

STATEMENT OF QUALIFICATIONS

Prepared for Indian River County, FL
March 2017





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March 17, 2017

Vincent Burke, P.E.
Utilities Director, Indian River County
1801 27th Street
Vero Beach, FL 32960

Subject: Statement of Qualifications for Professional Consulting Services

Dear Mr. Burke:

Raftelis Financial Consultants, Inc. (RFC) is pleased to submit our Statement of Qualifications for Professional Consulting Services to provide Indian River County (IRC) with assistance, reviews, updates and program development for a multitude of projects including but not limited to septic to sewer programs, user rate, charge and fee reviews and impact fee update. We believe that our unique combination of qualifications, resources, local presence, experience, and knowledge provides the financial, management, strategic, and technology solutions that will benefit the Indian River County utility system and its customers.

RFC is the largest financial, management, and technology solutions company focused on the municipal utility industry and can assemble a qualified team to meet each specific assignment.

Either Mike Rocca or Tony Hairston will be responsible for contractual representations with the County and overall project accountability. Collectively, they have almost 60 years of providing financial, rate and management consulting services to the utility industry throughout Florida and the southeast U.S. To assist the County with the various projects, we have assembled a team with extensive experience and a reputation for quality service. Our team is comprised of professionals with wide-ranging backgrounds, thereby providing the needed perspectives to solve any challenge. Our project team also has extensive experience working with local Florida governments, including Indian River County. In addition to Mr. Hairston and Mr. Rocca, the project team includes Habib Isaac, Andrew Rheem, and Joe Williams all of whom have successfully work together on many similar projects.

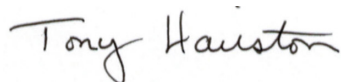
RFC is registered with the U.S. Securities Exchange Commission (SEC) and the Municipal Securities Rule-making Board (MSRB) as a Municipal Advisor. The registration requirement is a new rule covered under the Dodd-Frank Wall Street Reform and Consumer Protection Act. RFC's registration allows our clients to be confident that RFC is fully qualified and capable of providing financial advice related to debt issuances in compliance with the applicable regulations of the SEC and the MSRB. As an independent, professional services firm, RFC can provide objective recommendations that are in the best long-term interest of the City of Palm Bay. Both Mr. Hairston and Mr. Rocca have successfully meet the municipal advisory professional qualifications standards and requirement, and passed the Series 50 exam.

We are proud of the resources that we can offer and welcome the opportunity to be of assistance. We are confident we bring significant strengths that will contribute to successful completion of the challenges involved with cost recovery programs for local governments. If you have any questions, please do not hesitate to contact us with the following information:

Tony Hairston, Senior Manager
P: 407.960.1811 / E: ahairston@raftelis.com

Mike Rocca, Principal Consultant
P: 407.960.1809 / E: mrocca@raftelis.com

Sincerely,
RAFTELIS FINANCIAL CONSULTANTS, INC.



Tony Hairston
Senior Manager



Mike Rocca
Principal Consultant

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Cover photo courtesy of Dawn Pennington (Flickr)

WHO IS

RFC

RFC has the largest practice in the U.S. focusing on the financial, management, and operational aspects of water industry utilities.

In 1993, Raftelis Financial Consultants, Inc. (RFC) was founded to provide services that help utilities function as sustainable organizations while providing the public with clean water at an affordable price. With this goal in mind, RFC has grown to have the largest and most experienced practice in the U.S. focusing on the financial, management, and operational aspects of water industry utilities. RFC has experience providing these services to hundreds of

utilities across the country, allowing us to provide our clients with innovative and insightful recommendations that are founded on industry best practices. Throughout our history, we have maintained a strict focus on the financial, management, and operational aspects of utilities, building a staff with knowledge and skills that are extremely specialized to the services that we provide, and thus allowing us to provide our clients with independent and objective advice.

Visit www.raftelis.com to learn more about RFC's story.

WHAT MAKES RFC *UNIQUE?*



DEPTH OF RESOURCES

With more than 60 utility financial, management, and operational consultants, RFC has the firm in the U.S. solely focusing on the financial, rate, and management aspects of water industry utilities.

BENEFIT TO OUR CLIENTS

Our depth of resources allows us to sufficiently staff this project with the qualified personnel necessary to efficiently and expeditiously meet our clients' objectives.



FOCUS

RFC's services are solely focused on providing financial, management, and operational consulting services to water-industry utilities.

BENEFIT TO OUR CLIENTS

This focus allows RFC professionals to develop and maintain knowledge and skills which are extremely specialized to the services that we provide, and allows us to provide our clients with independent and objective advice.



UNPARALLELED EXPERIENCE

RFC staff have assisted hundreds of water industry utilities throughout the country with financial, management, and operational consulting services.

BENEFIT TO OUR CLIENTS

Our extensive experience allows us to provide innovative and insightful recommendations to our clients, and provides validation for the proposed methodology ensuring that industry best practices are incorporated.



MSRB REGISTERED
**MUNICIPAL
ADVISOR**

RFC is registered with the U.S. Securities Exchange Commission (SEC) and the Municipal Securities Rulemaking Board (MSRB) as a Municipal Advisor. The registration requirement is a new rule covered under the Dodd-Frank Wall Street Reform and Consumer Protection Act. All firms that provide debt issuance support services, including financial feasibility studies, must be registered with the SEC and MSRB to legally provide official opinions and related services. RFC's registration allows our clients to be confident that RFC is fully qualified and capable of providing financial advice related to debt issuances in compliance with the applicable regulations of the SEC and the MSRB.



RATE ADOPTION EXPERTISE

RFC has assisted numerous agencies with getting proposed rates successfully adopted.

BENEFIT TO OUR CLIENTS

Our experience has allowed us to develop an approach that effectively communicates with elected officials about the financial consequences and rationale behind recommended rates to ensure stakeholder buy-in and successful rate adoption. This includes developing a “message” regarding the changes in the proposed utility rates that is politically acceptable, and conveying that message in an easy-to-understand manner.



MODELING EXPERTISE

RFC has developed some of the most sophisticated yet user-friendly financial/rate models available in the industry.

BENEFIT TO OUR CLIENTS

Our models are tools that allow us to examine different policy options and cost allocations and their financial/customer impacts in real time. Our models are non-proprietary and are developed with the expectation that they will be used by the client as financial planning tools long after the project is complete.



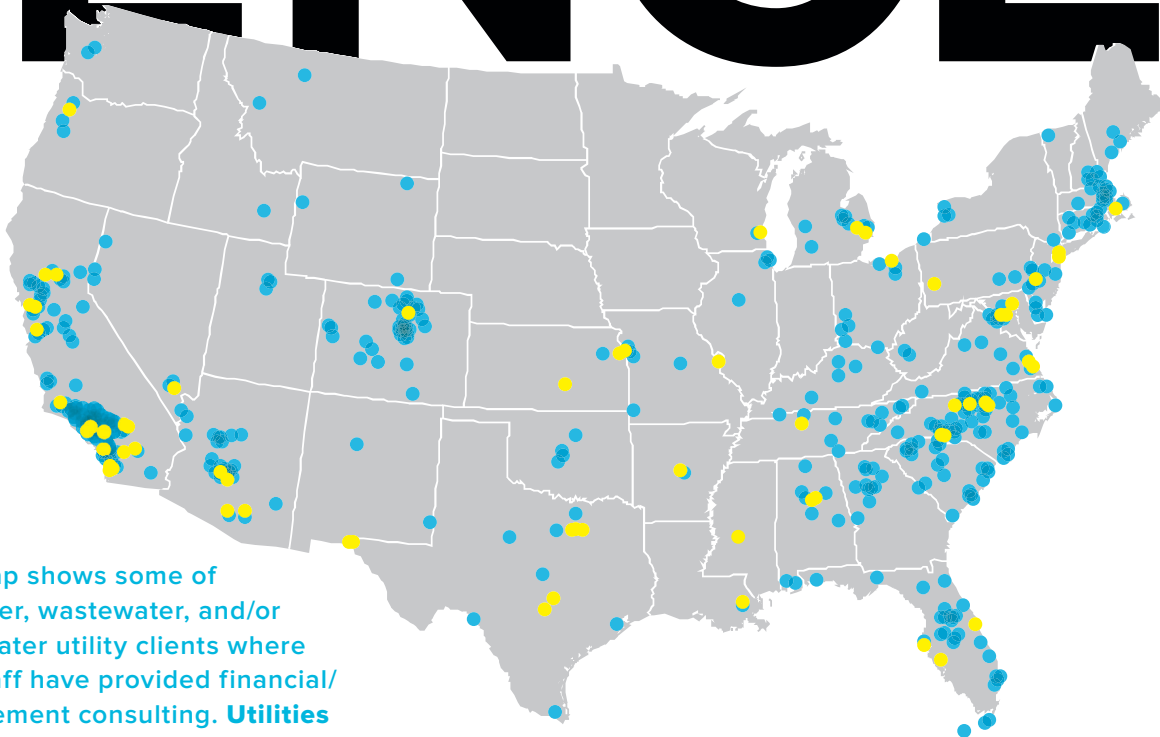
INDUSTRY LEADERSHIP

Our senior staff is involved in shaping industry standards by chairing various committees within the American Water Works Association (AWWA) and Water Environment Federation (WEF). RFC's staff members have also contributed to many industry standard books regarding utility rate setting.

BENEFIT TO OUR CLIENTS

Being so actively involved in the industry allows us to keep our clients informed of emerging trends and issues, and for them to be confident that our recommendations are insightful and founded on sound industry principles.

EXPERIENCE

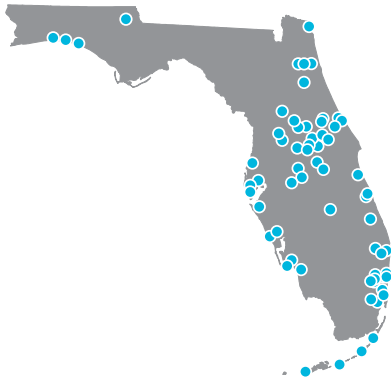


This map shows some of the water, wastewater, and/or stormwater utility clients where RFC staff have provided financial/management consulting. **Utilities highlighted in yellow serve a customer base of 100,000+ accounts.**

RFC has provided financial, rate, management, and/or operational consulting assistance to hundreds of utilities across U.S. In the past year alone, RFC worked on more than 400 financial, rate, and management consulting projects for over 300 utilities in 36 U.S. states, the District of Columbia, Canada, and Puerto Rico. The Florida matrix on the following page followed by the national matrix includes more detail on the different types of engagements we have provided to many of our clients

FLORIDA EXPERIENCE

RFC's staff have extensive experience serving Florida utilities. The map below and the matrix to the right show some of the Florida utilities that RFC staff have served and the services provided for these utilities.



	Rate Studies & Pricing						Enterprise Consolidation	Financial Planning	Impact Fees and/or Assessment	Management Consulting	Valuation	Litigation Support	Management Accounting	Contracts / Ordinances	Debt Issuance Assistance
	Water	Wastewater	Stormwater	Irrigation Water	Raw Water	Reuse Water									
City of Alachua						●									
City of Auburndale	●	●						●						●	●
City of Bartow	●	●		●				●	●					●	●
City of Cape Canaveral		●					●							●	
Charlotte County	●						●					●		●	
City of DeLand	●	●		●		●		●	●					●	
Destin Water Users	●	●		●			●	●	●	●				●	
City of Eustis	●	●	●	●		●		●	●	●				●	
Florida Keys Aqueduct Authority	●	●		●		●	●	●	●	●					●
City of Fort Walton Beach	●	●		●			●	●	●					●	●
City of Groveland	●	●		●		●		●	●						●
Indian River County	●	●		●		●	●		●					●	
Village of Islamorada		●				●	●	●		●				●	●
Town of Lauderdale-by-the-Sea	●	●	●	●			●	●						●	
City of Lake Wales	●	●		●				●							
City of Marathon		●	●			●		●							●
City of Margate	●	●	●					●	●						●
City of Mascotte		●					●	●	●					●	
Town of Oakland	●	●					●	●	●	●				●	●
City of Ocala	●	●		●			●	●	●	●		●		●	
City of Oldsmar	●	●	●	●		●	●	●	●	●					
City of Orlando		●						●							
City of Oviedo	●	●		●		●		●	●	●	●			●	●
City of Palm Bay	●	●		●		●	●	●	●	●	●		●	●	
Town of Palm Beach							●	●			●				
Pinellas County	●	●		●		●	●	●		●					
City of Plant City	●	●	●	●		●		●	●						●
City of Pompano Beach	●	●				●	●	●	●	●				●	
City of Port St. Lucie	●	●	●	●			●	●	●	●	●	●		●	●
St. Johns County	●	●		●	●	●	●	●	●		●			●	●
City of Sanford	●	●	●	●		●		●	●	●				●	●
South Walton Utility Co., Inc.	●	●		●				●	●	●					
Tohopekaliga Water Authority	●	●		●		●	●	●	●			●			●
City of Tavares	●	●		●		●		●	●					●	●
Volusia County	●	●		●		●	●	●	●	●	●			●	
City of Wilton Manors	●	●	●					●	●						
City of Winter Haven	●	●	●	●		●	●	●	●	●	●			●	●

NATIONAL EXPERIENCE

This matrix shows a brief sample of some of the utilities throughout the U.S. and Canada that we have assisted and the services performed for these utilities.

