TO: Board of Directors

FROM: Planning & Operations Committee
(Directors Osborne, Barbre, Hinman)

Robert Hunter
General Manager

Staff Contact: Darcy M. Burke

SUBJECT: Agreement with Fraser Communications for Professional Communications Services UPDATED

STAFF RECOMMENDATION

Staff recommends the Board of Directors review and approve the attached agreement with Fraser Communications for Professional Communications Services for the Value of Water Communications Plan.

COMMITTEE RECOMMENDATION

Committee recommends the Board of Directors approve the attached agreement with Fraser Communications for Professional Communications Services for the Value of Water Communications Plan.

DETAILED REPORT

In February, the Board approved Request for Qualifications for Professional Communications Services for the Value of Water Communications Plan (RFQ) was distributed to a number of communications firms, MWDOC Member Agencies for distribution, Metropolitan Member Agencies for distribution and posted on the MWDOC website.

As part of the process, firms were able to submit clarifying questions prior to the submittal deadline. Those questions and answers were distributed to all of the firms that notified MWDOC of their intent to submit. Seven proposals were received; six of

<table>
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<tr>
<th>Budgeted (Y/N):</th>
<th>Budgeted amount: $154,965</th>
<th>Core X__</th>
<th>Choice __</th>
</tr>
</thead>
<tbody>
<tr>
<td>Action item amount:</td>
<td>$132,795</td>
<td>Line item: 32-7040</td>
<td></td>
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<tr>
<td>Fiscal Impact (explain if unbudgeted):</td>
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them within the allotted timeframe. A review panel was held on Friday, March 28th. The Public Affairs Workgroup was invited to participate on the review panel as part of the selection process. The review panel consisted of MWDOC’s Public Affairs staff and Stacy Taylor from Mesa Water District.

Each submittal was reviewed and evaluated on the following criteria as define in the RFQ:

EXPERIENCE (Maximum 20 points) : ____________

APPROACH (Maximum 20 points) : ____________

EDUCATION (Maximum 20 points) : ____________

BUDGET (Maximum 20 points) : ____________

TEAM (Maximum 10 points) : ____________

REFERENCE (Maximum 10 points) : ____________

TOTAL SCORE:_______

In addition, Metropolitan Water District of Southern California also recently entered into an agreement with Fraser Communications for similar work. Staff has been in contact with both Metropolitan staff and Renee Fraser on exploring ways to share information and seek to achieve cost savings for both organizations as appropriate.

The review panel unanimously selected Fraser Communications. Based on this recommendation, staff is requesting the Board review and approve the attached agreement for Professional Communications Services with Fraser Communications in the amount of $132,795 for Phase 2 of the Value of Water Communications Plan.

After further discussions with the General Manager, staff has added some clarification language to the agreement in the methodology section. These changes are highlighted in yellow.
STANDARD AGREEMENT FOR CONSULTANT SERVICES

This AGREEMENT for consulting services dated April 16, 2014, which includes all exhibits and attachments hereto, “AGREEMENT” is made on the last day executed below by and between MUNICIPAL WATER DISTRICT OF ORANGE COUNTY, hereinafter referred to as "DISTRICT," and, Fraser Communications hereinafter referred to as "CONSULTANT" for Professional Communications Services hereinafter referred to as “SERVICES.”1 DISTRICT and CONSULTANT are also referred to collectively herein as the “PARTIES” and individually as “PARTY”. The PARTIES agree as follows:

I PURPOSE AND SCOPE OF WORK

A. Consulting Work.

DISTRICT hereby contracts with CONSULTANT to provide general or special SERVICES as more specifically set forth in Exhibit "B" attached hereto and incorporated herein. Tasks other than those specifically described therein shall not be performed without prior written approval of DISTRICT's General Manager.

B. Independent Contractor.

CONSULTANT is retained as an independent contractor for the sole purpose of rendering professional and/or special SERVICES described herein and is not an agent or employee of DISTRICT. CONSULTANT shall be solely responsible for the payment of all federal, state and local income tax, social security tax, Workers’ Compensation insurance, state disability insurance, and any other taxes or insurance CONSULTANT, as an independent contractor, is responsible for paying under federal, state or local law. CONSULTANT is thus not eligible to receive workers’ compensation, medical, indemnity or retirement benefits, including but not limited to enrollment in CalPERS. Unless, expressly provided herein, CONSULTANT is not eligible to receive overtime, vacation or sick pay. CONSULTANT shall not represent or otherwise hold out itself or any of its directors, officers, partners, employees, or agents to be an agent or employee of DISTRICT. CONSULTANT shall have the sole and absolute discretion in determining the methods, details and means of performing the SERVICES required by DISTRICT. CONSULTANT shall furnish, at his/her own expense, all labor, materials, equipment and transportation necessary for the successful completion of the SERVICES to be performed under this AGREEMENT. DISTRICT shall not have any right to direct the methods, details and means of the SERVICES; however, CONSULTANT must receive prior written approval from DISTRICT before using any sub-consultants for SERVICES under this AGREEMENT.

C. Changes in Scope of Work

1 Pursuant to Section 8002 of the District’s Administrative Code, the District’s “Ethics Policy” set forth at sections 7100-7111 of the Administrative Code is attached hereto as Exhibit “A” and incorporated herein by this reference.
If DISTRICT requires changes in the tasks or scope of work shown in Exhibit "B" or additional work not specified therein, DISTRICT shall prepare a written change order. If CONSULTANT believes work or materials are required outside the tasks or scope of work described in Exhibit “B,” it shall submit a written request for a change order to the DISTRICT. A change order must be approved and signed by the PARTIES before CONSULTANT performs any work outside the scope of work shown in Exhibit “B.” DISTRICT shall have no responsibility to compensate CONSULTANT for such work without an approved and signed change order. Change orders shall specify the change in the budgeted amount for SERVICES.

