

CITY OF COACHELLA

Office of the Finance Director

MEMORANDUM

DATE:	July 22, 2026
TO:	City Clerk, City of Coachella
FROM:	Lincoln Bogard, Finance Director
SUBJECT:	Best Interest of the City Justification — Professional Services Agreement with Willdan Financial Services for a Comprehensive Development Impact Fee Study (Coachella Municipal Code § 4.08.120(G))

I. PURPOSE

This memorandum provides a formal justification, pursuant to Coachella Municipal Code Section 4.08.120(G) (“Best Interest of City”), for the City Council to authorize a Professional Services Agreement with Willdan Financial Services (“Willdan”) for a Comprehensive Development Impact Fee Study without following the formal RFP/RFQ process that would otherwise apply under Section 4.08.90. This memorandum is submitted for filing with the City Clerk and is incorporated by reference into the Staff Report presented to the City Council at the July 22, 2026 Regular Meeting.

II. DESCRIPTION OF PROCUREMENT

The Finance Department seeks to enter into a Professional Services Agreement with Willdan Financial Services for a Comprehensive Development Impact Fee Study, updating the nexus studies and fee schedules underlying the City’s eleven existing development impact fee funds and evaluating a potential new Electric Infrastructure fee. The agreement carries a fixed, not-to-exceed fee of \$96,000 and a term running from execution through January 31, 2027.

The Comprehensive Development Impact Fee Study will include the following components:

- A technically defensible fee justification based on the reasonable relationship and deferential review standards under the Mitigation Fee Act;
- A review of facility standards, capital facilities plans and costs, and development and growth assumptions;
- Identification of potential additional fees, including a possible new Electric Infrastructure fee, to address unmet future capital facilities needs;
- A schedule of maximum-justified fees by land use category, calculated in compliance with Assembly Bill 602;
- A comparison of the City’s current and proposed fees against five comparable Riverside County jurisdictions; and

- Comprehensive documentation of all assumptions, methodologies, and results, including findings required by the Mitigation Fee Act.
- Willdan estimates the engagement will take approximately six to seven months from notice to proceed to adoption, and includes attendance at up to four in-person meetings with City staff, stakeholders, and the City Council.
- Willdan is currently engaged by the City under a separate Professional Services Agreement to conduct a Comprehensive User Fee Study. That existing agreement did not include a scope for updating the City's development impact fees; this Development Impact Fee Study is being procured as a new, standalone engagement.

III. BASIS FOR BEST INTEREST OF CITY FINDING (CMC § 4.08.120(G))

Applicable Provision: Coachella Municipal Code Section 4.08.60(C) requires the formal (bid/RFP/RFQ) process for procurements over \$75,000. The proposed \$96,000 Professional Services Agreement with Willdan exceeds this threshold and would ordinarily require a formal RFP/RFQ process under Section 4.08.90. Section 4.08.120(G) permits the City Council to authorize the award and execution of a contract for services without following the required procurement method where the City Council finds that such an award is in the best interest of the City. This is not a claim that Willdan is the only firm capable of performing this scope of work — development impact fee consulting is a competitive field, and Willdan's own client list includes hundreds of California public agencies served by multiple qualified firms in this space. Rather, this justification rests on the efficiencies and demonstrated qualifications described below, which support a City Council finding under Section 4.08.120(G).

Willdan is currently engaged by the City to conduct a Comprehensive User Fee Study under a separate, active Professional Services Agreement. Through that engagement, Willdan staff have already begun building familiarity with the City's organizational structure, existing fee data, financial systems, and relevant staff contacts. Engaging Willdan for the related Development Impact Fee Study allows the City to leverage this existing working relationship and institutional knowledge, reducing the onboarding time, duplicative data requests, and coordination effort that would be required to bring a new firm up to speed on the City's operations within the same general timeframe.

Willdan additionally offers demonstrated, directly relevant experience: the firm reports having completed more than 125 development impact fee studies in the past five years for over 800 public agencies nationwide, including recent or current engagements with neighboring Coachella Valley jurisdictions such as the City of Indian Wells and the City of Rancho Mirage, as well as other Riverside County agencies including the County of Riverside, the City of Murrieta, and the City of Moreno Valley. This regional and subject-matter experience is directly relevant to the comparison analysis and facility standards work called for in the proposed scope of services.

IV. MARKET REVIEW

City staff considered whether to issue a new competitive solicitation for this scope of work. The review below summarizes staff's findings.

Competitive Landscape: Development impact fee consulting is provided by multiple qualified firms in the California municipal market, including Willdan and several other established public-sector nexus study consultants. A competitive Request for Proposals process would very likely yield multiple responsive, qualified proposals.

Efficiency and Timing Considerations: Notwithstanding the availability of other qualified firms, City staff have determined that proceeding with Willdan — the City’s current User Fee Study consultant — is in the City’s best interest at this time, given the overlapping data needs, staff coordination, and institutional knowledge already established through that ongoing engagement, and the resulting time and cost savings compared to onboarding a new firm through a full RFP process.

Recommended Finding: Based on the foregoing, staff recommends that the City Council adopt a finding, pursuant to Coachella Municipal Code Section 4.08.120(G), that awarding this Professional Services Agreement to Willdan Financial Services without a new competitive solicitation is in the best interest of the City, based on demonstrated qualifications, incumbent efficiency, and the considerations described in this memorandum.

Based on the foregoing review, staff concludes that engaging Willdan directly, rather than issuing a new Request for Proposals, will provide the City with a qualified, cost-effective, and timely path to completing this study, consistent with Coachella Municipal Code Section 4.08.120(G).

V. COST REASONABLENESS

The Finance Director has determined that the proposed contract pricing is fair and reasonable based on the following considerations:

Team Member	Role	Hourly Rate	Proposed Hours / Cost
James Edison, JD, MPP	Principal-in-Charge	\$300/hr	122.0 hrs — \$36,600
Carlos Villarreal, MPP	Project Manager	\$270/hr	220.0 hrs — \$59,400
Total	—	342.0 hrs	\$96,000 (fixed fee, inclusive of all printing and related costs, and up to 4 in-person meetings)
			Additional meetings or major revision rounds beyond the described scope would be billed at Willdan's current hourly rates (\$110–\$310/hr depending on position), consistent with the rate schedule included in Willdan's proposal (Exhibit A to the related Staff Report).

The proposed fixed fee of \$96,000 is consistent with market rates for a comprehensive, multi-fund development impact fee nexus study of this scope, and is comparable to fees Willdan and similar firms have charged other California cities for similarly structured engagements. The Finance

Director has reviewed the pricing and finds it reasonable in relation to the scope, complexity, and market context of the services to be provided.

VI. RECOMMENDED FINDING

I, Lincoln Bogard, Finance Director for the City of Coachella, hereby certify that:

- Willdan Financial Services has demonstrated the qualifications and relevant experience necessary to perform this scope of work, including current, active engagement with City staff on a related Comprehensive User Fee Study;
- Proceeding with Willdan without a new competitive solicitation, pursuant to Coachella Municipal Code Section 4.08.120(G), is expected to provide meaningful time and cost efficiencies to the City;
- The proposed pricing has been reviewed and determined to be fair and reasonable; and
- This procurement is in the best interest of the City of Coachella.

This memorandum is on file with the City Clerk and incorporated by reference into the Staff Report for the July 22, 2026 Regular City Council Meeting, Agenda Item: Approval of a Professional Services Agreement with Willdan Financial Services for a Comprehensive Development Impact Fee Study, and the associated Best Interest of the City finding under Coachella Municipal Code Section 4.08.120(G).