

City of Rollingwood | Texas

Proposal for

Building Permit Fee Study



1. Introduction

November 26, 2019

Ms. Ashley Wayman
City Secretary
City of Rollingwood
403 Nixon Drive
Rollingwood, TX 78746

Re: *Proposal to conduct a Building Permit Fee Study for the City of Rollingwood*

Dear Ms. Wayman;

Recent State legislation has placed a new spotlight on fees charged by local governments for requested services. As a result of SB 2, local governments in Texas will now be restricted in their ability to raise property taxes to address funding needs, placing greater emphasis on developing and setting fees that maximize recovery of the cost of providing requested services. Further, HB 852 now prohibits municipalities from using value or cost of constructing a home when determining permit fees, meaning fees should be reviewed and an analysis developed that develops defensible adequate fees, without considering value or cost.

Considering this, it is critical for the City of Rollingwood ("City") to ensure that its fees for requested services are developed or updated to ensure maximum appropriate cost recovery, so that the revenues generated by fees cover the cost of those services to the best extent possible, including the cost of overhead support. City Staff, and ultimately the Council, need a clear understanding of standards, service levels and the associated costs. Recognizing this, the City has responded by requesting a proposal for a study of its Building, Tree Permit and Tree Canopy Management Fees.

Extensive Experience with Similar Projects — Willdan Financial Services ("Willdan") possesses ***extensive recent and local experience with these types of studies in Texas, and throughout the country. Some recent clients include the Cities of Mesquite, TX; DeSoto, TX; Missouri City, TX; Hayward, CA; Palm Desert, CA; West Hollywood, CA; and Mission Viejo CA.*** In addition, formerly as Economists.com, we have completed hundreds of water and wastewater cost of service studies throughout Texas over the past 20 years, ***most recently for the Cities of Prosper; Celina; Liberty Hill; Allen; and Mesquite,*** among many others. To demonstrate this experience highlighted below are the following advantages that Willdan would bring to the City:

Unique Combination of Services and Expertise/Public Engagement — Willdan is a team of 80 professionals who provide essential financial consulting services throughout the United States. Willdan has provided the requested services to municipal clients for 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 understanding City operations.

Collaborative Approach— Willdan prides itself on working closely with City staff to develop an approach that is targeted toward your specific objectives and accounts for your 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. ***A collaborative approach ensures we clearly understand your goals and challenges, and just as importantly, you understand the process and the results.*** We have included one full day of on-site data gathering and staff interviews to ensure we obtain the information we need efficiently and accurately, with limited need for follow-up.

Willdan will work with the City to create a Fee model, that provides the benefit of a fresh approach and new perspectives.

User-friendly Model and Report and Innovative Methodology — Unlike some firms who utilize a proprietary software requiring licenses and specialized training, 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 software program, we construct our models from the ground up, mirroring the City's budget format wherever possible.

Unique to the industry, Willdan utilizes the iterative method to perform allocations, which is acknowledged as the most accurate and reasonable technique. The iterative method, unlike other methods, ensures that the distributions used to allocate cost are accurately applied from start to finish, without the need for shortcuts such as step-down or second step calculations. As a result, ***the information contained in our models is easy for City staff to interpret, and the familiar software ensures ease of navigation.*** This also allows for easy on-the-fly adjustments and updates, inclusion of updated budgets, or changes in organizational structure.

Our model and project approach is geared toward delivering work on schedule and presenting results at public meetings, and at staff and council workshops. This Willdan team has years of experience at communicating complex analytical results in a manner that is easy to understand by even non-finance-oriented individuals.

Our objective is to provide useful, detailed information to City Council and staff, so that they have the information necessary to make important decisions. Our experience ensures that we can meet this objective.

I, Chris Fisher, will serve as the Primary Contact person for this proposal; as an officer of the firm, I am authorized to bind Willdan Financial Services. My contact information is provided in the table below.

Contact Information
Principal-in-Charge
Chris Fisher
Vice President – Group Manager
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Sincerely,

WILLDAN FINANCIAL SERVICES



Chris Fisher
Vice President - Group Manager
Financial Consulting Services



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2. Project Approach

Project Understanding

Willdan Financial Services (“Willdan”) is confident that we can meet the City of Rollingwood’s request for services to assist the City in studying and updating its Building Permit, as well as its Tree Permit and Tree Canopy Management fees.

The overall objective of this project will be to develop an updated schedule of fees for specified City services, that accounts for the true costs of providing those services.

The end products will include user-friendly an Excel-based model, 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.

Using our extensive experience developing and analyzing cost allocation methodologies and approaches, we will work with City Staff to incorporate appropriate central service overhead factors into this analysis. Inclusion of overhead is a principal element of any fee study, as it ensures that the full cost of service which we calculate, and upon which fee recommendations are based, includes costs of direct and indirect overhead, in addition to the direct cost of providing the services.

We will meet with departmental representatives at the City at the beginning of the project, to discuss the approach and process for the 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. ***Final recommended fees will be the result of these collaborative discussions, so that they reflect realities and considerations that are specific to the City of Rollingwood.***

This analysis and method enables us to calculate the full cost of providing selected services, so that the City can recover these costs through fees.