STATE	CLIENT	AFFORDABILITY ANALYSIS AND PROGRAM DEVELOPMENT	DEBT ISSUANCE SUPPORT	DISPUTE RESOLUTION	FINANCIAL AND CAPITAL IMPROVEMENTS PLANNING	IMPACT FEES	RATE CASE SUPPORT	RATE STUDY	RISK ANALYSIS	STORMWATER UTILITY DEVELOPMENT	CUSTOMER RELATIONSHIP MANAGEMENT	CUSTOM SOFTWARE AND TOOL DEVELOPMENT	DATA SERVICES	ORGANIZATIONAL OPTIMIZATION	PERFORMANCE MANAGEMENT AND BENCHMARKING	PROJECT/PROGRAM PROCUREMENT ASSISTANCE	PUBLIC/STAKEHOLDER EDUCATION, OUTREACH, AND FACILITATION	STORMWATER PROGRAM DEVELOPMENT SUPPORT	STRATEGIC BUSINESS PLANNING	WATER/WASTEWATER UTILITY VALUATION
AL	Birmingham Water Works Board	●	●	●	●	●		●	●				●		●		●		●	●
AL	Mobile Area Water & Sewer System				●			●											●	
AR	Central Arkansas Water				●			●						●	●				●	
AR	Little Rock Wastewater Utility				●			●						●	●		●			●
AZ	Peoria, City of		●		●	●		●												●
AZ	Phoenix, City of	●	●		●										●	●				
AZ	Pima County			●	●	●		●	●							●				●
AZ	Tucson Water				●			●									●			
CA	Anaheim, City of				●			●												
CA	Beverly Hills, City of				●			●	●					●	●					
CA	MWD of Southern California			●	●			●							●					
CA	San Diego, City of				●	●		●	●											
CA	San Francisco PUC				●			●											●	
CA	Santa Clara Valley Water District			●	●			●												
CA	Western Municipal Water District				●	●		●												
CO	Denver Water							●					●				●			
CO	Denver Wastewater, City of		●					●						●	●		●			
DC	DC Water				●	●		●	●				●	●	●				●	
DE	Wilmington, City of													●		●			●	
FL	Clearwater, City of													●	●					
FL	Pompano Beach, City of				●			●						●						
FL	Port St. Lucie, City of				●	●		●												
FL	St. Johns County		●		●	●		●	●											
GA	Columbus Water Works		●		●			●	●							●				
HI	Honolulu ENV, City and County of				●			●												
IL	Naperville, City of				●			●												
KS	Wichita, City of				●			●	●											
KY	Hardin County Water District #1				●		●	●												
LA	New Orleans, Sewerage & Water Board of		●		●			●		●			●		●	●	●	●		

		FINANCIAL AND RATE CONSULTING										MANAGEMENT CONSULTING									
STATE	CLIENT	AFFORDABILITY ANALYSIS AND PROGRAM DEVELOPMENT	DEBT ISSUANCE SUPPORT	DISPUTE RESOLUTION	FINANCIAL AND CAPITAL IMPROVEMENTS PLANNING	IMPACT FEES	RATE CASE SUPPORT	RATE STUDY	RISK ANALYSIS	STORMWATER UTILITY DEVELOPMENT	CUSTOMER RELATIONSHIP MANAGEMENT	CUSTOM SOFTWARE AND TOOL DEVELOPMENT	DATA SERVICES	ORGANIZATIONAL OPTIMIZATION	PERFORMANCE MANAGEMENT AND BENCHMARKING	PROJECT/PROGRAM PROCUREMENT ASSISTANCE	PUBLIC/STAKEHOLDER EDUCATION, OUTREACH, AND FACILITATION	STORMWATER PROGRAM DEVELOPMENT SUPPORT	STRATEGIC BUSINESS PLANNING	WATER/WASTEWATER UTILITY VALUATION	
MD	Baltimore, City of	●			●			●	●	●	●	●	●				●	●	●		
MO	Metropolitan St. Louis Sewer District		●		●		●	●					●								
MS	Jackson, City of	●			●			●					●				●		●		
NC	Asheville, City of		●		●			●						●			●				
NC	Cary, Town of		●		●	●		●					●		●				●		
NC	Charlotte-Mecklenburg Utilities	●			●	●		●	●				●	●	●	●		●		●	
NC	Durham, City of		●		●			●												●	
NC	Raleigh, City of		●		●	●		●		●				●				●			
NV	Henderson, City of				●			●													
NY	New York City Water Board				●			●					●								
OH	Northeast Ohio Regional Sewer District	●			●			●		●		●	●		●			●			
OR	Portland Water Bureau, City of		●		●				●				●								
PA	Philadelphia Water Department	●	●		●									●	●				●		
RI	Newport, City of		●		●		●	●								●					
RI	Providence Water Supply Board				●		●	●						●	●						
SC	Greenville Water/ReWa		●		●			●						●							
SC	Spartanburg Water System		●		●			●	●						●						
TN	Johnson City, City of	●	●		●			●													
TN	Nashville and Davidson County MWS		●		●	●		●						●	●		●				
TX	Dallas, City of							●					●				●	●			
TX	El Paso Water Utilities PSB		●	●	●	●		●		●		●	●				●		●		
TX	San Antonio Water System	●			●	●		●	●								●				
UT	Salt Lake City, City of				●	●		●									●				
VA	Newport News Waterworks, City of		●		●			●	●				●								
VA	Richmond DPU, City of	●			●			●					●				●	●			
VA	Suffolk, City of		●		●			●	●												
WA	Tacoma, City of							●					●						●		
WI	Milwaukee Water Works				●		●	●													
Can	Ottawa, City of				●			●						●							



LEADING THE INDUSTRY

RFC staff shape industry standards for wastewater and water utility finance and rate setting through our active leadership in the WEF and AWWA. RFC's staff includes:

AWWA

- Chair and three members of Rates and Charges Committee
- Trustee of Management and Leadership Division
- Chair of Management and Leadership Division
- Member of Strategic Management Practices Committee
- Member of Finance, Accounting, and Management Controls Committee
- Division Liaison to Workforce Strategies Committee
- Trustee of Technical and Education Council

WEF

- Three members of Utility Management Committee
- Subcommittee Chair of Finance and Administration
- Member of Technical Practices Committee
- Two members of WEFTEC Conference Planning Committee
- Member of Utility Management Conference Planning Committee

EPA

- Member of Environmental Financial Advisory Board



WE WROTE THE BOOK

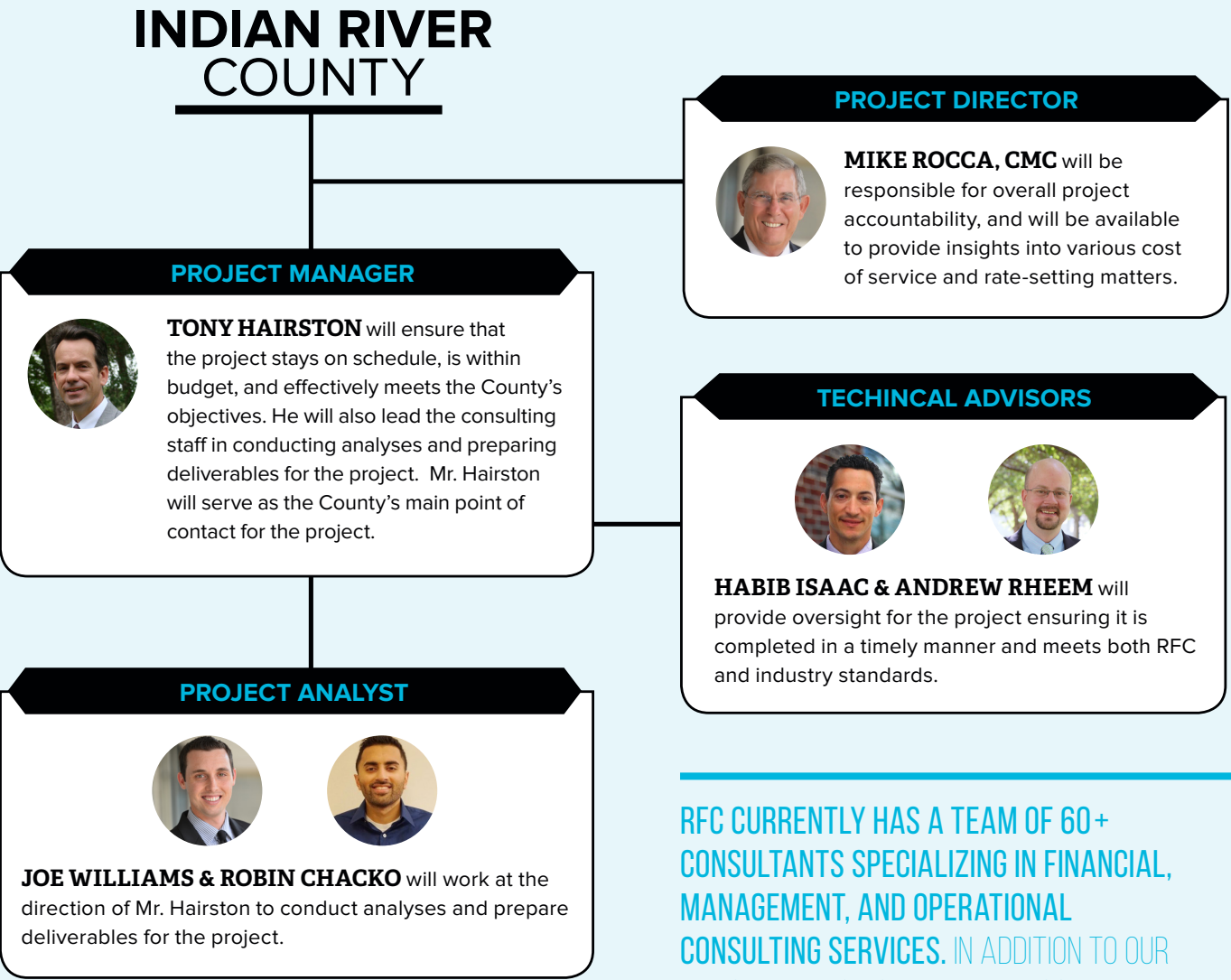
RFC staff have co-authored many of the industry's leading guidebooks regarding wastewater and water financial issues and rate setting, including:

- *AWWA's Manual M1, Principles of Water Rates, Fees and Charges*
- *AWWA's Water Rates, Fees, and the Legal Environment, 2nd Edition*
- *WEF's Manual of Practice No. 27 - Financing and Charges for Wastewater Systems*
- *AWWA's Manual M5, Water Utility Management, 2nd Edition*
- *Water and Wastewater Finance and Pricing: The Changing Landscape*

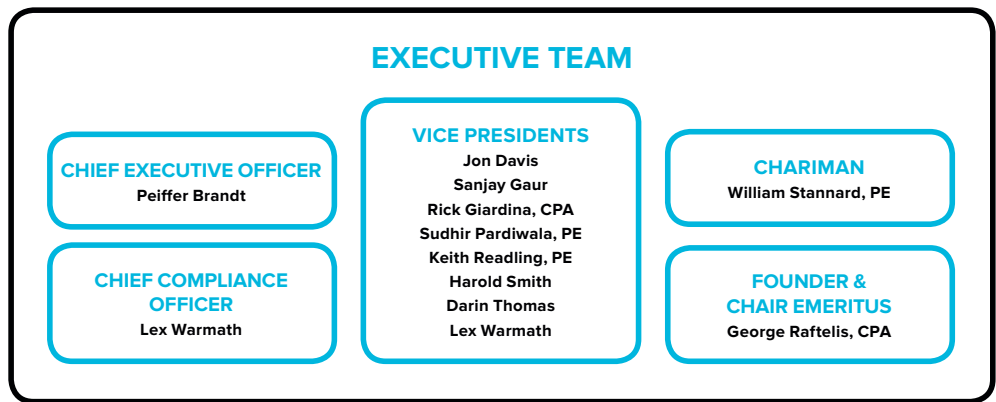
RFC also conducts and publishes the national *Water and Wastewater Rate Survey* in conjunction with AWWA. This survey is the most comprehensive collection of water and wastewater utility financial and rate data available in the industry.

PROJECT TEAM

Our Project Team consists of some of the most knowledgeable and skilled financial and rate consultants. For this project, we have included senior-level personnel to provide experienced leadership for the project, with support from talented consultant staff. RFC places a high priority on being responsive to our clients and, therefore, actively manages each consultant's project schedule to ensure appropriate availability for addressing client needs. Below, we have included an organizational chart showing the structure of our Project Team and roles for each Team member.



RFC CURRENTLY HAS A TEAM OF 60+ CONSULTANTS SPECIALIZING IN FINANCIAL, MANAGEMENT, AND OPERATIONAL CONSULTING SERVICES. IN ADDITION TO OUR DEDICATED PROJECT TEAM, THE COUNTY WILL HAVE THE SUPPORT OF RFC'S FULL STAFF FOR THIS PROJECT.

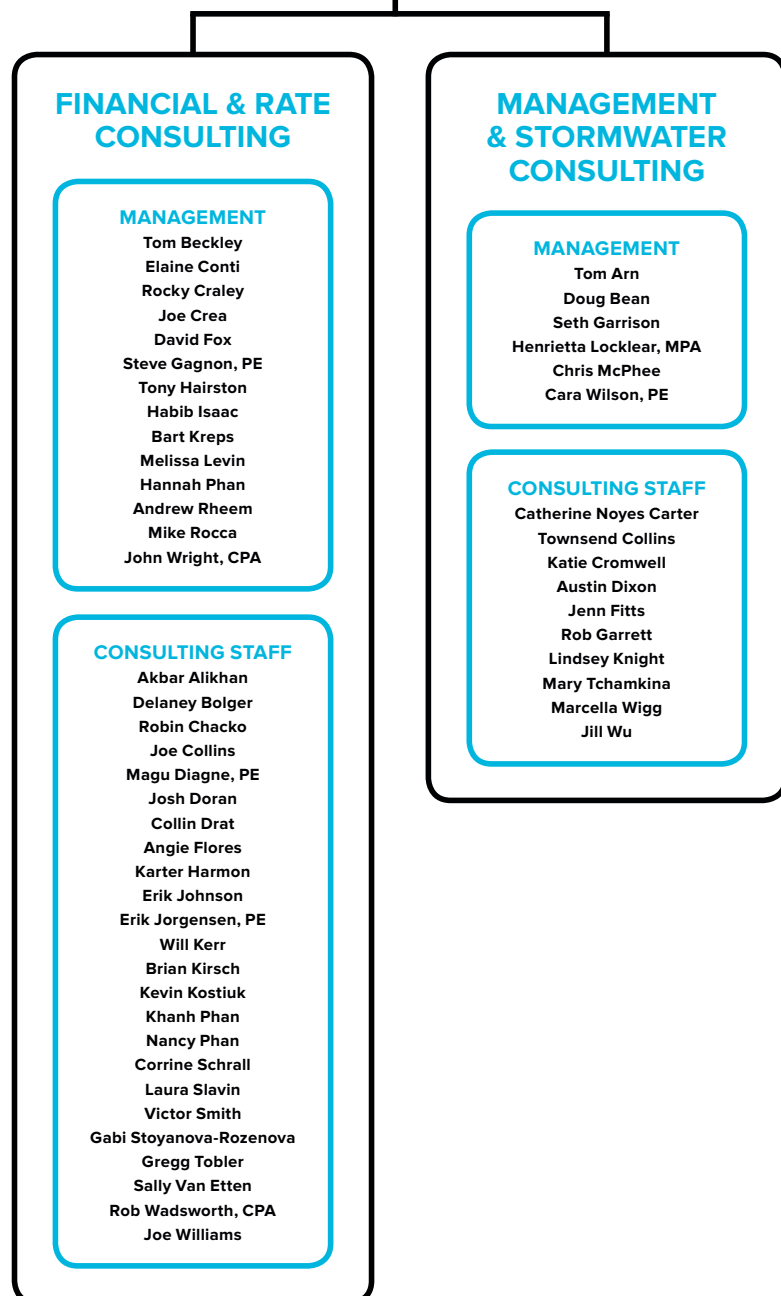


OUR TEAM

RFC consists of some of the most knowledgeable and skilled financial, management, and operational consulting professionals in the utility industry. In addition, many of our consultants are subject matter experts in specific areas of utility finance, management, and operations from innovative pricing structures to organizational optimization. Our personnel are able to leverage the depth of their expertise to provide our clients with solutions to the most complex situations.

FIRM-WIDE ORGANIZATIONAL CHART

This organizational chart shows a list of RFC's full consulting staff. On the following pages, we have included profiles for project team along with detailed resumes of our key project team members.





MIKE ROCCA, CMC

PROJECT DIRECTOR
Principal Consultant

EXPERIENCE: 37 years

CAREER HIGHLIGHTS

- Co-author of *Water and Wastewater Finance and Pricing*
- Financial/rate consulting experience with St. Johns County, Fort Walton Beach, Port St. Lucie, Winter Haven, Toho Water Authority, & Tavares

EDUCATION

- BA – Florida Atlantic University

Mr. Rocca has been providing professional services to the private and public sectors in Florida since 1979. These services focus on water, wastewater, reclaimed water, and stormwater utility rate studies; impact fees; interlocal agreements; financial planning and funding; utility acquisition; and financial programs to address the development and replacement of infrastructure facilities for transportation, drainage, and utility requirements of communities. Additionally, Mr. Rocca has an extensive background pertaining to the formation and operation of community development and special districts, requiring the preparation, presentation, and implementation of master financing plans, feasibility studies, rate studies, assessment programs together with the documentation for debt financing, utility valuations and acquisitions, and cost of service studies.

