RESOLUTION APPROVING AGREEMENT WITH WILLDAN FINANCIAL SERVICES
FOR A SEWER RATE STUDY

WHEREAS, pursuant to Neb. Rev. Stat. §23-104(6), the County has the power to do all acts in relation to the concerns of the County necessary to the exercise of its corporate powers; and,

WHEREAS, pursuant to Neb. Rev. Stat. §23-103, the powers of the County as a body are exercised by the County Board; and,

WHEREAS, the County of Sarpy desires to enter into an agreement for a sewer rate study, as outlined in the Agreement attached hereto; and;

NOW, THEREFORE, BE IT RESOLVED by the Sarpy County Board of Commissioners that this Board hereby approves and adopts the agreement with Willdan Financial Services for the sewer rate study, a copy of which is attached.

BE IT FURTHER RESOLVED that the Chairman of this Board, together with the County Clerk is hereby authorized to sign on behalf of this Board the agreement with Willdan Financial Services, a copy of which is attached, and any other related documents, the same being approved by the Board.

The above resolution was approved by a vote of the Sarpy County Board of Commissioners at a public meeting duly held in accordance with applicable law on the 21st day of August, 2018.

ATTEST:

Sarpy County Board Chairman

Sarpy County Clerk
MEMO

To: Sarpy County Board of Commissioners
From: Beth Garber
Re: Sewer Rate Study

On July 17, 2018, proposals were received for the Sewer Rate Study. Generally, the requested services include determining the sewer rates necessary to adequately fund sewer operations, capital costs and pay for sewage treatment expenses with the goal of keeping rate increases as low as possible and establishing rates that are comparable with surrounding communities. A summary of the proposals is below:

<table>
<thead>
<tr>
<th>Hours</th>
<th>Total Fee</th>
<th>Avg. Cost Per Hour</th>
</tr>
</thead>
<tbody>
<tr>
<td>Burns &amp; McDonnell 167</td>
<td>$30,690.00</td>
<td>$183.77</td>
</tr>
<tr>
<td>Raftelis 104</td>
<td>$24,400.00</td>
<td>$234.62</td>
</tr>
<tr>
<td>Stantec 244</td>
<td>$45,500.00</td>
<td>$186.48</td>
</tr>
<tr>
<td>Willdan 134</td>
<td>$23,965.00</td>
<td>$178.84</td>
</tr>
<tr>
<td>Olsson</td>
<td>No Bid</td>
<td></td>
</tr>
</tbody>
</table>

After reviewing the proposals and checking references, it is recommended the County Board authorize an agreement for consulting services with Willdan for a fee of $23,965. The Environmental Services Department will recommend new rates effective January 1, 2019 when the new Omaha wholesale rates are effective and our study is complete.

Please contact me with any questions at bgarber@sarpy.com.

August 15, 2018

Beth Garber

cc: Dan Hoins
Scott Bovick
Brian Hanson
Deb Houghtaling
Art Beccard
AGREEMENT FOR PROFESSIONAL SERVICES

THIS AGREEMENT is made and entered into this 21st day of August, 2018, by and between WILLDAN FINANCIAL SERVICES ("WFS"), a corporation, and SARPY COUNTY hereinafter referred to as "Client."

WHEREAS, Client desires to employ WFS to furnish ongoing professional services in connection with Sewer Rate Study hereinafter referred to as the "Project."

NOW, THEREFORE, in consideration of the mutual premises, covenants and conditions herein contained, the parties agree as follows:

SECTION I – BASIC SERVICES

WFS shall provide to the Client the basic services described in detail in "Exhibit A," Scope of Services, attached hereto and incorporated herein by this reference.

SECTION II – ADDITIONAL SERVICES

If authorized, WFS shall furnish additional services, which are in addition to the basic services. To the extent that the additional services have been identified in this Agreement, they are itemized in "Exhibit A" and will be paid for by Client as indicated in Section III hereof. As further additional services are requested by Client, this Agreement may be modified and subject to mutual consent by execution of an addendum by authorized representatives of both parties, setting forth the additional scope of services to be performed, the performance time schedule and the compensation for such services.

SECTION III – COMPENSATION

WFS shall be compensated for basic services rendered under Section I, as in accordance with the terms and conditions indicated in "Exhibit B," Fees for Services; and WFS will be compensated for any additional services rendered under Section II as more particularly described in a fully approved and executed addendum to this Agreement. If no addendum is executed, then WFS shall be compensated at its then-prevailing hourly rates for such additional services.

WFS may submit monthly statements for basic and additional services rendered. It is intended that Client will make payments to WFS within thirty (30) days of invoice. All invoices not paid within thirty (30) days shall bear interest at the rate of one and one-half (1½) percent per month or the then-legal rate allowed.
SECTION IV – INDEMNITY; INSURANCE REQUIRED

A. **Indemnity.** WFS shall indemnify and hold harmless Client, its officers, officials, directors, employees, designated agents, and appointed volunteers from and against all claims, damages, losses and expenses, including attorney fees, arising out of the performance of the services described herein, to the extent caused in whole or in part by the negligent acts, errors, or omissions of WFS, any subconsultant, anyone directly or indirectly employed by any of them or anyone for whose acts any of them may be liable, except where caused by the active negligence or willful misconduct of Client or Client’s officers, agents, or employees.

The parties shall cooperate with each other with respect to resolving any claim, liability or loss for which indemnification may be required hereunder, including by making, or causing the indemnified party to make, all commercially reasonable efforts to mitigate any such claim, liability or loss. Neither party shall have an obligation to indemnify the other party for any losses to the extent they are caused, contributed to or exacerbated by the actions or failure to act of the indemnified party, including without limitation, the failure to take actions to mitigate such losses.

B. **Insurance.** Without in any way limiting WFS’ liability pursuant to the indemnification described above, WFS shall maintain, during the term of this contract, the following insurance:

<table>
<thead>
<tr>
<th>Coverage</th>
<th>Minimum Limits</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>General Liability</strong></td>
<td></td>
</tr>
<tr>
<td>Comprehensive General Liability, Including:</td>
<td>$1,000,000 Combined Single Limit, per occurrence and general aggregate</td>
</tr>
<tr>
<td>Premises and Operations</td>
<td></td>
</tr>
<tr>
<td>Contractual Liability</td>
<td></td>
</tr>
<tr>
<td>Personal Injury Liability</td>
<td></td>
</tr>
<tr>
<td>Independent Contractors Liability (if applicable)</td>
<td></td>
</tr>
<tr>
<td><strong>Automobile Liability</strong></td>
<td>$1,000,000 Combined Single Limit, per occurrence</td>
</tr>
<tr>
<td>Comprehensive Automobile Liability</td>
<td></td>
</tr>
<tr>
<td>(including owned, non-owned and hired autos)</td>
<td></td>
</tr>
<tr>
<td><strong>Workers’ Compensation and Employer’s Liability</strong></td>
<td>Statutory, $1,000,000</td>
</tr>
<tr>
<td>Workers’ Compensation Insurance</td>
<td></td>
</tr>
<tr>
<td>Employer’s Liability</td>
<td></td>
</tr>
<tr>
<td><strong>Professional Liability</strong></td>
<td>$1,000,000 per claim and annual aggregate</td>
</tr>
<tr>
<td>Professional Liability Insurance</td>
<td></td>
</tr>
</tbody>
</table>
SECTION V – INDEPENDENT CONTRACTOR STATUS

WFS shall be an independent contractor and shall have responsibility for and control over the details and means of providing the services under this Agreement.

SECTION VI – OWNERSHIP AND MAINTENANCE OF DOCUMENTS

WFS may rely upon the accuracy of any documents provided to WFS by Client. All documents, including without limitation, reports, plans, specifications, field data, field notes, laboratory test data, calculations, estimates, schedules, spreadsheets, or other documents furnished by WFS pursuant to this Agreement, regardless of media (e.g., paper, electronic, magnetic, optical, Mylar, etc), are instruments of WFS’ services in respect to this Project and not products. All such documents shall remain the property of WFS provided, however, that a copy of the final documents shall be made available to Client upon request. These documents are not intended, nor represented to be suitable for reuse by Client or any others on extensions of this Project or on any other project. These documents shall not be changed or reused without the prior written consent of WFS. Any modification or reuse without specific written verification and adoption by WFS for the specific purposes intended will be at user’s sole risk. Client agrees to save, keep and hold harmless WFS from all damages, costs or expenses in law and equity including costs of suit and attorneys’ fees resulting from such unauthorized reuse. Client further agrees to compensate WFS for any time spent or expenses incurred by WFS in defense of any such claim, in accordance with WFS’ prevailing fee schedule.

