



REQUEST FOR PROPOSALS

For

Comprehensive Water and Wastewater Rate Study

Date of Issuance: Thursday, October 17, 2024

RESPONSES MUST BE RECEIVED NO LATER THAN

5:00 P.M., THURSDAY November 21, 2024

SUBMIT TO:

City of Coachella

Attn. Castulo Estrada

53-462 Enterprise Way

Coachella, CA 92236

I. INTRODUCTION

The City of Coachella is soliciting proposals from qualified consulting firms to conduct the following costs and fees associated with services and impacts to each utility providing services as Coachella Water Authority (CWA) and Coachella Sanitary District (CSD):

- Comprehensive Rate Study for the Water Utilities
- Comprehensive Rate Study for the Wastewater Utilities

Each item above shall be included in the proposal as a separate scope of work item.

The focus of these studies is to ensure the City's water and sewer utilities have sufficient, defensible funding to meet their operational, capital, current debt service obligations and those utility rates are set proportionate to the cost of providing service to each customer class. Furthermore, the consulting firm will provide a financial model showing rate impacts created by new capital and operational requirements. This model will be useable by City staff for future financial planning.

The City's Utilities Department underwent a Utility Man Power Study to determine appropriate staffing levels under optimal performance conditions based on industry comparisons. The list of recommendations will need to be incorporated with consulting firms rate study. Furthermore, the Utilities Department is currently undergoing a compensation study for which the consulting firms' recommendations will also need to be incorporated with the rate study.

The City anticipates submission of a draft Rate Study by summer of 2025, unless an alternative timeline by the consulting firm is identified. Following acceptance of the draft Rate Study, the consulting firm will provide a presentation to the City Council and the public within two months. A final report will be prepared based on input received during these presentations. If necessary and approved, a new rate structure would take effect either on January 1, 2026 or July 1, 2026.

II. BACKGROUND

The City is located at the east end of the Coachella Valley approximately 40 miles south of Palm Springs, California. The surrounding area is largely agriculture land to the south; undeveloped land to the east and north; and, urban growth to the west. The communities of Coachella – including Thermal and Mecca -- include more than 70,000 acres of land irrigated by the Colorado River via a complex canal system. The service area encompasses approximately 32 square miles and has a sphere of influence that encompasses 53 square miles in the eastern Coachella Valley. The City operates utility services to approximately 9,000 residential and commercial customers.

The Coachella Water Authority was formed in 1957. The water system consists of different pressure zones, groundwater wells, storage reservoirs, booster pumping stations, and distribution facilities. The current water system is divided into two (2) pressure zones, the Low Zone and the 150 Zone. The system has one principal source of water supply, local

groundwater pumped from City owned and operated wells. There are currently six (6) wells within the City's distribution system; of which, all six (6) wells are currently operational. The total pumping capacity of active wells is approximately 11,400 gallons per minute (gpm) or 16.5 million gallons per day (MGD). The system has three (3) storage reservoirs, with a total reservoir storage capacity of approximately 10.5 MG. and two booster pumping stations. The distribution system network consists of approximately 120 miles of pipeline, which range from 4-inches to 36-inches in diameter and serves approximately 9,000 residential and commercial customers.

The Coachella Sanitary District was formed in 1948. The sanitary system is comprised of a wastewater treatment plant consisting of a raw wastewater lift station and headworks facility which includes screenings and grit removal equipment, two separate secondary treatment process trains including contact stabilization tanks, oxidation ditches and disinfection facilities. Secondary effluent from the plant, following disinfection with sodium hypochlorite and dechlorination with sodium bisulfite is discharged through an outfall into the Coachella Valley Stormwater Channel. The design flow is 4.5 million gallons a day (MGD). The District is also comprised of a Collection System that conveys wastewater flows from residential, commercial and industrial customers through an approximate 9,000 service connections, approximately 90 miles of pipeline, two (2) sewage pump stations, and over 1,600 manholes.

III. OBJECTIVE

The purpose of this project is to ensure that the Coachella Water Authority (CWA) and the Coachella Sanitary District (CSD) are accurately accounting for the true cost of providing both water and wastewater services by charging fair rates and fees for services that cover the costs to provide the level of service expected by customers. It is both the District's and Authority's goal to have a well-documented and defensible cost of service plan that will identify rates that can be used to recover costs for providing services, operation and maintenance, debt service and capital costs that comply with Proposition 218.

IV. SCOPE OF SERVICES

The consultant shall develop a proposal based on the items listed below. The list should not be viewed as all-inclusive as some steps might be missing and should be added to show completeness of the proposal.

A. COMPREHENSIVE USER WATER AND WASTEWATER RATE STUDY

Project tasks shall include, but are not necessarily limited to, the items noted below.

Task 1-Initial Meetings and Data Collection

This task will involve collecting and reviewing basic data to be provided by the City of Coachella, reports by others, historical and current financial information, operating and capital budgets. When possible, financial data will be collected in

electronic form to avoid duplication of effort with regard to data entry and to ensure data accuracy. It is critical to ensure that available data supports costs allocations in light of California's Proposition 218. Specific activities will include:

- **Data Request.** Consultant will furnish the City of Coachella with a list of basic data needed to conduct the study. The list may include additional details regarding: customer information, financial and operating data, historical customer account and billing records, reports by others, audits, projected operating and capital budgets, detailed fixed asset records and relevant ordinances.
- **Data Compilation.** The domestic water rate study is reliant on the condition of the present domestic water billing data. The City will furnish the Consultant data tables. Consultant will be responsible for:
 - Reconciling billing data provided
 - Identifying missing account information from the list of Master Meter accounts by separating Master Meter transactions and identify the appropriate codes with the Master Meter account table. This includes locating accounts that may only be identified through sub-accounts and sub-sub-account, which is not a standard practice. This creates a "grandparent", "parent", "child" relationship, resulting in an unusable web of data when exported.
 - Removing inactive data from accounts that are grouped into master accounts.
 - Cleaning up of unexplained extra transactions in the provided tables
- **Project Planning.** During the project kick-off meeting, a discussion of current operations, maintenance, capital planning, financing, cost allocation and rate making policies, goals and scheduling will be conducted to provide reasonable assurance that work efforts and recommendations recognize and are consistent with established short and long-term City of Coachella objectives. Potential problem areas, vital issues of concern, data summary efforts by available City of Coachella staff and other relevant matters will also be discussed.
- **Review and Evaluation of Basic Data.** Consultant will review all data received to confirm its completeness and Consultant's understanding of historical domestic water and wastewater operations and requirements reflected therein.
- **Supplemental Data Requests.** As the study progresses and after initial data is evaluated, Consultant will submit requests for additional data and clarifications of initial data received, as necessary.

Task 2-Projection of Revenues Under Existing Rates

This task will include a detailed analysis of historical customers served by class along with available customer projections provided by the City of Coachella to develop

customer and billed volume projections for the five-year study period covering fiscal years 2026 through 2031. The results of this analysis will provide a sound basis for estimating future revenue levels under existing and proposed rates and provide a basis for estimating certain operating expenses such as power and chemicals that vary with billed volumes. Specific activities will include:

- **Customer Account and Volume Projections.** Consultant will project the number of domestic water and wastewater customers and billable volumes for the five-year study period by considering historical population and customer growth trends, growth projections provided by City of Coachella, major local economic events, changes in customer class usage patterns over time and other knowledge provided by City of Coachella staff. The analysis will examine five years of historical data, as available. Volume projections will recognize the projected number of domestic water customers by customer class and a billable volume per account analysis to normalize the historic effects of weather, account growth spurts and increased or decreased usage by existing customers. The Consultant will review and incorporate population and flow projections as modeled in the Sanitation Master Plan and Draft Indio Subbasin Alternative Plan Update for 2022.
- **Projection of Revenues Under Existing Rates.** Projections of domestic water and wastewater revenue under existing rates will be developed, recognizing projected accounts, billed volumes and other billable units applied to the existing rate structure.
- **Project Other Income.** Interest income and revenue from other domestic water sources will be reviewed and projections made.

