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COUNTY OF MENDOCINO
BOARD OF SUPERVISORS
501 Low Gap Road • Room 1010
Ukiah, California 95482

Date: July 21, 2022

From: Mendocino County Supervisor Dan Gjerde

To: Mendocino County Board of Supervisors

RE: **Are Mendocino County funds paying for polling and political consultants?**
Agenda Items 3P & 6A, expenditures and activities of Inland Water

With adoption of the FY2021-2022 budget, the Board of Supervisors consented to increase Mendocino County contribution to the Mendocino Inland Water & Power Commission (Inland Water) from an annual transfer of \$25,000 to \$50,000.

Question #1: Does the FY2022-23 budget include \$25,000 or \$50,000 to Inland Water?

A request for public documents reveals that in September of 2021 Inland Water's Chair, Janet Pauli, signed a contract for political polling and consulting services. The contract is attached to this memo and shows Inland Water commissioned a poll testing public support for a parcel tax to finance what Inland Water's minutes throughout 2021 and 2022 have called the "PVP Ballot Measure."

The contract is attached, along with a summary of the pollster's questions and findings. In summary, the attachments show polling services by Godbe research were estimated at between \$28,650 and \$31,450. The contract also includes another \$30,000 to political consultant NBS. In fact, the contract identifies Phase 1 of the PVP Ballot Measure costing \$76,450. Phase 2 of the contract, which was to include three "Informational Mailings" and digital media produced by TBWBH political consultants was to cost an additional \$98,491.

Question #2: What is the total Inland Water has paid, or will pay, to Godbe Research, and to political consultants NBS and TBWBH?

Inland Water's [minutes of April 14, 2022](#) report, "Potter Valley Project ...PVP ballot measure – Pauli discussed the need to move to a sales tax funding source that would be put on the ballot by the County Supervisors. There is a very short timeframe to get it on the November ballot. Supervisor McGourty is working with the IWPC and the consultants to try and put the process together."

Question #3: What is the involvement of Inland Water, and their consultants, in the Board's sales tax?

Expenses and Fees, Attachment B

Godbe

<u>Project Task</u>	<u>18-min.</u>	<u>20-min.</u>	<u>22-min.</u>
Listed Voter Telephone Sample	\$1,000.00	\$1,000.00	\$1,000.00
Email Sample Purchase	\$800.00	\$800.00	\$800.00
Additional Cell and Email Matching	\$800.00	\$800.00	\$800.00
Internet Version Programming/Testing	\$4,750.00	\$5,000.00	\$5,250.00
CATI Programming of Telephone Version	\$1,350.00	\$1,500.00	\$1,650.00
Internet Version Recruitment/Hosting	\$750.00	\$750.00	\$750.00
Telephone Interviewing	\$7,800.00	\$8,800.00	\$9,800.00
Data Processing	\$900.00	\$900.00	\$900.00
Research Fee	\$7,500.00	\$7,500.00	\$7,500.00
Project Management	\$2,500.00	\$2,500.00	\$2,500.00
<u>Miscellaneous Expenses</u>	<u>\$500.00</u>	<u>\$500.00</u>	<u>\$500.00</u>
Funding Measure Voter Survey	\$28,650.00	\$30,050.00	\$31,450.00

NBS

NBS proposed fees below are based upon our understanding of the need and includes reasonable assumptions on iterations and number of meetings.

Project Fees:

Project Review, Research, and Tax Modeling

\$29,500

Estimated Expenses (as needed)

Not to Exceed \$500

Customary out-of-pocket expenses are billed at the actual cost incurred. These expenses may include travel costs, mailing fulfillment, postage, various third-party charges for data, maps, and recording fees

TBWBH

Total Communication Cost Estimate:

Phase 1 Fee: \$15,000

Phase 2 Fee: \$45,000

3 Informational Mailings: \$43,491

Optional Digital: \$10,000

Summary

Godbe Research @ \$31,450 (this is for the longest survey length option. The IWPC will only be billed for the total amount for the option that reflect the actual time tested length)

NBS @ \$30,000 (\$29,000 in fees and \$500 in reimbursable expenses, if needed)

TBWBH @ \$15,000

TOTAL @ \$76,450 plus TBWBH Phase 2 costs



GODBE RESEARCH
Gain Insight



Mendocino County Inland Water and Power Commission: 2022 Revenue Measure Feasibility Survey

February 2022

Overview and Research Objectives

The Mendocino County Inland Water and Power Commission commissioned Godbe Research to conduct a survey of local voters with the following research objectives:

- Assess opinion on the County's efforts to address the coronavirus crisis;
- Gauge awareness of and satisfaction with the Commission's stewardship of the Russian and Eel River watersheds, as well as management of taxpayer funds;
- Assess potential voter support for a parcel tax measure to help ensure water supply and prepare for droughts with funding that cannot be taken by Sacramento;
- Prioritize projects and programs to be funded with the proceeds;
- Test the influence of informational and critical statements on potential voter support;
- Identify the rate and duration at which voters will support the measure; and
- Identify any differences in voter support due to demographic and/or voter behavioral characteristics.

Methodology Overview

- Data Collection Landline (51), cell (136), text to online (113), and email to online (39) interviewing
- Universe 13,075 likely November 2022 voters in Mendocino County
- Fielding Dates February 2 through February 16, 2022
- Interview Length 19 minutes
- Sample Size 339 Likely November 2022 Voters
- Margin of Error $\pm 5.25\%$ Likely November 2022 Voters



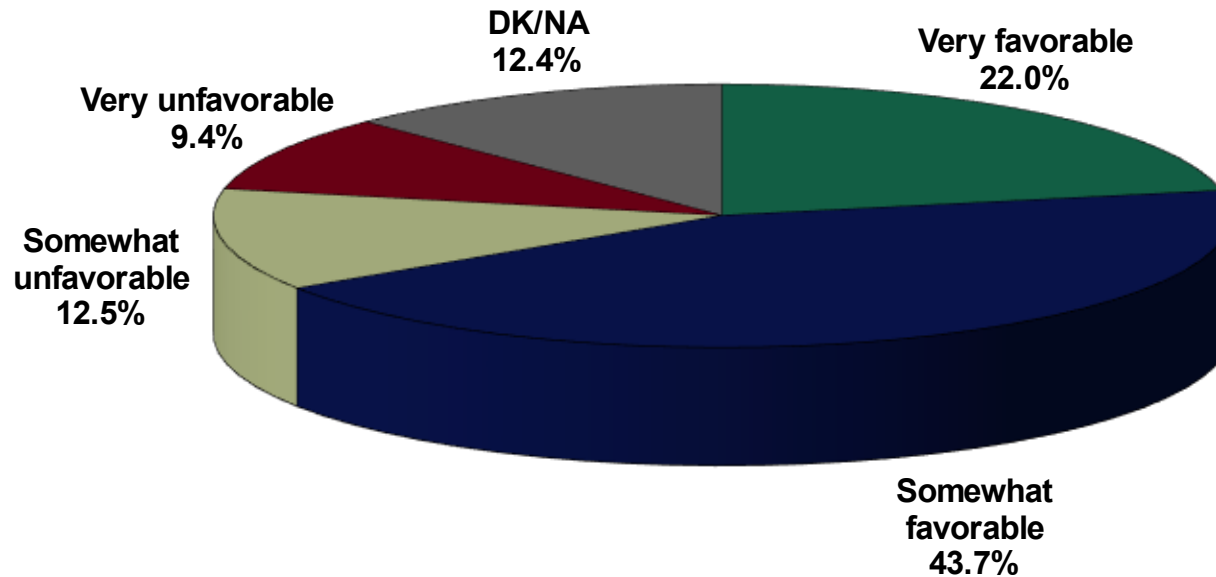
GODBE RESEARCH
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Key Findings

Q1. Favorability Rating for Mendocino County's Efforts to Address the COVID Crisis

