



Request for Proposals

WATER RATE AND CONNECTION FEE STUDY

Proposals due

**5:00 PM
August 18, 2022**

Contact:

Patrick Lee, Finance Manager/Treasurer
Florin Resource Conservation District
9257 Elk Grove Blvd
Elk Grove, CA 95624

Proposals must be sent electronically to:
Patrick Lee at
plee@egwd.org

1. Purpose

The Florin Resource Conservation District (District) is requesting proposals from qualified firms to perform a comprehensive study for the purpose of developing water rates and connection fees. The purpose of this project is to perform a cost-of-service study to develop cost-based and equitable water rates and connection fees to adequately fund the operating and capital needs of the District's water utility, the Elk Grove Water District (EGWD), for calendar years 2024 through 2028. Responding firms shall be solely responsible for any expenses incurred in preparing proposals in response to this request.

The District may select a firm (Consultant) based on proposal alone or may narrow the field to the top firms (not to exceed three) based on the strength of the proposal, and then conduct interviews to finalize a selection.

2. Background

The District was formed in 1953, pursuant to Section 9000 *et seq.* of the Public Resources Code of the State of California (the "Conservation District Law"). The District is located approximately six miles southeast of the City of Sacramento in the southern portion of Sacramento County and encompasses approximately 156 square miles and is governed by a five-member Board of Directors.

In 1999, the District acquired the EGWD, which provides water service to more than 13,000 residential, non-residential, irrigation and fire service accounts through approximately 145 miles of water mains. The EGWD is reported as an enterprise fund on the District's financial statements. The EGWD has a broad range of responsibilities, including long-term water reliability planning, management of current groundwater assets in addition to the distribution of potable water. Although the District previously provided activities such as creek cleanups, tire recycling, technical assistance, and conservation education through its Resource Conservation operations, in 2018, the District shifted its primary focus to operating the EGWD.

The EGWD's service area is approximately thirteen square miles and includes two (2) different services areas. Service Area No. 1 is primarily served by the EGWD's groundwater sources consisting of 7 wells. The water is treated at the EGWD's treatment facility built in 2005. Service Area No. 2 covers the areas of new development within the EGWD's boundaries south of Sheldon Road, east of Waterman Road and west of Grantline Road. The Service Area No. 2 customers are served with wholesale water purchased by the EGWD from the Sacramento County Water Agency (SCWA).

The facilities of the EGWD are typical of a utility serving 10,000-15,000 customer accounts primarily from groundwater sources. The EGWD is comprised of two water treatment plants – the Railroad Water Treatment Plant (RRWTP) and the Hampton Village Water Treatment Plant (HVWTP). Four deep water wells pump raw water to the RRWTP for treatment. The HVWTP treats water from one shallow well on site. The EGWD also includes two (2) shallow water wells that pump water directly into the water distribution system.

For metered accounts, the water rate includes a fixed charge based on meter size, plus a commodity charge based on the amount of water consumed. There are separate commodity rates based on residential, non-residential, and irrigation accounts. There is also a fire service charge based on the size of the connection to customers with connections for sprinkler systems or to a fire hydrant on private property. There are several residential customers on larger lots that have

private wells that are connected to the EGWD's system and have a meter, but do not use EGWD water. These customers are charged only the fixed meter charge.

The current composition of the EGWD's customer base is a total of 13,143 connections:

- 12,268 residential connections
- 419 non-residential connections
- 183 irrigation connections
- 273 fire service (sprinkler system or fire hydrants on private property) connections

The District has two outstanding debt obligations:

- 2014 Series A Refunding Bonds
- 2016 Series A Refunding Bonds

The two series are parity bonds and are backed by a pledge of net revenues from the operations of the EGWD. The remaining principal outstanding as of June 30, 2022 is:

- 2014 Series A Refunding Bonds: \$22.7 million
- 2016 Series A Refunding Bonds: \$12.5 million

The 2014 Series A Refunding Bonds contain a debt covenant requirement with a minimum debt service coverage ratio of net revenues of 115% of debt service due that fiscal year.

3. Scope of Work

The District is seeking a Consultant to perform a comprehensive water rate and connection fee study for the purpose of developing cost-based and equitable water rates and connection fees. The consultant shall perform the following tasks in anticipation of completing the study and developing the Water Rate Study Report and Connection Fee Study Report:

A. Water Rate Study

1. Supply a project schedule for developing the recommended rate structure with identifiable key milestone deliverables including any preliminary and final reports.
2. Pro Forma Revenue Requirements Model: build a projection of revenues; expenses; net revenue; debt service coverage ratio requirement; capital improvement requirements and fund balances for a period of not less than 10 years (5 years of rates plus 5 years of projections).
3. Provide a comparative analysis to at least 10 other comparable communities in Northern California particularly the San Joaquin / Sacramento valley region. Analysis should be in graph/visual format, and contrast existing District and proposed District rates to the other communities.
4. Convert the Revenue Requirements Model into rate schedule recommendations meeting the cost-of-service elements that is sufficient to provide financial stability to the District and equitably match costs across rate classes.
5. After internal discussions and public meeting input on methodology prepare a Draft Water Rate Study Report that explains the methodology of the proposed rates to satisfy Proposition 218 proportionality requirements for fixed and variable costs spread to customer classes.