Mr. Rocca has extensive working knowledge of governmental processes, funding alternatives, accounting procedures, financial reports, enterprise operations, and administrative requirements. He has prepared and presented public awareness and information programs related to municipal projects and developed and presented a seminar on the acquisition of utilities. He has also developed procedures and supervised the preparation of computer programs for utility rate studies, financial control, data retrieval and analysis, financial feasibility studies, product expansion programs, capital acquisition alternatives, and real estate investment analysis. In addition, Mr. Rocca co-authored a chapter entitled, "Projecting Customer Demand," for the Fourth Edition of the industry guidebook, *Water and Wastewater Finance and Pricing: The Changing Landscape*.



**TONY
HAIRSTON**
PROJECT MANAGER
Senior Manager

EXPERIENCE: 19 years

CAREER HIGHLIGHTS

- Founding Chair of AWWA Florida Section Rates and Finance Committee
- Co-author of *Water and Wastewater Finance and Pricing*
- Financial/rate consulting experience with Pinellas County, Emerald Coast Utilities Authority, Volusia County, & Florida Keys Aqueduct Authority

EDUCATION

- MS – Florida State University
- BS – Florida State University

Mr. Hairston currently serves as Senior Manager in RFC's Casselberry, FL Office. He has 19 years of experience implementing solutions for utility and other municipal clients. He has both managed and provided technical analysis on a variety of complex financial and management projects including comprehensive utility rate studies, impact fees, bond feasibility reports, and assisting numerous municipalities and utilities in addressing their rate-setting and financial planning goals. He has assisted governmental clients with projects including the creation and planning of several new wastewater utilities to protect the near shore water quality of the Florida Keys. Mr. Hairston has presented papers at the WaterReuse Foundation, Florida and Alabama/Mississippi AWWA conferences, and regional conferences such as the Tampa Bay Water Shortage Management workshop. Mr. Hairston also co-authored a chapter entitled, "Projecting Customer Demand," for the Fourth Edition of the industry guidebook, *Water and Wastewater Finance and Pricing: The Changing Landscape*.



HABIB ISAAC
TECHNICAL ADVISOR
(Senior Manager)

EXPERIENCE: 14 years

CAREER HIGHLIGHTS: Financial/rate consulting experience with Elk Grove Water District, Coachella, Irvine, Lompoc, Modesto, Phelan Pinon Hills Community Services District, San Fernando, Sierra Madre, & Tulare

EDUCATION

- BS – Applied Mathematics, San Diego State University

Mr. Isaac has extensive experience in financial and utility rate modeling and has been serving public agencies as a lead consultant for more than 14 years. With a background in applied mathematics and computer programming, Mr. Isaac has developed a number of financial models and has recently incorporated sophisticated macros into his models to create a user-friendly interface that can save and store scenarios "on-the-fly" for comparative analysis. Mr. Isaac is also well-versed with the cost of service principles and special benefit provisions of Proposition 218. In addition, he has also provided consulting services for conducting fiscal impact analyses for agencies in determining the impact generated by new development on services, and has prepared cash flow pro formas for securing bond issues, including mello-roos bonds, revenue bonds, and a number of refunding. Mr. Isaac has assisted clients in the preparation and presentation of public awareness and information programs related to municipal projects ranging from utility rate studies to agency-wide taxes, and feasibility studies. He has developed procedures and supervised the preparation of extensive computer models for utility rate studies. Such experience generally relates to performing budget analyses, customer and usage analyses, development of revenue requirements, and cost of service allocations related to the implementation of rate structures designed to promote conservation while accounting for revenue sufficiency and price elasticity. As a mathematician, Mr. Isaac understands the sensitivity between competing variables that are commonly present in utility rate studies, such as, cost based tiers and economic price signaling.



**ANDREW
RHEEM**
TECHNICAL ADVISOR
Manager

EXPERIENCE: 13 years

CAREER HIGHLIGHTS: Financial/rate consulting experience with Denver, Longmont, Greeley, Pueblo, Broomfield, Salida, & El Paso Water Utilities

EDUCATION

- BA – University of Michigan at Ann Arbor

Mr. Rheem has been providing financial and rate consulting services to water, wastewater, reclaimed water, and stormwater utilities for over 13 years including conducting rate studies for numerous Colorado and Southwestern U.S. municipal utilities. He has served as project manager and/or lead analyst for multiple long-standing clients providing a range of municipal financial planning, rate and fee assistance through multiple engagements. Mr. Rheem is also a skilled presenter and has presented study findings and recommendations to management and governing bodies. Mr. Rheem holds Bachelors in Business Administration, Finance and Accounting from the University of Michigan – Ann Arbor.



JOE WILLIAMS
PROJECT ANALYST
Consultant

EXPERIENCE: 4 years

CAREER HIGHLIGHTS: Financial/rate consulting experience with Pinellas County Utilities, Florida Keys Aqueduct Authority, Marathon, Tavares, & Volusia County

EDUCATION

- BS – University of Central Florida

Mr. Williams has a background in accounting and possesses extensive analytical, financial modeling and presentation skills. His expertise lies in the areas of research, compiling and analyzing data, and computer financial and rate model development. Mr. Williams has participated in a full complement of assignments supporting project managers in RFC's Orlando, Sarasota, Charlotte, Cary, Denver and Austin offices. Mr. Williams was also involved in conducting the comprehensive 2012 and 2014 *Florida Water and Wastewater Rate Surveys* of local government utilities located throughout Florida.



ROBIN CHACKO
PROJECT ANALYST
Associate Consultant

EXPERIENCE: 4 year

CAREER HIGHLIGHTS: Extensive rate surveys with AWWA on U.S. surveys and multiple state water surveys since 2012

EDUCATION

- MS – University of Central Florida
- BS – University of Central Florida

Mr. Chacko has extensive experience with water rate surveys including the AWWA/RFC Bi-annual Water and Wastewater Rate Survey (2012, 2014, 2016), Florida Water Rate Survey (2012, 2014, 2016), California-Nevada, and Washington-Oregon. Mr. Chacko has also conducted numerous bill frequency analysis, financial modeling, and customized local rate and impact fee comparisons for RFC clients.

TECHNICAL SPECIALTIES

- » Utility cost of service, conservation and rate structure studies (water, wastewater, reclaimed water and stormwater)
- » Industrial waste charge and bulk rate studies
- » Capital funding programs
- » Assessment programs, including Fire Protection Assessments
- » Bond forecasts and feasibility studies
- » Municipal revenue augmentation studies
- » Impact fee & Capital Recovery studies
- » Utility acquisition analysis
- » Interlocal and special agreements
- » Authority and special district formation feasibility and assistance

PROFESSIONAL HISTORY

- » Raftelis Financial Consultants, Inc. (Orlando, FL): Principal Consultant (2017-present); Director of Florida Operations (2010-2017)
- » Brown and Caldwell (Maitland, FL): Senior Consultant (2005-2010)
- » Hartman and Associates/Tetra Tech (Orlando, FL): Manager Utility Management Consulting Group (1994-2005)
- » Gee & Jenson (West Palm Beach, FL): Senior Consultant (1979-1994)

EDUCATION

- » Bachelor of Business Administration/Finance – Florida Atlantic University (1973)

CERTIFICATIONS

- » Certification of Management Consultants (Institute of Management Consultants)

PROFESSIONAL MEMBERSHIPS

- » Florida Government Finance Officers Association
- » Institute of Management Consultants

MIKE ROCCA, CMC

PROJECT DIRECTOR

Principal Consultant

PROFILE

Mr. Rocca is a Principal Consultant for RFC. He has been providing professional services to the private and public sectors in Florida since 1979. These services focus on water, wastewater, reclaimed water, and stormwater utility rate studies; impact fees; assessments; interlocal agreements; financial planning and funding; utility acquisition; and financial programs to address the development and replacement of infrastructure facilities for transportation, drainage, and utility requirements of communities. Additionally, Mr. Rocca has an extensive background pertaining to the formation and operation of community development and special districts, requiring the preparation, presentation, and implementation of master financing plans, feasibility studies, rate studies, assessment programs together with the documentation for debt financing, utility valuations and acquisitions, and cost of service studies.

Mr. Rocca has extensive working knowledge of governmental processes, funding alternatives, accounting procedures, financial reports, enterprise operations, and administrative requirements. He has prepared and presented public awareness and information programs related to municipal projects and developed and presented a seminar on the acquisition of utilities. He has also developed procedures and supervised the preparation of computer programs for utility rate studies, financial control, data retrieval and analysis, financial feasibility studies, product expansion programs, capital acquisition alternatives, and real estate investment analysis. In addition, Mr. Rocca co-authored a chapter entitled, "Projecting Customer Demand," for the Fourth Edition of the industry guidebook, *Water and Wastewater Finance and Pricing: The Changing Landscape*.

RELEVANT PROJECT EXPERIENCE

CITY OF PALM BAY

From 1994 through 2009 Mr. Rocca assisted the City of Palm Bay with the financial aspects of numerous projects involved community and utility infrastructure rehabilitation and expansion. Along with utility user rates, changes and fees, he was instrumental in the design of impact fees, Main Line Expansion Fees and assessment programs that provided a cost recovery mechanism to assist community growth along with reducing pollution from septic tanks. Mr. Rocca was directly involved with the funding and corresponding assessment methodologies/programs that provided

water and wastewater line extension into many areas throughout the City including Units 9 and 31. Along with water and/or wastewater line facilities, improvements in many of these Units also address stormwater and road needs.

CITY OF WINTER HAVEN (FL)

The City of Winter Haven first procured the services of Mr. Rocca in 1997 for the acquisition of an investor owned utility. Since that time, Mr. Rocca has conducted periodic water, wastewater, reclaimed water and stormwater rate and feasibility studies for the City. These studies have included the introduction of conservation rates, industrial strength wastewater rates, impact fees and assessment programs. Financial feasibility studies and documentation in support of underlining ratings were provided in support of utility acquisition and major capital improvement programs. In addition to the utility studies, Mr. Rocca has provided the City with consulting services relative to municipal impact fees, fire assessments and other non-utility revenue enhancement programs.

CITY OF PORT ST. LUCIE (FL)

Mr. Rocca began serving the City of Port St. Lucie in 1994 and continues providing the City's utility a broad range of rate and financial consulting services. In 1994, and several years thereafter, Mr. Rocca assisted with the transfer of the utility from St. Lucie County to the City, and litigation resulting from the County's original acquisition process. The City's exceptional growth, facilitated by a City-wide assessment program to install distribution and collection facilities throughout the service area, required expansion of the utility's supply, treatment, transmission and disposal facilities to meet the existing and forecasted demands. Feasibility studies in support of over \$600 million in Bonds including participation in rating interviews have been provided by Mr. Rocca since 1994. In 2009 and 2010, Mr. Rocca worked on: 1) a financial feasibility report for the \$110,000,000 Series 2009 Bonds; 2) a water and wastewater impact fee study in 2009; in 2010 a comprehensive bulk rate study for outside city large users; in 2014 a financial forecast in support of a bond refinancing; and in 2015 a comprehensive rate study and impact fee update.

Mr. Rocca also assisted the City with the redesign of stormwater charges. This redesign included the analysis and development of appropriate property classifications and the apportionment of stormwater utility operating, debt and capital costs on cost of service principles.

ST. JOHNS COUNTY (FL)

As the County's utility consultant since 1997, Mr. Rocca assisted and continues to assist in the financial growth, stability and maintenance of the utility's investment grade bond rating. The existing cost of service rates were originally developed by Mr. Rocca and is often referenced by the St. Johns River Water Management District as an appropriate example of conservation rates. Mr. Rocca conducted the financial feasibility studies and documentation to support over \$230 million in bonds, State Revolving Loans and long term leases. The County retained his services to assist with the negotiations of an interlocal agreement with an outside county entity to provide utility services in certain northern portions of the County. Mr. Rocca's assistance with the negotiations, feasibility studies and financing for the acquisition of two large investor-owned utilities effectively doubled the customer base of the County's existing utility and increased the level of service to customers in the acquisition areas. Projects in 2015 include a multi-year rate studies and impact fee updates for both the Main and Ponte Vedra Systems and various other financial services

CITY OF FORT WALTON BEACH (FL)

In 2000, Mr. Rocca's services were retained by the City's Finance Director to review a rate study by another firm that did not appear to address the utility's needs. The review resulted in the City commissioning a comprehensive rate study by Mr. Rocca in 2001 to provide multi-year rate adjustments and a conservation rate structure in support of revenue stability and funding for an extensive capital improvement program. The initial cost of service rate study was followed in 2005, 2009, and 2014 by revenue sufficiency, impact fee and feasibility studies to support additional capital improvements. The comprehensive rate study in 2014 provided multi-year rate adjustment to accommodate fund-

ing and operating costs associated with regulatory requirements. Annual update are conducted to ensure revenue sufficiency

TOHO WATER AUTHORITY (FL)

The Toho Water Authority provides water, wastewater and reclaimed water services to the majority of Osceola County and portions of Polk County. In 2005, Mr. Rocca conducted a comprehensive cost of service reclaimed water rate study providing uniform conservation rates to address the rapidly expanding reclaimed water system. In addition, to the reclaimed water rates, Mr. Rocca provided water, wastewater impact fee study, which incorporated reclaimed water facilities. Studies were also conducted to move toward uniform water and wastewater rate structure and rates. Capital programs to address regulatory requirements in 2010 resulted in the Authority requesting Mr. Rocca to provide a financial feasibility report to support a \$95 million bond issue plus a \$10 million loan. In 2009 and 2010, Mr. Rocca worked on: 1) A rate equalization study; 2) a potable irrigation rate restructuring and rate setting study incorporating a budget based rate methodology; and 3) a financial feasibility report for a Series 2010A refunding bond issue.

CITY OF HOLLYWOOD (FL)

Mr. Rocca conducted an impact fee study for the City's utility system to ensure compliance with a new provision in the Florida Statutes. Section 163.31801 of the Florida Statutes requires in part that "In any action challenging an impact fee, the government has the burden of proving by a preponderance of the evidence that the imposition or amount of the fee meets the requirements of state legal precedent or this section. The court may not use a deferential standard." In compliance of the statute and to achieve appropriate cost recovery the study was fully documented in a report, which was adopted by the City in 2009.

CITY OF TAVARES (FL)

Since 2001, Mr. Rocca has provided the City of Tavares with utility financial services for its water, wastewater and reclaimed water utility. Studies

have included uniform rate structure, ongoing revenue sufficiency, miscellaneous charges, impact fees, along with financial feasibility studies and reports in support of bond funding programs. In 2009, Mr. Rocca worked on: 1) a water and wastewater revenue sufficiency rate study; 2) a reclaimed water rate and impact fee study; and 3) feasibility studies pertaining to funding alternatives for a sizeable capital improvement program.

CASSATT WATER COMPANY (SC)

The Cassatt Water Company is a Section 501(c)(12) organization pursuant to Section 501(a) of the Internal Revenue Code, formed to provide potable water services to a significant service area consisting of mostly rural customers in Kershaw, Lancaster and Sumter counties in central South Carolina. The company, realizing that the capital improvement program could not be supported by the existing rates, retained the services of Mr. Rocca to conduct a comprehensive rate and impact fee study. The results of the study, which were adopted by the Board in 2008, provided a uniform conservation rate structure and multi-year rate adjustments to address the operational and improvement fiscal needs of the utility. In addition, Mr. Rocca has assisted in the development of a funding program and policies to leverage and maximize the Company's assets.

