

City of Coachella

Comprehensive User Fee Study and Cost Allocation Plan



February 27, 2024

Mr. Ruben Ramirez
Controller
City of Coachella
567 El Camino Real
Coachella, CA 94066

submitted via email: ruben.ramirez@coachella.org

Re: Proposal to Conduct a Comprehensive User Fee Study and Cost Allocation Plan for the City of Coachella

Dear Mr. Ramirez,

As you know, cities throughout California consistently contend with limited financial resources to address competing priorities and objectives, while striving to maintain high standards of service to their communities. Processes and staffing often evolve as staff seek efficiencies and more cost-effective service models; or sometimes practices change out of necessity in response to events such as the recent pandemic. Considering this, ***it is critical that the City of Coachella (“City”) confirm that its fees for requested services are updated to reflect current practices, account for the true cost of providing City services, incorporate provision for overhead rates and costs related to indirect support, and maximize appropriate cost recovery. This will help ensure that the revenues generated by fees cover the cost of those services to the greatest extent possible, ensure effective use of the City’s financial resources and enhance fiscal sustainability.*** City Staff, and ultimately the City Council, need a clear understanding of standards, service levels and the associated costs. Recognizing this, the City has responded by soliciting proposals for a Comprehensive User Fee Study and Cost Allocation Plan.

Willdan Financial Services (“Willdan”) is uniquely qualified to assist the City of Coachella with this update, following are specific advantages that Willdan brings to the City for these studies:

Experience with the City of Coachella — Willdan is privileged to have previous history of working successfully with the City of Coachella. We will bring the same level of professionalism and expertise, and understanding of the City, to this proposed engagement, and take advantage of our knowledge of the City and relationships with staff to quickly and effectively initiate the study, gather data and information, and clarify questions. ***Where possible, we will leverage our knowledge of the City’s operations and key staff to facilitate this study in a cost-effective and efficient manner; focusing less time on data gathering, and more on analysis and providing meaningful results, resulting in lower project cost and a higher value.***

Extensive Local Experience with Similar Projects for Southern California Cities — Willdan has worked with cities near Coachella, and throughout Southern California, on Cost Allocation and User Fee projects with objectives very similar to those for this study. ***Our unique local knowledge will help us bring valuable perspective and knowledge of other local cities’ approach to fees and their policies on fee setting and subsidies and assist us in conducting meaningful and efficient fee comparisons to Coachella.*** Recent and ongoing studies include the Cities of Indian Wells, Palm Desert, Twentynine Palms, Murrieta, Canyon Lake, Eastvale, Claremont, Chino Hills, Chino, Fontana, West Hollywood, Burbank, El Monte, Los Alamitos, Lynwood, Stanton, Montebello, Arcadia, and Pomona.

Collaborative Approach, Proven Results and User-friendly Models and Reports — Willdan prides itself on working closely with City staff to develop an approach that is targeted toward your specific objectives and reality, and then working together with you to gather first-hand information regarding the processes and tasks required to provide services to those requesting them. ***This is a distinct advantage we will bring in our approach with the City of Coachella. A collaborative approach ensures we clearly understand your goals and challenges, and just as importantly, you understand the process and the results.***

Our Cost Allocation methodologies and models have been reviewed and approved by Cognizant Agencies such as the US Army and recently, the US Department of Housing and Urban Development, providing evidence of our thorough and defensible approach to the development of Cost Allocation strategies.

We create user-friendly Excel-based models that the City can retain and conduct our analysis and develop the model collaboratively with City staff. Rather than using an inflexible proprietary software program, we construct our models from the ground up, mirroring the City’s budget format wherever possible.

Created directly from the models, our reports clearly and graphically illustrate full and recommended levels of cost recovery and projections of revenue for fee programs, break down the costs into direct and indirect overhead categories, and present the fee methodologies.

Our approach is geared toward delivering work on schedule and presenting results at public meetings and council workshops to stakeholders and elected officials who typically do not want or need to see the deep detailed analysis. The Willdan Team is experienced at communicating complex analytical results in a manner that is easy to understand by non-finance-oriented individuals. We have coordinated or participated in numerous public and staff workshops regarding fees and cost of service-based charges.

Unique Combination of Services and Expertise/Public Engagement — Established in 1988, Willdan is a team of over 80 professionals who provide essential financial consulting services throughout California, and the United States. Willdan has provided the requested services to municipal clients for over two decades; and is the only firm providing these types of consulting services that also has a long history of providing contract staff support to public agencies for the delivery of municipal services. This direct experience as “agency staff” provides us with firsthand understanding of City operations and is uniquely useful in determining the full effort associated with service delivery and in developing a fee schedule that is easy to communicate and implement.

We are excited about this opportunity to serve the City of Coachella. To discuss any aspect of our proposal, please contact me; my contact information is provided in the table below.

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Proposal Contact
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As a Vice President of Willdan Financial Services, I am authorized to bind the firm to the terms of this proposal, as well as the subsequent agreement.

Respectfully,

WILLDAN FINANCIAL SERVICES



Chris Fisher
Vice President / Director

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Scope of Services

Project Understanding

Willdan Financial Services (“Willdan”) understands that the City of Coachella (“City”) is seeking a Comprehensive User Fee Study and Cost Allocation Plan that will enhance fiscal sustainability and equitable distribution of financial resources within the community, align fees and charges with the cost of providing the services, while promoting transparency, fairness, and responsible financial management.

Given our experience, we have a clear understanding of the issues and concerns that are encountered with this type of project, and more importantly, how to address and overcome them and meet the City’s objectives.

Key City issues and objectives that are addressed within our scope of services include the following:

- Meeting with City Staff to review existing fee schedules, conduct interviews and gather information necessary to understand the processes, operations, structure and staffing necessary for the City to provide services for which fees are charged;
- Conducting analysis that clearly identifies the full (100%) cost of providing services for which fees are charged, and ensuring that there is a reasonable relationship between these costs, the services being provided, and the recipients of these services – **all to support compliance with Prop 26 and Prop 218;**
- Developing a well-documented Cost Allocation Plan for both full and OMB compliant purposes, which is flexible and able to accommodate changes in City structure, staffing and processes going forward, and which allows for inflation adjustments;
- Comparing costs of providing services with current cost recovery levels and evaluating and adjusting fees and charges to ensure they align with the cost of the services being provided by the City;
- Identifying and evaluating opportunities to develop and implement fees for services being provided for which fees don’t currently exist;
- Identifying the amount of revenue being recovered based on current fee levels and activity levels, and projecting future estimates so that recommended fees recover appropriate amounts of revenue;
- Working with City Staff to develop meaningful recommendations for fee setting and subsidies where charging fees that represent full cost recovery may not be reasonable for policy or political reasons;
- Providing meaningful ‘apples to apples’ comparisons of key fees charged by the City of Coachella to other similar and/or nearby cities chosen in discussions between Willdan and City Staff. The comparisons will involve applicable fees for sample representative projects which the City could anticipate encountering;
- Providing the City with models that incorporate data and information used in developing updated fees, and allows for updates for CPI, new added personnel, updated time estimates and volumes, or other factors as necessary; and
- Preparing a report that clearly identifies services for which fees are charged, the cost of those services, current and recommended cost recovery levels, and fee amounts, and presenting the results in a way that is readily understood by decision makers.

The end products will include user-friendly Excel-based models, which City staff will retain, and which can be easily updated to add or remove services and/or costs, update budgets in future years, determine the proper allocation of expenditures, and on-going full cost of services provided by the City. Most importantly, we will ensure that the results and recommendations are clear and understandable, defensible, and easily implementable.

Rather than a costly and inflexible proprietary software, which can require expensive licensing fees, Willdan builds models utilizing Excel, from the ground up, employing the City’s budget as the gauge. This model, which is then the City’s to retain, gives City staff the control to make on-the-fly adjustments and updates.

We will meet directly with departmental representatives at the City at the beginning of the project, to discuss the approach and process for the studies. Discussions will include ways to combine tasks and efforts among the cost allocation plan and user fee study components to maximize efficiencies and ensure adherence to specified timelines.

The completion of a CAP is a key component and first step in the analysis necessary to calculate the cost of providing services. **A well thought out CAP ensures that indirect costs associated with central overhead services, such as finance, human resources, or city clerk, are appropriately allocated to operating departments, and ultimately included as a cost component of fees for services.** We will work collaboratively with City staff to identify the overhead support services that are provided to operating departments in the City and develop a fair and defensible means of allocating these costs.

Our unique model allows us to provide a CAP that will also be compliant with 2 CFR Part 200 Federal regulations related to cost reimbursement and grant funding, formerly known as OMB A-87 and 2 CFR Part 225 guidelines, which have now been superseded by the Omni Circular. The new circular did not completely overhaul the guidelines, and the intent is still the same, but it did add new limitations to consider and incorporate into a compliant CAP.

For the Comprehensive User Fee Study, we will work directly with personnel at the City who provide services and interact directly with residents and customers, to understand the personnel and procedures involved. By carefully examining these processes, we will be able to identify associated costs such as direct staff costs (salaries and benefits) associated with personnel involved in the activities, and appropriate overhead allocations from both the department and city levels.

For a successful and effective engagement, it is important to have a thorough understanding of specific City policies and objectives, the structure and organization of the City, and the relationships between the central and operating departments. We bring years of successful experience working directly with hundreds of cities throughout California.

Willdan possesses the resources, practical experience, creative thinking, and collaborative consulting skills necessary to complete this important project. ***Key distinct advantages that Willdan brings to the City include the following:***

On-site Data Gathering

Our experience has taught us that working together, via face-to-face discussions, is the most efficient and thorough way to ensure that results are accurate, and that studies are completed in a timely manner, which again, is critical in this proposed engagement.

Consequently, through on-site interviews with your staff, Willdan will collect the majority of required data for studies. This method is better than the typical “time and motion surveys” that are provided to agency staff when studies like these are conducted. This process ensures that we gather the data we need in one coordinated step, rather than having to go through repeated follow-up and clarification.

This approach and the dedication of our staff will help ensure we meet the City’s timeline and objectives and provide important information to City staff and the Council as soon as possible.

Public Engagement

Our models and project approach are geared toward delivering our work on schedule and presenting our analysis results at public meetings and Council workshops. While we understand that the City Council and local business community may be generally supportive of increasing fees where necessary, it will be important to present recommendations to them in a way that clearly demonstrates the rationale and supporting analysis.

The Willdan Team is experienced at communicating complex analytical results in a manner that is easy to understand by non-finance-oriented individuals and facilitates discussion. Our proposed principal-in-charge for this engagement has coordinated or participated in numerous public and staff workshops regarding fees and cost of service-based charges. As previously mentioned, our objective is to provide useful, detailed information, and present recommendations to the City Council and public in a way that clearly demonstrates the rationale and supporting analysis. Our experience ensures that we can meet this objective.

User-friendly Models and Reports

Willdan prides itself on creating user-friendly Excel-based models that the City can retain and ***conducting our analysis and developing the models collaboratively with City staff.*** With City staff’s immediate input and collaboration, Willdan will design extremely flexible, intuitive Excel-based models. In the future, as the City assumes new responsibilities, modifies existing processes, and/or eliminates unnecessary services or programs, the models will be capable of adding or deleting funds, objects, departments, programs, staff positions, and activities. Willdan understands that issues facing the City are unique; consequently, we design our models to match your immediate and desired needs to ensure that end-results exceed staff expectations rather than using an inflexible proprietary software.

The model will be developed to allow the City to run “what-if” scenarios to address possible changes in staffing levels, working hours, etc.

These models are then the City’s to retain, after our services are completed, and allows for the creation of revenue projections, highlighting potential new revenues, and levels of subsidy.

A key element of these studies is presenting results and recommendations in a straightforward manner, which allows Council and staff to confidently make fee setting policy decisions and understand the impacts of those decisions. Rather than using an inflexible proprietary software program, we construct our models from the ground up, as previously discussed, mirroring the City’s budget format wherever possible. As a result, the information contained in our models are easy for City staff to interpret, and the familiar software ensures ease of navigation.