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. 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 to the Council and City staff, necessary to make important decisions. 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.

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

This model is 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, that 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 model is being designed and constructed, we will work together with City staff to determine the best and most effective features to include.

Rather than a costly and inflexible proprietary software, which can require expensive licensing fees, Willdan builds the Model 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.

After the project is completed, we will provide training, so that your staff can independently and efficiently evaluate the effects of changes in certain factors.

Created directly from the models, our reports clearly and graphically illustrate bases for the full cost recovery level of fee programs, provide projections of revenue from fee programs, both at full cost recovery and at recommended levels, and present the fee methodologies.

3. Project Methodology

Fee Study Methodology

To update fees, the City of Rollingwood should develop a 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.

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.

Approach

Our approach to preparing the fee study and documentation for Rollingwood 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 various categories of fees;
- Strict adherence to key legal and policy issues with regard to fees, including the percent of cost recovery that the City seeks to achieve. A 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 for project participants to resolve policy issues.

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 fee study, these costs are calculated in the overhead cost review.

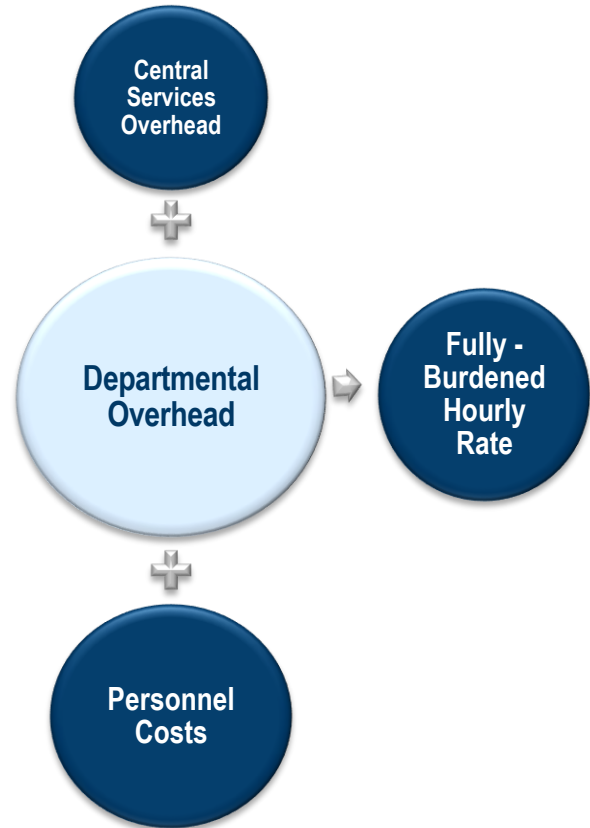
2) Department Overhead: This category may include expenses related to such items as office supplies, outside consultants, and membership dues. It may include management, supervision, and administrative support that are not provided to a direct fee-generating service. Typically, these items are charged, 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.



4. Scope of Work and Schedule

Our proposed work plan is described in detail by task, and provided below. We explain how each task will be accomplished and identify associated meetings and deliverables. We want to ensure our scope provides quality and clarity and is responsive to the City's needs and specific local circumstances. We will work in concert with the City to adjust the scope as needed during the course of the studies.

Task 1: Initial Document Request

Objective: Initial due diligence; obtain study-related data.

Description: 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.

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.

Deliverables: **Willdan:** Submit information request to City.

City: Provide requested data to Willdan (prior to Task 3, Kick-off Meeting/Refine Scope). We will follow up with the City to confirm receipt of requested data and information and highlight data elements that are outstanding.

Task 2: Compile Inventory of Current and Potential Fees/Review Existing Cost Allocation Method

Objective: Willdan will identify a schedule of fees and methodology for calculating the fees, obtain and review the City's current methodology and approach to allocating indirect service costs, and obtain staffing, salary and benefit information.

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.

As mentioned in the Project Understanding, we will work with staff to incorporate reasonable indirect overhead factors to include central service cost support. This engagement does not include the development of a full citywide cost allocation plan.

We will obtain data necessary to confirm or develop indirect cost allocation percentages to use in developing fully-burdened hourly personnel rates. We will gather and review data and supporting analysis as necessary, related to the City's cost allocation approach. This information will be used to verify the allocation of indirect service costs to operating departments, and then will be incorporated with staffing, and salary and benefit data to develop a comprehensive schedule of Fully-Burdened Hourly Rates (FBHR). If an indirect cost plan is not currently in use by the City, we utilize a Citywide overhead factor determined by budget analysis or utilize the more stringent "de minimis" rate established by the Office of Management and Budget for federal cost allocation compliance. These rates will form a basis for the calculation of the costs of providing services to residents and customers, for which fees are charged.

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: **Willdan:** One (1) draft list of current fees based on initial data provided (to be discussed and finalized during the kick-off call), and a schedule of Fully-Burdened Hourly Rates.

City: Review completed fee schedules with comments/revisions to be discussed during the kick-off meeting.