6. Prepare any and all necessary reports required by law or otherwise (including but not limited to requirements set forth in California Government Code Section 66001 for a nexus study and to satisfy Proposition 218) for adoption of the recommended rate and fee schedules.

B. Connection Fee Study

1. Review and update the District's connection fee program sufficient to fund capacity projects.
2. Review cost of future capital needs given future development and Water System needs and recommend a new connection fee schedule.
3. Develop an AB1600 compliant connection fee nexus report for adoption by the Board, with appropriate cost/fee escalator recommendations.
4. Prepare any and all necessary reports required by law or otherwise (including but not limited to requirements set forth in California Government Code Section 66001 for a nexus study and to satisfy Proposition 218) for adoption of the recommended connection fee schedules.

C. Public Meeting Involvement and Public Hearing Process

1. Participate in several internal and public meetings. The anticipated services will include, but are not limited to, the following:
 - i. Prior to issuance of draft and final reports, meet with staff and other consultants as needed and attend public meetings, hearings and/or study sessions with the Board, its Committees, and with a potential Citizens' Advisory Committee (CAC). A CAC is being considered to be set up to review assumptions and rates and provide input. Staff believes that a series of staff and public study sessions will be needed for this process as follows with 2 teleconference meetings and a minimum of 4 in person meetings:
 - a. Initial kickoff meeting with General Manager, Finance Manager, and other District staff to go over District and customer class characteristics, the study process, key assumptions, and timeline (teleconference).
 - b. Introductory study sessions for the CAC and Board (same day, separate sessions) on 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. Sessions should be in layperson's language, to the extent possible (in person).
 - c. Review sessions with both the CAC and Board (same day, different sessions) to review and discuss the key variables and assumptions to be used in the rate study and connection fee study reports (in person).
 - d. Interim check-in meeting with District staff with first draft rate recommendations (teleconference).

- e. Review session with CAC and Board (same day, different sessions) to review and discuss preliminary results and recommendations of rate study and connection fee study and to address any items/issues raised prior to sending out Proposition 218 notices (in person).
- f. In cooperation with the District's legal counsel and staff, draft the mailing to customers to satisfy the Proposition 218 public hearing process and attendance at the public hearing to address any issues raised (in person).

D. 5 Year Rate Study/10 Year Financial Forecast:

1. The recommended rate structure shall be consistent with industry practice for utility rate making in California and comply with all government codes and regulations. In addition, the recommended rate structure shall adhere to the principles of water rates, fees and charges established by the American Water Works Association (AWWA).
2. The recommended rate structure shall be based on actual cost of service to the different customer classifications and shall have a clear methodology for defining and allocating fixed vs. variable costs to the various customer classes/types. Recommended rate structure shall be sufficient to meet the revenue requirements of the District including the capital costs and ongoing operations and maintenance costs for the five-year rate setting period. Model shall also include financial projections for the next five-year period after that (10 years total) for information purposes.
3. The recommended rates shall be consistent with the District's current billing system capabilities.
4. The financial projections and recommended rates shall take into consideration the existing reserve fund policies for the water utility, and make recommendations to modify those policies, if appropriate, to meet industry standards.
5. The study shall include an assessment of the revenue stream generated by the recommended rate schedule and the ability to continue to fund District operations under a 5-year drought scenario.
6. Study should include a discussion of the key variables at play on the horizon that the District should be aware of regarding potential water legislation, environmental, and regulatory changes.

E. Deliverables

1. Using the results of the study performed in Task A, C and D, prepare a Water Rate Study Report. The Report shall include the following:
 - An executive summary of the results and recommendations of the study;
 - A narrative overview of the goals and objectives of the study;
 - A narrative overview of the water rate setting principles used in the study;
 - A narrative overview of how the revenue requirements were established based on the study;
 - A narrative overview of how the cost of service was established based on the study;
 - A narrative overview covering the development of the rate designs;

- A narrative overview covering the consultants' recommendations based on the study.
2. Using the results of the study performed in Task B, C and D, prepare a Connection Fee Study Report. The Report shall include the following:
- An executive summary of the results and recommendations of the study;
 - A narrative overview of the goals and objectives of the study;
 - A narrative overview of the methodology and any legal considerations used in the study;
 - A narrative overview of how connection fees were developed and established based on the study;
 - A narrative overview of the consultants' recommendations based on the study.

4. RFP Response Format

The District uses a qualifications-based selection process in obtaining these services. All requirements set forth in this RFP must be addressed. Proposals shall be concise and shall be in two parts, the main proposal, and any attachments or appendices. The main proposal shall not exceed 10 pages, excluding the cover/title page. Resumes, the project schedule, a list of comparable clients, and examples of other work products/reports should be in the Appendices section. Preprinted and prepared general company advertising literature such as color brochures are discouraged unless they are specifically related to the services/information requested and referenced as such.

