



GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT

REQUEST FOR PROPOSAL

Cost of Service Analysis and Rate Study

Responders to this Request for Proposals (RFP) must deliver one signed original, two (2) copies, and one electronic copy of the proposal.

Proposal Submission Deadline (date/time): **TBD**

Submit Proposal to: Georgetown Divide Public Utility District Office
6425 Main Street
Georgetown, CA 95634

REGISTERING YOUR EMAIL ADDRESS

FOR QUESTIONS CONCERNING THIS REQUEST FOR PROPOSAL:

Potential respondents who want to receive changes, additions, and deletions to the RFP, as well as a copy of all the questions and responses by the Georgetown Divide Public Utility District, should register online by following the link on the GDPUD website. The link to open RFPs is at the following website: <https://www.gd-pud.org/bids-proposals>

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ATTACHMENTS

- A. Sample Professional Services Agreement

REQUEST FOR PROPOSAL
Cost of Service Analysis and Study of Rates

I. INTRODUCTION

The Georgetown Divide Public Utility District (the District) is classified as an urban water supplier, hereby gives notice that it is now accepting proposals for conducting a Cost of Services Analysis (COSA) as described in this Request for Proposals (RFP).

II. BACKGROUND INFORMATION

The Georgetown Divide Public Utility District (the District) is classified as an urban water supplier that provides treated water to approximately 3,800 customers, 137 Community Disposal System (CDS) customers, 900 non-CDS customers, and seasonal irrigation water to approximately 400 customers from a single surface water supply, Stumpy Meadows Reservoir. The District's infrastructure consists of Stumpy Meadows Reservoir with a capacity of 21,000 acre-feet, Lake Walton Reservoir with a capacity of 25 acre-feet, 75 miles of irrigation ditch, 200 miles of treated water mains, two hydroelectric generators that are currently on lease, various sized water tanks and two water treatment plants.

The District is soliciting proposals from qualified candidates for a water and wastewater rate study. The District is seeking to contract with an individual or firm that specializes in the management of an overall cost-of-service analysis and rate study that can assist the District in maximizing the benefits of water rates for treated water, irrigation (raw water), and wastewater management for all of the ratepayers.

The District will use a "Qualifications Based Selection" process in determining which candidate to be selected for the contract. The process will include an evaluation and ranking of candidates based on set evaluation criteria. Top-ranking candidates may be asked to participate in an oral interview.

The District will open and review the proposal of the top-ranked candidates. If for any reason an acceptable contract cannot be negotiated with the top-ranked candidate, negotiations will commence with the next-ranked firm.

The District reserves the right to retain all proposals submitted and to use any ideas in a proposal regardless of whether that proposal is selected.

Proposals submitted will be evaluated by individuals from the District and/or outside agencies. During the evaluation process, the District reserves the right, where it may serve

the District's best interest, to request additional information from proposers, or to allow corrections of errors of omissions.

Submission of a proposal indicates acceptance by the firm of the conditions contained in this RFP, unless clearly and specifically noted in the proposal submitted and confirmed in the contract between the District and the firm/ individual selected. The District reserves the right, without prejudice, to reject any or all proposals.

1.1 General Description of RFP

This RFP describes the general Scope of Services, necessary RFP components, candidate selection process, and required format of the RFP, as well as a sample copy of the District's Professional Services Agreement.

1.2 RFP Schedule

Advertisement of RFP	February 7, 2024
Deadline for Questions	February 28, 2024
Response to Questions	March 8, 2024
Deadline for RFP Submittal	No later than 3:00 PM, March 20, 2024
Final Candidate Selection	Anticipated April 4, 2024, or May 2, 2024

1.3 General Selection Process

The District intends to select a candidate based on demonstrated competence and qualifications for the types of services to be performed at a fair and reasonable price to the public. The District will review all proposals and evaluate them according to the following criteria:

- Qualifications of Team
- Project Understanding
- Ability to meet the needs of the District
- Fee structure
- Experience / References

The candidate may be either selected based on information included in the proposal or the candidate may be requested to interview prior to final selection.

SECTION 2 — SCOPE OF SERVICES

2.1. SCOPE OF WORK

The scope of work for the Cost-of-Service Analysis and Rate Study professional services being solicited is found in Exhibit A attached to this RFP. The successful proposal(s) will demonstrate sufficient staff resources, expertise, relevant experience, and lack of disabling professional

conflicts to perform the scope of work, along with a demonstrated commitment to cost control and client service that meet the District's needs.