Client acknowledges that its right to utilize the services and instruments of services of WFS will continue only so long as Client is not in default of the terms and conditions of this Agreement and Client has performed all obligations under this Agreement. Client further acknowledges that WFS has the unrestricted right to use the services provided pursuant to this Agreement, as well as to all instruments of service provided pursuant to this Agreement.

Client agrees not to use or permit any other person to use any instruments of service prepared by WFS, which are not final and which WFS does not sign. Client agrees to be liable for any such use of non-final instruments of service not signed, stamped or sealed by WFS and waives liability against WFS for their use.

WFS shall be entitled to rely upon, with no obligation to verify, the completeness and accuracy of all information, data, reports, studies, plans and specifications provided by Client or by Client’s attorney(s), engineer(s), accountant(s), consultant(s) or employee(s) to Consultant. Client shall make no claim against WFS alleging that WFS should not have relied upon such information provided by Client to WFS.

WFS’ records, documents, calculations, test information and all other instruments of service shall be kept on file in legible form for a period of not less than two (2) years after completion of the services covered in this Agreement.
SECTION VII – SUSPENSION OF SERVICES

Client may, at any time, by thirty (30) days' written notice, suspend further performance by WFS. All suspensions shall extend the time schedule for performance in a mutually satisfactory manner and WFS shall be paid for all services performed and reimbursable expenses incurred prior to the suspensions date.

SECTION VIII – TERMINATION

Either party may terminate this Agreement at any time by giving thirty (30) days' written notice to the other party of such termination. If this Agreement is terminated as provided herein, WFS will be paid an amount which bears the same ratio to the total compensation as the services actually performed bear to the total services of WFS covered by this Agreement, less payments of compensation previously made.

SECTION IX – COMPLIANCE WITH LAW

Each party hereto will use reasonable care to comply with applicable laws in effect at the time the services are performed hereunder, which to the best of their knowledge, information and belief apply to their respective obligations under this Agreement.

SECTION X – SUCCESSORS AND ASSIGNS

This Agreement shall be binding on the successors and assigns of the parties; but either party, without written consent of the other party, shall not assign it.

SECTION XI – RECORDS

Records of WFS' direct labor costs, payroll costs, and reimbursable expenses pertaining to the Project covered by this Agreement will be kept on a generally recognized accounting basis and made available during normal business hours upon reasonable notice.

WFS' records will be available for examination and audit if and as required.

SECTION XII – MISCELLANEOUS PROVISIONS

This Agreement is subject to the following special provisions:

A. The titles used in this Agreement are for general reference only and are not a part of the Agreement.

B. This Agreement shall be interpreted as though prepared by both parties.

C. Any provision of this Agreement held to violate any law shall be deemed void, and all remaining provisions shall continue in full force and effect.

D. This Agreement shall be interpreted under the laws of the State of Nebraska.
E. This Agreement comprises a final and complete repository of the understandings between the parties and supersedes all prior or contemporary communications, representations, or agreements, whether oral or written, relating to the subject matter of this Agreement.

F. Any notices given pursuant to this Agreement shall be effective on the third business day after posting by first class mail, postage prepaid, to the address appearing immediately after the signatures below.

G. WFS shall not be liable for damages resulting from the actions or inactions of governmental agencies, including, but not limited to: permit processing, environmental impact reports, dedications, General Plans, and amendments thereto; zoning matters, annexations, or consolidations; use or Conditional Use Permits; project or plan approvals; and building permits.

H. WFS agrees to comply with the residency verification requirements of Neb. Rev. Stat. §4-108 through §4-114. WFS is required and hereby agrees to use a federal immigration verification system to determine the work eligibility status of new employees physically performing services within the State of Nebraska. A federal immigration verification system means the electronic verification of the work authorization program authorized by the Illegal Immigration Reform and Immigrant Responsibility Act of 1996, 8 U.S.C. 1324a, known as the E-Verify Program, or an equivalent federal program designated by the United States Department of Homeland Security or other federal agency authorized to verify the work eligibility status of a newly hired employee.

I. Each consultant who performs construction or delivery service pursuant to the contract hereby attests that (1) each individual performing services for such consultant is properly classified under the Employee Classification Act, (2) such consultant has completed a Federal I-9 Immigration Form and has such form on file for each employee performing services, (3) such consultant has complied with Nebraska State Statute 4-114, (4) such consultant has no reasonable basis to believe that any individual performing services for such consultant is an undocumented worker, and (5) as of the time of the contract, such consultant is not barred form contracting with the State of Nebraska or any political subdivision pursuant to Nebraska State Statute 48-2907 or 48-2912. WFS shall follow the provisions of the Employee Classification Act. A violation of the act by such consultant is grounds for rescission of the contract by the Client.

J. WFS' waiver of any term, condition, or covenant, or breach of any term, condition, or covenant, shall not constitute the waiver of any subsequent breach of any other term, condition, or covenant.

K. Client acknowledges that WFS is not responsible for the performance of services by third parties, provided that said WFS has not retained third parties.
IN WITNESS WHEREOF, the parties hereto have accepted, made and executed this Agreement upon the terms, conditions, and provisions above stated, as of the day and year first above written.

WILLDAN FINANCIAL SERVICES

By: 
Name: Dan Jackson
Title: Vice President
Address: 5500 Democracy Drive, Suite 130
         Plano, Texas  75024

SARPY COUNTY, NEBRASKA

By: 
Name: Donald R. Kelly
Title: Chairman, Sarpy County Board
Address: 1210 Golden Gate Dr.
         Papillion, Nebraska  68046

Approved as to form:

Deputy County Attorney
SCOPE OF SERVICES

Please refer to the WFS proposal to Sarpy County dated July 17, 2018 and the Sarpy County Request for Proposals for the Sewer Rate Study for the Calendar Years 2019 through 2023, included at the end of this agreement.

Sarpy County acknowledges that WFS is relying upon the accuracy of the information provided by the County or their designees and that WFS shall not be liable for any inaccuracies contained therein.
Exhibit B

FEES FOR SERVICES

WFS will perform the tasks outlined within the proposal submitted to the Client dated July 17, 2018, for the fixed fee of $23,965. The table below provides a breakdown of this fee.

<table>
<thead>
<tr>
<th>Personnel</th>
<th>Hourly Rate</th>
<th># of Hours</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dan V. Jackson</td>
<td>$220.00</td>
<td>54</td>
<td>$11,880.00</td>
</tr>
<tr>
<td>Daniel Lanning</td>
<td>$165.00</td>
<td>40</td>
<td>$6,600.00</td>
</tr>
<tr>
<td>Dennis Goral</td>
<td>$100.00</td>
<td>40</td>
<td>$4,000.00</td>
</tr>
<tr>
<td><strong>Subtotal Personnel</strong></td>
<td></td>
<td></td>
<td><strong>$22,480.00</strong></td>
</tr>
<tr>
<td><strong>Travel</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Airfare</td>
<td>$300.00</td>
<td>3</td>
<td>$900.00</td>
</tr>
<tr>
<td>Lodging</td>
<td>$150.00</td>
<td>3</td>
<td>$450.00</td>
</tr>
<tr>
<td>Meals</td>
<td>$45.00</td>
<td>3</td>
<td>$135.00</td>
</tr>
<tr>
<td>Other</td>
<td>$-</td>
<td>0</td>
<td>$-</td>
</tr>
<tr>
<td><strong>Subtotal Travel</strong></td>
<td></td>
<td></td>
<td><strong>$1,485.00</strong></td>
</tr>
<tr>
<td><strong>Supplies &amp; Other</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Office Supplies</td>
<td>$-</td>
<td>0</td>
<td>$-</td>
</tr>
<tr>
<td>Telephone</td>
<td>$-</td>
<td>0</td>
<td>$-</td>
</tr>
<tr>
<td>Postage</td>
<td>$-</td>
<td>0</td>
<td>$-</td>
</tr>
<tr>
<td>Reproduction</td>
<td>$-</td>
<td>0</td>
<td>$-</td>
</tr>
<tr>
<td><strong>Subtotal Supplies</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total Budget (not to exceed)</strong></td>
<td>$23,965.00</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Notes:
- The Client will be invoiced on a monthly percentage-completion basis. Invoices will include a description of services, as well as a summary of costs to date by task.
- WFS will perform additional tasks, outside our scope of services, as requested and authorized by the Client for an additional fee.