Task 3: Kick-off / Refine Scope

Objective: Confirm goals and objectives for the Fee Study. Identify and resolve policy issues typically raised by a Fee Study of this type, address gaps in data, and refine appropriate existing or new fee categories (based on Task 2).

Description: Verify our understanding of the City's goals, the City's cost-recovery policy for setting fees, and 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.

During this discussion, 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.

Meetings: One (1) project kick-off meeting to initiate the project, discuss data needs, and address policy issues. If desired, this meeting can be conducted as a conference call, and another in-person meeting added later in the project.

Deliverables: **Willdan:** 1) Revised project scope and schedule (if needed); and 2) brief summary of policy decisions (if needed).

City: 1) Provide further data needs; and 2) determine/introduce City's project manager.

Task 4: Develop Comprehensive Fee Model and Overhead Allocation Factors

Objective: Develop and test fee model and incorporate overhead factors.

Description: This task involves the development of the model ultimately used to calculate fees, based on data and information gathered in previous tasks and in the Time Survey Interviews described in Task 5. To ensure that City policies are met through the imposition of the calculated fees, the model will be formatted to include appropriate costs.

As this project does not include the development of a separate Cost Allocation Plan, we will utilize the City's existing indirect cost allocation methodology/plan/analysis or include the calculations of said factors as described in Task 2, to determine the appropriate indirect cost factors to apply to personnel rates, to develop fully-burdened hourly rates. These rates will serve as a basis for calculating the full cost of providing services.

Key model inputs will include staff and allocated overhead costs per position, and relevant budget data on salaries and benefits. This information will be obtained directly from the City and incorporated directly into the fee model. We will request clarification and/or additional data if necessary.

The model will provide an allocation of administrative and overhead costs to fee related activities, so that fees and billable rate schedules incorporate applicable costs. 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.

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: Time Survey Interviews and On-site Information Gathering

Objective: Meet with City staff to complete Time Surveys and understand service delivery processes.

Description: In order to assist staff with the completion of the survey worksheets, we will schedule on-site meetings with staff.

The Willdan Team will conduct interviews with supervisors/managers, as well as other staff, as deemed appropriate and/or necessary, to determine the average time required by City staff to provide each of the services for which a fee is collected.

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. 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.

Meetings: One (1) on-site meeting/staff interview.

Deliverables: **Willdan and City:** Time surveys and draft full cost recovery fees.

Task 6: Common Fees Comparison

Objective: Examine selected fees charged by up to five (5) comparable cities in Travis County, or jurisdictions that are similar to the City of Rollingwood.

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

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 Rollingwood; 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 7: Data Analysis and Final Fee Schedule

Objective: Incorporate information obtained from on-site surveys to fully develop model.

Description: We will update the model, based on information received during the on-site surveys, to generate a comprehensive 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 and suggest potential areas where fees could be collected where they are not currently. We will present the full cost recovery level for fees, both current and projected under the new calculated 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.

The 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: Conference calls to finalize fee schedule.

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

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 fee study will be included textually, as well as in easy to understand tables. Individual fee summaries 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 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;
- 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) meeting with the 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 and feedback from City staff on the draft report, we will prepare the final report for presentation to the City Council.

Meetings: One (1) online demonstration (GoToMeeting) to review the model.

Deliverables: Draft report, revised draft /final report.

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

Objective: Prepare and present final report to City Council. Train 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) conference call/online meeting with City Staff to present results, and one (1) meeting with City Council to present the results and adopt the updated fee schedule.

Deliverables: Provide one (1) electronic PDF file copy of the final report and models. 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-ROM.

City Staff Support

To complete our tasks, we will need the cooperation of City staff. We suggest that the City of Rollingwood 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:

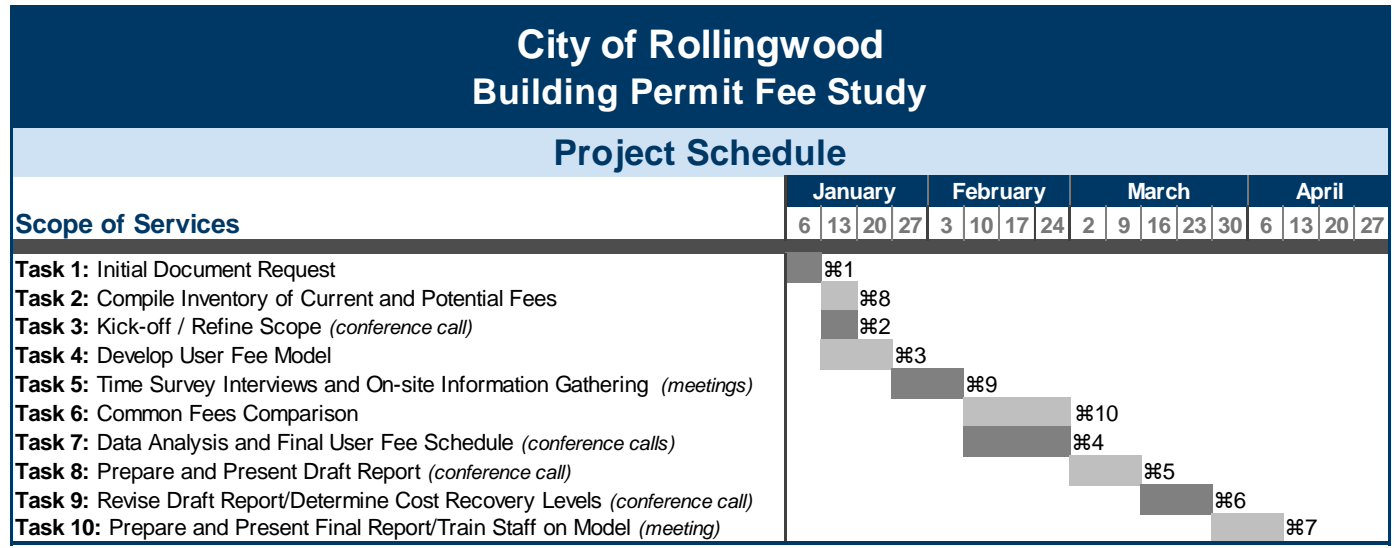
- 1) Coordinate responses to requests for information;
- 2) Coordinate review of work products; and
- 3) Help resolve policy issues.

