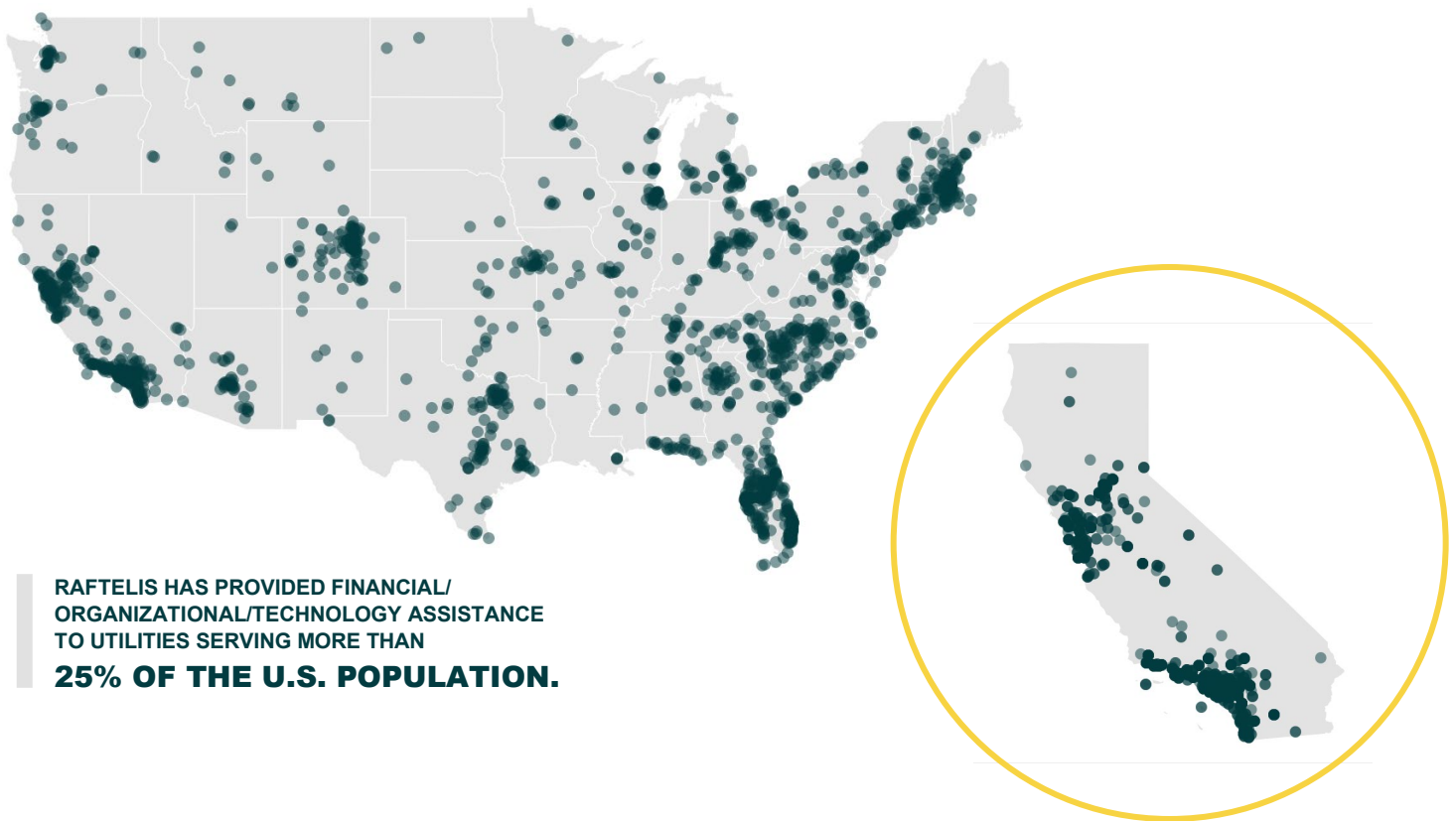
**1,300+** projects for **700+** agencies in **47** states



# Experience

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

Our staff has assisted more than 1,700 local government agencies and utilities across the U.S., including some of the largest and most complex agencies in the nation. In the past year alone, Raftelis worked on more than 1,300 financial, organizational, and/or technology consulting projects for over 700 agencies in 47 states, the District of Columbia, and Canada. Below, we have provided descriptions of projects that we have worked on that are similar in scope to the City's project. We have included references for each of these clients and urge you to contact them to better understand our capabilities and the quality of service that we provide.



### Goleta West Sanitary District CA

**Client Reference:** Brian McCarthy, General Manager/Superintendent

UCSB Campus Lot 32, Santa Barbara, CA 93106 / P: 805.968.2617 / E: [bmccarthy@goletawest.com](mailto:bmccarthy@goletawest.com)

**Raftelis Project Manager:** Sudhir Pardiwala / P: 626.583.1894

The Goleta West Sanitary District (District) retained Raftelis to assist the District in financial planning to assure the District's financial stability and to review the District's treatment plant options, current annexation, connection, and miscellaneous fees consistent with the District's costs of providing service. The goal of the study was to evaluate the four feasible alternatives to upgrade the wastewater treatment plant to determine the most economical alternative and the rate impacts, considering the District's current and projected capital improvement plan (CIP) and the

operations and maintenance (O&M) expenses. Raftelis also reviewed and updated the District's current annexation, connection, and miscellaneous fees to be more consistent with the District's costs of providing each service. Miscellaneous fees included development of industrial waste pretreatment charges for different classes of users along with other miscellaneous fees. Raftelis prepared the tax roll for the District to bill customers. Raftelis has been assisting the District with its financial planning and rates for more than 11 years and continues to serve the District.

## City of Atwater CA

**Client Reference:** Justin Vinson, Public Works Director

750 Bellevue Road, Atwater, CA 95301 / P: 209.777.0273 / E: [jvinson@atwater.org](mailto:jvinson@atwater.org)

**Raftelis Project Manager:** Theresa Jurotich / P: 206.707.9155

Raftelis has been providing rate consulting services to the City of Atwater (City) since 2010. Most recently, Raftelis is conducting a water, wastewater, and connection fee study that incorporates developing a financial plan for each enterprise, conducting a cost-of-service analysis, and rate design. The sewer enterprise has debt coverage requirements that are partially driving the need for revenue adjustments. Additionally, since Atwater is still converting all customers to meters, the study was paused to collect a full 12 months of billing data for water customers to inform the updated cost-of-service and meter-based rate structure. However, since debt coverage requirements are a driver for revenue adjustments for the sewer enterprise, the sewer study has restarted before all customers have been metered. Results of a recent cost allocation study will be incorporated. Raftelis is also developing updated wastewater connection fees, which have not been updated since the 1990s.

## City of Ventura CA

**Client Reference:** Gina Dorrington, General Manager

336 Sanjon Road, Ventura, CA 93002 / P: 805.677.4131 / E: [gdorrington@cityofventura.ca.gov](mailto:gdorrington@cityofventura.ca.gov)

**Raftelis Project Manager:** Kevin Kostiuk / P: 213.262.9309

Since 2020, Raftelis has provided water, wastewater, and recycled water rate services for the City of Ventura (City). The City is under a federal Consent Decree order that requires the City to change the process and point of discharge for wastewater effluent, currently discharged to the local estuary as well as to put at least 50 percent of effluent to beneficial use. These requirements, coupled with aging infrastructure, increasing operational costs, and declining water demands all factor into the most recent rate study.

The most recent five-year rate study was conducted over the course of 2020 and 2021. The goal of the study was to develop a 10-year financial plan to sustainably fund the City's capital program, including the Indirect Potable Reuse (IPR) project; as well as to revise the water and wastewater rate structures to incentivize conservation, maximize affordability for essential water use, and maintain revenue stability. The study included a comprehensive review of the City's revenue requirements and allocation methodology, review of the City's user classifications, water demand patterns, cost of service analyses for three utility services, and rate design for City users. The study included nearly a dozen meetings with the City Water Commission, a citizen advisory group charged as policymakers by the City Council. Through a collaborative process, buy-in was achieved for a recommendation providing five years of rates, revised rate structures, and reasonable cost allocations between the City's utility enterprise funds. The recommended rates were implemented in July of 2021.

Since the prior rate study Raftelis has provided annual financial support to Ventura Water to routinely assess the adopted rates and to keep the financial plans up to date based on new costs of the IPR project. The project has increased in scope, timing, and costs and Raftelis has worked with staff, the City's Municipal Advisors, the City Attorneys' office, and the Water Commission to model changes and alternatives. To aid the effort the model



includes a specific module dedicated to the IPR project and component projects to understand the flow of funds based on a series of instruments including grants, cash, WIFIA loans, SRF loans, and revenue bond issues. The model has the functionality to look at advanced debt repayment options including capitalizing interest, deferring principal repayment, and modifying other terms. This work is ongoing and part of the current rate study scheduled to complete in December 2025.

## City of Redlands CA

**Client Reference:** Ross Wittman, Senior Project Manager

35 Cajon Street, Redland, CA 92373 / P: 909.346.7487 / E: [rwittman@cityofredlands.org](mailto:rwittman@cityofredlands.org)

**Raftelis Project Manager:** Sudhir Pardiwala / P: 626.583.1894

Raftelis has a history of working for Redlands. We have been working with the City of Redlands (City) to update rates every two years since 2000. We did their most recent update in 2024. The City charges separate fees for water source acquisition and facilities. The water source acquisition fees are based on the costs of purchasing water rights. Raftelis assisted the City with the development of the water acquisition fees and facilities fees. The capacity fee calculation involved a review of the existing assets and future CIP that would benefit both existing and future customers. The calculated fee was based on a hybrid methodology including existing and future facilities. Water source acquisition fees to provide water supply were computed separately. Fees for the non-potable system, including recycled water, were calculated to recover costs and provide incentives to users. Raftelis completed a water and wastewater rate study for the City to review their rate structure in light of Proposition 218 requirements. The goal was to develop rates that adhere to cost of service and pay for necessary capital improvements. The study included a comprehensive review of the City's revenue requirements and allocation methodology, review of the City's user classification, a cost-of-service analysis, and rate design for City users. We assisted the City with a review of their billing system to compile data needed for this study. The study was conducted with input from a 12-member Utility Advisory Committee. Over a dozen workshops with the Committee were conducted to explain concepts, gather feedback from Committee members, and to discuss the overall findings of the study. Raftelis surveyed neighboring utilities to benchmark rates.

## City of Lincoln CA

**Client Reference:** Angela Frost, Environmental Services Manager

600 Sixth Street, Lincoln, CA 95648 / P: 916.434.2452 ext 1302 / E: [angela.frost@lincolncalifornia.gov](mailto:angela.frost@lincolncalifornia.gov)

**Raftelis Project Manager:** Theresa Jurotich / P: 206.707.9155

Raftelis completed a water, wastewater, and solid waste rate study encompassing a 10-year financial plan, cost-of-service analysis and recommend rates. The City of Lincoln's (City) operating reserves are depleted and plans to cash-finance capital projects. Raftelis worked closely with city staff to develop water, wastewater, and solid waste financial plans that aim to bring the enterprises back to self-sufficiency. Two-to-three financial plans for each enterprise were developed along with associated cost-of-service based rates. Wastewater presented a unique challenge given that the city went from providing both treatment and collection to collection-only but still needed significant revenue adjustments to become self-sufficient. Raftelis worked closely with City staff to develop financial options for the Board. The various financial plans and associated rates were presented to the Board for its consideration. The resulting rates were fair and equitable and met the fiscal needs of the City's utilities in the context of the City's overall policy objectives and were designed for simplicity of administration, cost effective implementation and ease of communication to customers. Raftelis also supported several community outreach meetings and designed the Proposition 218 notice.



