

PROFESSIONAL CONSULTANT SERVICES AGREEMENT

UCR FORECAST LLC

Economic Benefit Analysis

THIS PROFESSIONAL CONSULTANT SERVICES AGREEMENT ("Agreement") is made and entered into this ____ day of _____, 20____ ("Effective Date"), by and between the CITY OF RIVERSIDE ("City"), a California charter city and municipal corporation and UCR FORECAST LLC, a California limited liability company ("Consultant").

1. **Scope of Services.** City agrees to retain and does hereby retain Consultant and Consultant agrees to provide the services more particularly described in Exhibit "A," "Scope of Services" ("Services"), attached hereto and incorporated herein by reference, in conjunction with Economic Benefit Analysis ("Project").

2. **Term.** This Agreement shall be effective on the date first written above and shall remain in effect until July 30, 2106, unless otherwise terminated pursuant to the provisions herein.

3. **Compensation/Payment.** Consultant shall perform the Services under this Agreement for the total sum not to exceed Sixty-Six Thousand Dollars (\$66,000) payable in accordance with the terms set forth in Exhibit "B." Said payment shall be made in accordance with City's usual accounting procedures upon receipt and approval of an itemized invoice setting forth the services performed. The invoices shall be delivered to City at the address set forth in Section 4 hereof.

4. **Notices.** Any notices required to be given, hereunder shall be in writing and shall be personally served or given by mail. Any notice given by mail shall be deemed given when deposited in the United States Mail, certified and postage prepaid, addressed to the party to be served as follows:

To City

Riverside Public Utilities
City of Riverside
Attn: Jolene Church
3750 University Avenue, 5th Floor
Riverside, CA 92501

To Consultant

UCR Forecast LLC
Attn: Victoria Bond
900 University Avenue, Anderson Hall
Riverside, CA 92521

5. **Prevailing Wage.** If applicable, Consultant and all subcontractors are required to pay the general prevailing wage rates of per diem wages and overtime and holiday wages determined by the Director of the Department of Industrial Relations under Section 1720 et seq. of the California Labor Code and implemented by Resolution No. 13346 of the City Council of the City of Riverside.

The Director's determination is available on-line at:

www.dir.ca.gov/dlsr/DPreWageDetermination.htm and is referred to and made a part hereof; the wage rates therein ascertained, determined, and specified are referred to and made a part hereof as though fully set forth herein.

6. **Contract Administration.** A designee of the City will be appointed in writing by the City Manager or Department Director to administer this Agreement on behalf of City and shall be referred to herein as Contract Administrator.

7. **Standard of Performance.** While performing the Services, Consultant shall exercise the reasonable professional care and skill customarily exercised by reputable members of Consultant's profession practicing in the Metropolitan Southern California Area, and shall use reasonable diligence and best judgment while exercising its professional skill and expertise.

8. **Personnel.** Consultant shall furnish all personnel necessary to perform the Services and shall be responsible for their performance and compensation. Consultant recognizes that the qualifications and experience of the personnel to be used are vital to professional and timely completion of the Services. The key personnel listed in Exhibit "C" attached hereto and incorporated herein by this reference and assigned to perform portions of the Services shall remain assigned through completion of the Services, unless otherwise mutually agreed by the parties in writing, or caused by hardship or resignation in which case substitutes shall be subject to City approval.

9. **Assignment and Subcontracting.** Neither party shall assign any right, interest, or obligation in or under this Agreement to any other entity without prior written consent of the other party. In any event, no assignment shall be made unless the assignee expressly assumes the obligations of assignor under this Agreement, in a writing satisfactory to the parties. Consultant acknowledges that any assignment may, at the City's sole discretion, require City Manager and/or City Council approval. Consultant shall not subcontract any portion of the work required by this Agreement without prior written approval by the responsible City Contract Administrator. Subcontracts, if any, shall contain a provision making them subject to all provisions stipulated in this Agreement, including without limitation, the insurance obligations set forth in Section 12. The Consultant acknowledges and agrees that the City is an intended beneficiary of any work performed by any subcontractor for purposes of establishing a duty of care between any subcontractor and the City.

10. **Independent Contractor.** In the performance of this Agreement, Consultant, and Consultant's employees, subcontractors and agents, shall act in an independent capacity as independent contractors, and not as officers or employees of the City of Riverside. Consultant acknowledges and agrees that the City has no obligation to pay or withhold state or federal taxes or to provide workers' compensation or unemployment insurance to Consultant, or to Consultant's employees, subcontractors and agents. Consultant, as an independent contractor, shall be responsible for any and all taxes that apply to Consultant as an employer.

11. **Indemnification.**

11.1 **Design Professional Defined.** For purposes of this Agreement, "Design Professional" includes the following:

- A. An individual licensed as an architect pursuant to Chapter 3 (commencing with Section 5500) of Division 3 of the Business and Professions Code, and a business entity offering architectural services in accordance with that chapter.
- B. An individual licensed as a landscape architect pursuant to Chapter 3.5 (commencing with Section 5615) of Division 3 of the Business and Professions Code, and a business entity offering landscape architectural services in accordance with that chapter.
- C. An individual registered as a professional engineer pursuant to Chapter 7 (commencing with Section 6700) of Division 3 of the Business and Professions Code, and a business entity offering professional engineering services in accordance with that chapter.
- D. An individual licensed as a professional land surveyor pursuant to Chapter 15 (commencing with Section 8700) of Division 3 of the Business and Professions Code, and a business entity offering professional land surveying services in accordance with that chapter.