As the models are being designed and constructed, we will work together with City staff to determine the best and most effective features to include.

After the project is completed, we will provide training, so that staff can independently and efficiently evaluate the effects of changes in certain factors. Created directly from the models, our reports clearly and graphically illustrate the full cost recovery level of fee programs and provide projections of revenue from fee programs.

Project Methodologies

The following describes our proposed approach, and work plan to prepare a Cost Allocation Plan and Comprehensive User Fee Study.

Cost Allocation Plan Methodology

The purpose of this cost allocation plan engagement is to ensure that the City of Coachella is maximizing the recovery of indirect costs from identified operating departments, as well as enterprise and other chargeable funds and capital projects.

Furthermore, a sound cost allocation plan is a foundational element of a user fee study, ensuring that the full cost of providing services that is calculated for setting fees includes provision for internal overhead support.

The Cost Allocation Plan is also integral in the development of internal hourly rates, including CIP billing rates. We will work closely with staff in identifying the proper balance of allocation factors appropriate for the City.

To achieve the maximum cost recovery objective, the City must have a method of identifying and distributing administrative costs that is fair, comprehensive, well documented, and fully defensible. A cost allocation plan coupled with comprehensive overhead rates will enable the City to achieve this goal.

The allocation models utilize an iterative method which is the most accurate allocation methodology. Unlike a direct or “step-down” methodology, an iterative method uses the chosen distribution bases and allocates central service costs iteratively until all allocable costs have been distributed. Using this method, the model can detail the allocation for each central function individually for complete transparency and accountability, while removing bias that might result from the order in which allocations occur in a step-down approach.

A direct methodology is essentially a one-iteration methodology, while a step-down method is typically only two iterations and is less precise and unable to accurately track the allocations from start to finish.

Approach for Managing the Project

Willdan’s “hands-on” supervision of Cost Allocation Plan studies, include the following methods:

- **Effective Project Management** — Principal-in-Charge Chris Fisher will manage the entire project with an eye toward high responsiveness, while ensuring that all stakeholders are “on board” with the direction of the project, as well as with the final results. Mr. Fisher will ensure that regular status updates are provided to City staff, conference calls are scheduled, and that in-person meetings are conducted (as necessary).
- **Adherence to Time Schedule** — Willdan recognizes that the use of “timelines” is highly effective in meeting all required deadlines. To keep the project on schedule, there are several tasks that must be completed in a timely manner. Therefore, we will present a project timeline at the kick-off meeting that should be closely followed.

Although the establishment of an experienced project team and a detailed project timeline work extremely well in general, Willdan understands that outside influences can create uncontrollable situations for everyone involved in the project. In rare circumstances like these, our team quickly adapts to changes, and communicates our recommended schedule adjustments to the City.

Approach in Communicating with the City

Willdan staff is accustomed to interfacing with local government councils, boards, staff, community organizations, and the public in general in a friendly and helpful manner; we are always mindful that we represent the public agency. We are sensitive to the need of delivering a quality product, with the highest level of service and professionalism.

Therefore, as the work on the project progresses, we understand that it will be necessary for our staff to work closely with you and City personnel. To accomplish this, we employ a variety of tools, including monitoring project status and budget costs; and ensuring effective communication through several options that are based on the City’s preferences.

Experience with Development Service Processes

A unique aspect of our firm is our relationship with our Engineering Division. For many agencies throughout California and other Western states, this division provides contracted services in planning, engineering, and building and safety. When conducting cost recovery studies, we regularly consult with our engineering and land-development staff of experts on development-related issues. By working with our planners, engineers, and building officials, we understand development-related agency service procedures and workflow functions, which often make the entire user fee study process smoother for your staff.

Comprehensive User Fee Study Methodology

To comprehensively update fees, the City should develop a comprehensive user fee schedule that accurately accounts for the true cost of providing services. Once the study is complete, the fee study model must be flexible so that the City can add, delete, and revise fees in the future. To meet this goal, we will bring our expertise and unique perspectives to your fee study by approaching the project with these three principles:

1) Defensibility

Our user fee projects have not been legally challenged since the inception of this practice area in our firm. We have accomplished this by closely working with legal counsel familiar with user fee studies, our engineering division and with agency staff. In this way, we can tailor the correct approach to ensure full cost recovery combined with a sound and reasonable basis for each user fee you implement.

While Proposition 218 does not directly apply to non-property-related fees, we employ principles from this important constitutional article to make certain that your user fee schedule is developed with fairness, equity, and proportionate cost recovery principles in mind. With the addition of Proposition 26, Willdan will review each analyzed user fee for compliance and appropriateness to ensure continued defensibility.

2) Project and Staff Time

The City must have a sound and technically defensible fee schedule to ensure costs are appropriately recovered, as applicants approach the City for its services. Our standards and approaches serve to get to the issues of your fee study quickly.

Starting with the project kick-off, we will make certain that your staff understands the purpose and scope of the study and its corresponding on-site departmental interview. As Willdan is able to communicate directly with the service providers, this face-to-face interaction provides valuable time estimates.

3) Responsiveness

We take great pride in providing responsive service to our client agencies. Frequent communication is critical to a successful user fee study experience. We will provide a list of data requirements in advance of the project kick-off. Due to this simple step, the introductory meeting can focus on the survey input process, answering questions, determining policy goals, and defining next steps in the project. We will follow up weekly with you at each step in the fee study process to make sure that staff “buys in” to the fee study approach and results.

Comprehensive User Fee Study Approach

Our approach to preparing the user fee study and documentation for Coachella includes:

- Close coordination with your staff to devise a consensus approach. Different programs and/or different service delivery methods will necessitate different approaches.

We will discuss specific pros and cons with City staff as we determine which methods work best for each fee category;

- Strict adherence to key legal and policy issues with regard to user fees, including the percent of cost recovery that the City seeks to achieve. A user fee shall not be set higher than the reasonable cost of providing a fee-generating service. Our approach provides you with a fee schedule that achieves maximum legal cost recovery while ensuring that each fee is supported by technically defensible documentation; and
- Technical analysis necessary to ensure State compliance, and to anticipate and resolve potential policy issues using a combination of industry standards as well as City specific methods.

As described below, there are two basic approaches to calculating user fees:

Approach 1: Case Study Method

This is also sometimes referred to as a cost build-up approach. Using a time and materials approach, the “Case Study Method” examines the tasks, steps and City staff involved in providing a particular ‘unit’ of service, such as a permit review, and then uses that information to develop estimates of the actual labor and material costs associated with providing a unit of service to a single user. It is often used when a service is provided on a regular basis, and staff and other costs associated with the service can be segregated from available budget data.

A typical case study fee model should comprise the following three general cost layers:

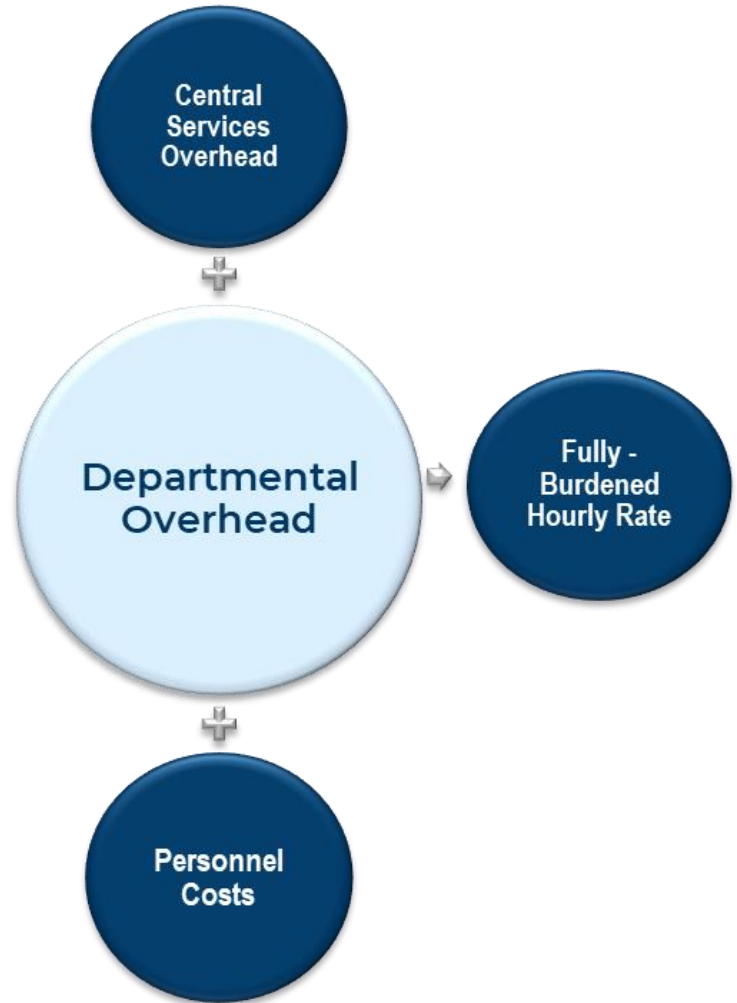
1) Central Services Overhead: This category may involve such costs as labor, services, and supplies that benefit more than one department, division, or project. The exact benefits to specific areas are impossible to ascribe to a single activity. Examples are purchasing, human resources, and liability insurance. As part of the user fee study, these costs are calculated in the overhead cost review.

2) Department Overhead: This category may include expenses related to such items as office supplies, outside consultants, and membership dues. It may include management, supervision, and administrative support that are not provided to a direct fee-generating service. Typically, these items are charged, on an item-by-item basis, directly to the department, division, or project.

3) Personnel Costs: This category refers to direct salary and benefit costs of staff hours spent on providing a fee-generating service (e.g., on-site building inspector).

Approach 2: Average Cost Method

This is also sometimes referred to as a programmatic approach, because it looks at costs at a program level, and then allocates them to participants on an occurrence basis. By taking total service costs across a substantial sample period (a year) and dividing by the total number of service units delivered over that same period, costs per unit of service is estimated. This approach is useful when services or programs are provided in a more aggregate manner, where it might be difficult to identify a specific sequence of steps associated with one user or participant; or where it is not feasible to cost-effectively segregate costs associated with specific activities.



Scope of Work

Our proposed work plans, described in detail by task, are provided below. We will maximize efficiency and cost-effectiveness by combining meetings and data gathering efforts between the user fee study and cost allocation plan wherever possible. We explain how each task will be accomplished and identify associated meetings and deliverables. We will work in concert with the City to adjust scopes as needed during the course of the studies.

Cost Allocation Plan

This proposed scope of services addresses the completion of both the full and OMB compliant versions of the Cost Allocation Plan (CAP). We have noted where activities specific to the OMB compliant plan occur.

