



STAFF REPORT

Report To: Board of Supervisors **Meeting Date:** February 7, 2019

Staff Contact: Carol Akers and Darren Schulz

Agenda Title: For Possible Action: To approve Contract No. 1819-136 Water, Sewer (Wastewater) and Stormwater Rate Study Refresh with Farr West Engineering, for a not to exceed amount of \$93,772.00, to be funded from the Water Professional Services, Sewer Maintenance Professional Services, and Stormwater Professional Services Accounts. (Carol Akers, cakers@carson.org and Darren Schulz, dschulz@carson.org)

Staff Summary: This professional services contract is to provide engineering services for the Water, Sewer (Wastewater), and Stormwater Rate Study Refresh. The scope of work includes project management, refresh of the water and sewer (wastewater) rates, review of stormwater rates including analysis of alternative rate designs, and final report and public meetings. Rates were previously reviewed in 2013 with increases phased in over a five (5) year period ending July of 2017.

Agenda Action: Formal Action / Motion **Time Requested:** Consent

Proposed Motion

I move to approve Contract No. 1819-136.

Board's Strategic Goal

Sustainable Infrastructure

Previous Action

None

Background/Issues & Analysis

A formal Request for Proposal was released on November 5, 2018 and proposals were accepted through 5pm on November 28, 2018. Six (6) proposals were received and the evaluation committee is recommending Farr West Engineering.

The City undertook a comprehensive rate study in 2013 for the water and sewer utilities. The study included a series of newly adopted financial policies which served to guide the resulting rate evaluation and development of complex rate models for the water and sewer utilities using the entire user database for each utility. The study resulted in a significant change in the rate structure reflecting distribution of costs to the users based on cost of service to the user. This resulted in shifting costs between commercial, industrial, state, and residential users based on actual costs of operating the water or sewer system. In addition, the rates included capitalization costs for new infrastructure improvements and adding depreciation costs for replacement of the current facilities. The increased costs were phased in over a five year period; the last increases went into effect in July 2017. Connection fee recommendations were not approved in the initial rate approval but were subsequently approved in modified form later in the five year period of the phased in rate changes.

This current effort will produce a report that refreshes both the water and sewer rates and various charges using the methods adopted in the October 2013 Study and rate models that were developed.

The selected firm will evaluate all the current water charges including connection charges, water meter box set charges, water meter set fees, monthly water base charge, and monthly water commodity charge. The water rates portion will also consider the connection fee structure to determine if it is meeting its intended target. The selected firm will evaluate all the current sewer connection charges, effluent charges and sewer base and commodity charges.

The selected firm will evaluate all the current stormwater charges, capital and operational needs, and be prepared to conceptually develop several alternative rate designs to be discussed with the public and elected boards. The rate design element will determine who should pay what share of the costs to equitably generate adequate revenues.

Farr West is an expert in conducting utility rate studies and currently provides services to many clients in the region. They also bring a strong local engineering background in stormwater which will be invaluable in discussion of various rate designs.

Applicable Statute, Code, Policy, Rule or Regulation

NRS 332.115(1)(b) and NRS 625.530.

Financial Information

Is there a fiscal impact? Yes

If yes, account name/number: Water Professional Services Account / 520-3502-435.03-09, Sewer Maintenance Professional Services Account / 510-3202-434.03-09, Stormwater Professional Services Account / 505-3702-437.03-09

Is it currently budgeted? Yes

Explanation of Fiscal Impact: The funding for this project is budgeted in FY19. *See Fiscal Impact attachment for more information.

Alternatives

Do not approve contract and provide alternative direction to staff.

Attachments:

[1819-136 Fiscal Impact.pdf](#)

[1819-136 Draft Contract.pdf](#)

Board Action Taken:

Motion: _____

1) _____
2) _____

Aye/Nay

(Vote Recorded By)

1819-136 Water, Sewer (Wastewater) and Stormwater Rate Study Refresh

The funding for this project is budgeted in FY19.

520-3502-435.03-09 will be reduced by \$21,143.00, the available budget is \$58,349.54,

510-3202-434.03-09 will be reduced by 13,155.00, the available budget is \$69,654.50 and

505-3702-437.03-09 will be reduced by \$59,474.00, the available budget is \$81,124.44.

PROFESSIONAL SERVICES CONSULTANT AGREEMENT

Contract No. 1819-136

Title: Water, Wastewater and Stormwater Rate Study Refresh

THIS CONTRACT made and entered into this _____ day of _____, 2019, by and between Carson City, a consolidated municipality, a political subdivision of the State of Nevada, hereinafter referred to as "**CITY**", and Farr West Engineering, hereinafter referred to as "**CONSULTANT**".

WITNESSETH:

WHEREAS, the Purchasing and Contracts Manager for **CITY** is authorized pursuant to Nevada Revised Statutes (hereinafter referred to as "NRS") 332 and 338 and Carson City Purchasing Resolution #1990-R71, to approve and accept this Contract as set forth in and by the following provisions; and

WHEREAS, this Contract is for consulting services from one or more licensed architects, engineers and/or land surveyors; and

WHEREAS, this Contract (does involve) (does not involve X) a "public work" construction project, which pursuant to NRS 338.010(17) means any project for the new construction, repair or reconstruction of an applicable project financed in whole or in part from public money; and

WHEREAS, CONSULTANT'S compensation under this agreement (does) (does not X) utilize in whole or in part money derived from one or more federal grant funding source(s); and

WHEREAS, it is deemed necessary that the services of **CONSULTANT** for **CONTRACT No. 1819-136** (hereinafter referred to as "Contract") are both necessary and in the best interest of **CITY**; and

NOW, THEREFORE, in consideration of the aforesaid premises, and the following terms, conditions and other valuable consideration, the parties mutually agree as follows:

1. REQUIRED APPROVAL:

This Contract shall not become effective until and unless approved by the Carson City Board of Supervisors.

2. SCOPE OF WORK (Incorporated Contract Documents):

2.1 **CONSULTANT** shall provide and perform the following services set forth in **Exhibit A**, which shall all be attached hereto and incorporated herein by reference for and on behalf of **CITY** and hereinafter referred to as the "SERVICES".

2.2 **CONSULTANT** represents that it is duly licensed by **CITY** for the purposes of performing the SERVICES.

2.3 **CONSULTANT** represents that it is duly qualified and licensed in the State of Nevada for the purposes of performing the SERVICES.

For P&C Use Only
CCBL expires _____
GL expires _____
AL expires _____
PL expires _____
WC expires _____

PROFESSIONAL SERVICES CONSULTANT AGREEMENT
Contract No. 1819-136
Title: Water, Wastewater and Stormwater Rate Study Refresh

2.4 **CONSULTANT** represents that it and/or the persons it may employ possess all skills and training necessary to perform the SERVICES described herein and required hereunder. **CONSULTANT** shall perform the SERVICES faithfully, diligently, in a timely and professional manner, to the best of its ability, and in such a manner as is customarily performed by a person who is in the business of providing such services in similar circumstances. **CONSULTANT** shall be responsible for the professional quality and technical accuracy of all SERVICES furnished by **CONSULTANT** to **CITY**.

2.5 **CONSULTANT** represents that neither the execution of this Contract nor the rendering of services by **CONSULTANT** hereunder will violate the provisions of or constitute a default under any other contract or agreement to which **CONSULTANT** is a party or by which **CONSULTANT** is bound, or which would preclude **CONSULTANT** from performing the SERVICES required of **CONSULTANT** hereunder, or which would impose any liability or obligation upon **CITY** for accepting such SERVICES.

2.6 Before commencing with the performance of any work under this Contract, **CONSULTANT** shall obtain all necessary permits and licenses as may be necessary. Before and during the progress of work under this Contract, **CONSULTANT** shall give all notice and comply with all the laws, ordinances, rules and regulations of every kind and nature now or hereafter in effect promulgated by any Federal, State, County, or other Governmental Authority, relating to the performance of work under this Contract. If **CONSULTANT** performs any work that is contrary to any such law, ordinance, rule or regulation, it shall bear all the costs arising therefrom.

2.7 Special Terms and Conditions for Engineers, Architects, and Land Surveying/Testing:

2.7.1 *Use of **CONSULTANT'S** Drawings, Specifications and Other Documents:*

2.7.1.1 The drawings, specifications and other documents prepared by **CONSULTANT** for this Contract are instruments of **CONSULTANT'S** service for use solely with respect to this Contract and, unless otherwise provided, **CONSULTANT** shall be deemed the author of these documents and shall retain all common law statutory and other reserved rights, including the copyright.

2.7.2 *Cost Accounting and Audits:*

2.7.2.1 If required by **CITY**, **CONSULTANT** agrees to make available to **CITY** for two (2) years after the completion of the SERVICES under this Contract, such books, records, receipts, vouchers, or other data as may be deemed necessary by **CITY** to enable it to arrive at appropriate cost figures for the purpose of establishing depreciation rates for the various materials and other elements which may have been incorporated into the SERVICES performed under this Contract.

2.7.3 *If Land Surveying or Testing SERVICES are provided to a Public Work Project involving actual Construction (not solely design work):*

2.7.3.1 DAVIS-BACON & RELATED ACTS 29 CFR PARTS 1,3,5,6,&7 AND NRS 338.070(5): **CONSULTANT** shall comply with Davis-Bacon Act and NRS 338.070(5). **CONSULTANT** and each covered contractor or subcontractor must provide a weekly statement of wages paid to each of its employees engaged in covered SERVICES. The statement shall be executed by **CONSULTANT** or subcontractor or by an authorized officer or employee of **CONSULTANT** or subcontractor who supervised the payment of

PROFESSIONAL SERVICES CONSULTANT AGREEMENT

Contract No. 1819-136

Title: Water, Wastewater and Stormwater Rate Study Refresh

wages and shall be on the "Statement of Compliance" form. **CONSULTANT** shall submit a Statement of Compliance that is prescribed by the Nevada Labor Commissioner or contains identical wording. Per NRS 338.070(6) the records maintained pursuant to subsection 5 of this statute must be open at all reasonable hours to the inspection of the public body (the **CITY'S** representative) awarding the contract. The **CONSULTANT** engaged on the public work or subcontractor engaged on the public work shall ensure that a copy of each record for each calendar month is received by the public body awarding the contract (the **City**) **no later than 15 days after the end of the month.**

2.7.3.2 FEDERAL FUNDING: In the event federal funds are used for payment of all or part of this Contract, **CONSULTANT** shall submit a Statement of Compliance form WH347 or a form with identical wording and a Statement of Compliance prescribed by the Nevada Labor Commissioner **within 7 days after the regular pay date for the pay period.** The original Statements shall be delivered to Carson City Public Works, 3505 Butti Way, Carson City, Nevada 89703, attention Davis-Bacon/Federal Funding Compliance.

2.7.3.3 CERTIFIED PAYROLLS FOR DAVIS-BACON AND PREVAILING WAGE PROJECTS: The higher of the Federal or local prevailing wage rates for **CITY**, as established by the Nevada Labor Commission and the Davis-Bacon Act, shall be paid for all classifications of labor on this project SERVICES. Should a classification be missing from the Davis-Bacon rates the **CONSULTANT** shall complete a request of authorization for additional classification or rate form SF1444 in its entirety and submit it to the **CITY** for approval and submission to the U.S. Department of Labor. Also, in accordance with NRS 338, the hourly and daily wage rates for the State and Davis-Bacon must be posted at the work site by **CONSULTANT**. **CONSULTANT** shall ensure that a copy of **CONSULTANT'S** and subcontractor's certified payrolls for each calendar week are received by **CITY**.

2.7.3.3.1 Per NRS 338.070(5) a **CONSULTANT** engaged on a public work and each subcontractor engaged on the public work shall keep or cause to be kept:

- (a) An accurate record showing, for each worker employed by the contractor or subcontractor in connection with the public work:
 - (1) The name of the worker;
 - (2) The occupation of the worker;
 - (3) The gender of the worker, if the worker voluntarily agreed to specify that information pursuant to subsection 4, or an entry indicating that the worker declined to specify such information;
 - (4) The ethnicity of the worker, if the worker voluntarily agreed to specify that information pursuant to subsection 4, or an entry indicating that the worker declined to specify such information;
 - (5) If the worker has a driver's license or identification card, an indication of the state or other jurisdiction that issued the license or card; and
 - (6) The actual per diem, wages and benefits paid to the worker; and

PROFESSIONAL SERVICES CONSULTANT AGREEMENT

Contract No. 1819-136

Title: Water, Wastewater and Stormwater Rate Study Refresh

(b) An additional accurate record showing, for each worker employed by the contractor or subcontractor in connection with the public work who has a driver's license or identification card:

- (1) The name of the worker;
- (2) The driver's license number or identification card number of the worker; and
- (3) The state or other jurisdiction that issued the license or card.

2.7.3.3.2 The original payroll records shall be certified and shall be submitted weekly to Carson City Public Works, 3505 Butti Way, Carson City, Nevada 89703, attention Davis-Bacon/Federal Funding Compliance. Submission of such certified payrolls shall be a condition precedent for processing the monthly progress payment. **CONSULTANT**, as General Contractor, shall collect the wage reports from the subcontractors and ensure the receipt of a certified copy of each weekly payroll for submission to **CITY** as one complete package.

2.7.3.3.3 Pursuant to NRS 338.060 and 338.070, **CONSULTANT** hereby agrees to forfeit, as a penalty to **CITY**, not less than Twenty Dollars (\$20) nor more than Fifty Dollars (\$50) for each calendar day or portion thereof that each worker employed on the Contract is paid less than the designated rate for any WORK done under the Contract, by **CONSULTANT** or any subcontractor under him/her, or is not reported to **CITY** as required by NRS 338.070.