Client	Affordability Analysis & Program Development	Debt Issuance Support	Dispute Resolution	Financial & Capital Improvements Planning	Rate Case Support	Rate Design	Risk Analysis	Cost of Service	Development/Impact Fees	Stormwater Utility Development	Organizational Optimization	Water/Wastewater Utility Valuation
Irvine Unified School District		●										
Jurupa Community Services District				●		●	●	●				
Kern County Water Agency					●							
La Canada Irrigation District				●		●		●				
La Habra Heights County Water District				●		●	●	●	●			
Laguna Beach, City of				●								
Lake Valley Fire Protection District				●			●	●				
Las Virgenes Municipal Water District				●		●		●				
Leucadia Wastewater District				●		●						
Livermore, City of				●		●		●	●			
Long Beach City of	●	●		●		●		●				
Los Alamos Community Services District		●		●		●		●	●			
Los Angeles Department of Water and Power						●		●				
Los Angeles, City of Bureau of Sanitation					●							
Madera, City of		●		●								
Mammoth Community Water District				●		●		●				
Marin Municipal Water District					●							
Merced, City of				●		●		●	●			
Mesa Water District				●				●				
Metropolitan Water District of Southern California			●									
Modesto Irrigation District						●		●				
Mojave Water Agency				●		●	●					
Monterey County Water Resources Agency				●		●		●				
Monterey, City of		●		●		●	●					
Moulton Niguel Water District									●			
Municipal Water District of Orange County					●			●				
Napa Sanitation District				●		●		●				
Ojai Valley Sanitary District				●		●		●				
Olivenhain Municipal Water District				●		●	●					
Ontario Municipal Utilities Company								●				
Ontario, City of				●		●	●	●				
Orange, City of				●		●		●				
Palo Alto, City of				●		●	●	●				
Phelan Pinon Hills Community Services District	●			●		●		●	●			
Placer County Water Agency					●			●				
Pleasant Hill Recreation & Park District				●				●				
Pomona, City of				●		●		●	●			
Rainbow Municipal Water District				●		●	●	●				
Ramona Municipal Water District				●		●		●				
Rancho California Water District						●	●	●	●			
Redlands, City of				●		●	●	●	●			
Rincon del Diablo Municipal Water District				●		●		●				
Riverside Public Utilities				●		●	●	●	●			
Roseville, City of		●		●					●			
Sacramento Regional County Sanitation District						●						
Sacramento, City of				●		●		●				

Client	Affordability Analysis & Program Development	Debt Issuance Support	Dispute Resolution	Financial & Capital Improvements Planning	Rate Case Support	Rate Design	Risk Analysis	Cost of Service	Development/Impact Fees	Stormwater Utility Development	Organizational Optimization	Water/Wastewater Utility Valuation
Salton Community Services District				●				●				
San Bernardino Valley Municipal Water District						●						
San Bernardino, County of				●		●		●	●			
San Clemente, City of				●		●	●	●				
San Diego, City of Public Utilities Department		●	●	●		●	●	●	●			
San Dieguito Water District				●		●		●				
San Elijo Joint Powers Authority				●	●	●	●	●	●			
San Gabriel County Water District				●		●		●				
San Gabriel, City of				●		●		●				
San Jose, City of								●				
San Juan Capistrano, City of				●		●	●	●	●			
Santa Ana, City of								●				
Santa Barbara, City of				●		●	●	●	●			
Santa Clara Valley Water District			●	●	●							
Santa Clarita Water District		●		●		●	●	●	●			
Santa Cruz, City of				●		●	●	●				
Santa Fe Irrigation District				●		●	●	●	●			
Santa Fe Springs, City of				●		●		●				
Santa Margarita Water District				●		●	●	●				
Santa Rosa, City Attorney's Office									●			
Scotts Valley Water District		●		●		●	●	●	●			
Shafter, City of				●		●		●				
Shasta Lake, City of				●		●	●	●				
Sierra Madre, City of	●			●		●		●				
Signal Hill, City of				●		●		●				
Simi Valley, City of				●		●	●	●	●			
Sonoma, City of				●		●		●				
South Mesa Water Company				●		●	●	●				
South Pasadena, City of				●		●		●				
South San Francisco, City of				●				●				
Sunnyslope County Water District				●		●	●	●	●			
Sweetwater Authority				●		●		●				
Temescal Valley Water District				●		●		●	●			
Thousand Oaks, City of				●		●	●	●	●			
Torrance, City of				●		●		●				
Trabuco Canyon Water District				●		●		●				
Triunfo Sanitation District				●		●		●				
Tustin, City of				●		●		●				
Union Sanitary District				●		●	●	●	●			
Ventura Regional Sanitation District				●		●		●				
Ventura, City of	●	●	●	●	●	●	●	●	●			
Vista, City of				●		●			●			
Walnut Valley Water District				●		●		●				
Watsonville, City of	●			●		●	●	●				
West Basin Municipal Water District				●		●	●	●				
Western Municipal Water District				●		●		●	●			
Yorba Linda Water District				●		●		●				
Zone 7 Water Agency				●		●		●				

## PROJECT PERSONNEL

## Kevin Kostiuik

## PROJECT DIRECTOR

Senior Manager

## ROLE

Kevin will be responsible for overall project accountability and will be available to provide quality assurance and control, industry perspective, and insights into the project.

## PROFILE

Kevin has a background in environmental economics and policy and possesses extensive analytical skills. His expertise lies in water resources management, environmental economics, environmental policy, and federal water supply and flood control policy. Kevin is a past member of the American Water Works Association (AWWA) Young Professionals (YP). He has authored articles on potable reuse in Journal AWWA discussing the treatment, financing structures, and pricing of treated water at advanced purification treatment plants; an article on municipal water demand pattern changes during the California State-wide drought of 2012-2017; and an article on proactive financial planning in times of drought for California Society of Municipal Finance Officers (CSMFO) Magazine. Kevin has presented an evaluation of the conceptual CustomerSelect rate model for Soquel Creek Water District at the AWWA Utility Management Conference.

## KEY PROJECT EXPERIENCE

**Goleta Water District (CA): Water Cost-of-Service Study**

Kevin completed a full water cost-of-service study for the Goleta Water District (District) which included design of inclining tiered rates for their single-family residential class, as well as agricultural rates for two classes. Complexities in customer classes' access to District water supplies, interruptible during times of drought, and benefit (or lack thereof) from treatment made the analysis unique and challenging. The study included development of a long term financial plan model, rate model, and corresponding bill impacts.

To achieve the District's demand reduction targets as outlined in their Drought Management Plan, the District wished to explore drought rates/drought surcharges to curb demand. Ultimately, Kevin developed three options of revenue neutral drought surcharges for the Board's consideration. These various options ranged from targeted surcharges on an inter and intra-class basis, to a surcharge applied to non-drought commodity rates, to a uniform commodity surcharge irrespective of customer class or use. The proposed rates and drought surcharges were adopted and implemented July 1, 2015.

**City of Redlands (CA): Water and Sewer Financial Plan Study**

Kevin updated prior financial plans developed by Raftelis for the City of Redlands (City) for their water and sewer enterprises. The update included building in more flexibility to the model for ease of use and for future updates, as well as, making the model dashboards more user friendly.

**Specialties**

- Water & Drought rate design
- Water budget rate structures
- Utility cost-of-service
- Sustainable Groundwater Management Act
- Data analysis
- Environmental policy analysis

**Professional History**

- Raftelis: Senior Manager (2023-present); Manager (2020-2022); Senior Consultant (2014-2019); Consultant (2014-2015)
- Turner New Zealand, Inc.: Director of Operations (2009-2012); Accounting Manager (2007-2009)
- Lesley, Thomas, Schwarz & Postma, Inc.: Staff Accountant (2007)

**Education**

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

The state-wide drought in California called for a mandatory 25% reduction for all water service agencies in the state. The City's target was to reduce residential consumption by 35%. Kevin assisted the City in design and implementation of drought surcharges to achieve a 35% reduction and to recover lost revenue from reduced water sales.

Additional work for the City included updating the City's Storm Drain Impact Fee and miscellaneous fee for National Pollutant Discharge Elimination System (NPDES) inspections as part of the MS4 permit requirement. The storm drain fee had not been reevaluated in 20 years. Additionally, the City had recently completed a Storm Drain Master Plan which called for \$83 million in improvements to system deficiencies. Kevin developed a methodology to retain the existing impact fee structure while updating the fee paid by different land use classes.

In 2015 and 2016 Kevin developed a water budget rate model for the City to evaluate a new rate structure. The model integrated with the existing water financial plan model and designed parallel water budget rates for consideration by City staff and the Council.

### **City of Hayward (CA): Water Rate Structures, Financial Planning, and Water Cost-of-Service**

Raftelis assisted the City with reviewing water rate structures, financial planning, and water cost-of-service. The City serves an urban retail base with very low per capita demands and has a relatively large share of low-income customers. Raftelis assisted the City of Hayward (City) with a comprehensive water cost-of-service and rate study in 2021. Kevin served as the project manager for this engagement, which involved developing a 10-year financial plan, a two-year rate proposal, a water rate model, and a technical report (or administrative record). The City receives 100% of its water supply from the San Francisco Public Utilities Commission (SFPUC); the increasing costs of purchasing water from SFPUC is often unpredictable. The key drivers in the financial plan included developing a reserve policy which mitigated the risk of volatile SFPUC costs and minimizing the financial impact to customers to the greatest extent possible. Additionally, Raftelis recommended a simplified rate structure based on a detailed cost-of-service allocation. The proposed rate structure helped improve equity among customer classes, provided affordability for low water users, and enhanced customer understanding. The water rates were successfully approved and implemented by City Council.

### **City of Calistoga (CA): Water and wastewater cost-of-service and rate study**

Kevin served as project manager and completed a water and wastewater cost-of-service and rate study for the City of Calistoga (City) in 2023. Comprehensive ten-year financial plans were developed for each enterprise. Kevin provided three distinct scenarios for revenue increases for each utility as well as three alternative tiered rate structures for all customer classes in the water rate study. For the wastewater enterprise, a comprehensive cost of service analysis was performed to fairly apportion costs to residential and non-residential users, including specialized classes for the City's geothermal spa dischargers, industrial bottling works, and recycled water customers.

Water rate calculations entailed blended supply rates for different sources of water and class-specific cost allocations. Kevin developed three alternative drought rate structures for the City's evaluation. Additional tasks included a regional water and wastewater rate survey to benchmark the updated rates against neighboring agencies and developed bill impacts for each class of rates, as well as a calculation for combined bill impacts for customers with both water and wastewater connections. Public outreach efforts included presentation of the resulting rate structures to both City Council and in two community open houses and the development of the rate notice to customers. Five years of rate increases were adopted in December 2023 and implemented March 2024.

**Crescenta Valley Water District (CA): Water and Sewer Financial Plan and Rate Study**

Kevin developed a combined water and sewer financial plan and rate model for the Crescenta Valley Water District (District) in 2016. The cost-of-service and rate study included several workshops with the District Board which culminated in structural changes to the District's existing water and sewer rate structures. In addition to the tiered water rate structure, which was ultimately adopted, Kevin developed a water budget rate model for evaluation by District staff and the District Board.

Prior to the cost-of-service and rate study, Kevin performed an economic analysis for the District to determine the feasibility of offsetting imported water supply with the production of local groundwater. Kevin created a customized model for the District to use under different scenarios of capital requirements, lease options, and contract lengths. As part of the study, he reviewed the District's prior consultant's work, determined internal rate of returns, calculated the net present value of district savings, and determined the cost at which the District should lease water rights for groundwater production.

**East Valley Water District (CA): Budget-Based Water Rate Study**

Raftelis contracted with East Valley Water District (District) in 2014 to develop budget-based rates to replace the District's existing uniform rate structure. Kevin assisted the District with design and implementation of budget-based water rates for their 23,000 accounts including residential, commercial and irrigation customers. The study included creation of a long-term financial plan and full cost-of-service study for the water enterprise. Kevin developed the 10 year financial plan model, rate model, and water budget model for the District.

Kevin worked closely with the District's finance, IT, and, billing departments in the early stages to analyze customer account level data including monthly use. He also worked with the District's GIS and other outside consultants to develop the water budget model using irrigable landscape area, customer class, assessor parcel number (APN), etc. for construction of indoor and outdoor allocations, or budgets.

The project incorporated significant public outreach whereby Raftelis led meetings with ratepayers to receive input, provide study updates, and answer questions of the public. The ratepayer meetings assisted adoption of the new rate structure and implementation. The rate structure that the Board adopted allows for the most precise, scientific and equitable design of rate structures, tailored specifically to an individual account.

**City of Camarillo (CA): Rate Consulting Services**

Raftelis has provided rate consulting services to the City of Camarillo (City) for the past seven years with Kevin serving as lead analyst the past three years. In the current rate cycle Kevin serves as project manager. The City adopts rates on a two-year cycle and the most recent study included rebuilding long term financial plan models, revising the wastewater utility's rate structure, and performing a cost-of-service analysis for the sewer utility. Kevin has made presentations to the City Manager, City's Utility Committee, and City Council in consecutive years. Kevin successfully presented rates to City Council in December 2016, November 2017, and November 2018.