COMPREHENSIVE EXPERIENCE

- Utility rate studies for both municipal and investor-owned utilities using cost of service methodology including provisions for conservation rate, budget base rates, life line rates, including water, wastewater, reclaimed water rates, impact fees, bulk service and miscellaneous charges
- Studies in the formation of stormwater utilities, stormwater rates and funding
- Master financing plans and feasibility studies for capital expansion and improvement programs with projects ranging from several hundred thousand to several hundred million dollars
- Assistance and documentation for general obligation, revenue, special assessment, and other

special forms of tax-exempt bond financing for over \$2.5 billion in funding

- Preparation of initial operating budgets and benchmarking for water, wastewater, reclaimed water, and stormwater utilities, and annual review of utility and other governmental operating budgets
- Assistance in developing interlocal, large user and other forms of agreements for governments, utilities and developers
- Water and wastewater utility acquisition assistance and utility transition assistance for governmental entity pursuant to acquisition of investor-owned utility
- Line extension and infrastructure improvement assessment programs
- Market sensitivity and risk partitioning studies
- Special and benefit assessment programs for water, wastewater, water management, roadway, and similar improvement projects

OTHER RELEVANT PROJECT EXPERIENCE

- Acme Improvement District
- City of Apopka
- City of Atlantic Beach
- City of Bartow
- City of Bonita Springs
- City of Cape Canaveral
- City of Clermont
- City of Coral Springs
- Coral Springs Improvement District
- City of Deland
- Dovera Community Development District
- Downtown/Uptown Community Development District
- Dunes Community Development District
- East County Water Control District
- Englewood Water District
- City of Fellsmere
- City of Flagler Beach
- Flagler County
- City of Fort Walton Beach
- Indian River County
- Indian Trace Community Development District
- City of Juno Beach

- City of Lake City
- City of Lantana
- Lauderdale-by-the-Sea
- City of Miramar
- City of Melbourne
- City of Miami Springs
- City of Moore Haven
- City of North Lauderdale
- City of New Port Richey
- City of North Miami Beach
- City of North Palm Beach
- North Springs Improvement District
- Okeechobee Utility Authority
- City of Orange City
- Orlando Utility Commission
- City of Orlando
- City of Palatka
- City of Palm Beach Gardens
- City of Palm Bay
- Pelican Bay Improvement District
- Reedy Creek Improvement District
- Village Of Royal Palm Beach
- City of Sanibel
- Seacoast Utility Authority
- Schroeder Manatee Ranch, Inc.
- South Florida Water Management District
- South Broward Drainage District
- Spring Lake Improvement District
- St. Johns County
- Sunshine Drainage District
- City of Tamarac
- City of Tavares
- Village of Tequesta
- Toho Water Authority
- Viera East Community Development District
- City of West Palm Beach

TECHNICAL SPECIALTIES

- » Utility cost of service and rate structure studies
- » Public presentations
- » Impact fee studies
- » Alternative Water Supply Planning
- » Financial feasibility studies

PROFESSIONAL HISTORY

- » Raftelis Financial Consultants, Inc.: Senior Manager (2015-present); Manager (2012-2014)
- » Public Resources Management Group (PRMG): (1998-2012)
- » Federal Reserve Bank of Richmond, VA: Bank Analyst (1995-1998)

EDUCATION

- » Master of Science, Economics – Florida State University (1995)
- » Bachelor of Science, Economics – Florida State University (1993)

PROFESSIONAL MEMBERSHIPS

- » American Water Works Association – Founding Chair of Florida Section Rates and Finance Committee
- » Florida Government Finance Officers Association
- » Florida Stormwater Association

TONY HAIRSTON

PROJECT MANAGER

Senior Manager

PROFILE

Mr. Hairston currently serves as Senior Manager in RFC's Casselberry, FL Office. He has 18 years of experience implementing solutions for utility and other municipal clients. He has both managed and provided technical analysis on a variety of complex financial and management projects including comprehensive utility rate studies, impact fees, bond feasibility reports, and assisting numerous municipalities and utilities in addressing their rate-setting and financial planning goals. He has assisted governmental clients with projects including the creation and planning of several new wastewater utilities to protect the near shore water quality of the Florida Keys. Mr. Hairston has presented papers at the WaterReuse Foundation, Florida and Alabama/Mississippi AWWA conferences, and regional conferences such as the Tampa Bay Water Shortage Management workshop. Mr. Hairston also co-authored a chapter entitled, "Projecting Customer Demand," for the Fourth Edition of the industry guidebook, *Water and Wastewater Finance and Pricing: The Changing Landscape*.

RELEVANT PROJECT EXPERIENCE

CITY OF MARATHON (FL)

The City of Marathon is one of several jurisdictions located in the Florida Keys that has been mandated by the State of Florida to provide central wastewater service to its residents. The City also implemented extensive stormwater infrastructure improvements concurrent to the wastewater project. Mr. Hairston initially provided public outreach and financial and rate planning support to the City beginning in 2006. As the program became more developed, Mr. Hairston led a financial forecast study to provide the City with a planning tool for future policy decisions and loan procurement. In 2008, Mr. Hairston managed a financial feasibility study/report which was used by the City and its financial advisor to secure \$30 million of bank-qualified financing and over \$80 million of SRF loan financing for the stormwater and wastewater project. Later in 2008, Mr. Hairston led the City's initial rate study including public outreach and presentation to the City Council. The proposed rates and stormwater assessments were adopted and implemented by the City. Mr. Hairston continues to manage ongoing utility rate and financial consulting services to the City of Marathon.

FLORIDA KEYS AQUEDUCT AUTHORITY (FL)

Mr. Hairston served as Project Manager for numerous water and wastewater rate projects for the Florida Keys Aqueduct Authority since 1999.

Various projects have included the bond feasibility report for the Series 2007 Water Revenue Bonds (\$53,975,000) and Series 2006 Water Revenue Bonds (\$49,700,000) along with feasibility reports for various wastewater program initiatives, development of wastewater rates in five (5) separate wastewater service areas and the eventual consolidation of wastewater rates. Mr. Hairston provided public outreach to future customers in each of these service areas and presented rates to the Aqueduct Board for adoption. Mr. Hairston conducted a comprehensive water rate and impact fee study for the Aqueduct and provided periodic updates of the water financial forecast and capital financing plan. Mr. Hairston also developed initial reclaimed water rates and financial policy for the Aqueduct's initial reclaimed water program in the Big Coppitt service area.

VOLUSIA COUNTY (FL)

Mr. Hairston has been the Project Manager or Lead Consultant on numerous engagements with Volusia County. In 2016 RFC is providing an alternative water supply cost allocation analysis to the County and three nearby municipal utilities. In 2010, Mr. Hairston managed a utility rate study including a five-year financial forecast and design of potable water, wastewater, and reclaimed water rates. The County was enduring several years of stagnate growth while addressing several regulatory challenges such as alternate water supply planning and effluent disposal quality and capacity. The financial forecast element was focused on capital finance planning including the purchase of a strategic land area for the purpose of developing alternative water sources. The rate design efforts included the adjustment of base water rates to increase revenue stability, adjustments to water conservation rates including non-residential customers, wastewater rate adjustments, and reclaimed water rate alignment with potable water incentives. The proposed rates were presented to the County Council during a public workshop and again at a public hearing for adoption by resolution. Other projects provided to the County have included service area evaluations, impact fee studies, developer fee analysis, and ongoing capital finance planning.

PINELLAS COUNTY (FL)

Mr. Hairston has served as Project Manager for a Utility Business Case and Rate Sustainability Study for the Pinellas County potable water, wastewater, and reuse water utility. This project is a comprehensive analysis that combines business planning with rate sustainability analysis. The rate sustainability analysis included a review of all potable water, wastewater, and reuse water rates. A pricing objectives workshop was conducted with key stakeholders in order to prioritize the rate structure pricing objectives. After a review of all monthly rates with the County, potable water and wastewater rate structures that included base charges by meter size, potable water conservation rates, and modifications to multi-family base charges were all designed and validated by the County steering committee. Relevant bill impact and comparisons were reviewed in order to gain an understanding of impacts to customers.

The business plan involved the review of various business processes and impact analysis on a number of potential process changes including conversion from bi-monthly billing to monthly billing and implementation of AMI metering infrastructure. The steering committee included staff from all utility functions including budget, operations, maintenance, field services, revenue collection, customer service representatives and management. Through a series of workshops with the County, a business case was developed that included both the financial and organization and customer service impacts to each initiative. The results of both the rate sustainability and business case were reviewed and validated by the County steering committee. Final results are scheduled for completion and presentation to the Board of County Commission in early 2015.

EMERALD COAST UTILITIES AUTHORITY (PENSACOLA, FL)

ECUA has identified over \$233 million of water/wastewater capital improvements to be implemented in order to be consent order and maintain its utility infrastructure. RFC developed an interactive utility financial model to support ECUA's bond

and provide a decision support tool for ECUA staff. The financial model provided a five year forecast, interactive dashboard, and capital funding/bond analysis features in order for ECUA to evaluate various alternative funding scenarios. RFC collaborated with ECUA staff to develop a strategy of bond sizing placements to complete critical capital improvements while maintaining a strong financial position. RFC also develop a financial feasibility report for inclusion in ECUA's official statement for the proposed Utility System Refunding Revenue Bonds, Series 2015 and provided support to ECUA's team of financial advisors.

CITY OF AUBURN (AL)

Mr. Hairston served as Project Manager on several projects with the City of Auburn (City) and the Water Works Board of the City of Auburn (AWWB). He assisted the AWWB with its drought rate policies in 2008 and 2011 in response to severe drought conditions affecting the AWWB water supplies. Mr. Hairston led a review of historical water usage patterns and recommended a phased approach for the implementation of drought rates corresponding to changing drought conditions. He also conducted comprehensive water and wastewater rate and access fee studies on behalf of the AWWB and the City. In 2011, Mr. Hairston conducted a review of the City's solid waste residential collection rates and assisted the City in a multi-year phase of rates to better align revenues with costs while mitigating customer impacts. All studies required several public workshops and meetings with the City Council and AWWB Board and recommendations were subsequently adopted by the applicable governing bodies. Most recently in 2014 both the water and sewer rate studies were updated. In particular the water rates were reviewed for sufficiency to meet the financing requirements of a reconstruction of major water supply facilities along with rate structure options for Board consideration. The 2014 study also included a review and recommended changes to the fire protection charges to better reflect costs and ease the administration of this service by simplifying the fee structure.

ALABASTER WATER WORKS (AL)

Mr. Hairston has managed RFC's projects with the Alabaster Water Board. RFC was initially engaged by Alabaster Water Board in 2013 to review revenue sufficiency and debt service coverage associated with a recent revenue bond issue. Following this engagement, in 2014 RFC was retained to conduct a rate study including a review and comparison of various miscellaneous utility fees with other nearby service providers. RFC worked with Alabaster Water Board staff to review the actual cost of providing various services, and approaches to future service charges balancing cost and customer service. In addition to miscellaneous charges, RFC developed a six year financial forecast that included capital funding and water sales scenario analysis based on recent trends and possible future outcomes. RFC staff reviewed the financial model and various scenarios during several onsite and web based work sessions. In addition, certain rate structure options were reviewed including options to increase fixed revenue recovery. These options were presented to the Board in September 2014 and the option to increase base charge recovery was adopted by the Board in October 2014.

DAPHNE UTILITIES (AL)

Mr. Hairston managed a water and wastewater rate study for Daphne Utilities (DU). DU wanted to conduct a rate study in order to ensure a cost justified rate schedule that could be communicated to its customer base and ensure adequate and appropriate cost recovery. The rate study included several components such as: 1) Pricing Objectives Workshop: RFC held a kick-off meeting with utilities staff and the Board chairman to review the existing rate structure and identify the key pricing objectives of Daphne Utilities. The session included the identification of cost based rates, affordability, and revenue stability as the most important pricing objectives that the new rate structure should achieve. ; 2) Cost of Service Model and Rate Design Model: RFC developed a cost of service model for the water and wastewater systems, which included an allocation of administrative activities to the natural gas activities. Based on the cost of service model and the pricing objectives parameters, RFC developed a

rate design model that included various features including the input of various minimum gallons to be included in the monthly base charge. Other parameters included readiness-to-serve factors by meter size, billing charge components, and outside surcharges. 3) Bill Impacts and Comparisons: Based on a thorough analysis of the water and wastewater billing statistics, RFC was able to identify usage levels of various customer classes and indicate the potential change in monthly bills that would occur under any proposed rate structure. Also the existing and proposed bills were compared to other utility providers; and 4) Presentation: Mr. Hairston presented the study to the Board in May 2015 and the Board accepted the recommendations. Implementation is scheduled for October 2015.

CITY OF TUSCALOOSA (AL)

This City of Tuscaloosa has been experiencing rapid growth related to increasing enrolment at the University of Alabama and other factors. The City reports that this growth is placing a direct burden on City infrastructure engaged RFC to conduct an impact fee study in order to determine a defensible methodology and calculation of impact fees in order to recover the proportionate share of costs that growth imposes on City infrastructure. The identified infrastructure includes water, sewer, stormwater, streets/roads, police, and fire services.

Mr. Hairston is managing the first phase of this project which includes analysis and recommendations for water and wastewater impact fees and a feasibility analysis related to other potential impact fees. The completion of this first phase is scheduled for Fall 2015 with additional phases to be completed in 2016.

VILLAGE OF ISLAMORADA (FL)

The Village of Islamorada, located in the Florida Keys, is implementing a \$115 million central wastewater program by 2015 in order to comply with State of Florida mandates regarding near shore water quality. The wastewater project involves the retrofit of essentially its entire incorporated area, which is currently served by septic tanks and package plants. Mr. Hairston has served as Project Manager with

regard to ongoing financial planning and wastewater rate policy for the Village. Originally, the financial model included a ten-year forecast based on the Village's planned method of delivery using the traditional design-bid-build procurement process. However, in 2010 the Village began to explore the design-build-operate (DBO) procurement process as an expedited and more cost effective approach to complete this project. The Village has also maintained two options for treatment services, including onsite wastewater treatment facilities or wholesale treatment services from a nearby special utility district. The financial forecast has evolved to include the DBO procurement method and include the two treatment options, along with additional funding and other options. The financial forecast has been used by the Village for securing \$20 million in grant funds, \$46 million in low-interest loans, and additional line of credit funding. In addition to financial forecasting and rate policy consulting, Mr. Hairston participated as a selection committee member with regard to the qualifications and selection process of the DBO procurement. Mr. Hairston led the committee member efforts regarding evaluation of the various pricing proposals submitted by qualified DBO entities, and presented the results which were accepted by the Village Council. Mr. Hairston is currently conducting a wastewater rate study for the Village and continues to manage ongoing utility rate and financial consulting services for the Village.

KEY LARGO WASTEWATER TREATMENT DISTRICT (FL)

Mr. Hairston has served as Project Manager for the initial wastewater rate and rate policy development for the Key Largo Wastewater Treatment District. The Key Largo Wastewater Treatment District was created by the Florida legislature in June 2002 for the purpose of constructing wastewater treatment systems in the Upper Florida Keys. In 2005, the District was nearing completion of construction in two areas and needed to establish utility rates for these areas and future wastewater service areas where additional construction was planned. Mr. Hairston led a study of the District's near and long-term revenue requirements with respect to serving these areas.

Because the initial wastewater service area was relatively small, a careful analysis of potable water consumption patterns was conducted in order to reasonably forecast future wastewater billings. Initial rates were developed for the first service areas, and these rates were tested and revised in order to provide a consistent rate policy and structure as new areas were added and economies of scale were anticipated. The initial rates and financial forecast were presented to the District Board and adopted as proposed in 2005. Updates to the wastewater financial forecast were provided in 2007 and 2009 which showed that the initial rate development remained valid. The 2009 update was utilized by the District to secure \$30 million in a bank qualified loan to finalize its capital funding efforts.