2.2 PUBLIC WORKS LAWS

Copies of the general prevailing rates of per diem wages for each craft, classification, or type of worker needed to execute the contract, as determined by the Director of the State of California Department of Industrial Relations are deemed included in this RFP and can be found here: <https://www.dir.ca.gov/OPRL/dprewagedetermination.htm>.

2.3 QUESTIONS/ADDENDA

Any questions regarding information within this RFP shall be submitted in writing via email to the District Executive Assistant Elizabeth Olson at ea@gd-pud.org.

To be considered, questions must be received by the District no later than 3:00 p.m. on March 8, 2024.

The District may, if deemed necessary, respond to such questions by issuance of formal written addenda, interpreting or clarifying the requirements of this RFP. The District may also issue an addenda to modify the RFP as deemed advisable by the District. All such addenda shall be part of this RFP and binding upon each proposer. The District may, upon inquiry, direct a proposer's attention to specific provisions of the RFP which cover the subject of the inquiry. However, all supplemental information provided by the District during the RFP process shall not be binding unless communicated by formal written addenda. All addenda will be posted on the District's website. Each proposer is solely responsible for obtaining all addenda posted on the District's website.

SECTION 3 — RFP SUBMITTAL REQUIREMENTS

3.1 INFORMATION TO BE SUBMITTED IN PROPOSAL

A. CONTENT

Each proposal shall follow the outline below:

- Section 1 – Scope of Work

State in succinct terms your understanding of the scope of work listed in Exhibit A attached hereto. Identify additional tasks, if any, that you believe are essential or advisable to constitute a more complete scope of work.

- Section 2 – Relevant Experience and Expertise

Describe in narrative form the experience and expertise of your firm and/or project team members in providing the service sought by the District. Identify representative clients. Compare and contrast their size, public or private-sector status, location, and operational activities to

those of the District. Include a description of the project organization and project team experience.

- Section 3 – Project Team

Identify each individual you expect to work on the project team, including sub-consultants, if any. Provide resumes for each member of the team. Describe with particularity the specific areas of expertise of each team member, and the specific education, experience, or other information that substantiates that expertise.

- Section 4 – Quality Assurance and Control; Conflicts

Describe your approach to quality assurance and control for your firm's performance as well as any performance guarantees you offer. Identify all current and reasonably foreseeable actual or potential professional conflicts that could hinder the provision of the requested services and propose means of managing any such conflicts.

- Section 5 – Client References

Provide contact information for representatives of three former or current clients for whom your firm or project team members have performed similar services so that the District may interview these references.

- Section 6 – Contract and Insurance Requirements

All successful proposers will be required to execute a contract in the form shown in Exhibit B attached hereto and to meet the insurance requirements of Appendix C to that Exhibit. Please indicate your firm's willingness and ability to comply with these requirements or describe any exceptions your firm requests. Alterations or changes to the agreement which were not in the proposer's response may not be made after the selection of the proposal. This includes alterations, exceptions, or changes to the insurance and indemnity provisions. By requiring these requests up front, the District can compare all respondents on an equal footing.

- Section 7 – Addenda

Provide confirmation of receipt of all addenda issued by the District in response to this RFP, which are posted on the District's website.

The District may reject a proposal as non-responsive for failure to provide all information requested in this RFP.

B. COST OF SERVICES

All proposals must include a complete and current table of all rates and charges to perform all the proposed services with detailed itemization of each task to be performed.

The rates and charges provided **shall include all overhead rates to cover costs and other compensation** of consultant's officers, executives, principals (of partnership and sole

proprietorships), general managers, engineers, architects, specialists, estimators, lawyers, auditors, accountants, purchasing and contracting agents, expeditors, timekeepers, clerks and other personnel employed by consultant whether at the site or in its principal or a branch office for general administration of the work and not specifically included in the list of personnel. Rates and charges shall also include any part of the consultant's capital expenses, including necessary transportation, travel and subsistence expenses of consultant's employees incurred in discharge of duties connected with the performance of the services.