During the height of the most recent state-wide drought, the City contracted with Raftelis to evaluate emergency drought rates as a conservation and revenue recovery tool. Kevin adapted the existing financial plan model and developed multiple scenarios based upon the City's water supply condition stages. Kevin developed drought rates utilizing the City's financial plan at each stage and estimating water reductions. The rates were not adopted prior to the end of the state-wide drought however the drought tool is available for quick implementation should drought conditions return. Raftelis is currently contracted with the City for another two-year rate and capacity fee study for 2019 with Kevin as project manager.

**City of Tustin (CA): Financial Plan Study**

Raftelis contracted with the City of Tustin (City) to develop a 10-year financial plan and evaluate a budget-based rate structure for its customers. Kevin worked extensively with City staff, Raftelis' data services team, and outside consultants of the City to develop the water budget allocation and rate model for the City's approximately 14,000 customer accounts. As part of the model build, data from GIS consultants had to be organized and validated for each of the City customers' parcels. Raftelis' data services team worked internally to ensure matches between assessor's data and GIS data for integration to the water budget model. Rates and customer impacts have been presented to City staff and a public outreach campaign is being devised in anticipation of the council workshop. The project is ongoing.

**Placer County Water Agency (CA): Water System Evaluation, Cost Allocation Study**

In 2015 Placer County Water Agency (PCWA) contracted with Raftelis to evaluate its water system. PCWA provides retail and wholesale water service to treated water and raw water users throughout western Placer County. In Phase I of the project Kevin evaluated the current system's four service zones and numerous service classes and customer classes. Raftelis then provided recommendations to consolidate and simplify the water system organization and structure. In Phase II Raftelis performed a cost allocation study between the four proposed classes of service to identify the cost of providing service to these distinct users. Phase III consisted of performing cost-of-service analyses for PCWA's four service classes and developing corresponding rates. The study was completed in October 2017 with new organization, rate structures, and associated rates implemented January 1, 2018.

Additional to the water system evaluation and cost-of-service study, Kevin developed a water budget model for PCWA's internal use. The water budget model allows PCWA to examine their Single Family Residential (SFR) customer's usage patterns relative to efficiency standards, climate, and account level characteristics. The model will aid in water management and give insight into water demand pattern changes with the Agency's new rate structure and rates.

**Mammoth Community Water District (CA): Financial Plan Study; Cost-of-Service Study**

Raftelis provided the Mammoth Community Water District (District) with a 10-year financial plan model for both the water and wastewater enterprises, as well as performing a cost-of-service analysis for the water enterprise. The district carries out operating and capital activities that are indirectly assigned to the two enterprises. Kevin worked with District staff to carry out a cost allocation study to distribute administrative costs appropriately. Raftelis recommended changes to the water rate structure as part of the study to simplify the rates and make them more legally defensible.

The study took place at the height of the statewide drought and as part of the project Kevin developed drought rates for the District to implement in times of mandatory conservation or water supply shortage. Being an agency with a large seasonal population Raftelis worked with staff to determine the most appropriate and effective means of charging the drought rates. Kevin designed drought rates for each stage of the District's water conservation plan, effective on the meter-based fixed charge of a customer's bill. This ensured that every connection in the water system shared in the burden caused by the drought, irrespective of water use. Raftelis also evaluated existing capacity fees for both enterprises. This task is ongoing. The water rates, wastewater rates, and drought rates were adopted and implemented January 2016.

In 2018 the District again contracted with Raftelis to conduct a wastewater cost-of-service and rate study as well as a capacity fee study for both utilities. Raftelis developed updated water and wastewater capacity fees which meet the District's financial and policy objectives. Capacity are scheduled for adoption in Summer 2019. The cost-of-service study is ongoing.



**Borrego Water District (CA): Water Rate Study**

Raftelis contracted with the Borrego Water District (District) to evaluate the impact of county growth projections as well as the Sustainable Groundwater Management Act (SGMA) of 2014. Kevin utilized the existing financial plan model, water supply analyses provided by other District consultants, and assumptions on land acquisitions to determine the effect of SGMA on long term water rates. The Borrego Groundwater Basin is critically over drafted, and users will need to decrease water production significantly to achieve sustainable yield by 2040. This will require the District to reduce per capita water use and acquire production credits within the basin by fallowing agricultural land. Kevin estimated water rates in each year through 2040 incorporating assumptions on groundwater production, market values of land in the basin, debt financing, and water source alternatives.

In 2017 Kevin examined the affordability of water rates charged to the District's customers. The assessment analyzed both existing and future rates and affordability under the SGMA scenario identified in 2016. The affordability assessment relied upon the SGMA Impact Assessment and corresponding demand projections, basin yield assumptions, financing assumptions, and projected rates to the year 2040. The project allowed the District to understand affordability of existing rates and water allocation and to estimate the affordability impacts of SGMA compliance in the Borrego Groundwater Basin over the long term.

**Borrego Valley Groundwater Sustainability Agency (CA): Financial Plan Study**

Raftelis was contracted by the Borrego Valley Groundwater Sustainability Agency (Agency) to develop a financial planning model and fee options for the new entity as mandated by the Sustainable Groundwater Management Act (SGMA). Tasks included working with the core project team to develop policy options for fee structuring and various fee recovery mechanisms. Project deliverables included a financing plan memorandum, an Excel-based financial plan Model, operating and administrative budget creation, and a user manual for the Excel Model. The deliverables were used in the submission of the Groundwater Sustainability Plan (GSP) to the State Department of Water Resources (DWR) in 2019.

**Soquel Creek Water District (CA): Financial Plan and Rate Study**

The Soquel Creek Water District (District) contracted with Raftelis in 2017 to evaluate a novel rate structure for its ratepayers. Kevin participated in several workshops with the District's citizen Water Rates Advisory Committee and Board of Directors to develop of policy framework for the rate structure and conduct pricing objectives exercises with both groups. Kevin developed a report for the District which informed the rate design in 2018.

In 2018 Raftelis contracted with the District for a long-term financing plan and rate study. Kevin served as the assistant project manager and oversaw the model creation for the financial plan, tiered rate model, and CustomerSelect rate model. The District adopted our recommended three years of rates in February 2019.

**Summerland Sanitary District (CA): Cost-of-Service and Rate Study**

Raftelis contracted with the Summerland Sanitary District (District) in 2016 to perform a cost-of-service and rate study for wastewater services. The study included a 10 year financial plan model, cost-of-service analysis, and review of the existing equivalency definitions for the District's user classes. Additional work included adoption of a formal financial reserves policy to ensure long term fiscal health as well as updates and additions to the District's miscellaneous fee schedule. Kevin served as project manager and lead analyst for the project and held several meetings with District staff, the Finance Committee, and the Board of Directors. Five years of rates were adopted in December 2017.

**Monterey County Water Resources Agency (CA): New Source Water Evaluation**

In 2017, Kevin performed a cost analysis and evaluation of new source waters from recycled water for its coastal agricultural users. Recycled water production from the several sources will require new infrastructure, treatment, and maintenance. Kevin built an electronic model which incorporated different climate scenarios, costs of capital, operating, maintenance, and treatment, and the water available from all sources under different weather conditions and water rights. The project is ongoing with a series of meetings with the Agency's agricultural customers, County Board of Supervisors, and stakeholder agencies.

**City of Buenaventura (Ventura): Financial Plan Study**

Raftelis developed long-range financial plans so that the water and wastewater utilities could be financially stable and save costs in the long run. Raftelis also assisted the City of Buenaventura (City) with developing different water and wastewater rate alternatives with various scenarios based upon estimated water sales and capital improvement plan (CIP) funding. The study is being conducted with several meetings and input from stakeholders comprised of customers within the City. Raftelis educates the Water Commission on the basics of rates, cost allocations, and rate design to obtain their buy-in using the dashboards in the rate models that were developed. This allows us to demonstrate the impacts of various revenue adjustments on the long-term financial stability of the enterprises. As of May 2019 the studies are ongoing.

**City of Riverside (CA): Elevation Fee Credit Study**

Kevin completed a study for the City of Riverside (City) to determine the value of an elevation fee credit for present and future customers in a special district. The project required calculation of asset replacement values for infrastructure serving the special district, specific to booster capacity, and within the context of a historical assessment. The findings from the study were used to defend the City's move to assess its elevation fee schedule.

**City of Simi Valley (CA): Financial Plan Study**

The City of Simi Valley (City) had last raised sewer rates in fiscal year 2008-2009 and was facing a backlog of sewer system improvements and repair and replacement. Kevin updated the existing sewer financial plan with recent data, as well as updated the cost-of-service analysis. As part of the study, tier definitions were changed for non-residential customers to reduce the base charge on small users without impacting revenue recovery. Working with City staff, and with presentations to City management, Raftelis assisted in getting Council authorization for proposition 218 notices of a rate increase to the City's customers. The revenue increases will allow the City to commence the public works department's capital improvement schedule while maintaining reserve funds at target levels.

**City of Henderson (NV): Financial Plan and Rate Study**

Kevin created water and wastewater rate and financial planning models for the City of Henderson (City) as well as updated their water and sewer system development charges. The project created a combined model for the water and sewer enterprises which incorporated finance department reporting tools. The combined model allows the utility (water and sewer) to be viewed as a one, with impacts and reporting available to the user. The models will be used over the next 10 years to calculate water and wastewater rates as well as to create annual financial statements.

**City of Corona (CA): Financial Plan and Rate Study**

Kevin assisted the City of Corona (City) in updating its financial plans for the water and reclaimed water enterprises. The study included performing cost-of-service analyses for both utilities and updating the water budget rate structure. In addition, Kevin developed a framework and corresponding rates for contract reclaimed water customers.

**City of Raleigh Public Utilities Department- American Rivers (NC): Water Supply Evaluation**

Kevin served as project leader for a study of alternatives to meet Raleigh's long term water supply shortfall. The project examined four options in extending the life of the existing federal reservoir, thereby postponing capital expenditures on a new raw water supply. Results were delivered to city staff, their consultants and the United States Army Corps of Engineers.

**Lower Cape Fear Water Quality Trading Program - The Nature Conservancy (NC)**

To reduce nutrient loading and decrease utility costs, The Nature Conservancy proposed a Water Fund to improve water quality through improved agricultural practices on private landholdings in the watershed. Kevin was in charge of researching comparable programs and providing options for a financial mechanism and governance approach between various stakeholders in the region including utilities, agriculture, environmental organizations and community groups.

**City of San Jose (CA): Cost-of-Service and Rate Study**

Raftelis contracted with the City in 2016 to perform a cost-of-service and rate study for the City's water enterprise. The study included creation of a 10 year financial plan model, cost-of-service analysis, and redesign of the City's water rate structures. Kevin as lead analyst developed the financial plan model and worked closely with City staff to incorporate the City's budgetary information as part of the planning exercise. Additionally, Kevin worked with the City's water resources manager and water system engineer to identify future supply and demand in each of the City's different service areas, with differentiated water rates for each area. At the conclusion of the study Kevin held a session to train staff on use of the electronic financial plan model. The project was completed in 2017.

**Santa Cruz Mid-County Groundwater Agency (CA): Funding Criteria Evaluation**

Raftelis was contracted by the Agency to evaluate funding criteria for Santa Cruz Mid-County Groundwater Sustainability Agency (GSA) fees and calculate preliminary fees. Kevin served as the project manager. Raftelis conducted multiple meetings and webinars with County staff and the Advisory Committee to produce a financial budget for management activities, discuss fee structure options, and develop a pricing objectives exercise for the GSA Board. The project culminated with fee analysis and production of a White Paper to assist the Agency in navigating their financing plan as part of the GSP submittal process, as well as recovering costs of management over the long term. The project is complete as of May 2019.

**PROJECT LIST**

- Antelope Valley (CA) - East Kern Water Agency
- Citrus Heights Water District (CA) - Groundwater supply analysis
- Coastside County Water District (CA) - Water rate study
- Elsinore Valley Municipal Water District (CA) - Drought surcharge study
- La Canada Irrigation District (CA) - Water cost-of-service and rate study
- City of Lancaster (CA) - Wastewater cost-of-service study
- Madera County Groundwater Sustainability Agencies (CA)
- Montecito Basin Groundwater Sustainability Agency (CA)
- City of Torrance (CA) - Wastewater cost-of-service and rate study
- Triunfo Sanitation District (CA) - Water rate study
- Ventura County Waterworks District No. 8 Simi Valley (CA)

# Jeremy Tamargo PE (OR)

## PROJECT MANAGER

Manager

### ROLE

Jeremy will manage the day-to-day aspects of the project ensuring it is within budget, on schedule, and effectively meets the City's objectives. He will also lead the consulting staff in conducting analyses and preparing deliverables for the project. Jeremy will serve as the City's main point of contact for the project.

