



PROPOSAL

SONOMA LAFCO MUNICIPAL SERVICE REVIEW & SOI STUDY

THE WINDSOR WATER DISTRICT &

SONOMA WATER (AIRPORT/LARKFIELD/WIKIUP SANITATION ZONE ALWSZ)

PREPARED BY BERKSON ASSOCIATES

IN ASSOCIATION WITH POLICY CONSULTING ASSOCIATES, LLC

MAY 23, 2024



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Mark Bramfitt, Executive Officer Sonoma LAFCO
PO Box 128
111 Santa Rosa Avenue Suite 240
Santa Rosa, CA 95404

sent electronically via Mark.Bramfitt@sonoma-county.org

Dear Mr. Bramfitt,

I appreciate the opportunity to submit this proposal to prepare a Municipal Service Review and Sphere of Influence Amendment Study (MSR/SOI Study) for the Windsor Water District and Airport/Larkfield/Wikiup Sanitation Zone (ALWSZ), a zone of Sonoma Water.

Berkson Associates is collaborating with Policy Consulting Associates (PCA) on this submission. Berkson Associates and PCA bring extensive experience preparing award-winning MSRs combined with particular expertise evaluating wastewater districts' services and facilities, financial analyses of infrastructure and operations funding, and governance options.

The Berkson Associates/PCA proposal provides an efficient approach to produce effective documents for decision-making by LAFCO, affected agencies, and the public. The MSRs will focus on a due diligence review of key issues and reorganization options facing the agencies and the community, and provide a basis for a path forward consistent with LAFCO goals and policies. The reports will provide well-documented, concise analysis in a highly readable format. This approach facilitates collaboration towards improved services.

Please let me know if you have any questions about this proposed Scope of Work. I look forward to discussing the project with you further.

This proposal remains valid for a period of sixty (60) days from date of submittal.

Sincerely,

A handwritten signature in black ink that reads "Richard L. Berkson". The signature is fluid and cursive, with a long horizontal stroke at the end.

Richard Berkson, Principal, BERKSON ASSOCIATES

34 Terrace Ave.
San Anselmo, CA 94960
(510) 612-6906

Richard@BerksonAssociates.com

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Proposal to Prepare an MSR for WWD & Sonoma Water (ALWSZ)

Prepared by Berkson Associates & PCA

May 23, 2024

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1. ABOUT BERKSON ASSOCIATES

Contact Information:

Richard Berkson, Principal

Berkson Associates

34 Terrace Avenue

San Anselmo, CA 94960

(510) 612-6906

Richard@BerksonAssociates.com

BERKSON ASSOCIATES specializes in fiscal and feasibility analysis, city, county and special district budget forecasting and impact analysis. Richard Berkson has worked closely with LAFCOs, cities and districts for over 35 years to evaluate organizational effectiveness and service delivery options.

Mr. Berkson has extensive experience preparing municipal service reviews and reviewing operations, fiscal and financial conditions, and organizational options for cities and various types of special districts including water and wastewater districts. His resume is included in ATTACHMENT A.

Berkson Associates believes that sound public policies and strategies require careful consideration of causality, creative problem solving, and incentive-based solutions. His practice, founded on 35+ years of experience, provides clear and concise fiscal and financial analysis based on a solid understanding of government organization (e.g., formation, annexation, and consolidation), capital improvement policy/programming, and urban economics (demographics, market & financial analysis).

Management level understanding of how wastewater services are financed and delivered

Mr. Berkson has prepared operational and financial analysis of wastewater agencies as a part of LAFCO governance studies and MSRs. See Section 4 for descriptions of related project experience.

Familiarity with the Cortese-Knox-Hertzberg Act, the role and functions of LAFCOs, and the MSR/SOI Study process

Berkson Associates has a thorough knowledge of the Cortese-Knox-Hertzberg Act governing municipal service reviews, reorganizations and other aspects of LAFCO policy and process. Berkson Associates has prepared numerous studies of district formation, annexation, consolidation, detachment and other forms of reorganization over the course of more than thirty-five years. Mr. Berkson has presented to the California Association of LAFCOs on service review and governance topics. Mr. Berkson has worked on projects throughout the state and the Bay Area, including municipal service reviews for cities, water and wastewater providers, fire districts, healthcare districts and recreation districts, among others. He has particular expertise preparing financial analysis of agency operations, including sewer and water districts, and evaluating financing and organizational options.

Experience in governmental organization analysis, including performance measurement and evaluation

Mr. Berkson's projects include various metrics for the evaluation of agency performance. One example of his financial analysis and benchmarks can be seen at Orange County LAFCO's website "Fiscal Indicators". This website provides an interactive, graphic depiction of fiscal trends for over two dozen Orange County agencies including wastewater providers as well as cities.

Ability to facilitate and synthesize input from a variety of sources

Berkson Associate's reports are well-organized, concise and clearly written for a range of stakeholders, and require synthesis and consolidation of a variety of sources including technical studies, capital improvement plans, fee studies, and similar information. Technical information and detailed information are provided in appendices as appropriate to improve the readability of documents and provide well-documented analysis.