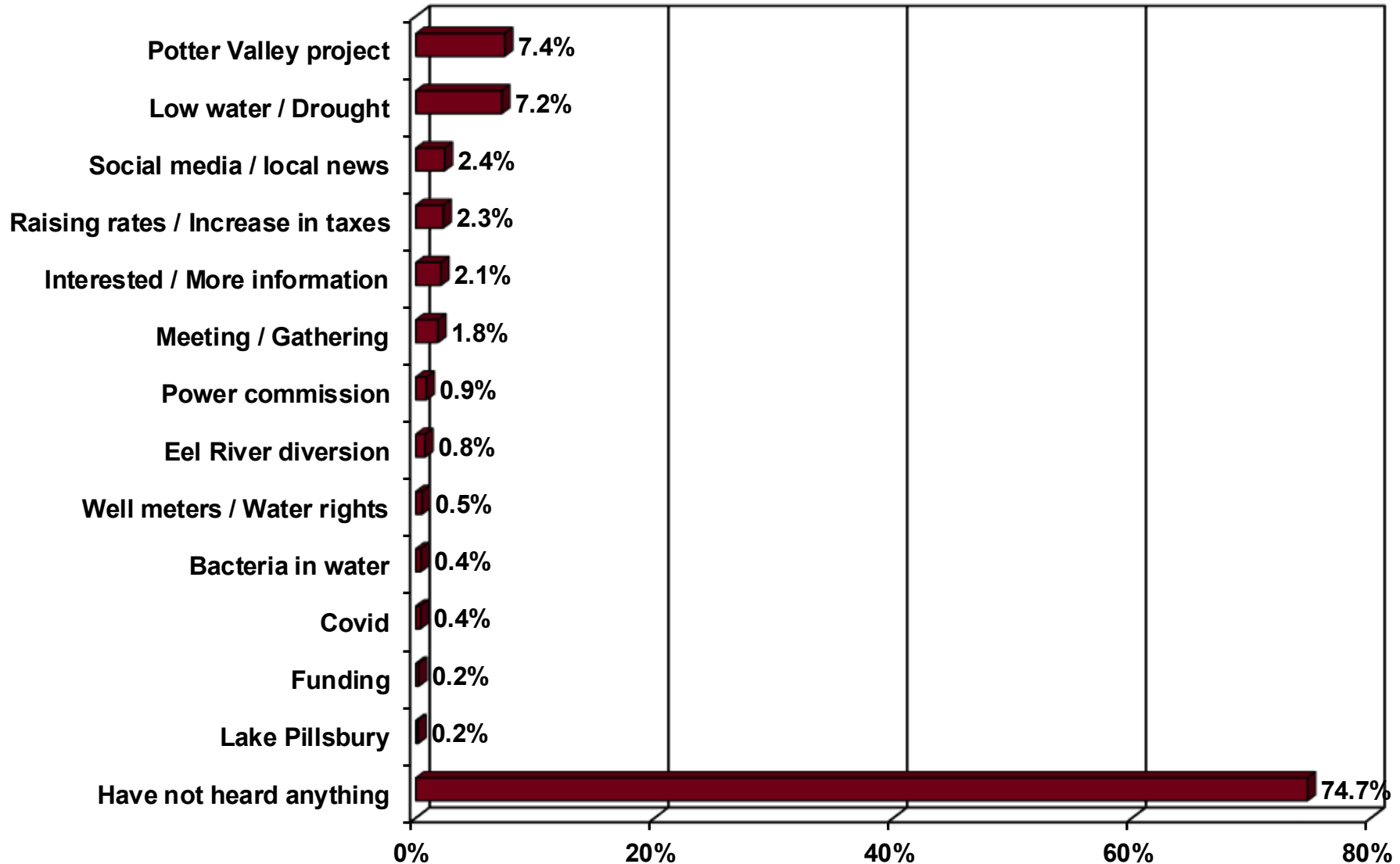
Likely November 2022 Voters



Total Favorable	65.7%
Total Unfavorable	21.9%
Ratio Fav to Unfav	2.99

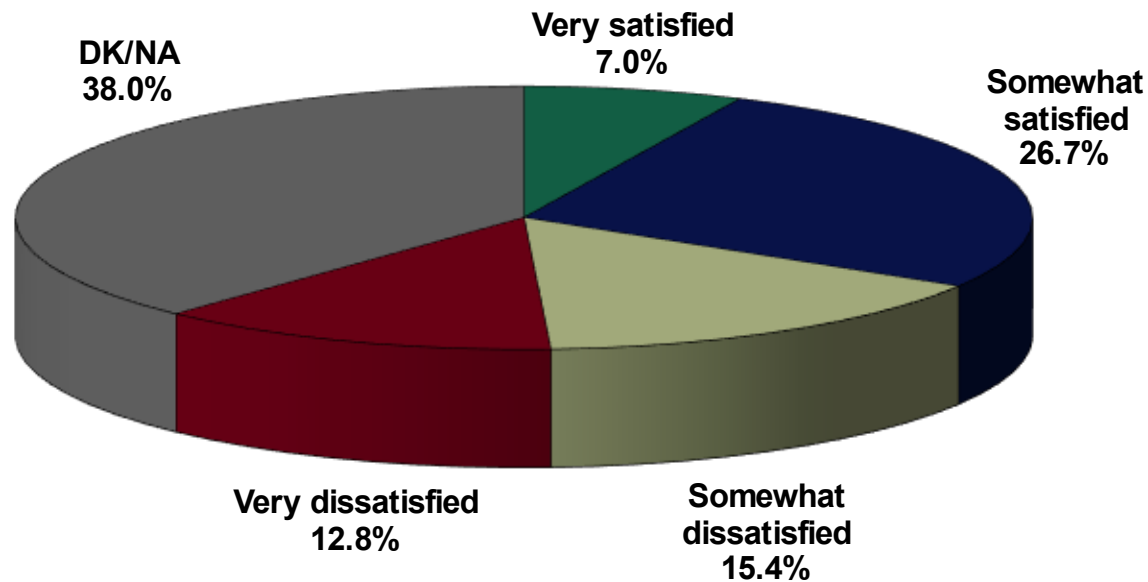
Q2. What Seen, Heard or Read About IWPC in Previous 12 Months