11.2 **Defense Obligation for Design Professional Liability.** Consultant agrees, at its cost and expense, to promptly defend the City, and the City's employees, officers, managers, agents and council members (collectively the "Parties to be Defended") from and against any and all claims, allegations, lawsuits, arbitration proceedings, administrative proceedings, regulatory proceedings, or other legal proceedings to the extent the same arise out of, pertain to, or relate to the negligence, recklessness or willful misconduct of Consultant, or anyone employed by or working under the Consultant or for services rendered to the Consultant in the performance of the Agreement, notwithstanding that the City may have benefited from its work or services and whether or not caused in part by the negligence of an Indemnified Party. Consultant agrees to provide this defense immediately upon written notice from the City, and with well qualified, adequately insured and experienced legal counsel acceptable to City. This obligation to defend as set forth herein is binding on the successors, assigns and heirs of Consultant and shall survive the termination of Consultant's Services under this Agreement.

11.3 **Indemnity for Design Professional Liability.** When the law establishes a professional standard of care for Consultant's services, to the fullest extent permitted by law, Consultant shall indemnify, protect and hold harmless the City and the City's employees, officers, managers, agents, and Council Members ("Indemnified Parties") from and against any and all claim for damage, charge, lawsuit, action, judicial, administrative, regulatory or arbitration proceeding, damage, cost, expense (including counsel and expert fees), judgment, civil fines and penalties, liabilities or losses of any kind or nature whatsoever to the extent the same arise out of, pertain to, or

relate to the negligence, recklessness or willful misconduct of Consultant, or anyone employed by or working under the Consultant or for services rendered to the Consultant in the performance of the Agreement, notwithstanding that the City may have benefited from its work or services and whether or not caused in part by the negligence of an Indemnified Party.

11.4 Defense Obligation for Other than Design Professional Liability.

Consultant agrees, at its cost and expense, to promptly defend the City, and the City's employees, officers, managers, agents and council members (collectively the "Parties to be Defended") from and against any and all claims, allegations, lawsuits, arbitration proceedings, administrative proceedings, regulatory proceedings, or other legal proceedings which arise out of, or relate to, or are in any way connected with: 1) the Services, work, activities, operations, or duties of the Consultant, or of anyone employed by or working under the Consultant, or 2) any breach of the Agreement by the Consultant.

This duty to defend shall apply whether or not such claims, allegations, lawsuits or proceedings have merit or are meritless, or which involve claims or allegations that any or all of the Parties to be Defended were actively, passively, or concurrently negligent, or which otherwise assert that the Parties to be Defended are responsible, in whole or in part, for any loss, damage or injury. Consultant agrees to provide this defense immediately upon written notice from the City, and with well qualified, adequately insured and experienced legal counsel acceptable to City. This obligation to defend as set forth herein is binding on the successors, assigns and heirs of Consultant and shall survive the termination of Consultant's Services under this Agreement.

11.5 Indemnity for Other than Design Professional Liability.

Except as to the sole negligence or willful misconduct of the City, Consultant agrees to indemnify, protect and hold harmless the Indemnified Parties from and against any claim for damage, charge, lawsuit, action, judicial, administrative, regulatory or arbitration proceeding, damage, cost, expense (including counsel and expert fees), judgment, civil fine and penalties, liabilities or losses of any kind or nature whatsoever whether actual, threatened or alleged, which arise out of, pertain to, or relate to, or are a consequence of, or are attributable to, or are in any manner connected with the performance of the Services, work, activities, operations or duties of the Consultant, or anyone employed by or working under the Consultant or for services rendered to Consultant in the performance of this Agreement, notwithstanding that the City may have benefited from its work or services. This indemnification provision shall apply to any acts, omissions, negligence, recklessness, or willful misconduct, whether active or passive, on the part of the Consultant or anyone employed or working under the Consultant.

12. Insurance.

12.1 General Provisions.

Prior to the City's execution of this Agreement, Consultant shall provide satisfactory evidence of, and shall thereafter maintain during the term of this Agreement, such insurance policies and coverages in the types, limits, forms and ratings required herein. The rating and required insurance policies and coverages may be modified in writing by the City's Risk Manager or City Attorney, or a designee, unless such modification is prohibited by law.

12.1.1 Limitations.

These minimum amounts of coverage shall not constitute any limitation or cap on Consultant's indemnification obligations under Section 11 hereof.

12.1.2 **Ratings.** Any insurance policy or coverage provided by Consultant or subcontractors as required by this Agreement shall be deemed inadequate and a material breach of this Agreement, unless such policy or coverage is issued by insurance companies authorized to transact insurance business in the State of California with a policy holder's rating of A or higher and a Financial Class of VII or higher.

12.1.3 **Cancellation.** The policies shall not be canceled unless thirty (30) days prior written notification of intended cancellation has been given to City by certified or registered mail, postage prepaid.

12.1.4 **Adequacy.** The City, its officers, employees and agents make no representation that the types or limits of insurance specified to be carried by Consultant pursuant to this Agreement are adequate to protect Consultant. If Consultant believes that any required insurance coverage is inadequate, Consultant will obtain such additional insurance coverage as Consultant deems adequate, at Consultant's sole expense.

12.2 **Workers' Compensation Insurance.** By executing this Agreement, Consultant certifies that Consultant is aware of and will comply with Section 3700 of the Labor Code of the State of California requiring every employer to be insured against liability for workers' compensation, or to undertake self-insurance before commencing any of the work. Consultant shall carry the insurance or provide for self-insurance required by California law to protect said Consultant from claims under the Workers' Compensation Act. Prior to City's execution of this Agreement, Consultant shall file with City either 1) a certificate of insurance showing that such insurance is in effect, or that Consultant is self-insured for such coverage, or 2) a certified statement that Consultant has no employees, and acknowledging that if Consultant does employ any person, the necessary certificate of insurance will immediately be filed with City. Any certificate filed with City shall provide that City will be given ten (10) days prior written notice before modification or cancellation thereof.