The rates and charges shall also include minor expenses connected with performance of the services such as copies, computers, software, online legal research, office supplies, postage, faxes, long-distance telephone calls, telephone, and any other expense incurred to accomplish the work. Note that no separate charges for these items will be allowed. Note also that no administrative charges will be allowed, except a markup of five percent (5%) on sub-consultants' billings.

SECTION 4 — SELECTION PROCESS AND EVALUATION CATEGORIES

4.1 SELECTION CRITERIA

A. GENERAL

The proposals received shall be subject to an evaluation by the District as deemed appropriate for purposes of selection. The evaluation will be made based on the information submitted in the proposal.

B. FINAL SELECTION

Proposals will be rated based on the merit of the entire proposal. If needed, District staff presently anticipates making contract award recommendations to the District's Board of Directors at its regularly scheduled meeting of April 4, 2014. Notice of Intent to Award for the professional service contract will be issued prior to the Board meeting at which the contract is considered or before District award if Board approval is not required.

The District reserves the right to reject any or all proposals and to re-issue this RFP. The District may waive any minor informalities or irregularities in any proposal that are immaterial and inconsequential in nature. The District reserves the right to request additional written or oral information from proposers to obtain clarification of their proposals.

All proposals become the property of the District. All costs associated with development of the proposal shall be the sole responsibility of the proposing firm and shall not be charged in any manner to the District.

SECTION 5— RFP SUBMITTAL

The intent of these requirements is to assist proposers in the preparation of their proposal and to simplify the review process for GDPUD. One signed original, four (4) copies, and one electronic copy of the proposal must be received, and date stamped by GDPUD no later than **March 20, 2024, at 3:00 PM**. If a proposal is sent by mail or other delivery system, the sender bears entire responsibility for the mail or delivery system delivering the proposal to GDPUD on or before the deadline.

Proposals shall be clearly marked “Request for Proposals for Water & Wastewater Cost of Service Analysis and Rate Study,” and submitted to:

**Georgetown Divide Public Utility District
6425 Main Street
Georgetown, CA 95634**

Note: Late submittals or submittals delivered to the wrong location will be rejected.

GDPUD requires the proposer to submit a concise proposal clearly addressing all the requirements outlined in this RFP. The proposal must be signed by the proposer’s representative authorized to execute a contract between GDPUD and proposer.

ATTACHMENTS:

EXHIBIT A – Scope of Work

EXHIBIT B – Professional Services Agreement Sample

Exhibit A

SCOPE OF WORK

The District seeks a consultant to perform a comprehensive Cost of Service Analysis and Rate Study for the purpose of developing cost-based and equitable treated water, raw water, and wastewater rates. The consultant shall perform the following tasks in anticipation of completing the comprehensive Cost of Service Analysis and Rate Study:

1. Provide a proposed project schedule that allows the District to implement new rates by July 1, 2025. The recommended rates should be finalized and adopted prior to the Board's adoption of its 2025-2026 budget, which will be considered during a public workshop on approximately April 3, 2025, and adopted on May 1, 2025.
2. Review relevant background documents including but not limited to the last Cost of Service Analysis and Rate Study performed by the District in 2018, The Memorandum Understand from both represented labor groups at the District, the asset management analysis report aka The KASL study, and previous budgets and revenues.
3. Develop future District's rate-setting policy principles.
4. Establish revenue requirements that incorporate relevant inputs including but not limited to the District's 2023-2024 and 2024-2025 adopted budgets, the 2024-2028 Capital Improvement Plan, future long-term infrastructure projects outlined within the Capital Improvement Plan, and any relevant master planning documents.
5. Based on the revenue requirements, recommend rates over a five-year period that project revenues, expenses, net revenues, debt service coverage ratio requirements, capital improvements, and fund balances. Recommended rates shall be consistent with industry practices for utility rate-making in California and comply with all government codes and regulations. In addition, the recommended rates shall adhere to the principles of water rates, fees, and charges established by the American Water Works Association (AWWA). The recommended rates shall be based on the actual cost of services and have a clear methodology for defining and allocating fixed vs. variable costs to the various customer classes. The recommended rates shall be consistent with the District's current billing system capabilities.
6. Participate in several internal and public meetings in both in-person and videoconference formats. Such meetings may include but are not limited to:
 - a. Initial kickoff and periodic check-in meetings with the General Manager, Finance Director, and other District staff to go over the District and customer class characteristics, the study process, key assumptions, and timeline (videoconference format).
 - b. Public workshop sessions with the public and Board on the ratemaking process, key variables and assumptions used in setting rates in compliance with Proposition 218, and other information the consultant believes is relevant for understanding the complexities of the process (in-person or videoconference format).
 - c. Public workshop sessions with the public and Board to present the preliminary results and recommendations of the COSA and receive feedback and direction (in-person or videoconference).

d. Public Hearing to adopt Cost of Service Analysis and Rate Study (in-person).

e. Public Hearing to implement rate recommendations for the Cost of Service Analysis and Rate Study (in-person).