Task 3-Development of Revenue Requirements and Cash Flow Analyses

The development of revenue requirements for domestic water and wastewater will be based on an examination of historical financial reports and current operating budgets. By combining the revenue and revenue requirements projections, cash flow analyses of domestic water and wastewater operating and capital financing needs will be developed. Detailed analyses will provide an indication of the magnitude of overall adjustments in respective annual revenue levels needed to meet the projected revenue requirements.

- **Project Operation and Maintenance Expense.** Consultant will project operation and maintenance expense based on a review of historical financial records and trends, and available budget estimates of future domestic water and wastewater operation and maintenance expense. Projections will recognize estimated increases in the number of customers served, as well as the potential effects of continued inflation in cost levels, the addition of new system facilities, anticipated changes in operation and staffing and other factors which may influence future expense levels.
- **Routine Capital Expenditures.** Based on analyses of historical and budget data, available domestic water assessments of future needs and discussions with City of

Coachella staff, Consultant will forecast the requirement for capital outlays which tend to recur on an annual basis. Such expenditures consist of the normal and ongoing replacement of worn out or obsolete equipment. Current year requirements are typically financed directly from the domestic water and wastewater operating revenues and grants.

- **Major Capital Improvement Program Financing Plan.** Consultants will develop financing plans for planned major domestic water and wastewater capital improvement programs based on available schedules of project dates and estimated costs provided by the City of Coachella. Depending upon the magnitude of the major capital improvement program, additional debt financing may be indicated during the study period to augment funds generated by water and wastewater charges and developer fees. The recommended financing strategy of the major capital improvement program will be based on consideration of available funding, existing revenue, bond ordinance covenants and other requirements, impact on domestic water and wastewater rate levels and City of Coachella policy. The relative benefits of various combinations of cash versus debt financing, and alternative debt terms and maturity schedules will be examined. The financing plan selected and approved by the City of Coachella will be used as the basis for the conducting of Task 4 through 9.
- **Debt Service Expense.** Projections of principal and interest payments on any outstanding debt obligations and any projected future bonds for major capital improvements will be developed for the forecast study period. The debt service on future bonds and bond sizing will consider the amount of bond proceeds required for construction, issuance costs and compliance with any reserve requirements of the authorizing resolution.
- **Reserve Funding.** Existing reserve fund requirements and balances will be reviewed for adequacy. Applicable bond ordinance requirements will be reviewed along with any relevant City of Coachella policies. Consultant will recommend adequate reserve levels based on our review of both reserve funding requirements and industry standards.
- **Projected Revenue Adjustment Needs.** Consultant will prepare cash flow analyses summarizing the above projections of revenues and revenue requirements to determine the adequacy of revenues under existing rate levels to meet operating and capital needs for the study period. Forecasted revenues will include revenue under existing rates for domestic water service, funds generated from miscellaneous fees, other operating income and interest income. Revenue requirements will include operation and maintenance expense, routine capital expenditures, the revenue financed portion of major capital improvements, debt service on any required additional bonds, revenue bond covenant coverage, reserve funding requirements and any other anticipated obligations, as applicable.

Based on the overall level of projected revenues and revenue requirements,

Consultant will establish the adequacy of revenues and the indicated time of need and magnitude of revenue adjustments projected to be required.

- **Preparation of Alternatives for Review by the Client.** A minimum of four financing plan alternatives will be developed and presented to City of Coachella staff for their review and comments prior to the conduct of Task 4 through 9. These alternatives will recognize major capital program and the other revenue requirements established above, and consider modifications designed to phase-in or otherwise minimize the impact of revenue increases on customers. At this time, major capital improvement program scheduling adjustments may be made so that projected rate increases for the finalized plan are at levels acceptable to the client.
- **Test Year Cost of Service.** A test year representative of future conditions during the study period will be selected to perform subsequent rate design tasks. It is presently anticipated that the test year for report purposes will be fiscal year 2024. Additional test years will be used to design annual rates throughout the remaining five-year study period. The overall cost of service to be recovered will be equal to revenue under existing rates plus the recommended overall revenue increase(s).

Task 4-Evaluation of Customer Classes

Test year costs of service will be allocated to groups of customers with similar service requirements. Customers are typically grouped by class. Classes include residential, commercial, landscape irrigation and others that typically have different service requirements. Consultant will:

- **Review Customer Classes.** Review the existing domestic water and wastewater customer class designations to determine appropriateness and equitability and recommend to CWA and CSD any revised and/or new customer class designations, as needed.
- **Determine Customer Class Characteristics.** Determine appropriate usage and billing characteristics for each customer class, based on available information. Estimates of customer class characteristics will be based on billing data, system operating statistics, ownership status (inside versus outside city customers), availability of service, other available information, and Consultant judgment and experience.

Task 5-Cost Of Service Allocations

The cost of service to be recovered from water and wastewater service revenues is equal to operation and maintenance expense, plus all capital related costs, less revenues from other sources. Costs of service will be apportioned among domestic

water and wastewater customers, that is, in terms of operating expenses, depreciation expense and return on investment. For a municipal utility, the cumulative total of depreciation expense and return is equal to the capital cost portion of total cost of service.

Test year costs of service or revenue requirements to be met from domestic water and wastewater service rates will be first allocated to functional cost components to provide a basis for subsequent allocations to customer classes, which will recognize estimates of each class's service requirements. Allocations will reflect cost-causative concepts in accordance with generally accepted utility practices. For domestic water, these concepts are generally consistent with the widely accepted methodology outlined in the American Water Works Association Manual of Practice M1, titled Principles of Water Rates, Fees, and Charges. For wastewater utility these concepts are generally consistent with accepted procedures described in the Water Environment Federation's manual on Financing and Charges for Wastewater Systems. Class allocations will be compared to estimates of corresponding class revenues under existing rates to identify relative adjustments by class, and in total for the domestic water and wastewater system, to align revenues with allocated costs. Allocations will recognize generally accepted utility industry standards and procedures, based on available data.

- **Capital Cost Allocations.** For capital cost allocation purposes, Consultant will establish estimates of projected test year depreciation expense and plant asset values for rate base. These analyses will be based on schedules of depreciation rates and suitably detailed asset value information to be provided by the Consultant and/or City of Coachella.
- **Functional Cost Allocations.** Consultant will allocate test year costs of service to various cost components which constitute functional classifications of the domestic water and wastewater service provided. The development of domestic water functional cost allocations will recognize base or volume related costs, maximum day and hour extra capacity, fire protection costs and customer costs. The development of wastewater functional cost allocations will recognize cost-causative factors including wastewater contributed flow, infiltration/inflow, capacity, wastewater strength and customer related service requirements for each customer class.
- **Development of Customer Class Units of Service.** Consultant will estimate customer class service characteristics associated with each of the functional cost elements recognizing the historic usage patterns, applicable data available, engineering judgment regarding customer class service characteristics, and experience with other domestic water utility operations possessing similar usage characteristics and patterns. The relative service characteristics of inside city and outside city, customer class groups, and other large groups if any, will be recognized, as applicable.
- **Allocation of Costs to Customer Classes.** Consultant will distribute costs by functional component to customer classes using applicable unit costs of service and class units of service to determine each class's proportional responsibility for

total system costs. The relative responsibility of each class of domestic water and wastewater customers will be specifically determined based on each class's or user's estimated service requirements.