Task 1:	Initial Document Request
Objective:	Initial due diligence.
Description:	<p>Prior to the kick-off call, relevant documentation will be obtained and reviewed in order to enhance our understanding of the City’s current cost allocation plan and internal structure of the agency. A written request for specific data will be sent to the City. The data provided in this task will provide the building blocks for later model development.</p> <p>Our request may include (but is not limited to):</p> <ul style="list-style-type: none"> ▪ Detailed budget and accounting data; ▪ Prior year’s financial data, salary, position, and staffing data; ▪ Organizational structure; ▪ Prior cost allocation plan and/or user fee documentation and models; and ▪ Data related to various allocation bases that may be incorporated as part of the methodology, i.e., City Council agenda frequencies by department, AP/AR transactions by department, IT equipment distribution by department, etc.
Deliverables:	<p>Willdan: Submit information request to City.</p> <p>City: Provide requested data to Willdan (prior to Task 2, Kick-off Call/Refine Scope). We will follow up with the City to confirm in writing the data that we have received, or which is still outstanding.</p>
Task 2:	Kick-off / Confirm Project Strategy / Refine Scope
Objective:	Confirm project goals and objectives and develop overall project strategy. Identify and discuss policy considerations related to the study and determine appropriate fee categories.
Description:	<p>Willdan will identify and discuss policy matters typically associated with these studies and address data gaps in order to gain a full understanding of the City’s goals for the cost allocation plan.</p> <p>We will establish effective lines of communication and processes for information gathering and review, and conduct discussions with City staff to verify the scope, purposes, and objectives for the CAP.</p> <p>We will also discuss costs that may not be allocable for OMB purposes, and the potential impact on the OMB version of the CAP.</p> <p>During this call, we will ask that the City assign a project manager to serve as its primary contact. The selected City project manager will ensure that available data is provided to Willdan in a timely manner, thereby maintaining adherence to the project’s schedule.</p> <p>We will obtain and review the current cost allocation methodology and discuss with City staff. The objective of this review is to determine specific areas of focus as they relate to the City’s objectives, and to discuss and evaluate current and potential allocation factors.</p>
Meetings:	One (1) project kick-off meeting or call to initiate the project, discuss data needs and methodologies, and to address policy issues. We would propose to conduct the user fee study kick-off during this same meeting, to maximize efficiency and cost effectiveness of City staff and Willdan time.
Deliverables:	<p>Willdan: If needed, a revised project scope and schedule.</p> <p>City: Provide further data requirements and select/introduce City’s project manager.</p>

Task 3: Gather Staffing Information and Develop Cost Allocation Plan Model	
Description:	<p>This task involves the gathering of specific information, directly from City staff, through interviews and discussion, related to the functions served by indirect staff and the departments served by their activities.</p> <p>This task also focuses on the development of, and/or adjustment of existing, allocation bases, and the development and testing of a model that will ultimately be used to calculate the proper cost allocations derived from data gathered in prior tasks.</p> <p>The model will be developed to incorporate any recent changes in the provision of City services, identify the total cost of providing indirect overhead support services, fully allocate central service costs to operating groups such as Development Services, and will include provision for appropriate inflationary adjustments going forward. The model will also be developed to allocate only those costs eligible under 2 CFR Part 200. This is accomplished by loading relevant data into the model, identifying which costs are not allocable under the OMB guidelines. The OMB Super Circular compliant model is valuable as the City may receive Federal or State grant funding that mandates compliance with Federal OMB regulations.</p> <p>The model will include flexibility to add or delete support service and/or operating groups as changes occur and also the ability to adjust the model and the results annually for inflation, salary, and benefit increases, as well as contract rates.</p> <p>We will utilize budget and organizational information, and other required information gathered from City staff to complete the work in this task. Specific discussions will be held to discuss allocation bases, services provided by indirect groups, how central overhead services are provided to and utilized by other departments, cost categories and allocation criteria, and how these will factor into the overall cost allocation methodology.</p> <p>The model and methodology will produce indirect cost rates and overhead percentages which support the development of fully-burdened hourly City staff rates. These hourly rates can be used for a variety of purposes including incorporation into the User Fee Study's fully burdened personnel rates, billing to Capital Improvement projects work orders, recovery of costs for services provided to City customers working with various City departments, and in the OMB Super Circular compliant CAP, to Federal grants.</p>
Meetings:	Online meetings with staff to understand structure and operations as model and allocation bases are developed. Key staff will be interviewed to best understand central overhead staffing and functions and the departments served.
Deliverables:	Willdan: One (1) user-friendly model in Microsoft Excel format that provides both a full cost allocation plan and an OMB Super Circular compliant cost allocation plan.
Task 4: Test and Review Cost Allocation Methodology	
Objective:	Test and review model and results with City.
Description:	<p>The draft cost allocation plan model will be reviewed with City staff, and adjusted as necessary, to ensure that preliminary allocations provide an accurate depiction of how the central overhead costs should be borne by the operating programs and funds. Over the past several years, we have successfully integrated online meetings by using WebEx™ as an element to our approach.</p> <p>This allows us to remotely guide staff through the model review and allows you the opportunity to interactively change inputs and test approaches.</p>
Meetings:	One (1) online meeting and demonstration with City staff to review the model.
Deliverables:	Willdan and City: Draft cost allocation plan model review.
Task 5: Prepare and Present Draft Report	
Objective:	Prepare the draft cost allocation report.
Description:	This task involves the draft report preparation. The cost allocation plan's background, model methodologies, and results will be discussed; calculations and supporting data will be presented textually and in easily understood tables and provided to the City.
Meetings:	One (1) online meeting to present the draft report to City staff.
Deliverables:	Willdan: Draft report for City review and input. City: Review of draft report, with comments, and edits.

Task 6: Discuss and Revise Report	
Objective:	Review of draft report, cost distribution methods, and model.
Description:	<p>An in-depth review of the draft report and model will be conducted to arrive at an optimum allocation method for each expenditure type.</p> <p>Often, through the course of an engagement, comments usually revolve around issues of understandability; appropriate levels of enterprise funds' cost recovery, etc.; ease of calculation; and overhead costs' distribution methods.</p> <p>Our reports are structured to include both the overhead and OMB compliant plan, but in the course of review if a separate report is desired for each or just one of the plans, they will be split.</p> <p>Following a round of comments from City staff concerning the draft report, the final report will be prepared for presentation to the Council.</p>
Meetings:	One (1) conference call with City staff to review the report with changes and revisions.
Deliverables:	Draft report, and revised draft/final report.

Task 7: Prepare and Present Final Report and Model	
Objective:	Prepare and present the final report to City Council. Educate City staff on the operation and use of the model for future modifications.
Description:	This task is the culmination of the cost allocation plan project. Based on staff comments on the draft report, Willdan will prepare the final report for presentation to City Council.
Meetings:	<p>One (1) meeting with the City Council to present the final plan if necessary. This meeting would be held in conjunction with the presentation of the user fee study results.</p> <p>We will also provide staff training on the operation and use of the model, and consult with the City as needed to respond to challenges or questions related to the CAP.</p>
Deliverables:	Willdan: Provide one (1) electronic PDF file copy of the final report and models (full and OMB Super Circular compliant); and five (5) bound copies, and one (1) unbound copy to the City, if requested. Using Microsoft Word and Excel, an updateable electronic copy of the study and models, as well as related schedules, will be provided on CD.

Comprehensive User Fee Study

Task 1: Initial Document Request	
Objective:	Initial due diligence; obtain study-related data.
Description:	<p>Prior to the kick-off meeting, we will obtain and review relevant documentation to further enhance our understanding of the services, fees, and rates to be studied. A written request for data will be sent to the City. Please note that Time Survey data is not part of this request and will be gathered during the on-site interviews described in Task 5.</p> <p>We will request information and documentation on current fees and fee programs, activity levels, and budget and staffing information (to the extent not already available) related specifically to programs and activities which have associated fees, and for which the City has this level of detail.</p>
Deliverables:	<p>Willdan: Submit information request to City.</p> <p>City: Provide requested data to Willdan (prior to Task 3, Kick-off Meeting/Refine Scope). As with the cost allocation plan, we will follow up with the City to confirm receipt of requested data and information and highlight data elements that are outstanding.</p>

Task 2: Compile Inventory of Current and Potential Fees	
Objective:	Willdan will identify a schedule of fees and methodology for calculating the fees.
Description:	Based on the results of the initial document request and independent research, incorporate into our model the existing fees, provided by the City, to comprise the parameters of the fee study.
Meetings:	It is possible that a conference call with the City may be necessary to discuss new fees to implement or existing fees that may no longer be required.
Deliverables:	<p>Willdan: One (1) draft list of current fees based on initial data provided (to be discussed and finalized during the kick-off call).</p> <p>City: Review completed fee schedule with comments/revisions to be discussed during the kick-off meeting.</p>

Task 3: Kick-off Conference Call / Refine Scope	
Objective:	Confirm goals and objectives for the Comprehensive User Fee Study. Identify and discuss policy considerations typically associated with a User Fee Study, for instance cost recovery/subsidy policies, address gaps in data, and refine appropriate existing or new fee categories (based on Task 2).
Description:	<p>Verify our understanding of the City's goals, the City's cost-recovery policy for user fees, and to fill any gaps in data/information necessary for the project. It is important for the City and Willdan to identify and address any foreseeable problems and maintain open communication throughout the process.</p> <p>During this call, we will ask that the City identify a project manager who will serve as the primary contact for the project. The project manager shall have responsibility for ensuring that all available data is provided in a timely manner, thereby maintaining adherence to the project's schedule.</p>
Meetings:	One (1) project kick-off call to initiate the entire project, discuss data needs, and address policy objectives. As mentioned in the cost allocation plan work plan, we suggest combining the kick-off calls to increase efficiency.
Deliverables:	<p>Willdan: 1) Revised project scope and schedule (if needed); and 2) brief summary of policy decisions (if needed).</p> <p>City: 1) Provide further data needs; and 2) determine/introduce City's project manager.</p>
Task 4: Develop User Fee Model	
Objective:	Develop and test model.
Description:	<p>This task involves the development of the model ultimately used to calculate the departmental fees, based on data and information gathered in previous tasks and in the Time Survey Interviews.</p> <p>Key model inputs will include staff and allocated overhead costs per position, and relevant budget data on salaries and benefits.</p> <p>Most of this information will be developed during the cost allocation plan phase of this project and will be incorporated directly into the user fee model. We will request clarification and/or additional data if necessary.</p> <p>The model will build upon the cost allocation plan results, to provide an allocation of administrative and overhead costs to fee related activities and departments providing services to customers, so that fees and billable rate schedules incorporate applicable costs.</p> <p>Furthermore, the fees and rates charged to customers will also reflect the cost of the services being provided, to the extent possible given policy and/or political considerations.</p>
Deliverables:	Willdan: One (1) user-friendly model in Microsoft Excel format, which, when finalized, City staff can use to calculate fee changes annually, or as often as deemed appropriate by the City Council.
Task 5: Staff Interviews and On-site Information Gathering	
Objective:	Meet with City staff to complete Time Surveys and understand service delivery processes.
Description:	<p>In order to assist staff with the completion of the survey worksheets, we will schedule one (1) day of meetings with staff; however, the number of meetings needed may vary depending on the number of staff and departments involved.</p> <p>The Willdan Team will conduct interviews with supervisors/managers, as well as other staff, as deemed appropriate and/or necessary, from each department involved in the user fee study to determine the average time required by City staff to provide each of the services for which a fee is collected.</p> <p>The fee model is designed so that full cost recovery fees are calculated immediately upon input of staff time. These full costs are also compared to current cost recovery levels.</p> <p>This will allow Willdan and City staff to conclude with a final meeting to review the draft full cost recovery fees and adjust any times as necessary once all information has been compiled and input into the fee model. We will schedule the interviews with staff to minimize any disruption to their normal workflow.</p>
Meetings:	<p>One (1) business day of meetings/staff interviews. These may be either in person, or virtual using Zoom or WebEx, or a combination depending on City Staff availability. We have received feedback that many cities find virtual meetings to be more efficient as they allow for more flexible scheduling and more focused conversation. We will discuss options with City Staff and proceed accordingly.</p> <p>Over the past three years we have used these tools very successfully and found them to be highly effective and efficient, particularly for follow-up questions and/or discussions.</p>
Deliverables:	Willdan and City: Time surveys and draft full cost recovery fees.

Task 6: Data Analysis and Final User Fee Schedule

Objective: Incorporate information obtained from interviews and surveys to fully develop model.

Description: We will update the model, based on information received during the surveys and interviews with City Staff, to generate a comprehensive user fee schedule. In addition, it is very common that a supplemental data request may be necessary, based on new fees identified that the City is not currently collecting.

Where appropriate, we will suggest and discuss with staff alternate approaches to existing fee programs (i.e., building fees) and suggest potential areas where fees could be collected where they are not currently.