Please send one (1) electronic copy of the proposal as instructed in Section 5 in PDF format via email to plee@egwd.org. All proposal materials shall be received by the District by 5:00 PM on August 18, 2022. Proposals received afterward will not be accepted.

All proposals must be signed with the full name of the proposer, if an individual; by an authorized general partner, if a partnership; or by an authorized officer, if a corporation.

When proposals are signed by an agent other than an officer of a corporation or a member of a general partnership, a power of attorney authorizing the signature must be submitted with the proposal.

Modifications to a proposal after the proposal submittal deadline will not be accepted by the District.

5. Proposal Forms and Content

A. Proposal Submittal:

Proposals shall be submitted no later than 5:00 PM on August 18, 2022. Any proposals received after the due date will not be accepted. Proposals shall be emailed accordingly:

1. One (1) electronic copy of the proposal in PDF format labeled "Water Rate and Connection Fee Study" emailed to plee@egwd.org

B. Cover Letter:

Provide a cover letter on company letterhead addressing the proposal. The letter shall be signed by an officer of the consulting firm authorized to bind the firm to all comments made in the proposal and shall include the name, address, and phone number of the person(s) to contact who will be authorized to represent the firm. In addition, the cover letter must acknowledge receipt of any and all addenda issued in association with this RFP.

C. Statement of Understanding:

The proposer shall indicate a clear understanding of the project. This should include a description of how the project tasks will be accomplished, the challenges that are expected to be encountered and how the proposer will address these challenges. This statement should also include a confirmation as to the Consultant's knowledge and familiarity with the rate setting and cost of service analysis requirements necessary to comply with Proposition 218 and all other government codes and regulations.

D. Scope of Work:

Provide sufficient evidence as to the proposer's qualifications to perform the work. This information shall disclose and include all pertinent facts as may be appropriate and shall include at least a description of past performance on projects of a similar type, scope and size; project team members who worked on each project and their roles and percentage commitment of time on the project; and any other pertinent information to demonstrate experience on similar assignments. In addition, please provide a statement regarding the proposer's ability to complete the work in a timely and professional manner.

E. Personnel:

Present the experience of the Lead Consultant and other key personnel to be assigned to prepare the report, including any sub-consultants. A resume shall be included for the Lead Consultant and other key personnel, including education, employment history and experience relevant to the project, with corresponding dates. Provide a list of projects where the proposed Lead Consultant and key team members have performed similar work. For each, provide the name of the project, location, brief description, and name and phone number of a contact person. During the course of the project, substitution of key personnel is subject to the approval of the District.

F. Project Schedule:

Provide a proposed project schedule for the assessment and preparation of the Reports, including key milestones for deliverables.

It will be necessary to have a new rate structure recommended to be in place prior to the end of fiscal year June 30, 2023. The recommended rates should be finalized by April 1, 2023 to coincide with the budget process. A target public hearing date for planning purposes is Tuesday, May 16, 2023. Consultant's proposal should take into account these dates and the input meetings described in Section 3, in drafting their proposal and timeline/schedule.

G. Staff-Hour Allocation and Fees:

Provide a table listing project tasks and subtasks, the proposed staff level assigned to each, the staff hours and fee for each and any project-related expenses.

H. Agreement:

A signed statement that the firm has read and will accept the District’s standard professional services agreement (Exhibit A), attached to this RFP; or

A redlined document which shows which sections the firm would require to be modified to enter into this engagement. Firms shall contact Patrick Lee at plee@egwd.org via e-mail no later than August 10, 2022 to obtain an electronic version of the District’s professional services agreement if they wish to offer redlined changes.

I. Non-Disclosure Agreement:

A signed Non-Disclosure Agreement (Exhibit B) attached to this RFP, maintaining strict confidentiality on all matters and work products generated.

J. Additional Information:

A copy of the firm’s insurance certificates that meet the qualifications described in Section 8.

6. Evaluation Criteria

A Professional Services Selection Committee (PSSC) comprised of selected Board Members and District staff will evaluate the proposals with a focus on the strength and quality of the proposal. The evaluation will consider the technical approach, including project understanding, the scope of work, overall project team, relevant special and water district experience, staff-hour allocation per task, and fee summary. The evaluation will also include relevant experience, including that of the Lead Consultant, key team members including sub-consultants, and experience of the firm. Following this evaluation, the PSSC may elect to conduct oral interviews of the top firms. The PSSC’s recommendation to the Board for awarding a contract will be based on the overall strength and quality of the proposal, the consultant’s proposed fees, and the PSSC’s assessment of the oral interviews (if conducted).