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. 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.

Project Schedules

Willdan understands time is of the essence for the City of Rollingwood to begin this engagement. The schedule below assumes that the project starts in the first week of January 2020 but can easily be adjusted based on the City's direction. This schedule 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.

Building Permit, Tree and Tree Canopy Management Fee Study



Legend:

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

Fee Proposal

Building, Tree and Tree Canopy Management Fee Study

Based on the corresponding work plan identified within Willdan's Technical Proposal, we propose a **not-to-exceed fixed fee of \$12,825** to prepare the Fee Study. The table below provides a breakdown of this fee by task and project team member.

City of Rollingwood Building Permit Fee Study														
Fee Proposal														
					C. Fisher Principal-in- Charge	T. Thrasher Tech Project Manager	D. Goral Analytical Support	R. Quaid QA/Tech Advisor	<u>Total</u>					
					\$ 250	\$ 185	\$ 110	\$ 210	Hours	Cost				
Scope of Services														
Task 1: Initial Document Request					-	-	1.0	-	1.0	\$ 110				
Task 2: Compile Inventory of Current and Potential Fees					-	1.0	1.0	-	2.0	295				
Task 3: Kick-off /Refine Scope					1.0	1.0	1.0	-	3.0	545				
Task 4: Develop User Fee Model/Incorporate Overhead Factors					-	4.0	16.0	-	20.0	2,500				
Task 5: Time Survey Interviews and Information Gathering					-	4.0	4.0	-	8.0	1,180				
Task 6: Common Fees Comparison					-	2.0	10.0	-	12.0	1,470				
Task 7: Data Analysis and Final Fee and Rate Schedule					1.0	4.0	20.0	-	25.0	3,190				
Task 8: Prepare and Present Draft Report					1.0	2.0	6.0	1.0	10.0	1,490				
Task 9: Revise Draft/Determine Cost Recovery Levels					-	2.0	4.0	1.0	7.0	1,020				
Task 10: Prepare and Present Final Report/Train Staff on Model					1.0	3.0	2.0	-	6.0	1,025				
Total – User Fee Study									4.0	23.0	65.0	2.0	94.0	\$ 12,825

Additional Professional Services

Hourly Fee Schedule

Our current hourly rates are listed below.

Willdan Hourly Rate Schedule			
Position	Hourly Rate	Position	Hourly Rate
Group Manager	\$250	Managing Principal	\$240
Principal Consultant	\$210	Senior Project Manager	\$185
Project Manager	\$165	Senior Project Analyst	\$135
Senior Analyst	\$125	Analyst II	\$110
Analyst I	\$100		

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 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 Fee Study can be included in the resulting new fee schedule. Therefore, over time, the City can recover the initial outlay of funds that was required to complete the study.

5. 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 owned company on NASDAQ (WLDN). WGI provides technical and consulting services that ensure the quality, value, and security of our nation's infrastructure, systems, facilities, and environment. WGI has been a consistent industry leader through its subsidiaries and 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. In doing so, Willdan has gained a notable reputation for technical excellence, cost-effectiveness, and client responsiveness in providing superior consulting services. The company's service offerings span a broad set of complementary disciplines that include engineering and planning, energy efficiency and sustainability, and financial and economic consulting. Willdan has crafted this set of integrated services so that, in the face of an evolving environment —whether economic, natural, or built — Willdan can continue to extend the reach and resources of its clients.

Today, WGI has over 1,300 employees operating from offices in **Arkansas, Arizona, California, Colorado, Connecticut, District of Columbia, Florida, Illinois, Kansas, Kentucky, Maryland, Nevada, New Jersey, New York, Ohio, Oregon, Utah, Texas, and Washington.**

Willdan Financial Services

Established on June 24, 1988, Willdan Financial Services, a California Corporation, is a national firm, and is one of the largest public sector financial consulting firms in the United States. Since that time we have helped over 1,200 public agencies successfully address a broad range of financial challenges, such as financing the costs of growth and generating revenues to fund desired services.