CITY OF BOCA RATON (FL)

Mr. Hairston managed several projects including a utility revenue sufficiency analysis and a utility rate study for the City of Boca Raton. The rate study was completed at the time of decreasing water demand and uncertain economic conditions while significant capital improvements were being completed by the City. Rates were proposed and adopted by the City Council based on recommendations from the rate study and subsequent presentations by Mr. Hairston. Other studies completed for the City include electric pass-through costs analysis and wastewater availability charge analysis.

CITY OF OVIEDO (FL)

Mr. Hairston has managed several projects for the City of Oviedo including an acquisition analysis of the Alafaya Utilities wastewater system (Utilities), financial feasibility report for the Series 2010A and 2010B Bonds (\$35,900,000), and ongoing financial forecasts for the City's utility system. The acquisition analysis included a review of historical Utilities' operations and several meetings with the owner's representatives and City representatives. The acquisition analysis considered the historical net revenue stream and reflected certain adjustments for operations under City ownership including a combination of benefits from management synergies as well as lost revenue due to property and franchise fee col-

lections. The City negotiated a successful agreement for the purchase of the Utilities system and has integrated the system into the City's operations. Mr. Hairston also led utility rate studies that included new reclaimed water service to existing City potable water customers. A financial and demand model was created in order to assist the City in anticipating potable water demand reductions in response to increasing reclaimed water availability. Rate structures were recommended to the City in order to mitigate the impact of the expected loss of potable water revenue on the City's financial condition.

CITY OF SANFORD (FL)

Mr. Hairston has led numerous rate studies to assist the City in meeting several regulatory and economic challenges. Many utility capital improvement initiatives were mandated to the City over the past several years at a time when the City was enduring severe economic hardship. Mr. Hairston managed a detailed utility financial forecast in order to evaluate numerous capital improvement initiatives and sensitivity analyses regarding future conditions. A special emphasis was placed on rate phasing and avoiding large one-time rate adjustments. The financial forecast was used by City staff in budget planning and resource allocation. The financial forecast also provided the basis for several ad hoc analyses as needed by the City. Mr. Hairston presented numerous forecasts and rate recommendations to the City Commission and such recommendations have been adopted by the City. He also conducted a stormwater rate analysis for the City with an emphasis on capital planning under the existing utility billing structure.

OTHER RELEVANT PROJECT EXPERIENCE

- City of Alachua (FL) – Reclaimed Water Rate Analysis
- Alabaster Water Board (AL) – Water rate study and miscellaneous charge review
- City of Alabaster (AL) – Sewer Rate Study
- City of Auburn (AL) – Water and Wastewater Rate and Access Fee Studies, Drought Rates, and Solid Waste Rate Review

- City of Auburndale (FL) – Water and Wastewater Financial Feasibility Report
- City of Boca Raton (FL) – Utility Rate Study, Sewer Availability Policy
- Charlotte County Utilities (FL) – Comprehensive Utility Financial Forecasts, Impact Fees and Wholesale Water Cost Dispute Resolution
- Daphne Utilities (AL) – Utility Cost of Service and Financial Forecast
- Destin Water Users (FL) – Rate Study, Financial Planning, Resource Planning
- Emerald Coast Utilities Authority-ECUA (FL) Series 2015 Bond Feasibility Study
- Enterprise Community Development District (FL) – Cost of Service Rate Study, Wholesale Cost Pass-Through Analysis
- City of Eustis (FL) – Utility Rate Studies, Business Planning, Impact Fee Studies, Stormwater Utility Rate Analysis
- Fairfax County (VA) – Wastewater Financial Forecasting and Sufficiency Studies
- Florida Keys Aqueduct Authority (FL) – Bond Feasibility Report, Service Area Expansion, System Development Charges, Miscellaneous Charges, Reclaimed Water Rate Study, Utility Policy, Water Rate Study, Sewer Rate Study
- City of Fort Myers Beach (FL) – Water Rate Study
- City of Groveland (FL) – Utility Rate Studies, Financial Forecasts, Utility and Municipal Impact Fee Studies
- City of Hallandale Beach (FL) – Utility Impact Fee Study, Alternative Water Supply Planning
- City of Lake Alfred (FL) – Water and Wastewater Rate Study
- Indian River County (FL) – AMI Feasibility and Business Case Analysis
- Village of Islamorada (FL) – Wastewater Rate Study, PPP procurement and alternative project delivery evaluation
- Key Largo Wastewater Treatment District (FL) – Wastewater Rate Study
- City of Lake Wales (FL) – Utility Revenue Sufficiency Analysis and Financial Model
- City of Largo (FL) – Wastewater Financial Forecast and Rate Study, Wholesale Rate Analysis
- City of Marathon (FL) – Wastewater and Stormwater Rate Study, Financial Forecast and Financial Policy Development
- City of Marco Island (FL) – Water and Wastewater Rate Design
- City of Margate (FL) – Wastewater Rate Study, Impact Fee Study, Alternative Water Supply Planning, Stormwater Rate Study
- City of Marianna (FL) – Utility Rate Study
- City of Mascotte (FL) – Wastewater Rate Study; Impact Fee Study
- Town of Montverde (FL) – Water Impact Fee and Rate Revenue Sufficiency Studies
- City of Minneola (FL) – Police, Fire, and Recreation Impact Fee Study
- City of Mt. Dora (FL) – Impact Fee Study, Utility Rate Study
- Town of Oakland (FL) – Water Rate Study, Impact Fees (Water, Wastewater, Police, Roads, Parks, Administrative); SRF Loan Business Plan
- City of Ocala (FL) – Utility Rate Studies; Revenue Sufficiency Analysis; Water and Wastewater Impact Fees;
- City of Oldsmar (FL) – Water Resource Planning, Utility Rate Study, Impact Fee Study, Stormwater Study
- City of Oviedo (FL) – Utility Acquisition Analysis, Bond Feasibility Report, Utility Rate Study, Reclaimed Water Rate Analysis, Impact Fee Analysis
- Pinellas County Utilities (FL) – Utility Business Case and Rate Sustainability Study
- City of Plant City (FL) – Water and Wastewater Rate Study, Solid Waste Rate Study, Stormwater Rate Study, Impact Fee Study, Financial Forecasting
- Prichard (AL), Water Works and Sewer Board of City of Prichard - Utility Revenue Sufficiency Study
- City of Sanford (FL) – Utility Rate Study, SRF Loan Assistance, Stormwater Rate Study, Utility Impact Fee Analysis, Police-Fire-Recreation Impact Fee Analysis
- St. John River Water Management District (FL) – Alternative Water Supply Analysis and Impact on Utilities
- South Walton Utilities (FL) – Water Resource

Planning, Wholesale Rate Analysis, Utility Rate Studies

- City of Titusville (FL) – Water Resource Planning
- City of Treasure Island (FL) – Wastewater Rate Study, Cost Pass-Thru Analysis
- City of Tuscaloosa (AL) – Water and Sewer Impact Fee Study and Impact Fee Feasibility
- Volusia County (FL) – Utility Rate Studies, Service Area Evaluations
- City of West Melbourne (FL) – Utility Rate Study
- West Volusia Water Suppliers (FL) – Alternative Water Cost Allocation for cities of Deland, Deltona, Orange City and Volusia County Utilities
- City of Wilton Manors (FL) – Utility Rate Study
- City of Winter Springs (FL) – Fire Impact Fee Study

PRESENTATIONS

- Alabama Water and Wastewater Institute Annual Conference, “Rate Structures and Financial Planning” (November 2, 2015, Point Clear, AL)
- Alabama/Mississippi AWWA, “Capital Finance Planning and Communication” (October 12, 2015, Biloxi, MS)
- Caribbean Water Works Association, “Funding Central Wastewater Retrofits in the Florida Keys” (August 27, 2015, Miami, FL)
- Florida Section AWWA Fall Conference, “Practical Approaches to Finance Infrastructure Projects in the Current Market” (November 27, 2012, Orlando, FL)
- Alabama/Mississippi Section AWWA Conference, “Right Sizing the Fixed Component in Your Rate Structure” (October 15, 2012, Mobile, AL)
- -Water Reuse Foundation Annual Conference, “Valuing Reclaimed Water” (May 12, 2010, Tampa, FL)
- Florida Section AWWA Fall Conference, “Implementing Water Conservation into Rate Structure” (Dec. 1, 2009, Orlando, FL)
- Presentation to Tampa Bay Water Regional Water Shortage Management Workshop, “Drought Surcharge Rates” (May 5, 2009, Tampa FL)
- Presentation to Florida Section AWWA, “Utility Impacts/Reaction/Response to Current Economic Factors” (Water Panel, Feb. 10, 2009, Orlando, FL)

TECHNICAL SPECIALTIES

- » Utility cost of service
- » Rate structure studies
- » Financial planning studies
- » Bond feasibility pro formas
- » Connection fees
- » Cost Allocation Studies
- » User Fees

PROFESSIONAL HISTORY

- » Raftelis Financial Consultants, Inc.: Senior Manager (2017-present); Manager (2014-2016); Senior Consultant (2013)
- » MuniFinancial: (2004-2013)
- » David Taussig & Associates: (2003-2004)

EDUCATION

- » Bachelor of Science in Applied Mathematics with Emphasis in Computation Science - San Diego State University (2002)

HABIB ISAAC

TECHNICAL ADVISOR

Senior Manager

PROFILE

Mr. Isaac has extensive experience in financial and utility rate modeling and has been serving public agencies as a lead consultant for more than 13 years. With a background in applied mathematics and computer programming, Mr. Isaac has developed a number of financial models and has recently incorporated sophisticated macros into his models to create a user-friendly interface that can save and store scenarios “on-the-fly” for comparative analysis. Mr. Isaac is also well-versed with the cost of service principles and special benefit provisions of Proposition 218. In addition, he has also provided consulting services for conducting fiscal impact analyses for agencies in determining the impact generated by new development on services, and has prepared cash flow pro formas for securing bond issues, including mello-roos bonds, revenue bonds, and a number of refunding.

Mr. Isaac has assisted clients in the preparation and presentation of public awareness and information programs related to municipal projects ranging from utility rate studies to agency-wide taxes, and feasibility studies. He has developed procedures and supervised the preparation of extensive computer models for utility rate studies. Such experience generally relates to performing budget analyses, customer and usage analyses, development of revenue requirements, and cost of service allocations related to the implementation of rate structures designed to promote conservation while accounting for revenue sufficiency and price elasticity. As a mathematician, Mr. Isaac understands the sensitivity between competing variables that are commonly present in utility rate studies, such as, cost based tiers and economic price signaling.

RELEVANT PROJECT EXPERIENCE

TOWN OF SOUTHWEST RANCHES, (UPDATE FIRE ASSESSMENT METHODOLOGY AND RATES) (FL)

Mr. Isaac serves as Project Manager for updating the Town’s Fire Assessment Program. The existing assessments were not updated since 2002 and Mr. Isaac updated the analysis to reflect a more balanced representation of the Town’s fire service activities and clearly described how each parcel with the Town receives special benefits from the provision of fire. The new methodology and corresponding assessment rate schedule was adopted for Fiscal Year 2011-12.

OSCEOLA COUNTY, (FIRE ASSESSMENT UPDATE STUDY) (FL)

Mr. Isaac serves as Project Manager for updating the Town’s Mr. Isaac served as Project Manager with the County to update their fire assessment program.

Through extensive database research and quality control, Mr. Isaac was able to significantly increase assessment revenues, while ensuring a technically defensible methodology that met County objectives.

CITY OF ARCADIA CITY-WIDE LIGHTING ASSESSMENT (CA)

The City desired to re-ballot the current lighting assessment to include all parcels within the City of Arcadia and eliminate inequities between parcels that were “In” the Lighting Assessment District and “Out” of the Lighting Assessment District. As Project Manager, Mr. Isaac led a re-engineering of the City’s existing lighting district to include all parcels within the City and develop a special benefit methodology that incorporated the type of lighting adjacent to each parcel as well as proximity to the lighting facilities. The Assessment Balloting results exceeded a 70% approval of the new approach and corresponding assessments. The City now has a true “City-Wide” assessment that specifically identifies general benefits versus special benefits and various assessment amounts based on each parcel’s specific location to street lighting. With the success of the new lighting district, the City disbanded the original district and new assessment revenue now exceeds \$300k per year.

CITY OF COVINA LIGHTING AND LANDSCAPING ASSESSMENT (CA)

Mr. Isaac served as Project Manager to the City of Covina for updating its city-wide lighting district. The City’s existing lighting assessment was a non-contiguous boundary that didn’t include all parcels within the City and was driven by how growth occurred within the City with each development required to annex into the lighting district. As part of the re-engineering of the existing lighting district, all street lights within the City were plotted on a map to develop a special assessment methodology which took into account the types of street lighting (arterials, versus, collectors, and decorative lighting) and the proximity of such lighting to parcels subject to the assessment.

PHELAN PINON HILLS CSD STANDBY ASSESSMENT (CA)

The CSD hired Mr. Isaac with RFC to assist them with

justification of an assessment that they inherited from the County of San Bernardino when the CSD was originally formed. Although an assessment was levied against all parcels within the service area for many years, an assessment report did not exist to confirm the validity of the assessment and clearly identify that only costs associated with special benefits were being assessed against affected parcels. As part of the assessment update, RFC developed an Engineer’s Report for the CSD to use on an annual basis as part of each Fiscal Year’s assessment levy. The Engineer’s Report described the original formation, the basis by which parcels receive a special benefit and the methodology for calculating the degree of special benefit conferred on each affected parcel.

NORTH TAHOE FIRE PROTECTION DISTRICT AND TRUCKEE FIRE PROTECTION DISTRICT, CA (FIRE ASSESSMENT STUDY) (CA)

Mr. Isaac successfully formed two fire assessments for the North Tahoe Fire Protection District and the Truckee Fire Protection District to create a valuable and reliable new funding source for fire suppression services. The economic and political environment compelled the Districts to find and implement a secure stable funding source for these critical services. Mr. Isaac served as project manager and provided testimony as an expert witness for each fire assessment program.

SACRAMENTO METROPOLITAN FIRE PROTECTION DISTRICT (FIRE ASSESSMENT STUDY) (CA)

Mr. Isaac is currently working with the second largest independent fire district in the State of California with the development of a fire assessment program. The agency encompasses over 200,000 parcels and the fire assessment program is expected to generate \$12 Million in additional revenue. Mr. Isaac is serving as project manager of a team that includes polling, public relations, special counsel, and District staff.

CITY OF NORTH PORT DEPENDENT FIRE DISTRICT (FIRE ASSESSMENT STUDY) (FL)

The City’s objective was to create a fire assessment

program to establish a long-term reliable revenue stream for fire services. As project Manager, Mr. Isaac assisted the City in developing and evaluating options, and produced a comprehensive property owner database and assessment methodology. Mr. Isaac also coordinated resources and oversaw the technical work on the project to meet the City's goals.

CITY OF DANIA BEACH, (UPDATE OF FIRE AND STORMWATER ASSESSMENT PROGRAMS) (FL)

The City is undertaking a very ambitious examination of two assessment programs, as well as its utility rate schedule and utility impact fees. The revised assessment program rates were presented and approved by the City Commission. The new assessment methodology utilized additional detail and generated a more fair and equitable apportionment of assessments. The fire assessment rates are for Fiscal Years 2010-2011 through Fiscal Year 2014-2015.

ZONE 7 WATER AGENCY (CA)

In July, 2015, RFC was selected to conduct a comprehensive Cost of Service Wholesale Rate Study for the Zone 7 Water Agency (the Agency) and Mr. Isaac served as Project Manager for this engagement. Given the recent state-wide emphasis for retail water agencies to meet conserve mandates of the Governor's Executive Order, the Agency experienced a significant reduction in water sales when compared to the previous Fiscal Year. These cutbacks also affect the Agency's revenue stability as nearly 100% of the Agency's revenue is recovered through variable rates and fixed revenue recovery is negligible, even though a majority of the Agency's costs are fixed. As a result, the Agency has seen a \$5M reduction in expected sales or 15% revenue loss. Given the severity of the financial impact, Mr. Isaac completed the cost of service rate study over an aggressive timeline and RFC presented rates in September 2015.

