



**Request for Proposals
for
Professional Financial Support Services for
Proforma Cash Flow Model and Nexus Study, and
Cost-of-Service Study**

**Lincoln – SMD 1 Wastewater Authority
1245 Fiddymment Road Lincoln, California 95648**

Proposal Due Date

June 17, 2024 by 5PM Pacific Standard Time (PST)

1. Information

The Lincoln–SMD 1 Wastewater Authority (LiSWA) is requesting proposals from qualified consultants to provide professional services in preparation of a Proforma Cash Flow Model and Nexus Study to support financing applications for the Wastewater Treatment and Reclamation Facility (WWTRF) Improvement Project. LiSWA anticipates potential funding applications through, as available:

- WIFIA
- iBank
- Bond Market
- Other sources as discovered by LiSWA.

In addition, LiSWA seeks from qualified consultants professional services proposals for conducting a Cost-of-Service study. Both the Proforma Cash Flow Model and Nexus Study, and the Cost-of-Service Study are more specifically described below and in the Scope of Services (Attachment 1).

The work will be based on a comprehensive review of LiSWA's historical statements of revenue and expense, current year budgets, customer counts, capital improvement plans, future planned growth of its service areas, and any other information deemed necessary by the selected Consultant. The Consultant will work closely with LiSWA staff and the Municipal Advisor, Ken Dieker of Del Rio Advisors, LLC.

2. Background

LiSWA is a Joint Exercise of Powers Act (JPA) formed November 30, 2022 between the City of Lincoln (City) and the County of Placer (County). The purpose of LiSWA is to provide the essential public service of wastewater conveyance, treatment, and disposal for properties located within the City and the County's Sewer Maintenance District No. 1 (SMD-1). LiSWA is authorized to establish Cost of Services and Capacity/Connection Fees in connection with operations, maintenance, and capital improvement projects of LiSWA and its facilities. West Yost serves as the contract General Manager. Jacobs provides contract plant operations.

Wastewater Treatment and Reclamation Units

Shortly after LiSWA was established, a charge setting resolution was adopted to establish the share of cost for the provision of wastewater services to LiSWA members (City of Lincoln and the SMD-1 area of the County of Placer). The resolution was based upon the Initial Cost-of-Service Setting Report (Attachment 2 to this RFP) approved by the LiSWA Board. The standard for calculating the units of measure to be used in determining charges to the member agencies was established in the policy that set requirements for updating the units of measure. The unit of measure is the Wastewater Treatment and Reclamation Unit ("WWTRU" or "TRU") and for LiSWA's purposes is synonymous with the term

equivalent dwelling unit (“EDU”). The policy is titled “Unit Definition for Cost-of-Service Calculation and Reporting Policy” and includes a table indicating the ordinance code (use) type (single family residential, warehouse etc.) and the associated number of WWTRUs associated with that code type. A copy of the policy is included as Attachment 3 to this RFP.

The current monthly charge to LiSWA members per Wastewater Treatment and Reclamation Unit (WWTRU) with approved planed escalation as follows:

- Current: \$24.18 Operation Charge + \$11.42 Capital/Debt Charge = \$35.60
- 7/1/25: \$24.90 Operation Charge + \$11.77 Capital/Debt Charge = \$36.67
- 7/1/26: \$25.65 Operation Charge + \$12.12 Capital/Debt Charge = \$37.77

In addition, LiSWA does not have an adopted connection fee. Currently, each member agency collects a connection fee for wastewater treatment that is passed through to LiSWA on a quarterly basis. The capacity charges are as follows:

- City of Lincoln: \$7,702.53 per WWTRU
- Count of Placer: \$3,628.00 per WWTRU

After roughly a year of implementing the policy, staff from both the City and County found some unanticipated results for a small number of businesses that are subject to the charge related to the WWTRU. These specific businesses did not closely align to the existing categories for businesses within the current policy. As such, LiSWA and its member agencies agreed to examine and update the methodology used to calculate a WWTRU and update the policy accordingly. The analysis has included a detailed evaluation into each type of business use within each member jurisdiction and the square footage of the use. A revised Unit Definition for Cost-of-Service Calculation and Reporting Policy is expected to be approved by the LiSWA Board anticipated to occur before the end of calendar year 2025.

An updated Cost-of-Service Study shall be completed after this updated policy is adopted to ensure compliance with applicable legal requirements.

Capital Improvement Program

LiSWA maintains a Capital Improvement Program to rehabilitate and expand its facilities to meet the service needs of its member agencies. One of which is an improvement project, with an estimated capital cost of between \$40M to \$45M, to the LiSWA WWTRF. The purpose of this improvement project is to update aging infrastructure and improve LiSWA's ability to manage current winter flows by expanding the capacity of some treatment functions such as UV treatment and filtration.

3. Purpose of this RFP

The purpose of this document is to facilitate the selection of a qualified consulting firm to assist with the requested scope of services. Consultants are urged to submit concise proposals, appropriate to the scale of the project, and include only items that are relevant to this specific project. The Fee Proposal shall be submitted in a separate pdf file marked “LiSWA Fee Proposal_ Financial Support Services”.

LiSWA reserves the right to reject any or all responses received from this solicitation; to extend the submission due date for; to modify, amend, reissue or rewrite this document; and to procure any or all services by other means. LiSWA will not be liable for any costs incurred by the consulting firms’

incidentals to the preparation of proposals or for developing and carrying out interview presentations, if needed.

Submission of a proposal indicates acceptance by the firm of the conditions contained in this Request for Proposals (RFP) and Sealed Fee Proposal unless clearly and specifically noted in the proposal submitted and confirmed in the contract between LiSWA and the firm selected, though LiSWA remains obligated and any firm submitting on this RFP acknowledges LiSWA's obligation to comply with the California Public Records Act, should any such request(s) be made relating to this RFP.

4. Scope of Services

In general, the scope of work to be performed is as outlined within Attachment 1 to this RFP.

5. Selection Process

The RFP process will establish a ranking based on how each proposal meets the qualifications of the Scope of Services and the requirements of the RFP. The proposal shall conform to the Proposal Requirements (Attachment 4). It is important that all listed items be included in the proposal. Proposals, which do not comply with all requirements, or the proposal deadline will not be considered. LiSWA reserves the right to reject any or all proposals without qualifications, and to negotiate specific requirements and costs using the selected proposal as a basis.

The Consultant shall be required to enter into LiSWA's standard professional services agreement (Attachment 5). All consultants that respond to the RFP shall clearly identify any changes requested to the standard agreement.

At the conclusion of the evaluation and interview (or if a best-qualified firm is selected without the need for an oral presentation), LiSWA will enter into contract negotiations with the top-ranking firm. If negotiations with the top-ranking firm are unsuccessful, negotiations will terminate and LiSWA will seek to undertake negotiations with the second-ranked firm. LiSWA staff will make recommendations to the Board, which reserves the right to reject any or all proposals. The selection process will be completed when a contract is executed.

Furthermore, LiSWA reserves the right to reject any or all proposals, and to waive any and all irregularities to choose the firm which, in LiSWA's sole discretion, best serves LiSWA's interests.

6. Selection Criteria

The following criteria will be considered during review of Consultant proposals.

SELECTION CRITERIA	
Criteria	Weight
Proposal Quality and Completeness	10%
Clarity, Relevance, and Conciseness	10%

SELECTION CRITERIA	
Criteria	Weight
Technical Approach and Methodology	25%
Firm's Experience and Relevant Qualifications	10%
Past Performance and Client References	15%
Team Expertise and Key Personnel Qualifications	20%
Project Timeline and Schedule Feasibility	10%

7. Consultant Selection and Project Timeline

The following is the anticipated schedule for consultant selection and the preliminary project timeline. LiSWA holds one Board meeting a month on the 2nd Friday of each month. The timeline below may be modified.

CONSULTANT SELECTION AND PROJECT TIMELINE	
Activity	Date
RFP Release	Tuesday May 6, 2025
Deadline to Submit Questions	Tuesday May 20, 2025 by 5PM (PST)
Questions Answered	Friday May 30, 2025
Proposals Due (electronic copies only)	Tuesday June 17, 2025 by 5PM (PST)
Selection Period	June 18, 2025 to July 11, 2025
Consultant Interviews (if needed)	To Be Determined
Award of Contract	August 8, 2025 Board Meeting
Project Completion Goals	<p>Proforma Cash Flow/Nexus Study: October 31, 2025</p> <p>Cost-of-Services Study: March 1, 2026 or two months after adoption of the revised Unit Definition for Cost-of-Service Calculation and Reporting Policy</p>

8. Questions

Questions regarding the information contained in the RFP document must be:

- Submitted by email to Jim Mulligan, General Manager at Jmulligan@westyost.com with carbon copy to Kelye McKinney at Kmckinney@westyost.com
- Received by 5:00PM (PST) on May 20, 2025

All questions will be compiled and answered in writing. A summary of questions and responses will be issued as an addendum to the RFP on the LiSWA website, ensuring anonymity of the question sources. No phone inquiries will be permitted during the solicitation period to maintain fairness and consistency of information.

Any updates or changes to the RFP will be posted on the LiSWA website.

9. Attachments

The following attachments are included within this RFP.

- Attachment 1 – Scope of Services
- Attachment 2 – Cost-of-Service Setting Report and Resolution Adopting Changes
- Attachment 3 - Unit Definition for Cost-of-Service Calculation and Reporting Policy
- Attachment 4 – Proposal Requirements
- Attachment 5 – Standard Agreement for Consulting Services

ATTACHMENT 1

SCOPE OF SERVICES

The following Scope of Services describes the tasks anticipated to be performed by the Consultant. If the Consultant believes that the project can be enhanced in any way by the addition of other tasks or the deletion of any specified tasks, such information should be included in the proposal. The scope should clearly identify Consultant assumptions, deliverables, and exclusions, if any.

OBJECTIVES

The following outlines the objectives for each element of the work.

PROJECT OBJECTIVES	
Work Activity	Objectives
Proforma Cash Flow Model and Nexus Study	<ol style="list-style-type: none">1. Prepare and provide alternative cash flow models; each to include a minimum 10-year period.2. Prepare a nexus study to support funding applications.
Cost-of-Service Study	<ol style="list-style-type: none">1. Prepare an updated Cost-of-Service Study for LiSWA for its fees and charges.

TASKS

The proposal shall follow the following task outline. Consultants may add sub-tasks, as warranted to clearly communicate the work to be performed. The Consultant shall work closely with the Municipal Advisor to LiSWA, Ken Dieker of Del Rio Advisors, LLC. Mr. Dieker will work closely with the Consultant to provide any assumptions and debt service modeling to be used in the proforma.