- User fee studies;
- Cost allocation studies;
- Real estate economic analysis;
- Economic development plans and strategies;
- Tax increment finance district formation and amendment;
- Housing development and implementation strategies;
- Financial consulting;
- Real estate acquisition;
- Development impact fee establishment and analysis;
- Utility rate and cost of service studies;
- Feasibility studies;
- Debt issuance support;
- Long-term financial plans and cash flow modeling;
- Property tax audits;
- Arbitrage Rebate; and
- Administration of special taxes, assessments, standby charges, and utility rates.

Organizational Chart

The organization chart located below represents Willdan Financial Service's reporting structure, including the operating groups and the responsible manager; it as well defines the assets available to the City of Rollingwood.



Firm Distinctiveness

Experience

Willdan has provided user fee and cost allocation plan services to municipal clients for more than twenty years; and has prepared comprehensive user fee studies, full cost allocation plans, and OMB compliant cost allocation plans for clients throughout the United States, including Texas, California, Arizona, Florida, Kentucky, and Utah. Willdan's proven and successful track-record conducting user fee studies and cost allocation plan services for public agencies dates to 1998. Since that time, we have developed the expertise to successfully integrate this service into the Financial Consulting Services group's primary functions.

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 cost allocation plans, along with their frequent companion projects — user fee studies.

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.

The team presented within this proposal has worked collectively on numerous projects, such as the one requested by the City of Rollingwood; an established work practice between the team members has been forged, this proven long-standing system has benefited our clients.

It is important to note that Mr. Fisher has been with Willdan for more than 20 years, ensuring the City of Rollingwood of continuity and dedication in staffing during the completion of the project.

Staff Continuity

Mr. Fisher has been assigned to serve as the City's representative; and has been selected for this role due to his extensive experience, which includes the preparation and supervision of numerous Cost Allocation Plans and User Fee Studies, as well as his experience presenting to governing bodies, stakeholders, and industry groups.

Similar Services

Listed in the table below, are public agencies in which similar services have been completed, or are currently in progress, in the previous five years.

Willdan Financial Services Cost Allocation Plan and User Fee Study Experience	
Contracting Agency	Project Description
City of Banning, CA	Cost Allocation Plan, User Fee Study and User Fee Study and Development Impact Fee Study
City of Bellflower, CA	Cost Allocation Plan, OMB Compliant Plan, User Fee Study and Development Impact Fee Study
City of Belmont, CA	User Fee Study and Refinement of Cost Allocation Plan
City of Blythe, CA	Cost Allocation Plan and OMB Compliant Plan
City of Brea, CA	Police Department Cost Allocation Plan
City of Cerritos, CA	Development Services User Fee Study
City of Chino Hills, CA	Cost Allocation Plan and Comprehensive User Fee Study
City of Claremont, CA	Cost Allocation Plan and User Fee Study
City of Coalinga, CA	User Fee and Rate Study
City of Colton, CA	User Fee Study
City of DeSoto, TX	Comprehensive User Fee Study
City of Dinuba, CA	Cost Allocation Plan
City of El Centro, CA	Comprehensive User Fee Study
City of El Cerrito, CA	Cost Allocation Plan and Community Development Department User Fee Study

Willdan Financial Services
Cost Allocation Plan and User Fee Study Experience

Contracting Agency	Project Description
City of El Monte, CA	Cost Allocation Plan, OMB Compliant Plan, User Fee Study and Development Impact Fee Study
City of Encinitas, CA	Development Services User Fee Study and Cost Allocation Plan
City of Escondido, CA	Cost Allocation Plan, OMB Compliant Plan, and Comprehensive User Fee Study
City of Fillmore, CA	Cost Allocation Plan, OMB Compliant Plan, and User Fee Study
City of Fountain Hills, AZ	Comprehensive User Fee Study
City of Fullerton, CA	Community Development Department User Fee Study
City of Galt, CA	Cost Allocation Plan and OMB Compliant Plan
City of Gardena, CA	Cost Allocation Plan
City of Gilroy, CA	Cost Allocation Plan, OMB Compliant Plan, and User Fee Study
City of Glendale, AZ	Cost Allocation Plan
City of Goleta, CA	Cost Allocation Plan, OMB Compliant Plan, and Comprehensive User Fee Study
City of Hawthorne, CA	Cost Allocation Plan and Comprehensive User Fee Study
City of Hayward, CA	Comprehensive Master User Fee Study and Full Overhead Cost Allocation Plan
City of Hayward, CA	Rental Inspection Program Fee Analysis
City of Hesperia, CA	Cost Allocation Plan
City of Indian Wells, CA	Comprehensive User Fee Study
City of Irvine, CA	Overhead Cost Allocation, OMB Compliant Plan and Comprehensive User Fee Study
City of Irwindale, CA	Cost Allocation Plan, User Fee Study and Development Impact Fee Study
City of La Mirada, CA	Cost Allocation Plan and User Fee Study Update
City of La Puente, CA	Cost Allocation Plan, OMB Compliant Plan, and User Fee Study
City of Laguna Hills, CA	Comprehensive User Fee Study and Cost Allocation Plan Update
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 Mesquite, TX	Cost Allocation Plan and OMB Compliant Plan
City of Mission Viejo, CA	Comprehensive User Fee Study and Cost Allocation Plan
City of Missouri City, TX	Full and OMB Compliant Cost Allocation Plan and User Fee Study
City of Montebello, CA	Cost Allocation Plan Update
City of Montebello, CA	Transit Cost Allocation Plan
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 Murrieta, CA	Comprehensive User Fee Study, Cost Allocation Plan, and OMB Compliant Plan, and Updates
City of National City, CA	Cost Allocation Plan, OMB Compliant Cost Allocation Plan, User Fee Study, and ISF Allocation Study
City of Oroville, CA	Cost Allocation Plan
City of Pacifica, CA	Comprehensive Citywide User Fee Study and Charges Rate Study
City of Palm Desert, CA	Cost Allocation Plan and Comprehensive User Fee Study