- **Determination of Revenue Adequacy.** Consultant will prepare a comparison of class revenues under existing domestic water and wastewater rates with allocated class costs of service to determine the level of cost recovery by class and in total; and to indicate any needed revenue adjustments to align customer class revenues and allocated costs.

Task 6-Design of Rates and Charges

The existing domestic water and wastewater rate structures will be evaluated for their effectiveness in equitably recovering total revenues from customers served. Revisions to the existing rate structure to recover total revenues and allocated costs by class, will be reviewed and evaluated for use by CWA in meeting domestic water and wastewater service policies, pricing objectives, cost of service recovery, compliance with California Assembly Bill 2882 and practical limitations. Specific activities will include:

- **Existing Rate Structure Evaluation.** Consultant will review the advantages and disadvantages of the existing domestic water and wastewater rate formats.
- **Existing Tier Structure Evaluation.** Consultant will review the advantages and disadvantages of the existing water tier structure. Consultant will develop and propose new tier structure.
- **Proposed Rates.** Based on the evaluation of existing domestic water rate structures, Consultant will develop and propose schedules of domestic water and wastewater rates, high wastewater strength surcharges and liquid waste hauler rate that recognize the following:
 1. Recovery of total revenues needed for domestic water and wastewater enterprise operations
 2. Domestic water and wastewater service policies, including consideration of conservation-based domestic water charges
 3. Recognition of allocated costs of service and proportional cost recovery by customer class
 4. Recognition that rates do not exceed the proportional cost of service attributable to individual parcels
 5. Recognition of potential additional domestic water and wastewater costs to serve distant customers
 6. Equitable recovery of costs for each class of service
 7. Practical considerations and needs

Specific consideration will be given to establishing charges that meet City of Coachella's policies and practical objectives regarding domestic water and wastewater service. The rate schedules will be designed to recover projected revenue requirements for the five-year study period.

- **Proposed Rate Revenue Adequacy.** Consultant will compare revenues expected from each customer class under proposed domestic water and wastewater rates to examine the adequacy of cost recovery by individual customer classes and for the domestic water and wastewater system in general.
- **Typical Bill Comparison.** Consultant will prepare comparisons of typical bills under existing and proposed rates for each customer class under various levels of domestic water usage and meter sizes and wastewater volume.

Task 7-Financial Planning & Rate Design Computer Model

Consultant will develop spreadsheet analyses that model established financial planning, cost of service and rate design procedures. These analyses will be part of a user-friendly personal computer-based financial planning and rate design model that will enable City of Coachella staff to periodically revise and update the studies and projections of revenue and revenue requirements, financial plans, cost of service analyses and design of adequate rates on a routine basis. The model can be used to calculate annual rate adjustments or to conduct "what-if" analyses, reflecting the impact of changes in significant system variables such as customer growth and volume projections, revised budgeted revenues and expenditures, allowances for inflation, capital improvement program schedules and City of Coachella policy decisions.

The model will be developed using Microsoft Excel 2010 or newer spreadsheet software. The model's framework will be specifically tailored and designed to recognize domestic waters and wastewater unique needs, characteristics and information base. The model will incorporate required features necessary to permit "in-house" application by City of Coachella staff. The basic financial planning and rate model development task will include the following:

- **Rate Model Development.** Develop a computer model concurrently with the development of the rate study tasks identified above. The financial planning and rate model will include the following features:
 1. Specifically tailored and designed to recognize the utilities' unique needs, characteristics and information base, including compatibility with the City of Coachella's budgetary and accounting systems
 2. Flexible capital improvement program scheduling allowing for changes in costs, sources of funds, timing and allowances for inflation
 3. Ability to develop financial plan cash flow alternatives for changes in

customer, volume, and revenue projections; budgetary revisions; variations in timing and amounts of revenue increases; debt service structuring and different capital improvement program scenarios; and changes in other parameters

4. Ability to assess impact on cost-of-service allocations to user classes and domestic water and wastewater rates of alternative management decisions
 5. Capability to independently design and develop domestic water and wastewater rates and charges on an annual basis, thus permitting staff to examine the phase-in needed for rate adjustments over a period of time
 6. The model tests revenue generation by class and in total for proposed rates and indicates impacts on customers served through a typical monthly bill analysis
 7. Automated ability to change study periods and retain relative information so that it can conveniently be used on an annual basis by City of Coachella staff
 8. Extensive model documentation including pop-up user instructions, text formula calculation references with updatable page number notations, hyperlink references to supporting ranges (similar to Internet web page navigation) and page referenced ranges designed to be incorporated into a calculation manual
 9. Incorporation of user-friendly features, including fully automated pre-programmed print and navigation menus, customized icons for specific model functions and other features; In addition, a separate procedures manual describing all available user-friendly features will also be prepared.
 10. Capability of producing a wide variety of attractive and informative management reports with the click of a button; as well the ability to easily add new report tables to the print menu without any programming knowledge
 11. Incorporation of advanced programming features to automate basic procedures such as initializing the rate model for a new budget year, printing, transferring data files into the rate model, setting-up screens for cash flow or other analyses and navigating throughout the rate model
- **Conduct Training Session.** A one-day training session for City of Coachella staff in the use of the model will be conducted at the City of Coachella's offices. It is anticipated for this proposal that the training session will take place the day before or the day after the final presentation meeting.
 - **User Manual.** A user manual documenting all of the computer model's features and pop-up user instructions will be prepared and presented to the City of

Coachella during the training session.

Task 8-Deliverables

Consultant will provide the following reports and other deliverables during the course of the project:

- **Draft Report.** Consultant will prepare preliminary report text and tables covering the selected financial plan, cost of service allocations and rate design for review by the City of Coachella. Four (4) copies of the draft report will be submitted to the City of Coachella for review and comment.
- **Final Report.** Based on review comments of the draft report, a final report will be prepared. Four (4) bound copies of the report and one electronic copy of the report in the popular portable document format (PDF) will be delivered to the City of Coachella.
- **Calculation Book.** A book of all calculations supporting the proposed rates and report will be delivered as part of the computer model training session.
- **Computer Model.** A compact disk (CD) or thumb drive, containing the computer model and PDF version of the report, will be delivered to the City of Coachella and used to install the model on the Client's designated computers. This model will utilize the proprietary add-in developed by the Consultant, which provides user-friendly features to all of the Consultant's models that are designed to be used by City of Coachella staff.
- **User Manual.** Consultant will provide two copies of a user manual documenting all of the computer model's features and pop-up user instructions

Task 9-Meetings and Presentations

Consultant will also attend meetings as requested by the City of Coachella. A total of up to seven actual or on-line virtual meetings are proposed and provided for under this task. A minimum of four of these meetings will be in person. These will be scheduled at significant stages of the study to receive project direction, review study progress, present report findings and recommendations, as described below. Consultant should budget in addition to the meeting schedule below, a minimum of 20 hours to have online virtual meetings directly with staff for progress updates and address any questions/concerns. Meeting should be no longer than an hour, twice a month. To facilitate efficient use of project resources, meetings can be scheduled to address the domestic water and wastewater cost of service studies at the same time.

- **Meeting 1.** Consultant will meet with City of Coachella to discuss rate design issues and obtain overall policy guidance for the study. The meeting will also discuss project requirements, alternatives, strategy, rate design philosophy, and review available basic data collected by the staff prior to the meeting, as provided for in Task 1. Consultant will also provide direction, as required, for data summary by

City of Coachella staff.