- **Task 1. Data Collection and Review**
 - Review historical revenues, usage, expenses, debt service requirements, billing and collection procedures, rates and charges, as required to perform services.
 - Provide a data request list for information needs from LiSWA and member agencies
- **Task 2. Proforma Cash Flow and Nexus Study**
 - Prepare and provide cash flow model in Excel format.
 - Project expenses, revenue requirements, debt services, and identify the resulting need for changes in revenue requirements for a period of at least ten years.
 - Up to three different cash flow models should be assumed to evaluate alternative funding sources/parameters
 - The model's construction shall be documented in a manner that allows LiSWA to understand the formulas which are utilized, and how variables affect revenue calculations. LiSWA should be able to use the model in the future to evaluate actual performance against projections and to make adjustments as necessary. The model will be the property of LiSWA and may be used for any purpose.
 - Provide an estimated revised WWTRU rate schedule that includes planned adjustments for the five-year period beginning FY 2026-27.

- **Task 3. Cost-of-Service Study**
 - Lead efforts, in conjunction with and direction from LiSWA's General Manager, to review LiSWA's existing cost-of-service information and prepare an updated Cost-of-Service study for LiSWA staff.
- **Task 4. On-Call Services**
 - Provide up to 40 hours of additional on-call support services to LiSWA staff.
 - Additional services to be approved by LiSWA staff prior to use.
- **Task 5. Project Management**
 - Provide project management services for the duration of the work including project kick-off meeting and bi-weekly update meetings with LiSWA team members
- **Task 6. Board Meeting Presentation**
 - The Consultant will assist with preparation of any staff reports for presenting outcome of work to the LiSWA Board.
 - Prepare and present up one power point presentations to the LiSWA Board summarizing Task 2 work and outcomes.
 - Presentation to the Board shall be in person.

ATTACHMENT 2

Cost-of-Service Setting Report and Resolution Adopting Changes



Lincoln-SMD1 Wastewater Authority (LiSWA) Initial Wastewater Cost of Service Setting Report

MARCH 24, 2023- AMENDMENT

Lincoln SMD-1 Wastewater Authority

Authored by: George Barber

General Manager for LiSWA

PE # C51332

LiSWA Initial Cost of Service Setting Report

Introduction

The Lincoln SMD-1 Wastewater Authority (LiSWA) was established on November 30, 2022, by the execution of a Joint Powers Agreement (JPA) between the City of Lincoln (City) and the County of Placer (County). The purpose of this Report is to provide the basis for setting of wastewater services cost of service to be charged to the member entities. The charge will be based upon each equivalent dwelling unit (EDU) being served by LiSWA's member agencies. The basis for the calculation of EDUs will be established by separate policy. This Report does not contemplate a connection charge which may be evaluated in the future.

LiSWA Initial Budget

The initial budget was adopted by the LiSWA Board on February 3, 2023, and the budgetary limits, fund allocations and working financial presumptions were incorporated into this Report as part of the basis for setting the cost of service. The operations and maintenance of LiSWA is budgeted to be \$8,350,000 and is currently projected to escalate annually at 3.00 % per year. Details of the budget can be found in Attachment A, the Financial Analysis Model output.

LiSWA Wastewater Treatment Plant Upgrade/Expansion

Planning has been ongoing for necessary upgrades and expansion of the LiSWA wastewater treatment plant for some time. The exact determination of what should be built in the first phase is being evaluated at this time. Changes in discharge requirements and the characteristic of the influent makes it prudent to evaluate the appropriate changes needed at the plant. This Report contemplates various alternatives for Plant construction, with the most likely scenario being somewhere between minimal and maximum expansion ideas that have been discussed by the member agencies and described below but are subject to further discussion and a pending engineering evaluation.

Three alternatives are evaluated, the first being the original plans (medium projection), the second being the original plus the addition of filters and dissolved air floatation treatment (DAFT) in Phase I (high projection), and an option that includes the least amount of construction based on operations input (low projection). The ultimate construction plans are expected to have construction costs fall within the range of high and low. The estimates are provided in Attachment B.

Financial Analysis Model

A Financial Analysis Model (Attachment A) was developed during the formation of LiSWA with the assistance of LiSWA's Municipal Financial Advisor, Fieldman Rolapp and Associates (Fieldman) when they were under contract with the City. This model was updated using the current LiSWA budget and evaluating a high, medium, and low construction projected costs for the Plant expansion. The model can be updated rather quickly once the final construction/capital cost estimate is determined.

To assist with this Report, Fieldman provided recommended working assumptions that include a Cost of Service Inflation Factor of 3% and a bond interest rate of 5.5% for a 30 year term. The initial number of EDU's used for the analysis is taken from the JPA and is 30,532. The EDU's are assumed to grow at 1% annually.

Results and Projections

The output of the model provides a range of wastewater services cost of service charges in the initial year between \$29.88 and \$35.76 per EDU per month. This is consistent with the charge of \$34.65 per EDU per month provided in the anticipated budget during formation (Attachment C).

The projected five-year cost of service charges under the three scenarios for the Plant are shown below.

Project Costs, Phases I and II

	High Scenario	Medium Scenario	Low Scenario
Phase I	\$47,510,000	\$36,680,000	\$18,560,000
Phase II	<u>\$11,150,000</u>	<u>\$21,980,000</u>	<u>\$40,110,000</u>
Total	\$58,660,000	\$58,660,000	\$58,670,000

Charge Per EDU Per Month With Debt

	High Scenario	Medium Scenario	Low Scenario
FYE			
2023	\$35.76	\$33.56	\$29.88
2024	\$36.83	\$34.56	\$30.77
2025	\$37.93	\$35.60	\$31.70
2026	\$39.07	\$36.67	\$32.65
2027	\$40.25	\$37.77	\$33.63

Recommendation

The LiSWA Board of Directors (Board) will make a final decision on the Plant's project alternatives in order to move forward with Phase I after input from a peer review which is currently underway. Regardless of what is built in Phase I, additional upgrades and improvements will be needed in the future. The recommendation is to set wastewater services charges that include funding for capital replacement, repair and replacement, future debt service and operations.

The calculated charges in the model reflect an inflation rate of 3%. It is recommended the Board adopt an inflation index appropriate to the industry. As an example, the Federal Reserve Bank of St. Louis provides a Consumer Price Index for All Urban Consumers of Water, Sewer, and Trash Collection Services in US City Averages. For the past 5 calendar years, the average annual inflation rate according to this index is 3.71%.

The operations portion of the charge is proposed to be \$22.79 per EDU per month in year one, growing at 3% per year to \$25.65.

The recommendation is to adopt the Medium Scenario charge for five years and dedicate the difference between the charge for operations and the adopted charge for capital and debt being dedicated to capital projects, repair and replacement, debt expenses and debt service.

	Recommended Charge per EDU per Month			
FYE	Effective Date	Operations Charge	Capital/Debt Charge	Total Charge
2023	12/01/2022	\$ 22.79	\$ 10.77	\$ 33.56
2024	07/01/2023	\$ 23.47	\$ 11.09	\$ 34.56
2025	07/01/2024	\$ 24.18	\$ 11.42	\$ 35.60
2026	07/01/2025	\$ 24.90	\$ 11.77	\$ 36.67
2027	07/01/2026	\$ 25.65	\$ 12.12	\$ 37.77

Financial Analysis Model Output
Attachment A

LiSWA Financial Analysis						
		Adopted				
EXPENDITURES		Budget	Budget	Projected	Projected	Projected
		FYE 2023	FYE 2024	FYE 2025	FYE 2026	FYE 2027
JPA Board members (\$200/member/mtg/mo)		-	-	-	-	-
OTHER STAFF (includes Admin Allocation)						
RENTS AND LEASES - PROPERTY		-	-	-	-	-
RENTS AND LEASES - LAND		57,400	57,400	57,400	57,400	57,400
COMPUTERS AND SOFTWARE						
Cyber security/VPN		10,000	10,300	10,609	10,927	11,255
Subscriptions (microsoft, adobe, etc.)		5,000	5,150	5,305	5,464	5,628
Internet (air fiber connection)		8,000	8,240	8,487	8,742	9,004
OFFICE EQUIPMENT (printers, phone system, etc.)		-				2,000
UTILITIES		1,691,000	1,741,730	1,793,982	1,847,801	1,903,235
MATERIALS/SUPPLIES			-	-	-	-
FUEL & OIL		8,800	9,064	9,336	9,616	9,904
CLOTHING		-	-	-	-	-
MAINTENANCE-JANITORIAL		-	-	-	-	-
COMMUNICATION			-	-	-	-
ADVERTISING/OUTREACH		7,500	7,725	7,957	8,195	8,441
Website		500	515	530	546	563
LEGAL FEES		-	20,000	20,000	20,000	20,000
CONSULTANT SERVICES						
GM Services - West Yost		375,000	375,000	386,250	397,838	409,773
Accounting/Audit- Placer County		5,000	5,150	5,305	5,464	5,628
Operations Contract		5,470,955	5,635,084	5,804,136	5,978,260	6,157,608
Engineering		100,000	103,000	106,090	109,273	112,551
City Of Lincoln IT Services		70,000	72,100	74,263	76,491	78,786
Other general contract services		100,000	103,000	106,090	109,273	112,551
TRAVEL/MEETINGS		-	5,000	5,150	5,305	5,464
EQUIPMENT REPAIR/MAINT		5,000	5,150	5,305	5,464	5,628
FLEET MAINTENANCE		20,000	20,600	21,218	21,855	22,510
PRINTING/COPIES/POSTAGE/SUPPLIES		1,000	1,030	1,061	1,093	1,126
MEMBERSHIP DUES		1,000	1,030	1,061	1,093	1,126
INSURANCE		325,000	334,750	344,793	355,136	365,790
REGULATORY FEES		85,000	87,550	90,177	92,882	95,668
Rounding		3,845				
TOTAL O & M EXPENDITURES-----		8,350,000	8,608,568	8,864,503	9,128,116	9,401,637
HIGH SCENARIO						
APPROPRIATION FOR CONTINGENCIES						
CHEMICAL TREATMENT for order control						
CAPITAL PROJECTS (annual ave. excluding expansion)		548,965	548,965	548,965	548,965	548,965
ORDER CONTROL FACILITY (not currently used)						
DEBT (Phase 1 & 2, Scenario 1)		3,551,912	3,554,375	3,550,050	3,553,800	3,550,075
TOTAL EXPENDITURES-----		12,450,876	12,711,907	12,963,517	13,230,880	13,500,677
DEBT SERVICE COVERAGE AMOUNT (est for year 1 only)	\$	650,000.00	\$ -	\$ -	\$ -	\$ -
TOTAL EDUs-----		30,532	30,837	31,146	31,457	31,772
CHARGE PER EDU PER MONTH WITH DEBT-----	\$	35.76	\$ 36.83	\$ 37.93	\$ 39.07	\$ 40.25
INFLATION FACTOR-----			3.00%	3.00%	3.00%	3.00%
ESTIMATED REVENUES-----		13,100,876	13,628,842	14,178,084	14,749,461	15,343,864
CHARGE PER EDU PER MONTH W/O DEBT OR CAPITAL	\$	22.79	\$ 23.47	\$ 24.18	\$ 24.90	\$ 25.65
ESTIMATED REVENUES W/O DEBT OR CAPITAL----	\$	8,350,000				