7. Deliverables may include but are not limited to, preliminary analyses and recommendations, draft reports, consultant review and comment on staff-drafted public meeting documents, draft and final Notices of Public Rate Hearing, and a final Cost of Service Analysis and Rate Study report that includes, at a minimum, the following:

a. An executive summary of the results and recommendations of the Cost-of-Service Analysis and Rate Study.

b. A narrative overview of the goals and objectives of the Cost-of-Service Analysis and Rate Study.

c. A narrative overview of the water rate setting principles used in the Cost-of-Service Analysis and Rate Study.

d. A narrative overview of how the revenue requirements were established.

e. A narrative overview of how the recommendations were established.

f. A narrative overview setting forth the recommendations.

g. Relevant tables and charts that support the recommendation.

Exhibit B

SAMPLE PROFESSIONAL SERVICES AGREEMENT

(See Below)

PROFESSIONAL SERVICES AGREEMENT

THIS PROFESSIONAL SERVICES AGREEMENT (“Agreement”) is made and entered into this ____ day of _____ 2024, (the “Effective Date”) by and between the Georgetown Divide Public Utilities District, a California Public Utilities District (“District”), and (“Consultant”). District and Consultant may herein be referred to individually as a “Party” and collectively as the “Parties”. There are no other parties to this Agreement.

RECITALS

A. District has determined that consultant services are required for _____ (the “Project”).

B. Consultant has submitted a proposal to District that includes a scope of proposed consultant services, attached hereto and described more fully in **Exhibit A** (“Services”).

C. Consultant represents that it is qualified, willing, and able to provide the Services to District and that it will perform Services related to the Project according to the rate schedule included in the scope of proposed consultant services attached hereto as **Exhibit B** (the “Rates”).

NOW, THEREFORE, in consideration of the promises and covenants set forth below, the Parties agree as follows:

AGREEMENT

1. Recitals. The recitals set forth above (“Recitals”) are true and correct and are hereby incorporated into and made part of this Agreement by this reference. In the event of any inconsistency between the Recitals and Sections 1 through 20 of this Agreement, Sections 1 through 20 shall prevail.

2. Consulting Services. Consultant agrees, during the term of this Agreement, to perform the Services for District in connection with the Project. Any request for services in addition to the Services described in **Exhibit A** will be considered a request for additional consulting services and not compensated unless the Parties otherwise agree in writing. No subcontract shall be awarded, or an outside consultant engaged by the Consultant unless prior written approval is obtained from District.

3. Compensation. The District shall pay Consultant according to the fee schedule set forth in **Exhibit B** for a time and materials cost not to exceed _____, as full remuneration for the performance of the Services. Consultant agrees to maintain a log of time spent in connection with performing the Services. On a monthly basis, Consultant shall provide the District, in reasonable and

understandable detail, a description of the services rendered pursuant to the Services and in accordance with the Rates. If the work is satisfactorily completed, District shall pay such invoice within thirty (30) days of its receipt. If the District disputes any portion of any invoice, District shall pay the undisputed portion within the time stated above, and at the same time advise Consultant in writing of the disputed portion.

5. Term. This Agreement shall become effective on the Effective Date and will continue in effect until the Services provided herein have been completed unless terminated earlier as provided in Section 6 or 7 below (the "Term").

6. Termination. District may terminate this Agreement prior to the expiration of the Term ("Termination"), without cause or reason, by notifying Consultant in writing of District's desire to terminate this Agreement (the "Termination Notice"). Upon receipt of a Termination Notice, Consultant shall immediately cease performing the Services. The Consultant will be entitled to compensation, as of the date Consultant receives the Termination Notice, only for Services actually performed.