Ability to interpret varied financial and planning documents

Berkson Associates has developed summary indicators to distill financial trends from financial audits for multiple years. These basic indicators are supplemented by additional information distilled from agency budgets and financial forecasts, capital improvement plans, and technical studies.

Experience in identifying and fostering multi-agency cooperation and ability to work cooperatively with multi-agency interests

Mr. Berkson's assignments, particularly those involving governance options and reorganizations, require awareness of opportunities for multi-agency cooperation. See Section 4 for descriptions of related project experience.

Ability to conduct public input processes, presenting and disseminating information to local agencies and to the public for review and comment

Berkson Associates has experience making presentations to public entities and decision-makers, including presentations as part of the reorganization process. Mr. Berkson has prepared Frequently Asked Questions (FAQ's) for LAFCO clients as part of public outreach efforts. His experience includes extensive work preparing responses to comments on his documents.

2. PROFESSIONAL TEAM

Berkson Associates and PCA have worked together on a range of projects for nearly 15 years. Both firms are members of CALAFCO and active participants in annual CALAFCO conferences, workshops and webinars.

Berkson Associates

Mr. Berkson, Principal, will have primary responsibility for project direction, report authoring, financial analysis, and presentations. He will collaborate with PCA on the MSR and SOI Study and governance options.

Policy Consulting Associates, LLC (PCA)

Policy Consulting Associates, LLC (PCA) will subcontract to Berkson Associates. PCA will provide assistance with research and preparation of the municipal service reviews and SOI study.

Ms. Jennifer Stephenson, Principal, will be responsible for managing the day-to-day operations of PCA's contribution to the project, including project organization, direction, and review of drafted materials.

Ms. Oxana Wolfson, Principal, is responsible for spearheading the drafting and analysis of the infrastructure needs and service adequacy sections of the report.

Ms. Melat Assefa, Policy Analyst, is in charge of data collection, organization, and drafting.

Ms. Jill Hetland, Research Assistant, is in charge of data collection, organization, and drafting.

Resumes for PCA staff are included in ATTACHMENT B.

3. SUBCONSULTANT: POLICY CONSULTING ASSOCIATES, LLC

Policy Consulting Associates offers excellent credentials. The principals, consisting of Jennifer Stephenson and Oxana Wolfson, have advanced degrees in related disciplines, high-level skills in economics and planning, as well as experience working for many California agencies and 29 LAFCOs around the State. Their resumes are included in ATTACHMENT B.

Policy Consulting Associates prepares interdisciplinary research studies, performance evaluations, as well as financial, regional, and long-term plans for a variety of public agencies in California. The firm was developed on the cornerstone of providing clear, concise, and cost-effective analysis for the public sector to better leverage limited financing. Together, Ms. Wolfson and Ms. Stephenson, offer a rich history of research and analytic experience having over 30 years of combined LAFCO involvement.

PCA has extensive experience preparing studies for LAFCOs, in particular Sphere of Influence Updates, Municipal Service Reviews, and incorporation and annexation studies. A recipient of the 2017 CALAFCO Achievement Award and the author of 3 award-winning studies, PCA boasts a diverse MSR portfolio of over 500 individual service reviews with expertise in conducting comprehensive evaluations of and making recommendations regarding, a variety of municipal services and governance structure alternatives.

PCA also provides staff support services to seven LAFCOs, fulfills the duties of the Deputy Executive Officer for Sutter, Lassen, and Modoc LAFCOs, and serves as Executive Officer for Plumas LAFCO.

Management level understanding of how wastewater services are financed and delivered

PCA has extensive experience conducting service reviews on utilities, including wastewater services. Through this experience, PCA has a garnered a deep level of understanding on the administration, management, and operations of wastewater collection and treatment systems. This experience is demonstrated in a focused service review on the water and wastewater systems of San Juan Capistrano, the countywide Napa Water and Wastewater Municipal Service Review, and the East Palo Alto Area Wastewater Municipal Service Review, to name a few. Each of these reviews were contentious and required a reliable understanding of the wastewater

services evaluated for use as foundational reports to support subsequent changes of organization.

Familiarity with the Cortese-Knox-Hertzberg Act, the role and functions of LAFCOs, and the MSR/SOI Study process

PCA offers a rich history of LAFCO experience authoring nearly 500 Municipal Service Reviews for every possible municipal service provided by California public agencies, including backbone services such as fire, water, and wastewater, but also rare and unique services like cemetery, homelessness, vector control, and harbor services to name just a few. PCA's LAFCO experience also covers the spectrum of government structure options, including incorporation, annexation, detachment, consolidation, functional consolidation, and dissolution.

Experience in governmental organization analysis, including performance measurement and evaluation

PCA's applied research delves into performance, financing, growth, and the optimal boundaries of government agencies, thereby assisting policymakers make well-informed policy decisions.