Financial Analysis Model Output
Attachment A

MEDIUM SCENARIO					
APPROPRIATION FOR CONTINGENCIES					
CHEMICAL TREATMENT for order control					
CAPITAL PROJECTS (annual ave. excluding expansion)	548,965	548,965	548,965	548,965	548,965
ORDER CONTROL FACILITY (not currently used)					
DEBT (Phase 1 & 2, Scenario 1)	2,745,803	2,744,775	2,744,525	2,747,625	2,743,800
TOTAL EXPENDITURES-----	11,644,767	11,902,307	12,157,992	12,424,705	12,694,402
DEBT SERVICE COVERAGE AMOUNT (est for year 1 only)	\$ 650,000.00	\$ -	\$ -	\$ -	\$ -
TOTAL EDUs-----	30,532	30,837	31,146	31,457	31,772
CHARGE PER EDU PER MONTH WITH DEBT-----	\$ 33.56	\$ 34.56	\$ 35.60	\$ 36.67	\$ 37.77
INFLATION FACTOR-----		3.00%	3.00%	3.00%	3.00%
ESTIMATED REVENUES-----	12,294,767	12,790,246	13,305,693	13,841,913	14,399,742
CHARGE PER EDU PER MONTH W/O DEBT OR CAPITAL	\$ 22.79	\$ 23.47	\$ 24.18	\$ 24.90	\$ 25.65
ESTIMATED REVENUES W/O DEBT OR CAPITAL----	\$ 8,350,000				

LOW SCENARIO					
APPROPRIATION FOR CONTINGENCIES					
CHEMICAL TREATMENT for order control					
CAPITAL PROJECTS (annual ave. excluding expansion)	548,965	548,965	548,965	548,965	548,965
ORDER CONTROL FACILITY (not currently used)					
DEBT (Phase 1 & 2, Scenario 1)	1,397,638	1,397,050	1,396,650	1,395,425	1,398,375
TOTAL EXPENDITURES-----	10,296,602	10,554,582	10,810,117	11,072,505	11,348,977
DEBT SERVICE COVERAGE AMOUNT (est for year 1 only)	\$ 650,000.00	\$ -	\$ -	\$ -	\$ -
TOTAL EDUs-----	30,532	30,837	31,146	31,457	31,772
CHARGE PER EDU PER MONTH WITH DEBT-----	\$ 29.88	\$ 30.77	\$ 31.70	\$ 32.65	\$ 33.63
INFLATION FACTOR-----		3.00%	3.00%	3.00%	3.00%
ESTIMATED REVENUES-----	10,946,602	11,387,750	11,846,677	12,324,098	12,820,759
CHARGE PER EDU PER MONTH W/O DEBT OR CAPITAL	\$ 22.79	\$ 23.47	\$ 24.18	\$ 24.90	\$ 25.65
ESTIMATED REVENUES W/O DEBT OR CAPITAL----	\$ 8,350,000				

City of Lincoln
WWTRF Expansion Phase 1 and 2 Opinions of Probable Cost

Attachment B - Construction Cost Estimate

Item	Costs per February 2023 Medium Scenario		Costs per February 2023 High Scenario		Costs per February 2023 Low Scenario	
	Phase 1	Phase 2	Phase 1	Phase 2	Phase 1	Phase 2
	7.1	8.0	7.1	8.0	7.1	8.0
Influent Pump Station		\$402,321		\$402,321		\$402,321
Headworks - Grit Removal	\$2,314,616		\$2,314,616		\$2,314,616	
Oxidation Ditch Splitter Box	\$64,886		\$64,886			\$64,886
Oxidation Ditches	\$17,356,735		\$17,356,735			\$17,356,735
Secondary Clarifiers		\$10,081,697		\$10,081,697		\$10,081,697
RAS Pump Station		\$529,004		\$529,004		\$529,004
Maturation Pond Outlet Facilities	\$1,663,674		\$1,663,674		\$1,663,674	
Dissolved Air Floatation Clarifiers		\$4,315,557	\$4,315,557		\$4,315,557	
DAF Splitter Box		\$417,635	\$417,635		\$417,635	
DAF Float Pump Station		\$1,517,405	\$1,517,405		\$1,517,405	
DAF Recirculation Pump Station & Compressor		\$97,448	\$97,448		\$97,448	
Filter Feed Pump Station	\$270,331		\$270,331		\$270,331	
Tertiary Filters		\$4,482,610	\$4,482,610		\$4,482,610	
UV Disinfection	\$1,780,774		\$1,780,774		\$1,780,774	
Chemical Facilities		\$139,212		\$139,212		\$139,212
Solids Holding Tank	\$347,790		\$347,790		\$347,790	
Effluent Storage and Ancillary	\$11,526,804		\$11,526,804			\$11,526,804
Reclamation Filter & Chlorination Facility	\$1,350,992		\$1,350,992		\$1,350,992	
General Site Work						
Yard Piping and Appurtences						
Electrical & Instrumentation (incl. SCADA)						
Total Construction (rounded)	\$36,680,000	\$21,980,000	\$47,510,000	\$11,150,000	\$18,560,000	\$40,100,000
Total (rounded)	\$58,700,000		\$58,700,000		\$58,700,000	

(a) ENR 20-Cities Construction Cost Index (CCI) of 13,176.

Attachment C - Formation Budget

Budget For JPA Expenses

EXPENDITURES		Budget FYE 2023	Budget FYE 2024	Projected FYE 2025	Projected FYE 2026	Projected FYE 2027	Projected FYE 2028
JPA Board members (\$200/member/mtg/mo)		19,200	19,200	19,200	19,200	19,200	19,200
OTHER STAFF (includes Admin Allocation)							
52450	RENTS AND LEASES - PROPERTY	1,200	1,236	1,273	1,311	1,351	1,391
RENTS AND LEASES - LAND		57,400	57,400	57,400	57,400	57,400	57,400
COMPUTERS AND SOFTWARE							
Cyber security/VPN		10,000	10,300	10,609	10,927	11,255	11,593
52240	Subscriptions (microsoft, adobe, etc.)	5,000	5,150	5,305	5,464	5,628	5,796
52800	Internet (air fiber connection)	7,800	8,034	8,275	8,523	8,779	9,042
52440	OFFICE EQUIPMENT (printers, phone system, etc.)	10,000				2,000	2,000
52800	UTILITIES	1,640,965	1,690,193	1,740,899	1,793,126	1,846,920	1,902,328
52160	MATERIALS/SUPPLIES	5,000	5,150	5,305	5,464	5,628	5,796
52170	FUEL & OIL	8,800	9,064	9,336	9,616	9,904	10,202
CLOTHING		-	-	-	-	-	-
52190	MAINTENANCE-JANITORIAL	-	-	-	-	-	-
52040	COMMUNICATION	7,188	7,404	7,626	7,855	8,091	8,333
52570	ADVERTISING/OUTREACH	7,500	7,725	7,957	8,195	8,441	8,695
52370	LEGAL FEES	25,000	20,000	20,000	20,000	20,000	20,000
CONSULTANT SERVICES							
52360	GM Services (TBD)	375,000	375,000	386,250	397,838	409,773	422,066
52360	Accounting Services (Eide Bailly)	2,500	2,500	2,500	2,500	2,500	2,500
52360	Audit Services	20,000	20,000	20,000	20,000	20,000	20,000
52380	Operations Contract	4,700,000	4,841,000	4,986,230	5,135,817	5,289,891	5,448,588
52380	Engineering	100,000	103,000	106,090	109,273	112,551	115,927
52308	R&R	500,000	515,000	530,450	546,364	562,754	579,637
52400	IT Business Services	96,000	96,000	96,000	96,000	96,000	96,000
52360	Other general contract services	60,000	50,000	50,000	50,000	50,000	50,000
52790	TRAVEL/MEETINGS	-	5,000	5,000	5,000	5,000	5,000
52160	EQUIPMENT REPAIR/MAINT	2,446	2,520	2,595	2,673	2,754	2,836
52160	FLEET MAINTENANCE	19,545	20,131	20,735	21,357	21,998	22,658
52320	PRINTING/COPIES/POSTAGE/SUPPLIES	1,000	1,030	1,061	1,093	1,126	1,159
52240	MEMBERSHIP DUES	-	-	-	-	-	-
INSURANCE		70,000	72,100	74,263	76,491	78,786	81,149
53190	REGULATORY FEES	85,000	87,550	90,177	92,882	95,668	98,538
TOTAL O & M EXPENDITURES-----		7,836,544	8,031,688	8,264,535	8,504,368	8,753,396	9,007,835
APPROPRIATION FOR CONTINGENCIES							
CHEMICAL TREATMENT for order control							
CAPITAL PROJECTS (annual ave. exculding expansion)		532,000	532,000	532,000	532,000	532,000	500,000
ORDER CONTROL FACILITY (not currently used)							
DEBT (Phase 1 & 2, Scenario 1)		3,191,906	3,191,450	3,191,250	3,194,125	5,004,875	5,008,550
TOTAL EXPENDITURES-----		11,560,450	11,755,138	11,987,785	12,230,493	14,290,271	14,516,385
DEBT SERVICE COVERAGE AMOUNT (est for year 1 only \$		650,000.00	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL EDUs-----		29,362	29,656	29,952	30,252	30,554	30,860
CHARGE PER EDU PER MONTH-----		\$ 34.65	\$ 35.69	\$ 36.77	\$ 37.87	\$ 39.00	\$ 40.17
INFLATION FACTOR-----			3.00%	3.00%	3.00%	3.00%	3.00%
ESTIMATED REVENUES-----		12,210,450	12,702,531	13,214,443	13,746,985	14,300,989	14,877,319