7. Schedule

The evaluation and contract schedule is as follows:

ACTION ITEM	DATE(S)
Issue Request for Proposals	August 1, 2022
Proposals due by 5:00 pm	August 18, 2022
Conduct Oral Interviews, if necessary	Week of September 5, 2022
Select Firm	Week of September 12, 2022
Complete Contract Negotiations	September 30, 2022
Board of Directors Award of Contract, if necessary	October 18, 2022
Execute Contract and Notice to Proceed	October 19, 2022

8. General Terms and Conditions

- A. Insurance Requirements: Consultant, at Consultant's sole cost and expense and for the full term of the resultant agreement or any extension, shall obtain and maintain at least all of the insurance requirements of the District.

All policies, endorsements, and certificates shall be subject to approval by the District as to form and content. These requirements are subject to amendment or waiver if so, approved in writing by the General Manager. Proposer agrees to provide the District with a copy of said policies, certificates, and/or endorsements.

Proof of insurance coverage shall be provided as part of the proposal and shall include the insurance types and required coverages specified in section 3.2.10.2 of the Professional Services Agreement (Exhibit A). If awarded the contract, the Consultant agrees to submit proof that the District is named as an additional insured by separate endorsement as detailed in section 3.2.11 of the Professional Services Agreement. All insurance coverage shall be provided by a carrier authorized to transact business in California and shall be primary.

- B. Late Proposals: It is the Consultant's sole responsibility to ensure that proposals are received by the District prior to the scheduled closing time specified in this RFP. Proposals will not be accepted after the deadline.
- C. Non-commitment of FRCD: This RFP does not commit the District to award a contract, to pay any costs incurred in the preparation of a proposal to this request, or to procure or contract for services or supplies. The District reserves the right to accept or reject any or all proposals received as a result of this request, to negotiate with any qualified individual or firm, or to modify or cancel in part or in its entirety the RFP if it is in the best interest of the District to do so.
- D. Proposal Validity Period: Submission of a proposal will signify the Consultant's agreement that the proposal, and contents thereof, are valid for ninety (90) days following the submission of the proposal and shall become part of the contract that is negotiated with the successful firm.
- E. Documents to be Construed Together: The RFP, proposal, and all documents incorporated by reference in a contract entered into between the Consultant and the District, and all modifications of said documents, shall be construed together as one document.
- F. Extra Work or Materials: The District shall have the right to make alterations, eliminations, and additions in the work. Exercise of such right shall in no way void the contract. The District and the Consultant shall agree upon the value of such extra work.
- G. News Releases: News releases pertaining to the award of any contract resulting from this RFP shall not be made without prior approval of the District. The District's name shall not appear on Consultant's lists advertising or other materials used to promote the Consultant's services without prior written approval of the District.

The complete proposal must be received by the date and time specified in Section 7 of this RFP.
The proposal shall be addressed to:

Patrick Lee, Finance Manager/Treasurer
Florin Resource Conservation District
9257 Elk Grove Blvd
Elk Grove, CA 95624

Questions relating to this RFP may be addressed to Patrick Lee, Finance Manager/Treasurer,
Florin Resource Conservation District, (916) 685-3556, plee@egwd.org.

BRUCE KAMILOS
GENERAL MANAGER

EXHIBIT “A”

**FLORIN RESOURCE CONSERVATION DISTRICT
PROFESSIONAL SERVICES AGREEMENT FOR
WATER RATE AND CONNECTION FEE STUDY**

1. PARTIES AND DATE.

This Agreement is made and entered into this _____ day of [Month, Year], by and between the Florin Resource Conservation District, a resource conservation district organized under the laws of the State of California with its principal place of business at 9257 Elk Grove Boulevard, Elk Grove, California (“District”) and [Company], a California corporation, with its principal place of business at [Address] (“Consultant”). District and Consultant are sometimes individually referred to herein as “Party” and collectively as “Parties.”

2. RECITALS.

2.1 Consultant.

Consultant desires to perform and assume responsibility for the provision of certain consultant services required by District on the terms and conditions set forth in this Agreement. Consultant represents that it is experienced in providing consultant services to public clients, is licensed in the State of California, and is familiar with the plans of District.

2.2 Project.

District desires to engage Consultant to render such services for Water Rate and Connection Fee Study (“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 District all labor, materials, tools, equipment, services, and incidental and customary work necessary to fully and adequately supply the consultant 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 the date that the Agreement is executed by both Parties until [Date] or the Services are completed (whichever occurs first), 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.

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. District 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 District 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.

Notwithstanding any other District, state, or federal policy, rule, regulation, law, or ordinance to the contrary, Consultant and any of its employees, agents, and subcontractors providing services under this Agreement shall not qualify for or become entitled to, and hereby agree to waive any and all claims to, any compensation, benefit, or any incident of employment by District, including but not limited to eligibility to enroll in the California Public Employees Retirement System (PERS) as an employee of District and entitlement to any contribution to be paid by District for employer contributions and/or employee contributions for PERS benefits.