Reimbursable Expenses

WFS will be reimbursed for out-of-pocket expenses. Examples of reimbursable expenses include, but are not limited to: postage, travel expenses, mileage (current federal prevailing rate), maps, electronic data provided from the Client and/or other applicable resources, construction cost periodicals, and copying (currently $0.25 per copy). Any additional expense for reports or from outside services will be billed to the Client. Charges for meeting and consulting with counsel, the Client, or other parties regarding services not listed in the scope of work will be at our then-current hourly rates.

In the event that a third party requests any documents, WFS may charge such third party for providing said documents in accordance with WFS’ applicable rate schedule.
WFS PROPOSAL SUBMITTED TO CLIENT

July 17, 2018

Ms. Beth Garber, Purchasing/Contract Administrator  
Sarpy County Purchasing Department  
1210 Golden Gate Drive  
Papillion, Nebraska  68046

Re:  Proposal to Prepare a Sewer Rate Study for Sarpy County

Dear Ms. Garber:

Willdan Financial Services ("Willdan") is pleased to submit this proposal in response to the Sarpy County ("County") Request for Proposals (RFP) for a Sewer Rate Study for the calendar years 2019 through 2023. It is our understanding that the County seeks determination of sewer rates to adequately fund sewer operations and capital costs, and pay for sewage treatment expenses, while keeping rate increases low and establishing rates that are comparable with neighboring jurisdictions. This proposal demonstrates Willdan’s qualifications and unique, tailored approach to perform this study on behalf of the County.

Founded in 1988, Willdan is a wholly-owned subsidiary of Willdan Group, Inc. (WGI) and one of the largest, and fastest growing public-sector utility financial consulting firms in the United States. With a staff of over 70 people, Willdan has assisted over 800 public agencies with a myriad of financial matters. WGI generates annual revenues of over $120 million, and is a publicly traded company (NASDAQ ticker: WLDN).

We have assembled a project team of senior-level principal consultants for this project. Our project team’s insight into the financial and operational aspects of publicly-owned utility systems is coupled with leadership in strategic and resource planning, organizational assessments and improvement, and stakeholder engagement and public outreach. These skills enable us to bring unmatched value to our clients. Our firm has a decades-long reputation as a trusted, independent advisor to municipal enterprises; we will strive to provide the County with the right tools and analyses to make informed decisions that are in the best interest of both the utility and the overall community. We pledge and commit to provide all services as outlined in this proposal to the County.

The table below provides the contact information outlined in the RFP. Please note that our Plano, Texas office will be responsible for the proposed engagement.

<table>
<thead>
<tr>
<th>Willdan Financial Services Contact Information</th>
</tr>
</thead>
<tbody>
<tr>
<td>Parent Firm</td>
</tr>
<tr>
<td>Willdan Group, Inc.</td>
</tr>
<tr>
<td>2401 East Katella Avenue, Suite 300</td>
</tr>
<tr>
<td>Anaheim, California 92806</td>
</tr>
<tr>
<td>Tel #: (800) 755-6864</td>
</tr>
<tr>
<td>Fax #: (888) 326-6864</td>
</tr>
</tbody>
</table>

We thank you for this opportunity to introduce you to Willdan, and to propose our services. Please feel free to contact me if you have any questions or require any further clarification. We look forward to discussing our submission.

Respectfully Submitted,
WILLDAN FINANCIAL SERVICES

Dan V. Jackson
Vice President

Engineering and Planning  |  Energy Efficiency and Sustainability  |  Financial and Economic Consulting  |  National Preparedness and Interoperability
972.378.6588  |  Fax: 972.378.6988  |  5500 Democracy Drive, Suite 130, Plano, Texas 75024  |  www.willdan.com
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- References .......................................................................................................................... 8
- Billing Rates ....................................................................................................................... 9
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  - Unique Qualifications .................................................................................................. 10
  - Project Management Approach .................................................................................... 11
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Exceptions

Willdan Financial Services ("Willdan") does not have any exceptions or modifications to the Sarpy County ("County") Request for Proposal (RFP) for a Sewer Rate Study for the Calendars Years 2019 through 2023. Furthermore, Willdan is committed to performing the tasks outlined with the County’s RFP, which have been listed below.

- The Willdan team will meet with Sarpy County personnel that are knowledgeable of the operations of the Sarpy County South Papillion Creek sewer systems to obtain background information of recent activities and future goals of Sarpy County in relation to the sewer systems.
- Analyze historical operational/repair costs, including operations of Commerce Business Center lift station, Metropolitan Utilities District (MUD) billing costs, and City of Omaha administrative/treatment costs.
- Analyze sewer use fee revenues collected by MUD and non-MUD users and the impact of current inter-local agreements with the Cities of Omaha, La Vista, Gretna and Papillion.
- Analyze and provide recommendation for platting and sewer connection fee revenue and impact of current inter-local agreements with the Cities of Omaha, La Vista, Gretna and Papillion.
- Analyze and provide recommendations on impact of soon to be adopted Omaha bulk sewage rates as published in the Omaha Code.
- Project operational costs of the Southern Ridge lift station, which was placed into service on June 8, 2018.
- Possible future financial impact of the City of Omaha combined sewer separation program.
- Recommendations for sewer use fees that will provide adequate revenues to meet expenses and provide desired level of reserves.
General Project Approach

Project Approach

As described herein, our approach to this sewer rate study and analysis is built around a primary objective; working collaboratively with County staff to develop a comprehensive financial plan and model for the County’s utility, using the financial model to develop and evaluate various rate, financial and capital funding scenarios, to arrive at final plans and sets of recommended rates that have a clear rationale and basis. Two key initial steps are:

1. The development of a baseline scenario to provide a clear picture of the utility’s current financial condition; and

2. A revenue sufficiency analysis to test the current rate structure and confirm billing determinants and revenue generation. Confirming billing determinants is an important step in the process to provide confirmation that we are beginning with reliable consumption and billing data. Recommended changes in required revenue, or to the rate structure(s), can be evaluated independently during the study.

Willdan’s interactive approach will result in a tailored analysis of the current sewer rates, revenues, funds, capital and operational expenditures, debt commitments, miscellaneous charges, and other financial data. The baseline financial assessment is the first step in the development of a forward-looking plan geared toward the development of updated rates and charges that ensure stable, sufficient funding for utility operations, and target County policy and practical considerations. The culmination of our analysis will be a comprehensive financial management plan that develops projected system operating results for the next five years. We will employ our proven interactive approach, supported with advanced financial modeling techniques and graphical interfaces, to develop a sophisticated and flexible financial model to guide the County through operating and financial scenarios, while evaluating the impact of policy assumptions and reserve and capital financing alternatives, and performing sensitivity analysis on rate strategies.

Our rate study analysis will include comprehensive financial management plan alternatives for the next five years to support the five-year rate plan. As part of this analysis, Willdan will develop a comprehensive financial analysis — incorporating revenue requirements such as operating expenses, transfers, reserve requirements, minor capital expenses, cash-funded major capital expenditures and annual debt service expenses — and we will also provide a functional cost breakdown consistent with industry standards.

The culmination of the revenue requirements analysis, which will include capital project financing plans, and the cost of service allocations will be alternative rate plans. The alternatives will provide sufficient revenue to meet the ongoing funding needs of the system while recovering costs from customers in a manner that is fair, equitable and within reasonable customer impact parameters, given the magnitude of revenue required to fund system costs.

During this project, we will utilize Microsoft Excel-based models, with interactive dashboards, as a comprehensive financial tool to allow planning and evaluation of variable inputs and assumptions. The analysis is then seamlessly integrated with the rate development component of the model to demonstrate and project various rate design alternatives, and the effects they would have on the County’s financial outlook.

County Staff Responsibilities

Willdan recommends that the County assign a key individual as project manager. Throughout the engagement, it is expected that the County’s appointed project manager will: coordinate responses to informational requests; coordinate review of work products; and identify appropriate staff members for participation in meetings and facilitation of scheduling.