Ability to facilitate and synthesize input from a variety of sources

PCA's reports are organized in a format that readily facilitates planning effectiveness. The firm prides itself in producing highly desired multi-agency comparative analysis reviews, which are included in nearly every MSR completed by PCA.

Ability to interpret varied financial and planning documents

PCA's process of conducting various studies, such as Municipal Service Reviews and SOI Updates, involves comprehensive research, entailing the collection and analysis of various documents from agencies, including General Plans, Master Plans, Financial Statements, Budgets, and Capital Improvement Plans.

Experience in identifying and fostering multi-agency cooperation and ability to work cooperatively with multi-agency interests

PCA has a proven practical experience coordinating projects with input from multiple agencies, and simultaneously fostering inter-agency communication and arbitrating cooperation on often contentious issues.

Ability to conduct public input processes, presenting and disseminating information to local agencies and to the public for review and comment

PCA's other distinguished skills include fostering inter-agency communication, significantly minimizing the burden on agencies under review, arbitrating and achieving cooperation on contentious issues, thinking "outside the box," and creating original policy solutions depending on the needs of the community and client agency. This combination of skills and experience is reflected in numerous projects. As part of these projects, PCA has created and maintained project websites, conducted kick-off meetings, facilitated productive stakeholder input meetings, hosted public workshops, and presented informative findings and recommendations at Commission meetings.

4. RELATED EXPERIENCE

Berkson Associates and PCA have collaborated on numerous sewer district MSRs including several described below.

San Mateo LAFCO Municipal Service Review Updates: City of East Palo Alto, East Palo Alto Sanitary District, & West Bay Sanitary District. Accepted by LAFCo June 15, 2022.

LAFCO initiated this MSR and SOI Study in response to community concerns about the lack of planning and implementation of sewer system improvements by the East Palo Alto Sanitary District (EPASD) to provide for growth anticipated in the City of East Palo Alto's General Plan. As a result of the MSR prepared by Berkson Associates and PCA, and subsequent LAFCO hearings, EPASD is in the process of becoming a subsidiary district to the City of East Palo Alto with sewer services to be contracted to the West Bay Sanitary District.

Contact: Rob Bartoli, Executive Officer, San Mateo LAFCo (650) 363-1857

Napa Countywide Water/Wastewater MSR. Approved Nov. 2, 2020.

Berkson Associates and PCA completed the countywide water and wastewater review of all Napa County agencies. The MSR was a comprehensive review of facilities, services and financing, and included a review of governance options where appropriate.

Contact: Brendon Freeman, Executive Officer, Napa County LAFCO (707) 259-8645

City of San Juan Capistrano Water and Wastewater Focused Municipal Service Review

Berkson Associates and PCA prepared an infrastructure and fiscal assessment for Orange County LAFCO on the City of San Juan Capistrano's utility systems, evaluating alternative agencies that could potentially provide water and wastewater services to City residents. The project was approved in November 2018 and received a CALAFCO project-of-the year award in 2019. The City's water and wastewater utilities were transferred to a larger utility district following completion of the study.

Contact: Carolyn Emery, Executive Officer, Orange County LAFCO, (714) 640-5100

Financial Feasibility Study for the Formation of the Los Olivos Community Services District

Mr. Berkson prepared a governance options study and financial pro forma for Santa Barbara LAFCO to support the formation of a Community Services District to provide wastewater services to the community of Los Olivos. The project was completed in 2016; residents approved

the formation of the CSD and imposition of a special tax and are in the process of preparing detailed plans and obtaining financing for construction and operation of the wastewater system.

Contact: Lisa Palmer, Director, Los Olivos Community Services District (805) 680-2336

Burlingame Hills Sewer Maintenance District: Operational and Governance Options

Mr. Berkson completed a governance options study for an unincorporated area served by a Sewer Maintenance District on behalf of the County of San Mateo in coordination with LAFCO. The report evaluates potential options for financing required infrastructure and services, and possible governance reorganizations in the event of annexation to an adjacent city and its sewer system.

Contact: Ann Stillman, Deputy Director, Engineering and Resource Protection, County of San Mateo (650) 599-1497

Sacramento Area Wastewater Municipal Service Review. Approved November 1, 2023.

PCA conducted a service review covering the Sacramento Regional Sanitation District and the Sacramento Area Sewer District, with a focus on the potential consolidation of the two agencies and the annexation of two disadvantaged communities. Ultimately, both changes of organization were approved by LAFCO resulting in enhanced services for the disadvantaged communities and greater efficiencies for the newly consolidated district.

Contact: Jose Henriquez, Executive Officer, Sacramento LAFCO, (916) 874-6458

San Benito Wastewater Municipal Service Review.

PCA is completing a municipal service review on all wastewater providers in the County of San Benito. The area has been fraught with several extensions of service outside of boundaries without LAFCO approval. The service review ultimately will make recommendations on potential governance structure options that may address this issue.