Consultant shall indemnify, defend, and hold harmless District for the payment of any employee and/or employer contributions for PERS benefits on behalf of Consultant or its employees, agents, or subcontractors, as well as for the payment of any penalties and interest on such contributions, which would otherwise be the responsibility of District. Consultant and District acknowledge and agree that compensation paid by District to Consultant under this Agreement is based upon Consultant's estimated costs of providing the Services, including salaries and benefits of employees, agents and subcontractors of Consultant.

Consultant shall indemnify, defend, and hold harmless District from any lawsuit, administrative action, or other claim for penalties, losses, costs, damages, expense and liability of every kind, nature and description that arise out of, pertain to, or relate to such claims, whether directly or indirectly, due to Consultant's failure to secure workers' compensation insurance for its employees, agents, or subcontractors.

Consultant agrees that it is responsible for the provision of group healthcare benefits to its fulltime employees under 26 U.S.C. § 4980H of the Affordable Care Act. To the extent permitted by law, Consultant shall indemnify, defend and hold harmless District from any penalty issued to District under the Affordable Care Act resulting from the performance of the Services by any employee, agent, or subcontractor of Consultant.

- 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 of Services, District shall respond to Consultant’s submittals in a timely manner. Upon request of District, 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 District.
- 3.2.4 Substitution of Key Personnel. Consultant has represented to District 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 District. In the event that District and Consultant cannot agree as to the substitution of key personnel, District 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 District, or who are determined by District 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 Consultant at the request of District. The key personnel for performance of this Agreement are as follows: [Contact Name].
- 3.2.5 District’s Representative. District hereby designates Bruce Kamilos, or his designee, to act as its representative for the performance of this Agreement (“District’s Representative”). District’s Representative shall have the power to act on behalf of District for all purposes under this Contract. Consultant shall not accept direction or orders from any person other than District’s Representative or his or her designee.
- 3.2.6 Consultant’s Representative. Consultant hereby designates [Contact Name], or his 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 Consultant for all purposes under this Agreement. 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 District staff in the performance of Services and shall be available to District’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 sub-consultants shall have sufficient skill and experience to perform the Services assigned to them. Finally, Consultant represents that it, its employees and sub-consultants have all licenses, permits, qualifications and approvals of whatever nature that are legally required to perform the Services, including a 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 District, any services necessary to correct errors or omissions which are caused by Consultant's failure to comply with the standard of care provided for herein. Any employee of Consultant or its sub-consultants who is determined by District 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 District, shall be promptly removed from the Project by 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 such laws and regulations in connection with Services. If Consultant performs any work knowing it to be contrary to such laws, rules and regulations and without giving written notice to District, Consultant shall be solely responsible for all costs arising therefrom. Consultant shall defend, indemnify and hold District, its officials, directors, officers, employees, and agents free and harmless, pursuant to the indemnification provision 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 work under this Agreement until it has provided evidence satisfactory to District that it has secured all insurance required under this section. In addition, Consultant shall not allow any sub-consultant to commence work on any subcontract until it has provided evidence satisfactory to District that the sub-consultant has secured all insurance required under this section.

3.2.10.2. Types of Required Coverages. As a condition precedent to the effectiveness of this Agreement for work to be performed hereunder and without limiting the indemnity provisions of the Agreement, Consultant in partial performance of its obligations under such Agreement, shall procure and maintain in full force and effect during the term of the Agreement, the following policies of insurance.

- (a) Commercial General Liability: Commercial General Liability Insurance which affords coverage at least as broad as Insurance Services Office "occurrence" form CG 0001, with minimum limits of at least \$1,000,000 per occurrence. Defense costs shall be paid in addition to the limits.

The policy shall contain no endorsements or provisions limiting coverage for (1) products and completed operations; (2) contractual liability; (3) third party action over claims; or (4) cross liability exclusion for claims or suits by one insured against another.

- (b) Automobile Liability Insurance: Automobile Liability Insurance with coverage at least as broad as Insurance Services Office Form CA 0001 covering “Any Auto” (Symbol 1) with minimum limits of \$1,000,000 each accident.
- (c) Workers’ Compensation: Workers’ Compensation Insurance, as required by the State of California and Employer’s Liability Insurance with a limit of not less than \$1,000,000 per accident for bodily injury and disease.
- (d) Professional Liability: Professional Liability insurance for errors and omissions with minimum limits of \$1,000,000. Covered Professional Services shall specifically include all work to be performed under the Agreement.

If coverage is written on a claims-made basis, the retroactive date shall precede the effective date of the initial Agreement and continuous coverage will be maintained or an extended reporting period will be exercised for a period of at least three (3) years from termination or expiration of this Agreement.

3.2.11 Endorsements.

The policy or policies of insurance required by Section 3.2.10.2 (a) Commercial General Liability and (b) Automobile Liability Insurance shall be endorsed to provide the following:

3.2.11.1 Additional Insured: The indemnified parties shall be additional insureds with regard to liability and defense of suits or claims arising out of the performance of the Agreement. Additional Insured Endorsements shall not (1) be restricted to “ongoing operations”; (2) exclude “contractual liability”; (3) restrict coverage to “sole” liability of Consultant; or (4) contain any other exclusions contrary to the Agreement.