After reviewing the Agency's current financials and revenue requirements over a 5-year planning period, RFC developed the following recommendations to meet the Agency's critical short-term needs: 1) recover lost revenue due to a reduction in sales

through a Temporary Conservation Surcharge, 2) the Temporary Conservation Surcharge would be in place while revenue adjustments of 10% are made to permanently replace revenue generated by the Temporary Conservation Surcharge, 3) Fund capital through a combination of Pay-As-You-Go (PAYGO) (cash on hand) and Debt financing, and 4) Build up reserves to meet minimum target level over the three year planning period.

Mr. Isaac also reviewed the current rate structure and recommended the following adjustments to the current rate structure: 1) adjust the current 100% variable rate structure and to one that includes both fixed and variable, with approximately 35% of required revenue generated through fixed charges. Given that the Agency is a wholesaler, fixed charged would be based on historical water sales for allocating the 35% of revenue recovery to each retailer.

The Public Hearing is scheduled for October 21, 2015.

EAST VALLEY WATER DISTRICT (CA)

Mr. Isaac served as Project Manager to the East Valley Water District (District) and assisted the District with changing their rate structure from a basic uniform rate to tiered budget-based rates that accounted for household size and actual irrigable area of each account through the use of GIS. From inception, the District desired to adjust from the current uniform rate structure to one that complimented their long-term strategic goals of ensuring water efficiency and assisting with water management. Given the District's uniform rate structure, Mr. Isaac lead a detailed cost of service analysis to establish a sound nexus for determining appropriate tiered breakpoints per account as well as unit costs by tier. The model analyzed usage at the account level and provided water allotments to each for "indoor needs" and "outdoor needs."

The adopted rates, resulting from the comprehensive cost of service analysis, unbundled rate components to convey the true cost of various service components and to continue to equitably pass on the cost of water services to users. The Board adopted the water budget

rate structure on March 25, 2015. The findings and recommendations resulting from the Study were summarized and documented in the Study Report.

HELIX WATER DISTRICT (CA)

Mr. Isaac is currently completing a comprehensive Cost of Service Water Rate Study for the Helix Water District (the District). The District provides water service to approximately 55,000 customer accounts, serving a population of approximately 270,000 residents in San Diego County.

More than 10 years had passed since the District's last adopted "Cost-of-Service" study. Given the length of time since the last adopted comprehensive rate study, one specific project challenge was determining the best rate structure for the District to implement moving forward. As such, Mr. Isaac conducted a pricing objective workshop with the Board to explore rate alternatives that would best fit the District's goals and objectives. Based on the results from the pricing objectives workshop, RFC was able to develop a rate structure that met the District's needs and was fully compliant with Proposition 218. In addition, Mr. Isaac recommended that the District incorporate a pass-through component for any potential rate increases implemented by the District's wholesale water supplier and update the current rate structure as follows: 1) maintain a 3-tiered rate structure for Domestic accounts, with slight modifications to the Tier 1 and Tier 2 allotments, 2) adjust Irrigation rates from a 3-tiered budget-based rate structure to a 2-tiered budget based rate structure. The District had previously defined efficient use for each account by providing a unique water allotment each month; therefore, Tier 1 would reflect the amount of water needed (within their water budget) and Tier 2 would signal when an account went over their water budget.

Over the course of this 12-month project, Mr. Isaac presented at 10 public meetings and the Public Hearing is scheduled for October 7th 2015.

RINCON DEL DIABLO WATER DISTRICT (CA)

In 2014, the Rincon del Diablo Water District (Dis-

trict) contracted with RFC to conduct a Water Cost of Service and Rate Study to develop a financial plan as well as design water rates for the District for the next five years. The District is located approximately 25 miles north of the City of San Diego and serves a population of approximately 30,000 customers.

Like many water agencies in California, the District was faced with challenges related to the reduction in water usage as a result of conservation, the slow economy, increasing water supply costs, and the recent Executive Order by Governor Brown to reduce water consumption by 25% Statewide. The District was operating in an environment where operational costs and external costs associated with imported water from continue to increase and the reinvestment of funds to its infrastructure is required as outlined within the District's updated Master Plan.

Mr. Isaac served as Project Manager and presented RFC's findings and recommendations at all public meetings. Mr. Isaac recommended that the District adjust revenue by 5% for each of the next five years and incorporate a pass-through provision for increased costs incurred from the San Diego County Water Authority (SDCWA).

In addition, Mr. Isaac recommended certain adjustments to the District's reserve targets. Adjustments included increasing the Operating Reserve to 90 days of operating expenses and adjusting the Rate Stabilization Reserve Target to 10% of purchased water costs.

Mr. Isaac also provided recommendations to the rate structure to ensure compliance with the cost of service principles of Proposition 218. Residential rates were adjusted from a 5-tiered rate structure to a 3-tiered inclining rate structure that can be clearly supported by cost incurred. Non-Residential (Commercial/Industrial and Medical Care Facilities) rates were adjusted from a 3-tiered rate structure to a uniform rate structure as Non-Residential commercial uses and related water needs can vary drastically between accounts. Finally, RFC recommended changing the Agricultural and Irrigation rate struc-

ture from a 5-tiered budget based rate structure to a 2-tiered budget based rate structure.

The Rate Study and all recommendations were approved at a Public Hearing held on June 9, 2015.

CITY OF ARROYO GRANDE (CA)

Mr. Isaac is currently serving as lead rate consultant on a comprehensive cost of service analysis and financial plan for the City of Arroyo Grande. The City currently has ground water and a supplemental water supply from the Lopez Dam that is debt financed. As part of the cost of service analysis and tiered-rate structure, costs were built up based on water supply costs, delivery costs, and peaking to substantiate why each tier has a different rate per unit of water. Doing so provided a clear understanding on the costs incurred by the city's utility and provided a nexus in compliance with Proposition 218. The project is almost complete and is proceeding with the Proposition 218 noticing.

CITY OF SIERRA MADRE (CA)

Mr. Isaac recently completed a long-term financial plan update for the City of Sierra Madre's water and sewer enterprises. The project also included a rate redesign of the City's water rate structure to promote water conservation while meeting the City's Water Utility's financial needs. The Public Hearing concluded on January 28th 2014 and new rates will go into effect in March, 2014. The new proposed rate structure moves from a three-tiered water rate to a four-tiered water rate structure that includes a new Tier 1 allotment to reward customers that are very efficient with their water usage. In recent times, the City has experienced a significant reduction to their available groundwater and the new rate design will now account for additional costs incurred from the inclusion of supplemental water from MWD. As a result, the City long-term financial plan has been updated and a comprehensive water consumption analysis has been completed to ensure revenue sufficiency in the near-term as well as the long-term.

ELK GROVE WATER DISTRICT (CA)

In 2013, Mr. Isaac served as Principal-in-Charge

and assisted the District with a very extensive and thorough redesign and public outreach campaign for its water rates. The District's previous study was conducted in 2007 and was expedited because the District was not in compliance with its existing bond covenants. The results of the study recommended revenue adjustments from Fiscal Year 2007-08 through 2011-12 of 32%, 20%, 15%, 3%, and 3%, respectively. The District was able to reduce the third year from a 15% revenue adjustment down to 12% and deferred the last two years of 3% revenue adjustments.

Given the circumstances from the last rate study, the District wasn't completely aware how their current rates were developed and wished to take a more measured approach to the 2013 Water Rate Study. As such, the study included meetings with District staff, a Citizens' Advisory Committee, Finance Committee, and the District Board. Mr. Isaac presented the cost of service analysis and rate redesign through multiple meetings that dissected each item into discrete components. Separate meetings were held to discuss the following components: 1) the District's fiscal policies, 2) District objectives, 3) establishment of new reserve funds, 4) fire protection services, 5) cost of service analysis, 6) customer classes, 7) refinancing of existing debt, 8) consumption forecast, and 9) customer impact analysis. The ultimate objective of the District was to mitigate rate increases while accounting for future obligations of the District, such as escalating debt service payments.

The Proposition 218 Notices were mailed in May 2013 and all of the material discussed and presented over the course of the last 9 months is on the District's website at <http://www.egws.org/2013waterrates-study.html>. District staff and Board members clearly understand the basis for the proposed new rates and are comfortable with the new rate structure.

In addition, Mr. Isaac is continuing to provide services to the District through annual updates for Fiscal Year 2014 through Fiscal Year 2018.

ENCINA WASTEWATER AUTHORITY (CA)

Mr. Isaac assisted the Encina Wastewater Author-

ity (EWA) with the Asset Allocation for the Phase V Expansion Project of their Wastewater Treatment Plant (2013). The update adjusted initial cost estimates using actual figures based on: existing facilities and the most recently completed CAFR; project costs based on actual amounts paid according to EWA financial records; and, actual Engineering News Record, Los Angeles (ENR) at the defined mid-point of construction. The analysis accounted for the specific discharge characteristics of the EWA's member agencies as well as total capacity necessary to serve each member, which includes: City of Vista, City of Carlsbad, Buena Sanitation District, Vallecitos Water District, Leucadia Wastewater District, and City of Encinitas. The analyses determined the updated amount of any debits or credits to each EWA Member Agency and established EWA Member Agency Ownership percentages for completed capital improvements.

PHELAN PINON HILLS COMMUNITY SERVICES DISTRICT (CA)

Mr. Isaac served as lead rate consultant on a recently completed comprehensive cost of service analysis and financial plan for the Phelan Pinon Hills Community Services District (CSD). The study accounted for the CSD's policy objectives and achieves a strong financial outlook in future years. As the CSD was undertaking a study of this type for the first time since becoming an independent local agency, Mr. Isaac's primary objective was to develop a robust and custom-designed financial rate model that would clearly reveal the current financial health of the Water Enterprise Fund and provide a sound financial plan reflecting a continued strong financial outlook.

To ensure stable short- and long-term financial stability, historical and future financial information was collected and analyzed, including water operations, planned capital improvement projects, existing debt obligations, and the acquisition of additional water rights. As this was the CSD's first independent financial and rate analysis, Mr. Isaac collaborated closely with CSD staff to prepare and tailor a comprehensive financial model that focused

on District policies and fiscal objectives. Mr. Isaac assisted with not only ensuring a healthy financial outlook for the utility in future years, he also took this opportunity to provide a thorough understanding to District Board Members on rate-setting principles and best management practices.

Mr. Isaac is continuing to work with the District on annual updates for Fiscal Year 2014 through Fiscal Year 2018.

CITY OF COVINA (CA)

Mr. Isaac served as lead consultant in a redesign of the City's water rate structure. The new rate structure incorporated a three-tiered water rate design that secured a stable revenue stream while promoting efficient use of water. One of the City's primary goals was to restructure the existing water rates to reach a 20% reduction in water consumption by calendar year 2020.

CITY OF DANIA BEACH (FL)

Mr. Isaac conducted a comprehensive review and financial plan update for the City's water and wastewater utilities and restructured the rates to reflect a cost of service methodology. Mr. Isaac also served as lead consultant in restructuring the City's method of assessment for its stormwater and fire assessments. Due to his breadth of knowledge for each service discipline identified in this engagement, Mr. Isaac operated as principle-in-charge for the entire project. Each Enterprise Fund involved the creation of a detailed financial plan to account for current and future operations; maintenance and facilities; and the development and implementation of new fee, rate, and assessment structures. Through Mr. Isaac's review, the existing rate structure demonstrated that current utility rate revenues were not sufficient to fund operating and maintenance costs, as well as necessary capital improvements. The updated rate analysis established distinct customer classes for each utility that distributed the full cost of services to the customer base, in proportion to service demands placed on utility systems.

PUBLICATIONS

- “Cryptography with Cycling Chaos,” Physics Letter A, V 303; Pages 345-351(2002)

OTHER RELEVANT PROJECT EXPERIENCE

- City of Coachella (CA) - Water Rate Study
- City of Dania Beach (FL) - Water and Wastewater Financial Plan Update
- Town of Danville (CA) - Cost Allocation Plan
- City of Delano (CA) – Water, Wastewater, Refuse, and Street Sweeping Rate Study
- Encina Wastewater Authority (CA) - Asset Allocation for the Phase V Expansion Project of the Wastewater Treatment Plant
- City of Irvine (CA) - Cost Allocation Plan and UF
- City of La Mirada (CA) - Cost Allocation Plan and UF
- City of Lompoc (CA) – Water and Wastewater Rate Study
- City of Modesto (CA) - Cost Allocation Plan
- City of Pacifica (CA) - Cost Allocation Plan and UF
- City of San Fernando (CA) - Water and Wastewater Rate Study
- City of Sierra Madre (CA) - Financial Plan Update
- City of Tulare (CA) - Water Rate Study and Cost Allocation Plan

TECHNICAL SPECIALTIES

- » Impact fee consulting services for utility and non-utility fee categories including managing studies completed under different legislative guidance in Arizona, Colorado, Utah, and Montana
- » Financial and rate, impact fee and bond feasibility consulting services for water, sewer, reclaimed, and stormwater utilities

PROFESSIONAL HISTORY

- » Raftelis Financial Consultants, Inc.: Manager (2014-present); Senior Consultant (2013)
- » Red Oak Consulting: Principal Management and Utility Rate Consultant (2003-2013)
- » Ajilon Finance: Telecommunications Analyst (2002-2003)
- » ISPhone Inc. and Appia Communications: Finance and Accounting Administrator (1999-2001)
- » McLagan Partners: Compensation Analyst Intern (1998 and 1999)

EDUCATION

- » Bachelors in Business Administration, Finance and Accounting - University of Michigan at Ann Arbor (1999)

ANDREW RHEEM

TECHNICAL ADVISOR Manager

PROFILE

Mr. Rheem has been providing financial and rate consulting services to water, wastewater, reclaimed water, and stormwater utilities for over 13 years including conducting rate studies for numerous Colorado and Southwestern U.S. municipal utilities. He has served as project manager and/or lead analyst for multiple long-standing clients providing a range of municipal financial planning, rate and fee assistance through multiple engagements. Mr. Rheem is also a skilled presenter and has presented study findings and recommendations to management and governing bodies. Mr. Rheem holds Bachelors in Business Administration, Finance and Accounting from the University of Michigan – Ann Arbor.

RELEVANT PROJECT EXPERIENCE

CITY OF SCOTTSDALE (AZ)

Mr. Rheem served as the Quality Assurance / Quality Control Manager for a 2016 Biennial Audit of Land Use Assumptions, Infrastructure Improvements Plan and Development Impact Fees Study completed for the City of Scottsdale. The City assesses water system, water resource and wastewater system development impact fees, adopted and in compliance with the requirements of Arizona Revised Statutes (ARS §9-463.05). Mr. Rheem assisted the RFC Project Manager for the engagement to initially develop and refine the approach to completing the Biennial Audit, one of the first to be completed following the implementation of ARS §9-463.05 in 2014. Mr. Rheem also reviewed preliminary and final study findings providing quality control review and overall evaluation of study services. The final report was issued to the City and the study was finalized in October 2016 and presented to City Council.