7. Termination for Cause. Notwithstanding Section 6 above, this Agreement may be terminated by District for cause based on the loss or suspension of any licenses, permits, or registrations required for the continued provision of the Services, or Consultant's malfeasance. Termination of the Agreement for cause as set forth in this Section shall relieve District from compensating Consultant.

8. Confidential Information. Consultant understands and agrees that, in the performance of Services under this Agreement or in the contemplation thereof, Consultant may have access to private or confidential information that may be owned or controlled by District and that such information may contain proprietary or confidential details, the disclosure of which to third parties may be damaging to District ("Confidential Information").

Consultant shall not, either during or after the Term, disclose to any third party any Confidential Information without the prior written consent of District. If the District gives Consultant written authorization to make any such disclosure, the Consultant shall do so only within the limits and to the extent of that authorization. Such authorization does not guarantee that the District will grant any further disclosure of Confidential Information. Consultant may be directed or advised by the District's General Counsel on various matters relating to the performance of the Services on the Project or on other matters pertaining to the Project, and in such event, Consultant agrees that it will treat all communications between itself, its employees and its subcontractors as being communications which are within the attorney-client privilege.

9. Performance by Key Employee. Consultant has represented to District that _____ will be the person primarily responsible for the performance of the Services and all communications related to the Services. District has entered into this Agreement in reliance on that representation by Consultant.

10. Property of District. The following will be considered and will remain the property of District:

A. Documents. All reports, drawings, graphics, working papers, and Confidential Information furnished by the District in connection with the Services ("Documents"). Nothing herein

shall be interpreted as prohibiting or limiting the District's right to assign all or some of the District's interests in the Documents.

B. Data. All data collected by Consultant and produced in connection with the Services including, but not limited to, drawings, plans, specifications, models, flow diagrams, visual aids, calculations, and other materials ("Data"). Nothing herein shall be interpreted as prohibiting or limiting District's right to assign all or some of District's interests in the Data.

C. Delivery of Documents and Data. Consultant agrees, at its expense and in a timely manner, to return to District all Documents and Data upon the conclusion of the Term or in the event of Termination.

11. Duties of District. In order to permit Consultant to render the services required hereunder, District shall, at its expense and in a timely manner:

A. Provide such information as Consultant may reasonably require to undertake or perform the Services;

B. Promptly review any and all documents and materials submitted to District by Consultant in order to avoid unreasonable delays in Consultant's performance of the Services; and

C. Promptly notify Consultant of any fault or defect in the performance of Consultant's services hereunder.

12. Representations of Consultant. District relies upon the following representations by Consultant in entering into this Agreement:

A. Qualifications. Consultant represents that it is qualified to perform the Services and that it possesses the necessary licenses, permits, and registrations required to perform the Services or will obtain such licenses or permits prior to the time such licenses or permits are required. Consultant represents and warrants to District that Consultant shall, at Consultant's sole cost and expense, keep in effect or obtain at all times during the Term of this Agreement, any licenses, permits, and registrations that are legally required for Consultant to practice Consultant's profession at the time the Services are rendered.

B. Consultant Performance. Consultant represents and warrants that all Services under this Agreement shall be performed in a professional manner and shall conform to the customs and standards of practice observed on similar, successfully completed projects by specialists in the Services to be provided. Consultant shall adhere to accepted professional standards as set forth by relevant professional associations and shall perform all Services required under this Agreement in a manner consistent with generally accepted professional customs, procedures, and standards for such Services. All work or products completed by Consultant shall be completed using the best practices available for the profession and shall be free from any defects. Consultant agrees that, if a Service is not so performed, in addition to all of its obligations under this Agreement and at law, Consultant shall re-perform or replace unsatisfactory Service at no additional expense to District.

13. Compliance with Laws and Standards. Consultant shall ensure compliance with all applicable federal, state, and local laws, ordinances, regulations, and permits, including but not limited to federal, state, and county safety and health regulations. Consultant shall perform all work according to generally accepted standards within the industry. Consultant shall comply with all

ordinances, laws, orders, rules, and regulations, including the administrative policies and guidelines of the District pertaining to the work.