12.3 **Commercial General Liability and Automobile Insurance.** Prior to City's execution of this Agreement, Consultant shall obtain, and shall thereafter maintain during the term of this Agreement, commercial general liability insurance and automobile liability insurance as required to insure Consultant against damages for personal injury, including accidental death, as well as from claims for property damage, which may arise from or which may concern operations by anyone directly or indirectly employed by, connected with, or acting for or on behalf of Consultant. The City, and its officers, employees and agents, shall be named as additional insureds under the Consultant's insurance policies.

12.3.1 Consultant's commercial general liability insurance policy shall cover both bodily injury (including death) and property damage (including, but not limited to, premises operations liability, products-completed operations liability, independent contractor's liability, personal injury liability, and contractual liability) in an amount not less than \$1,000,000 per occurrence and a general aggregate limit in the amount of not less than \$2,000,000.

12.3.2 Consultant's automobile liability policy shall cover both bodily injury and property damage in an amount not less than \$1,000,000 per occurrence and an aggregate limit of not less than \$1,000,000. All of Consultant's automobile and/or commercial general liability insurance policies shall cover all vehicles used in connection with Consultant's performance of this Agreement, which vehicles shall include, but are not limited to, Consultant owned vehicles, Consultant leased vehicles, Consultant's employee vehicles, non-Consultant owned vehicles and hired vehicles.

12.3.3 Prior to City's execution of this Agreement, copies of insurance policies or original certificates along with additional insured endorsements acceptable to the City evidencing the coverage required by this Agreement, for both commercial general and automobile liability insurance, shall be filed with City and shall include the City and its officers, employees and agents, as additional insureds. Said policies shall be in the usual form of commercial general and automobile liability insurance policies, but shall include the following provisions:

It is agreed that the City of Riverside, and its officers, employees and agents, are added as additional insureds under this policy, solely for work done by and on behalf of the named insured for the City of Riverside.

12.3.4 The insurance policy or policies shall also comply with the following provisions:

- a. The policy shall be endorsed to waive any right of subrogation against the City and its sub-consultants, employees, officers and agents for services performed under this Agreement.
- b. If the policy is written on a claims-made basis, the certificate should so specify and the policy must continue in force for one year after completion of the services. The retroactive date of coverage must also be listed.
- c. The policy shall specify that the insurance provided by Consultant will be considered primary and not contributory to any other insurance available to the City and Endorsement No. CG 20010413 shall be provided to the City.

12.4 **Errors and Omissions Insurance.** Prior to City's execution of this Agreement, Consultant shall obtain, and shall thereafter maintain during the term of this Agreement, errors and omissions professional liability insurance in the minimum amount of \$1,000,000 to protect the City from claims resulting from the Consultant's activities.

12.5 **Subcontractors' Insurance.** Consultant shall require all of its subcontractors to carry insurance, in an amount sufficient to cover the risk of injury, damage or loss that may be caused by the subcontractors' scope of work and activities provided in furtherance of this Agreement, including, but without limitation, the following coverages: Workers Compensation,

Commercial General Liability, Errors and Omissions, and Automobile liability. Upon City's request, Consultant shall provide City with satisfactory evidence that Subcontractors have obtained insurance policies and coverages required by this section.

13. **Business Tax.** Consultant understands that the Services performed under this Agreement constitutes doing business in the City of Riverside, and Consultant agrees that Consultant will register for and pay a business tax pursuant to Chapter 5.04 of the Riverside Municipal Code and keep such tax certificate current during the term of this Agreement.

14. **Time of Essence.** Time is of the essence for each and every provision of this Agreement.

15. **City's Right to Employ Other Consultants.** City reserves the right to employ other Consultants in connection with the Project. If the City is required to employ another consultant to complete Consultant's work, due to the failure of the Consultant to perform, or due to the breach of any of the provisions of this Agreement, the City reserves the right to seek reimbursement from Consultant.

16. **Accounting Records.** Consultant shall maintain complete and accurate records with respect to costs incurred under this Agreement. All such records shall be clearly identifiable. Consultant shall allow a representative of City during normal business hours to examine, audit, and make transcripts or copies of such records and any other documents created pursuant to this Agreement. Consultant shall allow inspection of all work, data, documents, proceedings, and activities related to the Agreement for a period of three (3) years from the date of final payment under this Agreement.

17. **Confidentiality.** All ideas, memoranda, specifications, plans, procedures, drawings, descriptions, computer program data, input record data, written information, and other materials either created by or provided to Consultant in connection with the performance of this Agreement shall be held confidential by Consultant, except as otherwise directed by City's Contract Administrator. Nothing furnished to Consultant which is otherwise known to the Consultant or is generally known, or has become known, to the related industry shall be deemed confidential. Consultant shall not use City's name or insignia, photographs of the Project, or any publicity pertaining to the Services or the Project in any magazine, trade paper, newspaper, television or radio production, website, or other similar medium without the prior written consent of the City.

18. **Ownership of Documents.** All reports, maps, drawings and other contract deliverables prepared under this Agreement by Consultant shall be and remain the property of City. Consultant shall not release to others information furnished by City without prior express written approval of City.

19. **Copyrights.** Consultant agrees that any work prepared for City which is eligible for copyright protection in the United States or elsewhere shall be a work made for hire. If any such work is deemed for any reason not to be a work made for hire, Consultant assigns all right, title and interest in the copyright in such work, and all extensions and renewals thereof, to City, and agrees to

provide all assistance reasonably requested by City in the establishment, preservation and enforcement of its copyright in such work, such assistance to be provided at City's expense but without any additional compensation to Consultant. Consultant agrees to waive all moral rights relating to the work developed or produced, including without limitation any and all rights of identification of authorship and any and all rights of approval, restriction or limitation on use or subsequent modifications.

20. **Conflict of Interest.** Consultant, for itself and on behalf of the individuals listed in Exhibit "C," represents and warrants that by the execution of this Agreement, they have no interest, present or contemplated, in the Project affected by the above-described Services. Consultant further warrants that neither Consultant, nor the individuals listed in Exhibit "C" have any real property, business interests or income interests that will be affected by this project or, alternatively, that Consultant will file with the City an affidavit disclosing any such interest.