3.2.11.2 Primary Insurance and Non-Contributing Insurance: This insurance shall be primary and any other insurance, deductible, or self-insurance maintained by the indemnified parties shall not contribute with this primary insurance.

3.2.11.3 Severability: In the event of one insured, whether named or additional, incurs liability to any other of the insureds, whether named or additional, the policy shall cover the insured against whom claim is or may be made in the same manner as if separate policies had been issued to each insured, except that the limits of insurance shall not be increased thereby.

3.2.11.4 Cancellation: The policy shall not be canceled, or the coverage suspended, voided, reduced or allowed to expire until a thirty (30) day prior written notice of cancellation has been served upon District except ten (10) days prior written notice shall be allowed for non-payment of premium.

3.2.11.5 Duties: Any failure by the named insured to comply with reporting provisions of the policy or breaches or violations of warranties shall not affect coverage provided to the indemnified parties.

3.2.11.6 Applicability: That the coverage provided therein shall apply to the obligations assumed by Consultant under the indemnity provisions of the Agreement unless the policy or policies contain a blanket form of contractual liability coverage.

3.2.11.7 The policy or policies of insurance required by Section 3.2.10.2 (c) Workers' Compensation shall be endorsed, as follows:

- a) Waiver of Subrogation: A waiver of subrogation stating that the insurer waives all rights of subrogation against the indemnified parties.
- b) Cancellation: The policy shall not be canceled, or the coverage suspended, voided, reduced or allowed to expire until a thirty (30) day prior written notice of cancellation has been served upon District except ten (10) days prior written notice shall be allowed for non-payment of premium.

3.2.11.8 The policy or policies of insurance required by Section 3.2.10.2 (d) Professional Liability shall be endorsed, as follows:

- a) Cancellation: The policy shall not be canceled, or the coverage suspended, voided, reduced or allowed to expire until a thirty (30) day prior written notice of cancellation has been served upon District except ten (10) days prior written notice shall be allowed for non-payment of premium.

3.2.11.9 Deductible. Any deductible or self-insured retention must be approved in writing by District and shall protect the indemnified parties in the same manner and to the same extent as they would have been protected had the policy or policies not contained a deductible or self-insured retention.

3.2.11.10 Evidence of Insurance. Consultant, concurrently with the execution of the Agreement, and as a condition precedent to the effectiveness thereof, shall deliver either certified copies of the required policies, or original certificates and endorsements on forms approved by District. The certificates and endorsements for each insurance policy shall be signed by a person authorized by that insurer to bind coverage on its behalf. At least fifteen (15) days prior to the expiration of any such policy, evidence of insurance showing that such insurance coverage has been renewed or extended shall be filed with District. If such coverage is cancelled or reduced, Consultant shall, within ten (10) days after receipt of written notice of such cancellation or

reduction of coverage, file with District evidence of insurance showing that the required insurance has been reinstated or has been provided through another insurance company or companies.

3.2.11.11 Failure to Maintain Coverage. Consultant agrees to suspend and cease all operations hereunder during such period of time as the required insurance coverage is not in effect and evidence of insurance has not been furnished to District. District shall have the right to withhold any payment due Consultant until Consultant has fully complied with the insurance provisions of this Agreement. In the event that Consultant's operations are suspended for failure to maintain required insurance coverage, Consultant shall not be entitled to an extension of time for completion of the Work because of production lost during suspension.

3.2.11.2. Acceptability of Insurers. Each such policy shall be from a company or companies with a current A.M. Best's rating of no less than A:VII and authorized to do business in the State of California, or otherwise allowed to place insurance through surplus line brokers under applicable provisions of the California Insurance Code or any federal law.

3.2.11.3. Insurance for Sub-consultants. All sub-consultants shall be included as additional insureds under Consultant's policies, or Consultant shall be responsible for causing sub-consultants to purchase the appropriate insurance in compliance with the terms of this Agreement, including adding District as an Additional Insured to the sub-consultant's policies.

3.2.12 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, 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 lifesaving equipment and procedures; (B) instructions in accident prevention for all employees and sub-consultants, 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 [Amount Written Out] Dollars (\$XX,XXX) without written approval of District's General Manager. Extra Work may be authorized, as described below, and if authorized, will be compensated at the rates and manner set forth in this Agreement.

- 3.3.2 Payment of Compensation. Consultant shall submit to District 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. District shall, within 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 District.
- 3.3.4 Extra Work. At any time during the term of this Agreement, District may request that Consultant perform Extra Work. As used herein, "Extra Work" means any work which is determined by District 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 District's Representative.