- **Meeting 2.** A virtual on-line or in-person meeting using interactive web-based software will be scheduled near the 25% completion stage of the study to review study progress, interim study findings and to receive direction for the completion of the study.
- **Meeting 3.** A virtual on-line or in-person meeting using interactive web-based software will be scheduled near the midpoint of the study to review study progress, interim study findings and to receive direction for the completion of the study.
- **Meeting 4.** A virtual on-line or in-person meeting will be scheduled after the City of Coachella has received the draft report to discuss City of Coachella staff comments and potential revisions to be considered for the final report.
- **Meeting 5.** Final draft study findings will be presented to City of Coachella at a meeting with the City of Coachella Council members at a Council Study Session.
- **Meeting 6.** Review final report of draft study findings will be presented to City of Coachella at a City of Coachella Council meeting.
- **Meeting 7.** To be determined based on study

Task 10-Additional Rate Study Services

The consultant selected will need to work with our attorney and our Communications Department to support the City of Coachella with public outreach and at the public hearing on Proposition 218. In addition, if requested by the Client, other services in addition to those set forth above will be performed. Such services may include: additional domestic water and wastewater financial plans that would allow for changes in operating and capital budget projections; meetings, hearings, presentations, or reports in addition to those provided for under Tasks 1 through 9; revisions or updating of the domestic water and wastewater cash flow analyses, cost allocations and rate design to recognize post-Task 3 changes in operating expense, capital program requirements, debt service schedules, bond sale dates, budgets, staffing levels, customer service requirements, changes in the replenishment charges, organizational or other changes that may impact the findings of the preceding tasks; the preparation or presentation of special exhibits or expert testimony; and other related studies and services.

V. SUBMITTAL REQUIREMENTS

Submittals shall comply with all conditions, requirements and specifications contained herein, with any departure constituting sufficient cause for rejection of the proposal at

the City of Coachella's sole discretion. Any and all costs incurred in the preparation and presentation of this submittal shall be borne solely by the respondent. All submittals received shall become the property of the City of Coachella and will not be returned.

Faxed submittals will not be accepted. Proposal response must be received no later than 5:00 PM PST, on or before November 21, 2024. Proposals may be mailed or delivered in person to:

City of Coachella
Attn: Castulo Estrada,
Utilities Director
53-462 Enterprise Way
Coachella, CA 92236

Failure to comply with the requirements of the RFP may result in disqualification. Late responses will not be accepted or considered. The City reserves the right to reject any or all proposals submitted.

All materials received become the property of the City of Coachella and may be subject to public records request.

VI. INQUIRIES AND ADDENDA

Any questions, interpretations, or clarifications, either administrative or technical, from prospective proposers regarding this RFP must be received in writing via email, no later than 6:00 P.M. (PST) on November 11, 2024.

All inquiries regarding the RFP process and proposal submissions should be directed to:

City of Coachella
Attn: Castulo Estrada & Blanca Flores
cestrada@coachella.org; bflores@coachella.org
760-501-8100

If necessary, any addenda will be provided to all firms receiving this Request for Proposal.

VII. SCHEDULE OF EVENTS

RFP Release Date	October 17, 2024
Submission Deadline for Questions	November 11, 2024

City to Provide Addendum to Response to Questions November 19, 2024

Proposal Submission Deadline

November 21, 2024

VIII. PROPOSAL REQUIREMENTS

Proposal Format

The Respondent's proposal shall be clear, accurate, and comprehensive. Excessive or irrelevant materials will not be favorably received. Respondents should make their proposals as concise as possible. The Proposal shall be signed by an individual or individuals authorized to execute legal documents on behalf of the Respondent.

Proposals shall include the following items and be organized in the order specified below.

The following items shall be packaged into a single electronic file in ".pdf" format:

- (a) Table of Contents
- (b) Transmittal Cover Letter. Include Respondent's legal name, background and history of the firm, which demonstrates understanding, and knowledge of the skills necessary to serve in this role, current number of employees, contact person, telephone number, web site address and e-mail address.
- (c) Executive Summary. Summarize the content of your firm's Proposal in a clear and concise manner. Demonstrate advanced knowledge of the operations and functions of a water and sanitation utility. Proposals will only be accepted if submitted by a single firm or entity. Proposals shall not be jointly submitted by multiple separate individuals or entities.
- (d) Personnel. Names and specific qualifications, experience, skill set fit, and appropriate licenses held, if applicable, and resumes of the professionals who will conduct the study or actively participate in the project.
- (e) Understanding of Project. A detailed description of Respondent's approach to the project (see Scope of Services) Respondent will include:
 - 1. The work plan, including a step-by-step process used to conduct the study.
 - 2. A project schedule identifying the beginning and ending dates for each phase of work with projected target dates for each

strategic milestone.

3. A list and a brief summary of any third-party vendor(s) that may be utilized to assist the Consultant in providing any of the required or proposed services.

(f) References. Provide three (3) references of projects similar size and scope, including at least two (2) reference for projects completed during the past five years. Include the organization contact name, phone number, address, e-mail address.

(g) Disclosure of Claims/ Lawsuits.

- i. Disclose whether any lawsuits against your firm which concern breach of contract, professional negligence, errors and omissions, malpractice, improper practices, or ethics violations have been filed in court or arbitration arising out of your services in the past five years.

If any, on a separate sheet of paper identify the claim(s)/lawsuit(s) by providing the date of the claim, name of the claimant, a brief description of the nature of the claim, the court in which the case was filed, and a brief description of the status of the claim (pending or, if resolved, a brief description of the resolution). Are there any current claims against your firm that, should you lose the claim(s), would adversely affect your firm's financial position or your firm's ability to meet your obligations if awarded a contract pursuant to this RFP? If so, please explain.

- ii. Disclose whether your firm has made any claim against a public agency which concerns work performed by your firm pursuant to a contract or payment for a contract and filed that claim in court or arbitration in the past five years.

If any, on a separate sheet of paper identify the claim(s) by providing the date of the claim, name of the claimant, a brief description of the nature of the claim, the court in which the case was filed, and a brief description of the status of the claim (pending or, if resolved, a brief description of the resolution). Are there any current claims against your firm that, should you lose the claim(s), would adversely affect your firm's financial position or your firm's ability to meet your obligations if awarded a contract pursuant to this RFP? If so, please explain.

(h) Cost Proposal. Include a detailed cost proposal for the required

Scope of Services, inclusive of any anticipated travel, per-diem, and other incidental costs and charges. The cost proposal will include the total cost as well as an itemized breakdown of the cost to accomplish each phase outlined in the proposal, including the maintenance program and any costs to a third-party provider. It is anticipated that a not-to-exceed dollar limit will be negotiated with the successful Respondent.

- (i) No Deviations from the RFP. The City will not consider any deviation from this RFP. In submitting a Proposal in response to this RFP, Respondent is certifying that it takes no exceptions to this RFP including, but not limited to the "Professional Services Agreement" attached hereto as Attachment "1." Respondent is directed to carefully review the proposed Professional Services Agreement and, in particular, the insurance and indemnification provisions therein.