2.7.3.4 FAIR EMPLOYMENT PRACTICES: Pursuant to NRS 338.125, Fair Employment Practices, the following provisions must be included in any contract between **CONSULTANT** and a public body such as **CITY**:

2.7.3.4.1 *In connection with the performance of work or SERVICES under this Contract, CONSULTANT agrees not to discriminate against any employee or applicant for employment because of race, creed, color, national origin, sex, sexual orientation, gender identity, or age, including, without limitation, with regard to employment, upgrading, demotion or transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including without limitation, apprenticeship.*

2.7.3.4.2 **CONSULTANT** further agrees to insert this provision in all subcontracts hereunder, except subcontracts for standard commercial supplies or raw materials.

2.7.3.5 PREFERENTIAL EMPLOYMENT: Unless, and except if, this Contract is funded in whole or in part by federal grant funding (see 40 C.F.R. § 31.36(c) *Competition*), pursuant to NRS 338.130, in all cases where persons are employed in the construction of public works, preference must be given, the qualifications of the applicants being equal: (1) First: To persons who have been honorably discharged from the Army, Navy, Air Force, Marine Corps or Coast Guard of the United States, a reserve component thereof or the National Guard; and are citizens of the State of Nevada. (2) Second: To other citizens of the State of Nevada.

PROFESSIONAL SERVICES CONSULTANT AGREEMENT
Contract No. 1819-136
Title: Water, Wastewater and Stormwater Rate Study Refresh

2.7.3.5.1 In connection with the performance of SERVICES under this Contract, **CONSULTANT** agrees to comply with the provisions of NRS 338.130 requiring certain preferences to be given to which persons are employed in the construction of a public work. If **CONSULTANT** fails to comply with the provisions of NRS 338.130, pursuant to the terms of NRS 338.130(3), this Contract is void, and any failure or refusal to comply with any of the provisions of this section renders this Contract void.

2.7.4 If the CITY was required by NRS 332.039(1) to advertise or request a proposal for this Agreement, by signing this Agreement, the **CONSULTANT** provides a written certification that the **CONSULTANT** is not currently engaged in, and during the Term shall not engage in, a Boycott of Israel. The term "Boycott of Israel" has the meaning ascribed to that term in Section 3 of Nevada Senate Bill 26 (2017). The **CONSULTANT** shall be responsible for fines, penalties, and payment of any State of Nevada or federal funds that may arise (including those that the CITY pays, becomes liable to pay, or becomes liable to repay) as a direct result of the **CONSULTANT**'s non-compliance with this Section.

2.8 **CITY Responsibilities:**

2.8.1 **CITY** shall make available to **CONSULTANT** all technical data that is in **CITY'S** possession, reasonably required by **CONSULTANT** relating to the SERVICES.

2.8.2 **CITY** shall provide access to and make all provisions for **CONSULTANT** to enter upon public and private lands, to the fullest extent permitted by law, as reasonably required for **CONSULTANT** to perform the SERVICES.

2.8.3 **CITY** shall examine all reports, correspondence, and other documents presented by **CONSULTANT** upon request of **CITY**, and render, in writing, decisions pertaining thereto within a reasonable time so as not to delay the work of **CONSULTANT**.

2.8.4 It is expressly understood and agreed that all work done by **CONSULTANT** shall be subject to inspection and acceptance by **CITY** and approval of SERVICES shall not forfeit the right of **CITY** to require correction, and nothing contained herein shall relieve **CONSULTANT** of the responsibility of the SERVICES required under the terms of this Contract until all SERVICES have been completed and accepted by **CITY**.

3. **CONTRACT TERM:**

3.1 This Contract shall be effective from February 18, 2019, subject to Carson City Board of Supervisors' approval (anticipated to be February 7, 2019) to December 30, 2019, unless sooner terminated by either party as specified in **Section 7** (CONTRACT TERMINATION).

4. **NOTICE:**

4.1 Except any applicable bid and award process where notices may be limited to postings by **CITY** on its Bid Opportunities website (www.carson.org), all notices or other communications required or permitted to be given under this Contract shall be in writing and shall be deemed to have been duly given if delivered personally in hand, by e-mail, by regular mail, by telephonic facsimile with simultaneous regular mail, or by certified mail, return receipt requested, postage prepaid on the date posted, and addressed to the other party at the address specified below.

PROFESSIONAL SERVICES CONSULTANT AGREEMENT
Contract No. 1819-136
Title: Water, Wastewater and Stormwater Rate Study Refresh

4.2 Notice to **CONSULTANT** shall be addressed to:

Brent Farr, President
Farr West Engineering
5510 Longley Lane
Reno, NV 89511
775-851-4788
brent@farrwestengineering.com

4.3 Notice to **CITY** shall be addressed to:

Carson City Purchasing and Contracts Department
Carol Akers, Purchasing and Contracts Administrator
201 North Carson Street, Suite 2
Carson City, NV 89701
775-283-7362 / FAX 775-887-2286
CAkers@carson.org

5. COMPENSATION:

5.1 The parties agree that **CONSULTANT** will provide the SERVICES specified in **Section 2** (SCOPE OF WORK) and **CITY** agrees to pay **CONSULTANT** the Contract's compensation based upon Time and Materials and the Scope of Work Fee Schedule for a not to exceed maximum amount of Ninety Three Thousand Seven Hundred Seventy Two Dollars and 00/100 (\$93,772.00), and hereinafter referred to as "Contract Sum".

5.2 Contract Sum represents full and adequate compensation for the completed SERVICES, and includes the furnishing of all materials; all labor, equipment, tools, and appliances; and all expenses, direct or indirect, connected with the proper execution of the SERVICES.

5.3 **CONSULTANT** shall provide **CITY** with a scope of work for each task to be completed and if approved by the Public Works Director, **CONSULTANT** will be provided a "Task Order" authorizing the work.

5.4 **CITY** has provided a sample invoice and **CONSULTANT** shall submit its request for payment using said sample invoice.

5.5 Payment by **CITY** for the SERVICES rendered by **CONSULTANT** shall be due within thirty (30) calendar days from the date **CITY** acknowledges that the performance meets the requirements of this Contract or from the date the correct, complete, and descriptive invoice is received by **CITY** employee designated on the sample invoice, whichever is the later date.

5.6 **CITY** does not agree to reimburse **CONSULTANT** for expenses unless otherwise specified.

6. TIMELINESS OF BILLING SUBMISSION:

6.1 The parties agree that timeliness of billing is of the essence to this Contract and recognize that **CITY** is on a fiscal year which is defined as the period beginning July 1 and ending June 30 of the following year. All billings for dates of service prior to July 1 must be submitted to **CITY** no later than the first Friday in August of the same year. A billing submitted after the first Friday in August will subject

PROFESSIONAL SERVICES CONSULTANT AGREEMENT

Contract No. 1819-136

Title: Water, Wastewater and Stormwater Rate Study Refresh

CONSULTANT to an administrative fee not to exceed \$100.00. The parties hereby agree this is a reasonable estimate of the additional costs to **CITY** of processing the billing as a stale claim and that this amount will be deducted from the stale claim payment due to **CONSULTANT**.

7. CONTRACT TERMINATION:

7.1 Termination Without Cause:

7.1.1 Any discretionary or vested right of renewal notwithstanding, this Contract may be terminated upon written notice by mutual consent of both parties or unilaterally by either party without cause.

7.1.2 **CITY** reserves the right to terminate this Contract for convenience whenever it considers termination, in its sole and unfettered discretion, to be in the public interest. In the event that the Contract is terminated in this manner, payment will be made for SERVICES actually completed. If termination occurs under this provision, in no event shall **CONSULTANT** be entitled to anticipated profits on items of SERVICES not performed as of the effective date of the termination or compensation for any other item, including but not limited to, unabsorbed overhead. **CONSULTANT** shall require that all subcontracts which it enters related to this Contract likewise contain a termination for convenience clause which precludes the ability of any subconsultant to make claims against **CONSULTANT** for damages due to breach of contract, of lost profit on items of SERVICES not performed or of unabsorbed overhead, in the event of a convenience termination.

7.2 Termination for Nonappropriation:

7.2.1 All payments and SERVICES provided under this Contract are contingent upon the availability of the necessary public funding, which may include various internal and external sources. In the event that Carson City does not acquire and appropriate the funding necessary to perform in accordance with the terms of the Contract, the Contract shall automatically terminate upon **CITY'S** notice to **CONSULTANT** of such nonappropriation, and no claim or cause of action may be based upon any such nonappropriation.

7.3 Cause Termination for Default or Breach:

7.3.1 A default or breach may be declared with or without termination.

7.3.2 This Contract may be terminated by either party upon written notice of default or breach to the other party as follows:

7.3.2.1 If **CONSULTANT** fails to provide or satisfactorily perform any of the conditions, work, deliverables, goods, or any SERVICES called for by this Contract within the time requirements specified in this Contract or within any granted extension of those time requirements; or

7.3.2.2 If any state, county, city or federal license, authorization, waiver, permit, qualification or certification required by statute, ordinance, law, or regulation to be held by **CONSULTANT** to provide the goods or SERVICES or any services required by this Contract is for any reason denied, revoked, debarred, excluded, terminated, suspended, lapsed, or not renewed; or

7.3.2.3 If **CONSULTANT** becomes insolvent, subject to receivership, or becomes voluntarily or involuntarily subject to the jurisdiction of the bankruptcy court; or

PROFESSIONAL SERVICES CONSULTANT AGREEMENT
Contract No. 1819-136
Title: Water, Wastewater and Stormwater Rate Study Refresh

7.3.2.4 If **CITY** materially breaches any material duty under this Contract and any such breach impairs **CONSULTANT'S** ability to perform; or

7.3.2.5 If it is found by **CITY** that any quid pro quo or gratuities in the form of money, services, entertainment, gifts, or otherwise were offered or given by **CONSULTANT**, or any agent or representative of **CONSULTANT**, to any officer or employee of **CITY** with a view toward securing a contract or securing favorable treatment with respect to awarding, extending, amending, or making any determination with respect to the performing of such contract; or

7.3.2.6 If it is found by **CITY** that **CONSULTANT** has failed to disclose any material conflict of interest relative to the performance of this Contract.

7.4 Time to Correct (Declared Default or Breach):

7.4.1 Termination upon a declared default or breach may be exercised only after providing 7 (seven) calendar days written notice of default or breach, and the subsequent failure of the defaulting or breaching party, within five (5) calendar days of providing that default or breach notice, to provide evidence satisfactory to the aggrieved party demonstrating that the declared default or breach has been corrected. Time to correct shall run concurrently with any notice of default or breach and such time to correct is not subject to any stay with respect to the nonexistence of any Notice of Termination. Untimely correction shall not void the right to termination otherwise properly noticed unless waiver of the noticed default or breach is expressly provided in writing by the aggrieved party. There shall be no time to correct with respect to any notice of termination without cause or termination for nonappropriation.

7.5 Winding Up Affairs Upon Termination:

7.5.1 In the event of termination of this Contract for any reason, the parties agree that the provisions of this **Subsection 7.5** (Winding Up Affairs Upon Termination) survive termination:

7.5.1.1 The parties shall account for and properly present to each other all claims for fees and expenses and pay those which are undisputed and otherwise not subject to set off under this Contract. Neither party may withhold performance of winding up provisions solely based on nonpayment of fees or expenses accrued up to the time of termination; and

7.5.1.2 **CONSULTANT** shall satisfactorily complete SERVICES in progress at the agreed rate (or a pro rata basis if necessary) if so requested by **CITY**; and

7.5.1.3 **CONSULTANT** shall execute any documents and take any actions necessary to effectuate an assignment of this Contract if so requested by **CITY**; and

7.5.1.4 **CONSULTANT** shall preserve, protect, and promptly deliver into **CITY** possession all proprietary information in accordance **Section 19** (CITY OWNERSHIP OF PROPRIETARY INFORMATION).

7.6 Notice of Termination:

7.6.1 Unless otherwise specified in this Contract, termination shall not be effective until seven (7) calendar days after a party has provided written notice of default or breach, or notice of without cause termination. Notice of Termination may be given at the time of notice of default or

PROFESSIONAL SERVICES CONSULTANT AGREEMENT

Contract No. 1819-136

Title: Water, Wastewater and Stormwater Rate Study Refresh

breach, or notice of without cause termination. Notice of Termination may be provided separately at any time after the running of the 7-day notice period, and such termination shall be effective on the date the Notice of Termination is provided to the party unless a specific effective date is otherwise set forth therein. Any delay in providing a Notice of Termination after the 7-day notice period has run without a timely correction by the defaulting or breaching party shall not constitute any waiver of the right to terminate under the existing notice(s).

8. REMEDIES:

Except as otherwise provided for by law or this Contract, the rights and remedies of the parties shall not be exclusive and are in addition to any other rights and remedies provided by law or equity, including, without limitation, actual damages, and to a prevailing party reasonable attorney's fees and costs. The parties agree that, in the event a lawsuit is filed and a party is awarded attorney's fees by the court, for any reason, the amount of recoverable attorney's fees shall not exceed the rate of \$125 per hour. **CITY** may set off consideration against any unpaid obligation of **CONSULTANT** to **CITY**.

9. LIMITED LIABILITY:

CITY will not waive and intends to assert available NRS Chapter 41 liability limitations in all cases. Contract liability of both parties shall not be subject to punitive damages. Liquidated damages shall not apply unless otherwise expressly provided for elsewhere in this Contract. Damages for any **CITY** breach shall never exceed the amount of funds appropriated for payment under this Contract, but not yet paid to **CONSULTANT**, for the fiscal year budget in existence at the time of the breach. **CONSULTANT'S** tort liability shall not be limited.