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 District 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. District 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 District, 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, District 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 document 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, District 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:

Consultant:

[Company Name]
[Street Address] [City,
State, Zip] Attn:
[Contact Name]

District:

Florin Resource Conservation District
9257 Elk Grove Boulevard
Elk Grove, CA 95624
Attn: Bruce Kamilos

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. Records Created as Part of Consultant's Performance. All reports, data, maps, models, charts, studies, surveys, photographs, memoranda, plans, studies, specifications, records, files, or any other documents or materials, in electronic or any other form, that Consultant (or any sub-consultant) prepares or obtains pursuant to this Agreement and that release to the matters covered hereunder ("Documents & Data") shall be the property of the District.

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 District, 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 District'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 the District.

- 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 Attorneys' 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 attorneys' fees and all other costs of such action.
- 3.5.6 Indemnification. Consultant shall defend, indemnify and hold District, 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 alleged acts, omissions, negligence or willful misconduct of Consultant, its officials, officers, employees, agents, subcontractors and sub-consultants 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 attorney's 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 District, its directors, officials, officers, employees, agents or volunteers. Consultant shall pay and satisfy any judgment, award or decree that may be rendered against District or its directors, officials, officers, employees, agents or volunteers, in any such suit, action or other legal proceeding. Consultant shall reimburse District 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 District, its directors, officials, officers, employees, agents or volunteers. Consultant's obligations to defend, hold harmless, and indemnify the District shall not apply to the extent the liabilities are caused by the sole or gross negligence of the District.
- 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 Sacramento County.
- 3.5.9 Time of Essence. Time is of the essence for each and every provision of this Agreement.

- 3.5.10 District's Right to Employ Other Consultants. District 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 District. 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 workdays. All references to Consultant include all personnel, employees, agents, and sub-consultants of Consultant, except as otherwise specified in this Agreement. All references to District 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, District shall have the right to rescind this Agreement without liability. For the term of this

Agreement, no member, officer or employee of District, during the term of his or her service with District, 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 sub-consultant, 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 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 District. Subcontracts, if any, shall contain a provision making them subject to all provisions stipulated in this Agreement.

[Signature page follows]

Florin Resource Conservation District

[Company Name]

By: _____
Bruce Kamilos
General Manager

By: _____
[Name]
[Position]

Attest:

By: _____
Stefani Philips
Board Secretary

Approved as to Form:

By: _____
Richard E. Nosky, Jr.
Attorney for Florin Resource Conservation District

Please forward all invoices to accountspayable@egwd.org

The Consultant has provided a proposal which combines the scope of services, schedule of services and compensation into one document. Therefore, references to Exhibit A, Exhibit B and Exhibit C in the contract shall refer to the Consultant's proposal dated [Date] (attached).

EXHIBIT "A"
SCOPE OF SERVICES

EXHIBIT "B"
SCHEDULE OF SERVICES

EXHIBIT "C"
COMPENSATION

EXHIBIT “B”

**FLORIN RESOURCE
CONSERVATION DISTRICT
NON-DISCLOSURE AGREEMENT**

This Non-Disclosure Agreement (“Agreement”) by and between the Florin Resource Conservation District, a political subdivision of the state of California (“District”) and [Name of Company], a [locale] company (“Company”) (collectively, “Parties”).

RECITALS

A. District is a resource conservation district formed under the California Public Resources Code.

B. The District has solicited proposals (“RFP”) to conduct a Water Rate and Connection Fee Study and Company wishes to submit a proposal to provide such services. Execution of this Agreement is a condition both of submitting a proposal to provide such services, and of actually providing the services.

C. In order to complete the services, Company may require access to District documents and records and may conduct interviews with District staff. The purpose of this Agreement is to ensure any information obtained as a result of Company’s investigation, evaluation and study will be kept confidential.

In consideration of the foregoing recitals, the mutual understandings contained in this Agreement, and other good, valuable, and sufficient consideration, the Parties hereto agree as follows:

1. Recitals. The recitals set forth above are true and correct and are hereby incorporated into this Agreement as though set forth in full below.

2. Definition of Confidential Information. “Confidential Information” means any oral, written, graphic or machine-readable information accessed by Company in the course of its performance of the Professional Services Agreement including employee records, customer data, financial records and transactions and all other electronically stored data. Confidential Information also includes information regarding the District’s servers such as types, models, operating systems, and internal addresses. Confidential Information expressly includes all information protected from disclosure under the California Public Records Act by Government Code section 6254.16.

3. Non-Disclosure. Company shall keep confidential and otherwise not disclose any Confidential Information it receives from District to third parties or to employees of the party receiving Confidential Information, other than directors, officers, employees, consultants, and agents who are required to have the information in order to carry out the Parties’ negotiation, execution and performance of the Professional Services Agreement. Company shall take all necessary measures to protect the secrecy of and avoid unauthorized disclosure of Confidential Information to prevent it from falling into the public domain or the possession of persons other than those persons authorized under this Agreement to have

any such information. Any employee, agent or consultant of Company given access to any Confidential Information shall be bound in writing to maintain the confidentiality and degree of non-disclosure and protection of Confidential Information contemplated herein. Company shall notify the District in writing of any actual or suspected misuse or unauthorized disclosure of Confidential Information.