Contact: Angela Curro, Chair, San Benito LAFCO, (831) 636-4000 Ext. 13

5. APPROACH & METHODOLOGY

UNDERSTANDING OF THE PROJECT

As described in the RFP, the Windsor Water District (“WWD”, a Town of Windsor subsidiary district) and Sonoma Water have identified an organizational opportunity “...that would result in significant capital and operational savings.”¹

The project would include WWD’s annexation of the Airport region of Sonoma Water’s Airport/Larkfield/Wikiup Sanitation Zone (ALWSZ), which currently provides water to the area. WWD would continue to provide water services and would expand its services to include wastewater.

WWD as a subsidiary district can only expand to include the Airport area, and not beyond, due to statutory limits on its size. WWD wastewater service to the remainder of the ALWSZ, namely the Larkfield-Wikiup area, would require an agreement for WWD to provide wastewater service to that remaining Sonoma Water portion of ALWSZ. The MSR includes an option whereby the expanded WWD would become an independent district which would allow it to annex and provide wastewater services to the Larkfield-Wikiup area.

A private water provider, CalAM, would continue to provide water service to the Larkfield-Wikiup area.

This arrangement would result in benefits to WWD which could utilize the wastewater storage ponds located in the Airport area and reuse the treated water within the Town instead of discharging treated wastewater into impaired waters of the Laguna De Santa Rosa. Sonoma Water would not need to invest \$50 million to upgrade its Airport wastewater treatment plant serving ALWSZ; instead, WWD would provide wastewater service using its treatment plant it is in the process of upgrading, via an expanded pipe system.

APPROACH

Thorough Data Collection and Review

Our recommended data collection process involves first reviewing the information collected available from LAFCO, previous MSRs and other documents, archival material, and maps, as well

¹ Sonoma LAFCO RFP.

as online information about the agencies including financial and planning documents and State data regarding service issues. Depending on the level of available information, our next step will be to field additional questionnaires with tailored requests for documents not available online and with follow-up questions about contract service provision, growth projections, major service-related issues, governance structure options and agency spheres of influence or other potential LAFCO actions, and additional questions aimed at addressing the required MSR evaluation categories including financial evaluation specific to infrastructure replacement and expansion, treatment plant capacity, and wastewater storage and disposal.

Data Collection Follow-up

After reviewing the agencies' responses and available documents, PCA and BA Team will conduct additional outreach to the agencies to ensure that all of the agencies' needs and concerns are heard and understood. At the same time, we will gather additional missing information not found in reviewed materials, fill in missing data/information gaps from the previous efforts, and follow up on current issues and regulatory changes.

Financial and Other Performance Indicators

There are a number of indicators that we have found that are not typically available in public documents or in central data sources. For example, Berkson Associates applies fiscal indicators, or "FISCALometer", to gauge financial adequacy and flag areas of concern influencing future agency sustainability and the ability to finance additional service and infrastructure capacity.

The Team will review potential impacts on ratepayers. It is understood that WWD intends to charge all new wastewater customers based on WWD's current volumetric rate system, and that new ratepayers will pay rates similar to current WWD customers. The MSR will review whether those new rates and charges will be similar to current Sonoma Water rates and charges.

Collaboration with Agencies

Upon completing data collection, agency specific chapters are prepared and sent to the respective agencies for review to ensure accuracy of the information prior to releasing the report for public review. This is important in order to avoid propagating erroneous information and to resolve comments and concerns before the public review process, to the extent possible. An administrative draft will then be created and sent to LAFCO staff for review, and upon incorporation of staff feedback a public review draft will be produced.

PCA and BA are committed to ensuring that there is continuous stakeholder involvement and input throughout the process. LAFCO, agency and public participation is integral to ensuring an accurate and robust document that is useful not only to LAFCO but also to the agencies under

review and their constituents. We believe that agency presentations/workshops are an excellent way to engage the public as well as affected agencies in a deliberative process.

Concise Report and Presentation of Findings

The Team values clarity in its written products, analysis and presentations. Key assumptions and calculations will be described in appendices and all sources clearly documented. As requested by LAFCO, the Team can prepare additional materials for example, Frequently Asked Questions (FAQs) or other items useful to the LAFCO process (not included in budget).

SCOPE OF WORK

TASK 1: PROJECT INITIATION

Berkson Associates will schedule a kick-off meeting with the Client to occur within approximately two to three weeks of receiving written authorization to proceed, following collection and review of readily available material. The meeting will include affected agency representatives and other stakeholders, at the direction of the Client.

The purpose of the meeting is to review and discuss:

- Scope of Work and timeline
- Issues, concerns and objectives
- Available information and documents (including prior incorporation materials), sources, and key contacts
- Future meetings, workshops, presentations and other outreach

As a result of this meeting the project scope and schedule may be refined.

TASK 2: DATA COLLECTION AND REVIEW

Berkson Associates and PCA will review available data from Task 1 provided by the Client and conduct additional research as necessary. This research may involve coordination with key agencies and stakeholders (to be coordinated with the Client).