21. **Solicitation.** Consultant warrants that Consultant has not employed or retained any person or agency to solicit or secure this Agreement, nor has it entered into any agreement or understanding for a commission, percentage, brokerage, or contingent fee to be paid to secure this Agreement. For breach of this warranty, City shall have the right to terminate this Agreement without liability and pay Consultant only for the value of work Consultant has actually performed, or, in its sole discretion, to deduct from the Agreement price or otherwise recover from Consultant the full amount of such commission, percentage, brokerage or commission fee. The remedies specified in this section shall be in addition to and not in lieu of those remedies otherwise specified in this Agreement.

22. **General Compliance with Laws.** Consultant shall keep fully informed of federal, state and local laws and ordinances and regulations which in any manner affect those employed by Consultant, or in any way affect the performance of services by Consultant pursuant to this Agreement. Consultant shall at all times observe and comply with all such laws, ordinances and regulations, and shall be solely responsible for any failure to comply with all applicable laws, ordinances and regulations. Consultant represents and warrants that Consultant has obtained all necessary licenses to perform the Scope of Services and that such licenses are in good standing. Consultant further represents and warrants that the services provided herein shall conform to all ordinances, policies and practices of the City of Riverside.

23. **Waiver.** No action or failure to act by the City shall constitute a waiver of any right or duty afforded City under this Agreement, nor shall any such action or failure to act constitute approval of or acquiescence in any breach thereunder, except as may be specifically, provided in this Agreement or as may be otherwise agreed in writing.

24. **Amendments.** This Agreement may be modified or amended only by a written agreement and/or change order executed by the Consultant and City.

25. **Termination.** City, by notifying Consultant in writing, shall have the right to terminate any or all of Consultant's services and work covered by this Agreement at any time. In the event of such termination, Consultant may submit Consultant's final written statement of the amount

of Consultant's services as of the date of such termination based upon the ratio that the work completed bears to the total work required to make the report complete, subject to the City's rights under Sections 15 and 25 hereof. In ascertaining the work actually rendered through the termination date, City shall consider completed work, work in progress and complete and incomplete reports and other documents only after delivered to City.

25.1 Other than as stated below, City shall give Consultant thirty (30) days prior written notice prior to termination.

25.2 City may terminate this Agreement upon fifteen (15) days written notice to Consultant, in the event:

25.2.1 Consultant substantially fails to perform or materially breaches the Agreement; or

25.2.2 City decides to abandon or postpone the Project.

26. **Offsets.** Consultant acknowledges and agrees that with respect to any business tax or penalties thereon, utility charges, invoiced fee or other debt which Consultant owes or may owe to the City, City reserves the right to withhold and offset said amounts from payments or refunds or reimbursements owed by City to Consultant. Notice of such withholding and offset, shall promptly be given to Consultant by City in writing. In the event of a dispute as to the amount owed or whether such amount is owed to the City, City will hold such disputed amount until either the appropriate appeal process has been completed or until the dispute has been resolved.

27. **Successors and Assigns.** This Agreement shall be binding upon City and its successors and assigns, and upon Consultant and its permitted successors and assigns, and shall not be assigned by Consultant, either in whole or in part, except as otherwise provided in paragraph 9 of this Agreement.

28. **Venue and Attorneys' Fees.** Any action at law or in equity brought by either of the parties hereto for the purpose of enforcing a right or rights provided for by this Agreement shall be tried in a court of competent jurisdiction in the County of Riverside, State of California, and the parties hereby waive all provisions of law providing for a change of venue in such proceedings to any other county. In the event either party hereto shall bring suit to enforce any term of this Agreement or to recover any damages for and on account of the breach of any term or condition of this Agreement, it is mutually agreed that the prevailing party in such action shall recover all costs thereof, including reasonable attorneys' fees. However, the recovery of attorneys' fees by the prevailing party is limited to individual actions or proceedings in which the City elects, at the initiation of that individual action or proceeding, to seek recovery of its own attorneys' fee. In no action shall an award of attorneys' fees to the prevailing party exceed the amount of reasonable attorneys' fees incurred by the City in the action or proceeding.

29. **Nondiscrimination.** During Consultant's performance of this Agreement, Consultant shall not discriminate on the grounds of race, religious creed, color, national origin, ancestry, age, physical disability, mental disability, medical condition, including the medical condition of Acquired

Immune Deficiency Syndrome (AIDS) or any condition related thereto, marital status, sex, genetic information, gender, gender identity, gender expression, or sexual orientation, in the selection and retention of employees and subcontractors and the procurement of materials and equipment, except as provided in Section 12940 of the California Government Code. Further, Consultant agrees to conform to the requirements of the Americans with Disabilities Act in the performance of this Agreement.

30. **Severability.** Each provision, term, condition, covenant and/or restriction, in whole and in part, of this Agreement shall be considered severable. In the event any provision, term, condition, covenant and/or restriction, in whole and/or in part, of this Agreement is declared invalid, unconstitutional, or void for any reason, such provision or part thereof shall be severed from this Agreement and shall not affect any other provision, term, condition, covenant and/or restriction of this Agreement, and the remainder of the Agreement shall continue in full force and effect.

31. **Authority.** The individuals executing this Agreement and the instruments referenced herein on behalf of Consultant each represent and warrant that they have the legal power, right and actual authority to bind Consultant to the terms and conditions hereof and thereof.

32. **Entire Agreement.** This Agreement constitutes the final, complete, and exclusive statement of the terms of the agreement between the parties pertaining to the subject matter of this Agreement, and supersedes all prior and contemporaneous understandings or agreements of the parties. Neither party has been induced to enter into this Agreement by and neither party is relying on, any representation or warranty outside those expressly set forth in this Agreement.