We will calculate and present the full cost recovery level for fees, both current and projected under the new fees, and revenue projections, given certain assumptions about the levels of subsidy for different fees.

Current levels of cost recovery will be compared to actual full costs calculated during the course of this study. Cost will be calculated at reasonable activity levels and include all appropriate direct and indirect costs and overhead. We will review fee programs for compliance with Propositions 218 and 26.

In developing the fee schedules for each division, we will make recommendations for new fees where appropriate, based on our experience with other cities. Some areas for new fees may be due to changes in law (legalized cannabis), or for activities that the City finds itself performing regularly, but for which no fee is collected.

Where possible, we will incorporate discussion of the City’s economic development policies, and where these may intersect with fee programs, for instance setting fees in a manner that encourages certain activities.

The user fee data analysis and model development may take three (3) to four (4) weeks with frequent correspondence with City staff to discuss current cost recovery amounts, necessary to recover full cost and frequency activity.

Meetings: Virtual meetings, as necessary, to gather additional input, complete analysis and finalize fee schedule.

Deliverables: Final user fee model for City Council presentation and discussion.

Task 7: Common Fees Comparison

Objective: Examine selected user fees charged by up to five (5) comparable cities in Riverside County or other jurisdictions that are close in proximity or similar to the City of Coachella.

Description: We will access and use our knowledge of other jurisdictions to benchmark the City’s five (5) most common visible fees or highest yielding fees with comparable jurisdictions.

Fee schedules are rarely readily or directly comparable from agency to agency due to definitional and operational differences. For example, a grading permit in one jurisdiction may include the plan check service, while the same permit in another jurisdiction may not, resulting in similar sounding services with widely varying costs. For this reason, Willdan takes a selection of the City’s most commonly used and/or highest yielding fees.

The survey will contain the following, a comparison of common or similar fees and charges used by the City and other jurisdictions; current and proposed fees and charges unique to the City of Coachella; fees and charges used by other public entities not currently used in the City; and If possible, identify characteristics and processes unique to the City that account for significant variances in fees and charges used by other jurisdictions.

Deliverables: **Willdan:** Recommendations provided in Task 8 will incorporate the data gathered during our examination.

Task 8: Prepare and Present Draft Report

Objective: Prepare draft report.

Description: This task involves the preparation of the draft report that discusses the study’s background, the methodologies utilized in the study, and the results and presentation to various stakeholder groups. As noted below, meetings may occur during this or the next task as appropriate. The calculations used to generate the user fee study will be included textually, as well as in easy to understand tables. Individual fee summaries by department and a comprehensive fee schedule will be included.

The draft report will include the following:

- Key results and findings;
- Basic descriptions of each service;
- The full cost of each service at lowest reasonable activity level and current cost recovery levels;

- Costs broken down graphically into indirect and direct components, with a graphic display of the level of cost recovery;
- Fee recommendations with associate levels of cost recovery;
- Projections of potential fee revenue;
- Assessment of reasonableness of each City’s costs;
- Review of reasonableness of current consultant cost structure (for Building Division services);
- As appropriate, recommend alternative methodologies for building permit fee calculation; and
- Summary and recommendations.

The objective of the report is to communicate the recommendation of appropriate fees, which include the appropriate subsidy percentage for those fees where full cost recovery may be unrealistic.

Meetings: One (1) conference call with City staff, to present draft results address questions and receive feedback.

Deliverables: **Willdan:** Draft report for City review and comment.

City: Review of draft report, with comments and edits.

Task 9: Revise Draft Report/Determine Cost Recovery Levels for Recommended Adoption

Objective: Review of draft report and fee model.

Description: The goal of this task is to conduct an in-depth review of the draft report and model, incorporate feedback and changes as a result of previous discussions, and arrive at an optimum fee structure.

Often through the course of an engagement, City staff will volunteer insightful likes and dislikes regarding the existing fee structure. We listen to this feedback carefully because your staff members know the community best. Comments usually revolve around issues of:

- Understandability;
- Fairness to applicants;
- Ease of calculation;
- Appropriate levels of cost recovery; and
- Full cost recovery hourly rates.

When adjusting fee recovery levels, we believe it is important to address these concerns.

Following one (1) round of comments from City staff on the draft report and feedback from City staff, we will prepare the final report for presentation to the City Council.

Meetings: One (1) online demonstration (WebEx) to review the report and model, with any revisions.

Deliverables: Draft report, revised draft /final report.

Task 10: Prepare and Present Final Report/Instruct Staff on Model

Objective: Prepare and present final report to City Council. Instruct staff on the operation and use of the model for future modifications.

Description: This task is the culmination of the entire project. Based on staff comments received regarding the draft report, we will prepare the final report for presentation.

Meetings: One (1) meeting with City Council to present the results and adopt the updated fee schedule. We will also provide staff training on the operation and use of the model on the same day, during regular business hours.

Deliverables: Provide one (1) electronic PDF file copy of the final report and models; and, if requested, provide five (5) bound copies, and one (1) unbound copy to the City. Using Microsoft Word and Excel, an updateable electronic copy of the study and models, as well as related schedules, will also be provided on CD.

City Staff Support

To complete our tasks, we will need the cooperation of City Staff. We suggest that the City of Coachella assign a key individual to represent the City as the project manager who can function as our primary contact. We anticipate that the City’s project manager will: 1) Coordinate responses to requests for information; 2) Coordinate review of work products; and 3) Help resolve policy issues. Willdan will endeavor to minimize the impact on City Staff in the completion of this project.

We will ask for responses to initial information requests in a timely manner. If there are delays on the part of the City, we will contact the City’s project manager to steer the project back on track. We will keep the City’s project manager informed of data or feedback we need to keep the project on schedule.

Project Schedules

Willdan understands time is of the essence for the City of Coachella to begin this engagement. The schedules can only be met with the cooperation of City staff. Delays in responding to our requests for data and review will result in corresponding delays to the project schedule. If that is the case, we will notify the City immediately of the possible impact on the schedule.

Cost Allocation Plan

City of Coachella Cost Allocation Plan																		
Project Schedule																		
Scope of Services	April					May				June				July				
	1	8	15	22	29	6	13	20	27	3	10	17	24	1	8	15	22	29
Task 1: Initial Document Request			⌘1															
Task 2: Kick-off / Refine Scope (conference call)				⌘2														
Task 3: Gather Staffing Information and Develop Model (conference call)					⌘3													
Task 4: Test and Review Cost Allocation Methodology (conference call)							⌘4											
Task 5: Prepare and Present Draft Report (meeting)									⌘5									
Task 6: Discuss and Revise Report (conference call)											⌘6							
Task 7: Prepare and Present Final Report/Instruct Staff on Model (meeting)													⌘7					

Deliverables:

- | | |
|--|---|
| ⌘1: Information Request | ⌘5: Draft Report |
| ⌘2: Revised Project Scope and Schedule (if needed) | ⌘6: Revised Draft Report/Final Report |
| ⌘3: User-friendly Model in Microsoft Excel | ⌘7: Final Report – Hard and Electronic Copies |
| ⌘4: Draft Cost Allocation Plan Model Review | |

Comprehensive User Fee Study

City of Coachella Comprehensive User Fee Study																										
Project Schedule																										
Scope of Services	April					May				June				July				August				September				
	1	8	15	22	29	6	13	20	27	3	10	17	24	1	8	15	22	29	5	12	19	26	2	9	16	23
Task 1: Initial Document Request			⌘1																							
Task 2: Compile Inventory of Current and Potential Fees				⌘2																						
Task 3: Kick-off / Refine Scope (web meeting/conference call)					⌘3																					
Task 4: Develop User Fee Model						⌘4																				
Task 5: Staff Interviews and Information Gathering (web meetings)								⌘5																		
Task 6: Data Analysis and Final User Fee Schedule (Web mtgs/conf calls)										⌘6																
Task 7: Common Fees Comparison													⌘7													
Task 8: Prepare and Present Draft Report (conference call)															⌘8											
Task 9: Revise Draft Report/Determine Cost Recovery Levels (conference call)																	⌘9									
Task 10: Prepare and Present Final Report/Instruct Staff on Model (web meeting)																							⌘10			

Deliverables:

- | | |
|--|--|
| ⌘1: Information Request | ⌘6: Draft Fee and Rate Model Review |
| ⌘2: Draft List of Current Fees | ⌘7: Common Fee Comparison |
| ⌘3: Revised Project Scope and Schedule (if needed) | ⌘8: Draft Report |
| ⌘4: User-friendly Model in Microsoft Excel | ⌘9: Revised Draft Report/Final Report |
| ⌘5: Time Surveys and Draft Full Cost Recovery Fees | ⌘10: Final Report – Hard and Electronic Copies |






Quality Control Procedures

Project Management Approach

At Willdan, we utilize a Project Management Process/Approach that ensures projects are completed on time, within budget and most importantly yield results that match our clients' expectations. We will document discussions leading to important policy decisions and/or the choice of critical assumptions used in constructing the analysis and model.

Following key stakeholder discussions, we will schedule a call to summarize findings and direction with City staff, to make certain that we are in agreement with stated objectives, and that feedback is incorporated as appropriate.

Through the process of providing regular updates and conducting status conference calls, potential issues will be highlighted, discussed, and resolved. Any deviances from the project timeline will be identified and plans will be developed for course corrections.

Project Management				
				
Define the Project	Plan the Project	Manage the Project	Review the Project	Communicate the Project
<ul style="list-style-type: none"> Identify the project scope, set objectives, list potential constraints, document assumptions. Define a course of action and develop an effective communication plan. Provide a forum for applying the team's collective expertise to solving difficult analytical issues that arise in complex projects. 	<ul style="list-style-type: none"> Collaborate with the project team and client staff and agree upon timeline to meet the estimated project timeline. Assign workload functions to appropriately qualified staff to ensure milestones are met, on time. Pre-schedule quality control meetings with the project team to maintain the progressive motion of the project. 	<ul style="list-style-type: none"> Manage the execution of the project. Direct existing and upcoming project tasks. Control and monitor work in progress. Provide feedback to client and project team. Identify and resolve deviances from project timeline. 	<ul style="list-style-type: none"> Review all work products and deliverables. Utilize structured quality assurance process involving up to three levels of review at the peer level, project manager level. Procure executive officer level review. 	<ul style="list-style-type: none"> Communicate with the client regarding work status and progress. Ensure client is in receipt of regular status updates. Schedule regular conference calls to touch base. Inform client of roadblocks, work outside of projected scope.

Quality Assurance / Quality Control Process

Our quality control program is incorporated as a required element of Willdan’s day-to-day activities. There are three levels of reviews incorporated for our deliverables:

- 1) Peer review;
- 2) Project Manager review; and
- 3) Final quality assurance manager review.

Peer reviews involve one analyst reviewing the work of another, while project manager reviews are conducted prior to delivery to the quality assurance manager. The quality assurance manager then performs a final review. This assures that our final product has been thoroughly evaluated for potential errors; thus, providing quality client deliverables, and high levels of integrity and outcomes.



The primary mission of our quality control plan is to provide staff with the technical and managerial expertise to plan, organize, implement, and control the overall quality effort, thereby ensuring the completion of a quality project within the time and budget established.

Quality Assurance Goals		
Goal	Lead	Task
Quality Assurance / Control Process	Chris Fisher	<ul style="list-style-type: none"> ▪ Establish a set of planned and systematic actions for maintaining a high level of quality in the professional services performed; ▪ Emphasize quality in every phase of work; ▪ Ensure efficient use of resources; ▪ Establish a consistent and uniform approach to the services performed; and ▪ Implement appropriate quality control measures for each work task of the project.
Quality Control Plan	Chris Fisher, Tony Thrasher, & Robert Quaid	<ul style="list-style-type: none"> ▪ Contract deliverables; ▪ Specific quality control procedures; ▪ Special quality control emphasis; ▪ Budget and manpower requirements; ▪ Overall project schedule and budget; and ▪ Project documentation requirements;

Key Personnel

Our management and supervision of the project team is very simple: staff every position with experienced, capable personnel in sufficient numbers to deliver a superior product to the City, on time and on budget. With that philosophy in mind, we have selected experienced professionals for this engagement. We are confident that our team possesses the depth of experience that will successfully fulfill your desired work performance.