10. FORCE MAJEURE:

Neither party shall be deemed to be in violation of this Contract if it is prevented from performing any of its obligations hereunder due to strikes, failure of public transportation, civil or military authority, act of public enemy, accidents, fires, explosions, or acts of God, including, without limitation, earthquakes, floods, winds, or storms. In such an event the intervening cause must not be through the fault of the party asserting such an excuse, and the excused party is obligated to promptly perform in accordance with the terms of this Contract after the intervening cause ceases.

11. INDEMNIFICATION:

11.1 To the extent permitted by law, including, but not limited to, the provisions of NRS Chapter 41, each party shall indemnify, hold harmless and defend, not excluding the other's right to participate, the other party from and against all liability, claims, actions, damages, losses, and expenses, including but not limited to reasonable attorney's fees and costs, arising out of any alleged negligent or willful acts or omissions of the indemnifying party, its officers, employees and agents. Such obligation shall not be construed to negate, abridge, or otherwise reduce any other right or obligation of the indemnity which would otherwise exist as to any party or person described in this Section.

11.2 As required by NRS 338.155, if this Contract involves a "public work" construction project as defined above, **CONSULTANT** shall defend, indemnify and hold harmless the **CITY**, and the employees, officers and agents of the public body from any liabilities, damages, losses, claims, actions or proceedings, including without limitation, reasonable attorney's fees, to the extent that such liabilities, damages, losses, claims, actions or proceedings are caused by the negligence, errors, omissions, recklessness or intentional misconduct of the **CONSULTANT** or the employees or agents of the **CONSULTANT** in the performance of the Contract. Such obligation shall not be construed to negate, abridge, or otherwise reduce any other right or obligation of the indemnity which would otherwise exist as to any party or person described in this section. However, with respect to any anticipated benefits to **CITY** resulting from the Scope of Work, **CONSULTANT** shall not be responsible or liable to **CITY** for any warranties, guarantees, fitness for a particular purpose or loss of anticipated profits resulting from any termination of this Contract. Additionally, **CONSULTANT** shall not be responsible for acts and decisions of third parties, including governmental agencies, other than **CONSULTANT'S** subcontractors, that

PROFESSIONAL SERVICES CONSULTANT AGREEMENT

Contract No. 1819-136

Title: Water, Wastewater and Stormwater Rate Study Refresh

impact project completion and/or success.

11.3 Except as otherwise provided in **Subsection 11.5** below, the indemnifying party shall not be obligated to provide a legal defense to the indemnified party, nor reimburse the indemnified party for the same, for any period occurring before the indemnified party provides written notice of the pending claim(s) or cause(s) of action to the indemnifying party, along with:

11.3.1 a written request for a legal defense for such pending claim(s) or cause(s) of action; and

11.3.2 a detailed explanation of the basis upon which the indemnified party believes that the claim or cause of action asserted against the indemnified party implicates the culpable conduct of the indemnifying party, its officers, employees, and/or agents.

11.4 After the indemnifying party has begun to provide a legal defense for the indemnified party, the indemnifying party shall not be obligated to fund or reimburse any fees or costs provided by any additional counsel for the indemnified party, including counsel through which the indemnified party might voluntarily choose to participate in its defense of the same matter.

11.5 After the indemnifying party has begun to provide a legal defense for the indemnified party, the indemnifying party shall be obligated to reimburse the reasonable attorney's fees and costs incurred by the indemnified party during the initial thirty (30) day period of the claim or cause of action, if any, incurred by separate counsel.

12. INDEPENDENT CONTRACTOR:

12.1 **CONSULTANT**, as an independent contractor, is a natural person, firm or corporation who agrees to perform SERVICES for a fixed price according to his or its own methods and without subjection to the supervision or control of the **CITY**, except as to the results of the SERVICES, and not as to the means by which the SERVICES are accomplished.

12.2 It is mutually agreed that **CONSULTANT** is associated with **CITY** only for the purposes and to the extent specified in this Contract, and in respect to performance of the contracted SERVICES pursuant to this Contract. **CONSULTANT** is and shall be an independent contractor and, subject only to the terms of this Contract, shall have the sole right to supervise, manage, operate, control, and direct performance of the details incident to its duties under this Contract.

12.3 Nothing contained in this Contract shall be deemed or construed to create a partnership or joint venture, to create relationships of an employer-employee or principal-agent, or to otherwise create any liability for **CITY** whatsoever with respect to the indebtedness, liabilities, and obligations of **CONSULTANT** or any other party.

12.4 **CONSULTANT**, in addition to **Section 11** (INDEMNIFICATION), shall indemnify and hold **CITY** harmless from, and defend **CITY** against, any and all losses, damages, claims, costs, penalties, liabilities, expenses arising out of or incurred in any way because of, but not limited to, **CONSULTANT'S** obligations or legal duties regarding any taxes, fees, assessments, benefits, entitlements, notice of benefits, employee's eligibility to work, to any third party, subcontractor, employee, state, local or federal governmental entity.

12.5 Neither **CONSULTANT** nor its employees, agents, or representatives shall be considered employees, agents, or representatives of **CITY**.

13. INSURANCE REQUIREMENTS (GENERAL):

13.1 **NOTICE: The following general insurance requirements shall apply unless these general requirements are altered by any specific requirements set forth in CITY'S solicitation for bid document, the adopted bid or other document incorporated into this Contract by the parties.**

13.2 **CONSULTANT**, as an independent contractor and not an employee of **CITY**, must carry policies of insurance in amounts specified and pay all taxes and fees incident hereunto. **CITY** shall have no liability except as specifically provided in this Contract.

PROFESSIONAL SERVICES CONSULTANT AGREEMENT

Contract No. 1819-136

Title: Water, Wastewater and Stormwater Rate Study Refresh

13.3 **CONSULTANT** shall not commence work before: (1) **CONSULTANT** has provided the required evidence of insurance to **CITY** Purchasing and Contracts, and (2) **CITY** has approved the insurance policies provided by **CONSULTANT**.

13.4 Prior approval of the insurance policies by **CITY** shall be a condition precedent to any payment of consideration under this Contract and **CITY'S** approval of any changes to insurance coverage during the course of performance shall constitute an ongoing condition subsequent this Contract. Any failure of **CITY** to timely approve shall not constitute a waiver of the condition.

13.5 *Insurance Coverage (13.6 through 13.23):*

13.6 **CONSULTANT** shall, at **CONSULTANT'S** sole expense, procure, maintain and keep in force for the duration of this Contract the following insurance conforming to the minimum requirements specified below. Unless specifically specified herein or otherwise agreed to by **CITY**, the required insurance shall be in effect prior to the commencement of work by **CONSULTANT** and shall continue in force as appropriate until the later of:

13.6.1 Final acceptance by **CITY** of the completion of this Contract; or

13.6.2 Such time as the insurance is no longer required by **CITY** under the terms of this Contract.

13.6.3 Any insurance or self-insurance available to **CITY** under its coverage(s) shall be in excess of and non-contributing with any insurance required from **CONSULTANT**.

CONSULTANT'S insurance policies shall apply on a primary basis. Until such time as the insurance is no longer required by **CITY**, **CONSULTANT** shall provide **CITY** with renewal or replacement evidence of insurance no less than thirty (30) calendar days before the expiration or replacement of the required insurance. If at any time during the period when insurance is required by this Contract, an insurer or surety shall fail to comply with the requirements of this Contract, as soon as **CONSULTANT** has knowledge of any such failure, **CONSULTANT** shall immediately notify **CITY** and immediately replace such insurance or bond with an insurer meeting the requirements.

13.7 *General Insurance Requirements (13.8 through 13.23):*

13.8 **Certificate Holder:** Each certificate shall list Carson City c/o Carson City Purchasing and Contracts, 201 N. Carson Street, Suite 2, Carson City, NV 89701 as a certificate holder.

13.9 **Additional Insured:** By endorsement to the general liability insurance policy evidenced by **CONTRACTOR**, The City and County of Carson City, Nevada, its officers, employees and immune contractors shall be named as additional insureds for all liability arising from this Contract.

13.10 **Waiver of Subrogation:** Each liability insurance policy, except for professional liability, shall provide for a waiver of subrogation in favor of City.

13.11 **Cross-Liability:** All required liability policies shall provide cross-liability coverage as would be achieved under the standard ISO separation of insureds clause.

13.12 **Deductibles and Self-Insured Retentions:** Insurance maintained by **CONTRACTOR** shall apply on a first dollar basis without application of a deductible or self-insured retention unless otherwise specifically agreed to by **CITY**. Such approval shall not relieve **CONTRACTOR** from the obligation to pay any deductible or self-insured retention. Any deductible or self-insured retention shall not exceed \$5,000.00 per occurrence, unless otherwise approved by **CITY**.

13.13 **Policy Cancellation:** Except for ten (10) calendar days' notice for non-payment of premium, premium, **CONTRACTOR** or its insurers must provide thirty (30) calendar days prior written notice to Carson City Purchasing and Contracts if any policy will be canceled, non-renewed or if required coverage and/or limits reduced or materially altered, and shall provide that notices required by this paragraph shall be sent by mail to Carson City Purchasing and Contracts, 201 N. Carson Street, Suite 2, Carson City, NV

PROFESSIONAL SERVICES CONSULTANT AGREEMENT

Contract No. 1819-136

Title: Water, Wastewater and Stormwater Rate Study Refresh

89701. When available, each insurance policy shall be endorsed to provide thirty (30) days' notice of cancellation, except for ten (10) days' notice for non-payment of premium, to City.

13.14 **Approved Insurer:** Each insurance policy shall be issued by insurance companies authorized to do business in the State of Nevada or eligible surplus lines insurers under federal and Nevada law and having agents in Nevada upon whom service of process may be made, and currently rated by A.M. Best as "A-VII" or better.

13.15 **Evidence of Insurance:** Prior to commencement of work, **CONTRACTOR** must provide the following documents to Carson City Purchasing and Contracts, 201 North Carson Street, Suite 2, Carson City, NV 89701:

13.16 **Certificate of Insurance:** **CONTRACTOR** shall furnish City with a certificate(s) of insurance, executed by a duly authorized representative of each insurer, showing compliance with the insurance requirements set forth herein. The Acord 25 Certificate of Insurance form or a form substantially similar must be submitted to Carson City Purchasing and Contracts to evidence the insurance policies and coverages required of **CONTRACTOR**.

13.17 **Additional Insured Endorsement:** An Additional Insured Endorsement (CG20 10 or C20 26), signed by an authorized insurance company representative, must be submitted to Carson City Purchasing and Contracts to evidence the endorsement of **CITY** as an additional insured per Subsection 13.9 (Additional Insured).

13.18 **Schedule of Underlying Insurance Policies:** If Umbrella or Excess policy is evidenced to comply with minimum limits, a copy of the Underlying Schedule from the Umbrella or Excess insurance policy may be required.

13.19 **Review and Approval:** Documents specified above must be submitted for review and approval by **CITY** Purchasing and Contracts prior to the commencement of work by **CONTRACTOR**. Neither approval by **CITY** nor failure to disapprove the insurance furnished by **CONTRACTOR** shall relieve **CONTRACTOR** of **CONTRACTOR'S** full responsibility to provide the insurance required by this Contract. Compliance with the insurance requirements of this Contract shall not limit the liability of **CONTRACTOR** or its sub-contractors, employees or agents to **CITY** or others, and shall be in addition to and not in lieu of any other remedy available to **CITY** under this Contract or otherwise. **CITY** reserves the right to request and review a copy of any required insurance policy or endorsement to assure compliance with these requirements.

13.20 COMMERCIAL GENERAL LIABILITY INSURANCE:

CONTRACTOR shall maintain commercial general liability (CGL) and, if necessary, commercial umbrella insurance with a limit of not less than \$1,000,000 each occurrence.

13.20.1 *Minimum Limits required:*

13.20.2 Two Million Dollars (\$2,000,000.00) - General Aggregate.

13.20.3 Two Million Dollars (\$2,000,000.00) - Products & Completed Operations Aggregate.

13.20.4 One Million Dollars (\$1,000,000.00) - Each Occurrence.

13.20.5 CGL insurance shall be written on ISO occurrence form CG 00 01 04 13 (or a substitute form providing equivalent coverage) and shall cover liability arising from premises, operations, products-completed operations, personal and advertising injury, and liability assumed under an insured contract [(including the tort liability of another assumed in a business contract)].

13.20.6 City and County of Carson City, Nevada, its officers, employees and immune contractors shall be included as an insured under the CGL, using ISO additional

PROFESSIONAL SERVICES CONSULTANT AGREEMENT
Contract No. 1819-136
Title: Water, Wastewater and Stormwater Rate Study Refresh

insured endorsement CG 20 10 or CG 20 26, or a substitute providing equivalent coverage, and under the commercial umbrella, if any.

13.20.7 This insurance shall apply as primary insurance with respect to any other insurance or self-insurance programs afforded to City. There shall be no endorsement or modification of the CGL to make it excess over other available insurance; alternatively, if the CGL states that it is excess or pro rata, the policy shall be endorsed to be primary with respect to the additional insured.

13.20.8 There shall be no endorsement or modification of the CGL limiting the scope of coverage for liability assumed under a contract.

13.20.9 Contractor waives all rights against City and its agents, officers, directors and employees for recovery of damages to the extent these damages are covered by the commercial general liability or commercial umbrella liability insurance maintained pursuant to this Contract. Insurer shall endorse CGL policy as required to waive subrogation against City with respect to any loss paid under the policy.

13.21 BUSINESS AUTOMOBILE LIABILITY INSURANCE:

13.21.1 *Minimum Limit required:*

13.21.2 Contractor shall maintain automobile liability and, if necessary, commercial umbrella liability insurance with a limit of not less than \$1,000,000 each accident for bodily injury and property damage.