IX. EVALUATION PROCESS

1.2 Evaluation Criteria.

Proposals that meet the submittal requirements will be evaluated by the City staff based on the following criteria (in no particular order):

(a) Minimum Qualifications and professional experience of the firm. (10%)

- Consultant's background and years of experience
- Demonstrated ability to provide qualified and experienced personnel
- Identification and Hands-on experience of team and staff who will be involved with the project
- Availability of the lead and all proposed team members
- Experience with projects of similar type and scope
- Experience with other municipalities and public sector organizations
- Demonstrated expertise and advanced knowledge of the laws and practices relating to employee classification and compensation within a public/government setting, more specifically, water district operations
- Demonstrated track record of success in handling all aspects of a rate study and an overhead allocation study.
- Demonstrated communication strengths and analytical skills

(b) Thoroughness and Organization of Proposal (30%)

- Includes all elements of the proposal and meets project objectives
- Proposal is organized, concise and thorough
- Demonstrates a clear understanding of the scope of services

(c) Overall project approach, design and methodology (35%)

- Description of the professional methodology and structure that will be used to satisfy the projects objectives
- Proposed materials and plans to accomplish the tasks

(d) Implementation and/or Delivery Schedule (15%)

- Thoroughness of the timeline required to accomplish objectives
- Proposed timeline is realistic and fully responsive to project objectives

(e) Price. (10%)

- Quality of work to be delivered based on consultant's fee
- Total cost includes an itemized breakdown of each phase outlined in the proposal, including any costs to third party providers

Respondents should note that cost is not a significant determining factor in the evaluation.

At the conclusion of the Proposal solicitation period, the City will review each submission and perform any other investigation it deems appropriate, and then rank the Proposals according to evaluation criteria. Based on the rankings, the City may, at its sole discretion, invite a short list of Respondents to participate in interviews and/or demonstrations. If interviews and/or demonstrations are conducted, the evaluation panel will evaluate the short-listed Respondents based on the information provided in the Proposal, the results of the City's research and investigation, and the interview and/or demonstration selecting the Respondent who ranked highest. No Respondent shall be entitled to or otherwise guaranteed an interview with the City.

1.3 Award of Contract.

Upon determination of the highest ranked firm, the City will endeavor to negotiate a mutually agreeable scope of services and fee with the selected firm. In the event that the City is unable to reach agreement, the City will proceed, at its sole discretion, to negotiate with the next firm selected by the City.

If awarded, the contract will be awarded to the firm selected on the basis of information provided in the Proposal, the results of the City's research and investigation, and, if conducted, oral interviews.

The City reserves the right to reject all proposals and to contract for services in the manner that most benefits the City, including awarding more than one contract if desired.

ATTACHMENT 1

CITY OF COACHELLA

PROFESSIONAL SERVICES AGREEMENT

1. PARTIES AND DATE.

This Agreement is made and entered into this ____ day of _____, 20__, by and between the City of Coachella, a municipal organization organized under the laws of the State of California with its principal place of business at 53-462 Enterprise Way, Coachella, California 92236 (“City”) and [___INSERT NAME___], a [___[INSERT TYPE OF ENTITY - CORPORATION, PARTNERSHIP, SOLE PROPRIETORSHIP OR OTHER LEGAL ENTITY]___] with its principal place of business at [___INSERT ADDRESS___] (“Consultant”). City and Consultant are sometimes individually referred to as “Party” and collectively as “Parties.”

2. RECITALS.

2.1 City. City is a municipal corporation organized under the laws of the State of California, with power to contract for services necessary to achieve its purpose.

2.2 Consultant. Consultant desires to perform and assume responsibility for the provision of certain professional services required by the City on the terms and conditions set forth in this Agreement. Consultant represents that it is experienced in providing [___INSERT TYPE OF SERVICES___] services to public clients, is licensed in the State of California, and is familiar with the plans of City.

2.3 Project. City desires to engage Consultant to render such services for the [___INSERT NAME OF PROJECT___] project (“Project”) as set forth in this Agreement.

3. TERMS.

3.1 Scope of Services and Term.

3.1.1 General Scope of Services. Consultant promises and agrees to furnish to the City all labor, materials, tools, equipment, services, and incidental and customary work necessary to fully and adequately supply the professional [___INSERT TYPE OF SERVICES___] consulting services necessary for the Project (“Services”). The Services are more particularly described in Exhibit “A” attached hereto and incorporated herein by reference. All Services shall be subject to, and performed in accordance with, this Agreement, the exhibits attached hereto and incorporated herein by reference, and all applicable local, state and federal laws, rules and regulations.

3.1.2 Term. The term of this Agreement shall be from [___INSERT START DATE___] to [___INSERT ENDING DATE___], unless earlier terminated as provided herein. Consultant shall complete the Services within the term of this Agreement, and shall meet any other established schedules and deadlines. [***INSERT IF DESIRED BY CITY: City alone (not the

Consultant) shall have the option to extend the term of this Agreement for two (2) successive one (1) year periods (individually, "Subsequent Term" and collectively, "Subsequent Terms") on the same terms and conditions as set forth in this Agreement (including, without limitation, the rates set forth in the Compensation Schedule attached hereto as Exhibit "C" and incorporated by reference herein); provided however, that the amount of the total compensation, including authorized reimbursements, for any Services rendered in any Subsequent term(s) (if such Subsequent Term(s) is desired by City), shall not exceed the amount required to be appropriated by City, in its sole and absolute discretion. Such extension(s) shall be made by City providing written notice to Consultant. Consultant shall complete the Services within the applicable Term of the Agreement, and shall meet any other established schedules and deadlines as may be set by City staff on an on-call and as-needed basis from time to time.***]

3.2 Responsibilities of Consultant.

3.2.1 Control and Payment of Subordinates; Independent Contractor. The Services shall be performed by Consultant or under its supervision. Consultant will determine the means, methods and details of performing the Services subject to the requirements of this Agreement. City retains Consultant on an independent contractor basis and not as an employee. Consultant retains the right to perform similar or different services for others during the term of this Agreement. Any additional personnel performing the Services under this Agreement on behalf of Consultant shall also not be employees of City and shall at all times be under Consultant's exclusive direction and control. Consultant shall pay all wages, salaries, and other amounts due such personnel in connection with their performance of Services under this Agreement and as required by law. Consultant shall be responsible for all reports and obligations respecting such additional personnel, including, but not limited to: social security taxes, income tax withholding, unemployment insurance, disability insurance, and workers' compensation insurance.

3.2.2 Schedule of Services. Consultant shall perform the Services expeditiously, within the term of this Agreement, and in accordance with the Schedule of Services set forth in Exhibit "B" attached hereto and incorporated herein by reference. Consultant represents that it has the professional and technical personnel required to perform the Services in conformance with such conditions. In order to facilitate Consultant's conformance with the Schedule, City shall respond to Consultant's submittals in a timely manner. Upon request of City, Consultant shall provide a more detailed schedule of anticipated performance to meet the Schedule of Services.

3.2.3 Conformance to Applicable Requirements. All work prepared by Consultant shall be subject to the approval of City.

3.2.4 Substitution of Key Personnel. Consultant has represented to City that certain key personnel will perform and coordinate the Services under this Agreement. Should one or more of such personnel become unavailable, Consultant may substitute other personnel of at least equal competence upon written approval of City. In the event that City and Consultant cannot agree as to the substitution of key personnel, City shall be entitled to terminate this Agreement for cause. As discussed below, any personnel who fail or refuse to perform the Services in a manner acceptable to the City, or who are determined by the City to be uncooperative, incompetent, a threat to the adequate or timely completion of the Project or a threat to the safety of persons or

property, shall be promptly removed from the Project by the Consultant at the request of the City. The key personnel for performance of this Agreement are as follows: [___INSERT NAMES___].