4. Return of Confidential Information. If requested to do so in writing, Company shall, within fifteen (15) days of such request, destroy the Confidential Information. Within such time, Company, if requested to do so, shall also submit to District an affidavit stating that, to the best of its knowledge, all Confidential Information has been destroyed. Notwithstanding the foregoing, or anything to the contrary in this Agreement, Company shall be permitted to retain Confidential Information to the extent incorporated into its working papers. To the extent Confidential Information is not returned or destroyed, it shall remain subject to the Agreement.

5. Compelled Disclosure. In the event that a court or other governmental authority of competent jurisdiction issues an order, subpoena, or other lawful process requiring the disclosure of any Confidential Information, Company shall notify District immediately upon receipt thereof to facilitate District's efforts to prevent such disclosure, or otherwise preserve the confidentiality of the Confidential Information. Company shall not be in violation of the Agreement if it complies with an order of such court or governmental authority to disclose Confidential Information, after providing District with notice of the requested or ordered disclosure, whether or not District has sought to maintain the confidentiality of such information as provided herein or has notified Company in writing that it will take no action to maintain such confidentiality.

6. Authority to Enter Agreement. Each Party warrants that the individual(s) who have signed this Agreement have the legal power, right, and authority to make this Agreement and bind each respective Party.

7. Amendment / Modification. No supplement, modification, or amendment of this Agreement shall be binding unless executed in writing and signed by the Parties.

8. 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.

9. Entire Agreement. This Agreement contains the entire agreement between the Parties related to the matters specified herein and supersedes any prior oral or written statements or agreements between the Parties related to such matters.

10. Binding on Successors. This Agreement shall be binding on and inure to the benefit of the successors and permitted assignees of the respective parties. Any reference to the "District" or "Company" shall be deemed to refer to any authorized agent of such referenced party.

11. Severability. If any provision of this Agreement is invalid or unenforceable with respect to any party, the remainder of this Agreement or the application of such provision to persons other than those as to whom it is held invalid or unenforceable, shall not be affected and each provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

12. Attorneys' Fees. In the event legal action by either Party is brought to enforce any term hereof or in the recovery of damages for any breach hereof, or to determine any rights of the Parties under this Agreement, the prevailing Party in such actions may recover reasonable attorneys' fees to be fixed by the court.

13. Indemnification. Company shall indemnify, defend and hold harmless District, its directors, officials, officers, employees, agents, or volunteers, and each of them from and against any and all claims, demands, causes of action, damages, costs, expenses, losses or liabilities (including attorney's fees, costs and expenses of defending against such claims), in law or in equity, of every kind and nature whatsoever for arising out of or connected with the Agreement except to the extent caused by the negligent acts, errors or omissions or willful misconduct of the District. The foregoing indemnities shall survive the expiration or termination of this Agreement.

14. Notices. Any notice, demand or payment required to be given herein shall be made by certified or registered mail, return receipt requested, or reliable overnight courier to the address of the respective parties set forth below:

Owner: Florin Resource Conservation District
9257 Elk Grove Boulevard
Elk Grove, CA 95624
Attention: Bruce Kamilos
General Manager

Company: [Company Name]
[Address]
[City, State, ZIP]
Attention: [Name]
[Title]

The Parties may from time to time designate any other address for this purpose by written notice to the other Party.

15. Jurisdiction and Venue. Any legal action or proceeding concerning this Agreement shall be filed and prosecuted in the appropriate California state court in the County of Sacramento, California. Each Party hereto irrevocably consents to the personal jurisdiction of that court. The Parties each hereby expressly waive the benefit of any provision of federal or state law or judicial decision providing for the filing, removal, or change of venue to any other court or jurisdiction, including, without implied limitation, federal district court, due to any diversity of citizenship between the Parties, due to the fact that either or both of the Parties is a Party to such action or proceeding or due to the fact that a federal question or federal right is involved or alleged to be involved. Without limiting the generality of the foregoing, the Parties each specifically waive any rights provided to it pursuant to California Code of Civil Procedure Section 394. The Parties acknowledge that the provisions of this paragraph are material consideration to the Parties' entry into this Agreement, in that the Parties will avoid the potential cost, expense and inconvenience of litigating in a distant forum.

16. Counterparts. This Agreement may be executed in two or more counterparts, all of which shall be considered one and the same Agreement.

IN WITNESS WHEREOF, the Parties have entered into this Agreement as of the date of execution by the last party to sign.

DISTRICT:

Florin Resource Conservation District, a political subdivision of the state of California

COMPANY:

[Company Name]

By: _____
Bruce Kamilos
General Manager

By: _____
[Name]
[Title]

Date: _____

Date: _____

Attest:

By: _____
Stefani Phillips
Board Secretary

Approved as to Form:

By: _____
Richard E. Nosky Jr
Attorney for Florin Resources Conservation District