33. **Interpretation.** City and Consultant acknowledge and agree that this Agreement is the product of mutual arms-length negotiations and accordingly, the rule of construction, which provides that the ambiguities in a document shall be construed against the drafter of that document, shall have no application to the interpretation and enforcement of this Agreement.

33.1 Titles and captions are for convenience of reference only and do not define, describe or limit the scope or the intent of the Agreement or any of its terms. Reference to section numbers, are to sections in the Agreement unless expressly stated otherwise.

33.2 This Agreement shall be governed by and construed in accordance with the laws of the State of California in effect at the time of the execution of this Agreement.

33.3 In the event of a conflict between the body of this Agreement and Exhibit "A" attached hereto, the terms contained in Exhibit "A" shall be controlling.

34. **Exhibits.** The following exhibits attached hereto are incorporated herein to this Agreement by this reference:

- Exhibit "A" - Scope of Services
- Exhibit "B" - Compensation
- Exhibit "C" - Key Personnel

IN WITNESS WHEREOF, City and Consultant have caused this Agreement to be duly executed the day and year first above written.

CITY OF RIVERSIDE, a California charter city and municipal corporation

UCR FORECAST LLC, a California limited liability company

By: _____
Utilities General Manager

By: _____

Attest: _____
City Clerk

Printed Name

Title

Approved as to Form:

By: _____

By: _____
Assistant City Attorney

Printed Name

Title

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EXHIBIT "A"

SCOPE OF SERVICES



School of Business
Administration
Center for Economic
Forecasting and Development

Home of the A. Gary Anderson Graduate School of Management

**RESPONSE TO REQUEST FOR PROPOSAL
(RFP No. 1568)**

ECONOMIC BENEFIT ANALYSIS CONSULTING SERVICES

Presented to:

City of Riverside Public Utilities Department
3750 University Avenue, 5th Floor
Riverside, CA 92501

Presented by:

UC Riverside School of Business Administration
Center or Economic Forecasting and Development
900 University Avenue, Anderson Hall
Riverside, California 92521
951-827-2792

December 7, 2015

EXHIBIT A SCOPE OF SERVICES

SCOPE OF WORK/WORK PLAN

The Center for Economic Forecasting and Development (the Center) proposes providing Riverside Public Utilities (RPU) with an economic analysis and report on the ownership structure of local utilities. Empirical research has found that there are a variety of potential benefits associated with public vs. private utilities. However, the results vary on a case-by-case basis and can depend heavily on local conditions. This analysis would assess the potential costs and benefits of public vs. private utilities using comparative data, local economic indicators, and other quantitative and qualitative information to assess the net benefit of RPU. There are many potential benefits to public ownership/management of a local utility. The proposed economic benefit analysis would analyze each of the following indicators/potential benefits where possible given data limitations. These include:

Task 1: Agency Rates Comparison and Assessment

Using data from RPU as well as publicly available data from sources including Southern California Edison, the U.S. Energy Information Administration (EIA), California's Independent Systems Operator (Cal ISO), Metropolitan Water District (MWD), the Los Angeles Department of Water and Power (LADWP), and others, the Center will compare rates paid by customers of RPU with rates paid by residents of other local jurisdictions and the state of California as a whole in order to determine the amount of savings, if any, that RPU customers benefit from as a result of a locally-owned utility company.

Task 2: Consumer Purchasing Power

In addition to identifying the savings, the Center will conduct an economic impact analysis using the IMPLAN system to calculate the indirect and induced spending that would occur if consumers are found to be saving money as a result of lower rates. For example, if each consumer saves money on their utility bills as a result of lower rates, some of this savings would flow back into the local economy in the form of increased spending on various categories such as food, transportation, general retail, dining, and others.

The Center will thus calculate the aggregate savings to RPU customers as a result of lower rates and conduct a multiplier analysis to determine the output and employment impacts of these savings as well as their impact on state and local tax revenues.

In order to make these calculations, the Center will rely on the percentage of savings for each major type of utility expenditure (water, gas, and electricity) identified in Task 1, and then apply those percentages to the aggregate spending paid to RPU for each one of these lines of service. Next, the Center will utilize data from the U.S. Bureau of Labor Statistics' Consumer Expenditure Survey (CE Survey) to determine how these funds would be distributed across various categories of spending in the local economy. Using these estimates of aggregate additional spending by category, the Center will use IMPLAN to calculate the indirect and induced effects of this additional local spending on the economy.

Task 3: Regional Impacts and the Needs of the City of Riverside

By having a locally-owned, public utility, RPU is able to make choices that directly benefit the local and regional economy:

- This includes undertaking a variety of economic activities from administration to capital improvement programs directly in the local economy rather than having the activity spread across a much larger geographic service area
- Many private-sector utilities provide service to a much broader area than a locally-owned public

utility in order to maximize economies of scale and spread fixed costs across a larger group of rate-payers.

- For example, another large utility in Southern California (Edison), has a large administrative building located across the entire Southern California area, with many of its activities housed in its Rosemead Headquarters location in order to provide service to the larger service area.
- By, owning their own public utility, many of the jobs and other economic activities associated with providing service for ratepayers occurs locally, which can generate a variety of indirect and induced effects above and beyond the provisioning of services in the local economy.
- The Center will compare the funding provided to Riverside's General Fund by RPU and compare that to a hypothetical amount of revenues that would be received by the City if it were to assess franchise fees or utility use taxes as might be the case were the City to receive its utilities from a private-sector utility company under the same level of consumption of each type of utility (gas, electricity, and water).

In addition, RPU provides both funding to the City's general fund to be utilized by the City:

- These funds can be used to finance its other operations because and "profit" generated by RPU will flow back into the city's coffers rather than held as retained earnings or distributed back to shareholders as would be the case in a privately-owned utility.
- In addition to these "profits," RPU engages in a variety of programming and outreach services which can also generate economic impacts.
- The Center will utilize the IMPLAN system to determine the multiplier effects of these activities as well in terms of their effects on output and employment in the local economy.