We will ask for responses to initial information, follow-up requests and comments on reports within five business days or otherwise agreed upon timetable. If there are delays, the project manager will follow up with the parties involved to establish an estimated date for the delivery of information and/or feedback. To ensure continued progression, the project manager will reconvene with the rest of the Willdan team to identify tasks that can be started while waiting for requested data.
Project Schedule and Work Plan

Timetable

Willdan understands time is of the essence for Sarpy County to begin this engagement. To meet the County's desired project schedule, we will request timely cooperation of County staff. Delays in responding to our requests for data and review will likely result in corresponding delays to the project schedule. If that is the case, we will notify the County immediately of the possible impact on the schedule. A specific project schedule will be developed following consultation with, and in concert with, County staff.

<table>
<thead>
<tr>
<th>County of Sarpy, Nebraska</th>
<th>Sewer Rate Study</th>
<th>Timeline</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Scope of Services</strong></td>
<td>Week</td>
<td></td>
</tr>
<tr>
<td>I - Data Evaluation and Validation</td>
<td>Aug-18</td>
<td>Sep-18</td>
</tr>
<tr>
<td>II - Initial Staff Planning Workshop</td>
<td></td>
<td></td>
</tr>
<tr>
<td>III- Development of an Optimized Financial Management Plan</td>
<td></td>
<td></td>
</tr>
<tr>
<td>IV - Cost of Service Analysis</td>
<td></td>
<td></td>
</tr>
<tr>
<td>V - Rate Design Analysis</td>
<td></td>
<td></td>
</tr>
<tr>
<td>VI - Reports, Presentations and Public Information/Educational Assistance</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Estimated Number of Hours

The table below depicts the number of estimated hours per task to be performed by team member. Furthermore, it is anticipated that Project Manager Dan Jackson will only be at County offices to attend and participate in the initial staff planning workshop (Task 2) and to present the final report (Task 6).

<table>
<thead>
<tr>
<th>Scope of Services</th>
<th>D. Jackson Project Manager</th>
<th>D. Lanning Financial Analyst</th>
<th>D. Goral Analyst</th>
<th>Total Hours</th>
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<tr>
<td>Task 1: Data Evaluation and Validation</td>
<td>$220</td>
<td>$165</td>
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<td>Task 2: Initial Staff Planning Workshop</td>
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<td>Task 3: Development of an Optimized Financial Management Plan</td>
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<td>6.0</td>
<td>6.0</td>
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<td>Task 4: Cost of Service Analysis</td>
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<td>Task 5: Rate Design Analysis</td>
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<td>6.0</td>
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<td>Task 6: Reports, Presentations and Public Information and Educational Assistance</td>
<td>12.0</td>
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<td>Subtotal Willdan Labor Costs</td>
<td>54.0</td>
<td>40.0</td>
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Qualifications of the Consultant

Firm Profile
Willdan Financial Services is one of four operating divisions within Willdan Group, Inc. (WGI), which was founded in 1964 as an engineering firm working with local governments. Today, WGI is a publicly-traded company on NASDAQ (ticker: WLDN). WGI, through its subsidiaries, provides professional technical and consulting services that ensure the quality, value and security of our nation's infrastructure, systems, facilities, and environment. The firm has pursued two primary service objectives since its inception—ensuring the success of its clients and enhancing its surrounding communities. In doing so, Willdan has gained a notable reputation for technical excellence, cost-effectiveness, and client responsiveness in providing superior consulting services. The company's service offerings span a broad set of complementary disciplines that include engineering and planning, energy efficiency and sustainability, financial and economic consulting, and national preparedness. Willdan has crafted this set of integrated services so that, in the face of an evolving environment—whether economic, natural, or built—Willdan can continue to extend the reach and resources of its clients.


Willdan Financial Services
Established on June 24, 1988, Willdan Financial Services, is a national firm, and is one of the largest public sector financial consulting firms in the United States. Willdan assists local public agencies by providing the following services:

- User fee studies;
- Cost allocation studies;
- Real estate economic analysis;
- Economic development plans and strategies;
- Tax increment finance district formation and amendment;
- Housing development and implementation strategies;
- Financial consulting;
- Real estate acquisition;
- Development impact fee establishment and analysis;
- Utility rate and cost of service studies;
- Feasibility studies;
- Classification/compensation surveys and analysis;
- Debt issuance support;
- Long-term financial plans and cash flow modeling; and
- Property tax audits.

With a staff of over 70 people, and office locations Temecula, CA; Oakland, CA; Orlando, Fl; Washington, DC; Phoenix, AZ; Aurora, CO; and Plano TX, we have helped over 1,200 public agencies successfully address a broad range of financial challenges, such as financing the costs of growth and generating revenues to fund desired services.
Utility Rate Experience

Willdan’s professional staff has provided professional consulting services, including financial planning; rate and cost-of-service studies; alternative and feasibility analyses; and operational and management studies for water, reclaimed water, wastewater, solid waste, and stormwater utility clients across the United States. Additionally, Willdan staff are involved with the development of the rate-setting methodologies set forth in the American Water Works Association (AWWA) M-1 manual “Principles of Water Rates, Fees and Charges,” and the AWWA M-29 manual, “Water Utility Capital Financing.” Willdan is nationally recognized for its expertise with staff frequently being called upon to speak or instruct on utility financial matters, as subject matter experts, including the AWWA Utility Management conference. In fact, two of our senior consultants are members of the AWWA Utility Rate and Charges Committee, which oversees the development of the M-1 and other manuals published by the AWWA.

A graphical representation of Willdan’s geographical client presence of recent water and sewer rate and financial projects completed within the last few years is depicted to the right.

Willdan staff is experienced in a broad range of utility planning services; and therefore, understand the importance of an approach that integrates elements of utility planning, engineering, and finance.

Our expertise spans across the following utility financial planning services:

- Retail and wholesale rate studies;
- Revenue sufficiency analyses;
- Utility management and policy assistance;
- Interactive rate model development with dashboards showing key performance indicators;
- Connection fee / system development charge studies;
- Miscellaneous fee and charge studies;
- Renewal and replacement sufficiency analyses;
- Comprehensive alternatives analyses;
- Capital project funding studies;
- CIP financial scenario planning;
- Rate ordinance drafting;
- Billing system validation/rate testing;
- Bond feasibility reports;
- Valuation/divestiture studies; and
- Life cycle costs analyses.

Willdan will work with the County to identify and prioritize operational and fiscal objectives, match these to specific rate attributes; and use this information throughout the engagement to develop a comprehensive financial plan. We will then design utility rates that effectively meet these goals. The culmination of our analyses will be rate policies that guide the rate setting process, and a financial management plan that develops projected system operating results for the utility for the forecasted period. Willdan will employ its proven interactive approach, coupled with advanced financial modeling techniques to design rates and a financial plan that meet established goals and performance criteria. These modeling techniques serve as a powerful decision-making tool and provide the County with genuine business solutions and recommendations as to the strategic direction of its utility.

During rate and financial planning projects we employ tools and techniques which focus on consensus building among stakeholders to ensure the team understands the future financial implications of current management decisions. Our extensive project expertise is bolstered by our unique interactive financial planning process and model.
Organizational Chart

Our management and supervision of the project team is very simple: staff every position with experienced, capable personnel in sufficient numbers to deliver a superior product on time and on budget. With that philosophy in mind, we have selected the following experienced professionals for this engagement.

Mr. Dan V. Jackson will serve as principal-in-charge and project manager for the County’s engagement. In this role, Mr. Jackson will participate in the kick-off meeting, provide direction and supervision throughout the project, and present preliminary and final recommendations to County staff and the County Board. Mr. Jackson has over 30 years of experience in financial consulting for water, wastewater, stormwater, solid waste and electric utilities throughout Texas, the southwest, the United States and Pacific Region. Mr. Jackson is a frequent speaker at utilities conferences and trade associations. He received a Bachelor of Arts in Social Science and a Master in Business Administration in Finance and Accounting from the University of Chicago in 1984. Mr. Jackson is also a published author; his novel “The Forgotten Men” is available at Amazon.com and other media outlets.

With more than 20 years of professional consulting experience, Mr. Daniel Lanning will serve as senior analyst working closely with Mr. Jackson to develop the analysis under the County’s scope of services. Furthermore, Mr. Lanning will share knowledge gained through his involvement with AWWA developing industry professional standards. He is a contributing author to the AWWA Manual of Practice M29 – Capital Financing for Water Utilities and is involved in the ongoing update to the AWWA Manual M1 – Principles of Water Rates, Fees, and Charges.