II TERM

This AGREEMENT shall commence upon the date of its execution and shall extend thereafter for the period specified in Exhibit "B" or, if no time is specified, until terminated on thirty (30) days notice as provided herein.

III BUDGET, FEES, COSTS, BILLING, PAYMENT AND RECORDS

A. Budgeted Amount for SERVICES

CONSULTANT is expected to complete all SERVICES within the Budgeted Amount set forth on Exhibit "B." The total compensation for the SERVICES to be performed under this AGREEMENT shall not exceed the Budgeted Amount unless modified as provided herein. Upon expending the DISTRICT 80% of the Budgeted Amount, CONSULTANT shall prepare and provide to DISTRICT a “cost to complete” estimate for the remaining SERVICES. The PARTIES shall work together to complete the project within the agreed-upon Budgeted Amount, but the obligation to complete the SERVICES within the Budgeted Amount lies with the CONSULTANT.

B. Fees

Fees shall be billed per the terms and conditions and at the rates set forth on Exhibit "B" for the term of the AGREEMENT. Should the term of the AGREEMENT extend beyond the period for which the rates are effective, the rates specified in Exhibit "B" shall continue to apply unless and until modified by consent of the PARTIES.

C. Notification Clause

Formal notices, demands and communications to be given hereunder by either PARTY shall be made in writing and may be effected by personal delivery or by registered or certified mail, postage prepaid, return receipt requested and shall be deemed communicated as of the date of mailing. If the name or address of the person to whom notices, demands or communication shall be given changes, written notice of such change shall be given, in accordance with this section, within five(5) working days.

Notices shall be made as follows:
CONSULTANT’s fees shall be billed by the 25th day of the month and paid by DISTRICT on or before the 15th of the following month. Invoices shall reference the Purchase Order number from the DISTRICT.

DISTRICT shall review and approve all invoices prior to payment. CONSULTANT agrees to submit additional supporting documentation to support the invoice if requested by DISTRICT. If DISTRICT does not approve an invoice, DISTRICT shall send a notice to CONSULTANT setting forth the reason(s) the invoice was not approved. CONSULTANT may re-invoice DISTRICT to cure the defects identified in the DISTRICT notice. The revised invoice will be treated as a new submittal. If DISTRICT contests all or any portion of an invoice, DISTRICT and CONSULTANT shall use their best efforts to resolve the contested portion of the invoice.

E. Billing Records

CONSULTANT shall keep records of all SERVICES and costs billed pursuant to this AGREEMENT for at least a period of seven (7) years and shall make them available for review and audit if requested by DISTRICT.

IV DOCUMENTS

All MATERIALS as defined in Paragraph XI below, related to SERVICES performed under this AGREEMENT shall be furnished to DISTRICT upon completion or termination of this AGREEMENT, or upon request by DISTRICT, and are the property of DISTRICT.

V TERMINATION

Each PARTY may terminate this AGREEMENT at any time upon thirty (30) days written notice to the other PARTY, except as provided otherwise in Exhibit “B.” In the event of termination: (1) all work product prepared by or in custody of CONSULTANT shall be promptly delivered to DISTRICT; (2) DISTRICT shall pay CONSULTANT all payments due under this AGREEMENT at the effective date of termination; (3) CONSULTANT shall promptly submit a final invoice to the DISTRICT, which shall include any and all non-cancelable obligations owed by CONSULTANT at the time of termination, (4) neither PARTY waives any claim of any nature whatsoever against the other for any breach of this AGREEMENT; (5) DISTRICT may withhold 125 percent of the estimated value of any disputed amount pending resolution of the dispute, consistent with the provisions of section III D above, and; (6) DISTRICT and
CONSULTANT agree to exert their best efforts to expeditiously resolve any dispute between the PARTIES.

VI INSURANCE REQUIREMENTS

CONSULTANT shall obtain prior to commencing work and maintain in force and effect throughout the term of this AGREEMENT, all insurance set forth below.

A. Workers’ Compensation Insurance

By his/her signature hereunder, CONSULTANT certifies that he/she is aware of the provisions of Section 3700 of the California Labor Code, which requires every employer to be insured against liability for workers’ compensation or to undertake self-insurance in accordance with the provisions of that code, and that CONSULTANT will comply with such provisions before commencing the performance of the SERVICES under this AGREEMENT.

CONSULTANT and sub-consultant will keep workers’ compensation insurance for their employees in effect during all work covered by this AGREEMENT. An ACORD certificate of insurance or other certificate of insurance satisfactory to DISTRICT, evidencing such coverage must be provided (1) by CONSULTANT and (2) by sub-consultant's upon request by DISTRICT.
B. Professional Liability Insurance

CONSULTANT shall file with DISTRICT, before beginning professional SERVICES, an ACORD certificate of insurance, or any other certificate of insurance satisfactory to DISTRICT, evidencing professional liability coverage of not less than $1,000,000 per claim and $1,000,000 aggregate, requiring 30 days notice of cancellation (10 days for non-payment of premium) to DISTRICT.

Such coverage shall be placed with a carrier with an A.M. Best rating of no less than A: VII, or equivalent. The retroactive date (if any) of such insurance coverage shall be no later than the effective date of this AGREEMENT. In the event that the CONSULTANT employs sub-consultants as part of the SERVICES covered by this AGREEMENT, CONSULTANT shall be responsible for requiring and confirming that each sub-consultant meets the minimum insurance requirements specified herein.