Task 4: Impact on Economic Development

By having a local public utility in place, the capital improvement programs undertaken to expand or diversify power generation and transmission, provide water or gas to residents can help to develop the local economy.

- Many of the capital improvements that are or will be made by RPU will occur within the City of Riverside, which generates significant positive impacts associated with construction and development.
- In addition, these investments can help to catalyze growth in other parts of the City that would not necessarily be possible without the provisioning of utilities in these areas.
- Private-sector utilities may not find it profitable to undertake significant capital improvements in places in remote or undeveloped areas where there is not a large commercial/industrial or residential base to help it recoup its costs.
- A publicly-owned utility can also consider the economic development benefits of such investments such as unlocking more residential or commercial/industrial growth in the future as part of its decision-making process, which can facilitate growth in areas that may not receive it were it to rely on generating short-run profits for the utility.
- Working with RPU, the Center will identify significant capital investments made or planned for the future and estimate the indirect and induced benefits of these investments using the IMPLAN system.
- In addition to calculating the "multiplier" effects of these investments, the Center will also help to identify case studies of specific investments and their contributions to the economic development of specific areas of Riverside.

Task 5: Local Job Impact and Benefit

RPU undertakes a variety of economic activities from administration to capital improvement programs directly in the local economy rather than having the activity spread across a much larger geographic service area:

- By, owning their own public utility, many of the jobs and other economic activities associated with providing service for ratepayers occurs locally, which can generate a variety of indirect and induced effects above and beyond the provisioning of services in the local economy.
- RPU employs roughly 600 workers across the region, as well as a host of procurement and operational expenses related to its operations.
- Using the most recent year of operational expenditures, the Center will calculate the economic impact of its annual operations of the City of Riverside and/or Riverside County as a result of its local presence.
- This analysis will include an estimate of the direct, indirect, and induced effects of employment and operations as well as an estimate of the state and local tax revenues supported by RPU.
- The Center will also calculate the economic impacts associated with the capital improvement program using the IMPLAN system to determine the multiplier effects of those investments as noted in Task 4.

Task 6: Sustainability and Green Initiatives

By owning their own utility, ratepayers and City leaders can have greater control in ensuring that the provisioning of utility services are aligned with the needs and preferences of the local economy.

- For example, the City can be more aggressive in utilizing renewables as a source of power generation and transmission if it decides to do so.
- It can attempt to utilize more sustainable sources of water for its ratepayers, and other environmental or social strategies.
- These efforts can help the city to reach its social and environmental objectives in addition to benefitting the economic prospects for the city.
- In addition to highlighting these efforts and discussing their value, the Center will also calculate the economic impacts (direct, indirect, and induced) of spending made in order to support these programs using the IMPLAN system.

Task 7: Public Sector Wages/Benefits

By employing the staff of the utility locally, the City of Riverside can capture more of the indirect and induced benefits of those employees spending from wages and benefits in the local economy versus having those wages and benefits being earned outside the local economy at a larger, regional private-sector utility company. The use of a local, publicly-managed workforce can also help to improve reliability of the overall system through choice of how RPU is staffed. For this task, the Center proposes:

- Identifying the number of workers employed by RPU and their corresponding place of residence in order to determine the proportion of wage/benefits that are captured locally and therefore providing stimulus to Riverside.
- Understanding the amount of RPU employees who also live locally will help to provide insights into the local stimulus that is achieved through the employment of these workers.
- In addition, the Center proposes detailing the number of workers according to their various occupations, in order to calculate how much of the wage/benefits paid accrue to front-line service workers versus administrative staff to highlight the emphasis on reliability.

Task 8. Local Controls and Service

Another potential benefit to a publicly-owned utility is that levels of service specifically in the local economy can be a primary focus. Large-scale private utility companies face a myriad of competing priorities including providing value to shareholders/owners, facing challenges across a much broader area with a more diverse set of needs and priorities. Addressing an outage in Riverside may be just one of many issues facing a utility with a much larger service area, whereas it can be a top priority for the local, publicly-owned utility. In addition, service can be improved because of the proximity to the customer base. Residents of Riverside do not have to commute to Rosemead or some other location outside of the local economy to have their issues or concerns addressed. To demonstrate this, the Center proposes to:

- Summarize the operating performance of RPU in terms of their internal metrics on reliability and quality of service.
- In addition, the Center will attempt to compare levels of service provided by RPU with levels of service for other utility providers in the region.
- This will include items (when possible) such as level of service ratings, number and frequency of outages, and duration of outages or disruptions to service.

Task 9: Alignment/Coordination of Utility Supply and Pricing with Local Economic Development Purposes

By owning their own utility, ratepayers and City leaders can have greater control in ensuring that the provisioning of utility services help to drive economic development efforts in the City of Riverside. RPU provides a variety of incentives to help attract and maintain businesses within the City. The Center proposes to:

- Identify and summarize current or planned incentive programs offered by RPU to keep rates low or attract/maintain businesses in its borders.
- Work with RPU to obtain data on the businesses or sectors that have received these benefits as well as the amount of benefit that has been received by those users.
- Analyze the data on incentive recipients according to industry or sector as well as in the aggregate over time.
- Contrasting these results with local employment data on an industry/sector basis to demonstrate whether these incentive programs have been helpful in growing the number of establishments or employment in sectors that received the incentives as compared with the broader county economy using economic models.