Mr. Dennis Goral will serve as the project analyst working closely with Mr. Jackson and Mr. Lanning assisting with data gathering and entry, as well as financial analysis.

The organizational chart to the right outlines the reporting relationship of the project team. Willdan will not require the assistance of a subconsultant to complete the requested services.

Staff Continuity

As previously stated, Vice President Dan Jackson will serve as the County’s principal-in-charge; and has been selected for this role due to his extensive experience, which includes the preparation and supervision of numerous cost of service studies, as well as his experience presenting to governing bodies, stakeholders, and industry groups. We do not anticipate staffing changes during the course of the project, however, should the situation arise, any change in team members will be discussed and approved in concert with the County prior to the change being implemented.
References

Representative project descriptions are provided below. We are proud of our reputation for customer service, and encourage you to contact these clients regarding our commitment to completing the projects within budget and agreed upon timelines.

**Water and Wastewater Rate Studies, 2014 | City of Durango, CO**

Willdan was engaged by the City of Durango to prepare a long-term financial water and wastewater plan, develop cost-of-service based rates and update the City’s water and wastewater plant investment fees (capacity fees). The City was required to complete an estimated $50 million in improvements to the lone wastewater treatment plant to comply with Colorado Department of Public Health and Environment (CDPHE) requirements. In addition to developing a balanced financial plan, incorporating rate increases and anticipated debt to fully fund requirements, rates were designed to provide equity amongst customer classes and minimize customer impact. Water rates developed for the City sought to meet cost of service, as well as strike a balance between encouraging conservation while maintaining adequate revenue stability. Sewer rates were developed to meet class cost of service and provide revenue stability for the utility.

In addition, Willdan worked with the City to develop a balanced financial plan incorporating a combination of rate increases and debt issuances, to fully fund the City’s operations while minimizing rate impacts on the City’s customers.

**Client Contact:**

Mr. Steve Salka, Utilities Director
949 E. 2nd Avenue, Durango, CO 81301
Tel #: (970) 375-4809 | Email: steve.salka@durangogov.org

**Water and Wastewater Cost of Service Rate Study, 2017 | City of Amarillo, TX**

Willdan was engaged to conduct a comprehensive review of the water and wastewater rates and complete a full cost of service rate study for the City of Amarillo. The utility customer base includes over 70,000 inside city accounts and over 13 special contracts with industrial and independent districts. The City has had to absorb significant cost increases from its regional provider, Colorado River Municipal Water Authority (CRMWA). Further increases from CRMWA are anticipated over the next 20 years as major improvement projects start construction. Thus, the study required a new 20-year comprehensive rate plan that will enable the City to fund its capital improvements and rate increases from CRMWD. The study was completed in November 2017.

**Client Contact:**

Ms. Laura Storrs, Finance Director
509 S.E. Seventh Ave, P.O. Box 17971, Amarillo, TX 79105
Tel # (806) 378-6207 | Email: laura.storrs@amarillo.gov

**Water, Wastewater, and Solid Waste Rate Study, 2017 | City of Frisco, TX**

Willdan was engaged in February 2017 by the City of Frisco to prepare a comprehensive water and wastewater rate study and long-term financial forecast for fiscal year 2017 and beyond. The City is facing the need to plan for and fund the significant level of growth anticipated in the next decade. Additionally, the City must absorb significant expected increases from North Texas Municipal Water District. The overall objective was to develop a long-term rate plan that will enable the City to fund these expenses while minimizing the impact on ratepayers.

**Client Contact:**

Ms. Anita Cothran, Director of Finance
6101 Frisco Square Blvd, 4th Floor, Frisco, TX 75034
Tel #: (972) 292-5510 | Email: acothran@friscotexas.gov
Billing Rates

The table below identifies Willdan's current standard hourly billing rates for each labor category.

<table>
<thead>
<tr>
<th>Position</th>
<th>Hourly Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Group Manager</td>
<td>$250</td>
</tr>
<tr>
<td>Managing Principal</td>
<td>$240</td>
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<tr>
<td>Principal Consultant</td>
<td>$210</td>
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<td>Senior Project Manager</td>
<td>$185</td>
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<td>Project Manager</td>
<td>$165</td>
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<tr>
<td>Senior Project Analyst</td>
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</tr>
<tr>
<td>Senior Analyst</td>
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<tr>
<td>Analyst II</td>
<td>$110</td>
</tr>
<tr>
<td>Analyst I</td>
<td>$100</td>
</tr>
</tbody>
</table>
Other

Unique Qualifications
Willdan has several unique qualifications that set us apart from our competitors. The unique qualifications the incorporated project team offers to the County are listed below.

- **Expertise in Progressive Rate Making & Rate Modeling** – The project team’s efforts, coupled with their national and regional experience, will result in a focused and tailored analysis of the County’s current sewer rates and revenues, development of a comprehensive financial management plan, cost-of-service analysis based on guiding industry practices, and innovative/progressive rate design solutions. In addition, the project team will work with the County to develop a custom **Dashboard-Driven Model** that will have the capability to test and evaluate financial scenarios, rate design and rate level adjustments, and capital funding alternatives. The model will serve as a powerful decision-making tool, and provide business solutions and recommendations relative to the strategic direction of the County’s utility system(s).

- **Innovative Approach** – Willdan’s approach to utility rate development has been carefully honed over the years. The project team will work collaboratively with stakeholders to carefully assess and understand the County’s specific utility system concerns and issues and develop a truly unique, highly functional and intuitive financial model. We do not use a “cookie cutter” approach, but rather bring a combination of planning and financial expertise that provides a thorough understanding of each aspect of utility operations and management. This allows Willdan to work collaboratively with the County to provide comprehensive business solutions. The objective is to educate and inform throughout the development of the financial plan and rate analyses, not just at the completion of the project.

- **National Experience** – With offices nationwide, Willdan is one of the fastest growing utility consulting firms in the country. Willdan’s primary focus is providing rate, financial, economic and management consulting services for water, wastewater, stormwater, electric and solid waste utility systems. It should also be noted that Willdan’s staff of over 70 people have provided consulting services to more than 1,200 governmental entities across the country.

- **Project Management** – Willdan’s project approach is different from that of our competitors. **Willdan’s project team will prosecute** the project, attend all the meetings, present the findings and conclusions, and serve as the main point of contact throughout the entire engagement. **Our Project Management Approach and Methodology & Quality Assurance / Quality Control Methods are detailed on the following pages.**

- **Fixed Fee Pricing** – In addition, Willdan will guarantee the project cost(s) by utilizing a fixed fee approach based on a defined scope of service(s), and will not request change orders or budget amendments unless additional services are requested by the client.

- **Industry Leader** – Willdan staff are involved with the American Water Works Association (AWWA) Rates and Charges committee, responsible for setting guidelines for rate setting policies and emerging trends. In addition, Willdan staff are asked to speak and/or provide training on a variety of rate, financial and economic topics for national and state associations.

- **Communication** – Willdan has established a communication process that will serve to enhance the effective implementation of this engagement. It is vital to the effective completion of this project that Willdan and County staff maintain lines of communication. The County and Willdan will identify primary contacts for both, and establish protocol for the exchange of information and the resolution of issues that develop in the normal course of a project. To promote effective communication among the project team and the County, and to facilitate the successful completion of this project, it is proposed that Willdan schedule and participate in periodic webinar’s, conference calls and/or meetings to discuss project issues, schedule and budget, and prepare brief monthly summaries of project status.
Project Management Approach

To ensure that the project stays on schedule and is properly focused on County objectives, Mr. Jackson, in collaboration with Mr. Lanning and Mr. Goral will provide County staff with updates to summarize our progress against the project timeline, and the status of upcoming deliverables. We will also document discussions leading to important policy decisions and/or the choice of critical assumptions used in constructing the analysis and rate model. It will be important to the overall success of the project to ensure that work progresses according to the timeline that is agreed to during the project kick-off meeting. We will also schedule and conduct conference calls necessary to review project progress, and address changes in objectives or direction of the project. Finally, following key stakeholder discussions, we will schedule a call to summarize findings and direction with County staff, to make certain that we agree with the stated objectives, and that feedback is incorporated as appropriate. These steps guarantee that as the project moves forward, success will be achieved by continually aligning our approach and work with stakeholder and County objectives, adjusting where necessary.