13.21.3 Such insurance shall cover liability arising out of owned, hired, and non-owned autos (as applicable). Coverage as required above shall be written on ISO form CA 00 01, CA 00 05, CA 00 25, or a substitute form providing equivalent liability coverage.

13.21.4 Contractor waives all rights against City and its agents, officers, directors and employees for recovery of damages to the extent these damages are covered by the automobile liability or other liability insurance obtained by **CONTRACTOR** pursuant this Contract.

13.22 PROFESSIONAL LIABILITY INSURANCE

13.22.1 *Minimum Limit required:*

13.22.2 **CONTRACTOR** shall maintain professional liability insurance applying to all activities performed under this Contract with limits not less than One Million Dollars (\$1,000,000.00) and Two Million Dollars (\$2,000,000) in the aggregate.

13.22.3 Retroactive date: Prior to commencement of the performance of this Contract.

13.22.4 **CONTRACTOR** will maintain professional liability insurance during the term of this Contract and for a period of three (3) years after termination of this Contract unless waived by the City. In the event of non-renewal or other lapse in coverage during the term of this Contract or the three (3) year period described above, **CONTRACTOR** shall purchase Extended Reporting Period coverage for claims arising out of **CONTRACTOR**'s negligence acts, errors and omissions committed during the term of the Professional Liability Policy. The Extended Reporting Period shall continue through a minimum of three (3) years after termination date of this Contract.

13.22.5 A certified copy of this policy may be required.

13.23 WORKERS' COMPENSATION AND EMPLOYER'S LIABILITY INSURANCE:

PROFESSIONAL SERVICES CONSULTANT AGREEMENT
Contract No. 1819-136
Title: Water, Wastewater and Stormwater Rate Study Refresh

13.23.1 **CONTRACTOR** shall provide workers' compensation insurance as required by NRS Chapters 616A through 616D inclusive and Employer's Liability insurance with a minimum limit not less than \$1,000,000 each accident for bodily injury by accident or \$1,000,000 each employee for bodily injury by disease.

13.23.2 **CONTRACTOR** may, in lieu of furnishing a certificate of an insurer, provide an affidavit indicating that **CONTRACTOR** is a sole proprietor; that **CONTRACTOR** will not use the services of any employees in the performance of this Contract; that **CONTRACTOR** has elected to not be included in the terms, conditions, and provisions of NRS Chapters 616A-616D, inclusive; and that **CONTRACTOR** is otherwise in compliance with the terms, conditions, and provisions of NRS Chapters 616A-616D, inclusive.

13.23.3 **CONTRACTOR** waives all rights against City and its agents, officers, directors, and employees for recovery of damages to the extent these damages are covered by the workers' compensation and employer's liability or commercial umbrella liability insurance obtained by Contractor pursuant to this Contract. Contractor shall obtain an endorsement equivalent to WC 00 03 13 to affect this waiver.

14. BUSINESS LICENSE:

14.1 **CONSULTANT** shall not commence work before **CONSULTANT** has provided a copy of his Carson City business license to Carson City Purchasing and Contracts.

14.2 The Carson City business license shall continue in force until the later of: (1) final acceptance by **CITY** of the completion of this Contract; or (2) such time as the Carson City business license is no longer required by **CITY** under the terms of this Contract.

15. COMPLIANCE WITH LEGAL OBLIGATIONS:

CONSULTANT shall procure and maintain for the duration of this Contract any state, county, city, or federal license, authorization, waiver, permit, qualification or certification required by statute, ordinance, law, or regulation to be held by **CONSULTANT** to provide the goods or SERVICES or any services of this Contract. **CONSULTANT** will be responsible to pay all government obligations, including, but not limited to, all taxes, assessments, fees, fines, judgments, premiums, permits, and licenses required or imposed by law or a court. Real property and personal property taxes are the responsibility of **CONSULTANT** in accordance with NRS Chapter 361 generally and NRS 361.157 and 361.159, specifically regarding for profit activity. **CONSULTANT** agrees to be responsible for payment of any such government obligations not paid by its subcontractors during performance of this Contract. **CITY** may set-off against consideration due any delinquent government obligation.

16. WAIVER OF BREACH:

Failure to declare a breach or the actual waiver of any particular breach of this Contract or its material or nonmaterial terms by either party shall not operate as a waiver by such party of any of its rights or remedies as to any other breach.

17. SEVERABILITY:

If any provision contained in this Contract is held to be unenforceable by a court of law or equity, this Contract shall be construed as if such provision did not exist and the nonenforceability of such provision shall not be held to render any other provision or provisions of this Contract unenforceable.

18. ASSIGNMENT / DELEGATION:

To the extent that any assignment of any right under this Contract changes the duty of either party, increases the burden or risk involved, impairs the chances of obtaining the performance of this Contract, attempts to operate as a novation, or includes a waiver or abrogation of any defense to payment by **CITY**, such offending portion of the assignment shall be void, and shall be a breach of this Contract. **CONSULTANT** shall neither assign, transfer nor

PROFESSIONAL SERVICES CONSULTANT AGREEMENT
Contract No. 1819-136
Title: Water, Wastewater and Stormwater Rate Study Refresh

delegate any rights, obligations or duties under this Contract without the prior written approval of **CITY**. The parties do not intend to benefit any third party beneficiary regarding their respective performance under this Contract.

19. CITY OWNERSHIP OF PROPRIETARY INFORMATION:

Any files, reports, histories, studies, tests, manuals, instructions, photographs, negatives, blue prints, plans, maps, data, system designs, computer programs, computer codes, and computer records (which are intended to be consideration under this Contract), or any other documents or drawings, prepared or in the course of preparation by **CONSULTANT** (or its subcontractors) in performance of its obligations under this Contract shall be the exclusive property of **CITY** and all such materials shall be delivered into **CITY** possession by **CONSULTANT** upon completion, termination, or cancellation of this Contract. **CONSULTANT** shall not use, willingly allow, or cause to have such materials used for any purpose other than performance of **CONSULTANT'S** obligations under this Contract without the prior written consent of **CITY**. Notwithstanding the foregoing, **CITY** shall have no proprietary interest in any materials licensed for use by **CITY** that are subject to patent, trademark or copyright protection.

20. PUBLIC RECORDS:

Pursuant to NRS 239.010, information or documents received from **CONSULTANT** may be open to public inspection and copying. **CITY** will have the duty to disclose unless a particular record is made confidential by law or a common law balancing of interests. **CONSULTANT** may clearly label specific parts of an individual document as a "trade secret" or "confidential" in accordance with NRS 332.061, provided that **CONSULTANT** thereby agrees to indemnify and defend **CITY** for honoring such a designation. The failure to so label any document that is released by **CITY** shall constitute a complete waiver of any and all claims for damages caused by any release of the records.

21. CONFIDENTIALITY:

CONSULTANT shall keep confidential all information, in whatever form, produced, prepared, observed or received by **CONSULTANT** to the extent that such information is confidential by law or otherwise required by this Contract.

22. FEDERAL FUNDING:

22.1 *In the event federal grant funds are used for payment of all or part of this Contract:*

22.1.1 **CONTRACTOR** certifies, by signing this Contract, that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any federal department or agency. This certification is made pursuant to the regulations implementing Executive Order 12549, Debarment and Suspension, 28 C.F.R. pt. 67, § 67.510, as published as pt. VII of the May 26, 1988, Federal Register (pp. 19160-19211), and any relevant program-specific regulations. This provision shall be required of every subcontractor receiving any payment in whole or in part from federal funds.

22.1.2 **CONTRACTOR** and its subcontractors shall comply with all terms, conditions, and requirements of the Americans with Disabilities Act of 1990 (P.L. 101-136), 42 U.S.C. 12101, as amended, and regulations adopted thereunder contained in 28 C.F.R. 26.101-36.999, inclusive, and any relevant program-specific regulations.

22.1.3 **CONTRACTOR** and its subcontractors shall comply with the requirements of the Civil Rights Act of 1964, as amended, the Rehabilitation Act of 1973, P.L. 93-112, as amended, and any relevant program-specific regulations, and Executive Order 11478 (July 21, 2014) and shall not discriminate against any employee or offeror for employment because of race, national origin,

PROFESSIONAL SERVICES CONSULTANT AGREEMENT
Contract No. 1819-136
Title: Water, Wastewater and Stormwater Rate Study Refresh

creed, color, sex, sexual orientation, gender identity, religion, age, disability or handicap condition (including AIDS and AIDS-related conditions).

22.1.4 If and when applicable to the particular federal funding and the Scope of Work under this Contract, **CONTRACTOR** and its subcontractors shall comply with: American Iron and Steel (AIS) provisions of P.L. 113- 76, Consolidated Appropriations Act, 2014, Section 1605 – Buy American (100% Domestic Content of iron, steel and manufactured goods); Federal Highway Administration (FHWA) 23 U.S.C. § 313 – Buy America, 23 C.F.R. §635.410 (100% Domestic Content of steel, iron and manufactured products); Federal Transit Administration (FTA) 49 U.S.C. § 5323(j), 49 C.F.R. Part 661 – Buy America Requirements (See 60% Domestic Content for buses and other Rolling Stock).

23. LOBBYING:

23.1 The parties agree, whether expressly prohibited by federal law, or otherwise, that no funding associated with this Contract will be used for any purpose associated with or related to lobbying or influencing or attempting to lobby or influence for any purpose the following:

- 23.1.1 Any federal, state, county or local agency, legislature, commission, council or board;
- 23.1.2 Any federal, state, county or local legislator, commission member, council member, board member, or other elected official; or
- 23.1.3 Any officer or employee of any federal, state, county or local agency; legislature, commission, council or board.

24. GENERAL WARRANTY:

CONSULTANT warrants that it will perform all SERVICES required hereunder in accordance with the prevailing standard of care by exercising the skill and care normally required of individuals performing the same or similar SERVICES, under the same or similar circumstances, in the State of Nevada.

25. PROPER AUTHORITY:

The parties hereto represent and warrant that the person executing this Contract on behalf of each party has full power and authority to enter into this Contract. **CONSULTANT** acknowledges that this Contract is effective only after approval by the Carson City Board of Supervisors and only for the period of time specified in this Contract. Any SERVICES performed by **CONSULTANT** before this Contract is effective or after it ceases to be effective is performed at the sole risk of **CONSULTANT**.

26. ALTERNATIVE DISPUTE RESOLUTION (Public Work):

If the SERVICES under this Contract involve a “public work” as defined under NRS 338.010(17), then pursuant to NRS 338.150, a public body charged with the drafting of specifications for a public work shall include in the specifications a clause requiring the use of a method of alternative dispute resolution (“ADR”) before initiation of a judicial action if a dispute arises between the public body and the **CONSULTANT** engaged on the public work cannot otherwise be settled. Therefore, unless ADR is otherwise provided for by the parties in any other incorporated attachment to this Contract, in the event that a dispute arises between **CITY** and **CONSULTANT** regarding that public work cannot otherwise be settled, **CITY** and **CONSULTANT** agree that, before judicial action may be initiated, **CITY** and **CONSULTANT** will submit the dispute to non-binding mediation. **CITY** shall present **CONSULTANT** with a list of three potential mediators. **CONSULTANT** shall select one person to serve as the mediator from the list of potential mediators presented by **CITY**. The person selected as mediator shall determine the rules governing the mediation.

27. GOVERNING LAW / JURISDICTION:

This Contract and the rights and obligations of the parties hereto shall be governed by, and construed according

PROFESSIONAL SERVICES CONSULTANT AGREEMENT

Contract No. 1819-136

Title: Water, Wastewater and Stormwater Rate Study Refresh

to, the laws of the State of Nevada, without giving effect to any principle of conflict-of-law that would require the application of the law of any other jurisdiction. **CONSULTANT** consents and agrees to the jurisdiction of the courts of the State of Nevada located in Carson City, Nevada for enforcement of this Contract.

28. ENTIRE CONTRACT AND MODIFICATION:

This Contract and its integrated attachment(s) constitute the entire Contract of the parties and such are intended as a complete and exclusive statement of the promises, representations, negotiations, discussions, and other Contracts that may have been made in connection with the subject matter hereof. Unless an integrated attachment to this Contract specifically displays a mutual intent to amend a particular part of this Contract, general conflicts in language between any such attachment and this Contract shall be construed consistent with the terms of this Contract. Unless otherwise expressly authorized by the terms of this Contract, no modification or amendment to this Contract shall be binding upon the parties unless the same is in writing and signed by the respective parties hereto and approved by the Carson City Board of Supervisors. Conflicts in language between this Contract and any other agreement between CITY and CONSULTANT on this same matter shall be construed consistent with the terms of this Contract. The parties agree that each has had their respective counsel review this Contract which shall be construed as if it was jointly drafted.

PROFESSIONAL SERVICES CONSULTANT AGREEMENT
Contract No. 1819-136
Title: Water, Wastewater and Stormwater Rate Study Refresh

29. ACKNOWLEDGMENT AND EXECUTION:

This Contract may be executed in counterparts. The parties hereto have caused this Contract to be signed and intend to be legally bound thereby as follows:

CITY

Finance Department
Attn: Carol Akers, Purchasing & Contracts Administrator
Purchasing and Contracts Department
201 North Carson Street, Suite 2
Carson City, Nevada 89701
Telephone: 775-283-7362
Fax: 775-887-2286
CAkers@carson.org

CITY'S LEGAL COUNSEL

Carson City District Attorney

I have reviewed this Contract and approve
as to its legal form.