### PROFILE

Jeremy has over a decade of diverse experience in engineering, local government, and government finance. Jeremy is a professional engineer (licensed in Oregon) with extensive experience in both the public and private sectors in civil engineering design as well as preparing utility master plans for municipal agencies in both Oregon and Washington. In his role as Assistant City Engineer at City of Tigard, Jeremy managed the City's System Development Charge program for the Public Works Department, which was used to pay for the installation, construction, extension, and expansion of the City's water, sanitary, sewer, stormwater, park and transportation systems. His consulting experience in government finance includes preparing cost-of-service rate studies for municipal water, sewer, recycled water and solid waste agencies. Jeremy is solutions-oriented, and he has a passion for focusing on technical excellence and exceptional client service on every project. He has a Master of Science in Environmental Engineering from Syracuse University and a Bachelor of Science in Civil Engineering from University of Notre Dame.

### KEY PROJECT EXPERIENCE

#### Sweetwater Authority (CA): Water Rate Study

Jeremy prepared the cost-of-service study of water utility rates. Water rate study included numerous rate alternatives for residential tiered rates based on source of supply as well as a "phase-in" approach to adjusting the allocation of fixed vs. variable charges over the course of the rate implementation period.

#### City of Redding (CA): Water, Sewer, and Solid Waste Rate Study

Prepared a cost-of-service study for water, sewer, and solid waste rates. Rate design for the three utilities included addressing City policy objectives and analyzing numerous rate structure alternatives.

#### El Dorado Irrigation District (CA): Water, Sewer, and Recycled Water Cost of Service and Rate Design Study

Worked with the district staff and board to review/recommend policy changes; alternative rate designs; and recommended water, sewer, and recycled water rates.



### Specialties

- Utility cost-of-service & rate structure studies
- Capacity fee studies
- Civil engineering design and review
- Utility master planning for public works construction projects
- Technical report writing and review

### Professional History

- Raftelis: Manager (2025-present)
- NBS Government Finance Group: Associate Director (2024- 2025), Engineering Consultant (2022-2023)
- City of Tigard, OR: Assistant City Engineer (2022), Principal Engineer (2020- 2022)
- City of Oregon City, OR: Project Engineer (2019-2020)
- Otak, Inc.: Water Resources Engineer (2018), Water Resources Designer (2014-2018)

### Education

- Master of Science, Environmental Engineering - Syracuse University (2014)
- Certificate, Advanced Study in Sustainable Enterprise - Syracuse University (2013)
- Bachelor of Science, Civil Engineering - University of Notre Dame (2010)

### Certifications

- Professional Engineer (OR)

**City of Rio Vista (CA): Water, Sewer, and Stormwater Rate Study**

Completed comprehensive financial plans, cost of service analyses, and rate design for water, sewer and stormwater utilities for the City.

**City of Victorville (CA): Sewer and Solid Waste Rate Study**

Prepared a cost-of-service study of sewer and solid waste utility rates. Sewer and solid waste studies analyzed alternative rate structures as well as alternative recommended reserve targets for consideration by City staff.

**City of Turlock (CA): Sewer Rate Study**

Prepared a cost-of-service study of sewer utility rates. The City had not raised sewer rates since 2013 and revenues from the previous rate structure were not fiscally sustainable. This study included meeting the City's broader objections of ensuring adequate funding for operating and capital costs, maintaining reasonable reserves, and ensuring revenue stability in utility rates.

**Washington County (OR): North Bethany Residential Development, North Bethany Ridge**

Otak has provided land use planning, site design, and infrastructure engineering services for multiple residential development projects in the North Bethany Area. Each development is required to implement the North Bethany Drainage Master Plan. For the following development projects, Jeremy has performed hydrologic analysis, stormwater facility siting and design, and performed hydraulic modeling to support the design for North Bethany Crest, North Bethany Ridge, North Bethany Creek 1 & 2, Arbor at West Park and North Bethany Park.

The North Bethany Ridge project is a proposed residential development in Washington County, OR consisting of seven multi-family buildings. Jeremy delineated drainage basins and calculated runoff rates for the site. Using this information, Jeremy sized and sited the low impact development approach (LIDA) facilities For water quality treatment. He also modeled and sized the storm drain network using an XPSWMM model.

**Tigard (OR): River Terrace Residential Development**

Otak has provided land use planning, site design, and infrastructure engineering services for multiple residential development projects in the River Terrace Area. Each development is required to follow the River Terrace Stormwater Master Plan and the new stormwater standards adopted for River Terrace. For the following development projects, Jeremy has performed hydrologic analysis, stormwater facility siting and design, and performed hydraulic modeling to support the design for River Terrace Northwest and River Terrace East.

**Beaverton (OR): South Cooper Mountain Heights Residential Development**

Otak has provided land use planning, site design, and infrastructure engineering services for large residential development projects in the South Cooper Mountain Area. The development is required to implement the City of Beaverton and Clean Water Services Design & Construction Standards. Jeremy has performed hydrologic analysis, stormwater facility siting and design, and performed hydraulic modeling to support the design.

**PROJECT LIST**

- Sweetwater Authority (CA) – Water Rate Study
- City of Redding (CA) – Water, Sewer and Solid Waste Rate Studies
- El Dorado Irrigation District (CA) – Water, Sewer and Recycled Water Cost-of-Service and Rate Design Study
- City of Victorville (CA) – Sewer and Solid Waste Rate Studies
- City of Rio Vista (CA) – Water, Sewer and Stormwater Rate Studies
- City of Victorville (CA) – Sewer and Solid Waste Rate Study
- City of Turlock (CA) – Sewer Rate Study

- City of Turlock (CA) – Water Rate Study
- Rosamond CSD (CA) – Water and Sewer Capacity Fee Study
- Camrosa Water District (CA) – Water In Lieu Fee Study
- Ironhouse Sanitary District (CA) – Cost-of-Service Analysis and Rate Study
- City of Santa Monica (CA) – Water, Wastewater and Recycled Water Rate Study
- Hidden Valley CSD (CA) – Water, Recycled Water and Sewer Rate Study
- City of Plymouth (CA) – Water and Wastewater Rate Studies
- City of Colton (CA) – Water and Sewer Rate Studies
- City of Colton (CA) – Water and Sewer Capacity Fee Studies
- Union PUD (CA) – Water Rate Study
- Town of Windsor (CA) – Water Capacity Fee Study
- Groveland CSD (CA) – Water and Sewer Rate Study
- Rincon del Diablo (CA) – Sewer Rate and Capacity Fee Study
- City of Livermore (CA) – Sewer Rate Study
- City of Alameda (CA) – Sewer Rate Study
- Everett Custom Homes (OR) – Everett Crest Subdivision civil engineering and stormwater management design
- North Bethany Residential Development (OR) - Hydrologic analysis, stormwater facility siting and design, and hydraulic modeling
- North Bethany Ridge (OR) – Stormwater management design including delineating drainage basins, calculating runoff rates, sizing low-impact development approach (LIDA) facilities for water quality treatment
- North Bethany Crest (OR) - Stormwater management design including delineating drainage basins, calculating runoff rates, sizing low-impact development approach (LIDA) facilities for water quality treatment
- Laurelwood Multi-family (OR) – Stormwater management design of water quality swale and underground detention chambers
- River Terrace Residential Development (OR) – Hydrologic analysis, stormwater facility siting and design, hydraulic modeling
- South Cooper Mountain Heights Residential Development (OR) – Hydrologic analysis, stormwater facility siting and design, hydraulic modeling
- US101 at Highway 6 Interchange Improvements (OR) – Preparation of civil construction drawings
- US20 (PME) Highway Re-alignment Hydraulic Engineering (OR) – Water quality design of several bioswales for within the ODOT right-of-way as part of the highway realignment project
- Findley Heights (OR) – Sizing of stormwater facilities for water quality and water quantity management, modeling and sizing of the storm drain pipe network
- Salt Millworks (NY) – Business plan development



# Morgan McCarthy JD

**SOLID WASTE LEAD**  
**Manager**

## ROLE

Morgan will lead the solid waste component of the rate study.

## PROFILE

With over 18 years of experience in the solid waste and environmental management field, Morgan McCarthy is an accomplished professional with a strong track record of delivering practical, sustainable, and cost-effective solutions across the public and private sectors. Her work spans solid waste, recycling, organics, and yard waste programs, where she has supported municipalities, counties, and agencies in navigating complex regulatory and operational challenges.

Morgan’s background includes franchise and contract negotiations, RFP and policy development, municipal code drafting, waste audits, and feasibility assessments. She is known for her ability to develop strategies that enhance system performance, support compliance, and align with long-term sustainability goals. Her collaborative approach and problem-solving skills have made her a trusted advisor to clients seeking to modernize and optimize their waste management systems.

## RELEVANT PROJECT LIST

### City of Carlsbad (CA)

Developed an RFP for integrated collection and disposal services, conducted a cost-of-service study, and updated the municipal code for SB 1383 compliance. Led negotiations on amendments to the transfer station operating agreement and supported contractor selection.

### City of Oakland (CA)

Produced expert witness reports, performed a cost of service study, and conducted a detailed waste audit to support legal proceedings and system performance evaluation.

### Kern County (CA)

Directed a two-season waste characterization study, developed an RFP for waste services, and completed a feasibility and permitting assessment for an organics technology project.

### Cities of Bakersfield, Oceanside, Taft, Ridgecrest, Atascadero, and San Bernardino County (CA)

Created RFPs for collection and disposal, updated municipal codes, and aligned franchise agreements with SB 1383 and 3-cart system requirements.



## Specialties

- Regulatory fee studies and cost of service analysis
- Strategic planning and feasibility studies
- Contract negotiation and franchise agreement drafting
- Waste and recycling program optimization
- Zero-waste visioning and implementation strategies
- Municipal code drafting and ordinance development
- Regulatory compliance
- Waste audits and performance benchmarking
- Stakeholder engagement and outreach strategy
- Community recycling and education program development
- Circular economy planning and waste diversion strategies
- Legal research for solid waste programs
- Data analysis and reporting for regulatory compliance

## Professional History

- Raftelis: Manager (2024-present)
- GBB: Project Manager (2022-2024)
- HF&H: Project Manager (2019-2022)
- MuniEnvironmental: VP of Marketing/Project Manager (2018-2019); Sr Consultant (2015-2018)
- EDCO: Director of Special Projects (2014-2015)
- Rent-a-Bin: Facilities Director (2006-2012)

## Education

- Juris Doctor - Thomas Jefferson School of Law (2014)
- Bachelor of Science in Computer Science, minor in Business, Magna Cum Laude - Liberty University (2007)

## Certifications

- SWANA / CRRA Certified Practitioner in Zero Waste Principles and Practices (2023)
- SWANA Certification for Integrated Solid Waste Management (2023)

## Professional Memberships

- SWANA

**San Luis Obispo County (IWMA and member agencies) (CA)**

Negotiated amendments to existing agreements and updated municipal codes for 7 cities and 14 service districts to comply with SB 1383. Developed short- and long-term solid waste planning strategies.

**Santa Fe Springs (CA)**

Updated contracts and municipal codes for regulatory compliance, implemented a C&D permitting and diversion tracking program, and led negotiations with haulers.

**City of Industry (CA)**

Designed C&D waste permitting and reporting systems to improve tracking and compliance with state mandates.

**City of Bellflower (CA)**

Completed a cost-of-service study for solid waste services to improve rate equity and operational transparency.

**Louisville/Jefferson County (KY)**

Supported stakeholder engagement and strategic planning to align solid waste programs with local and regional priorities, including zero waste goals. Worked collaboratively to develop communication tools and strategies for consensus-building and decision-making.

**City of Albemarle (NC)**

Conducted a feasibility assessment for bringing municipal solid waste, recycling, and construction and demolition debris collection in-house. Evaluated financial, operational, and logistical implications and provided recommendations for council decision-making.

**Confidential Global Retail Client**

Oversaw a national construction and demolition (C&D) diversion program for over 200 retail store renovations, including material evaluation, contractor coordination, site visits, and diversion reporting.

**Anderson County (TN)**

Reviewed landfill procurement strategy and advised on contract structure and evaluation criteria to support long-term service goals.