Data Requests will be prepared and distributed following the kick-off meeting to assist with data collection. The overall Project schedule depends on the actual time required for responses; additional time in the schedule may be required depending on the availability and timing of receipt of data and on follow-up required by Berkson Associates.

After reviewing agency responses and documents, we will reach out to the agencies to gather additional information not found in the submitted or available documents, to clarify various topics and to understand their needs in regard to possible restructuring options.

Financial data, including rate schedules, budgets and audits, will be compiled and reviewed. Preliminary estimates of potential financial capacity and impacts on agencies and ratepayers will be evaluated and described.

TASK 3: REPORT PREPARATION

Upon completion of data gathering, an agency chapter will be created and sent to the respective agency for review to ensure accuracy of the information prior to drafting the report findings. Seeking early affirmation from the participating agencies will help reduce potentially contentious comments and avoid surprises when the public review process commences.

Each agency's chapter will contain a description of the service provider's background, governance, management structure, planning efforts, shared facilities status and opportunities, disadvantaged unincorporated communities (DUCs), and financial adequacy, as well as an assessment of services provided, including infrastructure and related needs, existing and anticipated capacity of the facilities, issues regarding any agency contractual service arrangements, and findings on the degree of service adequacy according to several indicators. These chapters will also cover governance structure alternatives and other issues and recommendations. The focus of the chapters will be on those items relevant to the proposed annexation and changes in services.

In preparing the agency chapters, we propose to incorporate a variety of meaningful indicators of infrastructure needs and services adequacy, including, but not limited to the State system evaluation, regulation compliance history, wastewater collection system integrity, maintenance practices, treatment effectiveness, supply and demand management, distribution system integrity, ability to replace infrastructure as necessary, and emergency preparedness, as well as conduct a benchmarking analysis. Special attention will be given to the assessment of current and future capacity of the affected agencies to provide adequate services and the supply and demand projections, given the issue of growth in the area. Indicators of financial sustainability are also an important consideration. All findings will be summarized in the MSR report and determinations. Significant agency opportunities and constraints, particularly those affecting the viability of the proposed annexation and change in services, will be identified.

TASK 4: ADMINISTRATIVE DRAFT MSR

Following assembling of the agency specific information, PCA and BA will have clarified the key issues requiring focused attention during this MSR effort. The Team, in collaboration with LAFCO staff, will prioritize subsequent detailed investigation and analysis on those issues of paramount concern. Drawing upon our experience reviewing wastewater services, we will analyze adequacy using rich statistical resources respecting the unique conditions under which each service provider operates. In order for the Commissioners, general public, and other stakeholders to understand the variety of services, we propose to include an introductory chapter in the report offering an overview of the overall structure of sewer service provision in the region and a summary of the main issues and recommendations.

TASK 5: PUBLIC REVIEW DRAFT MSR

Based on comments received from LAFCO on the administrative MSR draft, PCA and BA team will make changes to the document to ensure accuracy and LAFCO satisfaction. Upon completion of the modifications, the Public Review Draft MSR will be finalized for LAFCO release for a public review period.

TASK 6: FINAL MSR

After the conclusion of the public review and comment period, our team will address each comment received and make appropriate edits to the MSR. Changes to the document will be tracked and shown in the final draft version of the MSR. After LAFCO acceptance of the report (subject to revisions), BA/PCA will prepare the Final MSR.

6. DISCLOSURE

Berkson Associates and PCA have no potential conflicts of interest with local agencies in Sonoma County.

7. SONOMA LAFCO TASKS & RESPONSIBILITIES

The following tasks are expected to be the responsibility of LAFCO:

- a. Introduction and coordination of engagement with stakeholders and key contacts.
- b. Provision of LAFCO background materials and documents relevant to the assignment including:
 - i. LAFCO maps, prior MSRs and related LAFCO actions.
 - ii. Assistance identifying any Disadvantaged Unincorporated Communities.
- c. Review and comment on draft reports and related materials in a timely manner.

8. PROJECT SCHEDULE

The following table illustrates the projected project schedule. Specific meeting dates and benchmarks may be revised during the course of the assignment, depending on various factors such as meeting scheduling, time required for review, etc. Timing assumes a July 1 start date.

Following is a summary of the anticipated timeline over approximately 12 months. The dates are approximate and subject to change depending on the timing and receipt of data, specific meeting dates, time required for agency and LAFCO review, and LAFCO hearing dates.

TASK 1: PROJECT INITIATION

Kick-off Meetings	July 2024
Initial Data Collection	July-August 2024

TASK 2: DATA COLLECTION AND REVIEW

Data Requests	August-September 2024
Follow-up and additional data collection	September-October 2024

TASK 3: REPORT PREPARATION

Analysis and report drafting	July-December 2024
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TASK 4: ADMINISTRATIVE DRAFT MSR

Draft sections to agencies for review	January 2025
Follow-up with agencies	February 2025
Administrative draft to LAFCO for review	March 2025

TASK 5: PUBLIC REVIEW DRAFT MSR

Preparation of Public Review Draft Report	March-April 2025
Distribution of Public Review Draft Report	April 2025
Presentations to WWD, Sonoma Water	April-May 2025
Presentation to LAFCO	May 2025

TASK 6: FINAL MSR

Revisions to Public Review Draft Report	May-June 2025
Preparation of Final Report	June, 2025

9. AVAILABILITY OF PROFESSIONALS

All professionals assigned to the MSR and SOI Study are available and committed to complete the proposed Scope of Work within the projected timeline.