By: _____
Sheri Russell, Chief Financial Officer

By: _____
Deputy District Attorney

Dated _____

Dated _____

CITY'S ORIGINATING DEPARTMENT

**CONSULTANT will not be given authorization
to begin work until this Contract has been
signed by Purchasing and Contracts**

BY: Carol Akers
Purchasing & Contracts Administrator

Account: 520-3502-435.03-09
510-3202-434.03-09
505-3702-437.03-09

By: _____

Dated _____

PROJECT CONTACT PERSON:

Andrew Hummel, Project Manager
Telephone: 775-283-7357

PROFESSIONAL SERVICES CONSULTANT AGREEMENT

Contract No. 1819-136

Title: Water, Wastewater and Stormwater Rate Study Refresh

Undersigned deposes and says under penalty of perjury: That he/she is **CONSULTANT** or authorized agent of **CONSULTANT**; that he/she has read the foregoing Contract; and that he/she understands the terms, conditions and requirements thereof.

CONSULTANT

BY: Brent Farr

TITLE: President

FIRM: Farr West Engineering

CARSON CITY BUSINESS LICENSE #: 19-00027845

Address: 5510 Longley Lane

City: Carson City **State:** NV **Zip Code:** 89511

Telephone: (775) 851-4788

E-mail Address: brent@farrwestengineering.com

(Signature of Contractor)

DATED _____

STATE OF _____)
)ss

Signed and sworn (or affirmed before me on this _____ day of _____, 20____)

(Signature of Notary)

(Notary Stamp)

PROFESSIONAL SERVICES CONSULTANT AGREEMENT
Contract No. 1819-136
Title: Water, Wastewater and Stormwater Rate Study Refresh

CONTRACT ACCEPTANCE AND EXECUTION:

The Board of Supervisors for Carson City, Nevada at their publicly noticed meeting of February 7, 2019 approved the acceptance of the attached Contract hereinbefore identified as **CONTRACT No. 1819-136**. Further, the Board of Supervisors authorizes the Mayor of Carson City, Nevada to set his hand to this document and record his signature for the execution of this Contract in accordance with the action taken.

CARSON CITY, NEVADA

ROBERT L. CROWELL, MAYOR

DATED this 7th day of February 2019.

ATTEST:

AUBREY ROWLATT, CLERK-RECORDER

DATED this 7th day of February, 2019.

PROFESSIONAL SERVICES CONSULTANT AGREEMENT
Contract No. 1819-136
Title: Water, Wastewater and Stormwater Rate Study Refresh

SAMPLE INVOICE

Invoice Number: _____

Invoice Date: _____

Invoice Period: _____

Invoice shall be submitted to:

Carson City Public Works
Attn: Sandra Doughty
3505 Butti Way
Carson City NV 89701

Line Item #	Description	Unit Cost	Units Completed	Total \$\$
Total for this invoice				

Original Contract Sum	\$	_____
Less amount previously billed	\$	_____
= contract sum prior to this invoice	\$	_____
Less this invoice	\$	_____
-Dollars remaining on Contract	\$	_____

ENCL QSE COPIES OF RECEIPTS & INVOICES FOR EXPENSES & OUTSIDE SERVICES



January 10, 2019

Mr. Andy Hummel, P.E.
Wastewater Utility Manager
Carson City Public Works Department
3505 Butti Way
Carson City, Nevada 89701

RE: Water, Wastewater and Stormwater Rate Study Refresh

Dear Andy,

It is our pleasure to present the attached proposal for consideration by the Board of Supervisors. We look forward to working with the City on this project.

Sincerely,

A handwritten signature in blue ink that reads "Brent Farr".

Brent Farr, P.E.
President

Carson City, Nevada
Water, Wastewater and Stormwater Rate Study Refresh

BACKGROUND

The City undertook a comprehensive rate study in 2013 for the water and sewer utilities. The study included a series of newly adopted financial policies which served to guide the resulting rate evaluation and development of complex rate models for the water and sewer utilities using the entire user database for each utility. The study resulted in a significant change in the rate structure reflecting distribution of costs to the users based on cost of service to the user. This resulted in shifting costs between commercial, industrial, state, and residential users based on actual costs of operating the water or sewer system. In addition, the rates included capitalization costs for new infrastructure improvements and adding depreciation costs for replacement of the current facilities. The costs were phased in over a five-year period to avoid rate shock. The last of the five years of rate increases went into effect in July 2017. Connection fee recommendations were not approved in the initial rate approval but were subsequently approved in modified form later in the five-year period of the phased in rate changes.

SCOPE OF WORK

Task 1 – Project Management

Farr West will routinely review project progress and communicate project status on a regular basis. Communication will be through email and telephone, and with periodic project coordination meetings with Carson City and Farr West staff. This task will include the following activities:

Team coordination, including conference calls and internal meetings.

Monitoring changes to the scope, budget, or schedule.

Monthly billings.

Task 2 – Water and Wastewater Rate Refresh

Farr West will obtain and review current utility information from the City, including City ordinances, the current rate model and report developed by the FCS Group, current capital improvement plan, and recent utility financial and usage information.

Farr West will work with the City to update the water and sewer models to reflect changes in rates and charges for the next 5-year period. We will utilize the current model, created by the FCS Group, to process the changes in rates and charges. The model will be updated using new information for water usage and sewer generation, revenues, expenses and projected capital improvement projects.

The water utility rate refresh will include evaluation and potential modifications to water meter box set charges, water meter set fees, monthly water base charge, and monthly water commodity charge. As requested, this update will also include a brief analysis to determine if connection fees are keeping pace with projections.

The sewer utility rate refresh will include sewer connection fees, effluent charges and the sewer base and commodity charges.

We will present various approaches to implementation of rate increases if they are needed. For example, a needed rate increase could be implemented all at once, in the first year and then subsequent years could be adjusted in accordance with an inflationary index. Another approach would be to implement the increase over a number of years.

Task 2a – Additional Water Utility Cost of Service Tasks

This task supplements Task 2 and contains several items related to the cost of water resource alternatives as the City grows over time. This effort will be summarized in a technical memorandum and attached to the final rate study report.

The specific items to be included with this task include:

- Review of existing water agreements and water rights related to each source of raw water available to the City and evaluate the impact these agreements have on system operational costs.
- Review financial data available for purchasing raw water (where applicable), conveying raw water and treating each separate water source.
- Development of charts/graphs comparing the cost of water from various sources in the system (surface water, wells, regional supplies).
- An analysis of water rights cost recovery, to include cost of management of City-held rights prior to development, cost recovery of future additional demand of approximately 4,000 ac-ft for buildout.

Task 3 – Stormwater Rates

The City previously commissioned a consultant to develop recommendations for stormwater rates. Ultimately, stormwater rates were based on land use zoning. The Board of Supervisors would like to take another look at the stormwater rates and potentially consider alternative rate designs. The following is an outline of how this task could be accomplished.

Revenue Requirements

To provide adequate service, the utility must receive sufficient revenue to ensure proper operation and maintenance, development and perpetuation of the system, and preservation of the utility's financial integrity. Basic revenue requirement components include operation and maintenance expenses, debt-service payments, contributions to specified reserves (such as capital improvement reserves to replace depreciated assets), and the cost of capital expenditures that are not debt-financed or contributed.

The revenue requirements of the City's existing stormwater functions should be well documented. Farr West will collect data from the City to estimate the current cost of stormwater management services based upon actual data, historical budget data and supporting information. We will estimate the future needs of the system with all costs projected for the next five years, to include City-wide drainage master planning and Capital Improvement Program (CIP) budgets for the stormwater utility.

Just as with the water and sewer rates, we will present various approaches to implementation of rate increases. For example, a needed rate increase could be implemented all at once, in the first year and then subsequent years could be adjusted in accordance with an inflationary index. Another approach would be to implement the increase over a number of years.

Cost Allocation and Rate Structure Approaches

The financial considerations associated with developing and implementing a stormwater utility require careful attention. The cost of data acquisition and/or development is one of the most important considerations in selecting a preferred stormwater service charge methodology.

Most communities find that service charges will be the primary funding source for their stormwater management program. Some form of service charge is the only option that has a practical and realistic prospect of meeting the combined capital and operation revenue needs of most communities.

The City has developed stormwater utility fees that are based on land use zoning. There are three other alternative methods for developing stormwater utility fees. They are sometimes modified slightly to meet unique billing requirements. Impervious area is the most important factor influencing stormwater runoff and is therefore a major element in each method.

- **Equivalent Residential Unit (ERU):** The ERU method is used by more than 80 percent of all stormwater utilities. It bills an amount proportional to the impervious area on a parcel, regardless of the parcel's total area. It is therefore based on the effect of a typical single-family residential home's impervious area footprint. The impervious areas of non-residential parcels are usually individually measured. Each non-residential impervious area is divided by the impervious area of a typical residential parcel to determine the number of ERUs to be billed to the parcel.
- **Intensity of Development:** This stormwater cost allocation system is based on the percentage of impervious area relative to an entire parcel's size. All parcels, including vacant/undeveloped parcels are charged a fee. For developed parcels, fees are based on the intensity of development, which is defined as the percentage of impervious area of the parcel. Vacant or undeveloped parcels contribute to runoff and are assigned a lower fee.
- **Equivalent Hydraulic Area:** Parcels are billed based on the stormwater runoff generated by the impervious and pervious area, charging impervious areas a much higher rate than the pervious area.

Evaluation of Rate Structure Alternatives and Fees

The proposed approach to evaluating the various rate structure alternatives is to complete an analysis of a random sample of 100 single family residential parcels, at least 10 multi-family parcels, 12 commercial/industrial parcels (small, medium and large), 3 government parcels and 3 institutional parcels. The idea is that this analysis will predict the stormwater charges on each parcel for each of the three alternative rate methods. However, to determine actual stormwater charges for each parcel in the random sample, the proportionate cost of service allocated to these

parcels must also be known. In order to accomplish this without significant effort, we will need to assume the percentage of the total customer base that the random sample represents.

Development of Stormwater Rates

If the Board of Supervisor's approves a new stormwater rate methodology, a full analysis (including sensitivity analysis and spot checking) will be needed to address high and low impacts that may not be equitable. The development of rates for the full customer base will need to be completed, which could be intensive depending on the methodology selected. The budget for this task has been developed assuming the City's approximately 17,000 parcels will need to be analyzed. Depending on the stormwater rate methodology selected this budget may not be fully utilized, especially if the existing rate methodology is retained.

Develop Connection Fees

Connection fees are a secondary source of revenue for the stormwater utility. Connection fees equalize the financial participation in capital investments among ratepayers served by the system at different points in time. Connection fees for the stormwater utility should be developed along with the service charges. The method of establishing connection fees would presumably follow the same method used recently for the sewer utility connection fees.

Stormwater Rate Comparison

Farr West will provide a comparison of the three alternative rate designs to the existing stormwater rate design. Farr West will also compare the proposed rates to the rates used by other representative stormwater utilities. This should help the City to select the preferred alternative for stormwater rates.

Task 4 – Final Report and Public Meetings

The rate study refresh report will address the following rate making topics for water, wastewater and stormwater: financial planning and the City's revenue requirements, cost of service and rate design, and connection charges. The report will include recommendations and detailed supporting data. A draft report will be presented to the City for review and comment, followed by a final report.

Farr West is anticipating 7 public meetings/presentations as follows:

1. Public information meeting
2. Introduction to UFOC
3. Draft recommendations to UFOC
4. Draft recommendations to BOS
5. Public information meeting
6. Final recommendations to UFOC
7. Final recommendations to BOS

Farr West will prepare and deliver presentations on the rate study progress and final recommendations. We will also prepare handouts with summary information for public meetings.

SCHEDULE

The following schedule is approximate. Specific dates may change based on needs of Carson City and/or Farr West.

Notice to Proceed	February 18, 2019
Obtain & review existing information, begin work on water and sewer rates, develop alternative stormwater rate methods.	February to April, 2019
Presentation of draft water and sewer rates and storm water rate methods to UFOC & BOS	May, 2019
Finalize rate recommendations, sensitivity analysis, public outreach, draft report	June to August, 2019
Presentation of final rates to UFOC & BOS	September, 2019
Prepare final report	October, 2019

BUDGET

The estimated budget for this project is \$93,772.

ENGINEER'S 2019 RATE SCHEDULE

Title	Hourly Rate	Title	Hourly Rate
Principal Engineer	\$160	Building Inspector II	\$70
Senior Engineer II	\$152	Building Inspector I	\$65
Senior Engineer	\$142	Designer III	\$115
Engineer IV	\$134	Designer II	\$105
Engineer III	\$125	Designer I	\$95
Engineer II	\$115	GIS Analyst II	\$130
Engineer I	\$105	GIS Analyst I	\$115
Engineer in Training II	\$95	GIS Specialist	\$95
Engineer in Training I	\$87	GIS Technician	\$85
Senior Hydrogeologist	\$155	Water Rights Specialist III	\$150
Hydrogeologist II	\$100	Water Rights Specialist II	\$125
Hydrogeologist I	\$85	Water Rights Specialist I	\$105
Electrical Engineer	\$150	Water Rights Technician III	\$95
Construction Inspector III	\$105	Water Rights Technician II	\$90
Construction Inspector II	\$100	Water Rights Technician I	\$75
Construction Inspector I	\$90	Regulatory & Env. Specialist	\$95
Project Assistant	\$80	Professional Surveyor	\$130
Admin IV	\$90	Survey Technician II	\$90
Admin III	\$80	Survey Technician I	\$75
Admin II	\$70	1 Man Survey Crew	\$130
Admin I	\$55	2 Man Survey Crew	\$170
Intern	\$45	3 Man Survey Crew	\$245
		Utility Operator	\$115

Other Fees and Charges:

1. All direct project expenses, including subconsultants, will be billed at actual cost plus 15%.
2. An overtime surcharge of 25% will be applied to the hourly rates of non-salaried employees for authorized overtime work.
3. Different survey and construction inspection labor rates will apply on prevailing wage projects. Rates for prevailing wage projects will be provided on a case by case basis.