RESOLUTION NO. 2023-02

RESOLUTION OF THE BOARD OF DIRECTORS OF THE LINCOLN SMD-1 WASTEWATER AUTHORITY MAKING FINDINGS, ESTABLISHING WASTEWATER SERVICE CHARGES, PROVIDING FOR COLLECTION OF SERVICE CHARGES AND TAKING RELATED ACTIONS

WHEREAS, the Lincoln SMD-1 Wastewater Authority (“LiSWA” or “Authority”) is a joint powers agency organized and operating pursuant to the provisions of the Constitution and the laws of the State of California (“State”); and

WHEREAS, the LiSWA was established pursuant to a Joint Powers Agreement (“JPA”) entered into by and between the City of Lincoln (“City”) and the County of Placer (“County” and collectively with the City, the “Member Agencies” and each a “Member Agency”); and

WHEREAS, the Authority was established to provide for a method of provision of wastewater services to the Member Agencies; and

WHEREAS, the City and the County each have statutory authority to adopt, impose and collect charges for services provided and the Authority was granted such authority through the terms of the JPA; and

WHEREAS, following the formation of the Authority, and the establishment of the Authority’s organization and staff, Authority staff undertook to review an examination of the costs of provision of wastewater services to the Member Agencies; and

WHEREAS, as a component of cost allocation, the Authority has adopted a Unit Definition for Costs of Service Calculation and Reporting Policy (“Policy”) and has established a cost allocation process for providing the Member Agencies with their respective wastewater services costs and has procedures in place (which may, in the future, be amended) for the payment thereof; and

WHEREAS, utilizing the provisions of the Policy, Authority staff undertook to review the total costs of the provision of services to the Member Agencies including the costs of capital replacement, repair and refurbishment, anticipated future debt service, operational costs, utility costs, administrative costs, necessary funding of designated reserves and related costs and necessary changes related thereto (collectively, the “Wastewater Service Charge(s)”); and

WHEREAS, pursuant to directives of the Board and the requirements of California Government Code (“Government Code”) Section 66016(a), Authority staff provided written notice to the Member Agencies regarding the consideration of the Wastewater Services Charge adoption, which notice was provided as of March 24, 2023, to the Member Agencies and was also provided by posting to the LiSWA website ([www https://www.lincolnca.gov/en/liswa.aspx](https://www.lincolnca.gov/en/liswa.aspx)); and

WHEREAS, taking into consideration these various factors, the members of the Board of Directors of the Authority (“Board”) have been provided with information concerning the costs of wastewater services in the form of the Initial Wastewater Costs of Service Setting Report dated as of March 24, 2023 (“Report”); and

WHEREAS, the Report was a part of the provision of such notice to the Member Agencies regarding the Wastewater Service Charge proceedings; and

WHEREAS, information to support the findings made by the Board within this Resolution has been prepared by Authority staff and consultants, made available to any member of the public, or Member Agency, who requested such information and has been presented to the Board as part of its consideration of this matter; and

WHEREAS, the Board desires to make certain findings and determinations in connection with the setting of the Authority’s Wastewater Service Charges as set forth herein; and

WHEREAS, the Board desires to authorize the setting of the Authority’s Wastewater Service Charges, on the basis set forth herein, to be effective as set forth within this Resolution and the charge schedule attached hereto.

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE LINCOLN SMD-1 WASTEWATER AUTHORITY DOES HEREBY RESOLVE, DETERMINE AND ORDER AS FOLLOWS:

Section 1. Recitals. The foregoing recitals are each true and correct and are incorporated herein.

Section 2. Provision of Notice. The Authority provided to each of the Member Agencies the Report and written notice of the Board’s consideration to set and implement the proposed Wastewater Service Charges at this meeting. Such written notice was provided more than 14 days prior to the date hereof. Copies of the written notice provided to the Member Agencies is on file with the Authority Secretary. The Authority has complied with the requirements of Government Code Section 66016.

Section 3. Data and Information Relating to Determination to Adopt and Implement Wastewater Service Charges. The Board has been provided with, and/or had available to it, various reports, including, but not limited to, the Policy, the Report, data and information supporting the findings made herein. Reference is also made to those meetings held by the Board, and supporting documentation made available to the Board, the Member Agencies and members of the public, as part of the consideration by the Board for the adoption of the Wastewater Service Charges. Such data and information has been available, and made available, as applicable, to the Member Agencies and to members of the public desiring to review such, and is on file with the Authority’s Secretary and available for review upon public request. Such data and information includes, but is not limited to, the following:

- (a) The Authority’s adopted Fiscal Year 2022-23 Budget;

- (b) Financial projections relating to the Authority's financial and operating requirements, including, but not limited to, the costs and financing requirements for the Authority to meet its current and future facilities requirements, including capital costs, current and anticipated utilities costs and debt coverage and debt issuance expenses;
- (c) The Policy;
- (d) The Report; and
- (e) Financial considerations relating to the prudent and financially responsible level of the Authority's fiscal reserves, including policies relating thereto as established by this Board.

Section 4. Public Adoption. The foregoing information has been presented to the Board at open and public meetings thereof. This Resolution will be presented, discussed and acted upon at a regular open and public meeting of the Board conducted in accordance with applicable State law.

Section 5. Findings and Determinations. The Board hereby finds and determines as follows:

- (a) The Authority's current and projected finances, financial condition, and revenue requirements, based on information available to the Authority and the costs and projected financing requirements for the Authority to meet its future facilities and service requirements have been considered and the Board has adopted a balanced budget for Fiscal Year 2022-23. Correspondingly, the Board hereby finds and determines that the revenues derived from the Wastewater Service Charges set forth herein do not exceed the amounts required by the Authority to provide the wastewater services that the Authority provides to the Member Agencies.
- (b) The Authority's Wastewater Service Charges, as set forth herein, is part of an integrated finance and revenue system including projected expenditures, dedicated funds and other financial considerations. The Authority's Wastewater Service Charges are structured and implemented by the Authority in order to meet its financial obligations and responsibilities to operate, maintain, replace, restore and improve its wastewater systems and facilities, address anticipated Member Agency service needs, to meet its legal and operational obligations and requirements and to conduct its business, administrative and governmental operations.
- (c) The Authority's Wastewater Service Charges adopted and implemented hereby are not taxes under the provisions of the California Constitution inasmuch as the referenced Wastewater Service Charges are services provided directly to the Member Agencies on an allocated and proportional basis and do not exceed the reasonable costs to the Authority for the provision of such wastewater services.

Section 6. Authority for Action. The City and the County each have statutory authority to adopt, impose and collect charges for services provided. The JPA provides the Authority with power to adopt, impose and collect the Wastewater Services Charges.

Section 7. Adoption, Implementation and Effective Date of Wastewater Service Charges.

- (a) The Board hereby adopts the LiSWA Wastewater Service Charges as set forth in Attachment “A” to this Resolution, which is incorporated herein by this reference.
- (b) The Wastewater Service Charges shall apply to wastewater services provided by the Authority to the Member Agencies.
- (c) The Wastewater Service Charges shall apply to wastewater services provided by the Authority from and after July 1, 2023, with LiSWA anticipating that its costs from its inception on November 30, 2022 through June 30, 2023 will be reconciled by and between the Member Agencies such that LiSWA will receive payment for its costs during this time period. Authority staff shall reconcile the Wastewater Service Charges with amounts billed to, and paid by, each Member Agency from and after July 1, 2023 and the difference shall be billed or credited, as applicable.
- (d) The Authority’s adopted billing procedures, as such may be amended from time to time, shall be applicable to the collection of the Wastewater Service Charges following adoption of this Resolution.
- (e) The Board reserves the right to amend the Wastewater Service Charges in the future.

Section 8. CEQA Exemption. It is hereby found and determined that the Wastewater Service Charge adopted hereby is within the purposes set forth in Section 21080(b)(8) of the California Public Resources Code, including, but not by way of limitation, the purposes of meeting operating expenses, purchasing or leasing supplies, equipment or materials, meeting financial reserve needs and requirements, and obtaining funds for capital facilities necessary to maintain service to the Member Agencies and therefore are exempt from the requirements of the California Environment Quality Act pursuant to such Section 21080(b)(8).

Section 9. Other Actions. The Authority’s General Manager and other Authority officers and staff and the Authority’s consultants are hereby authorized and directed to take all necessary and appropriate actions as may be required or desirable to carry out the findings and directives of this Resolution.

Section 10. Partial Invalidity; Severability. If any one or more of the findings or directives set forth in this Resolution should be contrary to law, then such findings or directives, or such portions thereof, shall be null and void and shall be deemed separable from the remaining findings and directives or portions thereof and shall in no way affect the validity of this Resolution or the other directives set out herein. The Board hereby declares that it would have adopted this

Resolution and each and every other section, paragraph, subdivision, sentence, clause and phrase hereof and would have authorized and approved the findings or directives set forth herein irrespective of the fact that any one or more sections, paragraphs, subdivisions sentences, clauses or phrases of this Resolution or the application thereof to any person or circumstance may be held to be unconstitutional, unenforceable or invalid.

Section 11. **Effective Date.** This Resolution shall be effective immediately upon adoption by the Board.

[Remainder of this page intentionally left blank]

ADOPTED, SIGNED AND APPROVED this 14th day of April, 2023.

THE BOARD OF DIRECTORS OF THE
LINCOLN SMD-1 WASTEWATER AUTHORITY

By: Dan Karhold
President of the Board of Directors of the
Lincoln SMD-1 Wastewater Authority

ATTEST:

By: George M. Barber
Clerk of the Board of Directors of the
Lincoln SMD-1 Wastewater Authority

STATE OF CALIFORNIA

)

) ss.

COUNTY OF PLACER

)

I, George Barber, Secretary of the Board of Directors of the Lincoln SMD-1 Wastewater Authority, do hereby certify that the foregoing resolution was duly adopted by the Governing Board of said School District, at a meeting thereof duly and regularly held at the regular meeting place thereof on April 14, 2023, of which meeting all of the members of such Board had due notice and at which a majority thereof were present; at which a quorum of such Board was present and acting throughout and for which notice and an agenda was prepared and posted as required by law and that at said meeting said resolution was adopted by the following vote.