**Seneca County (OH)**

Prepared monthly environmental monitoring reports on landfill compliance and served as liaison to the Ohio EPA and county health department for issues related to air, water, and waste.

**Commonwealth of the Northern Marianas Islands (Tinian, Saipan, Rota)**

Led zero waste visioning, island-wide waste characterization studies, and a pilot collection study. Facilitated stakeholder engagement and developed a comprehensive inter-island solid waste management plan, resulting in a Governor-signed zero waste proclamation.

**Baltimore County (MD)**

Managed a Solid Waste Infrastructure for Recycling (SWIFR) grant application to expand MRF operations and reduce GHG emissions. Also led the procurement process for transfer and disposal services across three transfer stations, including RFP development and contract drafting.



**Culpeper County (VA)**

Drafted a Request for Proposals and service agreement for the procurement of a new transfer station operator, supporting the County's infrastructure and operational goals.

**PUBLICATIONS**

- "Fast Fashion: Addressing Waste in the Fashion Industry – The Role of Consumers, Waste Today" 2024
- "Fast Fashion: Addressing Waste in the Fashion Industry Through Innovation, Waste Today" 2024
- "Legal Risks and Mitigation Strategies in Solid Waste Master Planning, Waste Advantage" 2025
- "Flow Control in Flux: How Courts, Climate, and Competition Are Shaping the Future of Waste Ordinances, Waste Advantage" 2025

**UPCOMING PUBLICATIONS (2025)**

- Managing Methane: Waste Management's Role in Tackling Climate Change
- Circular Innovation in Construction and Demolition Waste Management
- Agricultural Waste Management: Turning Farm Waste into Valuable Resources
- Marine Waste Management: Tackling Pollution in Coastal Communities
- Building Trust: The Role of Transparency in Municipal Waste Contracts
- Innovative Recycling Markets: From Ocean Plastics to Fashion
- Event Waste Management: Strategies for Greening Large Gatherings
- Advanced Recycling Technologies: Breaking Down Plastics at the Molecular Level
- Plastic Credits: A New Tool for Tackling Ocean Pollution

# Harold Mitchell PMP, ACP, PMI-PBA

## SOLID WASTE LEAD Senior Consultant

### ROLE

Harold will lead the solid waste component of the rate study.

### PROFILE

Harold specializes in solid waste and stormwater financial assessments, supporting project decision-making and prioritization with detailed analyses. Previously, he optimized business applications and led IT projects at International Paper and managed SaaS and IT infrastructure projects for the City of Memphis. As a Lead Database Analyst for Memphis' Solid Waste Division, he enhanced fleet and route services with data visualizations and automated reporting. He led the integration of Rubicon's SaaS with Oracle's CRM database and ensured the fleet's 360+ vehicles were equipped for improved route tracking and maintenance. Harold holds an MBA with a focus on Project Management and Data Analytics and professional certifications, including PMP, PMI-ACP, and PMI-PBA. He is proficient in Power BI, SQL, and financial modeling.

### RELEVANT PROJECT EXPERIENCE

#### Montgomery County (OH): Solid Waste Billing Software & Call Center

Montgomery County is engaged with Raftelis to support Annual Property Charge (APC) solid waste billing using the billing software designed by Raftelis for this purpose. Additionally, Raftelis staffed a call center to intake customer questions and disputes regarding the fee. Harold assisted in the development of standard operating procedures and training materials. Harold also managed the call center staff, ensuring appropriate coverage of representatives and that proper tracking procedures were utilized. Additionally, he compiled and provided reports of activities and open inquiries to County staff on a weekly basis, ensuring inquiries were progressing through the appropriate channels before being closed out. He will continue in this role for the upcoming call center period in January 2025.

#### City of Memphis (TN): Solid Waste Division Financial Modeling

Conducting analysis of various service delivery scenarios for future fiscal years, to determine the revenue requirements for each. The results of this analysis will be a proposal for a new per-customer rate surrounding the new service delivery model proposed.

#### Port St. Lucie (FL): Solid Waste In-House Study

Conducting analysis pertaining to sourcing staffing, facility, and fleet needs in-house, regarding city solid waste services, for both residential and commercial customers within the servicing area. The result of this analysis will be a



### Specialties

- Local Government/Rubicon
- Financial Modeling
- Solid Waste Collection and Operations
- Data Analytics
- Feasibility Studies

### Professional History

- Raftelis: Senior Consultant (2023-Current)
- International Paper: Business Analyst (2022-2023)
- City of Memphis: Project Manager (2021-2022); Lead Database Analyst (2019-2021)

### Education

- Master of Business Administration in Project Management & Data Analytics - University of Memphis (2022)
- Bachelor of Science in Sociology & Public Administration - University of Memphis (2017)

### Certifications

- PMI-PMP (Project Management Professional)
- PMI-PBA (Professional Business Analyst)
- PMI-ACP (Agile Certified Practitioner)
- Microsoft Office Specialist (MOS Expert)

### Professional Memberships

- Project Management Institute – PMI Memphis Chapter Member
- PMI Netherlands Chapter Member
- PMI Memphis Board Member, VP of Technology
- SWANA - Young Professional
- Leadership Memphis Alumni Member

per customer, per service type cost, that will be provided as a high-level comparison to the current contracted service, per customer, cost.

**Louisville-Jefferson County Metro Government (KY)**

Raftelis is partnering with the Louisville Metro Waste Management District (WMD) to assess the feasibility of transitioning waste and recycling collection services to a municipally operated system. The project focuses on evaluating service levels and cost per household, including garbage, recycling, yard waste, and bulky waste, while benchmarking against contracted areas in the region. This analysis includes assessing community impacts, providing statistically significant data at the zip code level, and delivering actionable recommendations to enhance service delivery and cost efficiency. The work aligns with WMD's commitment to meeting Kentucky's Solid Waste Management Five-Year Plan goals and ensuring an effective, sustainable waste management system for Louisville Metro.

**City of Albemarle (NC)**

The City of Albemarle partnered with Raftelis in 2024 to evaluate the feasibility of bringing municipal solid waste, recycling, and construction and demolition (C&D) debris collection services in-house. This project focuses on assessing the operational, financial, and logistical requirements for transitioning from contracted services to a municipally operated system. Key tasks include analyzing the city's current waste management system, identifying infrastructure and staffing needs, and developing cost comparisons between contracted and in-house service models. Raftelis is also engaging city officials and community stakeholders to align project outcomes with the City's goals for efficiency, sustainability, and financial responsibility.

**Arlington County (VA): Stormwater Utility Implementation & Software**

Arlington County (County) worked with Raftelis to explore the feasibility of moving from tax-based stormwater funding to a stormwater enterprise fund managed by a utility supported by impervious area-based user fees. The County ultimately decided to move forward with a utility and software to support the calculation and communication of stormwater fees to the County Treasurer for levy. Harold was involved in internal testing of the software and orchestrated user acceptance testing with the County. Harold also helped develop documentation on software functionality and use cases for the County.

# Gina DePinto APR

## **PUBLIC OUTREACH SERVICES LEAD** **Manager**

### **ROLE**

Gina will lead the public outreach services component of the rate study.

### **PROFILE**

Gina is an award-winning and accredited public relations professional with more than 34 years of experience and leadership in crisis communications, community outreach, advocacy, stakeholder engagement, marketing, and media relations in the public and private sectors. Gina's leadership experience includes communications program management for \$2 billion in public transportation and water infrastructure projects, including the Port of Long Beach Gerald Desmond Bridge Replacement Project and the Orange County Groundwater Replenishment System. The GWRS has been covered by international media including National Geographic, Wall Street Journal, New York Times, BBC, CNN, and NPR to name a few. Prior to joining Raftelis, Gina served the residents of Santa Barbara County as the first executive Communications Manager in the county government's 171-year history. She advised the County Executive Team on strategic communications programs, crisis communication, media relations, issues management, internal communications, branding and culture change. During her tenure, the County Emergency Operations Center was activated 19 times and included two federally declared disasters, a global pandemic, two mass casualty incidents, and a \$2M embezzlement in the Public Works Department. Born and raised in Phoenix, Arizona, DePinto served as a public information officer for the City of Phoenix, public relations director for Farnam Companies, Inc. (animal health and pet products), and coordinated publicity for Olympic and World Champion figure skater Dorothy Hamill prior to relocating to California. Gina earned a bachelor's degree in organizational communication from Arizona State University, is accredited in public relations from the Public Relations Society of America (PRSA), and holds certificates in public participation from the International Association for Public Participation (IAP2). Gina is currently a member of the California Association of Public Information Officials (CAPIO), Public Relations Society of America (PRSA), and the Municipal Management Association of Southern California (MMASC).

### **KEY PROJECT EXPERIENCE**

#### **City of West Sacramento (CA): Water, Sewer, and Solid Waste Rate Study Communications and Outreach**

Raftelis was hired to build stakeholder awareness of and support for the City's water, sewer, and solid waste rate study. Gina was the architect of the strategic communications plan that included detailed analysis of key stakeholders, messages designed to



### **Specialties**

- Strategic communications planning
- Crisis & risk communications
- Reputation management
- Stakeholder engagement
- Media relations & media training
- Development & oversight of earned social and paid media
- Writing, copyediting, script writing
- Collateral development and art direction
- Branding and marketing
- Public speaking

### **Professional History**

- Raftelis: Manager, Strategic Communications (2022-present)
- County of Santa Barbara: Communications Manager (2016-2022)
- Westbound Communications: Account Director (2013-2016)
- Orange County Water District: Communications Specialist (2006-2013)
- Bylines Public Relations & Marketing: Owner/Principle (1996-2006)
- Farnam Companies: Public Relations Director (2000-2003)
- City of Phoenix: Public Information Officer (1998-2000)
- Martz Goldwater Public Relations: Senior Account Executive (1996-1997)
- Dorothy Hamill's Ice Capades: Marketing Manager & Publicist (1993-1995)

### **Education**

- Accredited in Public Relations – PRSA (2013)
- Bachelor of Arts in Organizational Communication - Arizona State University (1987)

### **Professional Memberships**

- Public Relations Society of America
- California Association of Public Information Officials
- Municipal Management Association of Southern California

communicate complex concepts in a clear and concise manner, and print, digital, and video tools designed to raise awareness and support for the changes. The City has a significant community of Russian speakers, so materials were produced in English, Spanish, and Russian. Gina produced a custom explainer video in three languages to communicate how rates are developed, particularly within the framework of California Proposition 218 laws.

#### **County of Marin (CA): Communications Audit and Development of Strategic Communications Plan**

Gina is currently under contract to lead a comprehensive review and assessment of the County of Marin's communication program and resources. The County of Marin selected Raftelis to develop and implement a comprehensive, cohesive, organization-wide strategic communications plan to increase engagement with its communities and help staff share the County's story to build trust, understanding, and support for the County's programs, policies, and Board priorities. The plan will include an inclusive strategy for internal communications and articulate a vision for the County's outreach and engagement efforts across diverse and multi-lingual communities, define key roles and responsibilities, and propose a realistic implementation plan that informs appropriate resource allocation. Currently, the research phase is underway and includes a communications assessment, internal and external stakeholder interviews, benchmark interviews, and focus groups with the executive team, department leaders, middle managers, and staff tasked with centralized and department-specific communications.

#### **City of Calistoga (CA): Water and Sewer Rate Study Communications and Outreach**

In 2022, the City hired Raftelis to conduct its latest water and sewer rate study, which was expected to face opposition. Rates were already the highest in the region because Calistoga is a small town of only 5,000 people whose rates must cover the cost of having significant and aging capital utility systems – economies of scale. Gina developed and executed an engagement plan to guide outreach activities for the rate study. The tactics included an engagement plan with a master message platform; bilingual website content, fact sheet, video, and social media content; direct mail; and a series of community meetings and Council presentations. The outreach began 18 months before the City Council successfully adopted new rates in December 2023.

#### **Soquel Creek Water District (CA): Strategic Communications and Citizen Advisory Committee Facilitation**

For many years, the Soquel Creek Water District capital expenditures, water reliability projects, and rates have been at best, a source of opposition, and at worst, legally contested. In 2023, under extreme inflationary pressures, Raftelis was hired to update the Financial Plan, thoroughly review the cost of service, develop and implement a robust strategic communications plan, and facilitate an ad-hoc Water Rates Advisory Committee comprised of two Board members and citizen volunteers. Input and feedback from the Committee was helpful to Board deliberations and informed rate study scenarios. The strategies and tactics included messaging, website content, editorials, press releases, custom explainer videos, social media, bill stuffers, weekly and monthly newsletter content, open houses, a webinar, and an informative Proposition 218 public notice designed in a way that customers want to read. Ultimately, the Board successfully implemented new rates in February 2024.