Carson City
Water, Wastewater and Stormwater Rate Study Refresh
Engineering Fee Estimate

	Principal Civil Engineer Brent Farr	Principal Civil Engineer Lucas Tipton	Engineer in Training I Alexa Kinsinger	Administrator II	GIS Analyst II Matt Forrest	GIS Specialist Alex Reid	Total Labor	TOTAL		
TASKS	Rate (\$/hr.)	\$160	\$160	\$87	\$70	\$130	\$95	Hours	(\$)	(\$)
1.0 Project Management										
Project Coordination and Management	16			8				24	\$3,120	\$3,120
Subtotal	16			8				24	\$3,120	\$3,120
2.0 Water and Wastewater Rate Refresh										
Collect and review existing information	10		20					30	\$3,340	\$3,340
Analyze FCS Model for familiarization	2		16					18	\$1,712	\$1,712
Update FCS Model	4		40					44	\$4,120	\$4,120
Update connection fees	12		16					28	\$3,312	\$3,312
Review and update water meter & meter box set charges	2		12					14	\$1,364	\$1,364
Task 2a: Tech Memo on Water Resource Costs	24		32					56	\$6,624	\$6,624
QA/QC		6						6	\$960	\$960
Review meeting with Staff	4		4					8	\$988	\$988
Subtotal	58	6	140					204	\$22,420	\$22,420
3.0 Stormwater Rates										
Collect and review existing information	4		12					16	\$1,684	\$1,684
Update revenue requirements	4		16					20	\$2,032	\$2,032
Cost allocation and rate structure approaches	4		12					16	\$1,684	\$1,684
Evaluation of Rate Structure Alternatives and Fees	12	4	24		20	40	100	\$11,048	\$11,048	
Development and Analysis of Stormwater Rates	12	8	24		80	180	304	\$32,788	\$32,788	
Develop connection fees	8		12					20	\$2,324	\$2,324
Stormwater rate comparison			4					4	\$348	\$348
QA/QC		4						4	\$640	\$640
Review meeting with Staff	4		4					8	\$988	\$988
Subtotal	48	16	108		100	220	492	\$53,536	\$53,536	
4.0 Final Report and Public Meetings										
Meetings and Presentations (7)	24		40					64	\$7,320	\$7,320
Draft Summary Report	12		40					52	\$5,400	\$5,400
QA/QC		4						4	\$640	\$640
Final Summary Report	4		8					12	\$1,336	\$1,336
Subtotal	40	4	88					132	\$14,696	\$14,696
TOTAL	162	26	336	8	100	220	852	\$93,772	\$93,772	

Carson City

Proposal for Water, Wastewater, and Stormwater Rate Study Refresh

RFP#1819-136

November 28, 2018



5510 Longley Lane • Reno, Nevada 89511 • (775) 851-4788

421 Court Street • Elko, Nevada 89801 • (775) 738-2121

www.farrwestengineering.com

Table of Contents

TITLE PAGE	i
COVER LETTER	ii
COMPANY BACKGROUND & EXPERIENCE	1
PROJECT EXPERIENCE & REFERENCES	3
TECHNICAL CAPACITY & KEY TEAM MEMBERS	7
PROJECT APPROACH	9

APPENDIX A - TEAM MEMBER RESUMES

APPENDIX B - ADDENDUM 1

Title Page

PROPOSAL

WATER, WASTEWATER, AND STORMWATER RATE STUDY REFRESH

Farr West Engineering
5510 Longley Lane
Reno, Nevada 89511
(775) 851-4788

Email contact: Brent Farr
brent@farrwestengineering.com

Cover Letter

November 28, 2018

Carol Akers, Purchasing and Contracts Manager
Carson City Executive Department - Purchasing and Contracts
201 N. Carson Street, Suite 2
Carson City, Nevada 89701

RE: PROPOSAL FOR WATER, WASTEWATER, AND STORMWATER RATE STUDY REFRESH

Dear Carol and Interested Stakeholders,

Farr West Engineering (Farr West) would like to thank you for this opportunity to provide Carson City (City) with our qualifications for the Water, Wastewater, and Stormwater Rate Study Refresh. Farr West has the right combination of experience to complete this work successfully. We offer a local team with expertise in utility planning and rate analysis work, having completed numerous utility master plans and utility rate studies throughout Nevada and California. Our advantage is that our firm combines rate analysis experience with other related utility functions such as operations, capital improvement planning, asset management and capital project financing. We understand how everything fits together.

Our level of commitment to the City goes much farther than just this project. A few years ago, our firm identified Carson City as a key client that we would like to become more engaged with. We have submitted our qualifications, when appropriate, and have held meetings with staff to better understand the City's utilities and unique challenges. This project will be a great opportunity for Farr West to strengthen our understanding of the City's operations and to add value to our growing relationship.

Brent Farr, P.E., will be the project manager for this important rate study project. Our team members will not change throughout the course of this project. Additionally, we would like to acknowledge the receipt of Addendum 1 for this request for proposal.

Sincerely,



Brent Farr, P.E.
President
5510 Longley Lane
Reno, Nevada 89511
(775) 853-7255
brent@farrwestengineering.com

Company Background & Experience

Farr West has been building a reputation as a leader in municipal engineering and utility planning for local governments throughout Nevada for nearly 18 years. We appreciate the long-standing relationships we've established with many Nevada communities for which we perform the vast majority of our work. Utilizing cutting edge technologies and the expertise of our highly experienced team, Farr West provides comprehensive utility engineering services. As a small company, we are able to provide affordable solutions without compromising the quality of service that we are known for among our clients.

In 2001 we opened the doors to Farr West in Reno, dedicating ourselves to providing the highest quality utility engineering services. Nearly two decades later, we remain as devoted as ever, staying true to the core values and work ethic that have contributed to the success of our clients and projects.

Today, Farr West employs over 75 professionals that work together as a team to seamlessly service clients throughout Nevada and California in civil, electrical, and environmental engineering, surveying, water rights, and construction management. Farr West's greatest strength is in municipal engineering, and the diverse services we offer cover all aspects of a project, including feasibility, design, permitting, implementation and inspection.

Here are the reasons we feel especially qualified for this project:

Strong Project Manager and Local Team

Brent Farr is our proposed project manager. Early in his career, Brent was trained in the practice of utility rate analysis. For over 20 years, he has been developing his expertise in this unique niche of utility management. The success of Farr West among utility providers in Nevada and California is due, in part, to Brent's understanding of capital planning, asset management and utility finance. Farr West is one of the very few local firms with significant rate analysis experience.

Because our team is 100% local, we will be reliable and responsive. Scheduling meetings and collaborating with the City will be easily done from our Reno office.

One of our company's core values is stewardship, and we strive to be the region's most responsive and reliable engineering firm. Our staff is dedicated to collaborating with clients to meet their needs and expectations.

Perfect Combination of Experience

Our firm has a comprehensive understanding of the utility business. For example, we are very experienced in utility master planning, engineering design, and construction management. That is fairly common among civil engineering firms, but we have expanded our services and expertise beyond the norm. For over eight years, Farr West held a contract with the State of Nevada, Division of Environmental Protection, whereby we evaluated and helped to improve the technical, managerial and financial capacity of hundreds of water systems throughout Nevada. This experience was significant; providing Farr West with a unique perspective that is rare among engineering firms. Due to the fact that we represent so many utilities as the City, County or District Engineer, we routinely take the lead in arranging financing for capital projects and analyzing the financial impacts to the customers. This process usually includes a rate analysis (cost of service study) and adjustments.

In an effort to better serve our local utility clients, we have invested significant resources into utility master planning capabilities over the last 10 years. We created a utility planning department and appointed Lucas Tipton, P.E. as the manager. Under Lucas' leadership are a number of talented engineers and GIS professionals that contribute to our utility planning efforts. Brent and Lucas, along with others at Farr West, have attended AWWA's Financial Management Seminar, focused on utility rate studies and how to set rates. Brent works closely with the planning department to provide our clients with a one-stop-shop for utility planning and financial (rate) consulting.

Farr West was recently asked to perform utility rate studies for the City of Reno, City of Sparks, and Sun Valley General Improvement District as a result of recent development and an economic expansion in northern Nevada. Farr West has worked closely with

each agency to prepare the rate studies and these successes are testament to Farr West's experience in cost of service studies, capital improvement planning, and superior client service.

In regard to our stormwater rate experience, Farr West is currently helping Lyon County with very similar issues. Farr West is the County Engineer in Lyon County. The County Manager, Jeff Page, has asked Farr West to help resolve stormwater and flooding issues and to evaluate methods of establishing a stormwater utility, including options for revenue generation. We are currently working on a stormwater capital improvement plan for the Dayton area and will be completing a study to evaluate the feasibility of establishing a separate stormwater utility.

Estimated Breakdown of Cost of the Water, Wastewater, and Stormwater Rate Study Refresh

If selected, our team will collaborate with City staff to develop a detailed scope of work and fee estimate. However, based on our understanding of the situation and proposed project scope, we are estimating that the cost to complete this work will be between \$25,000 and \$40,000. The final cost will depend primarily on the level of detail required by the City for the stormwater rate alternative analysis and the duration and extent of the public process.

Project Experience & References

CITY OF RENO SEWER UTILITY CONNECTION FEE STUDY

Project Dates:	2017-2018	Contract Amount:	\$50,000
Client Contact:	Kerri Lanza, P.E., Engineering Manager, City of Reno (775) 334-2683		
Project Manager:	Brent Farr, P.E.		

Project Description:

The City of Reno hired Farr West to perform a sewer connection fee study that included the entire service area. The scope included the following tasks:

Evaluation of the applicability of the current connection fee methodology, as well as the adequacy of the current fees. The existing methodology was evaluated relative to the City's current circumstances to determine if there were new considerations or factors that should be taken into account to develop a more appropriate methodology. The adequacy of the rates was checked by comparing the existing financial condition to the financial condition predicted by the last rate model. A full connection fee update was completed using updated capacity and cost data.

Consider Separate Connection Fees for the Reno-Stead Water Reclamation Facility Service Territory. The City's connection fee schedule applies to all areas of the City's service territory equally, even though there are areas within the service territory with noticeable and quantifiable differences in capacity costs associated with growth. The North Valleys is one of those areas. Increased capacity required at the Reno-Stead Water Reclamation Facility (RSWRF) to facilitate new customers will result in significant capital expenditures. If the cost of these improvements is allocated directly to those served by RSWRF, connection fees for those customers would be higher than all other customers, who are served by the Truckee Meadows Water Reclamation Facility (TMWRF). This task evaluated the merits, methods and complexities of developing a unique connection fee schedule for the RSWRF service territory.

Consider Separate Connection Fees for the Lawton/Verdi Interceptor Service Territory. The Lawton/Verdi Interceptor was constructed to eliminate several small wastewater treatment plants and to provide service to areas utilizing septic tanks. This facility was constructed at a significant cost and to provide service to a specific area, which creates another situation that may warrant unique connection fees for a particular area in the service territory. There is significant capacity remaining in the interceptor and potential for growth within the area that it serves. This task evaluated the merits, methods and complexities of developing a unique connection fee schedule for the service territory served by the Lawton/Verdi Interceptor.

Infill Housing Types. There are a number of different housing types proposed for infill areas throughout the City, including affordable housing, multi-family housing and even "tiny homes." At times, questions have been raised by developers or other interested parties about the appropriateness of connection fees for these housing types. This task evaluated the various methods of determining equitable connection fees for the variety of housing types proposed for infill development within the City of Reno.

CITY OF SPARKS SEWER, REUSE, AND STORM DRAIN UTILITY RATE STUDY						
Project Dates:	2017-2018	Contract Amount:	\$125,000			
Client Contact:	John Martini, P.E., Community Services Director, City of Sparks (775) 353-4080 (Andy Hummel, P.E., formerly managed this project)					
Project Manager:	Brent Farr, P.E.					
Project Description:						
<p>In 2008, The FCS Group completed a Sewer, Storm Drain and Effluent Utility Rate Study for the City of Sparks. Their work was subsequently updated in 2012 in a combined effort between City staff and The FCS Group. The final rate adjustment recommended in the 2012 update was implemented on July 1st of 2017. Therefore, the City hired Farr West to review sewer, stormwater and effluent rates and connection fees and consider implementing recommended changes over a 5-year period beginning on July 1, 2018.</p> <p>Farr West updated revenue requirements and model assumptions to forecast future rates. The following issues and methods, identified by the City and during prior rate studies, were evaluated during the rate design:</p> <ol style="list-style-type: none"> 1. Commercial/Industrial Surcharges One of the key issues to be addressed in the sewer rate analysis was the commercial/industrial surcharge schedule. According to City staff, the rates are based on a study that is over 20 years old. There are new commercial/industrial customers that do not fit into the existing categories, which create the need to develop unique individual agreements with customers. Farr West worked to simplify the commercial/industrial surcharges into three classes: domestic, medium and high strength. 2. Septage Disposal Farr West investigated the feasibility of charging septage haulers based on strength and volume rather than by volume alone. 3. Rebate Program The rebate program needed to be updated. Some of the qualifying programs listed in the City Code no longer exist. 4. Intra-fund Subsidy Review The storm water and effluent utilities have, at times, been subsidized by the sewer fund. The unique circumstances of the City's three utilities, coupled with varying policy viewpoints, may make self-supporting enterprise funds a challenge. This task included a review of the three utilities financial dependence on each other and what would need to be done to make each utility financially independent. 5. Comparison to City of Reno, Washoe County & TMWA Rates for Uniformity Utility rates, methodologies and policies were compared to other local agencies, with the intent of establishing consistency wherever practical. 						