14. Independent Contractor; Subcontracting. Consultant will employ, at its own expense, all personnel reasonably necessary to perform the Services. All acts of Consultant, its agents, officers, employees, and all others acting on behalf of Consultant relating to this Agreement will be performed as independent contractors. Consultant, its agents, and employees will represent and conduct themselves as independent contractors and not as employees of District. Consultant has no authority to bind or incur any obligation on behalf of District. Except as District may specify in writing, Consultant shall have no authority, express or implied, to act on behalf of District in any capacity whatsoever as an agent. Consultant shall have no authority, express or implied, pursuant to this Agreement to bind District to any obligation whatsoever. Consultant is prohibited from subcontracting this Agreement or any part of it unless such subcontracting is expressly approved by District in writing.

15. Insurance. Consultant and all of Consultant's contractors and subcontractors shall obtain and maintain insurance of the types and in the amounts described in this paragraph and its subparagraphs with carriers reasonably satisfactory to District.

A. General Liability Insurance. Consultant shall maintain occurrence version commercial general liability insurance or an equivalent form with a limit of not less than Two Million Dollars (\$2,000,000) per claim and Two Million Dollars (\$2,000,000) for each occurrence.

B. Workers' Compensation Insurance. Consultant shall carry workers' compensation insurance as required by the State of California under the Labor Code. Consultant shall also carry employer's liability insurance in the amount of One Million Dollars (\$1,000,000.00) per accident, with a One Million Dollar (\$1,000,000.00) policy limit for bodily injury by disease, and a One Million Dollar (\$1,000,000.00) limit for each employee's bodily injury by disease.

C. Automobile Insurance. Consultant shall carry automobile insurance for the vehicle(s) Consultant uses in connection with the performance of this Agreement in the amount of One Million Dollars (\$1,000,000.00) per occurrence for bodily injury and property damage.

D. Errors and Omissions Liability. Consultant shall carry errors and omissions liability insurance in the amount of no less than One Million Dollars (\$1,000,000.00) per occurrence or greater if appropriate for the Consultant's profession. Architects and engineers coverage is to be endorsed to include contractual liability. Any deductibles or self-insured retentions must be declared to and approved by the District. At the option of the District, either the insurer shall reduce or eliminate such deductibles or self-insured retentions with respect to the District, elected and appointed councils, commissions, directors, officers, employees, agents, and representatives ("District's Agents"); or the Consultant shall provide a financial guarantee satisfactory to the District guaranteeing payment of losses and related investigations, claims administration and defense expenses.

E. Other Insurance Requirements. Within five (5) days of the Effective Date, Consultant shall provide District with certificates of insurance for all of the policies required under this Agreement ("Certificates"), excluding the required worker's compensation insurance. Such Certificates shall be kept current for the Term of the Agreement and Consultant shall be responsible for providing updated copies and notifying District if a policy is canceled, suspended, reduced, or

voided. With the exception of the worker's compensation insurance, all of the insurance policies required in this Agreement shall: (a) provide that the policy will not be canceled, allowed to expire, or materially reduced in coverage without at least thirty (30) days' prior written notice to District of such cancellation, expiration, or reduction and each policy shall be endorsed to state such; (b) name District, and District's Agents as additional insureds with respect to liability arising out of Services, work or operations performed by or on behalf of the Consultant; products and completed operations of the Consultant; premises owned, occupied, or used by the Consultant, or automobiles owned, leased, or hired or borrowed by the Consultant. The coverage shall contain no special limitations on the scope of protection afforded to the District; (c) be primary with respect to any insurance or self-insurance programs covering District or District's Agents and any insurance or self-insurance maintained by District or District's Agents shall be in excess of Consultant's insurance and shall not contribute to it; (d) contain standard separation of insured provisions; and (e) state that any failure to comply with reporting or other provisions of the policy including breaches of warranties shall not affect the coverage provided to the District.

16. Indemnification. Consultant hereby agrees to indemnify and hold harmless District, its agents, officers, employees, and volunteers, against all liability, obligations, claims, loss, and expense (a) caused or created by Consultant, its subcontractors, or the agents or employees of either, whether negligent or not, pertaining to or related to acts or omissions of Consultant in connection with the Services, or (b) arising out of injuries suffered or allegedly suffered by employees of Consultant or its subcontractors (i) in the course of their employment, (ii) in the performance of work hereunder, or (iii) upon premises owned or controlled by District. Consultant's obligation to defend, indemnify, and hold District and its agents, officers, employees, and volunteers harmless is not terminated by any requirement in this Agreement for Consultant to procure and maintain a policy of insurance.