#### **City of Seal Beach (CA): Water and Sewer Rate Study Communications and Outreach**

As the strategic communications project manager, Gina is leading public outreach efforts for the City including development of a rate study website, and producing an outreach implementation plan, FAQs, custom videos, a calendar of events and public meetings, and the Proposition 218 Notice. To inform and engage residents and customers, Gina has facilitated informational webinars, community meetings, and open houses. In February 2024, the City Council voted to delay adopting new rates for further study and review, and while the City considers adding a tax measure on the 2024 General Election ballot.

**County of Santa Barbara (CA): Stakeholder Engagement Program**

Recreational cannabis was overwhelmingly approved by voters in California, yet it remains a controversial and divisive land use, water, agriculture, and environmental issue. Gina led proactive and transparent outreach to ensure all stakeholders were engaged throughout the ongoing development of the County of Santa Barbara permitting and licensing ordinance that included more than 100 public meetings. A separate process followed to allow, permit and license a limited number of cannabis retail storefront operations. Gina developed an outreach program to address the challenge of creating a fair and legal process for retail storefront operators to apply for a license while also ensuring the community had every opportunity to provide input and address questions and concerns about security, traffic, parking, odor, and proximity to schools, daycare, and youth sports. In-person community meetings were replaced with virtual meetings in mid-2020 due to the pandemic at a time when using Zoom was new, uncomfortable, and seen as a barrier to participation. Tactics included interactive maps, bilingual videotaped presentations available on the website ahead of the virtual meetings, FAQs, a Zoom how-to guide, videos of the recordings, and a community survey. This outreach program was recognized by the California State Association of Counties (CSAC) with an Infrastructure Challenge Award, one of only 21 selected out of 433 entries.

**Orange County (CA): Infrastructure Outreach and Communications For Water Reuse Project**

Gina led communications and outreach for the world's largest advanced water purification system for potable reuse. While Orange County's Groundwater Replenishment System (GWRS) is one of the most celebrated civil engineering and water reuse projects in the world, its success is equally recognized for the robust strategic public engagement and outreach program. In the early 2000s, public opposition had prevented or shuttered similar water reuse projects in Los Angeles and San Diego, but Orange County's system earned the public's trust and overwhelming support. The strategic communications plan included a support letter campaign, citizens advisory group, multicultural outreach, media outreach, speaker's bureau, and facility tour program with technology demonstrations and water tasting. To date, the GWRS has never been publicly opposed. Initially producing 70 million gallons of purified water per day in 2012, the GWRS final expansion will increase capacity from 100 MGD to 130 MGD, enough to secure water reliability for more than 1 million people.

**Port of Long Beach (CA): Infrastructure Outreach and Communications**

Gina led a team of six practitioners to design and manage the communication strategy for the \$1.8 billion Port of Long Beach Gerald Desmond Bridge Replacement Project, one of the largest and most significant highway infrastructure projects in California. Roughly 15 percent of the nation's waterborne cargo is trucked over it, and the bridge is a critical access route for commuters between the Port of Long Beach (Port), downtown Long Beach and surrounding communities. The work included the development of a content-rich website and mobile application to provide traffic conditions, construction updates, links to social media and live cameras, and weekly bilingual audio reports to deliver hands-free updates to professional truck drivers and commuters. Within months of launching, the app was featured as a successful communications case study in PR Week magazine.

**Orange County (CA): Water Education and Outreach Program Development**

While leading strategic communications at the Orange County Water District (OCWD), Gina was engaged with planning and directing content, and engaging partners and sponsors for several signature events to engage generational audiences about regional and state water resources and supplies, water efficiency, and environmental sustainability. Key partners and sponsors included The Walt Disney Company, National Geographic, Wyland Foundation, UC Irvine, UCLA, NASA JPL, USGS, National Water Research Institute, California Department of Water Resources, and others to support events like the annual O.C. Water Summit, Children's Water Education Festival, and the Groundwater Adventure Tour.

**Orange County Water District (CA): Groundwater Contamination Outreach**

Orange County's groundwater is the source of 75 percent of the drinking water for 2.4 million people. After levels of volatile organic chemicals and perchlorate were detected in groundwater wells exceeding the max loads allowed by the California Department of Public Health, the Orange County Water District (OCWD) initiated the South Basin Groundwater Protection Program to construct six monitoring wells to measure the direction and speed of the migrating contamination. Gina developed and managed the construction outreach plan to address impact mitigation measures, build support from municipal leaders, and assure residents that their drinking water was safe. Outreach tactics included messaging, materials, face-to-face communication, and community meetings with maps, pictures, visuals, and access to subject matter experts. The successful outreach program achieved 100% support of the program from all municipal partners and no public opposition.

**Orange County (CA): Strategic Media Relations for Groundwater Replenishment System**

Gina led media relations for Orange County's Groundwater Replenishment System (GWRS) interfacing with national and international broadcast, print, and online journalists. As the world's largest water reuse project of its kind, the GWRS was covered extensively by broadcast and print media including The Wall Street Journal, New York Times, Time, National Geographic, USA Today, The Economist, Der Spiegel (Germany), Christian Science Monitor, Discovery Channel, CNN, NBC News, and NPR. The GWRS was also featured in the water documentary, "Last Call at the Oasis," and is featured in the K-8 educational book series called "Going Blue" produced by Philippe Cousteau and EarthEcho International.

**Carpinteria Groundwater Sustainability Agency (CA): Rate Study Communications and Engagement**

Gina provided strategic guidance to the Carpinteria Groundwater Sustainability Agency (CGSA) Executive Director in support of establishing a groundwater users sustainability fee. The CGSA was formed in 2020 after the groundwater basin was designated a high priority by the state Department of Water Resources under the Sustainable Groundwater Management Act (SGMA). Without the ability to collect rates or fees, the CGSA was operating on loans from the Carpinteria Valley Water District for two years. Gina developed and executed an engagement plan to guide outreach activities for the fee study. The tactics included an engagement plan with a master message platform; bilingual website content, fact sheet, video, and social media content; direct mail; and a series of community meetings and Board presentations. As recommended in Raftelis' Fee Study Report, the CGSA Board of Directors approved a groundwater fee assessed beginning with FY 2022-23.

**Santa Barbara County (CA): Crisis Communications and Disaster Response**

Over nearly six years as the Communications Manager for the County of Santa Barbara, Gina led communications for 19 extended emergencies including two federally declared disasters, a global pandemic, and two mass casualty incidents. In her first three months on the job, the county experienced two wildfires. To better serve the public, Gina initiated custom bilingual emergency messaging and social media across all communication channels, which is now the standard in California. Back-to-back wildfire and debris flow disasters that killed 23 people in Montecito necessitated staffing the Joint Information Center for seven continuous months to issue bilingual public information on preparedness, recovery and rebuilding, and support a 16-month Local Assistance Center and long-term Recovery Strategic Plan for the area.

**Santa Barbara County (CA): Crisis Communication Messaging and Media Training**

Gina developed a crisis communication plan, key messaging, Q&A, and media spokesperson training to guide the County of Santa Barbara (County) through a \$40 million pension rebalance and \$2 million embezzlement in the Public Works Department. For the pension rebalance, 4,600 employees were engaged through a series of face-to-face meetings with the executive and budget teams to address questions and concerns. The pension rebalance program ultimately led the County to embark on a 5-year transformation initiative and strategic plan called Renew



2022. Following the embezzlement, process improvements were implemented, and Gina developed messaging and collateral for a whistleblower program overseen by the County Auditor's Office.

### **WaterOne (KS): Media Training**

WaterOne is an independent public water utility covering 17 cities and 272 square miles in Johnson County, Kansas. Customers consistently give W1 high marks with an average overall customer satisfaction rating of 90 percent for water quality, reliability, customer service, and for its responsive, friendly, professional staff. However, trust and credibility the agency enjoys today can be lost in a hot minute as a result of an unexpected crisis. When an organization finds itself in the midst of an unexpected crisis or has major news to share, PR training and media relations knowledge can come in handy. Media training helps spokespeople improve their communication skills, including how to articulate their message clearly and concisely, how to engage with the media effectively, and how to handle difficult questions or scenarios. Potential issues on the agency's radar include PFAS, lead action levels, boil-water incidents, and cyber security. With these and other scenarios in mind, Gina conducted a half-day spokesperson media training with off and on-camera guidance. Participants learned how to prepare messaging, think in soundbites, and hook, bridge, and flag. She then filmed them so they could apply what they learned in mock, on-camera interviews, and facilitated a team coaching session while reviewing the videos.

### **Canton Township (MI): Communications Assessment**

Gina conducted a comprehensive review and assessment of Canton Township's approach to communications and outreach to assure it was reaching constituents efficiently and with timely information while successfully achieving the Township's mission. The assessment included a comprehensive, systematic, and customized review of the communication program through an environmental scan, in-depth materials review, internal and external stakeholder interviews, a public survey, focus groups, and benchmark interviews. The final assessment underscored efforts that are working well and provided many easy-to-implement recommendations.

### **City of Carson (CA): Strategic Communications and Marketing Plans**

Raftelis was contracted to develop a citywide communication plan, event center marketing plan, and design new branding and wayfinding signage. To develop the plans, Gina conducted stakeholder interviews, a benchmark study, communications audit and developed an event center customer survey. To date, the City Council has not adopted the new branding.

### **Santa Barbara County (CA): Corporate Strategic Planning**

In 2017, the County of Santa Barbara embarked on a five-year initiative to transform how the County government does its work. The Renew 2022 initiative originated with an internal strategic organizational plan in 2015, followed by the Budget Rebalance effort in 2016, which was intended to address significant pension cost increases. Renew '22 sought to build the County's capacity for innovation and continuous improvement through organizational transformation. Gina developed a comprehensive communications and engagement plan, master messaging platform, fact sheets, video presentations, employee and public presentations, employee feedback surveys, logo development and branding guide, and four sessions of a one-day custom leadership development seminar scripted by Gina that was offered to 300 middle managers.

## **PRESENTATIONS**

- "Public Engagement Strategies and Best Practices" (panelist), 2024 AWWA ACE Annual Conference, Anaheim, Calif.
- "How Will Artificial Intelligence Transform Your Communications and Community Engagement," 2023 CA-NV AWWA Annual Fall Conference, Las Vegas, Nev.



- “Business Communications,” County of Santa Barbara Employee University training and development curriculum (2019)
- “Elevate Your Leadership Communication Strategies,” County of Santa Barbara Leadership Certificate Program curriculum (2018)
- “Front Line Crisis Communications: Are You Prepared?” 2019 Public Relations Society of America Western District Conference, Phoenix, Ariz.
- “Emergency Communications: Technical Solutions, Political Risks, Community Information and Lessons Learned” (panelist), 2019 League of California Cities City Manager Conference, San Diego, Calif.
- “Emergency Situations and Crisis Plans for PEG Channels” (panelist), National Association of Telecommunications Officers and Advisors (NATOA), Webinar
- “Communication Tools and Methods During Times of Crisis,” 2018 California Association of Public Information Officials (CAPIO) Annual Conference, Santa Rosa, Calif.
- “California’s Year of Wildfires” (panelist), 2018 California Association of Public Information Officials (CAPIO) Annual Conference, Santa Rosa, Calif.
- “Emergency Communications and the Joint Information Center” (panelist), 2018 Summer Session, Municipal Managers Association of Southern California (MMASC), Pasadena, Calif.
- “Natural Disasters” panelist “Santa Barbara County Thomas Fire and 1/9 Montecito Debris Flow Communications,” 2018 National Information Officers Association (NIOA) Annual Conference, Clearwater Beach, Fla.

## **PUBLICATIONS**

- “Create a More Cohesive Community Through Effective Public Engagement,” AWWA Source Magazine, October 2024
- “Customer Satisfaction Plunges As Rates Rise; What the Latest J.D. Power Study Report Tell Us and What You Can Do About It,” Think Tank, Raftelis, June 2022
- “Alisal Fire – Flood After Fire Threat Preparations,” consumer preparedness article, October 17, 2021
- “Behind the Scenes with the Emergency Public Information Communicators (EPIC),” guest editorial, Santa Barbara Noozhawk, April 13, 2017
- “Environmental Law Practice Grows,” guest editorial, Arizona Capitol Times, March 28, 1997
- “Build Brand Equity: A Race to the Finish,” guest editorial, Equestrian Retailer (B2B), September 2003
- “A New Way to Behave,” contributed feature article, Pet Business (B2B), February 2003

# Lindsay Roth

## STAFF CONSULTANT

### Senior Consultant

#### ROLE

Lindsay will work at the direction of Jeremy in conducting analyses and preparing deliverables for the rate study.