C. Other Insurance

CONSULTANT will file with DISTRICT, before beginning professional SERVICES, ACORD certificates of insurance, or other certificates of insurance satisfactory to DISTRICT, evidencing general liability coverage of not less than $1,000,000 per occurrence for bodily injury, personal injury and property damage; automobile liability (owned, scheduled, non-owned or hired) of at least $1,000,000 for bodily injury and property damage each accident limit; workers’ compensation (statutory limits) and employer’s liability ($1,000,000) (if applicable); requiring 30 days (10 days for non-payment of premium) notice of cancellation to DISTRICT. For the coverage required under this paragraph, the insurer(s) shall waive all rights of subrogation against DISTRICT, and its directors, officers, agents, employees, attorneys, consultants or volunteers. CONSULTANT’s insurance coverage shall be primary insurance as respects DISTRICT, its directors, officers, agents, employees, attorneys, consultants and volunteers for all liability arising out of the activities performed by or on behalf of the CONSULTANT. Any insurance pool coverage, or self-insurance maintained by DISTRICT, and its directors, officers, agents, employees, attorneys, consultants or volunteers shall be excess of the CONSULTANT’s insurance and shall not contribute to it.

The general liability coverage shall give DISTRICT, its directors, officers, agents, employees, attorneys, consultants and authorized volunteers additional insured status using ISO endorsement CG2010, CG2033, or equivalent. Coverage shall be placed with a carrier with an A.M. Best rating of no less than A: VII, or equivalents. In the event that the CONSULTANT employs sub-consultant as part of the work covered by the AGREEMENT, it shall be the CONSULTANT’s responsibility to require and confirm that each sub-consultant meets the minimum insurance requirements specified herein.

D. Expiration of Coverage

If any of the required coverages expire during the term of the AGREEMENT, CONSULTANT shall deliver the renewal certificate(s) including the general liability
additional insured endorsement to **DISTRICT** at least ten (10) days prior to the expiration date.
INDEMNIFICATION

To the fullest extent permitted by applicable law, CONSULTANT shall indemnify, defend and hold harmless DISTRICT, its officers, Directors and employees and authorized volunteers, and each of them from and against:

a. When the law establishes a professional standard of care for the CONSULTANT's services, all claims and demands of all persons that arise out of, pertain to, or relate to the CONSULTANT’s negligence, recklessness or willful misconduct in the performance (or actual or alleged non-performance) of the work under this agreement. CONSULTANT shall defend itself against any and all liabilities, claims, losses, damages, and costs arising out of or alleged to arise out of CONSULTANT's performance or non-performance of the work hereunder, and shall not tender such claims to DISTRICT nor its directors, officers, employees, or authorized volunteers, for defense or indemnity.

b. Any and all actions, proceedings, damages, costs, expenses, penalties or liabilities, in law or equity, of every kind or nature whatsoever, arising out of, resulting from, or on account of the violation of any governmental law or regulation, compliance with which is the responsibility of CONSULTANT.

c. Any and all losses, expenses, damages (including damages to the work itself), attorney's fees and other costs, including all costs of defense, which any of them may incur with respect to the failure, neglect, or refusal of CONSULTANT to faithfully perform the work and all of the CONSULTANT’S obligations under the agreement. Such costs, expenses, and damages shall include all costs, including attorneys’ fees, incurred by the indemnified parties in any lawsuit to which they are a party.

d. DISTRICT agrees to be responsible for the accuracy, completeness, and propriety of information concerning DISTRICT’S organization, industry and products which DISTRICT furnishes to CONSULTANT in connection with the performance of this Agreement. DISTRICT agrees that with regard to any and all claims or representations regarding DISTRICT'S business, product(s), service(s) or message(s) as contained in any and all material which CONSULTANT creates or produces for DISTRICT or in which CONSULTANT is involved on DISTRICT'S behalf, and which has been approved by DISTRICT, DISTRICT shall indemnify, defend (through counsel reasonably acceptable to CONSULTANT) and hold CONSULTANT free and harmless from and against all claims, actions, causes of action, disputes, debts, obligations, liabilities, losses, costs and expenses, including attorneys' fees arising from or pertaining in any manner whatsoever to said material provided, however, in no event shall DISTRICT be liable for any consequential, incidental, punitive, special or exemplary damages to CONSULTANT hereunder.
CONSULTANT shall defend, at CONSULTANT’s own cost, expense and risk, any and all such aforesaid suits, actions, or other legal proceedings of every kind that may be brought or instituted against DISTRICT or its directors, officers, employees, or authorized volunteers with legal counsel reasonably acceptable to DISTRICT.

CONSULTANT shall pay and satisfy any judgment, award or decree that may be rendered against DISTRICT or its directors, officers, employees, or authorized volunteers, in any and all such suits, actions, or other legal proceedings.

CONSULTANT shall reimburse DISTRICT or its directors, officers, employees, or authorized volunteers, for any and all legal expenses and costs incurred by each of them in connection therewith or in enforcing indemnity herein provided.

CONSULTANT’s obligation to indemnify shall not be restricted to insurance proceeds, if any, received by DISTRICT, or its directors, officers, employees, or authorized volunteers.
VII FINANCIAL DISCLOSURE AND CONFLICTS OF INTEREST

Although CONSULTANT is retained as an independent contractor, CONSULTANT may still be required, under the California Political Reform Act and DISTRICT’s Administrative Code, to file annual disclosure reports. CONSULTANT agrees to file such financial disclosure reports upon request by DISTRICT. Further, CONSULTANT shall file the annual summary of gifts required by Section 7105 of the DISTRICT’s Ethics Policy, attached hereto as Exhibit “A.”