AYES:

NOES:

ABSTAIN:

ABSENT:

George M. Barber

Secretary of the Board of Directors of the
Lincoln SMD-1 Wastewater Authority

)

)

ATTACHMENT “A”

SCHEDULE OF ADOPTED WASTEWATER SERVICE CHARGES

	Adopted Charge per EDU per Month			
FYE	Effective Date	Operations Charge	Capital/Debt Charge	Total Charge
2023	12/01/2022	Actual Cost of Service distributed to Member Agencies based on 03/31/2023 WWTRU report		
2024	07/01/2023	\$ 23.47	\$ 11.09	\$ 34.56
2025	07/01/2024	\$ 24.18	\$ 11.42	\$ 35.60
2026	07/01/2025	\$ 24.90	\$ 11.77	\$ 36.67
2027	07/01/2026	\$ 25.65	\$ 12.12	\$ 37.77

ATTACHMENT 3

Unit Definition for Cost-of-Service Calculation and Reporting Policy



**LINCOLN-SMD1 WASTEWATER AUTHORITY
UNIT DEFINITION FOR COST-OF-SERVICE CALCULATION AND REPORTING POLICY**

I. PURPOSE

The purpose of this Unit Definition for Cost-of-Service Calculation and Reporting Policy ("**Policy**") is to establish the standard for calculating the units of measure to be used in determining the share of cost for the provision of wastewater services to Lincoln-SMD1 Wastewater Authority ("**LiSWA**") members and setting requirements for updating the units as described and defined below.

II. BACKGROUND

LiSWA was established on November 30, 2022, by the execution of a Joint Powers Agreement ("**JPA**") between the City of Lincoln ("**City**") and the County of Placer ("**County**"), collectively the "Member Agencies". The JPA set forth that the cost of service applied to each Member Agency would be the percentage of Equivalent Dwelling Units ("**EDUs**") that are connected and providing flow to the Wastewater Treatment and Reclamation Facility ("**WWTRF**"), as more specifically explained in the JPA, Section 10 (Budget; Cost / Rate Setting).

Each Member Agency, in their own regulations or practices, define EDUs differently; therefore, it is important for LiSWA to provide a clear written criteria for counting and reporting of the units of measure for the determination of the cost of service for each Member Agency.

III. POLICY

The Policy of LiSWA for establishing the units of measurement for the determination of the cost of service for the Member Agency is provided in three parts; (1) the Definition of Unit for Cost of Service; (2) Standard Factors for the units; and (3) the updating and reporting of the units.

A. Definition of Unit for Cost-of-Service

The Wastewater Treatment and Reclamation Unit ("WWTRU") will be the unit of measure for determining the cost of service to each Member Agency. For purposes of clarity, the WWTRU is synonymous to all references to EDUs in the JPA, or any other document created by LiSWA or that was used during the establishment of LiSWA.

B. WWTRU Standard Factors

The following table titled **LiSWA WWTRU Standard Factors** details the appropriate WWTRU factor for each connection into the wastewater system for the purpose of calculating the total WWTRUs contributing to the wastewater facility operated by LiSWA. Additionally, the following generation regulations apply:

1. Special provisions can be made within each category where, in the judgment of the engineer, application of ordinance produces inequities or irregularities



requiring revision. Prescribed connection charges apply only to the particular uses listed. Where multiple uses, within the meaning of the connection charge ordinance contained in the same structure, the engineer will determine and allocate the respective square footage dedicated to each use, and will determine a composite connection charge composed of the respective connection charges for each such use.

2. Classification of shell buildings having no use when connecting to the sewage system shall be determined based on the judgment of the engineer based on building permit data, applicable zoning, and plans of the developer. Subsequent modifications to such buildings may result in reclassification and the assessment of additional incremental charges. No refunding of previously paid connection charges will be made where modifications are made to any structure which places it in a classification with a lower connection charge rate.
 3. The engineer may require additional documentation, procedures, tests, or studies to appropriately classify the connection fees. Such requirements may include, but are not limited to, flow monitoring, flow equalization, installation of flow controls, special treatment, and specific discharge permitting.
-



LiSWA WWTRU Standard Factors	
Ordinance Code Types of Service	LiSWA WWTRU Factors ^(a)
Residential	
Single-Family Residential	1 WWTRU per dwelling unit
Multi-Family Residential	0.714 WWTRU per dwelling unit
Duplex	0.771 WWTRU per dwelling unit
Mobile homes	0.714 WWTRU per space
RV Parks	0.357 WWTRU per space
Active Adult Residential ^(b)	0.714 per Single Family Dwelling
Hotel/Motel with kitchen	1 WWTRU per dwelling unit
Hotel/Motel without kitchen	0.5 WWTRU per dwelling unit
Low Density	
Warehouses	1 WWTRU per 6 12,000 sq. ft.
Auditorium, Lodge, Church, Meeting Hall, Library, Museum, or Funeral Home without kitchen	1 WWTRU per 6,000 sq. ft.
Misc. Public Buildings	1 WWTRU per 6,000 sq. ft.
R etail/Grocery store with less than 12,000 sq. ft. stores (hardware, appliance, furniture)	1 WWTRU per 6,000 sq. ft.
Medium Density	
Storage facilities	1 WWTRU per 3,000 sq. ft. of office space ^(c)
Theaters, Bowling Alley, Entertainment centers without kitchen	1 WWTRU per 3,000 sq. ft.
Offices, Banks <u>Financial Institutions</u>	1 WWTRU per 3,000 sq. ft.
Auditorium, Hall , Lodge, Church, <u>Meeting Hall</u> , Library, or Museum <u>or Funeral Home</u> with Kitchen	1 WWTRU per 3,000 sq. ft.
Retail/Grocery store <u>with</u> equal to or greater than 12,000 sq. ft.	1 WWTRU per 3,000 sq. ft.
Barber/Beauty shop, Groomer, and Nail Salon	1 WWTRU per 1,500 sq. ft.
Light Industrial Manufacturing	1 WWTRU per 3,000 sq. ft.
Auto Sales	1 WWTRU per 6,000 sq. ft.
Auto Repair, Tire Sales, Oil Change	1 WWTRU per 3,000 sq. ft.
<u>Sports/F</u> itness Centers, Massage, <u>or</u> Physical Therapy without shower and laundry	1 WWTRU per 3,000 sq. ft.



LiSWA WWTRU Standard Factors	
Ordinance Code Types of Service	LiSWA WWTRU Factors ^(a)
High Density	
Convenience Store, Mini Market, Gas Station	1 WWTRU per 1,500 sq. ft.
Medical/dental offices	1 WWTRU per 1,500 sq. ft.
<u>Sports/Fitness Centers, Massage, or Physical Therapy with shower or laundry</u> Sports/fitness centers with showers or laundry	1 WWTRU per 1,500 sq. ft.
Schools/ Day Care	1 WWTRU per 1,500 sq. ft.
Heavy Industrial	1 WWTRU per 1,500 sq. ft.
Hospitals	0.5 WWTRU per Bed
Rest home, Convalescent hospital, Memory care facility	0.33 WWTRU per Bed
Stand Alone Public Restroom	1 WWTRU per structure
<u>Bars</u>	1 WWTRU per 1,500 sq. ft
Special Commercial Users	
Carwashes with <u>water</u> recycling ^(d)	1 WWTRU per 800 sq. ft
Carwashes without <u>water</u> recycling	1 WWTRU per 200 sq. ft
Laundromats	1 WWTRU per 100 sq. ft
Restaurants, bakeries, cafes	1 WWTRU per 500 sq. ft
Mortuaries	1 WWTRU per 250 sq. ft
Brewery ^(e)	<u>High volume: Annual Production of beer in barrels * 31 gallons per barrel * 7 gallons of water used per gallon of beer produced * 0.65 gallons of wastewater produced per gallon of water used / 365 days / 190</u> <u>Low volume: Annual Production of beer in barrels * 31 gallons per barrel * 4.5 gallons of water used per gallon of beer produced * 0.65 gallons of wastewater produced per gallon of water used / 365 days / 190</u> <u>XXX per gallon of beer per year</u>
<u>Hotel/Motel with kitchen</u>	<u>1 WWTRU per dwelling unit</u>
<u>Hotel/Motel without kitchen</u>	<u>0.5 WWTRU per dwelling unit</u>



LiSWA WWTRU Standard Factors	
Ordinance Code Types of Service	LiSWA WWTRU Factors ^(a)
High Strength or High Quantity ^(de)	
Low Strength - High Quantity	$\text{gpd flows} / (((\text{gpd flows} - 25,000) / 1000) \times 2.15) + 215$
High Strength	$(\text{gpd} / 215) \times (0.61 + (\text{BOD} / 200) \times 0.22 + (\text{TSS} / 200) \times 0.17) + \text{special treatment or handling costs}$
<p>(a) A minimum of 1 WWTRU will be assigned for each connection/permit. If there are multiple businesses discharge to one connection under a single permit, each business is assigned WWTRUs either as a fraction of the minimum of 1 WWTRU per connection/permit or based on square footage, whichever is greater.</p> <p>(b) Active Adult Residential assigned 0.714 WWTRUs per dwelling unit regardless of Land Use Code Description.</p> <p>(c) WWTRUs assigned solely based on square footage of office space.</p> <p>(d) Carwashes will be charged as "Carwashes without water recycling" if recycling unit is not in use.</p> <p>(de) High Volume Brewery defined as producing more than 10,000 barrels of beer per year, where one barrel equals 31 gallons. Low Volume Brewery defined as producing less than 10,000 barrels of beer per year.</p> <p>(f) High strength defined as XXX. High Quantity defined as XXX.</p> <p>gpd = gallons per day BOD = Biological Oxygen Demand TSS = Total Suspended Solids</p>	

C. Reporting

The JPA established the beginning cost allocation to the Member Agencies based upon respective EDU contributions to the WWTRF. The reference of EDU in the calculation is equivalent to a WWTRU defined in this policy.

The initial cost allocation for LiSWA is as follows:

8,338 (County) WWTRUs / 22,194 (City) WWTRUs
 $8,338 + 22,194 = 30,532$ Total WWTRUs
 $8,332 / 30,532 = 27.3\%$ (County)
 $22,194 / 30,532 = 72.7\%$ (City)

This is based on the active connections as of 08/31/2022, as stated in the JPA.

Each Member Agency shall provide to LiSWA at the end of each quarter of the year, a report including current and new connections to their wastewater system and their associated WWTRUs for that type of connection based on the factors in the table above titled LiSWA WWTRU Standard Factors.

The first report to LiSWA shall be provided no later than June 30, 2023, and shall account for all WWTRU's connected from August 31, 2022 to March 31, 2023.