CITY OF PHOENIX (AZ)

Mr. Rheem is the Project Manager an on-going Biennial Audit of Land Use Assumptions, Infrastructure Improvements Plan and Development Impact Fees Study completed for the City of Phoenix. The City assesses libraries, parks, fire protection, police, major arterials (roadway facilities), stormwater, water, wastewater and water resource development impact fees, implemented in 2015 in compliance with the requirements of Arizona Revised Statutes (ARS §9-463.05). The water resource development impact fee is assessed throughout the City while the eight other development impact fees are assessed within growing areas in the periphery of the City that vary within eight different service areas. Mr. Rheem is leading the overall study

including development and implementation of the study approach and methodology, managing the analysis and audit efforts of the study team and serving as the primary RFC point of contact working closely with the City Project Manager and project team. Study findings will be documented within a draft and final report. This study was initiated in December 2016 and is anticipated to be completed before June 30, 2017.

CITY OF SURPRISE (AZ)

Mr. Rheem served as the Project Manager for a utility and non-utility development impact fee study. We assisted the City to develop an infrastructure improvements plan and update the City's non-utility, water, water resource and sewer system development impact fees for compliance with Arizona Revised Statutes (ARS §9-463.05). We also assisted the City during the non-utility and utility development impact fee public hearing and public notice process completed in May 2014.

Mr. Rheem assisted the City to complete an extensive review of the over 120 development agreements the City has completed that documented previous, outstanding and future reimbursement liabilities amongst the City's general fund and utility and non-utility funds. This study was initiated in 2012 with the final study findings issued in 2013.

Mr. Rheem previously assisted the City to complete a historical review of development impact fee funded expenditures finalized in early 2011. This review was completed by fee area from a period of fiscal year 2007 through fiscal year 2010 to compare the funding sources of completed capital projects against the growth-related portion of development impact fee eligible facilities identified in a previous development impact fee study by fee area. The results of the review were a series of correcting journal entries and interfund loans. The study results were presented to City Council and implemented.

CITY OF AVONDALE (AZ)

Mr. Rheem is the Project Manager an on-going Biennial Audit of Land Use Assumptions, Infrastructure

Improvements Plan and Development Impact Fees Study completed for the City of Avondale. The City assesses general government (grandfathered), libraries, parks and recreation, fire, police, streets, water, and wastewater development impact fees, implemented in 2014 in compliance with the requirements of Arizona Revised Statutes (ARS §9-463.05). All fees are assessed system-wide throughout the City's service area. Mr. Rheem is leading the overall study including development and implementation of the study approach, managing the analysis and audit efforts of the study team and serving as the primary RFC point of contact working closely with the City Project Manager and project team. Study findings will be documented within a draft and final report. This study was initiated in January 2017 and is anticipated to be completed before June 30, 2017.

CITY OF STEAMBOAT SPRINGS (CO)

Mr. Rheem is serving as Project Manager for a comprehensive water and wastewater rate study for the City of Steamboat Springs. Separate water and wastewater financial planning models were updated to evaluate current and potential funding sources to support each utility operation over the next ten years including future adjustments necessary to fund operations and the annual capital project requirements (including regulatory driven and capacity expansion improvements), and maintain a financially viable utility. A cost-of-service evaluation was then completed for each utility. The results of the cost-of-service and financial planning tasks were integrated into developing three water rate structure alternatives and two wastewater rate structure alternatives for full service City customers and a single alternative for wholesale water and sewer customers. The utility tap fees were also updated as part of the study. The findings and recommendations will be presented to City Council in August 2016 and summarized in a report issued at the completion of the study. This study was an update of a comprehensive rate and fee study completed for the City in 2010.

MT. WERNER WATER AND SANITATION DISTRICT (CO)

Mr. Rheem is serving as Project Manager for a com-

prehensive water and wastewater rate study for the Mt. Werner Water and Sanitation District serving Steamboat Ski Resort as well as residential and commercial customers nearby. Separate water and wastewater financial planning models were developed to evaluate current and potential funding sources to support each utility operation over the next ten years including future adjustments necessary to fund operations and the annual capital project requirements, and maintain a financially viable utility. A cost-of-service evaluation was then completed for each utility. The results of the cost-of-service and financial planning tasks were integrated into developing two water rate structure alternatives and two wastewater rate structure alternatives for full service District customers. The utility tap fees were also updated as part of the study. The findings and recommendations will be presented to the District Board in August 2016 and summarized in a report issued at the completion of the study. Electronic copies of models created as part of the study will be delivered to the District for their use.

CITY OF TRINIDAD (CO)

Mr. Rheem is serving as Project Manager for a phased comprehensive water and wastewater rate study for Trinidad. Separate water and wastewater financial planning models were developed to evaluate current and potential funding sources to support each utility operation over the next six years including future adjustments necessary to fund operations and the annual capital project requirements, and maintain a financially viable utility as part of Phase 1. As part of Phase 1, RFC recommended increases to the City's wastewater rates effective in 2016. Future phases anticipated to start in 2017 will include water and wastewater cost of service evaluation and rate structure alternatives. Phase 2 includes a review and update of City water and wastewater plant investment fees anticipated to be completed in September 2016.

CITY AND COUNTY OF DENVER (CO)

In October 2014, RFC began both an Organizational Assessment Study and Financial Plan for the City and County of Denver's Wastewater Management Division within the Department of Public Works. Mr.

Rheem served as the financial planning task project manager that evaluated multi-year rate revenue increases for the City and County of Denver Wastewater Management Division. The Division provides separate sanitary and storm sewer conveyance for 155,000 customers utilizing over 1,500 miles of sanitary sewers and 800 miles of storm sewers.

RFC assisted the City to complete a 10-year financial plan for the City's sanitary sewer and storm drainage utilities and proposed rate revenue adjustments for 2016 through 2020 and effective January 2016. The City's financial planning model was enhanced with additional capabilities including graphical dashboard and user interface, scenario capabilities, and capital funding alternatives. RFC evaluated a variety of capital improvement project alternatives and funding options to develop recommended alternatives for consideration by the City. Additionally, recommendations from the Phase 1 Organization Assessment were also incorporated within the financial planning evaluation. The recommendations were summarized in a report presented to and adopted by City Council in 2016. Following the rate study, RFC completed a bond financial feasibility study in October 2016 associated with stormwater utility revenue bonds issued to fund extensive capital requirements identified by the City.

CITY OF LONGMONT (CO)

Mr. Rheem served as project manager for a 2014 water financial planning, rate and fee assistance for the City's water and wastewater utilities. As part of the study, we completed a comprehensive water rate and fee study. We populated a 20-year water financial plan in projecting future adjustments to utility revenues and projected debt issues to fund future capital expenditures. We then completed a water cost-of-service analysis. Capital improvement scenarios related to consolidating to one water treatment plant or maintaining two water treatment plants were evaluated including capital funding and impact to the multi-year rate revenue increases. RFC professionals worked with the City to evaluate changes to the tiered rate structure to simplify and increase the conservation pricing signal to customers for discre-

tionary and wasteful water use. Schedules of water rates over a five-year period were adopted. Findings and recommendations were presented to the City and a report was issued. RFC professionals also updated the City's water and wastewater system development fees and miscellaneous charges assessed by the utilities as part of this study.

Mr. Rheem was Project Manager for a 2011 engagement that updated the utility water and wastewater rate models to incorporate additional user defined scenarios and reflect changes to the water and wastewater utility operations and fund structure. We delivered a user manual and completed training sessions with utility staff at the completion of the model update.

In 2012, Mr. Rheem served as Project Manager assisting utility staff in updating the wastewater financial planning model to reflect updated capital improvements and revenue requirements. The cost of service analysis was updated to reflect adjusted revenue requirements and annual user charge adjustments were developed for 2013 through 2017. The City Council adopted the recommended rates.

CITY OF GREELEY (CO)

Mr. Rheem served as Project Manager for a variety of water and wastewater utility financial studies for the City of Greeley (City) since 2013. The assistance includes updating the City's water and wastewater utility financial planning, rate and fee analyses. Recent assistance includes evaluating the rate of return and rate base for contract water customers, reviewing the water and wastewater system development fee structure, developing revenue requirement projections and review of the capital improvement program and reassessment of proposed debt service issues for both the water and wastewater utilities. We are currently assisting the City in enhancing the water and wastewater rate models to incorporate graphical dashboard and user interface, scenario capabilities, and capital funding alternatives.

Mr. Rheem also served as Project Manager for a completing a comprehensive stormwater financial

planning and capital funding evaluation in 2015. The City is proposing to accelerate the timing of capital improvements and is evaluating debt and rate revenue increases through this study.

CITY OF PUEBLO (CO)

Mr. Rheem served as Project Manager for a 2015 study to update of the wastewater utility financial plan and proposing annual rate adjustments over a five-year period of 2016 through 2020. To meet more stringent federal and State of Colorado regulations on wastewater effluent, the utility scheduled significant upgrades to the treatment plant and will be completing additional regulatory-driven upgrades to the treatment plant and collection system through 2025. RFC designed and updates an 11-year financial plan incorporating the latest billing data and customer usage trends, projected annual operating costs adjusted for inflation, staffing requirements and treatment plant process requirements, and the capital improvement program needed to meet the utility's replacement schedule and regulatory requirements, federal guidelines. We developed a forecast of revenue adjustments needed to maintain the utility's financial health to be presented to City Council and during public hearings in 2015. City Council meetings and public hearings will be held prior to adoption with rate adjustments effective January 1, 2016.

CITY AND COUNTY OF BROOMFIELD (CO)

Mr. Rheem served as Deputy Project Manager for a 2012 comprehensive water and sewer rate and fee study for Broomfield. We populated separate 30-year water and sewer financial plans in projecting future adjustments to utility revenues and projected debt issues to fund future capital expenditures. We also updated the City's water and wastewater license fees. We completed separate water and sewer cost-of-service analysis. RFC professionals worked with the City to evaluate changes to the tiered rate structure working with City Council and City staff to review changes to the existing uniform rate structure. Sewer rates were developed to fund annual revenue requirements including projected wastewater treatment plant upgrades including the development of a surcharge assessed to each equivalent residential

unit to fund requirements associated with meeting more stringent wastewater effluent requirements. Schedules of water and sewer rates for 2013 were presented to City Council and adopted. Findings and recommendations were presented to the City and a report was issued.

Previous assistance includes lead analyst to complete a non-potable reuse system financial analysis regarding potential investments and expansion of the existing non-potable reuse water system. The analysis included multiple scenarios focused on the incremental effect to reuse financial plan and revenue requirements of investments to expand the reuse system.

LOCKWOOD WATER AND SEWER DISTRICT (MT)

Mr. Rheem is the Project Manager for a comprehensive water and sewer financial planning, impact fee, cost of service and rate design study being completed for the Lockwood Water and Sewer District. Lockwood is located just outside of Billings, Montana and provides water and sewer services. RFC is also facilitating a system development fee advisory committee, as required by Montana Code Annotated, to review and refine proposed water and sewer system development fees. The sewer utility has been recently installed with effluent being conveyed to the City of Billings wastewater treatment plant for treatment and disposal. Previously water customers had individual septic systems and there are many such system still in place which will be connected to the District's sewer system as drain fields fail and/or through future phases of the sewer system expansion. The District will also be conveying pre-treated wastewater flows to the City of Billings generated by ExxonMobil at a refinery adjacent to the District service area and RFC assisted the District during the contracting phases as well as development of the one-time system development fee to be assessed to ExxonMobil upon connection to the District's system. The study was initiated in July 2016 and is anticipated to be completed by March 2017 with rates and fees implemented effective July 1, 2017. A report will be issued documenting study findings and recommendations to be presented to the District Board.

EL PASO WATER UTILITIES (TX)

Mr. Rheem served as Project Manager and/or Lead Analyst for a variety of engagements completed for El Paso Water Utilities since 2003. The following are examples of the various projects completed since 2003. Project manager for nine annual updates of wholesale water and wastewater financial planning and cost-of-service rate models using the base-extra capacity method. Individual wholesale customer reports are issued at the completion of the annual studies. Project manager for an on-going review of the retail water and sewer customer utility rates. The update includes an evaluation of alternative rate structures to recovery identified revenue requirements. Project manager for a reclaimed water rate analysis that calculated both full cost and subsidized reclaimed water rates. Calculated projected transfers from water fund to enable subsidized reclaimed rate to encourage customer growth and reduce long-term water resource capital costs. Developed ten-year cash flow and financial plan including debt service coverage and ending cash balance to evaluate the subsidy provided by reduced rates compared to other water resource expansion project costs.

EAST LARIMER COUNTY WATER DISTRICT (CO)

Mr. Rheem served as Project Manager for a plant investment fee, financial planning, cost of service and rate design models for East Larimer County Water District. He proposed 2008 plant investment fees, retail and wholesale user charges were adopted by the District Board. Updated models were delivered to the District at the end of the study. The financial plan and rate were service were updated in 2009 to reflect reductions to customer growth and customer water use and presented to the District Board for adoption.

CITY OF SALIDA (CO)

Mr. Rheem served as Project Manager for a 2015 comprehensive water and wastewater rate study for the City. RFC completed a pricing objectives ranking process to assist in developing recommendations to the City's water and wastewater rate structures. The pricing objectives evaluation was completed with both City finance and public works staff and City

Council to rank twelve pricing objectives. As part of the study, RFC is developing separate water and wastewater financial planning models to evaluate current and potential funding sources to support each utility operation over a 10-year study period. RFC will work with City staff to project future rate revenue adjustments necessary to fund operations and the annual capital project and maintain a financially viable utility. A cost-of-service evaluation will then be completed for each utility. The results of the cost-of-service and financial planning tasks will be incorporated in the evaluation and development of rate structure alternatives for City customers. RFC is also evaluating the sufficiency of the City's water and wastewater system development fees in recovering the costs of facilities serving new development. Findings and recommendations will be summarized in a report and presented to the City Council at the completion of the study.

LAKE HAVASU CITY (AZ)

Mr. Rheem also served as Project Manager for a Wastewater Expansion Financial Feasibility Analysis that included eight annual studies that updated and enhanced a multi-year financial planning and rate model related to a \$400 million, 10-year sewer expansion project. The model is used to calculate rate increases required in meeting bond covenants in support of annual bond issues funding the majority of the expansion project. The results of the feasibility analysis were documented in a system report and rate change recommendations were presented to City Council. He assisted the City as part of the financing team with annual presentations to three bond rating agencies and the Water Infrastructure Financing Authority of Arizona (WIFA) related to annual loan applications. The expansion program was completed in 2012.

In 2015, RFC served as the feasibility consultant for a successful debt restructuring of the City's wastewater debt issued to fund the wastewater capital expansion program that extends the maturity of the debt service payments to reduce annual debt service while improving the inter-generational equity by matching the liabilities more closely with the life of the con-

structed facilities. RFC assisted the City and the City's financial advisor in presenting the proposed plan to the three major rating agencies. The independent financial feasibility report was developed evaluating the feasibility of the proposed financing and impact to the City's wastewater rates. The debt restructuring was completed in October 2015.

Mr. Rheem served as Deputy Project Manager for a comprehensive water rate and fee study. The study included the development of a ten-year water financial plan, cost-of-service and rate design model. An evaluation of capital improvement project growth and non-growth funding and funding scenario analysis was included. The financial plan evaluation included multi-year rate revenue increases to meet established financial performance thresholds while fully funding operations and capital expenditures. Three water rate structure alternatives were presented to City Council that modified the existing system-wide rate structure and replaced it with customer class specific tiered rate structures with increase conservation pricing signals. City Council adopted one of the proposed alternatives. The findings and recommendations were summarized and presented to the City Council at the end of the study.

CITY OF PRESCOTT (AZ)

Mr. Rheem served as the Project Manager for a utility and non-utility development impact fee and water and wastewater rate study completed in 2014. We assisted the City to develop an infrastructure improvements plan and update the City's non-utility, water, water resource and sewer system development impact fees for compliance with Arizona Revised Statutes (ARS §9-463.05). We also assisted the City during the public hearing and public notice process as part of the non-utility and utility development impact fee update adopted in May 2014.