Project Team

City of Coachella Project Team		
Key Team Member	Project Role	Responsibility to the Engagement
Chris Fisher Vice President/Director	Principal-in-Charge	<ul style="list-style-type: none"> Ensure client satisfaction, flow of communication, and oversight of the project Technical guidance; Project oversight; Quality assurance & control; and Meeting and presentation attendance.
Tony Thrasher Principal Consultant	Project Manager	<ul style="list-style-type: none"> Task oversight; Model development; Produce key elements of the analyses; Responsible for project deliverables; Report preparation and evaluation; and Meeting and presentation attendance.
Priti Patel Senior Financial Analyst	Senior Analyst	<ul style="list-style-type: none"> Collect, interpret, and disseminate key data; Assistance with model development; Peer review; Report preparation; and Meeting and presentation attendance.
Samantha Labitan Senior Analyst	Analytical Support	<ul style="list-style-type: none"> Collect, interpret, and disseminate key data; Assistance with model development; Peer review; and Report preparation.
Robert Quaid Principal Consultant	Technical Advisor	<ul style="list-style-type: none"> Third party reviewer; and Report evaluation.

Project Team Stability

Mr. Fisher has been assigned to serve as the City’s representative; he has been selected for this role due to his vast experience, which includes the preparation and supervision of numerous fee studies, as well as his experience presenting to governing bodies, stakeholders, and industry groups.

It is important to note that Mr. Fisher has been with Willdan for 24 years, ensuring the City of Coachella of continuity and dedication in staffing during the completion of the project.

Resumes

Resumes for Willdan’s project team are presented on the following pages.

Chris Fisher

Principal-in-Charge

Education
San Francisco State University, Bachelor of Science, Finance

Mr. Chris Fisher, Vice President / Director of Willdan's Financial Consulting Services group, will serve as Principal-in-Charge for the City of Coachella project. He will also share his extensive knowledge related to cost-of-service principles with members of the project team.

Areas of Expertise
Cost of Service Analyses

Mr. Fisher joined Willdan in April of 1999, and during that time has managed an array of financial consulting projects for public agencies in California, Colorado, Texas, Arizona, and Florida, coordinating the activities of resources within Willdan, as well as those from other firms working on these projects. He is one of the firm's leading experts for special district financing related to public infrastructure, maintenance, and services, including public safety.

Multi-disciplinary Team Management

Related Experience

Special District Formations

City of Palm Desert, CA — Cost Allocation Plan and Comprehensive User Fee Study: Mr. Fisher is the principal-in-charge for the ongoing full cost allocation plan and user fee study. Willdan's work includes the gathering of necessary data and information, interviews with City Staff to identify overhead support services and how they are used and interviews to gather information related to fee-based services. We are also developing financial models to calculate overhead allocations and personnel rates and the full cost of services for which fees are charged. We are working with Staff to finalize cost recovery targets, prepare reports and present the results.

Client Presentations

Proposition 218

City of Murrieta, CA — Cost Allocation & OMB Compliant Plan and Comprehensive User Fee Study: Mr. Fisher served as the project manager on the City's fee study. The primary objective for the cost allocation study was to ensure that general government costs were fairly and equitably allocated to appropriate programs and funds. ***The City recently re-engaged Willdan to conduct an update to both studies.***

Affiliations

California Society of Municipal Finance Officers

Municipal Management Association of Northern California

City of West Hollywood, CA — Comprehensive User Fee Study and Cost Allocation Plan: Mr. Fisher is the principal-in-charge for the City's Comprehensive User Fee Study and Cost Allocation Plan engagement, managing the overall execution of the project, providing technical guidance and quality control.

California Municipal Treasurers Association

City of Burbank, CA — Comprehensive Citywide User Fees and Charges Study: Mr. Fisher oversaw the City's recently completed Citywide User Fees and Charges Study.

24 Years' Experience

City of Pomona, CA – Master Fee Schedule Update: Mr. Fisher was the principal-in-charge for the City's master fee schedule update and update of the development impact fees. Mr. Fisher provided quality control and served as the primary contact with the City.

City of Laguna Hills, CA — Comprehensive Cost Allocation Plan and Comprehensive User Fee Study: Mr. Fisher oversaw the update of the City's general overhead allocation plan and cost-of-service user fees.

City of Irvine, CA — OMB Cost Allocation Plan and Comprehensive User Fee Study: Willdan completed a cost allocation plan and user fee study for the City of Irvine. Mr. Fisher managed and provided quality assurance to this project, ensuring the accuracy of the models, as well as the final reports. He also presented the results to the City's Finance Commission and to the City Council.

City of Signal Hill, CA — Cost Allocation Plan and User Fee Study: As principal-in-charge, Mr. Fisher oversaw the development and review of a Full and OMB compliant cost allocation study and a comprehensive user fee and rate study for the City's master list of fees.

City of West Covina, CA — Comprehensive Cost Allocation Plan and User Fee Study: Mr. Fisher served in the role of project manager for the City's engagement. The cost allocation plan developed will aid the City in the recovery of overhead costs related to central service activities.

Housing Authority of the County of San Bernardino – Cost Allocation Plan: Mr. Fisher is the principal-in-charge for the Authority's full and OMB cost allocation plan engagement, and the ongoing update. Willdan was brought in and worked with the Housing Authority and HUD to respond to unfavorable OIG audit findings related to the Authority's' approach to the allocation of overhead costs. We developed a new Cost Allocation Plan and are currently working on an update to that plan. The initial work resulted in the clearance of the HUD findings with no penalty to the Housing Authority.

Tony Thrasher

Project Manager

Education

Bachelor of Science
in Economics;
California State
Polytechnic
University, Pomona

Areas of Expertise

Cost Allocation Plans

Fiscal Analysis for
User Fees and Rates

District Administration
Services

Utility Rate Studies

14 Years' Experience

Due to his cost allocation and user fee analyses experience, Mr. Tony Thrasher has been selected to serve as Project Manager for the City's engagement. Mr. Thrasher is a Principal Consultant within the Financial Consulting Services group, whereby his responsibilities include managing projects and conducting fiscal analyses for cost allocation plans, user fees, and utility rate studies.

Mr. Thrasher's prior employment was as a financial analyst working in bond, equity, and mortgage-backed security markets for Wells Fargo Bank, Bank of New York Mellon, and Deutsche Bank. His experience includes portfolio accounting, differential analysis, and forecasting.

Related Experience

City of Indian Wells, CA — User Fee Study: Mr. Thrasher served as the technical project manager for the City's Administrative, Building, Planning and Public Works Departments. The study involved the identification of existing and potential new fees, fee schedule restructuring, data collection and analysis, orientation and consultation, quality control, communication and presentations, and calculation of individual service costs cost recovery levels.

City of Palm Desert, CA — Cost Allocation Plan and Comprehensive User Fee Study: Mr. Thrasher is currently serving as the technical project manager for the City's full cost allocation plan and user fee study. He is directly responsible for the creation of both models for the study, gathering and verification of the data, managing the analysts working to support him and presenting results to the City.

City of Chino Hills, CA — Cost Allocation Plan and Comprehensive User Fee Study: Mr. Thrasher is the project manager for the City's Cost Allocation Plan and Comprehensive User Fee Study. He is working directly with the City contact throughout the engagement.

City of West Hollywood, CA — Comprehensive User Fee Study and Cost Allocation Plan: As the project manager for City's Comprehensive User Fee Study and Cost Allocation Plan engagement, Mr. Thrasher is overseeing the project analysts and is heavily involved in the analysis, development of models, preparation of reports and delivery of results.

City of Burbank, CA — Comprehensive Citywide User Fees and Charges Study: Mr. Thrasher was the project manager for the City's recently completed study, He directed the preparation of the model and reports and was responsible for the delivery of results to the City.

City of Pomona, CA – Master Fee Schedule Update: Mr. Thrasher served as the project manager for the master fee schedule update portion of the City of Pomona's engagement, which also included an update of the development impact fees. Mr. Thrasher was responsible for the development of models and reports and coordinating analytical support.

City of Irvine, CA — OMB Cost Allocation Plan and Comprehensive User Fee Study: Serving as the project's analyst, Mr. Thrasher provided analytical support; and designed micro-level allocation models to ensure full-cost recovery for public safety, public works, community development, community services, and administrative departments.

City of San Marcos, CA — Cost Allocation Plan, Indirect Cost Rate Proposals and Comprehensive User Fee Study: Mr. Thrasher is the project manager for the City of San Marcos' full and OMB compliant cost allocation plan, preparation of Indirect Cost Rate proposals, and Comprehensive User Fee Study engagement. He is the primary in developing the model, which contains all City personnel and expenditures broken down into the ICRP tables. The project is ongoing, and the User Fee Study is now underway.

City of San Fernando, CA — Cost Allocation Plan and Comprehensive User Fee Study: Mr. Thrasher was the project manager for the City's cost allocation plan, OMB compliant plan and comprehensive user fee study engagement. ***Willdan has recently, through a competitive bid, been re-selected to update the cost allocation plan.***

City of Mission Viejo, CA — Cost Allocation Plan and User Fee Study: Mr. Thrasher was assigned to work with the City on this project, providing analytical support, gathering data, working with staff to make refinements, and developing cost allocation and fee models to ensure full-cost recovery for building and safety, planning, community development, and public works departments.

Priti Patel

Senior Analyst

Education

Bachelor of Arts;
Business
Management,
Information Systems
and
International
Business,
University of
Cincinnati

Areas of Expertise

Cost Allocation Plans

User Fee Studies

Proposition 218

9 Years' Experience

Ms. Priti Patel is a Senior Analyst within the Financial Consulting Services group, whereby she supports project managers in conducting utility rate analyses, fee studies, cost allocation plans, monitoring Proposition 218 compliance, and forming special districts. Coordinating and conducting activities associated with Cost Allocation Plans and User Fee Studies, including database integration and manipulation, revenue and expenditure analyses, and documentation preparation are just some of Ms. Patel's duties. With these duties, she interacts with clients on a regular basis.

Ms. Patel joined Willdan as an analyst with the District Administration Group, while with DAS she performed research and analysis needed for local government financial issues related to district administration, including document data entry and updating, database management, research and report preparation. She also provided general information on questions pertaining to Assessment Districts and special taxes (such as Mello-Roo's Pools), as well as the status of property delinquencies.

Related Experience

City of Chino Hills, CA — Cost Allocation Plan and Comprehensive User Fee Study: Providing analytical support in the preparation of a cost allocation plan and comprehensive fee study, Ms. Patel worked to identify and take into account direct and indirect costs, along with changes in staffing, structure, and service delivery methods. She is also assisting in the preparation of user-friendly Excel-based models that City staff can easily update in the future to determine the proper allocation of expenditures and ongoing full cost of City-provided services.

City of West Hollywood, CA — Comprehensive User Fee Study and Cost Allocation Plan: Ms. Patel is serving as the primary financial analyst for City of West Hollywood's Fee Study engagement. Ms. Patel has been instrumental in collecting the necessary data and collaborating with the City and Willdan senior project team members in conducting the study, including development of the model, researching similar fees in comparable cities and preparation of reports.

City of Burbank, CA — Comprehensive Citywide User Fees and Charges Study: Ms. Patel provided analytical support and gathered budget and allocation basis data for this engagement. She also assisted in the development of the financial model.

City of Laguna Hills, CA — Cost Allocation Plan and Comprehensive User Fee Study: Ms. Patel provided analytical support in the preparation of a full cost allocation plan and fee study for the development of a master list of fees.