**Willdan Financial Services
Cost Allocation Plan and User Fee Study Experience**

Contracting Agency	Project Description
City of Patterson, CA	Comprehensive User Fee Study, Full Cost Allocation Plan, and OMB Compliant Plan
City of Petaluma, CA	Cost Allocation Plan, User Fee Study, CIP Admin Rate & Work Order Rate Analysis, Hourly Overhead Rates, and ISF Allocation Study
City of Petaluma, CA	Cost Allocation Plan Update
City of Pittsburg, CA	User Fee Study and Cost Allocation Plan
City of Rocklin, CA	User Fee Study
City of Richmond, 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
City of Salinas, CA	Full Cost Allocation Plan and Comprehensive Fee Study
City of San Bruno, CA	Comprehensive User Fee Study, Cost Allocation Plan, and OMB Compliant Plan
City of San Fernando, CA	Cost Allocation Plan, OMB Compliant Plan, User Fee Study and Development Impact Fee Study
City of San Jacinto, CA	Cost Allocation Plan, OMB Compliant Plan, User Fee Study and Development Impact Fee Study
City of Santa Ana, CA	User Fee Study
City of Signal Hill, CA	Comprehensive User Fee Study, Cost Allocation Plan, and OMB Compliant Plan
City of Soledad, CA	User Fee Study
City of Sunnyvale, TX	Comprehensive User Fee Study
City of Surprise, AZ	Full Cost Allocation Plan
City of Tulare, CA	Comprehensive User Fee and Rate Study, Full Cost Allocation Plan, and OMB Compliant Plan
City of Twentynine Palms, CA	Comprehensive User Fee Study, Full Cost Allocation Plan, and OMB Compliant Plan
City of Union City, CA	Comprehensive User Fee Study, Full Cost Allocation Plan, and OMB Compliant Plan
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
City of West Sacramento, CA	Cost Allocation Plan, OMB Compliant Plan, and Comprehensive User Fee Study
City of Yucaipa, CA	Comprehensive User Fee and Rate Study, Full Cost Allocation Plan, and OMB Compliant Plan
County of Placer, CA	Land Development Fee Study
County of San Benito, CA	User Fee Study and Development Impact Fee Study
Kentuckiana Works, KY	OMB Cost Allocation Plan and Updates
Rainbow Municipal Water District, CA	Cost Allocation Plan and OMB Compliant Plan
Sacramento Public Library, CA	Cost Allocation Plan, and Updates
Town of Paradise Valley, AZ	Planning and Engineering Services Fee Study
Town of San Anselmo, CA	Full Cost Allocation Plan and Comprehensive User Fee Study

Project Team

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.

Mr. **Chris Fisher** will administer the City of Rollingwood project as the **Principal-in-Charge**. He will apply his extensive financial rate design/modeling experience and ability to clearly communicate results through the facilitation of numerous stakeholder forums. In this role, he will attend meetings and presentations, provide technical guidance, produce key study elements, and will be responsible for work deliverables.