The attached Work Plan lays out the individual tasks that are associated with fulfilling the scope of work proposed herein along with an estimated number of hours required for completing these tasks broken down by staff categories:

Task	Director Hours	Senior Economist/ Economist Hours	Research Associate Hours
Literature Review/Research	0.00	2.00	30.00
Data gathering (Internal/External)	0.00	5.00	70.00
Data analysis	10.00	15.00	80.00

Creating graphics	0.00	1.00	40.00
Report writing	5.00	10.00	75.00
Copyediting	0.00	2.50	24.00
Formatting draft report	0.00	2.50	12.00
Reviewing client feedback	2.00	3.00	14.00
Drafting final report	2.00	8.00	18.00
Total	19.00	49.00	363.00

EXHIBIT "B"
COMPENSATION

**EXHIBIT B
COMPENSATION**

PRICE PROPOSAL

The Center proposes providing RPU with all the services and products described herein for a total amount of \$66,000. This is an inclusive price for all services and deliverables outlined in the RFP. Any additional services or products that fall outside of the described scope will require additional pricing.

EXHIBIT "C"

KEY PERSONNEL

EXHIBIT C PERSONNEL

KEY PROJECT PERSONNEL

Following are biographies describing the experience of all research staff who will be involved in this project. The Center is happy to provide additional resumes/CVs. Staff information can also be found at www.soba.ucr.edu/centers/forecasting.html.

Dr. Christopher Thornberg is Director of the Center for Economic Forecasting and Development. He is also Partner of Beacon Economics, LLC and widely considered to be one of California's leading economists. He will serve as the principal in charge of all analysis conducted under this RFP. He served as the lead analyst on each of the economic impact projects described in the firm experience section below.

An expert in economic impact analysis, economic forecasting, regional economics, real estate analysis, labor markets, and economic policy, Dr. Thornberg was one of the earliest and most adamant predictors of the subprime mortgage market crash that began in 2007, and of the global economic recession that followed. He was recently appointed as a member of California State Treasurer John Chiang's Economic Advisory Council and advises the Treasurer about a wide variety of issues affecting the California economy. Since 2006, he has served on the advisory board of Wall Street hedge fund, Paulson & Co. Inc. Between 2008 and 2012, he served as a chief economic advisor to the California State Controller's Office.

A highly sought after speaker, Dr. Thornberg regularly presents to leading business, government, and nonprofit organizations across the globe. These groups include REOMAC, the California State Association of Counties, Colliers International, State Farm Insurance, and the California and Nevada Credit Union League, among many others. He has testified before the U.S. Congress House Committee on Financial Services on municipal debt issues, and before the California State Assembly Committee on Revenue and Taxation regarding rule changes related to Proposition 13.

Dr. Thornberg has been involved in conducting research and developing analytic products for international clients that explore the trade and economic connections between the United States and the world. This has included analysis and speaking presentations regarding the impact that U.S. trading partners have on U.S. global competitiveness for the Centre for Investor Education in Melbourne Australia, and U.S. and international economic outlooks and their effect on global trade activity for the African Cashew Alliance in Cotonou, Benin. He has also conducted a number of special studies measuring the effect of important events on the economy including the NAFTA treaty, the California electricity crisis, port security, California's water transfer programs, and the terrorist attacks of September 11, 2001.

Dr. Thornberg serves on the editorial board of the Graziadio Business Report, a peer-reviewed publication of the Graziadio School of Business and Management at Pepperdine University. He is also a panel member of the National Association of Business Economists' quarterly "Outlook" and a contributor to the "Economic Consensus Outlook" published by the Journal of Business Forecasting.

Dr. Thornberg also serves on the boards of a number of business and nonprofit organizations including on the Board of Directors of the Los Angeles Area Chamber of Commerce, as a member of the Residential Real Estate Committee at the University of San Diego's Burnham-Moores Center for Residential Real Estate, as a Business Leader Member of America's Edge, a nonprofit organization focused on strengthening businesses and the economy through public investments in youth and education, and on the Advisory Board of the Asian Real Estate Association of America.

Dr. Thornberg was a senior economist with UCLA's Anderson Forecast where he regularly authored economic outlooks for California, Los Angeles, the East Bay, and developed specialized forecasts for a variety of public and private entities.

He previously taught in the MBA program at UCLA's Anderson School, in the Rady School of Business at UCSD, and at Thammasat University in Bangkok, Thailand. He has also held a faculty position in the economics department at Clemson University. A well-known media commentator, Dr. Thornberg has appeared on CNN and NPR and is regularly quoted in major national dailies including the Wall Street Journal and New York Times.

Originally from upstate New York, Dr. Thornberg holds a Ph.D in Business Economics from The Anderson School at UCLA, and a B.S. in Business Administration from the State University of New York at Buffalo.

Jordan Levine is Senior Economist at the Center for Economic Forecasting and Development. He is also Director of Economic Research at Beacon Economics. Mr. Levine is a leading authority on the California economy and its many regional economies. He has conducted economic forecasting and analysis for the Office of the California State Controller, the Los Angeles Chamber of Commerce, the California Bankers Association, and Paulson & Co., Inc., among many others. He is in growing demand as a public speaker and as a trusted source among major national and state media. He is regularly quoted by print and broadcast media outlets including the Sacramento Bee, San Jose Mercury News, Los Angeles Business Journal, KNX Radio in Los Angeles, and Capital Public Radio in Sacramento. An accomplished presenter, Mr. Levine has regularly delivered information on the state budget and economy to the California State Controller's Council of Economic Advisors and delivered the state forecast at annual high-profile regional forecast conferences.

Mr. Levine specializes in analyzing economic indicators such as real output, employment, demographics, home prices, consumer spending, and new construction. He also has extensive experience analyzing the U.S. economy including gross domestic product; international trade; money, credit, and banking sectors; employment and labor force; and real estate markets.

Mr. Levine was formerly an analyst with Quant Economics Inc., where he studied and predicted the economic effects alleged in business disputes for a wide variety of clients. Projects he managed while at Quant helped to discover hundreds of millions in monetary damages for his clients.