Likely November 2022 Voters



Q3. Satisfaction With IWPC Stewardship of Russian and Eel River Watersheds

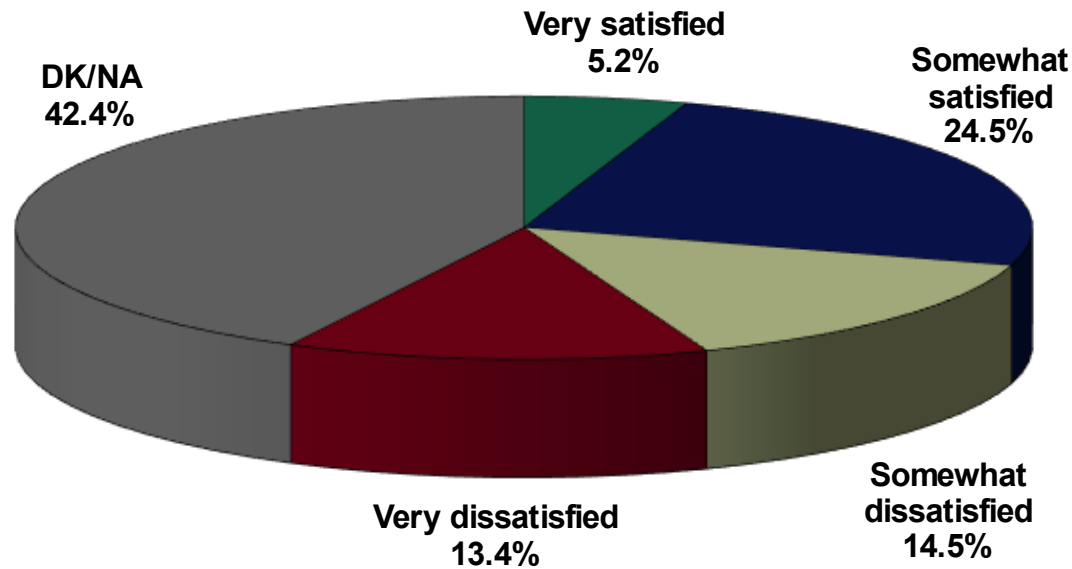
Likely November 2022 Voters



Total Satisfaction	33.7%
Total Dissatisfaction	28.2%
Ratio Sat to Dissat	1.19

Q4. Satisfaction With IWPC's Management of Public Funds

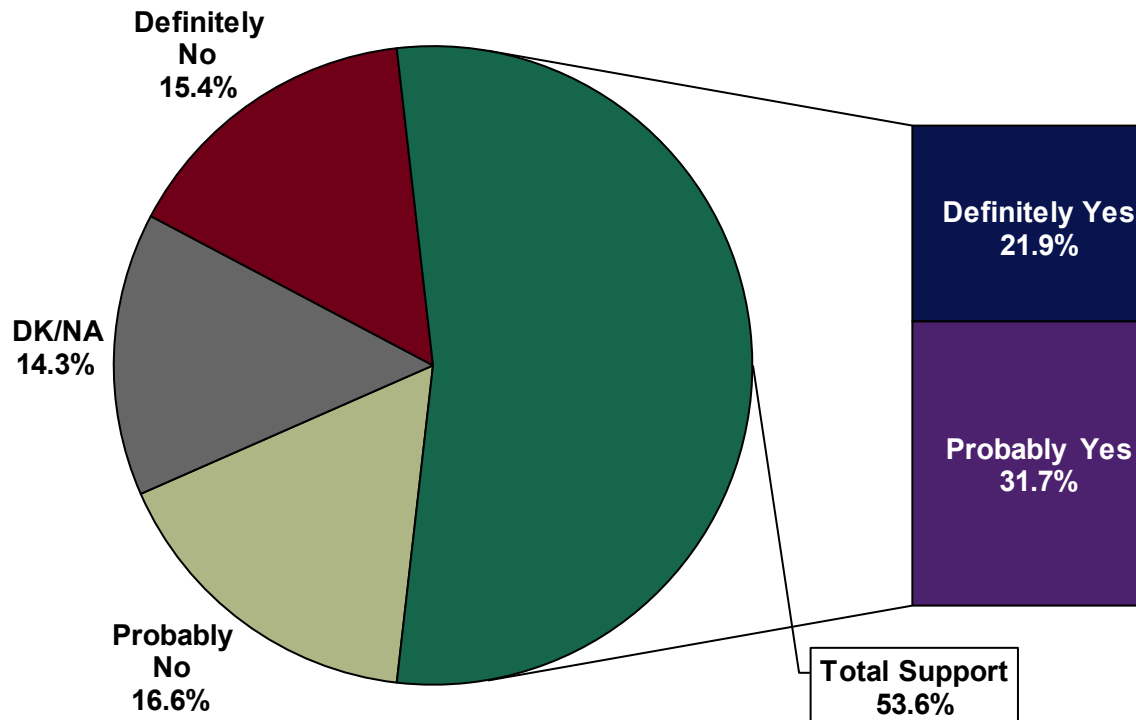
Likely November 2022 Voters



Total Satisfaction	29.7%
Total Dissatisfaction	27.9%
Ratio Sat to Dissat	1.06

Q5. Uninformed Support for Parcel Tax Measure

Likely November 2022 Voters

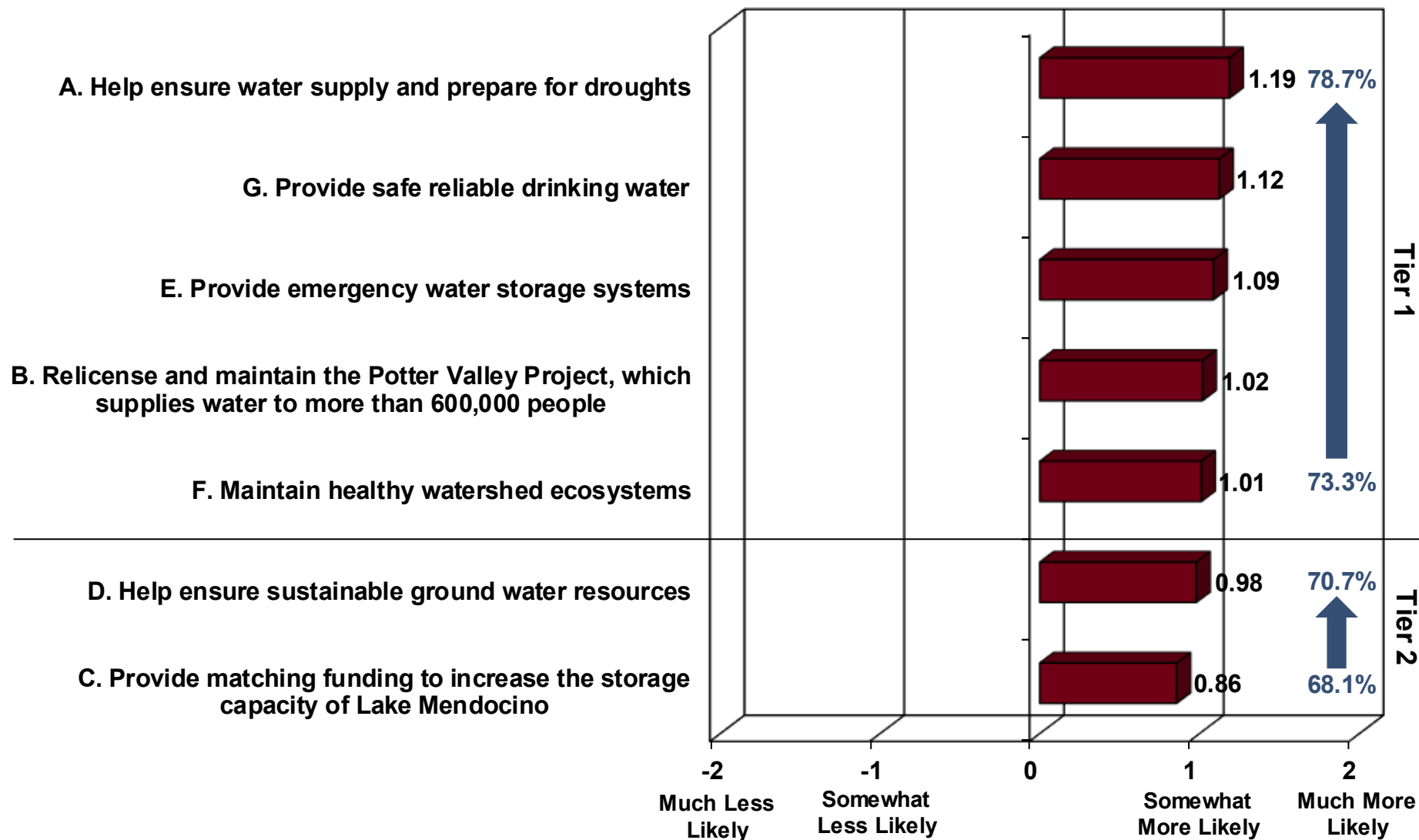


Mendocino County Inland Water and Power Commission Water Security Measure. To help ensure water supply and prepare for droughts, including:

- relicensing and maintaining the Potter Valley Project, which supplies water to more than 600,000 people;
- provide matching funding to increase the storage capacity of Lake Mendocino; and
- ensure sustainable ground water resources;

shall the Mendocino County Inland Water and Power Commission measure be adopted, levying \$97 per parcel, until ended by voters, providing \$1.2 million dollars annually in locally controlled funding, with annual inflation adjustments, independent oversight and audits?

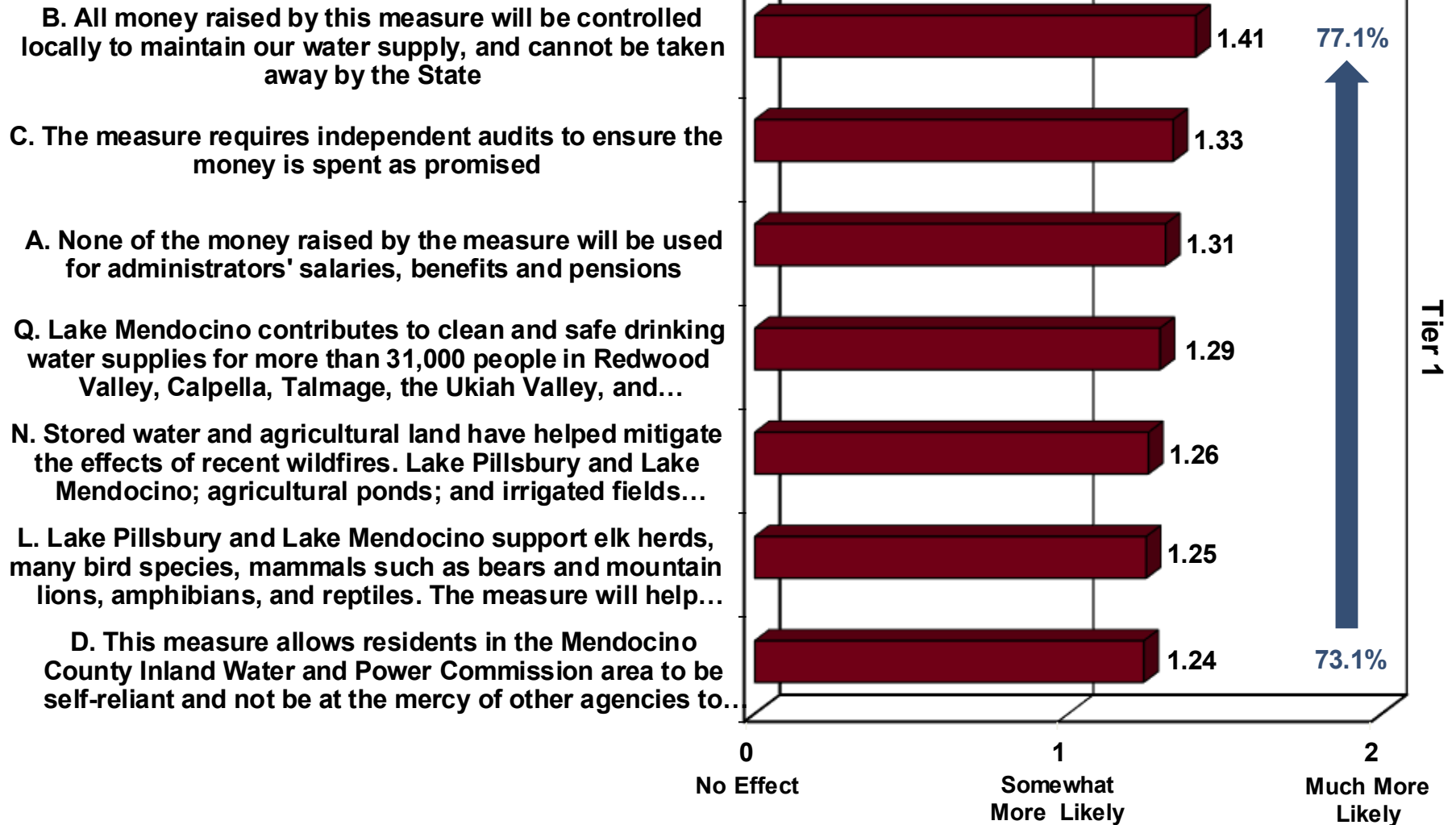
Q6. Features of the Measures Likely November 2022 Voters



Note: The above rating questions have been abbreviated for charting purposes, and responses were recoded to calculate mean scores: "Much More Likely" = +2, "Somewhat More Likely" = +1, "No Effect" = 0, "Somewhat Less Likely" = -1, and "Much Less Likely" = -2.