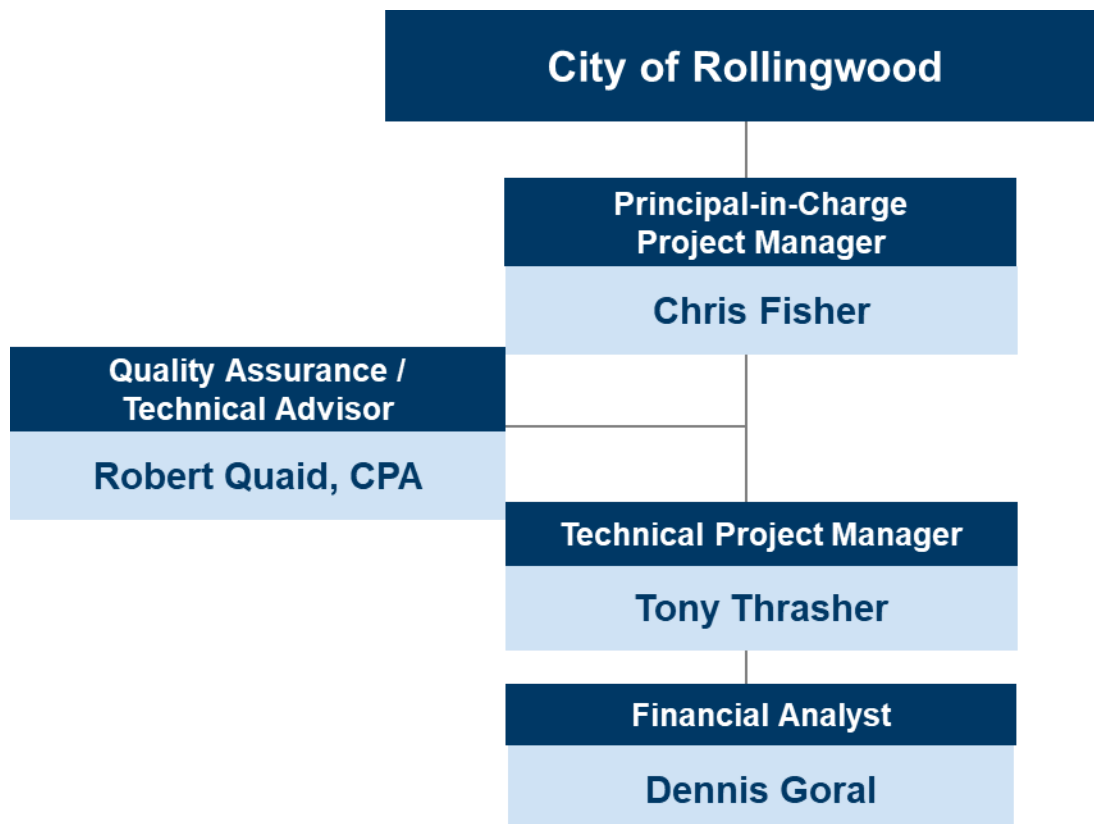
Mr. **Tony Thrasher** will serve as **Technical Project Manager** for this engagement. He will work closely with Mr. Fisher to develop the analysis under the City's scope of services and develop complete and accurate models that will best fit the project needs.

Mr. **Dennis Goral** will provide **Analytical Support**, he will work closely with the management team, and the City, to ensure that data is collected, interpreted, researched, and correctly entered into the model.

Mr. **Robert Quaid, CPA**, will provide quality assurance/quality control to this engagement in the role of **Quality Assurance/Technical Advisor**. Mr. Quaid will review the models as a third-party internal reviewer prior to their submittal to City staff. His continual review of data entry and model development assures that the draft, and final products have been thoroughly evaluated for potential errors; thus, providing quality client deliverables, and high levels of integrity and outcomes throughout the duration of the project.

Organizational Chart

Provided in the graphic below is an organizational chart that defines individual roles and the reporting structure.



Project Management

Furthermore, to ensure that the project stays on schedule, and is properly focused on City objectives, Mr. Fisher, in collaboration with the project team will provide City staff with updates to summarize our progress against the project timeline, and update the status of upcoming deliverables. We will also document discussions leading to important policy decisions and/or the choice of critical assumptions used in constructing the analysis and model.

The Project Team will utilize a detailed Project Management Plan from the outset of the engagement to manage and control all proposed activities, deliverable deadlines, client and stakeholder engagement, and quality control.

Willdan will meet with staff to enhance our understanding of the project objectives, review the project timelines, and seek assistance in identifying the best information sources to obtain the necessary inputs to evaluate the City of Rollingwood.

Finally, 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. These steps guarantee that as the project moves forward success will be achieved by continually aligning our approach and work with stakeholder and City objectives, adjusting where necessary.



Staff Changes

We do not anticipate staffing changes during the course of the project. However, in the extremely unlikely event that this situation arises, any change in team members will be discussed and approved in concert with the City prior to the change being made.

Current Workload

Regrettably, Willdan does not share information on current workload. However, Willdan's Financial Consulting Services group is composed of a team of over 20 senior-level professional consultants. While each member of the project team currently has work in progress with other clients, the workload is at a manageable level with sufficient capacity to meet the needs of the City specific to the schedule and budget for this engagement.

Furthermore, Willdan as a whole is composed of over 1,300 employees, including a cadre of public finance experts. If necessary, the team can recruit additional, qualified individuals from our employee roster to assist with the completion of this engagement to deliver the final materials on time and within budget.

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

Areas of Expertise

Cost of Service Analyses

Multi-disciplinary Team Management

Special District Formations

Client Presentations

Proposition 218

Affiliations

California Society of Municipal Finance Officers

Municipal Management Association of Northern California

California Municipal Treasurers Association

20 Years' Experience

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

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, 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.

Related Experience

City of DeSoto, TX – User Fee Study: Mr. Fisher served as the principal-in-charge for City's Comprehensive User Fee Study.

City of National City, CA — Cost Allocation Plan, OMB Compliant Cost Allocation Plan, User Fee Study, and ISF Allocation Study: Mr. Fisher served as the principal-in-charge for the City of National City's Cost Allocation Plan, OMB Compliant Cost Allocation Plan, User Fee, and ISF Allocation Study.