Failure to file financial disclosure reports upon request and failure to file the required gift summary are grounds for termination of this AGREEMENT. Any action by CONSULTANT that is inconsistent with DISTRICT’s Ethic’s Policy current at the time of the action is grounds for termination of this AGREEMENT. The Ethics Policy as of the date of this AGREEMENT is attached hereto as Exhibit “A.”

VIII PERMITS AND LICENSES

CONSULTANT shall procure and maintain all permits, licenses and other government-required certification necessary for the performance of its SERVICES, all at the sole cost of CONSULTANT. None of the items referenced in this section shall be reimbursable to CONSULTANT under the AGREEMENT. CONSULTANT shall comply with any and all applicable local, state, and federal regulations and statutes including Cal/OSHA requirements.

IX LABOR AND MATERIALS

CONSULTANT shall furnish, at its own expense, all labor, materials, equipment, tools, transportation and other items or services necessary for the successful completion of the SERVICES to be performed under this AGREEMENT. CONSULTANT shall give its full attention and supervision to the fulfillment of the provisions of this AGREEMENT by its employees and sub-consultant and shall be responsible for the timely performance of the SERVICES required by this AGREEMENT. All compensation for CONSULTANT’s SERVICES under this AGREEMENT shall be pursuant to Exhibit “B” to the AGREEMENT.

Only those SERVICES, materials, administrative, overhead and travel expenses specifically listed in Exhibit “B” will be charged and paid. No other costs will be paid. CONSULTANT agrees not to invoice DISTRICT for any administrative expenses, overhead or travel time in connection with the SERVICES, unless agreed upon and listed in Exhibit “B”.

X CONFIDENTIALITY AND RESTRICTIONS ON DISCLOSURE

A. Confidential Nature of Materials

CONSULTANT understands that all documents, records, reports, data, or other materials (collectively “MATERIALS”) provided by DISTRICT to CONSULTANT pursuant to the AGREEMENT, including but not limited to draft reports, final report(s) and all data, information, documents, graphic displays and other items that are not proprietary to CONSULTANT and that
are utilized or produced by CONSULTANT pursuant to the AGREEMENT are to be considered confidential for all purposes.

B. No Disclosure of Confidential Materials

CONSULTANT shall be responsible for protecting the confidentiality and maintaining the security of DISTRICT MATERIALS and records in its possession. All MATERIALS shall be deemed confidential and shall remain the property of DISTRICT. CONSULTANT understands the sensitive nature of the above and agrees that neither its officers, partners, employees, agents or sub-consultants will release, disseminate, or otherwise publish said reports or other such data, information, documents, graphic displays, or other materials except as provided herein or as authorized, in writing, by DISTRICT’s representative. CONSULTANT agrees not to make use of such MATERIALS for any purpose not related to the performance of the SERVICES under the AGREEMENT. CONSULTANT shall not make written or oral disclosures thereof, other than as necessary for its performance of the SERVICES hereunder, without the prior written approval of DISTRICT. Disclosure of confidential MATERIALS shall not be made to any individual, agency, or organization except as provided for in the AGREEMENT or as provided for by law.

C. Protections to Ensure Control Over Materials

All confidential MATERIALS saved or stored by CONSULTANT in an electronic form shall be protected by adequate security measures to ensure that such confidential MATERIALS are safe from theft, loss, destruction, erasure, alteration, and any unauthorized viewing, duplication, or use. Such security measures shall include, but not be limited to, the use of current virus protection software, firewalls, data backup, passwords, and internet controls.

The provisions of this section survive the termination or completion of the AGREEMENT.

XI OWNERSHIP OF DOCUMENTS AND DISPLAYS

All original written or recorded data, documents, graphic displays, reports or other MATERIALS which contain information relating to CONSULTANT’s performance hereunder and which are originated and prepared for DISTRICT pursuant to the AGREEMENT are instruments of service and shall become the property of DISTRICT upon completion or termination of the Project. CONSULTANT hereby assigns all of its right, title and interest therein to DISTRICT, including but not limited to any copyright interest. In addition, DISTRICT reserves the right to use, duplicate and disclose in whole, or in part, in any manner and for any purpose whatsoever all such data, documents, graphic displays, reports or other MATERIALS delivered to DISTRICT pursuant to this AGREEMENT and to authorize others to do so.

To the extent that CONSULTANT utilizes any of its property (including, without limitation, any hardware or software of CONSULTANT or any proprietary or confidential information of CONSULTANT or any trade secrets of CONSULTANT) in performing SERVICES hereunder, such property shall remain the property of CONSULTANT, and DISTRICT shall acquire no right or interest in such property.

XII EQUAL OPPORTUNITY

DISTRICT is committed to a policy of equal opportunity for all and to providing a work environment that is free of unlawful discrimination and harassment. In keeping
with this commitment, DISTRICT maintains a policy prohibiting unlawful discrimination and harassment in any form based on race, religious creed, color, national origin, ancestry, physical or mental disability, medical condition, pregnancy or childbirth, marital status, gender, sex, sexual orientation, veteran status or age by officials, employees and non-employees (vendors, contractors, etc.).

This policy applies to all employees, consultants and contractors of the DISTRICT whom the DISTRICT knows or has reason to know are violating this policy. Appropriate corrective action will be taken against all offenders, up to and including immediate discharge or termination of this AGREEMENT. During, and in conjunction with, the performance of this AGREEMENT, CONSULTANT shall not discriminate against any employee or applicant for employment because of race, color, religion, sex, age, marital status or national origin.