City of Fillmore, CA — Full Cost Allocation Plan and User Fee Study: Ms. Patel helped develop a cost allocation plan and model that fully allocated central overhead costs to appropriate operating departments, funds, and/or programs. She assisted in the completion of the model and report and worked directly with senior staff on their feedback and revisions.

City of San Fernando, CA — Cost Allocation Plan and Comprehensive User Fee Study: Ms. Patel provided support to senior team members in the preparation of the cost allocation plan, OMB compliant plan and comprehensive user fee study engagement.

City of National City, CA — Cost Allocation Plan, OMB Compliant Cost Allocation Plan, User Fee Study, and ISF Allocation Study: Ms. Patel provided analytical support in the preparation of this study, her primary duties included development of the models, finalizing model figures and results, and generating reports.

City of Yucaipa, CA — Cost Allocation Plan and Comprehensive User Fee Study: Provided analytical support in the preparation of a Cost Allocation Plan and OMB compliant cost allocation plan and comprehensive fee study for the development of a master list of fees. Ms. Patel worked to identify and take into account direct and indirect costs, along with changes in staffing, structure, and service delivery methods.

City of Pittsburg, CA — Cost Allocation Plan and User Fee Study: Ms. Patel was assigned to provide assistance to senior project team members on the City of Pittsburg Cost Allocation Plan and User Fee Study engagement. She will be a technical lead for the gathering of data, creation of the models and preparation of study reports and presentations. ***The City hired Willdan for the original study, and for two subsequent updates.***

Samantha Labitan

Analytical Support

Education
*University of California,
Santa Barbara*

*Bachelor of Arts,
Mathematics*

Areas of Expertise
Cost Allocation Plans

User Fee Studies

*Benefit/Maintenance
Assessment Districts*

*Community Facilities
Districts*

*Local Improvement
Districts*

7 Years' Experience

Ms. Samantha Labitan is Senior Analyst within Willdan's Financial Consulting and District Administration Services groups. Ms. Labitan provides analytical support under the guidance of the project team. Her primary function is to support project managers and senior analysts with cost allocation plans and user fee studies. She specializes in analysis for a variety of clients, including cities, water districts, public utilities, and school districts.

She regularly speaks with individuals representing title companies, real estate agencies, and appraisal firms, together with staff from cities and counties. Willdan's proprietary computer system allows him to readily access the owner's name, the Assessor's Parcel Number, existing and future taxes or assessments, and more; thus, enabling expedient service. Community Facilities Districts, Local Improvement Districts, Landscape and Lighting Districts, and County Service Areas are some of the special districts she administers.

Select Relevant Experience

City of West Hollywood, CA — Cost Allocation Plan and Comprehensive User Fee Study: For this project, Ms. Labitan provides analytical support. Primary duties include gathering and verifying necessary data, finalizing model figures and generating reports.

City of Lynwood, CA — Cost Allocation Plan & OMB Compliant Cost Allocation Plan and User Fee Study: Ms. Labitan provided support to the project team specific to the preparation of a comprehensive fee study, full and OMB compliant cost allocation plan. Ms. Labitan worked in tandem with the project managers to identify and account for direct and indirect costs, along with changes in staffing, structure, and service delivery methods.

City of San Fernando, CA — Cost Allocation Plan and Comprehensive User Fee Study: Ms. Labitan is currently providing support to senior team members in the preparation of a cost allocation plan, OMB compliant plan and comprehensive user fee study.

City of Richmond, CA — Cost Allocation Plan & User Fee Study: As analytical support, Ms. Labitan provided assistance to the project team. Primary duties included gathering and verifying necessary data, finalizing model figures and generating reports.

City of Gilroy, CA — Cost Allocation Plan and Comprehensive User Fee Study: Ms. Labitan worked on the team for the City's fee study project, providing analytical support, gathering data, working with staff to make refinements, and developing cost allocation and fee models to ensure full-cost recovery for building and safety, planning, community development, and public works departments.

City of El Centro, CA — Full & OMB Compliant Cost Allocation Plan and User Fee Study: Ms. Labitan served as the analyst in the preparation of a full & OMB compliant Cost Allocation Plan and Comprehensive User Fee Study, for the City of El Centro engagement.

City of Goleta, CA — Cost Allocation Plan, OMB Compliant Plan, and Comprehensive User Fee Study: Ms. Labitan provided analytical support to the project team for the City's comprehensive fee study, full and OMB compliant cost allocation plan.

City of Los Banos, CA — Full & OMB Compliant Cost Allocation Plan and Comprehensive User Fee Study: Ms. Labitan provided analytical support to the project team for the City's comprehensive fee study, full and OMB compliant cost allocation plan.

City of Blythe, CA — Full and OMB Compliant Cost Allocation Plan: Ms. Labitan served as the analyst in the preparation of a full and OMB compliant cost allocation plan, for the City of Blythe engagement.

City of Pismo Beach, CA — Comprehensive User Fee Study: Ms. Labitan served in the capacity of assistant analyst for the City's comprehensive fee study.

City of Brighton, CO — Cost Allocation & OMB Compliant Plan: Ms. Labitan is providing analytical support for the City's cost allocation plan.

Robert Quaid

Technical Advisor

Education

Bachelor of Science,
University of
Southern California

Areas of Expertise

Fiscal Analysis for
User Fees and Rates

Cost Allocation Plans

Acquisition Audit
Services

Statutory Financial
Reporting

Fund Audits

Quality Review of
Community
Facilities, Lighting &
Landscaping, and
Assessment Districts

Affiliations

California Society
of Municipal
Finance Officers

California Society
of CPAs

35 Years' Experience

With his 35 years of extensive experience in public financing, Mr. Robert Quaid has been selected to provide quality assurance/quality control in the role of technical advisor. In his position as a Principal Consultant at Willdan, Mr. Quaid provides project management, procedural support, technical support, and quality review for Willdan's District Administration group, as well as the Financial Services Consulting group specific to cost allocation plans, user fee studies, and special financial analysis.

Prior to joining Willdan, Mr. Quaid worked in the private industry of real estate accounting and finance. He began his career with the public accounting firm formerly known as Haskins & Sells (currently known as "Deloitte & Touche"). His experience includes financial statement analyses, asset administration, computer conversion, and reporting to the Securities and Exchange Commission for several public real estate partnerships. In 1979, Mr. Quaid became a licensed California CPA.

Related Experience

City of Thousand Oaks, CA — Cost Allocation Plan: Mr. Quaid served as project manager for the development of an OMB A-87 compliant cost allocation plan model using fiscal year actual costs as the basis for the allocations. He was responsible for the preparation of the Cost Allocation Plan report and provided cost allocation model training to City staff.

The objective of this project was to determine the appropriate allocation of indirect costs from City General Fund central service departments to the General Fund operating departments/programs and the non-General Fund departments/programs. The plan model included 16 allocation bases allocating costs to over 100 departments and divisions. Both full and OMB A-87 cost allocation models were delivered to the City. Willdan was awarded a four-year contract.

Cities of Fontana, Gardena and Hawthorne, CA — Cost Allocation Plan Projects: For each of these cities, Mr. Quaid served in the role of task manager for the development of an OMB A-87 compliant cost allocation plan model using Microsoft Excel. He was responsible for the preparation of the cost allocation plan report and trained City staff on how to use the cost allocation model.

City of Cathedral City, CA — Comprehensive User Fee Study: Mr. Quaid served as project manager for a user fee study that required updating fees for Planning, Engineering, Building, Police, Fire, City Clerk, and Finance.

Mr. Quaid has provided Quality Assurance and Quality Control to multiple clients throughout California. Provided below are a few examples of clients for which services have been provided in the previous five years.

- City of Arcadia, CA
- City of Belmont, CA
- City of Burbank, CA
- City of Cerritos, CA
- City of Chino Hills, CA
- City of Claremont, CA
- City of Coalinga, CA
- City of Fillmore, CA
- City of Hayward, CA
- City of Indian Wells, CA
- City of Lynwood, CA
- City of Monterey, CA
- City of Murrieta, CA
- City of Petaluma, CA
- City of Richmond, CA
- City of St. Helena, CA
- County of San Benito, CA
- City of San Bruno, CA
- City of Irvine, CA
- City of Salinas, CA
- City of Upland, CA
- City of Watsonville, CA
- City of West Hollywood, CA
- City of Yucaipa, CA

Firm Qualifications

Firm Profile

Willdan Financial Services is an operating division within Willdan Group, Inc. (WGI), which was founded in 1964 as an engineering firm working with local governments. Today, WGI is a publicly traded company (WLDN). WGI, through its divisions, provides professional technical and consulting services that ensure the quality, value and security of our nation’s infrastructure, systems, facilities, and environment. The firm has pursued two primary service objectives since its inception—ensuring the success of its clients and enhancing its surrounding communities.

A financially stable company, Willdan has approximately 1,500 employees working in more than a dozen states across the U.S. Our employees include a number of nationally recognized Subject Matter Experts for all areas related to the broadest definition of connected communities—*five of whom are committed to contributing their expertise throughout the duration of the City of Coachella’s Comprehensive User Fee Study and Cost Allocation Plan engagement.*

Willdan has solved economic, engineering and energy challenges for local communities and delivered industry-leading solutions that have transformed government and commerce. Today, we are leading our clients into a future accelerated by changes in resources, infrastructure, technology, regulations, and industry trends.



Willdan Financial Services

Established on June 24, 1988, Willdan Financial Services, is a national firm and is one of the largest public sector economic and financial analysis consulting firms in the United States. Since that time, we have helped over 800 public agencies successfully address a broad range of infrastructure challenges.

Our staff of over 80 professionals support our clients by conducting year-round workshops and on-site training to assist them in keeping current with the latest developments in our areas of expertise.

Willdan assists local public agencies by providing the following services:

Willdan Financial Services	
Services	
<ul style="list-style-type: none"> ▪ User fee studies; ▪ Cost allocation studies; ▪ Utility rate and cost of service studies; ▪ Real estate economic analysis; ▪ Feasibility studies; ▪ Municipal Advisory; ▪ Arbitrage and continuing disclosure services; ▪ Economic development strategic plans; 	<ul style="list-style-type: none"> ▪ Development impact fee establishment and analysis; ▪ District administration services; ▪ Property tax audits; ▪ Tax increment finance district formation and amendment; ▪ Housing development and implementation strategies; ▪ Debt issuance support; and ▪ Long-term financial plans and cash flow modeling.

Firm Experience

Willdan Financial Services has provided User Fee Study and Cost Allocation Plan services to municipal clients for 26 years; and has prepared comprehensive user fee studies as well as cost allocation plans, and OMB compliant cost allocation plans for clients throughout California, and the United States. Since 1998, we have developed the expertise to successfully integrate this service into the Financial Consulting Services group's primary functions.

Willdan's Financial Consulting Services staff has assisted well over 100 California government agencies with the development and/or update of all fee types. Each project has required defensible documentation and thorough coordination of fee program changes for different agency departments and stakeholders within the business community. In some cases, Willdan has been required to negotiate fees with stakeholders and, on occasion, defend them in meetings and public forums.

We are particularly strong in advising our clients on the advantages and disadvantages of different fee schedule structures (Citywide versus multiple-fee districts/zones; more versus fewer land-use categories; etc.) and methods of fee calculation that are based on the City's and stakeholder priorities and applicable regulations that comply with Proposition 26 and Proposition 218. Our record of success within the industry provides assurance of the professionalism and capability we will bring to this engagement. A team composed of project managers and analysts develop and/or update user fee studies and cost allocation plans. Willdan has extensive experience with the range of fees charged in the region and the state, and the typical pros, cons, and challenges of each, both in implementation and management. Willdan will bring its expertise to the City's process of considering financial, practical and policy issues in deciding on its future fee program.