10. PROJECT COST

The Berkson Associates/PCA Team propose to complete the project for an amount not to exceed \$87,235. Hours by task and rates are summarized below. The allocations by task are estimated; the Team reserves the rights to shift staff and hours between tasks as necessary to respond to needs of the assignment.

Task	Total Cost	Berkson Associates		Subconsultant (PCA)			Travel and
		Principal	Principal	Analyst	Researcher	GIS/Graphics	Other Costs
Task 1: Project Initiation							
Initial Issues Review	\$2,355	6	3	3	3	0	\$0
Kickoff Meeting	\$2,355	6	3	3	3	0	\$0
Task 2: Data Collection and Review							
Coordination with Stakeholders	\$1,620	4	4	0	0	0	\$0
Website and document review	\$3,550	8	0	10	15	0	\$0
Develop Initial Request for Information	\$2,175	6	1	4	4	0	\$0
Phone Interviews and RFI followup	\$2,600	6	4	6	0	0	\$0
Analysis and drafting of agency chapters	\$29,025	40	55	100	50	0	\$0
Drafting of determinations	\$3,550	8	10	0	0	0	\$0
Task 3: Report Preparation							
Review and analysis of financing options	\$6,775	24	5	0	0	0	\$0
Evaluation of governance options	\$6,460	12	12	20	0	0	\$0
Follow-up with agencies	\$1,780	4	0	6	6	0	\$0
Report revisions	\$2,240	4	4	4	6	0	\$0
Task 4: Administrative Draft MSR							
Coordination with LAFCO	\$1,620	4	4	0	0	0	\$0
Address agency corrections	\$3,075	4	5	10	10	0	\$0
Finalize Admin draft MSR for LAFCO	\$3,040	4	4	4	4	15	\$0
Task 5: Public Review Draft MSR							
Address LAFCO comments in the MSR	\$2,575	4	5	10	0	0	\$0
Finalize public review draft MSR	\$2,020	4	4	5	0	0	\$0
Presentation at LAFCO & Agency Meetings	\$4,550	10	10	0	0	0	\$500
Task 6: Final MSR							
Address public and Commission comments	\$3,850	6	10	10	0	0	\$0
Presentation at LAFCO mtg #2 (not assumed)	\$0						
Compile final version of the MSR	\$2,020	6	0	4	4	0	\$0
Total Hours	632	170	143	199	105	15	
Billing Rate		\$250	\$155	\$80	\$50	\$60	
Total Cost	\$87,235	\$42,500	\$22,165	\$15,920	\$5,250	\$900	\$500

Notes to budget proposal:

- (1) Budget and scope provide for three hearings (LAFCO, WWD, Sonoma Water).
- (2) Allocation of hours by task is estimated; actual distribution by task will depend on project requirements.
- (3) Budget assumes digital copies of Admin. Draft, Public Review Draft, and Final MSR.

11. EXAMPLE OF MSR/SOI COMPLETED BY BERKSON ASSOCIATES & PCA

Submitted under separate cover is a copy of:

SAN MATEO LAFCO MUNICIPAL SERVICE REVIEW UPDATES: City of East Palo Alto, East Palo Alto Sanitary District, and West Bay Sanitary District. Accepted by LAFCo June 15, 2022.

LAFCO initiated this MSR and SOI Study in response to community concerns about the lack of planning and implementation of sewer system improvements by the East Palo Alto Sanitary District (EPASD) to provide for growth anticipated in the City of East Palo Alto's General Plan. As a result of the Study and subsequent LAFCO hearings, EPASD is in the process of becoming a subsidiary district to the City of East Palo Alto with sewer services to be contracted to the West Bay Sanitary District.

Copies of other reports are available upon request.

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ATTACHMENT A

BERKSON RESUME

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Richard Berkson

Principal, Berkson Associates

EDUCATION

Master of Public Policy,
University of California,
Berkeley

Bachelor of Arts in Social
Science, University of
California, Berkeley

Undergraduate study in
Engineering, Massachusetts
Institute of Technology
(3 semesters)

AFFILIATIONS

CALAFCO,
Associate Member

PUBLIC SERVICE

Capital Program Monitoring
and Fiscal Advisory
Committee, & authored the
Economic Development Plan
for the Town of San Anselmo

HONORS AND AWARDS

Anaheim, CA, honoring
contribution to the success of
the Anaheim Resort Project

PRIOR EMPLOYMENT

Founding Principal,
Economic and Planning
Systems, Inc. (EPS)



ABOUT

Richard Berkson, Principal of Berkson Associates, believes that sound policies and strategies require careful consideration of causality, creative problem solving, and incentive-based solutions. His practice is founded on 30+ years of experience providing clear and concise fiscal and financial analysis based on a solid understanding of local government organization (e.g., formation, annexation, and consolidation), capital improvement policy and programming, and urban economics (demographics, market & financial analysis, and economic development).