XIII INTEGRATION OF ALL OTHER AGREEMENTS

This AGREEMENT, including any Exhibits and Addenda, contains the entire understanding of the PARTIES, and there are no further or other agreements or understandings, written or oral, in effect between the PARTIES hereto relating to the subject matter hereof. Any prior understanding or agreement of the PARTIES shall not be binding unless expressly set forth herein and, except to the extent expressly provided for herein, no changes of this AGREEMENT may be made without the written consent of both PARTIES.

XIV ATTORNEYS’ FEES

In any action at law or in equity to enforce any of the provisions or rights under this AGREEMENT, the prevailing PARTY shall be entitled to recover from the unsuccessful PARTY all costs, expenses and reasonable attorney’s fees incurred therein by the prevailing PARTY (including, without limitations, such costs, expense and fees on any appeals), and if such prevailing PARTY shall recover judgment in any such action or proceeding, such costs, expenses, including those of expert witnesses and attorneys’ fees, shall be included as part of this judgment.
XV JURISDICTION AND VENUE SELECTION

In all matters concerning the validity, interpretation, performance, or effect of this AGREEMENT, the laws of the State of California shall govern and be applicable. The PARTIES hereby agree and consent to the exclusive jurisdiction of the courts of the State of California and that venue of any action brought hereunder shall be in Orange County, California.

This Agreement may be subject to suspension of payments or termination, or both, and the CONSULTANT may be subject to debarment if the DISTRICT determines that: CONSULTANT has made a false certification, or;
   ii. CONSULTANT violates the certification by failing to carry out the requirements noted above.

IN WITNESS WHEREOF, the PARTIES have hereunto affixed their names as of the day and year thereinafter, which shall be and is the effective date of this AGREEMENT.

Internal Use Only:

Program No. ____________________
Line Item: _______________________
Funding Year: ___________________
Contract Amt.: ___________________
Purchase Order # _______________

APPROVED BY: CONSULTANT ACCEPTANCE:

_________________________________  _______________________________

Date ___________________________  Date ___________________________

Robert J. Hunter, Name: Renee Fraser
General Manager  Fraser Communications
Municipal Water District of Orange County  Address: 1631 Pontius Avenue
18700 Ward Street, P.O. Box 20895  Los Angeles, CA 90025
Fountain Valley, CA 92708  Phone: 310-319-9101
(714) 963-3058  Tax I.D. # 95-4683679
ETHICS POLICY §7100-§7111

§7100 PURPOSE

The policy of MWDOC is to maintain the highest standards of ethics from its Board members, officers and employees (all shall be referred to as employees for the purposes of this section). The proper operation of MWDOC requires decisions and policy to be made in the proper manner, that public office not be used for personal gain, and that all individuals associated with MWDOC remain impartial and responsible toward the public. Accordingly, all employees are expected to abide by the highest ethical standards and integrity when dealing on behalf of MWDOC with fellow Board members or employees, vendors, contractors, customers, and other members of the public.

§7101 RESPONSIBILITIES OF BOARD MEMBERS

Board members are obliged to uphold the Constitution of the United States and the Constitution of the State of California and shall comply with all applicable laws regulating Board member conduct, including conflicts of interest and financial disclosure laws. No Board member or officer shall grant any special consideration, treatment, or advantage to any person or group beyond that which is available to every other person or group in the same circumstances.

§7102 PROPER USE OF MWDOC PROPERTY AND RESOURCES

Except as specifically authorized, no employee shall use or remove or permit the use or removal of MWDOC property, including MWDOC vehicles, equipment, telephones, office supplies, and materials for personal convenience or profit. No employee shall require another MWDOC employee to perform services for the personal convenience or profit of another employee. Each employee must protect and properly use any MWDOC asset within his/her control, including information recorded on paper or in electronic form. Employees shall safeguard MWDOC property, equipment, monies, and assets against unauthorized use or removal, as well as from loss due to criminal act or breach of trust.

Employees are responsible for maintaining written records, including expense reports, in sufficient detail to reflect accurately and completely all transactions and expenditures made on MWDOC’s behalf. Creating a document with misleading for false information is prohibited.

Motion - 1/17/96;

§7103 CONFLICT OF INTEREST
All MWDOC Directors, officers, and employees at every level shall comply with the requirements of Section 1090 of the California Government Code which prohibits such persons from being financially interested in any contract made by them in their official capacity, or by any body or board of which they are members, or from being a purchaser at any sale or a vendor at any purchase made by them in their official capacity.

All Directors and employees designated under MWDOC’s Conflict of Interest Code ("designated employees") and employees required to report under Chapter 7, Article 2 of the Political Reform Act (Government Code Section 7300 et seq.) shall promptly and fully comply with all requirements thereof.

MWDOC employees who are not designated employees under MWDOC’s Conflict of Interest Code shall refrain from participating in, making a recommendation, or otherwise attempting to influence MWDOC’s selection of a contractor, consultant, product, or source of supply if the non-designated employee, or an immediate family member, has a direct or indirect financial interest in the outcome of the selection process. No employee shall use his/her position with MWDOC in any manner for the purpose of obtaining personal favors, advantages or benefits for him/herself or an immediate family member from a person or entity doing business or seeking to do business with MWDOC. Such favors, advantages, or benefits would include, but are not limited to: 1) offers of employment; 2) free or discounted goods or services; or 3) gifts.