Extensive Public Sector Experience

Willdan has delivered industry-leading financial, energy and engineering solutions that have transformed government and commerce for 60 years. Willdan Financial Services advises governments throughout the United States and abroad about financial and economic consulting. We serve all levels of government and collaborate with government staff, constituents, developers, officials, and other professional services firms.

Project Dedication

Willdan has assembled a project team of five subject matter experts within the Financial Consulting Services group, to conduct the City of Coachella Fee Study engagement. This team has coordinated or participated in numerous public stakeholder and staff workshops regarding fees and cost of service-based charges.

Experienced Team

Our employees know and understand the problems facing local government under the current economic climate, and we have oriented our practice to support an agency's modified budget policies and public service priorities.

Financial Stability

Willdan Group, Inc. (WGI) has sustained a healthy financial performance record due to the outstanding performance of our operating divisions and a strong, dependable reputation in municipal consulting. Detailed financial statements and annual reports are included on our webpage (<http://ir.willdangroup.com/>). As a publicly traded company (WLDN), Willdan must provide public financial information as required by the SEC. Furthermore, Willdan Financial Services is not currently involved in any condition (e.g., bankruptcy, pending litigation, planned office closures, impending merger) that may impede our ability to complete this engagement.

Financial Stability

- In business for 60 years
- Over 1,500 employees
- Fiscal Year 2023 Consolidated Contract Revenue of \$354M
- Market capitalization of \$231M (January 2023)
- \$50 million Line of Credit with the ability to increase up to \$60 million

References

Below are recent project descriptions, including client contact information, which are similar in nature to those requested by the City of Coachella engagement. We are proud of our reputation for customer service and encourage you to contact these clients regarding our commitment to completing the projects within budget and agreed upon timelines.

City of Indian Wells, CA

User Fee Study and Cost Allocation Plan

The City of Indian Wells sought an outside consultant to prepare a comprehensive study of the City's user fees for the Administrative, Building, Planning and Public Works Departments. Willdan completed this study in a manner that would fully identify and consider all direct/indirect costs.

Willdan reviewed and analyzed existing user fee programs, and based upon conversations and meetings with staff, made suggestions, as necessary, for fees that may need to be added to the City's fee schedule for which fees were not currently being charged. We developed a comprehensive cost of service analysis and model that included allocation of indirect overhead costs, updated existing fees, and incorporated new fees, and used it to create an updated comprehensive fee schedule. We also assisted the City by attending a meeting with local building industry officials to describe the approach to the analysis, and address questions and concerns.

We recently conducted a Cost Allocation Plan for the City, which was completed in December 2023.

Client Contact: Kevin McCarthy, Finance Director
44-950 Eldorado Drive, Indian Wells, CA 92210-7497
Tel. #: (760) 346-2489 | Email: kmccarthy@indianwells.com

City of Eastvale, CA

Comprehensive User Fee Study and Full & OMB Cost Allocation Plan

Through a competitive bid, the City of Eastvale engaged Willdan Financial Services to conduct a comprehensive study of the City's user fees, as well as the preparation of a Full and OMB compliant Cost Allocation Plan.

Our primary objective for the cost allocation study was to ensure that general government costs are fairly and equitably allocated to appropriate programs and funds, based on tailored and well thought out allocation factors. The Cost Allocation Plan was also created to develop OMB compliant overhead allocations and indirect rates.

Willdan developed the Cost Allocation Plan and model, reviewed and analyzed existing user fee programs, and working collaboratively with staff, made suggestions as necessary for additions to the City's fee schedule for activities for which fees were not currently being charged. The Cost Allocation Plan and Comprehensive User Fee Study were completed and the Willdan team worked with the City to incorporate some minor adjustments and conduct meetings with local stakeholder groups.

Client Contact: Amanda Wells, Finance Director / City Treasurer
12363 Limonite Ave. Suite 910, Eastvale, CA 91752
Tel #: (951) 703-4430 | Email: finance@eastvaleca.gov

City of Claremont, CA

Comprehensive User Fee Study and Full Cost Allocation Plan

Willdan was engaged to prepare for the City of Claremont a Cost Allocation Plan and Comprehensive User Fee Study. Willdan developed a cost allocation plan and model that fully allocated central overhead costs to appropriate operating departments, funds, and/or programs. Our primary objective for the cost allocation study was to ensure that general government costs are fairly and equitably allocated to appropriate programs and funds, based on tailored and well thought out allocation factors.

Willdan reviewed and analyzed existing user fee programs, and based upon conversations with staff, made suggestions, as necessary, for fees that may need to be added to the City's fee schedule for which fees were not currently being charged. Utilizing the full CAP, the comprehensive user fee study phase was completed with full interviews and being conducted on site, and a comprehensive fee model developed.

Willdan has recently been re-selected to provide an update to the User Fee Study and Cost Allocation Plan.

Client Contact: Adam Pirrie, City Manager
207 Harvard Avenue, Claremont CA 91711
Tel #: (909) 399-5328 | Email: APirrie@ci.Claremont.ca.us

City of Murrieta, CA

Cost Allocation and OMB Compliant Plan and Comprehensive User Fee Study

Willdan was engaged by the City of Murrieta to complete a full and OMB compliant cost allocation plan and the preparation of a comprehensive user fee study. Our primary objective for the cost allocation study was to ensure that general government costs were fairly and equitably allocated to appropriate programs and funds, which are based on tailored and well thought out allocation factors.

For the comprehensive user fee study, the primary objective was to ensure that fees for requested services were calculated to account for the full cost of providing the services, and set appropriately, given City policy and financial objectives. A concerted focus was put on achieving near or full cost recovery for the Building & Safety, Planning, Fire, and Public Works fees. The analysis also justified measured increases in some of the fees associated with the other departments. We also supported the City in answering questions from, and participating in several meetings with, the local Building Industry Association representative, to explain the approach to the study, the data used, and the analytical methodology.

Willdan was re-selected to provide an update to the User Fee Study and Cost Allocation Plan.

Client Contact: Stacey Stevenson, Administrative Services Director
1 Town Square, Murrieta, CA 92562
Tel #: (951) 461-6004 | Email: SStevenson@Murrietaca.gov

City of Chino Hills, CA

Full Cost Allocation Plan and Comprehensive User Fee Study

The City of Chino Hills engaged Willdan to complete a comprehensive Cost Allocation Plan and Comprehensive User Fee Study. Willdan staff met with City staff to verify the City's objectives for the study, independently gathered most of the necessary data for the development of the CAP model and methodology and worked directly with City staff to gather additional detail or clarify information where necessary. We worked City staff to understand the various functions served by indirect staff in various City departments, and which operating departments or funds they served. We worked directly with City staff to develop and verify allocation bases and make adjustments through several iterations of the CAP model, as necessary.

We developed a cost-of-service analysis and model that updated existing fees and incorporated new fees and used it to create an updated comprehensive fee schedule.

Willdan is currently providing an update to the User Fee Study and Cost Allocation Plan.

Client Contact: Christa Buhagiar, Finance Director
14000 City Center Drive, Chino Hills, CA 91709
Tel. #: (909) 364-2642 | Email: cbuhagiar@chinohills.org

City of West Hollywood, CA

Comprehensive User Fee Study and Full Cost Allocation Plan

Willdan was engaged to prepare for the City of West Hollywood a Cost Allocation Plan and Comprehensive User Fee Study. Willdan developed a cost allocation plan and model that fully allocated central overhead costs to appropriate operating departments, funds, and/or programs. Our primary objective for the cost allocation study was to ensure that general government costs are fairly and equitably allocated to appropriate programs and funds, based on tailored and well thought out allocation factors.

Willdan reviewed and analyzed existing user fee programs, and based upon conversations with staff, made suggestions, as necessary, for fees that may need to be added to the City's fee schedule for which fees were not currently being charged. Utilizing the full CAP, the comprehensive user fee study initial phase is complete with full interviews concluded and a comprehensive fee model developed. The study is currently wrapping up with additional analysis and updates requested by the City.

Client Contact: Annie Ruiz, Revenue Manager
8300 Santa Monica Blvd, West Hollywood, CA 90069
Tel. #: (323) 284-6499 | Email: aruiz@weho.org

Similar Studies

Provided in the table below is a list of the public agencies in which similar services are currently in progress, or have been completed, in the previous five years.

Willdan Financial Services Five Year Cost Allocation Plan and User Fee Study Experience	
Client	Project Description
City of Amarillo, TX	Cost Allocation Plan
City of Arcadia, CA	Cost Allocation Plan and Comprehensive User Fee Study
City of Arroyo Grande, CA	Cost Allocation Plan, OMB Compliant Plan, User Fee Study and Development Impact Fee Study
City of Arvin, CA	Cost Allocation Plan
City of Aurora, CO	Cost Allocation Plan and Comprehensive User Fee Study
City of Barstow, CA	Cost Allocation Plan
City of Bedford, TX	Cost Allocation Plan
City of Belmont, CA	Development Services User Fee Study
City of Bellflower, CA	Cost Allocation Plan, OMB Compliant Plan, User Fee Study and Development Impact Fee Study
City of Benicia, CA	Cost Allocation Plan and Comprehensive User Fee Study
City of Blythe, CA	Cost Allocation Plan and Comprehensive User Fee Study
City of Brighton, CO	Cost Allocation Plan
City of Burbank, CA	Comprehensive User Fee Study
City of Calexico, CA	EMS User Fee Study
City of Canyon Lake, CA	Comprehensive User Fee Study & EMS User Fee Study
City of Capitola, CA	Cost Allocation Plan and Comprehensive User Fee Study
City of Cave Creek, AZ	Cost Allocation Plan and Comprehensive User Fee Study
City of Chino, CA	Comprehensive User Fee Study, Cost Allocation Plan and Indirect Cost Rate Studies
City of Chino Hills, CA	Cost Allocation Plan and Comprehensive User Fee Study, and Updates
City of Claremont, CA	Cost Allocation Plan and User Fee Study
City of Clermont, FL	Building & Safety Department User Fee Study
City of Commerce City, CO	Comprehensive User Fee Study and Development Impact Fee Study
City of Coppell, TX	Full Cost Allocation Plan
City of Cudahy, CA	Cost Allocation Plan, OMB Compliant Plan, User Fee Study and Development Impact Fee Study
City of DeSoto, TX	Comprehensive User Fee Study
City of Dinuba, CA	Cost Allocation Plan & User Fee Study
City of El Cerrito, CA	Cost Allocation Plan and Community Development Department User Fee Study
City of El Monte, CA	Cost Allocation Plan, OMB Compliant Plan, User Fee Study and Updates, and Development Impact Fee Study
City of Eastvale, CA	Cost Allocation Plan, OMB Compliant Plan, and Comprehensive User Fee Study
City of Encinitas, CA	Development Services User Fee Study and Cost Allocation Plan and Updates
City of Fillmore, CA	Cost Allocation Plan, OMB Compliant Plan, User Fee Study and Development Impact Fee Study
City of Foster City, CA	Cost Allocation Plan, OMB Compliant Plan, and Comprehensive User Fee Study
City of Fountain Hills, AZ	Comprehensive User Fee Study
City of Fountain Valley, CA	Cost Allocation Plan and Comprehensive User Fee Study
City of Fontana, CA	Cost Allocation Plan, OMB Compliant Plan, and User Fee Study
City of Fullerton, CA	Community Development Department User Fee Study and Fire Department User Fee Study
City of Georgetown, TX	Cost Allocation Plan