Q7. Informational Statements I

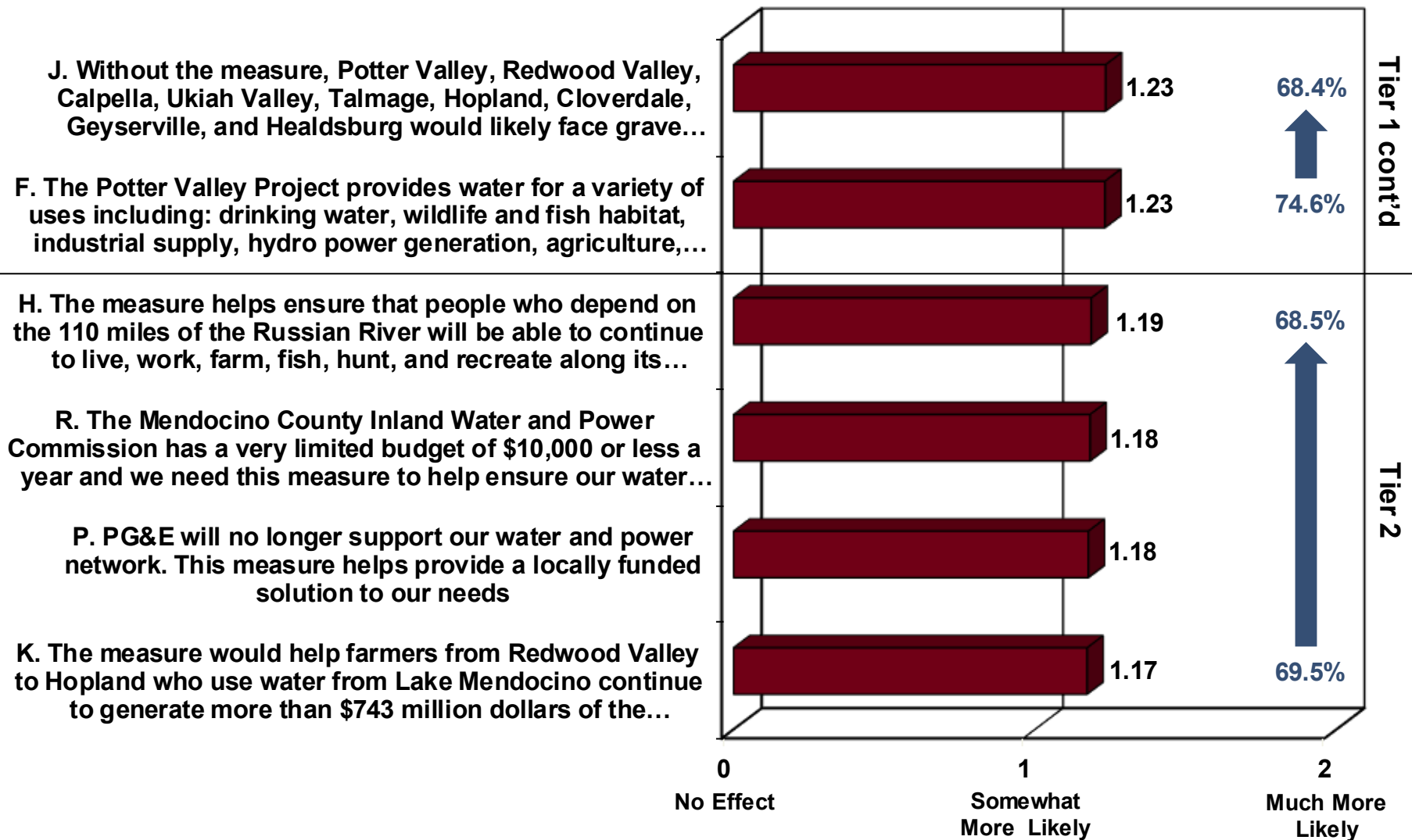
Likely November 2022 Voters



Note: The above rating questions have been abbreviated for charting purposes, and responses were recoded to calculate mean scores: "Much More Likely" = +2, "Somewhat More Likely" = +1, and "No Effect" = 0.

Q7. Informational Statements II

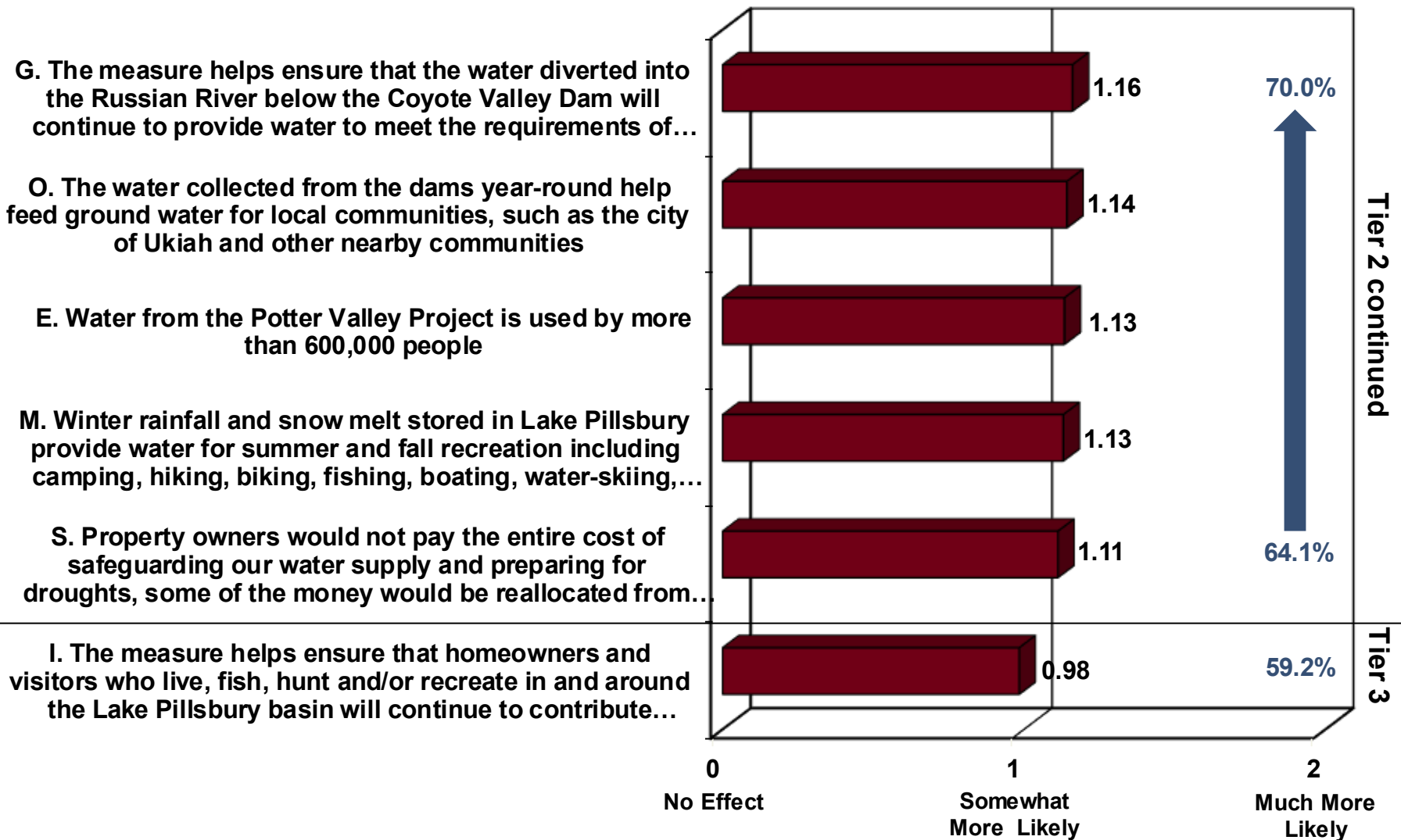
Likely November 2022 Voters



Note: The above rating questions have been abbreviated for charting purposes, and responses were recoded to calculate mean scores: "Much More Likely" = +2, "Somewhat More Likely" = +1, and "No Effect" = 0.

Q7. Informational Statements III

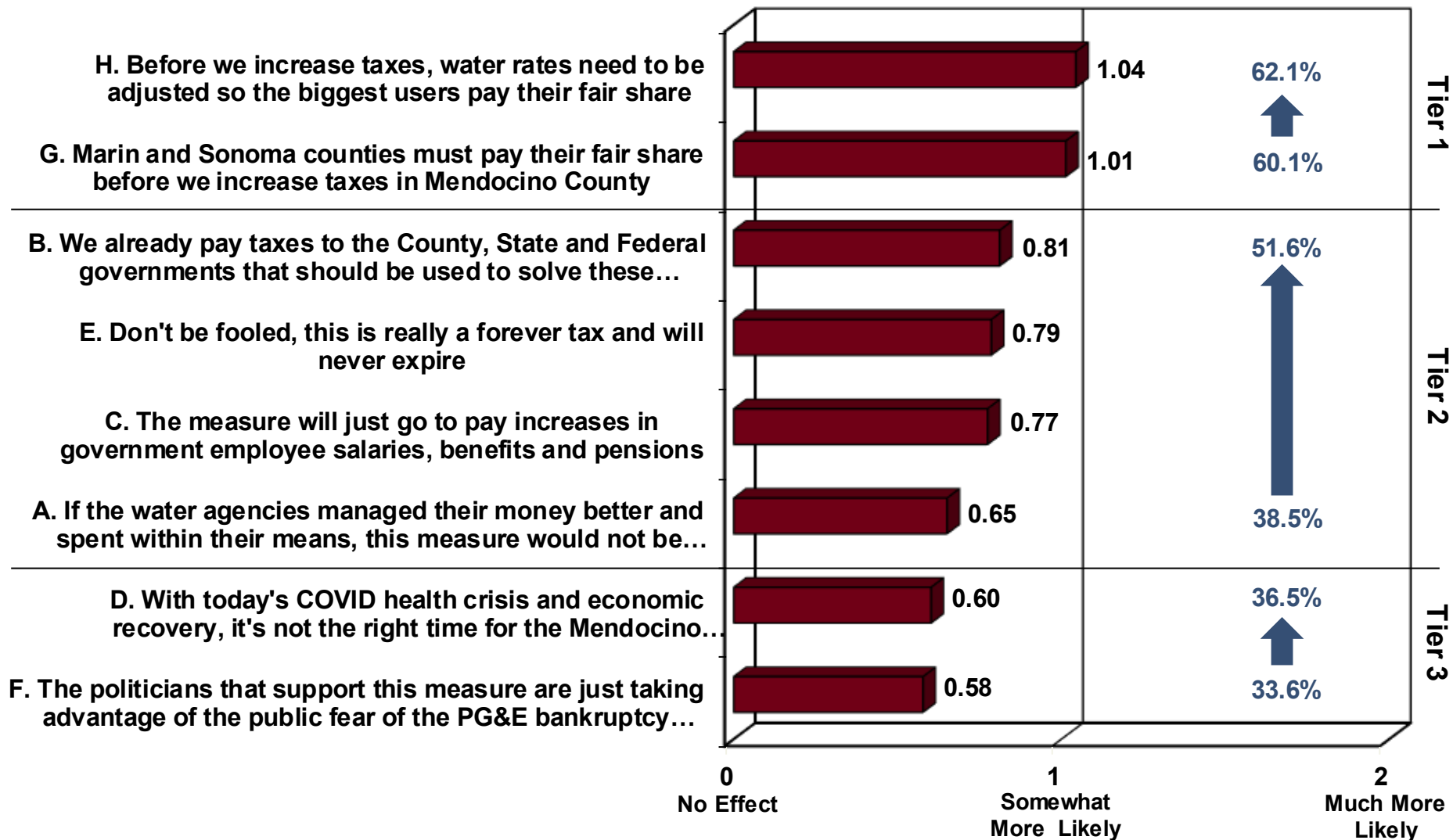
Likely November 2022 Voters



Note: The above rating questions have been abbreviated for charting purposes, and responses were recoded to calculate mean scores: "Much More Likely" = +2, "Somewhat More Likely" = +1, and "No Effect" = 0.