EXPERTISE

Government Organization

Prepares governance feasibility and special studies addressing municipal incorporation, annexations, service reviews and special studies, special district formations, dissolutions and consolidations, and assists in the preparation of intergovernmental agreements including tax sharing. Creates detailed pro forma operational and capital budgets as well as analysis of reorganization issues, options and impacts upon existing agencies, and develops sustainable mitigation measures.

Fiscal and Economic Analysis

Analyzes and predicts fiscal and economic impacts of land uses, developments, and policies on municipal budgets. Designs fiscal models to evaluate public service and financing issues and develops mitigation measures for long-term fiscal sustainability. Forecast budgets and develop asset management policies and programs.

Public Finance

Prepares financing strategies and plans for a wide variety of public services and infrastructure projects, including development project-related infrastructure, area-wide capital improvement programs, public safety, and recreation facilities, as well as specific infrastructure projects. Financing techniques applied include formulation of area-specific and facility-specific development impact fees, special tax bonds, sales tax measures, and Infrastructure Financing Districts.

Market and Financial Analysis

Evaluates the market feasibility of a wide range of uses including recreation, residential, office, industrial, retail, and hotel, as a part of development proposals, specific and general plans, and governance studies. Prepares initial market reviews as well as detailed pricing and absorption estimates, demographic forecasting, and economic development strategies. Constructs pro forma financial analysis of large-scale mixed-use projects, as well as individual business proposals.

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ATTACHMENT B

PCA RESUMES

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PCA Personnel Qualifications

Jennifer Stephenson, MPP

Ms. Stephenson is a co-founder and Principal of PCA. She is responsible for LAFCO staffing services, regional and municipal research analysis, and performance reviews. She has technical expertise in benchmarking, performance evaluation, municipal budgeting, survey design, statistics, and economic modeling. Jennifer has an extensive background in LAFCO related reviews and services. At present, she provides Executive Officer services to both Plumas and Lassen LAFCOs and Deputy Executive Officer services to Modoc LAFCO. Beyond staffing services, she has been project manager and lead author on MSRs and special studies for countless LAFCOs, including but not limited to Orange, Santa Clara, Alameda, Placer, and Fresno. She has co-authored incorporation studies, annexation studies, and infrastructure needs assessments. Related experience includes:

- Serving as Executive Officer of Plumas and Lassen LAFCOs.
- Serving as Deputy Executive Officer of Modoc LAFCO and providing staff support services at seven other LAFCOs.
- Author and project manager of over 250 municipal service reviews and other studies, all completed punctually, within budget, and with client satisfaction.
- Member of CALAFCO Legislative Committee for 4 years and CALAFCO Conference Planning Committee 2013 and 2023.
- Successfully supported and processed a complex district formation and multi-agency reorganization to regionalize fire services in Plumas County.
- Operating a successful business with an outstanding reputation for over 13 years, overcoming a period of recession in start-up.
- Served as project manager for the Plumas, Santa Clara, Yolo, Amador, Mendocino, Lassen, Calaveras, and Alameda County special district and city MSRs, which covered water, wastewater, healthcare, law enforcement, fire services, and others.
- Developed and instructed CALAFCO University and Conference sessions entitled *Fiscal Health of Fire Protection Districts; Understanding Health Care Districts and the Role of LAFCO; Getting to the Nitty Gritty of Consolidation Options; and The New Normal- How the Economy is Affecting Service Provision.*
- Primary contributor and project manager of the CALAFCO award-winning Santa Clara Water Municipal Service Review.
- Assisted with fiscal and service level analysis for governance studies conducted of annexation and cityhood in north Los Angeles County and East Los Angeles.
- Contributed to multi-billion-dollar transportation financial plans for rail systems and goods movement.
- Analyzed transportation, air quality, water quality, open space, and parks in the 187-city Southern California Association of Governments region for a regional infrastructure needs assessment.
- Assisted with fiscal analysis and budget projections for economic and fiscal studies for the City of Beverly Hills.