3.2.5 City's Representative. The City hereby designates [___INSERT NAME OR TITLE___], or his or her designee, to act as its representative for the performance of this Agreement ("City's Representative"). City's Representative shall have the power to act on behalf of the City for all purposes under this Contract. Consultant shall not accept direction or orders from any person other than the City's Representative or his or her designee.

3.2.6 Consultant's Representative. Consultant hereby designates [___INSERT NAME OR TITLE___], or his or her designee, to act as its representative for the performance of this Agreement ("Consultant's Representative"). Consultant's Representative shall have full authority to represent and act on behalf of the Consultant for all purposes under this Agreement. The Consultant's Representative shall supervise and direct the Services, using his best skill and attention, and shall be responsible for all means, methods, techniques, sequences and procedures and for the satisfactory coordination of all portions of the Services under this Agreement.

3.2.7 Coordination of Services. Consultant agrees to work closely with City staff in the performance of Services and shall be available to City's staff, consultants and other staff at all reasonable times.

3.2.8 Standard of Care; Performance of Employees. Consultant shall perform all Services under this Agreement in a skillful and competent manner, consistent with the standards generally recognized as being employed by professionals in the same discipline in the State of California. Consultant represents and maintains that it is skilled in the professional calling necessary to perform the Services. Consultant warrants that all employees and subcontractors shall have sufficient skill and experience to perform the Services assigned to them. Finally, Consultant represents that it, its employees and subcontractors have all licenses, permits, qualifications and approvals of whatever nature that are legally required to perform the Services, including a City Business License, and that such licenses and approvals shall be maintained throughout the term of this Agreement. As provided for in the indemnification provisions of this Agreement, Consultant shall perform, at its own cost and expense and without reimbursement from the City, any services necessary to correct errors or omissions which are caused by the Consultant's failure to comply with the standard of care provided for herein. Any employee of the Consultant or its sub-consultants who is determined by the City to be uncooperative, incompetent, a threat to the adequate or timely completion of the Project, a threat to the safety of persons or property, or any employee who fails or refuses to perform the Services in a manner acceptable to the City, shall be promptly removed from the Project by the Consultant and shall not be re-employed to perform any of the Services or to work on the Project.

3.2.9 Laws and Regulations. Consultant shall keep itself fully informed of and in compliance with all local, state and federal laws, rules and regulations in any manner affecting the performance of the Project or the Services, including all Cal/OSHA requirements, and shall give all notices required by law. Consultant shall be liable for all violations of such laws and regulations in connection with Services. If the Consultant performs any work knowing it to be contrary to such laws, rules and regulations and without giving written notice to the City,

Consultant shall be solely responsible for all costs arising therefrom. Consultant shall defend, indemnify and hold City, its officials, directors, officers, employees and agents free and harmless, pursuant to the indemnification provisions of this Agreement, from any claim or liability arising out of any failure or alleged failure to comply with such laws, rules or regulations.

3.2.10 Insurance.

3.2.10.1 Time for Compliance. Consultant shall not commence the Services under this Agreement until it has provided evidence satisfactory to the City that it has secured all insurance required under this section. In addition, Consultant shall not allow any subcontractor to commence work on any subcontract until it has provided evidence satisfactory to the City that the subcontractor has secured all insurance required under this section.

3.2.10.2 Minimum Requirements. Consultant shall, at its expense, procure and maintain for the duration of the Agreement insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the Agreement by the Consultant, its agents, representatives, employees or subcontractors. Consultant shall also require all of its subcontractors to procure and maintain the same insurance for the duration of the Agreement. Such insurance shall meet at least the following minimum levels of coverage:

(A) Minimum Scope of Insurance. Coverage shall be at least as broad as the latest version of the following: (1) *General Liability*: Insurance Services Office Commercial General Liability coverage (occurrence form CG 0001); (2) *Automobile Liability*: Insurance Services Office Business Auto Coverage form number CA 0001, code 1 (any auto); and (3) *Workers' Compensation and Employer's Liability*: Workers' Compensation insurance as required by the State of California and Employer's Liability Insurance.

(B) Minimum Limits of Insurance. Consultant shall maintain limits no less than: (1) *General Liability*: Two Million Dollars (\$2,000,000) per occurrence for bodily injury, personal injury and property damage. If Commercial General Liability Insurance or other form with general aggregate limit is used, either the general aggregate limit shall apply separately to this Agreement/location or the general aggregate limit shall be twice the required occurrence limit; (2) *Automobile Liability*: One Million Dollars (\$1,000,000) per accident for bodily injury and property damage; and (3) *Workers' Compensation and Employer's Liability*: Workers' Compensation limits as required by the Labor Code of the State of California. Employer's Liability limits of One Million Dollars (\$1,000,000) per accident for bodily injury or disease.

3.2.10.3 Professional Liability. **[INCLUDE ONLY IF APPLICABLE - DELETE OTHERWISE]** Consultant shall procure and maintain, and require its sub-consultants to procure and maintain, for a period of five (5) years following completion of the Services, errors and omissions liability insurance appropriate to their profession. Such insurance shall be in an amount not less than \$2,000,000 **[INCREASE IF NECESSARY - OTHERWISE LEAVE AS IS AND DELETE THIS NOTE]** per claim, and shall be endorsed to include contractual liability.

3.2.10.4 Insurance Endorsements. The insurance policies shall contain the following provisions, or Consultant shall provide endorsements on forms supplied or approved by the City to add the following provisions to the insurance policies:

(A) General Liability. The general liability policy shall be endorsed to state that: (1) the City, its directors, officials, officers, employees, agents and volunteers shall be covered as additional insureds with respect to the Services or operations performed by or on behalf of the Consultant, including materials, parts or equipment furnished in connection with such work; and (2) the insurance coverage shall be primary insurance as respects the City, its directors, officials, officers, employees, agents and volunteers, or if excess, shall stand in an unbroken chain of coverage excess of the Consultant's scheduled underlying coverage. Any insurance or self-insurance maintained by the City, its directors, officials, officers, employees, agents and volunteers shall be excess of the Consultant's insurance and shall not be called upon to contribute with it in any way.

(B) Automobile Liability. The automobile liability policy shall be endorsed to state that: (1) the City, its directors, officials, officers, employees, agents and volunteers shall be covered as additional insureds with respect to the ownership, operation, maintenance, use, loading or unloading of any auto owned, leased, hired or borrowed by the Consultant or for which the Consultant is responsible; and (2) the insurance coverage shall be primary insurance as respects the City, its directors, officials, officers, employees, agents and volunteers, or if excess, shall stand in an unbroken chain of coverage excess of the Consultant's scheduled underlying coverage. Any insurance or self-insurance maintained by the City, its directors, officials, officers, employees, agents and volunteers shall be excess of the Consultant's insurance and shall not be called upon to contribute with it in any way.

(C) Workers' Compensation and Employers Liability Coverage. The insurer shall agree to waive all rights of subrogation against the City, its directors, officials, officers, employees, agents and volunteers for losses paid under the terms of the insurance policy which arise from work performed by the Consultant.

(D) All Coverages. Each insurance policy required by this Agreement shall be endorsed to state that: (A) coverage shall not be suspended, voided, reduced or canceled except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to the City; and (B) any failure to comply with reporting or other provisions of the policies, including breaches of warranties, shall not affect coverage provided to the City, its directors, officials, officers, employees, agents and volunteers.

3.2.10.5 Separation of Insureds; No Special Limitations. All insurance required by this Section shall contain standard separation of insureds provisions. In addition, such insurance shall not contain any special limitations on the scope of protection afforded to the City, its directors, officials, officers, employees, agents and volunteers.