#### PROFILE

Lindsay has over five years of experience working in the environmental field and has a graduate degree in water resources management. At Raftelis, she has contributed to financial models and analyses for water and wastewater rate studies as well as bill impact analyses. Prior to joining Raftelis, Lindsay was a student consultant for the North Carolina Department of Environmental Quality, assessing the state's algal bloom monitoring program and nutrient criteria. She also interned for the Conservation Trust for North Carolina, developing best practices for the organization to participate in community-based environmental justice. She is based in Raftelis' Los Angeles Office.

#### KEY PROJECT EXPERIENCE

##### City of Hayward (CA): Water, Recycled Water, Wastewater, and Capacity Fee Rate Study

The City of Hayward (City) engaged Raftelis in 2022 to conduct a comprehensive water, recycled water, and wastewater cost of service and rate study and a capacity fee study proposing rates for the next two years and to provide a financial plan and rate model to serve as a planning resource for future use. The project required a balance of multiple financial objectives, including managing increasing water costs from the San Francisco Public Utilities Commission while also producing rates that were affordable for all customer classes as well as planning for large wastewater capital expenditures over the next 10 years. Lindsay served as a consultant on the project and assisted in the development of an updated 10-year financial plan for the City and a detailed rate study report explaining each step of the rate study process.

##### City of Redlands (CA): Water and Wastewater Rate Study

The City of Redlands (CA) engaged Raftelis in 2022 to conduct a water, wastewater, and recycled water rate study. Lindsay is serving as the lead analyst on the City's rate study. The study involves the development of a long-term financial plan, conducting updated cost of service analyses, and designing rates for each of the three utilities. Some of the main considerations for the study are increased CIP costs for the water and wastewater utilities in the short-term, maintaining sufficient reserves, and reducing rate shock to customers.

##### City of Pleasanton (CA): Water, Wastewater, Capacity Fee, and Drought Rates Study

City of Pleasanton (City) engaged Raftelis in 2019 to update its water, recycled water, and wastewater rates as well as conduct capacity fee and drought rate studies. Lindsay is serving as lead analyst on the City's rate study. The study involves developing long-term financial plans, conducting cost of service analyses, and designing rate structures for each of the three enterprises. The main considerations for the study include funding capital projects to remediate PFAS groundwater contamination, maintaining financial sufficiency for all enterprises, encouraging conservation during periods of drought, and reducing rate shock to customers.



#### Specialties

- Data analysis & visualization
- Water & sewer financial analysis
- Statistical analysis

#### Professional History

- Raftelis: Senior Consultant (2025-present); Consultant (2023-2024); Associate Consultant (2020-2022)
- North Carolina Department of Environmental Quality: Student Consultant (2019-2020)
- Conservation Trust for North Carolina: Disaster Mitigation and Climate Resiliency Intern (2019)

#### Education

- Master of Environmental Management in Water Resources Management - Nicholas School of the Environment, Duke University (2020)
- Bachelor of Science in Earth and Environmental Sciences - Tulane University (2016)

**City of Hollister (CA): Water Rate Study**

City of Hollister (City) engaged Raftelis in 2021 to conduct a water and wastewater cost of service and rate study as well as a water and wastewater capacity fee study. Lindsay served as an associate consultant on the project and was the lead analyst for the cost of service and rate study. The study required Raftelis to develop rates that built up reserves over time without creating rate shock to water users as well as work with the project team and City staff to evaluate various rate structure options. Lindsay also wrote a detailed rate study report explaining every step of the rate study and capacity fee study process.

**City of Torrance (CA): Wastewater and Solid Waste Rate Study**

City of Torrance (City) engaged Raftelis in 2021 to conduct wastewater rate study update. Lindsay served as the lead analyst on the project and helped to build a wastewater rate model projecting revenues and expenditures for the next 5 years. The City had recently taken on more CIP projects under the wastewater fund due to a new policy that required stormwater projects to fall under wastewater's jurisdiction. The study required Raftelis to develop cost of service rates that generated enough revenue to fund these projects without having to issue any debt while maintaining fairness and affordability goals for all customer classes.

**Carpinteria Valley Groundwater Sustainability Agency (CA): GSA Fee Study**

The Carpinteria Groundwater Sustainability Agency (Agency) engaged Raftelis in 2021 to conduct a GSA Fee Study to proposed groundwater user fees to fund Phase Two of GSA Operations. Lindsay served as the lead analyst on the fee study. She developed a financial plan and worked with the project team as well as Agency staff to evaluate the best methodology for calculating the GSA user fee.

**Coastside County Water District (CA): Drought Rate Study**

The Coastside County Water District (District) engaged Raftelis in 2022 to conduct a water rate study. The study included the development of a long-term financial plan, proposed water rates, and proposed water shortage rates. Lindsay served as lead analyst on the District's rate study. The main considerations for the study included funding increased capital costs and navigating funding source options to reduce rate shock to customers as well as developing new water shortage rates for the District to have as a tool during times of reduced water availability.

**City of Coronado (CA): Wastewater Rate Study**

The City of Coronado (City) engaged Raftelis in 2021 to review and evaluate the City's current rate-setting methodology, update the financial plan for a five-year period, and propose rates for 2022. The City's sewer rates included contracted transportation and treatment fees for three US Navy Campuses. Lindsay served as the lead analyst on the study update. She developed a financial plan and worked with the project team to evaluate potential rate structure alternatives.

**City of Palo Alto (CA): Drought Rate Study**

The City of Palo Alto (City) engaged Raftelis in 2022 to conduct a drought rate study. The City wanted to be prepared for unplanned SFPUC mandatory water reductions, which would result in reduced water rate revenue. Lindsay served as the lead analyst on the project. The study required Raftelis to develop drought rates that recover lost revenue and any additional costs of drought incurred by the City during a declared drought stage. The rates were tailored to each stage of drought and customer class according to the City's Water Shortage Contingency Plan. The drought rate model also included an allotment for each customer class that would be excluded from the drought rate charges to ensure equitable rates for customers who already conserve their water usage.

**San Lorenzo Valley Water District (CA): Water and Wastewater Rate Study**

The San Lorenzo Valley Water District (District) engaged Raftelis in 2023 to conduct a water and wastewater rate study. Lindsay is serving as the lead analyst on the District's rate study. The study involves the development of a long term financial plan for each utility, conducting an updated cost of service for the water utility, and designing rate alternatives for the water utility. The District has incurred large CIP costs in recent years as a result of wildfires throughout the region, so one of the main considerations for the study is modeling various funding sources for the District in addition to building up sufficient reserves to fund emergency expenses in the future while avoiding rate shock to customers.

**Soquel Creek Water District (CA): Water Rate Study And Capacity Fee Study**

The Soquel Creek Water District (District) engaged Raftelis in 2023 to conduct a comprehensive water rate study proposing rates for the next four years and to provide a financial plan and rate model to serve as a planning resource for future use. The project required balancing multiple financial objectives, including rate revenue stability, social equity of rates, promoting efficient water use, and reducing rate shock and bill impacts to customers. Lindsay is serving as lead analyst on the project and is developing a long term financial plan, a cost of service analysis, and rate design alternatives as part of the rate study model.

**City of South Gate (CA): Wastewater Rate Study**

The City of South Gate (City) engaged Raftelis in 2022 to conduct a wastewater rate study proposing rates for the next five years. The City had not implemented any rate increases for several years before the rate study. Therefore, Raftelis had to balance the City's objectives of preventing rate spikes with ensuring revenue. Lindsay served as the lead analyst on the project and developed a long term financial plan, a cost of service analysis, and a rate design as part of the rate study model for the project.

**City of Thousand Oaks (CA): Water and Wastewater Rate Study**

City of Thousand Oaks (City) engaged Raftelis in 2021 to conduct water and wastewater financial plan update as well as a water rate study. Lindsay served as an associate consultant on the project and helped to develop an updated water rate model and an updated wastewater financial plan model forecasting projected revenues and expenditures for the next 5 years. The study required Raftelis to develop rates that accounted large CIP project expenditures planned for the study period for both the water and wastewater utilities while avoiding rate shock for customers. The updated models also included various capital expenditure and rate adjustment scenarios in order to aid in the City's decision-making process.

**City of Ventura (CA): Water and Wastewater Bill Impact Study**

The City of Ventura (City) engaged Raftelis in 2020 to conduct a comprehensive water and wastewater cost of service and rate study. Lindsay served as an associate consultant on the project and helped analyze the impacts of the proposed rates on monthly water and wastewater bills for each customer class.

**San Benito County Water District (CA): Water Rate Study**

San Benito County Water District (SBCWD) engaged Raftelis in 2021 to develop a longer-term financial plan to capture planned major capital improvements that will come from the pending water master plan, as well as updating the cost allocating methodology. The SBCWD has a unique water system driven by allocations of purchased water, groundwater sources, and maintaining adequate water reserves in storage. Lindsay is building the financial planning and cost of service model.

# Nick Kennedy

## STAFF CONSULTANT

### Associate Consultant

#### ROLE

Nick will work at the direction of Jeremy in conducting analyses and preparing deliverables for the rate study.

#### PROFILE

Nick has a professional background in sustainable community development and data analysis. He holds a BS in Environmental Economics with a focus in Business Sustainability from Ohio State University.

#### KEY PROJECT EXPERIENCE

##### City of Hollister (CA): Wastewater Rate Study

The City of Hollister (City) engaged Raftelis in 2021 to conduct a comprehensive water and wastewater cost-of-service and rate study as well as a capacity fee study for the water and wastewater utilities. Nick served as an associate consultant on the project and was the lead analyst for the wastewater cost-of-service, rate study, and capacity fee study. The rate study required Raftelis to develop wastewater rates that would keep reserves in a healthy position while still providing fair and equitable rates to wastewater customers.

##### Padre Dam Municipal Water District (CA): Water, Recycled, and Wastewater Rate Study

Padre Dam Municipal Water District (PDMWD) engaged Raftelis in 2021 to complete a comprehensive cost of service and rate study for their potable, recycled, and sewer enterprises as well as establishing an updated fully burdened hourly rate and creating a miscellaneous fee calculator for District use. Nick served as an associate analyst on the project and assisted in the development of rates for all three enterprises. Nick served as the lead analyst in creating an updated fully burdened hourly rate and creating the miscellaneous fee calculator.

##### City of Manhattan Beach (CA): Pass-through Rate Calculation

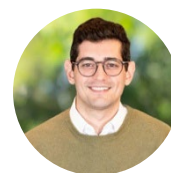
The City of Manhattan beach (CA) engaged Raftelis in 2024 to calculate a water pass-through rate. The purpose of the calculation was to develop a pass-through rate for FY 2025 in order to recover the difference between previously assumed wholesale water purchase costs and actual wholesale water purchase costs. Nick served as an associate consultant on the project and developed the pass-through rate for the City.

##### City of Inglewood (CA): Water and Wastewater Rate Study

The City of Inglewood (CA) engaged Raftelis in 2024 to conduct a comprehensive water and wastewater rate study. The City has not implemented any rate increases for several years before the rate study. As a result, Raftelis has to balance the City's objectives of preventing rate spikes while ensuring adequate revenue. Nick is serving as the lead analyst on the project and developing a long-term financial plan and cost of service model for both utilities.

#### PROJECT LIST

- City of Hollister (CA) – Wastewater Rate Study



#### Specialties

- Environmental economics
- Community development
- Business sustainability

#### Professional History

- Raftelis: Associate Consultant (2024-Present, 2021-2023)
- City of Columbus: Department of Development Intern (2020-2020)
- Brightview Enterprise Solutions: Data Analytics Intern (2020-2020)

#### Education

- Bachelor of Science in Environment, Economy, Development, and Sustainability – Ohio State University (2020)

- Padre Dam Municipal Water District (CA) – Water, Recycled, and Wastewater Rate Study
- Mesa Water District (CA) – Cost comparison study
- Manhattan Beach (CA) – Pass-through Rate Calculation
- San Angelo (TX) – Water and Wastewater Rate Study
- Inglewood (CA) – Water and Wastewater Rate Study
- Seal Beach (CA) – Water and Wastewater Rate Study

## **RELEVANT PROFESSIONAL EXPERIENCE**

### **City of Columbus Department of Development: Intern (OH)**

Nick served as a Department of Development intern with the City of Columbus (City). He collaborated within the City's government as well as other cities across the country. Nick led process reviewing recent updates to zoning codes in similar cities in the United States and making recommendations for the City moving forward, specifically pertaining to sustainable and equitable development. Research was also done to compare the City's waste reduction goals compared to other cities. Recommendations were made and implemented into the Office of Sustainability's 2030 Waste Reduction Plan.