ATTACHMENT 4

PROPOSAL REQUIREMENTS

Submission Date

- Proposals shall be submitted by: **June 17, 2025 at 5:00 PM (PST)**
- LiSWA will only accept Proposals submitted via electronic mail (email).
- Send email to Jmulligan@westyost.com with a carbon copy to Kmckinney@westyost.com
- Email subject line shall include Consultant name as follows: "LiSWA Proposal for Financial Services – **insert Consultant name**"
- Be certain to request and obtain confirmation of receipt of this emailed submission.

Proposal Format and Instructions to Proposers

Proposals must be **concise, well-organized, and directly relevant** to the scope of work. Proposers are encouraged to limit their submissions to **25 pages** (excluding *appendices such as resumes* and the separately submitted Cost Proposal) to facilitate efficient review. **Each page is defined as a single-sided 8.5 x 11 or 11 x 17 page.** Unnecessary promotional material should be avoided.

The proposal must be structured as follows:

1. Letter of Transmittal

Proposers must include a letter of transmittal summarizing their firm's interest and commitment to providing consulting services for LiSWA. This letter should be signed by an officer authorized to contractually bind the firm. Additionally, the letter must include the officer's **name, title, address, email, and telephone number** for official correspondence.

2. Table of Contents

The proposal should include a **table of contents** that provides an index to the major topics covered. All pages must be numbered for easy reference.

3. Understanding of the Project and Approach

Proposers must demonstrate a **clear understanding of the project's scope, objectives, and potential challenges**. This section should detail the firm's approach and methodology, including specific strategies for project execution, cost control, schedule adherence, and quality assurance/quality control. Additionally, proposers should describe how they will ensure compliance with all applicable regulations and policies.

4. Work Plan and Deliverables

A detailed **scope of work** must be provided, clearly outlining how the required **Scope of Services (Attachment 1)** will be completed. The work plan should specify key assumptions, expected deliverables, and any exclusions. Additionally, proposers must include a **proposed timeline** that outlines major tasks, milestones, and project deadlines, ensuring the ability to meet the project's requirements.

5. Team Expertise and Key Personnel Qualifications

Proposers must identify **key personnel** assigned to the project, including their **names, positions, roles, and qualifications**. This section should include brief biographies highlighting relevant expertise and experience on similar projects. A proposed **organizational chart** should also be provided to illustrate team structure and responsibilities. Resumes may be included as an appendix, limited to **two pages per person**.

6. Firm's Experience and Past Performance

This section should provide **three to five examples** of similar projects completed within the past five years. For each project, the proposer must include:

- **Client name, point of contact, address, and telephone number**
- **Project description, scope, and year of completion**
- **Key personnel involved**
- **Challenges faced and how they were addressed**

Emphasis should be placed on projects that align closely with the scope of work outlined in the RFP.

7. References

Proposers must provide **at least three public agency references** from previous clients who can speak to the firm's capabilities and performance. Each reference should include the individual's **name, agency, title, address, email, and telephone number**.

8. Manpower Allocation and Level of Effort

An estimate of **personnel hours required** for each task and job title must be provided. This information is intended to demonstrate the proposer's understanding of the project scope and the level of effort required. **This section is not a fee proposal** but rather an outline of anticipated resource allocation to successfully complete the project.

9. Exceptions to Standard Agreement (If Any)

If the proposer requests **any modifications** to the **Standard Professional Services Agreement**, these changes must be clearly outlined with justification. If no exceptions are requested, the proposer must explicitly state “**No exceptions taken.**”

10. Cost Proposal (Submitted Separately; not counted as part of the page limit.)

The **Cost Proposal** must be submitted as a **separate PDF file** labeled “**LiSWA Fee Proposal_Financial Support Services.**” The cost proposal must include:

- Estimated consulting hours **per task and staff classification**
 - Hourly rates for each classification
 - Total **not-to-exceed** cost, inclusive of ancillary expenses such as travel
 - A copy of the Consultant’s **rate sheet**, valid for the duration of the project
-

ATTACHMENT 5

STANDARD AGREEMENT FOR CONSULTING SERVICES

LiSWA PROFESSIONAL SERVICES AGREEMENT

This AGREEMENT is made and entered into this ___ day of _____ in the year _____, between the **Lincoln-SMD 1 Waste Authority**, hereinafter referred to as (“AUTHORITY”), and **NAME OF CONSULTANT**, hereinafter referred to as “CONSULTANT”. The AUTHORITY and the CONSULTANT are sometimes referred to herein as a “PARTY” and collectively as the “PARTIES”. This AGREEMENT is made with reference to the following facts:

WHEREAS, the AUTHORITY requires services and/or advice of a highly specialized and technical nature in connection with certain financial, economic, accounting, consulting and/or administrative matters, and such services and advice are not as available within the AUTHORITY; and

WHEREAS, CONSULTANT possesses the necessary expert knowledge, experience, and ability to perform services not available through AUTHORITY personnel, and CONSULTANT is specially experienced and competent to provide to the AUTHORITY certain specialized services and/or advice in one or more of the foregoing areas; and

WHEREAS, AUTHORITY desires to obtain the following specialized services and/or advice: **IDENTIFY SERVICES**; hereinafter referred to collectively as the “PROJECT”; and

WHEREAS, CONSULTANT has indicated its willingness and commitment to provide its specialized services and/or advice to the AUTHORITY on the terms hereafter set forth in this AGREEMENT.

NOW, THEREFORE, the PARTIES hereto agree that the above recitals are true and correct, and further as follows:

ARTICLE I **SCOPE AND SERVICES AND RESPONSIBILITIES**

1. Services to be Provided by CONSULTANT: The CONSULTANT shall perform its services hereunder in a professional manner, using the degree of care and skill ordinarily exercised by, and consistent with, the current professional practices and standards of a professional (providing services like the CONSULTANT) practicing in California. The CONSULTANT shall provide to the AUTHORITY on the terms set forth herein all the services articulated in this AGREEMENT, **Exhibit “A”**, and as set forth in the CONSULTANT’s PROPOSAL which shall be attached hereto and incorporated herein as **Exhibit “B”** (“PROPOSAL”). The CONSULTANT shall also provide all services required in the AUTHORITY’s Request for Qualifications **IDENTIFY THE RFQ/P** (“RFP”). The PARTIES agree to incorporate the terms and conditions of the RFP into this AGREEMENT by this reference and the PARTIES understand that the RFP shall constitute a binding part this AGREEMENT. The PARTIES agree, however, that if there are any conflicts, discrepancies or ambiguities in the terms and conditions of this AGREEMENT and the CONSULTANT’s PROPOSAL and/or the RFP, this AGREEMENT govern and control.

2. Classification: To the extent it is determined under applicable law that CONSULTANT fails to meet the statutory prerequisites for classification as a professional expert operating under a personal services agreement, CONSULTANT resigns any and all rights and privileges derived from this AGREEMENT and any resulting relationship, which resignation is deemed accepted under such circumstances by the AUTHORITY.

3. CONSULTANT's Certifications and Representations regarding Expertise and Compliance with Laws and Regulations: CONSULTANT makes the following certifications and representations for the benefit of the AUTHORITY and CONSULTANT acknowledges and agrees that the AUTHORITY, in deciding to engage CONSULTANT pursuant to this AGREEMENT, is relying upon CONSULTANT'S certifications and representations, including the following:

a. Expertise, Capacity, and Proper Licensing and Certifications: CONSULTANT is qualified in all respects to provide to the AUTHORITY all of the services contemplated by this AGREEMENT and has capacity to perform the PROJECT, and to the extent required by any applicable laws, CONSULTANT has all such licenses, certifications, and/or governmental approvals as would be required to carry out and perform for the benefit of the AUTHORITY, such services as are called for hereunder.

b. Labor Law Compliance including Prevailing Wage Laws: CONSULTANT, in providing the services and in otherwise carrying out its obligations to the AUTHORITY under this AGREEMENT, shall, at all times, comply with all applicable federal, state, and local laws, rules, regulations, and ordinances, including workers' compensation, equal protection and non-discrimination laws, and prevailing wage laws, including without limitation, CONSULTANT and any of its contractors and/or subcontractors complying with the same and registration with the Department of Industrial Relations, as applicable.

c. Standard of Care and No Conflict of Interests: CONSULTANT has been selected to perform the work herein because of the skills and expertise of key individuals. Services under this AGREEMENT shall be performed only by competent personnel under this supervision of and/or in the employment of the CONSULTANT. CONSULTANT shall conform to AUTHORITY's reasonable requests regarding assignment of personnel. All personnel, including those assigned at AUTHORITY's request, shall be supervised by CONSULTANT. The CONSULTANT will perform its services hereunder in a professional manner, using the degree of care and skill ordinarily exercised by, and consistent with, the current professional practices and standards of a professional practicing in California. The CONSULTANT will furnish, at its expense, those services that are set forth in this AGREEMENT and Exhibits and represents that the services set forth in said Exhibits are within the technical and professional areas of expertise of the CONSULTANT or any subconsultant the CONSULTANT has engaged or will engage to perform the service(s). The AUTHORITY shall request in writing if the AUTHORITY desires the CONSULTANT to provide services in addition to, or different from, the services described in this AGREEMENT and Exhibits. The CONSULTANT shall advise the AUTHORITY in writing of any services that, in the CONSULTANT's opinion, lie outside of the technical and professional expertise of the CONSULTANT. CONSULTANT represents that the CONSULTANT has no existing interest and will not acquire any interest, direct or indirect, which would create a conflict of interest in violation of any applicable laws, and that no person having any such interest shall be employed by CONSULTANT.

4. CONSULTANT'S STAFFING. CONSULTANT shall not change any of the key personnel without prior written approval by the AUTHORITY, unless said personnel cease to be employed by CONSULTANT or as other circumstances warrant. CONSULTANT agrees that reassignment of any of the listed personnel during the AGREEMENT period shall only be with other professional personnel who have equivalent experience and shall require prior consultation and written approval by the AUTHORITY. Any costs associated with reassignment of personnel shall be borne exclusively by CONSULTANT and CONSULTANT shall not charge the AUTHORITY for the cost of training or "bringing up to speed" replacement personnel.