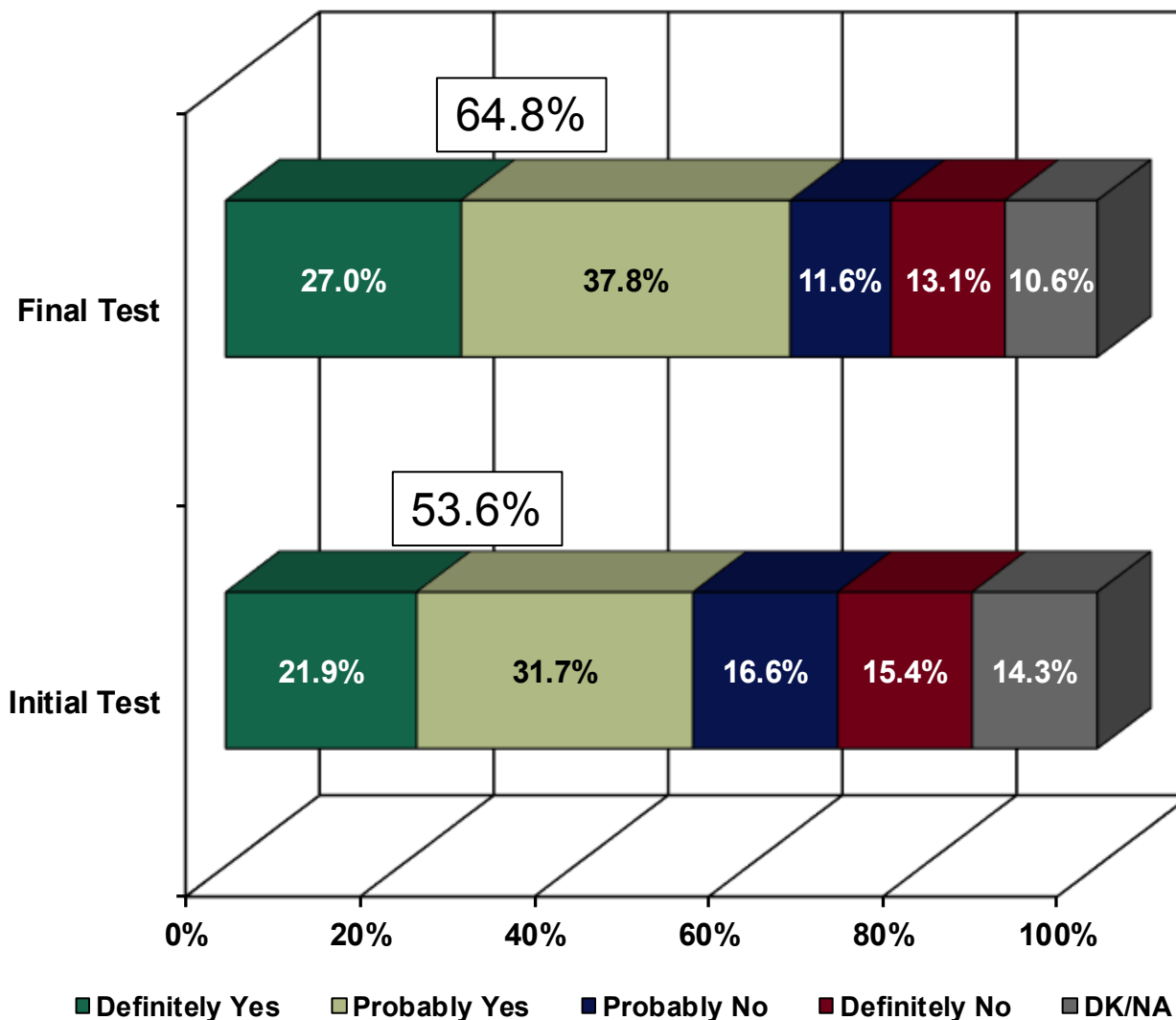
Q8. Critical Statements

Likely November 2022 Voters



Note: The above rating questions have been abbreviated for charting purposes, and responses were recoded to calculate mean scores: "Much More Likely" = +2, "Somewhat More Likely" = +1, and "No Effect" = 0.

Q9. Informed Support for Parcel Tax Likely November 2022 Voters



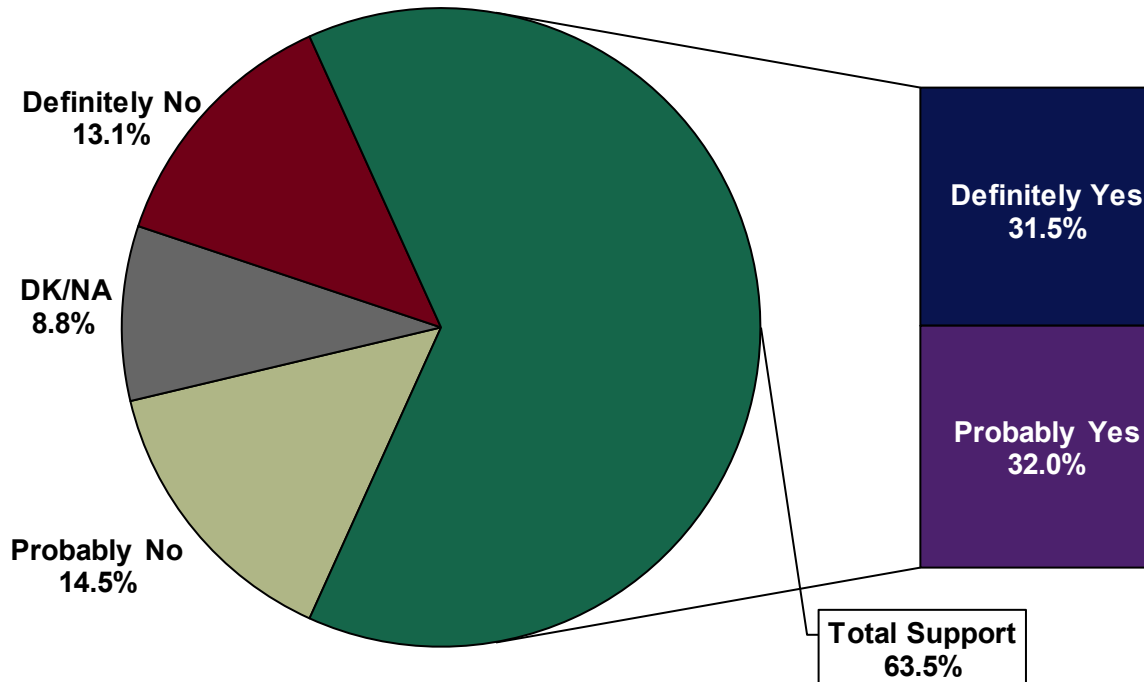
Mendocino County Inland Water and Power Commission Water Security Measure. To help ensure water supply and prepare for droughts, including:

- relicensing and maintaining the Potter Valley Project, which supplies water to more than 600,000 people;
- provide matching funding to increase the storage capacity of Lake Mendocino; and
- ensure sustainable ground water resources;

shall the Mendocino County Inland Water and Power Commission measure be adopted, levying \$97 per parcel, until ended by voters, providing \$1.2 million dollars annually in locally controlled funding, with annual inflation adjustments, independent oversight and audits?

Q10. Support for Alternative \$81 Rate Parcel Tax Measure

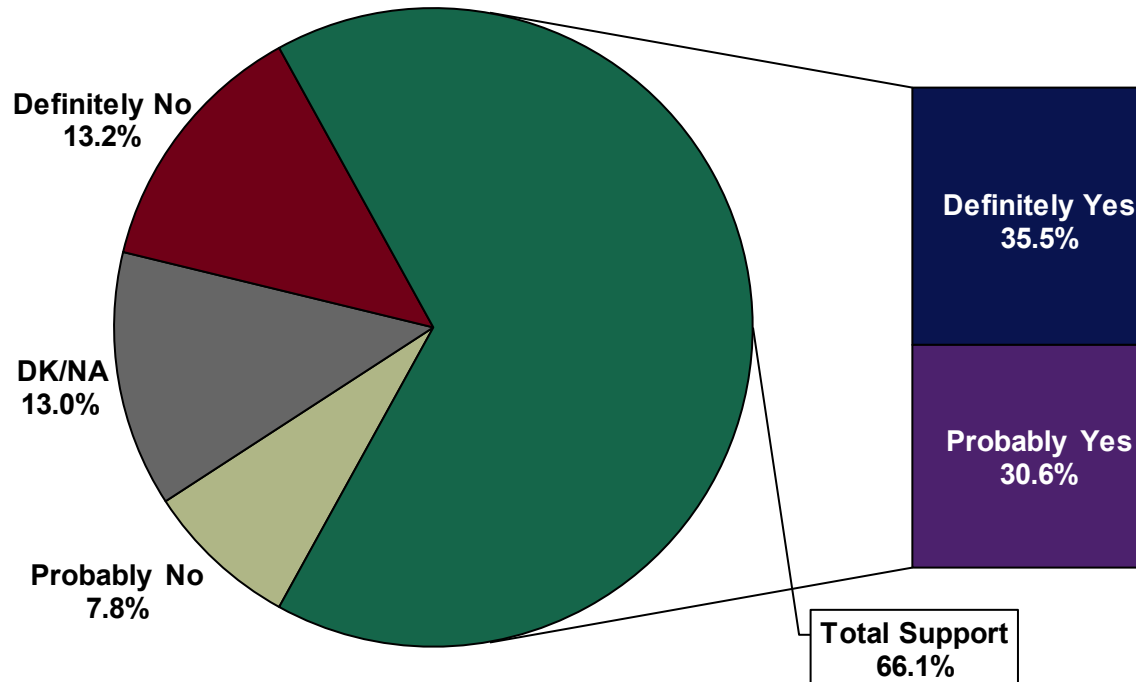
Sample A, Likely November 2022 Voters



INSTEAD of levying a \$97 parcel tax, another alternative would be to establish an \$81 parcel tax to help ensure water supply and prepare for droughts, including: relicensing and maintaining the Potter Valley Project, which supplies water to more than 600,000 people; provide matching funding to increase the storage capacity of Lake Mendocino; and ensure sustainable ground water resources.