PCA Personnel Qualifications

Oxana Wolfson, MPP

Ms. Wolfson is a co-founder and principal of PCA, where she specializes in service benchmarking analysis, economic and growth analysis, and data collection coordination. She has technical expertise in data discovery, regulatory agency research, review of agency documents, qualitative and quantitative analysis, comparative analysis, government structure options evaluation, and policy solutions. She has completed service reviews for agencies in over 25 California counties and contributed to regional infrastructure finance studies. Oxana earned her Master's degree in Public Policy from Pepperdine University where she was a Forstmann Scholar. She received her B.A. summa cum laude from University of Nebraska. Related experience includes:

- Operating a successful business with an outstanding reputation for over 13 years, overcoming a period of recession in business start-up phase.
- Served as a co-author and co-project manager for the Napa Water and Wastewater MSR. Co-authoring and managing the Riverside County Healthcare MSR.
- Co-authored and served as a project manager for Calaveras County Fire MSR, Solano County Fire MSR, Solano County RCD MSR, Placer Fire MSR, and City of Chico MSR.
- Co-authored MSRs for Alameda, Amador, Calaveras, Fresno, Lassen, Contra Costa, Colusa, Plumas, Mendocino, Santa Clara, Yuba, Plumas, Mendocino, Santa Clara, San Joaquin, Yuba, Yolo.
- Co-authored the award-winning Santa Clara Water MSR and Orange County San Juan Capistrano MSR.
- Instructor and moderator at CALAFCO University and staff workshops
- Co-authored a service evaluation and infrastructure needs assessment project on emergency services covering the entirety of Southern California for the Southern California Association of Governments.
- Coordinated databases for the regional infrastructure needs assessment project covering 187 cities and a multitude of special districts.
- Conducted analysis of the financial impact of defined benefit pension plans on municipalities.
- Served as an executive director to a Los Angeles-based nonprofit organization.
- Assisted with HIV/AIDS Finance and Cost Effectiveness Study at the Results for Development Institute in Washington, DC.
- Consulted for the Civil Society team at the World Bank on policy sessions at the 2008 Annual Meetings.
- Participated in campaign strategizing and voter response evaluation in California election campaigns.

PCA Personnel Qualifications

Melat Assefa, MPA

Ms. Assefa joins PCA with a diverse background working in both for-profit and non-profit sectors, with an emphasis on strategic planning, public affairs, research, data analysis, writing, and administrative support. Ms. Assefa graduated from San Francisco State University with a Master's in Public Administration and received her B.A. in Economics from Minnesota State University Moorhead. Related experience includes:

- Served as the project manager and primary author for the City of Gridley Municipal Services Review for Butte LAFCO.
- Served as a research assistant and co-author for the San Benito Regional Wastewater Municipal Service Review for San Benito LAFCO.
- Served as a research assistant for the Alameda County Fire and Emergency Medical Services Municipal Service Review for Alameda LAFCO.
- Served as the primary research assistant and co-author for the Spalding Community Services District Municipal Service Review for Lassen LAFCO.
- As a public affairs fellow, supported a San Francisco-based organization's advocacy efforts for the continuation of funding from the Mayor's office through advocacy, stakeholder engagement, research, and political news tracking..
- While working at the Office of California Governor Gavin Newsom as an External Affairs Intern, created a stakeholder database, attended meetings with community-based organizations, nonprofits, and local elected officials, and tracked COVID-19 news and policy updates to prepare a daily report to the external affairs team.
- As a Strategic Planning Intern, assisted the Manager of Applied Research & Public Policy through extensive research, such as literature review and utilizing publicly available datasets, such as the American Community Survey, to help develop client profile projections to support a nonprofit organization's strategic planning process.

PCA Personnel Qualifications

Jill Hetland

Ms. Hetland joins PCA with an extensive background in corporate communications and marketing. She has served as a copywriter and marketing consultant, in both for-profit and non-profit sectors, with an emphasis on content strategy, web design, records management, and financial stewardship. Ms. Hetland graduated from the University of Iowa with a B.A. in Communication and Media Studies. Related experience includes:

- Supplemental staff services for Plumas LAFCO.
- Co-author of Alameda Countywide Fire Municipal Service Review, Santa Clara Fire Municipal Service Review, and Placer Fire Municipal Service Review.
- Served as a co-author of the Las Virgenes Municipal Service Review covering the cities of Agoura Hills, Calabasas, Hidden Hills, and Westlake Village for Los Angeles LAFCO.
- Primary author of the Feather River Resource Conservation District Municipal Service Review.
- Spearheading data collection and data management for the City of Oroville Municipal Service Review, as well as facilitating communications as lead project liaison.
- Lead Research Assistant and co-author for the Riverside Healthcare Municipal Service Review.
- Lead Research Assistant and co-author of the Road Services MSR in Calaveras County.
- Editor and format manager for the Napa Water and Wastewater Municipal Service Review.
- Served as the primary research assistant and records manager for a 16,000 sq. ft. national archive facility
- Website manager for all projects as well as the forthcoming site design and rebrand for PCA.
- Managed website, all social media posts, blogs, and copy editing for a lifestyle brand with more than one million subscribers.
- Authored website content for an established retailer that saw a 353% overall revenue increase and a \$25 return per \$1 spent on ad copy.
- Designed and authored all web content for a small business that resulted in a 90% increase in organic traffic in the first month and 50% more engagement amongst users.
- Hired as a writer/editor from the top 1% of applicants for a five-star rated, digital marketing firm and Google Partner.