ARTICLE II

COMPENSATION TO THE CONSULTANT

1. The AUTHORITY shall compensate the CONSULTANT as follows:

a. The AUTHORITY agrees to pay the CONSULTANT in accordance with the fee, rate and/or price schedule information set forth in **Exhibit "C"** for the services performed pursuant to this AGREEMENT. In no event shall the total payment to CONSULTANT exceed _____ Dollars (\$) as set forth in **Exhibit "C"** for performing the services required by this AGREEMENT and Exhibits.

b. CONSULTANT shall invoice costs monthly, or another periodic basis approved by the AUTHORITY, for the services provided pursuant to this AGREEMENT from the time the CONSULTANT begins work on the PROJECT. All costs must be supported by an invoice, receipt, or other acceptable documentation as determined by the AUTHORITY.

c. Except as expressly provided herein, CONSULTANT agrees that no other compensation, fringe benefits, or other remuneration is due to CONSULTANT by the AUTHORITY for services rendered under this AGREEMENT. CONSULTANT shall not apply for or receive statutory benefits available to employees of the AUTHORITY because CONSULTANT is not an employee of the AUTHORITY; rather, CONSULTANT is operating under a personal services agreement and has only the rights defined by this AGREEMENT.

2. The CONSULTANT shall submit one (1) invoice monthly to the AUTHORITY for the fees incurred during the billing period and reimbursable expenses (if any). Invoices for fees must reflect the date of the service, identify the individual performing the service, state the hours worked and rate charged, and describe the service performed. Invoices requesting reimbursement for reimbursable expenses incurred during the billing period must clearly list items for which reimbursement is being requested and be accompanied by proper documentation (e.g. receipts, invoices) including a copy of the AUTHORITY's authorization notice for invoiced item(s). Invoices requesting payment for overtime must reflect straight time and overtime hours being charged, and must include a copy of the AUTHORITY's written authorization to incur additional overtime expense. No payments will be made by the AUTHORITY to the CONSULTANT for monthly invoices requesting reimbursables or overtime absent the prior written authorization of the AUTHORITY. The AUTHORITY shall make payment to the CONSULTANT of the approved invoiced amount within forty-five (45) days of the AUTHORITY's receipt of the approved invoice.

ARTICLE III

REIMBURSABLE EXPENSES

1. Reimbursable expenses are in addition to compensation for basic and extra services, and shall be paid to the CONSULTANT at one and one-tenth (1.1) times the expenses incurred by the CONSULTANT, the CONSULTANT's employees and consultants for the following specified items unless otherwise approved by the AUTHORITY in writing:

a. Approved reproduction of reports and/or other documents otherwise not covered in the agreement and approved in advance by District.

b. Fees advanced for securing approval of authorities in connection with the services rendered pursuant to this AGREEMENT.

c. Express shipping, overnight mail, messenger, courier, or delivery services approved in advance by the District.

d. Mileage at IRS Rate if site exceeds more than 25 miles from the District.

e. Out of town travel approved in advance by District.

2. Reimbursable expenses are estimated to be _____ Dollars (\$ _____), and this amount shall not be exceeded without the prior written approval of the AUTHORITY.

ARTICLE IV **TERMINATION**

1. This AGREEMENT may be terminated by either PARTY upon fourteen (14) days written notice to the other PARTY in the event of a substantial failure of performance by such other PARTY, including insolvency of CONSULTANT; or if the AUTHORITY should decide to abandon or indefinitely postpone the PROJECT.

2. In the event of a termination based upon abandonment or postponement by AUTHORITY, the AUTHORITY shall pay to the CONSULTANT for all services performed and all expenses incurred under this AGREEMENT supported by documentary evidence, including payroll records, and expense reports up until the date of the abandonment or postponement plus any sums due the CONSULTANT for Board approved extra services. In ascertaining the services actually rendered hereunder up to the date of termination of this AGREEMENT, consideration shall be given to both completed work and work in process of completion and to complete and incomplete drawings and other documents whether delivered to the AUTHORITY or in the possession of the CONSULTANT.

3. In the event a termination for cause is determined to have been made wrongfully or without cause, then the termination shall be treated as a termination for convenience in accordance with Article IV, Paragraph 4 below, and CONSULTANT shall have no greater rights than it would have had if a termination for convenience had been effected in the first instance. No other loss, cost, damage, expense or liability may be claimed, requested or recovered by CONSULTANT.

4. This AGREEMENT may be terminated without cause by AUTHORITY upon twenty (20) days written notice to the CONSULTANT. In the event of a termination without cause, the AUTHORITY shall pay to the CONSULTANT for all services performed and all expenses incurred under this AGREEMENT supported by documentary evidence, including payroll records, and expense reports up until the date of notice of termination plus any sums due the CONSULTANT for Board approved extra services. In ascertaining the services actually rendered hereunder up to the date of termination of this AGREEMENT, consideration shall be given to both completed work and work in process of completion and to other documents whether delivered to the AUTHORITY or in the possession of the CONSULTANT.

5. In the event of a dispute between the PARTIES as to performance of the work or the interpretation of this AGREEMENT, or payment or nonpayment for work performed or not performed, the PARTIES shall attempt to resolve the dispute. Pending resolution of this dispute, CONSULTANT agrees to continue the work diligently to completion. If the dispute is not resolved, CONSULTANT

agrees it will neither rescind the AGREEMENT nor stop the progress of the work, but CONSULTANT's sole remedy shall be to submit such controversy to determination by a court having competent jurisdiction of the dispute, after the PROJECT has been completed, and not before. The PARTIES may agree in writing to submit any dispute between the PARTIES to arbitration. The AUTHORITY agrees to pay the CONSULTANT the undisputed amounts due under this AGREEMENT.

6. THE PARTIES UNDERSTAND AND AGREE THAT ARTICLE IV OF THIS AGREEMENT SHALL GOVERN ALL TERMINATION RIGHTS AND PROCEDURES BETWEEN THE PARTIES. ANY TERMINATION PROVISION THAT IS ATTACHED TO THIS AGREEMENT AS AN EXHIBIT SHALL BE VOID AND UNENFORCEABLE BETWEEN THE PARTIES.

ARTICLE V

ADDITIONAL CONSULTANT SERVICES

1. CONSULTANT shall notify the AUTHORITY in writing of the need for additional services required due to circumstances beyond the CONSULTANT's control. CONSULTANT shall obtain written authorization from the AUTHORITY before rendering such services. The AUTHORITY may require CONSULTANT to perform additional services which are, in the AUTHORITY's discretion, necessary. Compensation for such services shall be negotiated and approved in writing by the AUTHORITY. Such services shall include:

a. Making material revisions in reports or other documents when such revisions are required by the enactment or revision of laws, rules or regulations subsequent to the preparation and completion of such documents.

b. Preparing reports and other documentation and supporting data, and providing other services in connection with PROJECT modifications required by causes beyond the control of the CONSULTANT which are not the result of the direct or indirect negligence, errors or omissions on the part of CONSULTANT;

c. Providing any other services not otherwise included in this AGREEMENT or not customarily furnished in accordance with the generally accepted practice in the CONSULTANT's industry.

ARTICLE VI

ACCOUNTING RECORDS OF THE CONSULTANT

Records of the CONSULTANT's direct personnel and reimbursable expenses pertaining to any extra services provided by the CONSULTANT, which are in addition to those services already required by this AGREEMENT, and any records of accounts between the AUTHORITY and CONSULTANT shall be kept on a generally recognized accounting basis and shall be available to the AUTHORITY or AUTHORITY's authorized representative at mutually convenient times.

ARTICLE VII

REPORTS AND/OR OTHER DOCUMENTS

The reports and/or other documents that are prepared, reproduced, maintained and/or managed by the CONSULTANT or CONSULTANT's consultants in accordance with this AGREEMENT (regardless of medium, format, etc.) shall be and remain the property of the AUTHORITY (hereinafter "PROPERTY"). The AUTHORITY may provide the CONSULTANT with a written request for the return of its PROPERTY at any time. Upon CONSULTANT's receipt of the AUTHORITY's written

request, CONSULTANT shall return the requested PROPERTY to the AUTHORITY within five (5) calendar days. Failure to comply with any such written request shall be deemed a material breach of this AGREEMENT.

ARTICLE VIII

INDEMNITY & INSURANCE

1. To the fullest extent permitted by law, CONSULTANT agrees to indemnify, and hold AUTHORITY entirely harmless from all liability arising out of and related to CONSULTANT's and CONSULTANT's subcontractors, as the case may be, errors, omissions, negligence, or reckless conduct, including as follows:

a. Workers' Compensation and Employers Liability: Any and all claims under Workers' Compensation acts and other employee benefit acts with respect to CONSULTANT's employees or CONSULTANT's subconsultant's employees arising out of CONSULTANT's work under this AGREEMENT; and

b. General Liability: Liability for damages for (1) death or bodily injury to person; (2) injury to, loss or theft of property; (3) any failure or alleged failure to comply with any provision of law or (4) any other loss, damage or expense arising under either (1), (2), or (3) above, sustained by the CONSULTANT or the AUTHORITY, or any person, firm or corporation employed by the CONSULTANT or the AUTHORITY upon or in connection with the PROJECT, except for liability resulting from the sole or active negligence, or willful misconduct of the AUTHORITY, its officers, employees, agents or independent consultants who are directly employed by the AUTHORITY;

c. Professional Liability: Any loss, injury to or death of persons or damage to property caused by any negligent act, neglect, default or omission of the CONSULTANT, or any person, firm or corporation employed by the CONSULTANT, either directly or by independent contract, including all damages due to loss or theft, sustained by any person, firm or corporation including the AUTHORITY, arising out of, or in any way connected with the services performed by CONSULTANT in accordance with this AGREEMENT, including injury or damage either on or off AUTHORITY property; but not for any loss, injury, death or damages caused by the sole or active negligence, or willful misconduct of the AUTHORITY.

d. The CONSULTANT, at its own expense, cost, and risk, shall defend any and all claims, actions, suits, or other proceedings, arising out of Article VIII, Paragraphs 1 (a) and (b) above, that may be brought or instituted against the AUTHORITY, its officers, agents or employees, on any such claim or liability, and shall pay or satisfy any judgment that may be rendered against the AUTHORITY, its officers, agents or employees in any action, suit or other proceedings as a result thereof.

e. THE PARTIES UNDERSTAND AND AGREE THAT ARTICLE VIII, SECTION 1 OF THIS AGREEMENT SHALL BE THE SOLE INDEMNITY, AS DEFINED BY CALIFORNIA CIVIL CODE §2772, GOVERNING THIS AGREEMENT. ANY OTHER INDEMNITY THAT IS ATTACHED TO THIS AGREEMENT AS AN EXHIBIT SHALL BE VOID AND UNENFORCEABLE BETWEEN THE PARTIES.

f. ANY ATTEMPT TO LIMIT THE CONSULTANT'S LIABILITY TO THE AUTHORITY IN AN ATTACHED EXHIBIT SHALL BE VOID AND UNENFORCEABLE BETWEEN THE AUTHORITY AND THE CONSULTANT. IN NO EVENT SHALL THE

CONSULTANT'S LIABILITY BE LIMITED TO ANY AMOUNT INCLUDING, BUT NOT LIMITED TO, THE AMOUNT OF FEES RECEIVED BY THE CONSULTANT FOR PERFORMING SERVICES RELATED TO THIS AGREEMENT.