Willdan Financial Services Five Year Cost Allocation Plan and User Fee Study Experience	
Client	Project Description
City of Gilroy, CA	Cost Allocation Plan, OMB Compliant Plan, and Comprehensive User Fee Study & 2023 CPI Updates
City of Goleta, CA	Cost Allocation Plan, OMB Compliant Plan, and Comprehensive User Fee Study
City of Hayward, CA	Comprehensive Master User Fee Study, Full Cost Allocation Plan, and Updates, and Rental Inspection Program Fee Analysis
City of Hesperia, CA	Comprehensive User Fee Study
City of Hollister, CA	Planning User Fee Study
City of Indian Wells, CA	Comprehensive User Fee Study & Updates
City of Irvine, CA	Cost Allocation, OMB Compliant Plan, Comprehensive User Fee Study, and Building & Safety Fee Update
City of Irwindale, CA	Cost Allocation Plan, User Fee Study and Development Impact Fee Study
City of Kingsburg, CA	Full & OMB Compliant Cost Allocation Plan
City of La Puente, CA	Cost Allocation Plan and Comprehensive User Fee Study
City of Lake Elsinore, CA	User Fee Study and Cost Allocation Plan and Updates
City of Lindsay, CA	Cost Allocation Plan, User Fee Study, and Impact Fee Analysis
City of Lomita, CA	Cost Allocation Plan, OMB Compliant Plan, User Fee Study and Development Impact Fee Analysis
City of Los Alamitos, CA	Cost Allocation Plan and Comprehensive User Fee Study
City of Los Altos, CA	Cost Allocation Study, OMB Compliant Plan, and Comprehensive User Fee Study
City of Los Angeles, CA	Building & Safety User Fee Study
City of Los Banos, CA	Full Cost Allocation Study, OMB Compliant Plan, and Comprehensive User Fee Study
City of Lynwood, CA	User Fee Study and Cost Allocation Plan, and Updates
City of McFarland, CA	Cost Allocation Plan and Utility Rate Study
City of Manteca, CA	Cost Allocation Plan and Comprehensive User Fee Study
City of Mesquite, TX	Cost Allocation Plan and OMB Compliant Plan, and Updates
City of Mission Viejo, CA	Comprehensive User Fee Study and Cost Allocation Plan, and Updates
City of Missouri City, TX	Full and OMB Compliant Cost Allocation Plan and User Fee Study
City of Montebello, CA	Cost Allocation Plan and User Fee Study, and Updates
City of Monterey Park, CA	Cost Allocation Plan and User Fee Study, and Updates
City of Monterey, CA	Cost Allocation Plan and Indirect Cost Rate
City of Mountain View, CA	Comprehensive User Fee Study and Cost Allocation Plan
City of Murrieta, CA	Comprehensive User Fee Study, Cost Allocation Plan, and OMB Compliant Plan and Updates
City of Napa, CA	Comprehensive User Fee Study, Full Cost Allocation Plan, and OMB Compliant Plan
City of National City, CA	Cost Allocation Plan, OMB Compliant Cost Allocation Plan, and Comprehensive User Fee Study
City of Oroville, CA	Cost Allocation Plan and Updates
City of Oviedo, FL	Cost Allocation Plan
City of Palm Desert, CA	Cost Allocation Plan and Comprehensive User Fee Study, and Updates
City of Patterson, CA	Comprehensive User Fee Study, Full and OMB Compliant Cost Allocation Plan
City of Paramount, CA	Cost Allocation Plan and Comprehensive User Fee Study
City of Petaluma, CA	Cost Allocation Plan, User Fee Study, CIP Admin Rate & Work Order Rate Analysis, Hourly Overhead Rates, and ISF Allocation Study, and Updates
City of Pismo Beach, CA	Cost Allocation Plan, OMB Compliant Plan, and User Fee Study
City of Pittsburg, CA	User Fee Study and Cost Allocation Plan, and Updates
City of Pleasant Hill, CA	Cost Allocation Plan, OMB Compliant Plan, and User Fee Study
City of Pomona, CA	Master Fee Schedule Update and Development Impact Fee Review

Willdan Financial Services Five Year Cost Allocation Plan and User Fee Study Experience	
Client	Project Description
City of Richmond, CA	Cost Allocation Plan, OMB Compliant Plan, User Fee Study and Development Impact Fee Study
City of Rosemead, CA	Cost Allocation Plan, OMB Compliant Plan, User Fee Study and Development Impact Fee Study
City of St. Helena, CA	Cost Allocation Plan, OMB Compliant Plan, User Fee Study and Development Impact Fee Study, and Updates
City of San Anselmo, CA	Cost Allocation Plan and Comprehensive User Fee Study
City of Bruno, CA	Cost Allocation Plan and Comprehensive User Fee Study
City of San Dimas, CA	Cost Allocation Plan and Comprehensive User Fee Study
City of San Fernando, CA	Cost Allocation Plan, OMB Compliant Plan, User Fee Study and Development Impact Fee Study, and Updates
City of San Jacinto, CA	Cost Allocation Plan, OMB Compliant Plan, User Fee Study and Development Impact Fee Study
City of San Luis, AZ	Cost Allocation Plan
City of San Marcos, CA	Cost Allocation Plan, Indirect Cost Rate Studies and Comprehensive Citywide User Fee Study
City of Santa Cruz, CA	Citywide Overhead Cost Allocation Plan, Santa Cruz Library Cost Allocation Plan, and Fleet and Facility Services Cost Allocation Plan, and Updates
City of Santa Paula, CA	Cost Allocation Plan, OMB Compliant Plan, User Fee Study and Development Impact Fee Study
City of Selma, CA	EMS User Fee Study
City of Sierra Madre, CA	Comprehensive User Fee Study, Full and OMB Compliant Cost Allocation Plan
City of Soledad, CA	User Fee Study
City of Stanton, CA	Comprehensive User Fee Study, Cost Allocation Plan, and OMB Compliant Plan
City of Tamarac, FL	Building & Safety Department User Fee Study
City of Temple, TX	Comprehensive User Fee Study
City of Tulare, CA	Comprehensive User Fee and Rate Study, Full Cost Allocation Plan, and OMB Compliant Plan
City of Tustin, CA	Comprehensive User Fee Study, and Updates
City of Twentynine Palms, CA	Comprehensive User Fee Study, Full and OMB Compliant Cost Allocation Plan,
City of Upland, CA	Cost Allocation Plan and Comprehensive User Fee Study, and Updates
City of Vernon, CA	Cost Allocation Plan and Comprehensive User Fee Study
City of Watsonville, CA	Comprehensive User Fee and Rate Study, Cost Allocation Plan, and OMB Compliant Plan, and Updates
City of West Hollywood, CA	Cost Allocation Plan and User Fee Study, and Updates
City of West Sacramento, CA	Cost Allocation Plan, OMB Compliant Plan, and Comprehensive User Fee Study, and Updates
City of Yucaipa, CA	Comprehensive User Fee and Rate Study, Full Cost Allocation Plan, and OMB Compliant Plan, and Updates
Coachella Valley Cemetery, CA	User Fee Study
County of Mono, CA	Comprehensive User Fee Study
County of Placer, CA	Land Development Fee Study
Housing Authority of the City of Alameda, CA	Cost Allocation Plan and Updates
Housing Authority of the County of San Bernardino, CA	Cost Allocation Plan and Updates
Placer County Water Agency, CA	Cost Allocation Plan and Overhead Rate Study
Town of Apple Valley, CA	Cost Allocation Plan
Town of Paradise Valley, AZ	Master User Fee Study
Town of Sunnyvale, TX	Comprehensive User Fee Study
Town of Yucca Valley, CA	Comprehensive User Fee Study

Fee Proposal

Willdan proposes a **not to exceed fixed fee of \$38,210** to conduct the Cost Allocation Plan and Comprehensive User Fee Study on the City’s behalf. The tables below provide a breakdown of the fee to complete each study by task and project team member.

Cost Allocation Plan

Willdan proposes a **fixed fee of \$10,390** to conduct the Cost Allocation Plan on the City’s behalf.

City of Coachella							
Cost Allocation Plan							
Fee Proposal							
	C. Fisher Principal-in- Charge	T. Thrasher Project Manager	P. Patel Senior Analyst	S. Labitan Analytical Support	R. Quaid QA/Tech Advisor	Total	
	\$ 250	\$ 210	\$ 135	\$ 125	\$ 210	Hours	Cost
Scope of Services							
Task 1: Initial Document Request	-	-	1.0	-	-	1.0	\$ 135
Task 2: Kick-off /Refine Scope	-	1.0	1.0	-	-	2.0	345
Task 3: Gather Staffing Information & Develop CAP Model	1.0	2.0	8.0	12.0	1.0	24.0	3,460
Task 4: Test and Review Cost Allocation Methodology	-	2.0	6.0	4.0	0.5	12.5	1,835
Task 5: Prepare and Present Draft Report	1.0	2.0	4.0	6.0	1.0	14.0	2,170
Task 6: Discuss and Revise Report	1.0	2.0	4.0	1.0	-	8.0	1,335
Task 7: Prepare and Present Final Report/Instruct Staff on Model	-	4.0	2.0	-	-	6.0	1,110
Total – Cost Allocation Plan	3.0	13.0	26.0	23.0	2.5	67.5	\$ 10,390

Comprehensive User Fee Study

Willdan proposes a **fixed fee of \$27,820** to conduct the Comprehensive User Fee Study on the City’s behalf.

City of Coachella							
Comprehensive User Fee Study							
Fee Proposal							
	C. Fisher Principal-in- Charge	T. Thrasher Project Manager	P. Patel Senior Analyst	S. Labitan Analytical Support	R. Quaid QA/Tech Advisor	Total	
	\$ 250	\$ 210	\$ 135	\$ 125	\$ 210	Hours	Cost
Scope of Services							
Task 1: Initial Document Request	-	-	1.0	-	-	1.0	\$ 135
Task 2: Compile Inventory of Current and Potential Fees	-	1.0	1.0	1.0	-	3.0	470
Task 3: Kick-off /Refine Scope	-	1.0	1.0	-	-	2.0	345
Task 4: Develop User Fee Model	1.0	4.0	8.0	8.0	1.0	22.0	3,380
Task 5: Staff Interviews and On-site Information Gathering	-	8.0	12.0	8.0	-	28.0	4,300
Task 6: Data Analysis and Final Fee and Rate Schedule	1.0	6.0	32.0	32.0	1.0	72.0	10,040
Task 7: Common Fees Comparison	-	3.0	4.0	14.0	-	21.0	2,920
Task 8: Prepare and Present Draft Report	1.0	2.0	6.0	8.0	1.0	18.0	2,690
Task 9: Revise Draft/Determine Cost Recovery Levels	0.5	4.0	8.0	2.0	-	14.5	2,295
Task 10: Prepare and Present Final Report/Train Staff on Model	-	4.0	3.0	-	-	7.0	1,245
Total – Citywide User Fee Study	3.5	33.0	76.0	73.0	3.0	188.5	\$ 27,820

Notes

- Our fee includes all direct expenses associated with the project.
- We will invoice the City monthly based on percentage of project completed.
- Additional services may be authorized by the City and will be billed at our then-current hourly overhead consulting rates.
- City shall reimburse Willdan for any costs Willdan incurs, including without limitation, copying costs, digitizing costs, travel expenses, employee time and attorneys' fees, to respond to the legal process of any governmental agency relating to City or relating to the project. Reimbursement shall be at Willdan's rates in effect at the time of such response.
- The cost of preparing the user fee study can be included in the resulting new user fee schedule. Therefore, over time, the City can recover the initial outlay of funds that was required to complete the studies.
- Willdan will rely on the validity and accuracy of the City's data and documentation to complete the analysis. Willdan will rely on the data as being accurate without performing an independent verification of accuracy and will not be responsible for any errors that result from inaccurate data provided by the client or a third party.

Hourly Fee Schedule

Our current hourly rates are listed below.

Willdan Hourly Rate Schedule		
Position	Team Member	Hourly Rate
Group Manager	Chris Fisher	\$250
Managing Principal		\$240
Principal Consultant	Tony Thrasher & Bob Quaid	\$210
Senior Project Manager		\$185
Project Manager		\$165
Senior Project Analyst	Priti Patel	\$135
Senior Analyst	Samantha Labitan	\$125
Analyst II		\$110
Analyst I		\$100



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