At Willdan, we utilize a project management process that ensures projects are completed on time, within budget and most importantly, yield results that match our clients’ expectations. Our complete project management process has five primary principles common to successful projects:

1. **Define** the project to be completed. Mr. Jackson will identify the project scope, set objectives, list potential constraints, document assumptions, choose a course of action and develop an effective communication plan.

2. **Plan** the project schedule. Mr. Jackson, in collaboration with the project team and County staff, will create an agreed upon timeline to meet the County’s estimated project timeline. He will assign workload functions to appropriately qualified staff to ensure milestones are met, on time. Furthermore, the project team will meet bi-weekly to assess the status of the project and Mr. Jackson will direct existing and upcoming project tasks. These meetings ensure that staffing resources are well-matched to provide the highest quality of work product, high responsiveness to the County, and to keep the project on schedule. These meetings also provide a forum for applying the team’s collective expertise to solving difficult analytical issues that arise in complex projects.

3. **Manage** the execution of the project. Mr. Jackson has been selected to fulfill the role of principal-in-charge/project manager due to his strong project management skills. He will be responsible for controlling the work in progress, providing feedback to project team members and County staff, and will be accountable to the County for meeting the schedule, budget and technical requirements of the project. Most importantly, Mr. Jackson will ensure constant collaboration and communication between County staff and the project team through progress memorandums, conference calls and in-person meetings.

4. **Review** all work product and deliverables through a structured quality assurance process involving up to three levels of review at the peer level, project manager level, and if necessary executive officer level. We have designed a formal and structured quality assurance system that will be utilized throughout the course of the project, which has been outlined on the following page.

5. **Communication** with the client regarding work status and progress. Mr. Jackson will ensure that the County receives regular status updates, and will schedule regular conference calls to touch base. He will also inform the County of any roadblocks encountered, or whether the amount of work associated with an element of the project is more than was projected, or outside of the agreed upon scope of services. From this point, he will work with the County to address and resolve these types of issues.

We have utilized these guiding principles for each of our firm’s projects. The County can be assured that through the utilization of these principles, Mr. Jackson will ensure the project deliverables for the Sewer Rate Study will be of the highest quality and will be delivered on time and within the agreed upon budget.

Through the process of providing regular updates and conducting status conference calls, potential issues will be highlighted, discussed and resolved. Any deviations from the project timeline will be identified and plans will be developed for course corrections. If necessary, changes in approach or strategy will be discussed with County staff, to meet the County’s needs. In doing this, we will ensure the project stays on track and evolves, based upon current thinking and outside dynamics.
Quality Assurance / Quality Control Process

Our quality control program is incorporated as a required element of Willdan’s day-to-day activities. There are three levels of reviews incorporated for our deliverables:

1) Peer review;
2) Project manager review; and
3) Final quality assurance manager review.

Peer reviews involve one analyst reviewing the work of another, while project manager reviews are conducted prior to delivery to the quality assurance manager. The quality assurance manager then performs a final review. This assures that our final product has been thoroughly evaluated for potential errors; thus, providing quality client deliverables, and high levels of integrity and outcomes.

The primary mission of our quality control plan is to provide staff with the technical and managerial expertise to plan, organize, implement, and control the overall quality effort, thereby ensuring the completion of a quality project within the time and budget established.

The goals of the Willdan quality assurance / control process team are to:

- Establish a set of planned and systematic actions for maintaining a high level of quality in the professional services performed;
- Establish a consistent and uniform approach to the services performed;
- Ensure efficient use of resources;
- Emphasize quality in every phase of work; and
- Implement appropriate quality control measures for each work task of the project.

The above activities will be a critical part of initiation and implementation of the quality control plan and will set the tone for successful team cooperation throughout the life of the project. The following list defines the basic elements that will be covered in the plan:

- Contract deliverables;
- Specific quality control procedures;
- Special quality control emphasis;
- Responsibility and authority;
- Budget and manpower requirements;
- Overall project schedule and budget; and
- Project documentation requirements

The Willdan team will work to ensure that these elements are strictly adhered, so that our quality assurance objectives and proper identification of costs are achieved.
Resumes
We are confident that our team possesses the depth of experience necessary to successfully fulfill the desired work performance. We also note that our project team members have over 60 years’ combined experience preparing water and sewer rate studies and long-term financial plans. Unlike many other consulting firms, our senior personnel do not just perform periphery roles while assigning most of the responsibility to less experienced personnel. Our senior level team members will be responsible for every aspect of this engagement.

A resume for each team member has been provided on the following pages for your review and consideration.
Dan V. Jackson
Project Manager / Principal-in-Charge

Mr. Jackson has 30 years’ experience as an international financial expert, having completed more than 200 water, wastewater, electric, gas, solid waste and stormwater rate/cost of service studies and long-term financial plans for clients in the USA and the Pacific region. He also has served as an expert witness in state court, federal court and before several public utility commissions. Mr. Jackson’s prior experience includes positions with Deloitte and Touche, Arthur Andersen and Reed-Stowe and Company. In 1997, Mr. Jackson co-founded Economists.com LLC, which became an international consulting firm with offices in Dallas and Portland, Oregon. Willdan acquired Economists.com in 2015, and Mr. Jackson now serves as Vice President and Managing Principal.

Relevant Experience
Listed below are Water/Wastewater Rate Studies and Long Term Financial Plans for which Mr. Jackson served as project manager.

- Hot Springs, AR 2005, 2009 – 2018
- Hot Springs Village, AR 2013, 2017
- Blytheville, AR 2014
- Ada, OK 2014, 2015
- Edmond, OK 2010, 2015
- Miami, OK 2009, 2015
- North Chicago, IL 2001, 2005
- South Adams County WSD, CO 2013
- Beeville, TX 2015
- DeSoto, TX 2005 – 2018
- Hewitt, TX 2009 – 2015
- Aqua Water Supply Corporation, TX 2003
- Cibolo Creek Municipal Authority, TX 2012, 2015
- Garland, TX 2009 – 2012
- Groesbeck, TX 2001, 2004
- Hackberry, TX 2006
- Harker Heights, TX 2006
- Hempstead, TX 2015
- Jonah Special Utility District, TX 2006
- Kaufman, TX 1994
- Kempner WSC, TX 2014 – 2015
- La Villa, TX 2007
- Los Fresnos, TX 2007, 2016
- Mercedes, TX 2001, 2003
- North Fort Bend Water Authority, TX 2011, 2017
- Oak Point, TX 2006, 2011
- Paris, TX 1995
- Plano, TX 2015, 2017
- Port of Houston Authority, TX 2001
- Princeton, TX 2012, 2017
- Prosper, TX 2005, 2016, 2018
- Raymondville, TX 2001
- Royse City, TX 2007, 2011, 2015
- Robstown, TX 2014, 2015
- Sachse, TX 2014
- Schertz, TX 2012 – 2018
- Seguin, TX 2015 – 2018
- Schertz-Seguin Local Govt Corporation, TX 2010 – 2013
- Sonora, TX 2012
- Southmost Regional Water Authority, TX 2001
- Troup, TX 2006
- Venus, TX 2005, 2012
- Waxahachie, TX 2008
- Webb County, TX 2011
- Whitehouse, TX 2008
- Winona, TX 2009
- Venus, TX 2005, 2012
- Yancey Water Supply Corporation, TX 2005
- Bisbee, AZ 2000 – 2005
- Buckeye, AZ 2013, 2015
- Casa Grande, AZ 2009
- Chino Valley, AZ 2010 – 2018
- Chloride Domestic Water Imp District, AZ 2003
- Clarkdale, AZ 2005
- Flowing Wells Improvement District, AZ 2008
- Goodyear, AZ 2014, 2015
- Holbrook, AZ 2004
- Marana, AZ 2008 – 2018
- Nogales, AZ 2011, 2015
- Patagonia, AZ 1999, 2002
Daniel D. Lanning

Senior Analyst

Mr. Lanning is a management consultant with extensive experience in utility and energy matters. Since becoming a consultant over 20 years ago, Mr. Lanning has served as project manager, task leader, and key staff person on numerous cost of service, asset valuation, financial feasibility and management studies for public and private water, sewer, and stormwater utilities. He has also conducted numerous financial/economic feasibility and management studies, as well as electric deregulation planning and energy commodity procurement and negotiation support engagements. In addition, he has presented testimony and reports before local and federal courts and state regulatory agencies supporting positions on revenue requirement, cost of service, tariff/rate design, and electric and gas fuel adjustment clauses.