§7104 GIFTS

No employee shall accept, directly or indirectly, any compensation, reward or gift from any source except from MWDOC, for any action related to the conduct of MWDOC business, except as set forth below:

1. Acceptance of food and refreshments of nominal value on infrequent occasions in the ordinary course of a breakfast, luncheon or dinner meeting or other meeting or on an inspection tour where the arrangements are consistent with the transaction of official business.*

2. Acceptance of transportation, lodging, meals or refreshments, in connection with attendance at widely attended gatherings sponsored by industrial, technical or professional organizations; or in connection with attendance at public ceremonies or similar activities financed by nongovernmental sources where the employee’s participation on behalf of MWDOC is the result of an invitation addressed to him or her in his/her official capacity, and the transportation, lodging, meals or refreshment accepted is related to, and is in keeping with, his/her official participation.*

3. Acceptance of unsolicited advertising or promotional materials such as pens, pencils, note pads, calendars, or other items of nominal value.*

4. Acceptance of plaques and commemorative mementoes, of nominal value, or of value only to the recipient, such as service pins, recognition awards, retirement mementoes.
5. Acceptance of incidental transportation from a private organization provided it is furnished in connection with an employee's official duties and is of the type customarily provided by the private organization.

* Nothing herein shall be deemed to relieve any Director or designated employee from reporting the value of such meals, transportation, lodging or gifts and abstaining from participation in any decision of MWDOC which could foreseeably have a material financial effect on the donor when the value of such gifts reaches the limits set forth in MWDOC’s Conflict of Interest Code and the Political Reform Act.

In no event shall any employee accept gifts from any single source, the cumulative value of which exceeds the applicable gift limit under California law.

A gift or gratuity, the receipt of which is prohibited under this section, shall be returned to the donor. If return is not possible, the gift or gratuity shall be turned over to a public or charitable institution without being claimed as a charitable deduction and a report of such action and the reasons why return was not feasible shall be made on MWDOC records. When possible, the donor also shall be informed of this action.

Motion - 1/17/96;

§7105 PERSONS OR COMPANIES REPORTING GIFTS

All persons and companies doing business with MWDOC, with the exception of public agencies, shall submit a summary, by January 31 of each calendar year, of all gifts claimed for internal vendor audits (including meals) made to, or on behalf of, employees or Directors of MWDOC, or their immediate family members, that have occurred in the normal course of business during the previous calendar year. Failure to provide this information to MWDOC may result in the termination of MWDOC business with that person or company.

Motion - 7/21/93; Motion - 8/18/93;

§7106 USE OF CONFIDENTIAL INFORMATION

Confidential information (i.e., information which is exempt from disclosure under the California Public Records Act) shall not be released to unauthorized persons unless the disclosure is approved by the Board, President of the Board, or General Manager. Employees are prohibited from using any confidential information for personal advantage or profit.

§7107 POLITICAL ACTIVITIES

Employees are free to endorse, advocate, contribute to, or otherwise support any political party, candidate, or cause they may choose; however, employees are prohibited from soliciting political funds or contributions at MWDOC facilities. In any
personal political activity an employee may be involved in, it shall be made clear that the employee is acting personally and not for MWDOC.

§7108 IMPROPER ACTIVITIES

Employees shall not interfere with the proper performance of the official duties of others, but are strongly encouraged to fulfill their own moral obligations to the public, MWDOC, and its member agencies by disclosing, to the extent not expressly prohibited by law, improper activities within their knowledge. No employee shall directly or indirectly use or attempt to use the authority or influence of his/her position for the purpose of intimidating, threatening, coercing, commanding, or influencing any person with the intent of interfering with that person's duty to disclose improper activity.

§7109 VIOLATION OF POLICY – STAFF AND STAFF OFFICERS

If an employee is reported to have violated MWDOC’s Ethics Policy, the matter shall be referred to the General Manager for investigation and consideration of any appropriate action warranted which may include employment action such as demotion, reduction in salary, or termination. If a Board appointed officer (Secretary, Treasurer or General Manager) is reported to have violated MWDOC’s Ethics Policy, the matter shall be referred to the Executive Committee for investigation and consideration of any appropriate action.

Motion - 1/17/96;
§7110 VIOLATION OF POLICY -- DIRECTORS

A perceived violation of this policy by a Director should be referred to the President of the Board or the full Board of Directors for investigation, and consideration of any appropriate action warranted. A violation of this policy may be addressed by the use of such remedies as are available by law to MWDOC, including, but not limited to: (a) adoption of a resolution expressing disapproval of the conduct of the Director who has violated this policy, (b) injunctive relief, or (c) referral of the violation to MWDOC Legal Counsel and/or the Grand Jury.

§7111 PERIODIC REVIEW OF CONFLICT OF INTEREST AND ADMINISTRATIVE GUIDELINES

During the first quarter of the year immediately following an election (every two years), the Board shall meet to review and/or receive a presentation that addresses principles relating to reporting guidelines on compensation, conflict of interest issues, and standards for rules of conduct.
Please note If using Consultant’s proposal as Exhibit “B” please attach the proposal or or complete the standard Exhibit “B” Form below, BOTH Parties must verify that all sections of this form are FULLY ADDRESSED and the appropriate Exhibit is attached and labeled accordingly

EXHIBIT "B"

SCOPE OF WORK, TERMS OF AGREEMENT
AND TERMS AND CONDITIONS FOR BILLING

<table>
<thead>
<tr>
<th>Company: Fraser Communications</th>
</tr>
</thead>
<tbody>
<tr>
<td>Name: Renee Fraser</td>
</tr>
<tr>
<td>Address: 1631 Pontius Avenue</td>
</tr>
<tr>
<td>Los Angeles, CA 90025</td>
</tr>
<tr>
<td>Phone: 310-3199101</td>
</tr>
<tr>
<td>Tax I.D. #95-4683679</td>
</tr>
</tbody>
</table>