Q11. Support for Alternative 9 Year Duration Parcel Tax Measure

Sample B, Likely November 2022 Voters



INSTEAD of establishing a parcel tax until ended by voters, another alternative would be to establish a parcel tax for just 9 years to help ensure water supply and prepare for droughts, including: relicensing and maintaining the Potter Valley Project, which supplies water to more than 600,000 people; provide matching funding to increase the storage capacity of Lake Mendocino; and ensure sustainable ground water resources.



GODBE RESEARCH
Gain Insight



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Scope of Work, Attachment A

1. PROJECT APPROACH

Project Background and Overview

The Godbe Research Project Team, comprised of TBWBH Props & Measures and NBS has the experience and expertise to provide all services required by the IWPC to evaluate voter sentiment for a potential future ballot funding measure for the November 8, 2022, California gubernatorial election cycle, including:

- kicking-off the overall project between The Godbe Research Team, IWPC, and IWPC member agencies;
- development of a timeline of dates and overall strategy that outlines the process and key milestones for a measure for November 2022;
- reviewing current funding streams in the larger Ukiah region, including Potter Valley, Redwood Valley, Calpella, Talmage, Ukiah, and Hopland to develop an appropriate ballot measure revenue strategy;
- determining viable funding measures that the Commission could legally pursue to meet its needs for testing in the voter polling effort;
- developing and fielding a voter polling effort targeting voters that are likely to vote in November 2022;
- analyzing the data from the voter polling, funding measure feasibility analysis, and financial feasibility analysis, and providing the Commission with a written summary of findings, conclusions, and recommendations, including a presentation to IWPC Commissioners;
- The voter polling will be designed to evaluate support for one or more viable funding measures, confirming that November 2022 presents an environment that would be supportive of a measure, testing potential projects and studies to be funded by the measure, the preferred duration of the measure based on voter support, informational statements for public education/outreach, voter willingness to pay, and other topics of interest and importance to the IWPC and the process in general.

Should the results of the voter polling effort, funding measure feasibility analysis, and financial feasibility analysis suggest a ballot funding measure could be successful in the November 2022 election cycle and should the Commission make decision to move forward with placing a measure on the ballot, the Godbe Research Team would then provide the following additional services:

- development of a public education and messaging campaign to be used for education and outreach activities to

the community at large, stakeholders, and registered voters (including homeowners);

- preparing the ballot measure statement, argument for the measure for the voter handbook, and any necessary rebuttal argument in an iterative process between the Commission and its members and the Godbe Research Team.

Project Scope of Work

The Godbe Research Team proposes to complete the overall project based on the proven approach to successful revenue measures that follows four critical steps. Within each step, we also customize a set of strategies and tactics to address the specific challenges, circumstances and nuances for each of our projects.

Step 1: Funding Measure Feasibility study conducted by Godbe Research and TBWBH to determine if, and under what conditions, IWPC can pass a revenue measure to fund the Federal Energy and Regulatory Commission licensing process and other needs. Financial feasibility study to be conducted by NBS to evaluate and determine the viable potential funding measures available to the IWPC, including how much each potential funding measure could generate.

Step 2: Build consensus with outreach, awareness-building and public input strategies that position your measure for success.

Step 3: Build a strong measure by aligning the measure's features with the community's priorities and sensitivities.

Step 4: Campaign for the win by efficiently getting the most compelling message out to persuade voters and mobilize your base of support.*

** This step is provided for informational purposes only in order to fully explain our process. No public resources may be used to support advocacy campaigns.*

Phase 1: Project Kick-Off and Feasibility Studies (Godbe, TBWBH, NBS)

Project Kick Off Meeting

As the first step in the overall project process, the Godbe Research Team will conduct a project kick-off meeting with the IWPC and IWPC member agencies. During the kick-off meeting, we will review the survey voter polling methodology and sampling design of likely November 2022 voters who reside within the boundaries of Commission member agencies, and gather preliminary information needed to help refine and finalize the voter polling questionnaire, as well as other information required by the Godbe Research Team to complete the funding measure feasibility study and financial feasibility study.

Financial Feasibility Study (NBS)

As experts with local revenue tools, NBS will approach this effort with a broad review of possible options including a parcel tax, Community Facilities District/CFD tax, a property-related fee, or other forms of taxes. Such a measure could be implemented under the authorization of the Commission or a County Authority, a County Service Area (CSA), Community Services District (CSD) or other Special District.

NBS will analyze the region overall and create a detailed parcel by parcel database to aggregate for overall revenue generation scenarios. NBS' Utility Consultants will perform relevant research and discuss background items as well as their potential effects on any revenue measure.

NBS will research, gather and review data and information relevant to the project goals. This data will be obtained from various sources, including Agency records, Assessor's parcel maps, County Assessor information. NBS may utilize GIS mapping to assist with the process.

NBS will analyze and review the overall situation and revenue streams to understand the unique challenges and goals of this effort, utilizing NBS' Utility practice as well as the District Consulting Group's experience. This will allow NBS to provide recommendations and guidance to the team.

NBS will work with Godbe Research and TBWBH to understand the estimated projected costs in order to calculate adequate funding scenarios.

NBS will review the Special Financing District options, providing pros and cons of each available option. These options primarily include a parcel tax, Community Facilities District/CFD and other fees/assessments. Various preliminary rate scenarios will also be presented for the purpose of arriving at a conclusion as to which option is best suited for the effort.

Funding Measure Feasibility Study and Voter Polling (Godbe and TBWBH)
Working as part of the Godbe Research Team, TBWBH will start by helping the IWPC assess the basic viability of a funding measure. This includes a close analysis of past election results for agencies covered by the Commissions' footprint. TBWBH will also review available public opinion polling data in the areas served by the IWPC, where available. TBWBH will also help the IWPC assess the local political landscape and tackle the most basic strategic questions that must be answered in order to set a funding measure on a successful path. Godbe Research, with TBWBH and Commission input and approval, will then develop and implement a voter polling effort to evaluate topics such as:

- ✓ What are the priorities of voters with regards to funding public facilities and services in the areas served by the IWPC?
- ✓ What projects and programs are voters most likely to fund among the IWPC plan?
- ✓ What duration or sunset date maximizes support for the funding

measure?

- ✓ What is (or confirm) the optimal timing for an election for the IWPC funding measure?
- ✓ What level of voter turnout helps maximize support for the funding measure?
- ✓ Does sufficient community awareness of your needs already exist or is proactive outreach required?
- ✓ How might specific accountability protections or exemptions be included in a successful measure?
- ✓ What controversies or competing issues must be considered before moving forward?

Specific to the overall steps in the voter polling process, Godbe Research recommends an 18 to 22-minute hybrid Internet and telephone survey process with text and email recruitment for the Internet version of the survey and calls to cell phones and landlines for the telephone version of the survey as the best and most inclusive survey methodology. We will also develop a sampling design of registered voters in the IWPC service area who are eligible to vote on a funding measure and who are likely to vote in the November 2022 election cycle. The sampling design will guide us to a recommended sample size of based on the number of registered voters in the areas served by the IWPC and IWPC member agencies. In looking at the number of registered voters in the City of Ukiah, Mendocino County Russian River Flood Control and Water Conservation Improvement District, Potter Valley Irrigation District, Redwood Valley County Water District, and assuming that these agencies cover all IWPC registered voters in Mendocino County, we have a total of approximately 30,209 registered voters in these areas and who are able to participate in the funding measure election process.

For all registered voters, we have cell phone numbers for approximately 8,213 voters or 27% of voters, email addresses for approximately 11,767 voters or 39% of voters, and landline telephone numbers for approximately 9,128 voters or 30% of voters. For the November 2022 election cycle, we have a similar breakdown of voter contact information. Given the number of total registered voters, number of likely November 2022 voters, and the contact information we have for likely November 2022 voters, we would recommend an overall sample size of up to 300 (n=300) to 400 (n=400) completed voter interviews for the voter polling effort. This would provide for a maximum overall margin of error of +/- 5.3% (assume 350 interviews) at the 95% confidence level, when looking at all likely November 2022 voters in the IWPC service area.

Once data collection for the voter polling effort has been completed, Godbe Research will process and weight the data and develop a topline report of findings as the first major results-based deliverable for the voter polling. The Godbe Research Team will also meet with the IWPC and IWPC member agencies to review the topline report, which will guide our larger project summary report. Godbe Research will then analyze the survey data and the Godbe Research Team will develop a

summary report of findings, conclusions and recommendations for the IWPC (including the funding measure feasibility study and financial feasibility study), and based on IWPC's specific needs. We will also develop a presentation of the Phase 1 activities and will present these results to IWPC Commissioners.

Finally, based on the findings and recommendations from Phase 1 (including the voterpolling), the Godbe Research Team will provide the IWPC with specific recommendations and a timeline for moving forward with a recommended ballot funding measure strategy should we be directed to do so by the IWPC.

Phase 2: Revenue Funding Measure Strategy and

Education/Outreach (TBWBH) Step 2 and 3: Stakeholder

Outreach and Ballot Measure

Assuming the feasibility study identifies a path forward to a potentially successful measure, TBWBH generally recommends a rigorous public information and outreach program to educate the community about your funding needs and to build broad consensus around a solution.

Stakeholder Outreach

Based on the findings from the survey, TBWBH will help develop and implement a public information and outreach program to educate the community about your funding needs and build broad community consensus. When taxpayers hear nothing, they assume the worst and fall back on unfair stereotypes about how government spends money.