Mr. Levine's academic background includes an emphasis in international trade, monetary economics, and micro/macroeconomic analysis. His research on the manufacturing industry resulted in an innovative technique to measure the effect of global trade on U.S. employment. He is a member of the American Economics Association, the Econometrics Society, and the National Association of Business Economics.

Mr. Levine holds an M.A. in International Economics with Merit from the University of Sussex and a B.A. in Business Economics from the University of California, Santa Barbara.

Eric Meux is a Research Associate at the Center for Economic Forecasting and Development. Mr. Meux plays a key role in the Center's data analysis, modeling, and other research functions including conducting public revenue forecasting, international trade analysis, and managing and organizing the many large and complex databases the Center employs. His analytic work has been used by clients including the Transportation Corridor Agencies of Orange County and the African Cashew Alliance located in Benin, Africa. He was also instrumental in preparing a cost-benefit analysis for an education proposition that appeared on California's November 2012 statewide ballot. Mr. Meux has extensive expertise in conducting consumer demand analysis and in applying mathematical and statistical analysis to assess the economic impacts of programs and policies. His professional experience also includes working with a variety of data software and conducting macroeconomic forecasts for labor and commodity markets.

Mr Meux was formerly a research associate with the Department of Agriculture and Resource Economics at the University of California at Berkeley. In that role he managed and enhanced economic models, and managed and

analyzed data related to Federal, state, and local revenues and expenditures. He previously served as a research assistant in the department where he oversaw training for an undergraduate research team.

Mr. Meux holds an M.S. degree in agricultural and resource economics from the University of California at Davis and a B.S. degree in environmental economics and policy from the University of California at Berkeley.

Dustin Schrader is Public Policy Manager at the Center for Economic Forecasting and Development. Mr. Schrader plays a leading role in the Center's principal research projects including performing econometric analysis; studying California's regional economies; assessing the economic impacts of private and public programs, policies, and events; and conducting economic policy analysis. In 2012 he was a lead researcher on a major economic impact study that examined the effect of a large music festival on a regional economy. He recently published a coauthored op-ed on 'NIMBY'ism' at LAX in the Los Angeles Business Journal and he regularly authors the "Demographic" and "Business Activity" chapters in regional forecast books, which serve as centerpieces for large, annual forecast conferences held across Southern California.

Mr. Schrader has an academic background in econometrics and research experience in both the public and private sector. Formerly, he served as a research assistant for the Division of Social Sciences at the University of Chicago, examining electorate and demographics data primarily at the municipal and county levels. He has also served as a staffer and policy researcher for two members of Congress in the Illinois Delegation.

Mr. Schrader holds an M.P.P. degree from the University of Chicago and a B.A. degree in Political Science from the University of Illinois, Urbana-Champaign.

Rafael De Anda is Research Project Manager at the Center for Economic Forecasting and Development. Mr. De Anda plays a key role in the Center's principal research projects including conducting extensive high-level data analysis of leading economic indicators in the Inland Empire, the Central Coast, and other regions across California. He also has significant expertise in performing econometric analysis, maintaining and managing extensive databases, conducting research in support statewide economic forecasts, and assessing the economic impacts of private and public programs, policies, and events. Formerly, Mr. De Anda served as a research assistant with the Los Angeles County Economic Development Corporation Kyser Center where he co-authored numerous reports including analyses of international trade and an annual regional economic forecast and industry outlook. Mr. De Anda has an academic background in global economics and forecasting. Fluent in Spanish, he is highly proficient in a variety of economic and econometric software programs including STATA, EViews, and SPSS.

Mr. De Anda holds an M.A. degree in Economics from California State University, Los Angeles, and a B.A. degree in economics from the University of California at Riverside.

Brian Vanderplas is a Senior Research Associate at the Center for Economic Forecasting and Development. Mr. Vanderplas is responsible for building and maintaining a wide variety of complex databases that support the Center's projects and statewide and national economic forecasts. In addition to preparing, cleaning, and seasonally adjusting data, he has extensive experience using a wide array of economic and econometric software programs including STATA, EViews, and SPSS. Mr. Vanderplas conducts regional economic analysis and authors the 'demographics' and 'quality of life' chapters in regional economic forecast books. His academic focus included transportation economics and international trade and development. He has conducted graduate level research on the educational attainment level of migrant populations and on fuel consumption as it relates to population density.

Mr. Vanderplas holds M.A and B.A. degrees in Economics from California State University at Long Beach.

Alan Hooper is a Research Associate at the Center for Economic Forecasting and Development. Mr. Hooper is responsible for supporting the Center's principal research projects including conducting econometric analysis, working with proprietary statewide and national forecast models, and managing a wide variety of complex databases. He has extensive experience using economic and econometric software programs including STATA and SPSS. Mr. Hooper previously served as an Assistant Director at Southern Regional Model United Nations where he researched United Nations policy and moderated debates on a wide range of global economic issues. He also conducted graduate level research on Federal government policies related to crop insurance while a Graduate Research Assistant at Clemson University. This work included designing qualitative surveys to assess participants' use of different risk management techniques.

Mr. Hooper holds M.A and B.A. degrees in Economics from Clemson University.

Erica Hallie Comp is a Research Associate at the Center for Economic Forecasting and Development. Ms. Comp is responsible for conducting econometric modeling and analysis; maintaining and managing large and complex datasets; conducting research in support of policy and economic impact analysis; creating presentation materials; and writing regional reports. She has academic experience in the areas of econometrics and economic forecasting and in the application of statistical and econometric software programs including STATA and EViews. Ms. Comp previously served as a Student Research Assistant at the A. Gary Anderson Center for Economic Research at Chapman University where she helped to prepare the University's economic forecast, enhance econometric models, create new models, and analyze economic data. She also formerly interned as a Financial Analyst for The Ayco Company, A Goldman Sachs firm, where she prepared client oriented financial reports related to portfolio construction and investment management. Ms. Comp holds a B.A. degree in Economics from Chapman University.