LYON COUNTY STORMWATER FEASIBILITY STUDY

Project Dates:	2018	Contract Amount:	\$25,000
Client Contact:	Jeff Page, County Manager, Lyon County (775) 302-7088		
Project Manager:	Brent Farr, P.E.		
Project Description:			

Key Project Elements: While this project is just beginning, we decided to include it to show our understanding of stormwater rate principles and methods. The County Manager has been working with Farr West on several aspects of developing a stormwater utility in Lyon County. Preliminary steps included establishing a small fee on each customer water bill to begin funding stormwater planning activities and establishing design guidelines and policies. Other activities underway include stormwater master planning and flood control projects in various areas of the County. The purpose of this particular project is to provide a high-level feasibility study for the development of a County-wide stormwater utility.

The tasks of the study include:

Task 1 – Level of Service and Revenue Requirements.

Estimate Revenue Requirements: Based on the appropriate level of service, we will estimate the revenue required to ensure proper operation and maintenance, development and perpetuation of the system, and preservation of the utility's financial integrity.

Task 2 – Service Territory, Revenue Collection Alternatives.

We will develop various alternatives for service territories (i.e., County-wide or Lyon County Utilities Service Territory). We will also consider methods of collecting revenues (i.e., by formation of a special assessment district, monthly utility rates, or assessment on tax rolls). We will investigate methods utilized by other utility providers.

Task 3 –Cost Allocation and Rate Structure Approaches.

Cost Allocation and Rate Structure Approaches: The cost of data acquisition and/or development is one of the most important considerations in selecting a preferred stormwater service charge methodology. Farr West will evaluate the following methods of determining rate structures:

- Equivalent Residential Unit (ERU),
- Intensity of Development,
- Equivalent Hydraulic Area,
- Parcel Size, and
- Flat Rate.

Once the boundaries and preferred revenue collection methods are established, we will create a rate model (Excel Spreadsheet) that predicts revenues and expenses.

Consider the Feasibility of Connection Fees, Development Fees: Connection fees, or system development charges, are a secondary source of revenue for the stormwater utility. Connection fees equalize the financial participation in capital investments among ratepayers served by the system at different points in time. Connection fees for the stormwater utility should be developed along with the service charges.

Rate Method Recommendations and Stormwater Rate Comparison: Farr West will offer a recommendation of the best alternative rate method which includes legal exceptions, if any. Farr West will also compare the proposed rates to the rates used by other representative stormwater utilities.

Task 4 – Implementation Plan.

Establishing a successful stormwater utility requires a vision of the comprehensive services that the community needs and a well-conceived plan of how to develop and implement the utility. An important part of this feasibility study is to identify the steps to establish and administer a stormwater utility. The following are the most significant steps involved in creating a stormwater utility, which will be addressed in the Implementation Plan:

- Develop a Feasibility Study (covered by this scope of work),
- Decide on the Rate Structure Approach and Data Collection Methods (GIS),
- Develop Appropriate Operations and Organizational Structure,
- Develop Billing, Collection and Enforcement Guidelines,
- Gaining Community Acceptance,
- Establishing Ordinances, and
- Schedule.

Task 5 – Final Report and Presentation.

Farr West will prepare a draft report for review by County staff. The report will include a summary of the work, recommendations and supporting data. After staff review, we will prepare a final draft report and present the results to the County Commission at one of its regularly scheduled meetings.

TRI CENTER GID WATER, SEWER AND RECLAIM UTILITY RATE STUDY

Project Dates:	2016	Contract Amount:	\$25,000
Client Contact:	Bob Sader, Legal Counsel, TRI GID (775) 329-8310		
Project Manager:	Brent Farr, P.E.		

Project Description:

The Tahoe Reno Industrial Center General Improvement District (TRI GID) operates and maintains both the water and wastewater utilities serving the TRI Center. Customers of the water and sewer utilities range from large scale manufacturing like TESLA, to small office suites. There are approximately 140 customer accounts with GID utility service. Despite the broad range of customer types, TRI GID utility usage is dominated by industrial users, consuming nearly 75%, and 85% of water and sewer utilities, respectively.

Farr West serves as the District Engineer and was asked to perform a comprehensive study that updated the revenue requirements for the various utilities, which include water, sewer and treated effluent. The project also involved the development of a high-strength waste surcharge for the sewer utility.

Technical Capacity & Key Team Members

As the president of Farr West, Brent has committed the company's resources and expertise to assist the City on this project. Our team members will not change throughout the course of this project and we will remain dedicated to meeting the City's schedule for the scope of work.

Our team has been selected carefully based upon experience, understanding, and resource availability. Brent Farr, P.E. will be the project manager for this rate study refresh. Brent's breadth of experience will be key in guiding this team made of experienced planning engineers and technical support staff. We have chosen Lucas Tipton, P.E., our utility planning department manager, to provide quality control on this project. Lucas has worked with Brent to complete several successful utility rate studies. Lucas' support on this project will help to ensure our internal QA/QC procedures have been met and we deliver a high-quality report to the City. Technical support will be provided by Chad Knight, E.I., and Alexa Kinsinger, E.I. Both Chad and Alexa have been working closely with Brent on recent rate studies including those for the Cities of Reno and Sparks and TRI GID.



Brent Farr, P.E. - Project Manager

Brent will be the project manager for this project. He began his career working on utility rate analyses and has become a local expert in this field. He has over 20 years of experience with rate study projects and has taken specialized courses on rate analysis from the American Water Works Association (AWWA).

Since he started Farr West, Brent has been working closely with his clients to provide comprehensive utility planning strategies. He begins by working alongside a client to understand their goals and what is best for their community. Once the team is on the same page, Brent has been successful in putting these plans into action and helping communities to solve complex utility issues.

Brent has taught many of his own classes on utility planning, financing and rates. He has specialized in funding acquisition and rate studies for small to medium-sized communities. Brent has completed over 30 rate analysis studies in his career and was recently asked to complete studies for the City of Reno, City of Sparks, and Sun Valley GID. Brent has completed successful rate analysis and implementation projects for utilities such as Kingsbury GID, City of Fernley, Round Hill GID, Lyon County, Storey County, Nye County, Silver Springs MWC, Moapa Valley Water District, Plumas-Eureka CSD, Canyon GID, and more.

Brent will be actively engaged in this project from start to finish. He will work with a small team to execute each task efficiently. His extensive experience in utility planning and project management will prove to be effective in managing each task and leading his team through developing a quality report.



Lucas Tipton, P.E. - QA/QC

Lucas is a principal engineer with nearly 15 years of experience in utility engineering and planning. Lucas manages the utility planning department at Farr West and has extensive experience with water, stormwater, and sewer system hydraulic modeling, facility planning, alternative analysis, feasibility studies, financial planning and rate studies. Lucas has also attended specialized courses on rate analysis from the American Water Works Association.

Lucas will be engaged in this project as a principal engineer, providing QA/QC tasks. He recently completed a successful (adopted) rate study for the Plumas-Eureka Community Services District. Lucas has a solid background in utility planning, client management, master planning, capital improvement planning, and design engineering. His background allows him to provide excellent QA/QC on this project and assist where needed.

**Chad Knight, E.I. - Technical Support**

Chad is a project designer with Farr West. He has nearly four years of experience in utility engineering, utility planning, and financial planning. Chad was recently involved in a unique rate study for the TRI GID. Chad was responsible for assisting the District with collecting and organizing data; developing a financial model based on usage data and existing utility rates, and developing a process wastewater surcharge equation. Chad worked with Brent to develop a future financial model based on projected usage and proposed new utility rates based on projections and fiscal year budgets. Chad worked closely with members of the District and Brent to successfully propose new rate changes, provide public notice presentations, and discuss rate changes with consumers in the industrial park.

Chad currently serves as the manager of the TRI GID. The management role involves assistance for utility operations, capital and O&M budget and expense management, processing new business applications, and assisting with new construction and engineering projects. Chad also manages the utility billing process for water and wastewater service provided to facilities within the industrial center by the TRI GID. This involves close management of several hundred water and sewer accounts for commercial and industrial customers.

**Alexa Kinsinger, E.I. - Technical Support**

Alexa Kinsinger is a project designer with Farr West. She assists project managers in providing services to clients over a broad range of civil engineering projects. Alexa is currently working with Brent to update the City of Sparks utility rates. Alexa's primary focus has been on the commercial and industrial rate restructure from the current outdated surcharge rates based on business type to a cost recovery approach established by waste strength. She has also played a fundamental role in the evaluation and update of septage receiving rates at the Truckee Meadows Water Reclamation Facility (TMWRF).

Project Approach

The following project approach is presented as an initial concept. If selected, Farr West will work closely with City staff to develop a detailed scope of work that specifically addresses the City's goals and objectives.

REVIEW PREVIOUS RATE WORK & PROJECT SCOPING

Prior to project scoping, Farr West will complete a cursory review of prior rate studies, rate structures, ordinances, policies, etc. so we can contribute in a meaningful way to a conversation about the project scope. Farr West understands that Carson City, working with the FCS Group, completed a comprehensive rate study in 2013 for the water and sewer utilities, which included a complex rate model. Farr West is in the final phases of a comprehensive rate study for the City of Sparks who also used an FCS Group rate model for their previous study. So, we are familiar with the FCS model and its complexities.

Following our review of previous rate studies and the rate structure, we will meet with the City to develop a detailed scope of work, fee estimate and schedule.

PROJECT KICKOFF MEETING AND DATA COLLECTION REQUESTS

At this critical meeting, we will present the project approach and schedule, including key project milestones. We will present a list of information needed to begin the rate study, including water use by customer, revenue and expense information, projected future budgets and capital expenditures, etc.

WATER AND SEWER UTILITY RATE REFRESH

Farr West will work with the City to update the water and sewer models to reflect changes in rates and charges for the next 5-year period. We will utilize the current model, created by the FCS Group, to process the changes in rates and charges. The model will be updated using new information for water and sewer sales, revenues, expenses and projected capital improvement projects.

The water utility rate refresh will include evaluation and potential modifications to water meter box set charges, water meter set fees, monthly water base charge, and monthly water commodity charge. As requested, this

update will also include a brief analysis to determine if connection fees are keeping pace with projections.

The sewer utility rate refresh will include sewer connection fees, effluent charges and the sewer base and commodity charges.

STORMWATER CHARGES

It is our understanding that City staff developed stormwater rates based on land use zoning and that the stormwater rates are not included in the 2013 FCS model. We also understand that the City Council would like to take another look at the stormwater rates and potentially consider alternative rate designs. The following is an outline of how this task could be accomplished.

Revenue Requirements

To provide adequate service, the utility must receive sufficient revenue to ensure proper operation and maintenance, development and perpetuation of the system, and preservation of the utility's financial integrity. Basic revenue-requirement components include operation and maintenance expenses, debt-service payments, contributions to specified reserves, and the cost of capital expenditures that are not debt-financed or contributed.

The revenue requirements of the City's existing stormwater functions should be well documented. Farr West will collect data from the City to estimate the current cost of stormwater management services based upon actual data, historical budget data and supporting information. We will estimate the future needs of the system with all costs projected for the next five years, to include City-wide drainage master planning and Capital Improvement Program (CIP) budgets for the stormwater utility.

Cost Allocation and Rate Structure Approaches

The financial considerations associated with developing and implementing a stormwater utility require careful attention. The cost of data acquisition and/or development is one of the most important considerations in selecting a preferred stormwater service charge methodology.

Most communities find that service charges will be the primary funding source for their stormwater management program. Some form of a service charge is the only option that has a practical and realistic prospect of meeting the combined capital and operation revenue needs of most communities.

The City has developed stormwater utility fees that are based on land-use zoning. There are three other alternative methods for stormwater utility fees. They are sometimes modified slightly to meet unique billing requirements. Impervious area is the most important factor influencing stormwater runoff and is therefore a major element in each method.

Equivalent Residential Unit (ERU):

The ERU method is used by more than 80 percent of all stormwater utilities. It bills an amount proportional to the impervious area on a parcel, regardless of the parcel's total area. It is therefore based on the effect of a typical single-family residential home's impervious area footprint. The impervious areas of non-residential parcels are usually individually measured. Each non-residential impervious area is divided by the impervious area of a typical residential parcel to determine the number of ERUs to be billed to the parcel.

Intensity of Development:

This stormwater cost allocation system is based on the percentage of impervious area relative to an entire parcel's size. All parcels, including vacant/undeveloped parcels are charged a fee. For developed parcels, fees are based on the intensity of development, which is defined as the percentage of impervious area of the parcel. Vacant or undeveloped parcels contribute to runoff and are assigned a lower fee.

Equivalent Hydraulic Area:

Parcels are billed based on the stormwater runoff generated by the impervious and pervious area, charging impervious areas a much higher rate than the pervious area.

Evaluation of Rate Structure Approaches and Fees

The proposed approach to evaluating the various rate structure approaches is to complete an analysis of a random sample of 100 single-family residential parcels, at least 10 multi-family parcels, 3 commercial/industrial parcels, 3 government parcels and 3 institutional

parcels. The idea is that this analysis will predict the stormwater charges on each parcel for each of the three alternative rate methods. However, to determine actual stormwater charges for each parcel in the random sample, the proportionate cost of service allocated to these parcels must also be known. In order to accomplish this without significant effort, we will need to assume the percentage of the total customer base that the random sample represents.