3.2.10.6 Deductibles and Self-Insurance Retentions. Any deductibles or self-insured retentions must be declared to and approved by the City. Consultant shall guarantee that, at the option of the City, either: (1) the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the City, its directors, officials, officers, employees, agents and

volunteers; or (2) the Consultant shall procure a bond guaranteeing payment of losses and related investigation costs, claims and administrative and defense expenses.

3.2.10.7 Acceptability of Insurers. Insurance is to be placed with insurers with a current A.M. Best's rating no less than A-VII, licensed to do business in California, and satisfactory to the City.

3.2.10.8 Verification of Coverage. Consultant shall furnish City with original certificates of insurance and endorsements effecting coverage required by this Agreement on forms satisfactory to the City. The certificates and endorsements for each insurance policy shall be signed by a person authorized by that insurer to bind coverage on its behalf, and shall be on forms provided by the City if requested. All certificates and endorsements must be received and approved by the City before work commences. The City reserves the right to require complete, certified copies of all required insurance policies, at any time.

3.2.11 Safety. Consultant shall execute and maintain its work so as to avoid injury or damage to any person or property. In carrying out its Services, the Consultant shall at all times be in compliance with all applicable local, state and federal laws, rules and regulations, and shall exercise all necessary precautions for the safety of employees appropriate to the nature of the work and the conditions under which the work is to be performed. Safety precautions as applicable shall include, but shall not be limited to: (A) adequate life protection and life saving equipment and procedures; (B) instructions in accident prevention for all employees and subcontractors, such as safe walkways, scaffolds, fall protection ladders, bridges, gang planks, confined space procedures, trenching and shoring, equipment and other safety devices, equipment and wearing apparel as are necessary or lawfully required to prevent accidents or injuries; and (C) adequate facilities for the proper inspection and maintenance of all safety measures.

3.3 Fees and Payments.

3.3.1 Compensation. Consultant shall receive compensation, including authorized reimbursements, for all Services rendered under this Agreement at the rates set forth in Exhibit "C" attached hereto and incorporated herein by reference. The total compensation shall not exceed [__INSERT WRITTEN DOLLAR AMOUNT__] (\$[__INSERT NUMERICAL DOLLAR AMOUNT__]) without written approval of City's [__INSERT TITLE__]. Extra Work may be authorized, as described below; and if authorized, said Extra Work will be compensated at the rates and manner set forth in this Agreement.

3.3.2 Payment of Compensation. Consultant shall submit to City a monthly itemized statement which indicates work completed and hours of Services rendered by Consultant. The statement shall describe the amount of Services and supplies provided since the initial commencement date, or since the start of the subsequent billing periods, as appropriate, through the date of the statement. City shall, within forty-five (45) days of receiving such statement, review the statement and pay all approved charges thereon.

3.3.3 Reimbursement for Expenses. Consultant shall not be reimbursed for any expenses unless authorized in writing by City.

3.3.4 Extra Work. At any time during the term of this Agreement, City may request that Consultant perform Extra Work. As used herein, "Extra Work" means any work which is determined by City to be necessary for the proper completion of the Project, but which the Parties did not reasonably anticipate would be necessary at the execution of this Agreement. Consultant shall not perform, nor be compensated for, Extra Work without written authorization from City's Representative.

3.3.5 Prevailing Wages. Consultant is aware of the requirements of California Labor Code Sections 1720, et seq., and 1770, et seq., as well as California Code of Regulations, Title 8, Section 16000, et seq., ("Prevailing Wage Laws"), which require the payment of prevailing wage rates and the performance of other requirements on certain "public works" and "maintenance" projects. [___INSERT "IF" OR "SINCE" AS APPLICABLE___] the Services are being performed as part of an applicable "public works" or "maintenance" project, as defined by the Prevailing Wage Laws, and [___INSERT "IF" OR "SINCE" AS APPLICABLE___] the total compensation is One Thousand Dollars (\$1,000) or more, Consultant agrees to fully comply with such Prevailing Wage Laws. City shall provide Consultant with a copy of the prevailing rates of per diem wages in effect at the commencement of this Agreement. Consultant shall make copies of the prevailing rates of per diem wages for each craft, classification or type of worker needed to execute the Services available to interested parties upon request, and shall post copies at the Consultant's principal place of business and at the project site. Consultant shall defend, indemnify and hold the City, its elected officials, officers, employees, volunteers and agents free and harmless from any claims, liabilities, costs, penalties or interest arising out of any failure or alleged failure to comply with the Prevailing Wage Laws.

3.4 Accounting Records.

3.4.1 Maintenance and Inspection. Consultant shall maintain complete and accurate records with respect to all costs and expenses incurred under this Agreement. All such records shall be clearly identifiable. Consultant shall allow a representative of City during normal business hours to examine, audit, and make transcripts or copies of such records and any other documents created pursuant to this Agreement. Consultant shall allow inspection of all work, data, documents, proceedings, and activities related to the Agreement for a period of three (3) years from the date of final payment under this Agreement.

3.5 General Provisions.

3.5.1 Termination of Agreement.

3.5.1.1 Grounds for Termination. City may, by written notice to Consultant, terminate the whole or any part of this Agreement at any time and without cause by giving written notice to Consultant of such termination, and specifying the effective date thereof, at least seven (7) days before the effective date of such termination. Upon termination, Consultant shall be compensated only for those services which have been adequately rendered to City, and Consultant shall be entitled to no further compensation. Consultant may not terminate this Agreement except for cause.

3.5.1.2 Effect of Termination. If this Agreement is terminated as provided herein, City may require Consultant to provide all finished or unfinished Documents and Data and other information of any kind prepared by Consultant in connection with the performance of Services under this Agreement. Consultant shall be required to provide such documents and other information within fifteen (15) days of the request.

3.5.1.3 Additional Services. In the event this Agreement is terminated in whole or in part as provided herein, City may procure, upon such terms and in such manner as it may determine appropriate, services similar to those terminated.

3.5.2 Delivery of Notices. All notices permitted or required under this Agreement shall be given to the respective Parties at the following address, or at such other address as the respective parties may provide in writing for this purpose:

City

City of Coachella
53-462 Enterprise Way
Coachella, CA 92236
Attn: Castulo Estrada

Consultant

[__ INSERT NAME __]
[__ INSERT ADDRESS __]
[__ INSERT ADDRESS __]
Attn: [__ INSERT NAME __]

Such notice shall be deemed made when personally delivered or when mailed, forty-eight (48) hours after deposit in the U.S. Mail, first class postage prepaid and addressed to the Party at its applicable address. Actual notice shall be deemed adequate notice on the date actual notice occurred, regardless of the method of service.

3.5.3 Ownership of Materials and Confidentiality.

3.5.3.1 Documents & Data; Licensing of Intellectual Property. This Agreement creates a non-exclusive and perpetual license for City to copy, use, modify, reuse, or sublicense any and all copyrights, designs, and other intellectual property embodied in plans, specifications, studies, drawings, estimates, and other documents or works of authorship fixed in any tangible medium of expression, including but not limited to, physical drawings or data magnetically or otherwise recorded on computer diskettes, which are prepared or caused to be prepared by Consultant under this Agreement ("Documents & Data"). Consultant shall require all subcontractors to agree in writing that City is granted a non-exclusive and perpetual license for any Documents & Data the subcontractor prepares under this Agreement. Consultant represents and warrants that Consultant has the legal right to license any and all Documents & Data. Consultant makes no such representation and warranty in regard to Documents & Data which were prepared by design professionals other than Consultant or provided to Consultant by the City. City shall not be limited in any way in its use of the Documents & Data at any time, provided that any such use not within the purposes intended by this Agreement shall be at City's sole risk.