1. Term – Commencement April 16, 2014 Termination September 30 2014

2. Fees/Rates to be billed –as follows:

**Task 1. Project Administration and Management**

<table>
<thead>
<tr>
<th>Staff Member and Title</th>
<th>No. of Hours</th>
<th>Hourly Rate</th>
<th>Cost per Staff Member</th>
</tr>
</thead>
<tbody>
<tr>
<td>Renee Fraser - Account Management</td>
<td>36</td>
<td>$240</td>
<td>$8,640</td>
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<tr>
<td>Ilene Prince - Account Management</td>
<td>28</td>
<td>$180</td>
<td>$5,040</td>
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<tr>
<td>Kristin Barker - Assistant</td>
<td>24</td>
<td>$75</td>
<td>$1,800</td>
</tr>
<tr>
<td>Neelam Tolani - Controller</td>
<td>4</td>
<td>$125</td>
<td>$500</td>
</tr>
<tr>
<td>Amitesh Krishna</td>
<td>2</td>
<td>$95</td>
<td>$190</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td></td>
<td><strong>$16,170</strong></td>
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</table>

**Task 2. Develop Question Guide**

<table>
<thead>
<tr>
<th>Staff Member and Title</th>
<th>No. of Hours</th>
<th>Hourly Rate</th>
<th>Cost per Staff Member</th>
</tr>
</thead>
<tbody>
<tr>
<td>Renee Fraser - Research Director</td>
<td>27</td>
<td>$200</td>
<td>$5,400</td>
</tr>
<tr>
<td>Caryn Goldsmith</td>
<td>14</td>
<td>$175</td>
<td>$2,450</td>
</tr>
</tbody>
</table>
Research Senior

<table>
<thead>
<tr>
<th>Staff Member</th>
<th>No. of Hours</th>
<th>Hourly Rate</th>
<th>Cost per Staff Member</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kristin Barker</td>
<td>14</td>
<td>$75</td>
<td>$1,050</td>
</tr>
</tbody>
</table>

**Total** $8,900

**Task 3. Conduct Focus Groups and Write Report**

<table>
<thead>
<tr>
<th>Staff Member and Title</th>
<th>No. of Hours</th>
<th>Hourly Rate</th>
<th>Cost per Staff Member</th>
</tr>
</thead>
<tbody>
<tr>
<td>Renee Fraser - Research Director</td>
<td>72</td>
<td>$200</td>
<td>$14,400</td>
</tr>
<tr>
<td>Caryn Goldsmith - Research Senior/Moderator</td>
<td>64</td>
<td>$175</td>
<td>$11,200</td>
</tr>
<tr>
<td>Kristin Barker - Research Assistant</td>
<td>43</td>
<td>$75</td>
<td>$3,225</td>
</tr>
</tbody>
</table>

**Total** $28,825

**Focus Group Recruiting, Incentives and Facility**

**Total Cost** $37,750

**Task 4. Subject Matter Expertise**

<table>
<thead>
<tr>
<th>Staff Member and Title</th>
<th>No. of Hours</th>
<th>Hourly Rate</th>
<th>Cost per Staff Member</th>
</tr>
</thead>
<tbody>
<tr>
<td>Renee Fraser - Research Director</td>
<td>50</td>
<td>$200</td>
<td>$10,000</td>
</tr>
<tr>
<td>Caryn Goldsmith - Research Senior</td>
<td>32</td>
<td>$175</td>
<td>$5,600</td>
</tr>
<tr>
<td>Ed Means - Water Expert</td>
<td>32</td>
<td>$175</td>
<td>$5,600</td>
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<tr>
<td>Lisa Schellenbach - Media Planning</td>
<td>24</td>
<td>$175</td>
<td>$4,200</td>
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</table>

**Total** $25,400

**Task 5. Creative Materials Development**

<table>
<thead>
<tr>
<th>Staff Member and Title</th>
<th>No. of Hours</th>
<th>Hourly Rate</th>
<th>Cost per Staff Member</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sergio Belletini</td>
<td>18</td>
<td>$200</td>
<td>$3,600</td>
</tr>
</tbody>
</table>
Creative Director

Lisa Ansis - Senior Copywriter 16 $175 $2,800

Amber Gusa - Art Director 26 $175 $4,550

Paul Davis - Studio Artist 18 $125 $2,250

Laura Bearer - Production Manager 12 $150 $1,800

Total $15,000

Task 6 Final Report Copies

Total Cost $750

TOTAL PROJECT GRAND TOTAL $132,795

3. Budgeted Amount – Compensation is to be on a “time and material” basis, not to exceed $132,795. CONSULTANT’s fees shall be billed by the 25th day of the month and paid by DISTRICT on or before the 15th of the following month. Invoices shall reference the Purchase Order number from the DISTRICT.

Upon invoicing DISTRICT 80% of the contract amount, CONSULTANT shall prepare and provide to DISTRICT a “cost to complete” estimate for the remaining work.

4. Scope of Work/Services are as follows:

Development of discussion guide

The development of the discussion guide will include several stages. We would begin with an initial briefing with MWDOC. At that meeting we would define goals and objectives, gather any additional input, review all past research, and review any current news items and recent data from secondary sources. After digesting that information and any new data, we propose developing a draft outline of the discussion guide that includes learning from past research and the values study conducted by MWDOC. The values research gives good guidance as to what people value most (jobs, education, public safety and transparency in government).