Prior to becoming a consultant, Mr. Lanning was a member of the New Hampshire Public Utilities Commission staff where he held several positions including Assistant Finance Director, Chief Auditor at the Seabrook Nuclear Power Plant, and a PUC Examiner assisting the Commission’s compliance with the Public Utility Regulatory Policies Act (PURPA).

As a consultant Mr. Lanning, has been instrumental in developing and updating water, sewer, stormwater, and solid waste cost of service, rate, impact fees, and long term financial planning studies. These studies regularly involve reviewing and evaluating utility operating statistics and budget reporting and developing computer financial models for various types of government entities.

Relevant Experience

Mr. Lanning has led and participated in over 50 important financial, rate and management consulting studies and projects as a consultant. A sample list of water and wastewater rate and financial analysis projects are described below.

City of Midlothian, TX – Water and Wastewater Rate Study; Senior Financial Analyst (2016): This is an ongoing water and wastewater rate study that began in December 2015. Mr. Lanning is preparing a rate analysis and report for the City (a long-standing client). The report will include recommended rates and a financial plan for the next 10 years. Updates will include several new wholesale customer rates based on contract terms and supported by the utility method in determining cost of service for wholesale customers (as recommended in the AWWA M-1 Manual). An impact analysis of recommended rate increases on customers will be provided in the draft and final reports.

City of Fairview, TX – Water and Wastewater Rate Study; Senior Financial Analyst (2016): This is an ongoing water and wastewater rate study that began in February 2016. Mr. Lanning is preparing a rate analysis and report for the City. The report is to include recommended rates and a financial plan for the next 10 years. Updates will include evaluation of alternative rate structures and an impact analysis of recommended rate increases on customers.

City of Schertz, TX – Water and Wastewater Rate Study; Senior Financial Analyst (2015): In 2015 Mr. Lanning prepared a water and wastewater rate analysis and report for the City of Schertz (a long-standing client). The report included recommended rates and a financial plan for the next 10 years. Updates included several new customer classes and an impact analysis of recommended rate increases on customers.
City of University Park, TX – Water and Wastewater Rate Study; Project Manager (2013): Mr. Lanning was project manager for a team of experts that completed a cost of service and rate design study for University Park that includes an evaluation of customer class usage patterns; an allocation of cost of service to customer class based on demand; identification of large users (residential and commercial) and development of alternative rate structures designed to enhance water conservation. Tests were performed to determine impacts of decreased use on utility revenue and a reserve was recommended to offset variations in water use due to weather or significant changes to customer use patterns.

Town of Highland Park, TX – Water and Wastewater Rate Study; Project Manager (2013): Mr. Lanning was project manager for a team of experts that completed a cost of service and rate design study for Highland Park that includes an evaluation of customer class usage patterns; an allocation of cost of service to customer class based on demand; identification of large users (residential and commercial) and development of alternative rate structures designed to enhance water conservation. Tests were performed to determine impacts of decreased use on utility revenue and a reserve was recommended to offset variations in water use due to weather or significant changes to customer use patterns.

City of Fort Worth Water Department (FWWD), TX – Wholesale Water Contract Negotiations; Project Manager (2010): Mr. Lanning was the project manager for a team of consultants that assisted FWWD in developing a new uniform wholesale water contract for over 30 wholesale customers, evaluating the rate methodology and terms and conditions as well as making recommendations. The existing contract was set to expire at the end of calendar year 2010. The wholesale customer base represents a substantial portion of FWWD water service revenues. The new uniform wholesale water contract was signed by the wholesale customers and approved by Fort Worth City Council in December 2010.

District of Columbia Water and Sewer Authority; Senior Analyst (2006 – 2007): Mr. Lanning provided analytical support for a cost of service and rate design alternative evaluation prepared for the District of Columbia Water and Sewer Authority. The study evaluated current and projected water and wastewater rates and three rate design alternatives. The purpose of this cost of service study was to determine whether the existing rates recover costs from the various customer classes or groups in proportion to the cost of providing service to those classes or groups. The study concluded that the existing rates were not significantly understated and that the rate structure met most of the WASA Board criteria. Some improvement could be made by increasing the customer charge to recover the true cost of service for customer accounting and billing as well as developing a private fire protection fee and an upfront contribution program for customers with special improvement requirements.
Dennis Goral

Project Analyst

Mr. Goral is a project analyst with two years of municipal utility analysis experience and two years of financial and economic analysis experience. His consulting experience includes a variety of projects associated with public water, wastewater, reclaimed water, sanitation, and electric utility systems throughout the United States and the Pacific Islands.

Mr. Goral has been involved with many different facets of project analysis for water and wastewater utility systems including data gathering, dashboard development, dynamic model development, sensitivity analysis, cost-benefit analysis, alternative analysis, demographic analysis, consumption analysis and rate design. He possesses special expertise in dashboard development and dynamic model development. In addition, Mr. Goral has an extensive working knowledge of Microsoft Excel and the ability to perform detailed and complex analyses. He has experience in presenting complex information in a simple and easy to understand way.

Relevant Experience

The following is a listing of Mr. Goral’s water and wastewater related project experience accumulated in the past two years:

- City of DeSoto, TX
- City of Balch Springs, TX
- City of Donna, TX
- City of McKinney, TX
- City of Schertz, TX
- City of Fairview, TX
- City of Altus, OK
- City of Winslow, AZ
- City of Cedar Hill, TX
- City of Frisco, TX
- City of Coppell, TX
- Town of Camp Verde, AZ
- City of Allen, TX
- City of Amarillo, TX
- City of Brady, TX
- City of Edmond, OK
- City of Florence, AZ
- City of Laredo, TX
- City of Leander, TX
- City of Los Fresnos, TX
- City of Somerton, AZ
- Town of Prosper, TX
- City of Castroville, TX
- City of Crandall, TX
- City of Hutchins, TX
- City of Midlothian, TX
- City of Springtown, TX
- City of Royse City, TX
- City of Buckeye, AZ
- Schertz-Seguin Local Government Corporation, TX
- Water Authority of Fiji, Fiji
- City of Plano, TX
- Commonwealth Utilities Corporation, Saipan
- City of San Luis, AZ
- City of Rowlett, TX
- City of Russellville, AR
- Town of Springerville, AZ
- City of Tomball, TX
- City of Tornillo, TX
- City of College Station, TX
- Denton County Fresh Water Supply District 1A, TX
- LAZY 9 MUD 1A, TX
- City of New Summerfield, TX
- City of Princeton, TX
Project Budget

Willdan will perform the tasks described within our scope of services, for the fixed fee of $23,965. The table below provides a breakdown of the proposed fee.

<table>
<thead>
<tr>
<th>Sarpy County Sewer Rate Study</th>
</tr>
</thead>
<tbody>
<tr>
<td>Proposed Budget</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Personnel</th>
<th>Hourly Rate</th>
<th># of Hours</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dan V. Jackson</td>
<td>$220.00</td>
<td>54</td>
<td>$11,880.00</td>
</tr>
<tr>
<td>Daniel Lanning</td>
<td>$165.00</td>
<td>40</td>
<td>$6,600.00</td>
</tr>
<tr>
<td>Dennis Goral</td>
<td>$100.00</td>
<td>40</td>
<td>$4,000.00</td>
</tr>
<tr>
<td><strong>Subtotal Personnel</strong></td>
<td></td>
<td></td>
<td><strong>$22,480.00</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Travel</th>
<th>Cost Per Trip</th>
<th># of Trips</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Airfare</td>
<td>$300.00</td>
<td>3</td>
<td>$900.00</td>
</tr>
<tr>
<td>Lodging</td>
<td>$150.00</td>
<td>3</td>
<td>$450.00</td>
</tr>
<tr>
<td>Meals</td>
<td>$45.00</td>
<td>3</td>
<td>$135.00</td>
</tr>
<tr>
<td>Other</td>
<td>$-</td>
<td>0</td>
<td>$-</td>
</tr>
<tr>
<td><strong>Subtotal Travel</strong></td>
<td></td>
<td></td>
<td><strong>$1,485.00</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Supplies &amp; Other</th>
<th>Monthly Rate</th>
<th>Number</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Office Supplies</td>
<td>$-</td>
<td>0</td>
<td>$-</td>
</tr>
<tr>
<td>Telephone</td>
<td>$-</td>
<td>0</td>
<td>$-</td>
</tr>
<tr>
<td>Postage</td>
<td>$-</td>
<td>0</td>
<td>$-</td>
</tr>
<tr>
<td>Reproduction</td>
<td>$-</td>
<td>0</td>
<td>$-</td>
</tr>
<tr>
<td><strong>Subtotal Supplies</strong></td>
<td></td>
<td></td>
<td>$-</td>
</tr>
<tr>
<td><strong>Total Budget (not to exceed)</strong></td>
<td></td>
<td></td>
<td><strong>$23,965.00</strong></td>
</tr>
</tbody>
</table>