TBWBH has expertise in traditional communication strategies like direct mail, print advertising and earned media. TBWBH is also experts in utilizing new media strategies such as social media, online advertising and video. The in-house TBWBH graphic design and production capabilities allow TBWBH to deliver the highest level strategic and creative communication for TBWBH clients.

TBWBH will work with the IWPC and IWPC member agencies to:

- ✓ Develop informational messaging about IWPC's needs and a plan for getting the message out to key target audiences in the community;
- ✓ Provide talking points, answers to frequently asked questions and a message training to key staff, employee groups, and elected officials;
- ✓ Develop strategies and plans to inform and engage key internal stakeholder groups within the Commission and Commission agency members;
- ✓ Develop strategies and plans to inform and engage influential external groups including elected leaders, business leaders, neighborhood leaders, faith community leaders and taxpayer groups;
- ✓ Assist with preparing presentations to community groups and oversight bodies;

- ✓ Create regular updates to highlight progress related to the needs of the IWPC, including messaging for email blasts, websites, social media and newsletters;
- ✓ Provide information to be added to the project of IWPC website (as well as member agencies), distributed through social media and included in newsletters;
- ✓ Write, design and produce informational mailings to the entire community to ensure broad awareness beyond the most active and engaged citizens, *and*;
- ✓ Develop strategies for managing coverage of this issue in the local press.

Step 3: Build a Strong Measure

Once TBWBH has determined what a viable measure looks like, TBWBH will work with the Commission and the IWPC legal counsel to develop the measure and qualify for the ballot.

As part of this process TBWBH will:

- ✓ Prepare presentations for public meetings;
- ✓ Refine the description of IWPC needs as they relate to the funding measure to make sure they are written in clear and understandable language;
- ✓ Work with Commission Attorney to refine the funding measure;
- ✓ Work with the IWPC Attorney to develop all ordinances and/or resolutions required for calling the election;
- ✓ Work with the IWPC Attorney to develop the critical ballot question that will appear on ballots as well as any ballot arguments;
- ✓ Work with the IWPC Attorney to develop and refine the full text of the measure and other materials that will appear in the ballot pamphlet mailed to all voters, including ballot arguments;
- ✓ Present recommendations and documents to the IWPC Commission Board for formal approval, *and*;
- ✓ Work with the elections officials in Mendocino County to ensure the measure qualifies for the ballot

Mendocino County Inland Water & Power Commission

Initial Rate Modeling

Scenario #1: Flat Rate Per Parcel				
	IWPC Districts	RRFCD Not In IWPC	Total IWPC & RRFCD	All County
Developed Parcels	10,207	708	10,915	33,544
<u>Undeveloped Parcels</u>	<u>1,098</u>	<u>358</u>	<u>1,456</u>	<u>25,056</u>
Total Parcel Count	11,305	1,066	12,371	58,600
<u>Revenue Goal</u>	<u>Rate per Parcel</u>	<u>Rate per Parcel</u>	<u>Rate per Parcel</u>	<u>Rate per Parcel</u>
\$1,000,000	\$88.46	\$938.09	\$80.83	\$17.06
1,500,000	132.68	1,407.13	121.25	25.60
2,000,000	176.91	1,876.17	161.67	34.13

Scenario #2: Flat Rate Per Developed Parcel				
	IWPC Districts	RRFCD Not In IWPC	Total IWPC & RRFCD	All County
Developed Parcels	10,207	708	10,915	33,544
<u>Undeveloped Parcels</u>	<u>1,098</u>	<u>358</u>	<u>1,456</u>	<u>25,056</u>
Total Parcel Count	11,305	1,066	12,371	58,600
<u>Revenue Goal</u>	<u>Rate per Parcel</u>	<u>Rate per Parcel</u>	<u>Rate per Parcel</u>	<u>Rate per Parcel</u>
\$1,000,000	\$97.97	\$1,412.43	\$91.62	\$29.81
1,500,000	146.96	2,118.64	137.43	44.72
2,000,000	195.94	2,824.86	183.23	59.62

Scenario #3: Developed/Undeveloped Rates						
	IWPC Districts		Total IWPC & RRFCD		All County	
Developed Parcels	10,207		10,915		33,544	
<u>Undeveloped Parcels</u>	<u>1,098</u>		<u>1,456</u>		<u>25,056</u>	
Total Parcel Count	11,305		12,371		58,600	
<u>Revenue Goal</u>	<u>Rate per Dev Parcel</u>	<u>Rate per Undev Parcel</u>	<u>Rate per Dev Parcel</u>	<u>Rate per Undev Parcel</u>	<u>Rate per Dev Parcel</u>	<u>Rate per Undev Parcel</u>
\$1,000,000	\$96.90	\$10.00	\$90.28	\$10.00	\$22.34	\$10.00
1,500,000	145.34	15.00	135.42	15.00	33.51	15.00
2,000,000	193.79	20.00	180.57	20.00	44.68	20.00



AGREEMENT FOR PROFESSIONAL CONSULTING SERVICES

This Agreement, made and entered into this 6th day of September, 2021 ("Effective Date"), by and between Mendocino County Inland Water & Power Commission, CALIFORNIA, hereinafter referred to as "IWPC" and Godbe Research, a Corporation organized and in good standing under the laws of the state of California, hereinafter referred to as "Consultant".

RECITALS

This Agreement is predicated on the following facts:

- a. IWPC requires consulting services related to providing ballot measure funding strategy, technical, and outreach professional services including public surveys.
- b. Consultant represents that it has the qualifications, skills, experience and properly licensed to provide these services, and is willing to provide them according to the terms of this Agreement.
- c. IWPC and Consultant agree upon the Scope-of-Work and Work Schedule attached hereto as Attachment "A", describing contract provisions for the project and setting forth the completion dates for the various services to be provided pursuant to this Agreement.

TERMS OF AGREEMENT

1.0 DESCRIPTION OF PROJECT

- 1.1 The Project is described in detail in the attached Scope-of-Work (Attachment "A").

2.0 SCOPE OF SERVICES

- 2.1 As set forth in Attachment "A".
- 2.2. Additional Services. Additional services, if any, shall only proceed upon written agreement between IWPC and Consultant. The written Agreement shall be in the form of an Amendment to this Agreement.

3.0 CONDUCT OF WORK

- 3.1 Time of Completion. Consultant shall commence performance of services as required by the Scope-of-Work upon receipt of a Notice to Proceed from IWPC and shall complete such services within 14 months from receipt of the Notice to Proceed. Consultant shall complete the work to the IWPC's reasonable satisfaction, even if contract disputes arise or Consultant contends it is entitled to further compensation.

4.0 COMPENSATION FOR SERVICES

- 4.1 Basis for Compensation. For the performance of the professional services of this Agreement, Consultant shall be compensated on a time and expense basis not to exceed a guaranteed maximum dollar amount of \$76,450 plus up to an additional \$45,000 if authorized for Phase 2 TBWBH. Labor charges shall be based upon hourly billing rates for the various classifications of personnel employed by Consultant to perform the Scope of Work as set forth in the attached Attachment A, which shall include all indirect costs and expenses of every kind or nature, except direct expenses. The direct expenses and the fees to be charged for same shall be as set forth in Attachment B. Consultant shall complete the Scope of Work for the not-to-exceed guaranteed maximum, even if actual time and expenses exceed that amount.
- 4.2 Changes. Should changes in compensation be required because of changes to the Scope-of-Work of this Agreement, the parties shall agree in writing to any changes in compensation. "Changes to the Scope-of-Work" means different activities than those described in Attachment "A" and not additional time to complete those activities than the parties anticipated on the date they entered this Agreement.
- 4.3 Sub-contractor Payment. The use of sub-consultants or other services to perform a portion of the work of this Agreement shall be approved by IWPC prior to commencement of work. The cost of sub-consultants shall be included within guaranteed not-to-exceed amount set forth in Section 4.1.
- 4.4 Terms of Payment. Payment to Consultant for services rendered in accordance with this contract shall be based upon submission of monthly invoices for the work satisfactorily performed prior to the date of invoice less any amount already paid to Consultant, which amounts shall be due and payable thirty (30) days after receipt by IWPC. The invoices shall provide a description of each item of work performed, the time expended to perform each task, the fees charged for that task, and the direct expenses incurred and billed for. Invoices shall be accompanied by documentation sufficient to enable IWPC to determine progress made and the expenses claimed.

5.0 ASSURANCES OF CONSULTANT

- 5.1 Independent Contractor. Consultant is an independent contractor and is solely responsible for its acts or omissions. Consultant (including its agents, servants, and employees) is not IWPC's agent, employee, or representative for any purpose.

It is the express intention of the parties hereto that Consultant is an independent contractor and not an employee, joint venturer, or partner of IWPC for any purpose whatsoever. IWPC shall have no right to and shall not control the manner or prescribe the method of accomplishing those services contracted to and performed by Consultant under this Agreement, and the general public and all governmental agencies regulating such activity shall be so informed.

Those provisions of this Agreement that reserve ultimate authority in IWPC have been inserted solely to achieve compliance with federal and state laws, rules, regulations, and interpretations thereof. No such provisions and no other provisions of this Agreement shall be interpreted or construed as creating or establishing the relationship of employer and employee between Consultant and IWPC.

Consultant shall pay all estimated and actual federal and state income and self-employment taxes that are due the state and federal government and shall furnish and pay worker's compensation insurance, unemployment insurance and any other benefits required by law for himself and his employees, if any. Consultant agrees to indemnify and hold IWPC and its

officers, agents and employees harmless from and against any claims or demands by federal, state or local government agencies for any such taxes or benefits due but not paid by Consultant, including the legal costs associated with defending against any audit, claim, demand or law suit.

Consultant warrants and represents that it is a properly licensed professional or professional organization with a substantial investment in its business and that it maintains its own offices and staff which it will use in performing under this Agreement.