In addition to discussion guide input, we are proposing a workshop for messaging. This is described in greater detail in the next section, but essentially it would enable PIOs to bring the messaging they have utilized to the session so that all ideas are considered for the focus group.

The recommended path for discussion guide development and review is:
• Develop draft to be reviewed by MWDOC team
• Refine draft
• Present draft to MWDOC PIOs
• Obtain input/refine draft
• Share draft, messaging to be tested and research design with selected member agencies
• Prepare final discussion guide for focus groups
Focus group design and approach
The goal of this research project is to develop insights and understanding of the diverse customer base and stakeholders served by MWDOC and its member agencies. Focus groups will be used to determine attitudes, motivations and preferences for creative messaging. Eight focus groups are proposed.

Our approach
Discussion topics would include:
- Consumer attitudes and behaviors toward water consumption/conservation in California
- Current ways participants conserve; awareness of rebates, etc.
- Potential ways to affect and ultimately change attitudes/behaviors related to water usage; use of social media, attention to bloggers, etc.
- Current perceptions of the need for water conservation
- The power of different motivators (building off the “value of water survey” findings) for water conservation and promoting understanding the value of water
- Evaluation of messaging approaches (built from “value of water” findings and values research)
- Different taglines and images will be shown to gauge comprehension of the message, reactions, preferences and ability to motivate

Methodology
We are proposing a total of eight groups, five conducted in English, three in Spanish, in three regions of Orange County. The respondents will be separated according to income breakouts in order to get the broadest group of consumers possible, representing potentially differing opinions about the issues. Also, two groups of water conservation mavens will be included to better understand the best strategies to communicate about these issues. The location of the actual groups will be determined with input from MWDOC. The recommended research design is as follows:

The segments are defined as follows:

- **Affluent**: HHI $150K if cohabitating; $100K if single. 25-65 years old. Own their own home, limit to 2-3 condo/townhome owners per group.
  - Orange County North
  - Orange County East
  - Orange County South
  - Cross-section general market
  - Asian
  - Spanish language spoken in the home
  - Mavens/opinion leaders

- **Middle Income**: HHI $50-$100K/co-habitating; $40K-$100K/single. 25-60 years old. Mix of owners and renters. Limit to renters no more than half the group.
  - Orange County North
  - Orange County East
• **Orange County South**
• Cross-section general market
• Asian
• Spanish language spoken in the home
• Mavens/opinion leaders

**Lower Income:** HHI <$50K/cohabitating; <$40K/single. 25-50 years old.
• **Orange County North**
• **Orange County East**
• **Orange County South**
• Cross-section general market
• Asian
• Spanish language spoken in the home
• Mavens/opinion leaders

**Mavens**, defined as those individuals who have wide network of casual acquaintances by whom they are trusted, often a network that crosses many social boundaries and groups. They are trusted to have a high knowledge base on Southern California water issues. Will segment based on a screener to be approved by client, which will “test” respondents’ knowledge on water issues. We will identify younger “mavens” to be included.

We will look to recruit a mix of men and women as well as age ranges. We would recruit 10 for eight to show.

All consumers will be screened to ensure that they will be fully articulate and enthusiastic contributors. Articulate consumers who are able to talk about their feelings and passions in a group setting are important for any research project – and much of the success of the research relies on each one of these consumers being a quality respondent.

The focus group will be led by one of Fraser Communications’ professional moderators.

**Development of creative components for messaging**

The development of the creative messaging will occur in three stages. For the first stage, we recommend having an input session with MWDOC and the water agency conservation members/PIOs so that they can offer creative messaging ideas and elements they have utilized or tested or those that have been suggested to them. In order to obtain the highest level of buy-in, it is important to gain everyone’s involvement. We will do this in a workshop that allows participants to share their messages, why they worked, and any supporting data or rationale.

In the second phase, we will take all of the information gathered and develop a range of creative options. This will include some of the ideas brought forward by the PIOs as well as fresh ideas based on Fraser’s knowledge and experience. Each of the ideas will be developed as messaging platforms or statements to be tested in the focus groups. We will also develop posters or concept images that include taglines
to be tested for reaction by the focus groups.

The third phase occurs after we have input from the focus groups. Once people have reacted to the messaging and we have the insights from the discussion, we will refine the creative elements. We will then turn those into posters, print ads and other elements needed by the member agencies. These would be created in electronic form, housed in an archive for downloading and available for local agencies to customize.

**Project timeline**

**Implementation of research and messaging**  - May

Research report – End of June

Media recommendations and creative elements finalized – Finished by July 31

**Discovery and preparation**
Briefing and design of research and sample; discussion guide development; meetings to review and share design
Contract signature date through early May

**Implementation**
Development of screener; identification of research facilities; recruitment of focus group respondents
May 1 – 31, 2014

Development and review with MWDOC of creative stimuli
May 1 – 31, 2014

Conducting of focus groups
May 2014

Meetings with stakeholder groups to provide update, assessment and progress report, opportunity for inclusion of new questions
May 2014

**Reporting and presentation of messaging**
MWDOC presentation of research results
June 30, 2014

Presentation to MWDOC of creative refinements of messaging
June 30, 2014
Presentation of research findings and creative refinements to PIOs and member agencies  
June 30, 2014

Handoff and distribution of electronic material  
June 30, 2014

**Creative elements and media recommendations**  
Recommendations for media channels  
July 31, 2014

All electronic materials archived and available to MWDOC  
July 31, 2014

5. Consultant Representative: **Renee Fraser**