Notes:

- The County will be invoiced on a monthly percentage-completion basis. Invoices will include a description of services, as well as a summary of costs to date by task.
- We will perform additional tasks, outside our scope of services, as requested and authorized by the County for an additional fee.
- The County shall reimburse Willdan for any costs Willdan incurs, including without limitation, copying costs, digitizing costs, travel expenses, employee time and attorneys’ fees, to respond to the legal process of any governmental agency relating to the County or relating to this project. Reimbursement shall be at Willdan’s rates in effect at the time of such response.
Request for Proposals

Sewer Rate Study
For the
Calendar Years 2019 through 2023

Introduction

Sarpy County is seeking proposals for professional services to conduct a sanitary sewer rate study for calendar years 2019 through 2023 (commencing January 1, 2019) until 12:00 p.m., July 17, 2018. Requests for information and clarification questions must be received by July 10, 2018 at 12:00 p.m. in order for Sarpy County to have time to issue an addendum.

Proposal criteria is available online at www.sarpy.com under Online Services > Bid Specs.

Firms that obtain specifications from internet sites are responsible for obtaining any addenda that may be added at a later time.

Electronic copies of the proposal must be sent through the electronic bid system by 12:00 p.m., July 17, 2018.

All proposals submitted shall be valid for a period of ninety (90) days following the final date for submission of bids.

Sarpy County will not be liable for costs incurred by firms for proposal preparation, printing, demonstration, or any other costs associated with or incurred in reliance on proposal creation. All such costs shall be the responsibility of the firm.
Background Information

Sarpy County, Nebraska is located in eastern Nebraska directly south of the City of Omaha located in Douglas County. It is boarded by Iowa on the east, Douglas County (north), Cass County (south) and Saunders County (west). Sarpy County is the smallest county in Nebraska with 241 square miles. However, it has the third largest population with 181,439 residents (2017 Census estimates). Sarpy County includes the cities of Bellevue (population 53,424), Gretna (5,062), La Vista (population 17,116), Papillion (population 19,539) and Springfield (Population 1,603).

The Sarpy County Industrial Sewer system is a sanitary sewer collection system owned by Sarpy County, but the county contracts with the City of Omaha for wastewater treatment. The Industrial Sewer system has 480 single family homes and 259 businesses billed directly by MUD, 385 customers in SID 23 (Westmont) billed by SID 23, 14 customers in SID 48 (B4 Corners) billed by Omaha, 2 business hand billed by Sarpy County, and sewer system O & M fees billed directly to Gretna and Papillion for transport of wastewater through the Industrial Sewer system. Sarpy County owns and operates two lift stations.


Project Description

The overall objective is to determine sewer rates necessary to adequately fund sewer operations, capital costs and pay for sewage treatment expenses while keeping rate increases as low as possible and establishing rates that are comparable with surrounding communities.

Scope of Services

- Meet with Sarpy County personnel that are knowledgeable of the operations of the Sarpy County South Papillion Creek sewer systems to obtain background information of recent activities and future goals of Sarpy County in relation to the sewer systems.

- Analyze historical operational / repair costs, including operations of Commerce Business Center lift station, MUD billing costs, and City of Omaha administrative / treatment costs.

- Analyze sewer use fee revenues collected by MUD and non-MUD users and the impact of current inter-local agreements with Omaha, LaVista, Gretna and Papillion.

- Analyze and provide recommendation for platting and sewer
connection fee revenue and impact of current inter-local agreements
with Omaha, LaVista, Gretna and Papillion.

- Analyze and provide recommendations on impact of soon to be adopted Omaha
  bulk sewage rates as published in the Omaha Code.

- Project operational costs of the Southern Ridge lift station placed into service on
  June 8, 2018.

- Possible future financial impact of Omaha combined sewer separation program.

- Recommendations for sewer use fees that will provide adequate revenues to
  meet expenses and provide desired level of reserves.

Proposal Content and Format Requirements

Consultants shall use the below format to submit a proposal. Proposals shall be within
the page limitations defined below.

1. Cover Sheet – 1 page

   General introduction of the Firm. Include the parent firm address and the local
   firm address, if applicable. List the contact information of the project manager
   including name, office location, phone number, and email address.

2. Table of Contents

   Each page should be numbered for ease of reference.

3. Exceptions – 1 page

   List any exceptions to this proposal as identified above.

4. General Project Approach – 1 page

   4.1 Describe the approach you would use in providing services for this project.
       Include the techniques, procedures, documents and tools you would use.
   4.2 Define the effort, input, and/or information you would need from the
       County.

5. Project Schedule and Work Plan – 2 pages

   5.1 Consultant should provide a timetable for the work requested, which will
       show the approximate times when key activities will occur and their general
       sequence.
5.2 A project work plan should be constructed to show the estimated number of hours each person will work per task as determined by the Consultant. This should include the hours’ team members will perform on-site work and project time by support staff.

6. Qualifications of the Consultant – 3 pages

6.1 Provide a brief description of the firm, including a description of the firm’s experience in storm water management best practices.

6.2 Organization Chart—Provide an organization chart of the proposed team, which identifies the project manager and any subconsultants. The chart should show the organizational structure of the team, the scope of services provided by each team member and the names of all key personnel. Include specialty subconsultants that you would expect to use on this type of project. Provide a brief description of relevant experience from this team.

7. References
Describe three (3) similar projects constructed or under construction in the last 10 years for which the architect/planner has successfully provided services. The descriptions should include:
- Client name, contact person, address and telephone number
- Project name and location
- Project team
- Project scope

8. Billing Rates
Provide your current standard hourly billing rates for each labor category, including subconsultants.

9. Other
Provide any other information regarding your qualifications that you feel is appropriate for consideration for this project.

10. Project Budget – 1 page
Shall be the total consulting services cost for the project including personnel, travel and expenses. This cost should be a not-to-exceed amount. Include hourly rate(s) categorized by role/responsibility and skill level that might be applicable to any changes/additions to the scope of work. If necessary, the County reserves the right to extend the agreement per the change order policy.
11. Sample Agreement – no page limit defined

If Consultant has a standard agreement, it should be included within this section. The agreement should take into account this RFP along with the proposal submitted by the Consultant. The final agreement must be approved by the Sarpy County Attorney’s Office and Board of Commissioners.

Selection Procedures

After an initial review of each of the proposals for completeness, Consultants may be invited for interviews prior to final selection. The County reserves the right to award a contract without holding interviews, in the event the written proposals provide a clear preference on the basis of the criteria described.

The following criteria will be used in evaluating and selecting the prospective consultant:

1. Clarity of the proposal submitted and responsiveness to this RFQ.
2. Project Team Qualifications: relevant qualifications, education and experience of the individuals and firms who will provide the services. The Contractor is expected to have sufficient staff and resources to meet the requirements of the contract including redundancy of qualified personnel such that key persons can be readily replaced, with County’s pre-approval, in the event of illness, employment change or other reason.
3. Firm Experience and Ability: The successful Consultant is expected to have successfully provided a full range of planning and design services as described above for at least three (3) similar projects in the last 10 years.

4. Project Control: Quality and performance of previous projects, record of budget and schedule performance, and adequacy of quality assurance and control.

5. Proposed project budget

6. Any other criteria deemed relevant to the selection.

Tentative Schedule

<table>
<thead>
<tr>
<th>Event</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>RFP Released</td>
<td>June 22, 2018</td>
</tr>
<tr>
<td>Deadline for submission of questions</td>
<td>July 10, 2018</td>
</tr>
<tr>
<td>Proposals due</td>
<td>July 17, 2018</td>
</tr>
<tr>
<td>Contract approved by Board of Commissioners</td>
<td>August 7, 2018</td>
</tr>
<tr>
<td>Initial draft of Sewer Rate Study submitted for review</td>
<td>November 1, 2018</td>
</tr>
<tr>
<td>Implementation of New Sewer Rates</td>
<td>January 1, 2019</td>
</tr>
</tbody>
</table>