We also assisted the City to complete a comprehensive water and sewer rate study. The study included evaluating a five-year financial plan and revenue requirements to fund on-going operations, debt service and current and projected water and sewer system capital improvements and exceed estab-

lished financial performance thresholds. Following the financial plan and revenue requirements evaluation, a water and sewer cost of service and rate design analysis was completed. Recommendations and findings were summarized in the study report and presented to City Council for adoption and implementation in 2015.

OTHER RELEVANT PROJECT EXPERIENCE

FINANCIAL PLANNING, RATE AND FEE DESIGN

CO: City and County of Denver, Aurora Water, Thornton, Greeley, Pueblo, Longmont, Broomfield, Boulder, Superior, Salida, Rifle, Fort Lupton, Steamboat Springs, Colorado Department of Public Health and Environment Technical, Managerial and Financial Capacity Development Program, Fort Cason, Rocky Mountain Arsenal National Wildlife Refuge, East Cherry Creek Valley Water and Sanitation District, East Larimer County Water District (ELCO), Arapahoe County Water and Wastewater Authority, Widefield Water and Sanitation District, Eagle River Water and Sanitation District, Upper Eagle Valley Water Authority, Willows Water District; AZ: Lake Havasu City, Kingman, Glendale, Metropolitan Water District; TX, UT, MT, CA, FL: El Paso Water Utilities, Salt Lake City, Kearns Improvement District, Granger Hunter Improvement District, Moulton Niguel Water District, Missoula, Great Falls, Columbus, Tavares, Hernando County

NON-POTABLE AND REUSE WATER

CO: Denver Water, Denver Public Schools, Aurora Water, Thornton, Longmont, Broomfield; TX, UT, MT, CA, FL: El Paso Water Utilities, Salt Lake City, Kearns Improvement District, Granger Hunter Improvement District, Moulton Niguel Water District, Tavares

IMPACT FEE STUDIES

CCO: Aurora Water, Thornton, Longmont, Broomfield, Superior, Trinidad, Mt Werner Water and Sanitation District, Pueblo West Metropolitan District, Steamboat Springs, Los Pinos Fire Protection District, East Larimer County Water District (ELCO),

Widefield Water and Sanitation District, Eagle River Water and Sanitation District, Upper Eagle Valley Water Authority; AZ: Fountain Hills, Buckeye, Surprise, Kingman, Chino Valley. Lake Havasu City, Prescott, Tempe, Glendale; TX, UT, MT, CA, FL: El Paso Water Utilities, Lockwood Water and Sanitation District, Kearns Improvement District, Granger Hunter Improvement District

FINANCIAL PLANNING, RATE AND FEE DESIGN

CO: City and County of Denver, Aurora Water, Thornton, Greeley, Pueblo, Longmont, Broomfield, Boulder, Superior, Salida, Rifle, Fort Lupton, Steamboat Springs, Mt. Werner Water and Sewer District, Trinidad, Pueblo West Metropolitan District, Colorado Department of Public Health and Environment Technical, Managerial and Financial Capacity Development Program, Fort Cason, Rocky Mountain Arsenal National Wildlife Refuge, East Cherry Creek Valley Water and Sanitation District, East Larimer County Water District (ELCO), Arapahoe County Water and Wastewater Authority, Widefield Water and Sanitation District, Eagle River Water and Sanitation District, Upper Eagle Valley Water Authority, Willows Water District; AZ: Lake Havasu City, Kingman, Glendale, Metropolitan Water District; TX, UT, MT, CA, FL: El Paso Water Utilities, Salt Lake City, Lockwood Water and Sanitation District, Kearns Improvement District, Granger Hunter Improvement District, Moulton Niguel Water District, Missoula, Great Falls, Columbus, Tavares, Hernando County

STORMWATER

CO: City and County of Denver, Aurora Water, Thornton, Longmont, Boulder, Superior; AZ: Surprise, Kingman; TX, UT, MT, CA, FL: El Paso Water Utilities

UTILITY CREATION AND IMPLEMENTATION

CO: Thornton, Soldier Canyon Filter Plant (Tri-Districts); AZ: Surprise, Kingman, Lake Havasu City; TX, UT, MT, CA, FL: El Paso Water Utilities, Salt Lake City

RENEWABLE ENERGY

CO: Fort Cason, Rocky Mountain National Wildlife Natural Refuge

ECONOMIC AND INDIRECT COST EVALUATIONS

CO: Thornton, Longmont, Denver Public Schools, Colorado Department of Public Health and Environment; AZ: Lake Havasu City; TX, UT, MT, CA, FL: El Paso Water Utilities

BOND AND LOAN FEASIBILITY

CO: Aurora Water, City and County of Denver, Thornton, Longmont, Steamboat Springs, Colorado Department of Public Health and Environment; AZ: Lake Havasu City, Glendale, Metropolitan Water District; TX, UT, MT, CA, FL: El Paso Water Utilities, Tavares, Hernando County

PUBLICATIONS AND WORKSHOPS

- Rheem, A., Davis, F. "Conducting Audit of Infrastructure Improvements Under Arizona Revised Statutes 9-463.05 – Scottsdale Arizona Case Study", Growth Infrastructure Consortium Conference, Denver, CO October 2016.
- Thomas, D., Rheem, A., "How Lake Havasu City's Pro-Active Wastewater Asset Management Program Makes Every Dollar Count", AZ Water Conference, Glendale, AZ May 2016.
- Rheem, A., Thomas, D., "Expense, Project and Budget Management Tactics to Provide Wastewater Service Delivery Without Increasing Rates", AZ Water Conference, Glendale, AZ May 2016.
- Rheem, A. "Comparing Utility Rates, Fees and Financial Results," Colorado Special Districts Association Conference, Keystone, CO September 2016.
- Rheem, A., "Utility Financial Planning in Advance of Issuing Debt," presented at a 2015 Water Bond Workshop, Loveland, CO, May 2015.
- Navarrete, M., Rheem, A. "Time for a Change? El Paso Water Utilities Considers a New Rate Structure," Utility Management Conference, Austin, TX, February 2015.
- Walker, P., Cregger, H. Rheem, A. "CIP Planning - Cradle to Grave," Colorado Government Finance Officers Association Metro Coalition Workshop, Westminster, CO, September 2009.
- Wegley, L., Rheem, A. "Mixed Use Water and Wastewater Rates and Development Fees – City of Longmont Case Study," presented at the Rocky

Mountain Section American Water Works Association / Water Environment Federation, Vail, CO, September 2006.

- Rheem, A., Malesky, C., "Revenues, Water Rates, and Reserves," presented at the Colorado Government Finance Officers Association 3rd Quarter 2007 Educational Seminar, Gunnison, CO, July 2007.

TECHNICAL SPECIALTIES

- » Utility cost of service and rate structure studies
- » Impact fee studies (Utility and Municipal)
- » Bond feasibility reports
- » Long range financial planning and feasibility studies
- » Utility rate surveys

PROFESSIONAL HISTORY

- » Raftelis Financial Consultants, Inc.: Consultant (2015 – Present); Associate Consultant (2013-2014); Analyst (2012)

EDUCATION

- » Bachelor of Science in Business Administration (Financing & Accounting) - University of Central Florida (2012)

JOE WILLIAMS

PROJECT ANALYST

Consultant

PROFILE

Mr. Williams has a background in accounting and possesses extensive analytical, financial modeling and presentation skills. His expertise lies in the areas of research, compiling and analyzing data, and computer financial and rate model development. Mr. Williams has participated in a full complement of assignments supporting project managers in RFC's Orlando, Sarasota, Charlotte, Cary, Denver and Austin offices. Mr. Williams was also involved in conducting the comprehensive 2012 and 2014 *Florida Water and Wastewater Rate Surveys* of local government utilities located throughout Florida.

RELEVANT PROJECT EXPERIENCE

PINELLAS COUNTY UTILITIES (FL)

Mr. Williams is assisting with development of the long term Revenue Sufficiency and Sustainability Forecast. This includes rate design for the water and sewer systems that targets enhanced revenue stability, strong equity amongst various customer classes, and continuity between the systems. He is also assisting with incorporating scenarios developed in the Business Case into the Revenue Sufficiency Forecast.

CITY OF MARATHON (FL)

RFC is currently engaged with the City of Marathon to provide a financial forecast for the Wastewater and Stormwater Utilities. Mr. Williams assisted with the model development, which includes highly detailed budget projections due to operating contracts and evolving customer characteristics in addition to revenue generation, reserve balances, capital improvement funding. He also played an integral role in the development of the council presentation materials and the combined system revenue sufficiency report.

FLORIDA KEYS AQUEDUCT AUTHORITY (FL)

Mr. Williams has been involved with several projects for the Florida Keys Aqueduct Authority (FKAA) since 2013 including a system development charge study, a comprehensive review of existing miscellaneous charges and a wastewater sufficiency analysis for a greatly expanded customer base. Several options for updating miscellaneous charges were reviewed including (i) indexing of existing charges and (ii) an activity-based cost approach.

CITY OF TAVARES (FL)

RFC has been engaged with the City of Tavares for multiple studies and continuing service contracts. Mr. Williams has been assembling, reviewing, and compiling key data required for an ongoing feasibility review to fund stormwater facilities. This has involved modeling the financial impact various funding alternatives will have on cost recovery through rates, fees, and charges. He has also assisted with the research and data acquisition for rate and impact fee comparisons of surrounding utilities which are used in presentations and study reports.

VOLUSIA COUNTY (FL)

RFC has assisted the County with various studies since 2012. Mr. Williams played a key role in data collection, modeling, and meetings with key staff for a net present value calculation of the potential sale of a service area within the County. RFC was also retained by the County to determine the feasibility of acquiring a wastewater system within the County in order to provide better and higher quality service to the customers.

WINTER HAVEN (FL)

RFC has been engaged by the City of Winter Haven to develop an analysis for potential Fire Assessments within the City at targeted revenue levels. Mr. Williams is leading in the development of the model and will be tasked with generating various assessment roles for multiple entities including the City, the City's mailing agency for mailed notices to all parcels as mandate by Florida state statutes, and to the Polk County property appraiser and tax collector for inclusion on the annual tax bills.

CITY OF AUBURN (AL)

In 2014 RFC was hired by the City of Auburn (City) and the Water Works Board of the City of Auburn (AWWB) to complete water and sewer studies. In order to review future revenue sufficiency of the rates, historical consumption trends were analyzed in conjunction with meeting the financing requirements of major water supply facilities in the capital plan. The study also included recommended changes to the fire protection charges as well as a review of the miscellaneous charges.

DAPHNE UTILITIES (AL)

Mr. Williams assisted with the model, presentation and report development for this project, which includes a full cost of service allocation along with a rate design element. The model is based on comprehensive customer statistics, individual line item budget analysis and cost allocations based on fixed assets, peaking factors, etc.

OTHER RELEVANT PROJECT EXPERIENCE

- Alabaster Water Board (AL) – Water Rate Study
- City of Alachua (FL) – Reclaimed Water Study
- City of Atwater (CA) – Water Rate Study
- City of Auburndale (FL) – Revenue Sufficiency Study
- City of Bartow (FL) – Fire Fees
- Cassatt Water Company (SC) – Water Rate Study
- Charlotte County (FL) – Dispute Resolutions
- City of Clarksville (TN) – Water and Wastewater Financial Planning
- City of Clearwater (FL) – Utility Customer Service Efficiency Review
- Emerald Coast Utilities Authority (FL) – Water and Wastewater Bond Feasibility
- City of Fort Walton Beach (FL) – Water, Wastewater and Stormwater Rate Study
- Indian River County (FL) – AMR/AMI Feasibility Study
- City of Groveland (FL) – Utility Rate Study
- Village of Islamorada (FL) – Wastewater Update
- City of Margate (FL) – Development of a Utility Financial Model
- Town of Oakland (FL) – Water Rate Study | Wastewater Rate Development | Municipal Impact Fee Study | Utility Impact Fees
- Port St. Lucie (FL) – Water, Sewer and Reclaimed Water Rate Study | Water and Sewer Impact Fee Update
- City of Sanford (FL) – Municipal Impact Fee Study
- St. Johns County (FL) – UCF Study
- City of Winnipeg – Cost of Service Analysis
- City of Winter Springs (FL) – Municipal Impact Fee Study

TECHNICAL SPECIALTIES

- » Rate modeling and forecasting
- » Data collection and analysis
- » Utility rate surveys

PROFESSIONAL HISTORY

- » Raftelis Financial Consultants, Inc.: Associate Consultant (2016-present); Intern (2012-2015)

EDUCATION

- » Master of Science in Accounting (MSA) – University of Central Florida (2016)
- » Bachelor of Science in Business Administration (Accounting) – University of Central Florida (2014)

ROBIN CHACKO

PROJECT ANALYST

Associate Consultant

PROFILE

Mr. Chacko has a background in accounting and possesses extensive research and analytical skills. He joined RFC initially in 2012 as an intern and then became full-time upon graduating from the University of Central Florida in July 2016. Mr. Chacko has contributed to the development of financial models and conducted analyses for water and wastewater rate studies, bond feasibility studies, and water and wastewater rate surveys.

RELEVANT PROJECT EXPERIENCE

VOLUSIA COUNTY (FL)

Completed tasks on multiple projects for Volusia County including a financial evaluation model and analysis in the County's northeast peninsula service area. This task included development of a financial model with custom built scenarios based on different ownership assumptions and service area characteristics.

ST. JOHNS COUNTY (FL)

Developed utility bill frequency analysis by customer class based on detailed billing reporting. Other tasks include revenue analysis, rate comparisons, and impact fee comparisons.

FLORIDA KEYS AQUEDUCT AUTHORITY (FL)

Developed rate and impact fee comparisons for comparable service providers. Other billing and data analysis performed on multiple studies.

MOSS CREEK OWNERS ASSOCIATION, INC. (SC)

Mr. Chacko served as an Associate Consultant on a water and wastewater rate study for the Water Oak Utility (WOU) which is a department of the Moss Creek Owners Association. The project included a review of the WOU's rates necessary to meet the projected revenue requirements of the combined water and wastewater utility operations. As part of the study, Mr. Chacko developed a customer billing frequency analysis and financial rate model. He also assisted in the creation of the tables and graphs used in the final written report to Moss Creek.

CITY OF LARGO (FL)

Mr. Chacko serves as an Associate Consultant on a project for the City of Largo (City) to provide wastewater rate and impact fee and stormwater rate consulting services. As part of the study, Mr. Chacko developed a bill frequency analysis to study the available historical

water consumption of the City's different customer types in order to better understand the consumption patterns for each type of customer.

SURVEYS

FLORIDA WATER AND WASTEWATER RATE SURVEY

Mr. Chacko served as the Project Manager for the 2016 and 2014 Florida Water and Wastewater Rate Survey. The Florida survey focused on residential potable water/wastewater bills and rate structures of public utilities. Mr. Chacko helped lead the data collection, analysis, and preparation of the final survey report.

2016 WATER AND WASTEWATER RATE SURVEY

Mr. Chacko is currently assisting in the firm's 2016 National Water and Wastewater Rate Survey. The biennial survey is completed by RFC in conjunction with the American Water Works Association. Mr. Chacko will help to lead the data collection, analysis, and preparation of the 2016 survey.

OTHER RELEVANT EXPERIENCE

- City of Auburndale (FL) – Bond Feasibility Study
- City of DeLand (FL) – Utility Rate and Impact Fee Study
- Pinellas County Utilities (FL) – Utility Business Case and Rate Sustainability Study