2. CONSULTANT shall purchase and maintain policies of insurance with an insurer or insurers, authorized to do business in the State of California and acceptable to AUTHORITY which will protect CONSULTANT and AUTHORITY from claims which may arise out of or result from CONSULTANT's actions or inactions relating to the AGREEMENT, whether such actions or inactions be by themselves or by any subcontractor or by anyone directly or indirectly employed by any of them, or by anyone for whose acts any of them may be liable. The aforementioned insurance shall include coverage for:

a. Workers' Compensation and Employers Liability Insurance in accordance with the laws of the State of California. However, such amount shall not be less than ONE MILLION DOLLARS (\$1,000,000).

b. Commercial general liability insurance with limits of not less than Two Million Dollars (\$2,000,000.00) per occurrence and Four Million Dollars (\$4,000,000.00) per annual aggregate; and automobile liability insurance with limits not less than One Million Dollars (\$1,000,000.00) combined single limit for each accident and for bodily injury and property damage liability, including:

1. Owned, non-owned and hired vehicles;
2. Blanket contractual;
3. Broad form property damage;
4. Products/completed operations; and
5. Personal injury.

c. Professional liability insurance, including contractual liability, with limits of Two Million Dollars (\$2,000,000), per occurrence and Four Million Dollars (\$4,000,000.00) per annual aggregate. Such insurance shall be maintained during the term of this AGREEMENT and renewed for a period of at least five (5) years thereafter and/or at rates consistent with the time of execution of this AGREEMENT adjusted for inflation. In the event that CONSULTANT subcontracts any portion of CONSULTANT's duties, CONSULTANT shall require any such subcontractor to purchase and maintain insurance coverage as provided in this subparagraph. Failure to maintain professional liability insurance is a material breach of this AGREEMENT and grounds for immediate termination.

d. Each policy of insurance required in Article VIII, Section 2(b) above shall name AUTHORITY and its officers, agents and employees as additional insureds; shall state that, with respect to the operations of CONSULTANT hereunder, such policy is primary and any insurance carried by AUTHORITY is excess and non-contributory with such primary insurance; shall state that not less than thirty (30) days' written notice shall be given to AUTHORITY prior to cancellation; and, shall waive all rights of subrogation. CONSULTANT shall notify AUTHORITY in the event of material change in, or failure to renew, each policy. Prior to commencing work, CONSULTANT shall deliver to AUTHORITY certificates of insurance as evidence of compliance with the requirements herein. In the event CONSULTANT fails to secure or maintain any policy of insurance required hereby, AUTHORITY may, at its sole discretion, secure such policy of insurance in the name of and for the account of CONSULTANT, and in such event CONSULTANT shall reimburse AUTHORITY upon demand for the cost thereof.

e. In the event that CONSULTANT subcontracts any portion of CONSULTANT's duties, CONSULTANT shall require any such subcontractor to purchase and maintain insurance coverage for the types of insurance referenced in Article VIII, Sections 2(a), (b), (c), and (d), in amounts which are appropriate with respect to that subcontractor's part of work which shall in no event be less than \$1,000,000 per occurrence.

ARTICLE IX

MISCELLANEOUS

1. CONSULTANT, in the performance of this AGREEMENT, shall be and act as an independent contractor. CONSULTANT understands and agrees that CONSULTANT and all of CONSULTANT's employees shall not be considered officers, employees or agents of the AUTHORITY, and are not entitled to benefits of any kind or nature normally provided employees of the AUTHORITY and/or to which AUTHORITY's employees are normally entitled, including, but not limited to, State Unemployment Compensation or Workers' Compensation. CONSULTANT assumes the full responsibility for the acts and/or omissions of CONSULTANT's employees or agents as they relate to the services to be provided under this AGREEMENT. CONSULTANT shall assume full responsibility for payment of any applicable prevailing wages and all federal, state and local taxes or contributions, including unemployment insurance, social security and income taxes for the respective CONSULTANT's employees.

2. Nothing contained in this AGREEMENT shall create a contractual relationship with or a cause of action in favor of any third party against either the AUTHORITY or CONSULTANT.

3. The AUTHORITY and CONSULTANT, respectively, bind themselves, their partners, officers, successors, assigns and legal representatives to the other PARTY to this AGREEMENT with respect to the terms of this AGREEMENT. CONSULTANT shall not assign this AGREEMENT.

4. This AGREEMENT shall be governed by the laws of the State of California with state court venue in the County of Placer or as otherwise agreed to between the parties.

5. This AGREEMENT shall not include or incorporate the terms of any general conditions, conditions, master agreement or any other boilerplate terms or form documents prepared by the CONSULTANT. The attachment of any such document to this AGREEMENT as **Exhibit "B"** shall not be interpreted or construed to incorporate such terms into this AGREEMENT unless the AUTHORITY approves of such incorporation in a separate writing signed by the AUTHORITY. Any reference to such boilerplate terms and conditions in the proposal or quote submitted by the CONSULTANT shall be null and void and have no effect upon this AGREEMENT. Proposals, quotes, statement of qualifications and other similar documents prepared by the CONSULTANT may be incorporated into this AGREEMENT as **Exhibit "B"** but such incorporation shall be strictly limited to those parts describing the CONSULTANT's scope of work, rate and price schedule and qualifications.

6. Each of the PARTIES have had the opportunity to, and have to the extent each deemed appropriate, obtained legal counsel concerning the content and meaning of this AGREEMENT. Each of the PARTIES agrees and represents that no promise, inducement or agreement not herein expressed has been made to effectuate this AGREEMENT. This AGREEMENT represents the entire AGREEMENT between the AUTHORITY and CONSULTANT and supersedes all prior negotiations, representations or agreements, either written or oral. This AGREEMENT may be amended or modified only by an agreement in writing signed by both the AUTHORITY and the CONSULTANT.

7. Time is of the essence with respect to all provisions of this AGREEMENT.

8. If either PARTY becomes involved in litigation arising out of this AGREEMENT or the performance thereof, each PARTY shall bear its own litigation costs and expenses, including reasonable attorney's fees.

9. All Exhibits referenced herein and attached hereto shall be deemed incorporated into and made a part of this AGREEMENT by each reference as though fully set forth in each instance in the text hereof with the exception of those documents or provisions that are subject to the exclusions specifically set forth in this AGREEMENT. In the event that the provisions of any Exhibit conflict with the terms of this AGREEMENT, the terms of this AGREEMENT shall control.

10. This AGREEMENT may be executed in any number of counterparts, each of which shall be deemed an original, and the counterparts shall constitute one and the same instrument, all of which shall be sufficient evidence of this AGREEMENT.

11. Confidentiality: The CONSULTANT shall not disclose or permit the disclosure of any confidential information, except to its agents, employees and other consultants who need such confidential information in order to properly perform their duties relative to this AGREEMENT.

12. Severability: If any portion of this AGREEMENT is held as a matter of law to be unenforceable, the remainder of this AGREEMENT shall be enforceable without such provisions.

13. Notices: All notices or demands to be given under this AGREEMENT by either PARTY to the other shall be in writing and given either by: (a) personal service; or (b) by U.S. Mail, mailed either by registered, overnight, or certified mail, return receipt requested, with postage prepaid. Service shall be considered given when received if personally served or if mailed on the fifth day after deposit in any U.S. Post Office. The address to which notices or demands may be given by either PARTY may be changed by written notice given in accordance with the notice provisions of this Paragraph. At the date of this AGREEMENT, the addresses of the PARTIES are as follows:

To the AUTHORITY:

To the CONSULTANT:

Attn:

Attn:

Telephone:

Telephone:

Email:

Email:

15. Tobacco Prohibited: Any tobacco use (smoking, chewing, etc.) by anyone, is prohibited at all times on any AUTHORITY property.

16. Profanity on any AUTHORITY property is prohibited, including, but not limited to, racial, ethnic, or sexual slurs or comments which could be considered harassment.

17. Appropriate Dress is Mandatory. Therefore, tank tops, cut-offs and shorts are not allowed. Additionally, what is written or pictured on clothing must comply with the requirements of acceptable language as stated above in Paragraph 16 above.

18. Images: If applicable, the CONSULTANT is prohibited from capturing on any visual medium images of any property, logo, student, or employee of the AUTHORITY, or any image that represents the AUTHORITY without express written consent from the AUTHORITY.

19. Pursuant to and in accordance with the provisions of Government Code section 8546.7 or any amendments thereto, all books, records and files of CONSULTANT, or any subconsultant connected with the performance of this AGREEMENT involving the expenditure of public funds in excess of Ten Thousand Dollars (\$10,000), including, but not limited to the administration thereof, shall be subject to the examination and audit of the State Auditor General of the State of California, at the request of AUTHORITY or as a part of any audit of AUTHORITY, for a period of three (3) years after final payment is made under this AGREEMENT. CONSULTANT shall preserve and cause to be preserved such books, records and files for the audit period.

20. Prevailing Wages: If applicable and required, CONSULTANT shall pay, and shall cause all subconsultants of every tier to pay, not less than the specified prevailing wage rates, to the extent applicable, to all workers employed to perform work or Services under this AGREEMENT. CONSULTANT shall fully indemnify and defend the AUTHORITY from any claims arising from CONSULTANT's failure to meet and prevailing wage requirements.

21. This AGREEMENT is not a valid or enforceable obligation against the AUTHORITY until approved or ratified by motion of the Governing Board of the AUTHORITY duly passed and adopted.

The PARTIES, through their authorized representatives, have executed this AGREEMENT as of the day and year first written above.

[CONSULTANT]

**LINCOLN-SMD 1 WASTEWATER
AUTHORITY**

By_____

By_____

Print Name_____

Print Name_____

Title_____

Title_____

APPROVED AS TO FORM:

EXHIBIT “A”

SCOPE OF SERVICES

EXHIBIT “B”

CONSULTANT ‘S PROPOSAL

EXHIBIT “C”

CONSULTANT’S FEE AND PRICING INFORMATION