3.5.3.2 Confidentiality. All ideas, memoranda, specifications, plans, procedures, drawings, descriptions, computer program data, input record data, written information, and other Documents and Data either created by or provided to Consultant in connection with the performance of this Agreement shall be held confidential by Consultant. Such materials shall not, without the prior written consent of City, be used by Consultant for any purposes other than the

performance of the Services. Nor shall such materials be disclosed to any person or entity not connected with the performance of the Services or the Project. Nothing furnished to Consultant which is otherwise known to Consultant or is generally known, or has become known, to the related industry shall be deemed confidential. Consultant shall not use City's name or insignia, photographs of the Project, or any publicity pertaining to the Services or the Project in any magazine, trade paper, newspaper, television or radio production or other similar medium without the prior written consent of City.

3.5.4 Cooperation; Further Acts. The Parties shall fully cooperate with one another, and shall take any additional acts or sign any additional documents as may be necessary, appropriate or convenient to attain the purposes of this Agreement.

3.5.5 Attorney's Fees. If either Party commences an action against the other Party, either legal, administrative or otherwise, arising out of or in connection with this Agreement, the prevailing party in such litigation shall be entitled to have and recover from the losing party reasonable attorney's fees and all other costs of such action.

3.5.6 Indemnification. Consultant shall defend, indemnify and hold the City, its officials, officers, employees, volunteers and agents free and harmless from any and all claims, demands, causes of action, costs, expenses, liability, loss, damage or injury, in law or equity, to property or persons, including wrongful death, in any manner arising out of or incident to any negligent acts or omissions or willful misconduct of Consultant, its officials, officers, employees, agents, consultants and contractors arising out of or in connection with the performance of the Services, the Project or this Agreement, including without limitation the payment of all consequential damages and attorneys fees and other related costs and expenses. Consultant shall defend, at Consultant's own cost, expense and risk, any and all such aforesaid suits, actions or other legal proceedings of every kind that may be brought or instituted against City, its directors, officials, officers, employees, agents or volunteers. Consultant shall pay and satisfy any such judgment, award or decree that may be rendered against City or its directors, officials, officers, employees, agents or volunteers, in any such suit, action or other legal proceeding. Consultant shall reimburse City and its directors, officials, officers, employees, agents and/or volunteers, for any and all legal expenses and costs incurred by each of them in connection therewith or in enforcing the indemnity herein provided. Consultant's obligation to indemnify shall not be restricted to insurance proceeds, if any, received by the City, its directors, officials, officers, employees, agents or volunteers.

3.5.7 Entire Agreement. This Agreement contains the entire Agreement of the Parties with respect to the subject matter hereof, and supersedes all prior negotiations, understandings or agreements. This Agreement may only be modified by a writing signed by both Parties.

3.5.8 Governing Law. This Agreement shall be governed by the laws of the State of California. Venue shall be in Riverside County.

3.5.9 Time of Essence. Time is of the essence for each and every provision of this Agreement.

3.5.10 City's Right to Employ Other Consultants. City reserves right to employ other consultants in connection with this Project.

3.5.11 Successors and Assigns. This Agreement shall be binding on the successors and assigns of the Parties.

3.5.12 Assignment or Transfer. Consultant shall not assign, hypothecate, or transfer, either directly or by operation of law, this Agreement or any interest herein without the prior written consent of the City. Any attempt to do so shall be null and void, and any assignees, hypothecates or transferees shall acquire no right or interest by reason of such attempted assignment, hypothecation or transfer.

3.5.13 Construction; References; Captions. Since the Parties or their agents have participated fully in the preparation of this Agreement, the language of this Agreement shall be construed simply, according to its fair meaning, and not strictly for or against any Party. Any term referencing time, days or period for performance shall be deemed calendar days and not work days. All references to Consultant include all personnel, employees, agents, and subcontractors of Consultant, except as otherwise specified in this Agreement. All references to City include its elected officials, officers, employees, agents, and volunteers except as otherwise specified in this Agreement. The captions of the various articles and paragraphs are for convenience and ease of reference only, and do not define, limit, augment, or describe the scope, content, or intent of this Agreement.

3.5.14 Amendment; Modification. No supplement, modification, or amendment of this Agreement shall be binding unless executed in writing and signed by both Parties.

3.5.15 Waiver. No waiver of any default shall constitute a waiver of any other default or breach, whether of the same or other covenant or condition. No waiver, benefit, privilege, or service voluntarily given or performed by a Party shall give the other Party any contractual rights by custom, estoppel, or otherwise.

3.5.16 No Third Party Beneficiaries. There are no intended third party beneficiaries of any right or obligation assumed by the Parties.

3.5.17 Invalidity; Severability. If any portion of this Agreement is declared invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions shall continue in full force and effect.

3.5.18 Prohibited Interests. Consultant maintains and warrants that it has not employed nor retained any company or person, other than a bona fide employee working solely for Consultant, to solicit or secure this Agreement. Further, Consultant warrants that it has not paid nor has it agreed to pay any company or person, other than a bona fide employee working solely for Consultant, any fee, commission, percentage, brokerage fee, gift or other consideration contingent upon or resulting from the award or making of this Agreement. For breach or violation of this warranty, City shall have the right to rescind this Agreement without liability. For the term of this Agreement, no member, officer or employee of City, during the term of his or her service

with City, shall have any direct interest in this Agreement, or obtain any present or anticipated material benefit arising therefrom.

3.5.19 Equal Opportunity Employment. Consultant represents that it is an equal opportunity employer and it shall not discriminate against any subcontractor, employee or applicant for employment because of race, religion, color, national origin, handicap, ancestry, sex or age. Such non-discrimination shall include, but not be limited to, all activities related to initial employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination. Consultant shall also comply with all relevant provisions of any City's Minority Business Enterprise program, Affirmative Action Plan or other related programs or guidelines currently in effect or hereinafter enacted.

3.5.20 Labor Certification. By its signature hereunder, Consultant certifies that it is aware of the provisions of Section 3700 of the California Labor Code which require every employer to be insured against liability for Workers' Compensation or to undertake self-insurance in accordance with the provisions of that Code, and agrees to comply with such provisions before commencing the performance of the Services.

3.5.21 Authority to Enter Agreement. Consultant has all requisite power and authority to conduct its business and to execute, deliver, and perform the Agreement. Each Party warrants that the individuals who have signed this Agreement have the legal power, right, and authority to make this Agreement and bind each respective Party.

3.5.22 Counterparts. This Agreement may be signed in counterparts, each of which shall constitute an original.

3.6 Subcontracting.

3.6.1 Prior Approval Required. Consultant shall not subcontract any portion of the work required by this Agreement, except as expressly stated herein, without prior written approval of City. Subcontracts, if any, shall contain a provision making them subject to all provisions stipulated in this Agreement.

[SIGNATURES ON FOLLOWING PAGE.]

CITY OF COACHELLA

[INSERT CONSULTANT'S NAME]

Approved By:

By:

[INSERT NAME]
[INSERT TITLE]

By:

Gabriel D. Martin
City Manager

Approved as to Form:

By:

Best Best & Krieger LLP
City Attorney

Attested By:

By:

City Clerk

EXHIBIT “A”
SCOPE OF SERVICES
[INSERT SCOPE]

EXHIBIT “B”
SCHEDULE OF SERVICES
[INSERT SCHEDULE]

EXHIBIT “C”

COMPENSATION

[INSERT RATES & AUTHORIZED REIMBURSABLE EXPENSES]