Develop Connection Fees

Connection fees are secondary source of revenue for the stormwater utility. Connection fees equalize the financial participation in capital investments among ratepayers served by the system at different points in time. Connection fees for the stormwater utility should be developed along with the service charges. The method of establishing connection fees would presumably follow the same method used recently for the sewer utility connection fees.

Stormwater Rate Comparison

Farr West will provide a comparison of the three alternative rate designs to the existing stormwater rate design. Farr West will also compare the proposed rates to the rates used by other representative stormwater utilities. This research will help the City to select the preferred alternative for stormwater rates.

REPORTS AND PRESENTATIONS

Farr West will prepare a draft report for review by City staff. The report will include an executive summary, recommendations and detailed supporting data. After City staff review, we will prepare a final draft report and present the results to the City Council if requested.

TEAM MEETINGS; WORKING IN A COLLABORATIVE ENVIRONMENT

If Farr West is known for one thing, it is likely our dedication to our clients and ability to work collaboratively with them. Our firm places great emphasis on client relationships and service. We strive to be excellent listeners and work hard to offer innovative and sensible solutions.

Farr West will work alongside the City to complete this project. Our intent is to communicate with the City regularly, hold project meetings with the City as needed, and internal project meetings regularly. Our entire team is local and will be able to work together

seamlessly to provide the City with a high-quality, comprehensive, and practical rate study.

COMMITMENT TO QUALITY

Farr West will perform quality assurance and quality control on each aspect of this project in accordance with our company QA/QC guidelines. QA/QC tasks will be completed by Lucas Tipton, P.E. Lucas is a company principal and he manages our utility planning department. Lucas has the needed expertise in rate analysis to provide a thorough and meaningful review of this project. We are proud of our track record for delivery of quality projects on time and within budget. We continually monitor project scope, schedule, and budget to ensure the project is on track and we will communicate this information to the City on a regular basis.

Appendix A - Team Member Resumes

Brent Farr, P.E. - Project Manager

President

Brent Farr is the President of Farr West Engineering. In addition to managing a successful engineering business, Brent has built a reputation among his clients and the engineering community as a skilled project manager, facilitator and public speaker. The focus of Brent's career has been providing services to local agencies as they strive to improve their communities. He has developed long-standing relationships with many satisfied clients, and is dedicated to maintaining Farr West's reputation for superior client service and exceptional results.

Brent has over 20 years of experience with rate analysis projects. He has taken specialized courses on rate analysis from the American Water Works Association and has taught many of his own classes on utility planning, financing and rates. Brent has specialized in funding acquisition and rate studies for small communities. **Brent has performed over 30 rate studies in his career, and has secured over \$100 Million in capital improvement and planning grants for clients throughout Nevada and northern California.**

As a result of his personal expertise, Brent manages or provides QA/QC on every rate analysis project at Farr West. His experience with rate studies spans the simple to the complex. In recent years, Brent has been the consultant of choice for rate analyses for the City of Reno, City of Sparks, TRI Center GID, Sun Valley GID, Round Hill GID, Kingsbury GID, Lyon County, and Storey County to name a few.

Brent has been involved in many complex aspects of rate analysis, such as:

- Rate structure modifications to correct inequities,
- Capacity and connection fee analysis,
- Reserve requirement analysis and recommendations,
- Policy (code) review, modification and development,
- Conservation pricing structures,
- Transitioning from un-metered to metered systems,
- Utility acquisitions and consolidations, and
- Stormwater utility and rate development.

Since he started Farr West, Brent has been working closely with his clients to provide comprehensive utility planning strategies. He begins by working alongside a client to understand their goals and what is best for their community. Once the team is on the same page, Brent has been successful in putting these plans into action and helping communities to solve complex utility issues. He works to develop capital improvement plans, funding strategies, and project execution.



Education

M.S., Civil and Environmental Engineering, University of California, Berkeley

B.S., Civil Engineering, Brigham Young University (magna cum laude)

Professional Licenses or Certifications

Licensed Civil Engineer, Nevada
Licensed Civil Engineer, Utah
Licensed State Water Right Surveyor, Nevada

Professional Affiliations

Member, American Society of Civil Engineers

Member, American Water Works Association (California/Nevada Section)

Lucas Tipton, P.E. - QA/QC
Principal Engineer / GIS and Planning Manager

Lucas Tipton is a principal engineer with nearly 15 years of experience providing consulting services to public and private clients. Lucas manages the Utility Planning and GIS Departments at Farr West and has extensive experience with hydraulic modeling, facility planning, capital program development, financial analysis and engineering design. Lucas has completed AWWA's Financial Management Seminar, focusing on cost of service analysis and rate setting policy and procedures. He has assisted Brent with several financial planning efforts and will be an important asset to the team in providing QA/QC.

Lucas has assisted many communities in developing their capital improvement programs and has experience creating and applying a variety of alternative analysis methods for utilities in the northern California and northern Nevada region. Currently, Lucas is managing the Lemmon Valley-Stead Wastewater Facility Plan for both the City of Reno and Washoe County. The plan provides a comprehensive assessment of the wastewater collection system, treatment facilities, and effluent management alternatives available to the City and County in the North Valleys. The primary goal for the plan will be to provide a cost of service assessment of multiple operational alternatives so that each entity can proceed with the most cost effective approach to growth in the future.

Lucas also recently completed a cost of service study for the Plumas-Eureka Community Services District (Blairsden, CA) which evaluated District expenses and revenues and designed rate adjustments for water, sewer and fire protection systems. This study will be subject to Proposition 218 requirements which require that any fee imposed upon any parcel must not exceed the proportional cost of service attributable to the parcel. The primary driver for this study is the eventual construction of a \$3M Water Treatment Plant, in which the District will be using SRF funding to construct.

In the past, Lucas authored and managed the Cold Springs Wastewater Treatment Plant System Facility Plan Update providing a condition assessment and capital improvement program for a wastewater collection, conveyance and treatment system operated by Washoe County. This plan built a wastewater system hydraulic model from scratch and assessed existing system condition and capacity against future development projections to provide Washoe County with a complete assessment of the capital improvements required over the next 20 years. An evaluation of existing and future connection fees was also included as part of the final document. Prior to commencing work on the Cold Springs Facility Plan, Lucas completed the Spanish Springs Wastewater Facility Plan for Washoe County. Without a treatment facility component, this plan assessed the current and future capacity of the wastewater collection system in comparison to the significant growth projected by regional studies. Integral to the success of this plan was Lucas ability to procure a flow monitoring study which provided far superior data to that of previous studies and calibrate the existing system model to match the actual flow conditions. The system included approximately 10-miles of gravity interceptors, a single 1.9 MGD lift station and a 5,900 If force main. The plan was approved and adopted by Washoe County in July 2016.

The common element in all the planning work which Lucas is a part of is his ability to team with the utility, fully understand their unique conditions, recommend financial planning solutions, and select an engineering approach to best meet their needs. Whether it be in the creation of capacity assessment tools, hydraulic modeling, cost of service analysis or modifying a capital improvement program (CIP) to their rate and connection fee schedule, Lucas has a proven record of success.



Education

B.S., Civil Engineering,
University of Nevada, Reno

Professional Licenses,
Licensed Civil Engineer, Nevada
and California

Professional Affiliations
Member, American Society of Civil
Engineers

Chad Knight, E.I. - Project Assistant

Project Designer

Chad is a project designer with Farr West Engineering. He has nearly 4 years of experience in utility design, rate analysis, permitting, and environmental controls. Chad works closely with Brent Farr on utility management, engineering, and financial planning for the Tahoe-Reno Industrial Center.

Recently, Chad assisted Brent in conducting a cost of service study for the TRI GID. The project involved a study on the water and wastewater utilities, including domestic water, process water, domestic sewer, process wastewater, irrigation and construction water. The study was needed to develop new rates which met the operational costs associated with providing the various utilities to customers in the industrial center.

Chad was responsible for tabulating and organizing usage data based on meter sizes and type of use (domestic water, process water, domestic sewer, process wastewater, irrigation and construction water). Next, he developed a financial model based on current usage data and existing utility rates, and a process wastewater surcharge equation. This equation returns a utility rate based on costs for treatable constituents above domestic sewage concentrations. Using these calculations, Chad was able to develop a financial model that was based on projected future use. Chad worked with Brent to propose new utility rates based on projected financial model and GID fiscal year budgets. Chad prepared utility rate reports that highlighted usage trends, GID budgetary information, rate recommendations, impacts of rate changes, and comparisons to local rates. He discussed the rate changes individually with major consumers in the park and delivered a public notice presentation discussing rate changes for consumers in the park.

Chad currently serves as the manager of the TRI GID. The management role involves assistance for utility operations, capital and O&M budget and expense management, processing new business applications, and assisting with new construction and engineering projects. Chad also manages the utility billing process for water and wastewater service provided to facilities within the industrial center by the TRI GID. This involves close management of several hundred water and sewer accounts for commercial and industrial customers. Management of the utility billing process includes training and oversight of operational and administrative staff for reading meters, invoicing, payments, delinquencies, account auditing, and customer service. Chad has also worked with numerous industrial facilities with unique wastewater streams to develop special rates and permits to protect TRI GID infrastructure and to accurately collect appropriate funds based on treatment demands.

RELATED PROJECT EXPERIENCE:

Old Forty West Motel Water System Consolidation

Chad is currently assisting the Old Forty West Motel with consolidation into the Truckee Meadows Water Authority's water system. The project began with an alternative study reviewing options for a community water system using groundwater wells to reach compliance. Chad performed the initial engineering, and acquired grant funding through the Nevada State Revolving Fund. Chad is currently finalizing engineering plans and moving into management of the construction phase of the project.

Silver Springs Effluent Management Plan

Chad produced an effluent management plan for the community of Silver Springs within Lyon County, Nevada. The plan provided information related to the handling of effluent from the Silver Springs wastewater treatment plant, as well as recommendations for future growth. The plan involved investigation of projected population growth and planned connections into the sanitary sewer collection system as well as investigation into disposal capacities, percolation, effluent re-use, and storage.



Education

B.S., Chemical Engineering,
University of Nevada, Reno

Professional Licenses or Certifications

Engineering Intern, Nevada

Alexa Kinsinger, E.I. - Planning Support

Civil Designer / Planning

Alexa Kinsinger is a project designer with Farr West Engineering. She assists project managers in providing services to clients over a broad range of civil engineering projects. Alexa's design assistance is meaningful and important to the success of each project. She regularly performs tasks including drafting in AutoCAD Civil 3-D, calculations, cost estimates, and alternative analysis. Her design experience includes water pipeline and diversion design, force main system curves, pump station cost calculations, and sanitary sewer design. Alexa has an important role in supporting project managers with important field tasks, drafting, design, calculations, permitting, and planning.

While with Farr West, Alexa has worked on a sewer utility rate study for the City of Sparks, planning for sewer flow capacities for Lemmon Valley development, utility mapping, Nevada Division of Environmental Protection (NDEP) public water system permitting, and the Lyon County Solid Waste Management Plan.

RELATED PROJECT EXPERIENCE:

City of Sparks Sewer Rate Study

Alexa is currently working with the City of Sparks to update their sewer utility rate structure. This task has included evaluation of operating and capital costs associated with sewer, storm, and effluent management at the Truckee Meadows Water reclamation Facility (TMWRF) and City revenue analysis and modeling on a five-year time frame. Alexa's primary focus has been the commercial and industrial rate restructure from the current use of outdated surcharge rates based-off business type to a treatment cost recovery approach of rates established by waste strength. She has also played a fundamental role in the evaluation and update of septic receiving rates at TMWRF.

Lemmon Valley-Stead Wastewater Facility Plan

Alexa is currently assisting with sewer utility planning in the North Valleys for the City of Reno and Washoe County. This project consists of facility planning for the Lemmon Valley Water Reclamation Facility and the Reno-Stead Water Reclamation Facility. Alexa has assisted in analyzing capacity analyses to 2060 build-out conditions for both facilities and the North Valleys sewer collection system. She has been involved in the effluent management alternatives analysis and planning-level infrastructure cost estimate development.

Lyon County Solid Waste Management Plan

Alexa wrote the 2018 Lyon County Solid Waste Management Plan for approval by the Nevada Division of Environmental Protection (NDEP). The report describes the solid waste management system for all of Lyon County. To complete this report, Alexa gathered, reviewed, and reported on multiple franchise agreements between the County and various waste management service providers. The report includes County population projections, waste generation calculations, and thorough descriptions of Nevada Revised Statutes (NRS) and Nevada Administrative Codes (NAC) that govern solid waste handling in the County.

TMWRF Effluent Pipeline

Alexa completed civil 3-D utility mapping of all existing utilities along a 15-mile, 24" effluent pipeline from TMWRF to the Tahoe-Reno Industrial Center. The task required Alexa to work closely with multiple utility providers and survey crews to uncover utility crossings and areas of concern within the proposed pipeline alignment.



Education

B.S., Civil Engineering,
Brigham Young University, Provo,
Utah

Professional Licenses or Certifications

Licensed Civil Engineer, Nevada

Appendix B - Addendum 1

CARSON CITY PURCHASING AND CONTRACTS

201 North Carson Street, Suite 2

Carson City, NV 89701

775-283-7362/FAX 887-2286

Request for Proposal

BID# 1819-136

Water, Wastewater and Stormwater Rate Study Refresh

November 14, 2018

Addendum No. 1

Please make the following changes:

1. In Section 2.1 of the RFP document please change the **deadline for submitting Questions**. The questions will only be received through **5 pm on November 20, 2018**.

2. In Section 5.1.2.1 Project Experience, replace language to
 - a. Demonstrated Experience with projects similar in scope. **Giving emphasis on the rate design for the three utilities – Water, Wastewater, and Stormwater, particularly on methodology used for setting up Stormwater rates.**

Brent Fair