- 5.2 Conflict of Interest. Consultant understands that its professional responsibility is solely to IWPC. Consultant has no interest and will not acquire any direct or indirect interest that would conflict with its performance of the Agreement. Consultant shall not in the performance of this Agreement employ a person having such an interest. If the IWPC Commission determines that the Consultant has a disclosure obligation, the Consultant shall file the required disclosure form with IWPC within 10 days of being notified of the Commission's determination.

6.0 INDEMNIFICATION

- 6.1 Insurance Liability. Without limiting Consultant's obligations arising under Paragraph 6.2 Consultant shall not begin work under this Agreement until it procures and maintains for the full period of time allowed by law, surviving the termination of this Agreement insurance against claims for injuries to persons or damages to property, which may arise from or in connection with its performance under this Agreement.

A. Minimum Scope of Insurance

Coverage shall be at least as broad as:

1. Insurance Services Office ("ISO) Commercial General Liability Coverage Form No. CG 20 10 10 01 and Commercial General Liability Coverage – Completed Operations Form No. CG 20 37 10 01.
2. ISO Form No. CA 0001 (Ed. 1/87) covering Automobile Liability, Code 1 "any auto" or Code 8, 9 if no owned autos and endorsement CA 0025.
3. Worker's Compensation Insurance as required by the Labor Code of the State of California and Employers Liability Insurance.
4. Errors and Omissions liability insurance appropriate to the consultant's profession. Architects' and engineers' coverage is to be endorsed to include contractual liability.

B. Minimum Limits of Insurance

Consultant shall maintain limits no less than:

1. General Liability: \$1,000,000 combined single limit per occurrence for bodily injury, personal injury and property damage including operations, products and completed operations. If Commercial General Liability Insurance or other form with a general aggregate limit is used, the general aggregate limit shall apply separately to the work performed under this Agreement, or the aggregate limit shall be twice the prescribed per occurrence limit.
2. Automobile Liability: \$1,000,000 combined single limit per accident for bodily injury and property damage.

3. Worker's Compensation and Employers Liability: Worker's compensation limits as required by the Labor Code of the State of California and Employers Liability limits of \$1,000,000 per accident.
4. Errors and Omissions liability: \$1,000,000 per occurrence.

C. Deductibles and Self-Insured Retentions

Any deductibles or self-insured retentions must be declared to and approved by IWPC. At the option of the IWPC, either the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects to the IWPC, its officers, officials, employees and volunteers; or the Consultant shall procure a bond guaranteeing payment of losses and related investigations, claim administration and defense expenses.

D. Other Insurance Provisions

The policies are to contain, or be endorsed to contain, the following provisions:

1. General Liability and Automobile Liability Coverages

- a. IWPC, its officers, officials, employees and volunteers are to be covered as additional insureds as respects; liability arising out of activities performed by or on behalf of the Consultant, products and completed operations of the Consultant, premises owned, occupied or used by the Consultant, or automobiles owned, hired or borrowed by the Consultant for the full period of time allowed by law, surviving the termination of this Agreement. The coverage shall contain no special limitations on the scope-of-protection afforded to the IWPC, its officers, officials, employees or volunteers.
- b. The Consultant's insurance coverage shall be primary insurance as respects to the IWPC, its officers, officials, employees and volunteers. Any insurance or self-insurance maintained by the IWPC, its officers, officials, employees or volunteers shall be in excess of the Consultant's insurance and shall not contribute with it.
- c. Any failure to comply with reporting provisions of the policies shall not affect coverage provided to the IWPC, its officers, officials, employees or volunteers.
- d. The Consultant's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

2. Worker's Compensation and Employers Liability Coverage

The insurer shall agree to waive all rights of subrogation against IWPC, its officers, officials, employees and volunteers for losses arising from Consultant's performance of the work, pursuant to this Agreement.

3. Professional Liability Coverage

If written on a claims-made basis, the retroactivity date shall be the effective date of this Agreement. The policy period shall extend from August 2021 to December 2022.

4. All Coverages

Each Insurance policy required by this clause shall be endorsed to state that coverage shall not be suspended, voided, canceled by either party, reduced in coverage or in limits except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to IWPC.

E. Acceptability of Insurers

Insurance is to be placed with admitted California insurers with an A.M. Best's rating of no less than A- for financial strength, AA for long-term credit rating and AMB-1 for short-term credit rating.

F. Verification of Coverage

Consultant shall furnish the IWPC with Certificates of Insurance and with original Endorsements effecting coverage required by this Agreement. The Certificates and Endorsements for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. The Certificates and Endorsements are to be on forms provided or approved by the IWPC. All Certificates and Endorsements are to be received and approved by the IWPC before Consultant begins the work of this Agreement. The IWPC reserves the right to require complete, certified copies of all required insurance policies, at any time. If Consultant fails to provide the coverages required herein, the IWPC shall have the right, but not the obligation, to purchase any or all of them. In that event, after notice to Consultant that IWPC has paid the premium, the cost of insurance may be deducted from the compensation otherwise due the contractor under the terms of this Contract.

G. Subcontractors

Consultant shall include all sub-contractors or sub-consultants as insured under its policies or shall furnish separate certificates and endorsements for each sub-contractor or sub-consultant. All coverage for sub-contractors or sub-consultants shall be subject to all insurance requirements set forth in this Paragraph 6.1.

- 6.2 Indemnification. Notwithstanding the foregoing insurance requirements, and in addition thereto, Consultant agrees, for the full period of time allowed by law, surviving the termination of this Agreement, to indemnify the IWPC for any claim, cost or liability that arises out of, or pertains to, or relates to any negligent act or omission or the willful misconduct of Consultant and its agents in the performance of services under this contract, but this indemnity does not apply to liability for damages for death or bodily injury to persons, injury to property, or other loss, arising from the sole negligence, willful misconduct or defects in design by the IWPC, or arising from the active negligence of the IWPC.

"Indemnify," as used herein includes the expenses of defending against a claim and the payment of any settlement or judgment arising out of the claim. Defense costs include all costs associated with defending the claim, including, but not limited to, the fees of attorneys, investigators, consultants, experts and expert witnesses, and litigation expenses.

References in this paragraph to IWPC or Consultant, include their officers, employees, agents, and subcontractors.

7.0 CONTRACT PROVISIONS

- 7.1 Documents and Ownership of Work. All documents furnished to Consultant by IWPC and all documents or reports and supportive data prepared by Consultant under this Agreement are owned and become the property of the IWPC upon their creation and shall be given to IWPC immediately upon demand and at the completion of Consultant's services at no additional cost to IWPC. Deliverables are identified in the Scope-of-Work, Attachment "A". All documents produced by Consultant shall be furnished to IWPC in digital format and hardcopy. Consultant shall produce the digital format, using software and media approved by IWPC.
- 7.2 Governing Law. Consultant shall comply with the laws and regulations of the United States, the State of California, and all local governments having jurisdiction over this Agreement. The interpretation and enforcement of this Agreement shall be governed by California law and any action arising under or in connection with this Agreement must be filed in a Court of competent jurisdiction in Mendocino County.
- 7.3 Entire Agreement. This Agreement plus its Attachment(s) and executed Amendments set forth the entire understanding between the parties.
- 7.4 Severability. If any term of this Agreement is held invalid by a court of competent jurisdiction, the remainder of this Agreement shall remain in effect.
- 7.5 Modification. No modification of this Agreement is valid unless made with the agreement of both parties in writing.
- 7.6 Assignment. Consultant's services are considered unique and personal. Consultant shall not assign, transfer, or sub-contract its interest or obligation under all or any portion of this Agreement without IWPC's prior written consent.
- 7.7 Waiver. No waiver of a breach of any covenant, term, or condition of this Agreement shall be a waiver of any other or subsequent breach of the same or any other covenant, term or condition or a waiver of the covenant, term or condition itself.
- 7.8 Termination. This Agreement may only be terminated by either party: 1) for breach of the Agreement; 2) because funds are no longer available to pay Consultant for services provided under this Agreement; or 3) IWPC has abandoned and does not wish to complete the project for which Consultant was retained. A party shall notify the other party of any alleged breach of the Agreement and of the action required to cure the breach. If the breaching party fails to cure the breach within the time specified in the notice, the contract shall be terminated as of that time. If terminated for lack of funds or abandonment of the project, the contract shall terminate on the date notice of termination is given to Consultant. IWPC shall pay the Consultant only for services performed and expenses incurred as of the effective termination date. In such event, as a condition to payment, Consultant shall provide to IWPC all finished or unfinished documents, data, studies, surveys, drawings, maps, models, photographs and reports prepared by the Consultant under this Agreement. Consultant shall be entitled to receive just and equitable compensation for any work satisfactorily completed hereunder, subject to off-set for any direct or consequential damages IWPC may incur as a result of Consultant's breach of contract.
- 7.9 Execution of Agreement. This Agreement may be executed in duplicate originals, each bearing the original signature of the parties. Alternatively, this Agreement may be executed and delivered by facsimile or other electronic transmission, and in more than one counterpart, each of which shall be deemed an original, and all of which together shall constitute one and the same instrument. When executed using either alternative, the executed agreement shall

be deemed an original admissible as evidence in any administrative or judicial proceeding to prove the terms and content of this Agreement.

8.0 NOTICES

Any notice given under this Agreement shall be in writing and deemed given when personally delivered or deposited in the mail (certified or registered) addressed to the parties as follows:

Inland Water & Power Commission
Attn: Janet Pauli
PO Box 1247
UKIAH, CALIFORNIA 95482-5400

Godbe Research
Attn: Charles Hester
1220 Howard Avenue, Suite 250
BURLINGAME, CA 94010

9.0 SIGNATURES

IN WITNESS WHEREOF, the parties have executed this Agreement the Effective Date:

CONSULTANT



BY: _____

August 30, 2021
Date

PRINT NAME: Charles Hester, Vice President
Godbe Research

94-3383272
IRS IDN Number

MENDOCINO COUNTY INLAND WATER & POWER COMMISSION



BY: _____
Dr. Janet K. F. Pauli, Chair

9/6/2021
Date

ATTEST

Candace Horsley, Staff
TITLE

9/6/2021
Date