17. Consequential Damages. Notwithstanding any other provision of this Agreement, in no event shall District be liable, regardless of whether any claim is based on contract or tort, for any special, consequential, indirect, or incidental damages, including, but not limited to, lost profits or revenue, arising out of or in connection with this Agreement or the Services performed in connection with this Agreement.

18. Litigation. In the event that either Party brings an action under this Agreement for the breach or enforcement hereof or must incur any collection expenses for any amounts due hereunder the prevailing Party in such action shall be entitled to its costs including reasonable attorney's fees, whether or not such action is prosecuted to judgment.

19. Notices. Any notice or communication required hereunder between District or Consultant must be in writing and may be given either personally, by registered or certified mail (return receipt requested), or by Federal Express, UPS, or other similar couriers providing overnight delivery. If personally delivered, a notice shall be deemed to have been given when delivered to the Party to whom it is addressed. Notices given by registered or certified mail shall be deemed to have been given and received on the first to occur of (a) actual receipt by any of the addressees designated below as the party to whom notices are to be sent, (b) on the date delivered as shown on a receipt issued by the courier, or (c) five (5) days after a registered or certified letter containing such notice, properly addressed, with postage prepaid, is deposited in the United States mail. If given by Federal Express or a similar courier, a notice or communication shall be deemed to have been given and received on the date delivered as shown on a receipt issued by the courier. Any Party hereto may at any time, by giving ten (10) days' written notice to the other Party hereto, designate any other address

in substitution of the address to which such notice or communication shall be given. Such notices or communications shall be given to the Parties at the addresses in this paragraph set forth below:

If to District: Georgetown Divide Public Utility District
P.O. Box 4240
6425 Main Street
Georgetown, CA 95634
Attention: General Manager

With courtesy copies to: Best Best & Krieger LLP
500 Capital Mall, Suite 1700
Sacramento, California 95814
Attention: Frank A. Splendorio

If to Consultant:
Attention:

20. General Provisions.

A. Modification. No alteration, modification, or termination of this Agreement shall be valid unless made in writing and executed by all Parties.

B. Waiver. The waiver by any Party of a breach of any provision hereof shall be in writing and shall not operate or be construed as a waiver of any other or subsequent breach hereof unless specifically stated in writing.

C. Assignment. No Party shall assign, transfer, or otherwise dispose of this Agreement in whole or in part to any individual, firm, or corporation without the prior written consent of the other Party. Subject to the foregoing provisions, this Agreement shall be binding upon, and inure to the benefit of, the respective successors and assigns of the Parties.

D. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the state of California.

E. Venue. The venue for all legal proceedings shall be the Superior Court of California for the County of El Dorado.

F. Partial Invalidity. If any provision of this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions shall nevertheless continue in full force without being impaired or invalidated in any way.

G. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall constitute an original and all of which shall be deemed a single agreement.

H. Severability. If any term, covenant, or condition of this Agreement is held by a court of competent jurisdiction to be invalid, the remainder of this Agreement shall remain in effect.

I. Audit. District shall have access at all reasonable times to all reports, contract records, contract documents, contract files, and personnel necessary to audit and verify Consultant's charges to District under this Agreement.

J. Entire Agreement. This Agreement sets forth the entire understanding between the Parties as to the subject matter of this Agreement and merges all prior discussions, negotiations, proposal letters, or other promises, whether oral or in writing.

K. Headings Not Controlling. Headings used in this Agreement are for reference purposes only and shall not be considered in construing this Agreement.

L. Time is of the Essence. Time is of the essence in this Agreement for each covenant and term of a condition herein.

M. Drafting and Ambiguities. Any rule of construction that ambiguities are to be resolved against the drafting party does not apply in interpreting this Agreement.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the last day and date below written.

DISTRICT:

CONSULTANT:

GEORGETOWN DIVIDE PUBLIC
UTILITIES DISTRICT, a California Public
Utilities District

By: _____
Nicholas Schneider, General Manager

By: _____

Name: _____

Date: _____

Date: _____

Approved as to Form:

Frank Splendorio, General Counsel

EXHIBIT A

Services

EXHIBIT B

Rates