### **Brightview Enterprise Solutions: Data Analytics Intern (OH)**

Nick served as a data analytics intern with Brightview Enterprise Solutions in New Albany, OH. He worked across all business fronts in the company, including the Finance, Client Analytics, and Data Analytics teams. Nick created an annual breakdown within the Client Analytics team for one of the company's largest clients and made recommendations on where money is best spent in future years based off the historical data. He assisted the Finance department in billing clients and paying vendors, as well as ensuring data quality. Nick used GIS applications to map out properties. He also created a dashboard for executive leadership to universally track KPI's across different clients within the Data Analytics department.



# Casey Goodwin

## STAFF CONSULTANT

### Consultant

### ROLE

Casey will work at the direction of Jeremy in conducting analyses and preparing deliverables for the rate study.

### PROFILE

Casey Goodwin joined Raftelis after graduating from Tufts University with an MS in Sustainable Water Management. Since joining Raftelis in January 2023, he has contributed to water and sewer rate studies, private utility rate filings, cost-of-service studies, and financial planning studies. He has also worked on customer assistance program design, affordability analyses, and authored an article on the unintended impacts of conservation-oriented rate design and traditional affordability programs on renters. Prior to Raftelis, he worked for the Massachusetts Rivers Alliance, the Stockholm Environment Institute, and as a teaching assistant for the Harvard Extension School. At Mass Rivers, he co-developed a stormwater Technical Assistance Program and researched ways to finance green infrastructure and stormwater utilities. At the Harvard Extension School, he has helped prepare classes, developed and graded assignments, recruited guest speakers, and guided students through term projects. As a researcher at the Stockholm Environment Institute, he co-wrote manuscripts for projects related to olive oil processing in Morocco and the future of the agricultural sector in Jamaica.

### KEY PROJECT EXPERIENCE

#### Pittsburgh Water and Sewer Authority (PA): Financial Planning, Cost of Service, and Rate Filing

Casey collaborated with the Pittsburgh Water and Sewer Authority (PWSA) to update their financial planning and cost of service model as part of their 2023 rate filing with the Pennsylvania Public Utility Commission (PUC). He analyzed water and sewer billing data, current and historical budget data, and future and historical debt amortization schedules. He also prepared filing schedules, responded to discovery questions from intervenors, analyzed intervenor testimony, co-led the development of a rebuttal model, and prepared filing and rebuttal testimony. He also compiled depreciation data, performed quality testing, and helped PWSA with asset valuation.

#### Columbia Water Company (PA): Cost of Service, Rate Design, and Rate Filing

Casey helped Columbia Water Company with their 2023 rate filing with the Pennsylvania PUC. He prepared filing schedules, helped to update their cost-of-service model, analyzed intervenor testimony, and helped to prepare rebuttal testimony.

### KEY PROJECT LIST

- Pittsburgh Water and Sewer Authority (PA) – Financial planning analysis and cost-of-service rate study, rate filing, financial capacity assessment
- Lehigh County Authority (PA) – Financial planning analysis
- Columbia Water Company (PA) – Cost of service and rate design, rate filing



### Specialties

- Financial modeling
- Water, sewer, and stormwater rate design
- Green infrastructure
- Data analysis
- Affordability analysis

### Recent Professional History

- Raftelis: Consultant (2024-present); Associate Consultant (2023)
- Harvard Extension School: Teaching Assistant (2022-2023)
- Massachusetts Rivers Alliance: Stormwater Technical Assistant Program Intern (May-Nov 2022)
- Stockholm Environment Institute: Equitable Transitions Intern (Summer 2022)

### Education

- Master of Science in Sustainable Water Management – Tufts University (2022)
- Bachelor of Arts in Politics, Religious Studies – Pomona College (2019)

### Publications

- "No Meter, No Benefits: How Renters Were Left Behind in the Move Toward Conservation and Customer Assistance Programs" – New England Water Wayfinder Issue 2 - 2024

- City of Middleborough (MA) – Financial planning analysis and rate design, connection charge analysis
- Town of Rockport, (MA) – Financial planning analysis and rate design
- City of Salem, (MA) – Financial planning analysis and rate design
- Town of Plymouth, (MA) – Financial planning analysis and rate design
- Town of Londonderry, (NH) – Economic feasibility analysis
- Town of Canton, (MA) – Financial planning analysis, rate design, affordability analysis, miscellaneous fees
- Erie County Water Authority, (NY) – Financial planning analysis, affordability analysis
- Kennebunkport, Kennebunk, and Wells Water District, (ME) – Cost of service
- Town of Mansfield, (MA) – Financial planning analysis
- Whitinsville Water Company, (MA) – Rate filing support, testimony review
- Town of Rochester, (NH) – Stormwater feasibility study
- Town of Rollinsford, (NH) – Financial planning analysis
- City of Burlington, (VT) – Affordability program research
- City of Somerville, (MA) – Affordability program design, rate design, public communication support
- Town of Belmont, (MA) – Financial planning analysis
- Palm Beach County, (FL) – Peaking factor analysis, AMI data analysis
- Town of Seabrook, (NH) – Financial planning analysis
- Bay Area Clean Water Agency (CA) – Financial impacts analysis
- Towns of Rutland & West Boylston (MA) – Expert witness, financial analysis
- State of Maine (ME) – Affordability study and affordability program design
- City of Ontario (CA) – Financial planning analysis and cost of service
- City of Berkeley (CA) – Financial planning analysis and cost of service



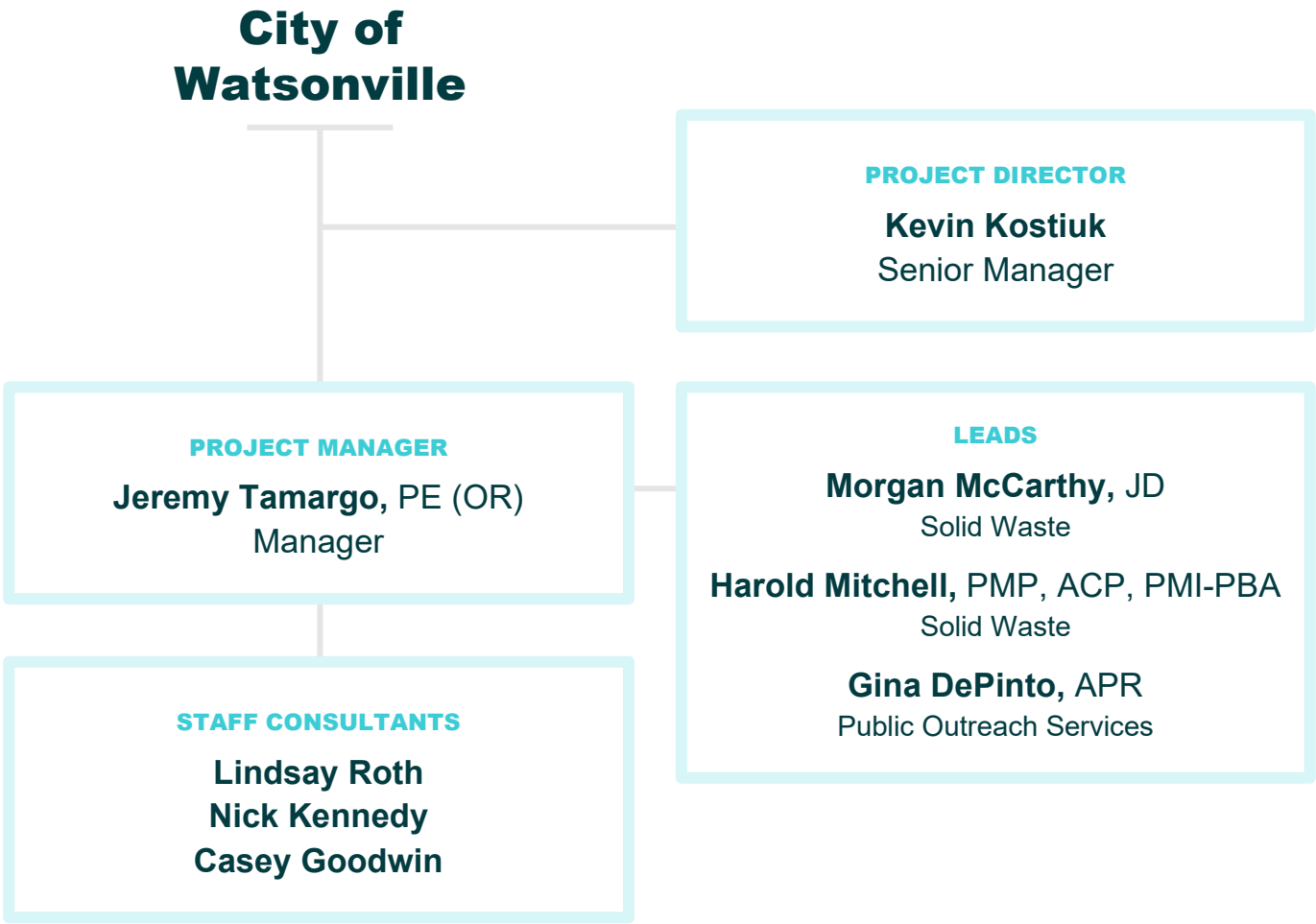
ORGANIZATION CHART

# Organization Chart

OUR PRIOR RATE STUDY ENGAGEMENT PROVIDES US WITH A COMPREHENSIVE UNDERSTANDING OF THE CITY’S NEEDS.

Our team includes senior-level professionals to provide experienced project leadership with support from talented consultant staff. This close-knit group has frequently collaborated on similar successful projects, providing the City with confidence in our capabilities.

Here, we have included an organizational chart showing the structure of our project team. Jeremy Tamargo will serve as the primary contact for the City@.





# City of Watsonville

## Consulting Services for Water, Sewer, and Solid Waste Utility Rate Study

**COST PROPOSAL / JUNE 20, 2025**

**Principal Contact:** Jeremy Tamargo, Manager

1 North Calle Cesar Chavez, Suite 102, Santa Barbara, CA 93103

P: 951-376-4405 / F: 828-484-2442 / E: [jtamargo@raftelis.com](mailto:jtamargo@raftelis.com)



## COST

# Cost

The following table provides a breakdown of our proposed fee for this project. This table includes the estimated level of effort required for completing each task. Expenses include costs associated with travel and a \$10 per hour technology charge covering computers, networks, telephones, postage, etc.

Our scope of work includes the number of in-person and virtual meetings shown in the table below. Should the City require additional meetings or presentations to stakeholders, these can be arranged upon request at an added cost, which will be determined based on the scope and content of the meeting and/or presentation requested.

Tasks	Meetings		Hours					Total Fees & Expenses
	Virtual	In Person	Kevin Kostiuk	Morgan McCarthy / Harold Mitchell	Jeremy Tamargo	Gina DePinto	Consultant	
1. Project Initiation and Management	1		4	4	6		12	\$7,870
2. User Demand and Revenue Requirements Analysis	1		4	2	12		24	\$11,010
3. Development of Financial Plans	3		4	4	12		60	\$19,880
4. Cost-of-service Analysis and Rate Calculation	3		6	4	16		48	\$18,980
5. Rate Model Development	1		6	4	16		36	\$16,220
6. Reports	1		8	4	16		60	\$22,420
7. Presentations		3	24		24		6	\$20,535
8. Public Outreach and Prop 218 Assistance	5				20	45		\$19,175
9. Capacity Fee Study	2		8		16		28	\$13,880
10. Optional Task - Freedom County Sanitation District				24	24		24	\$20,080
11. Optional Task - Stormwater Utility					32	20	20	\$19,940
Total Meetings / Hours	17	3	64	46	194	65	318	—
Hourly Billing Rates	—	—	\$340	\$295	\$295	\$295	\$230	—
Total Professional Fees	—	—	\$21,760	\$13,570	\$57,230	\$19,175	\$73,140	\$186,075
Travel Expenses								\$3,915
Total Expenses								\$3,915
Total Fees & Expenses								\$189,990