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 has recently re-engaged Willdan to conduct an update to both studies.***

Sacramento Public Library Authority, CA — Cost Allocation Plan and OMB Circular A-87: In April 2014, as Project Manager, Mr. Fisher completed the final report for the Sacramento Public Library Authority. Throughout the project, he provided quality assurance to the project, which involved the development of a methodology for this unique venture. Mr. Fisher presented the final report to the Library Authority Board, as well as the Joint Powers Authority. An update to the CAP has just been completed and presented to the Board.

City of Hayward, CA — Cost Allocation Plan and User Fee Study: Mr. Fisher served as the project manager for the City's full overhead cost allocation plan and OMB A-87 cost allocation plan, along with a comprehensive master user fee study. He worked with the City and Willdan staff to gather the necessary data and is overseeing Willdan's development of the cost allocation model. The City has a complicated and detailed budget and the cost allocation plan that Willdan developed is tailored to their structure and includes provision for several Internal Service Funds.

City of Salinas, CA — Comprehensive Fee Study and Full Cost Allocation Plan: Mr. Fisher served as the project manager for the City of Salinas engagement, to prepare an OMB A-87-compliant full cost allocation plan and comprehensive fee study for the development of a master list of fees. Mr. Fisher led an all-departments overview meeting, where the framework and general process was reviewed, and global practical and policy questions were addressed. Immediately following the overview meeting, individual meetings were held with representatives from each department to discuss their specific fee related activities and gather necessary information to update 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 Union City, CA — Comprehensive Fee and Rate Study & Overhead Cost Allocation Plan: Mr. Fisher served as the principal-in-charge for the City's fee study. He oversaw the development of an overhead cost allocation plan, OMB compliant cost allocation plan, as well as a comprehensive user fee study.

C. Fisher*Resume Continued*

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 Petaluma, CA – Overhead Cost Allocation Plan and OMB Circular A-87 Plan, User Fee Study, CIP Rate Analysis, and Hourly Overhead Rate Study: Mr. Fisher served as project manager for the project team and provided oversight for this thorough and intensive study for the City of Petaluma.

City of Belmont, CA — Master Fee Study and Cost Allocation Refinement: Mr. Fisher served as the project manager for Willdan's work with the City of Belmont and the Belmont Fire Protection District's fee study. Willdan completed a Master Fee Study and an analysis and review of the existing Cost Allocation Plan for the City of Belmont, and a Fee and Rate Study for the Belmont Fire Protection District.

City of Pittsburg, CA —Cost Allocation Plan and User Fee Study: Mr. Fisher provided policy guidance and quality assurance to the City's update and development of a comprehensive user fee study for the development of a master user fee and rate schedule and a cost allocation plan to recover overhead costs related to central service activities.

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.

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.

Tony Thrasher

Technical 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

11 Years' Experience

Due to his cost allocation and user fee analyses experience, Mr. Tony Thrasher has been selected to serve as Technical Project Manager for the City's engagement. Mr. Thrasher is a Senior Project Manager 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 DeSoto, TX – User Fee Study: Mr. Thrasher served as the technical project manager for City's Comprehensive User Fee Study.

City of Missouri City, TX – Comprehensive User Fee Study and Cost Allocation Plan: Mr. Thrasher served as the technical project manager for City's Fee Study.

City of Mesquite, TX – Cost Allocation Plan: Mr. Thrasher served as the technical project manager for City's Cost Allocation Study.

City of Surprise, AZ – Cost Allocation Plan: Mr. Thrasher served as the technical project manager for the 2017 Cost Allocation Plan to identify the City's costs related to rendering internal central support services, and the allocation of those costs to operating departments.

Kentuckiana Works, KY – Cost Allocation Plan: Mr. Thrasher is serving as the technical project manager for Kentuckiana Works Cost Allocation Plan. This is an ongoing project.

City of Chino Hills, CA — Cost Allocation Plan and Comprehensive User Fee Study: Mr. Thrasher is serving as the technical 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 Covina, CA — Cost Allocation Plan and Comprehensive User Fee Study: Mr. Thrasher provided analytical support in association with the gathering of budget and allocation basis data, and in the development of the model and report for the project. He worked directly with the City contact throughout the engagement.

City of Bellflower, CA — OMB Cost Allocation Plan and Comprehensive User Fee Study Update: In Willdan's initial engagement with the City, Mr. Thrasher provided analytical support, with his primary duties including finalizing model figures and generating reports. In the subsequent update of both the CAP and the Fee Study, Mr. Thrasher assumed a lead technical role, working directly with the client to develop a new Cost Allocation Model, update the comprehensive fee model, and resolve policy and fee setting issues. He was directly responsible for delivery of reports and presentations to the City.

City of Salinas, CA — Full Cost Allocation Plan and Comprehensive Fee Study: Mr. Thrasher provided analytical support for the City of Salinas OMB A-87-compliant full cost allocation plan and comprehensive fee study engagement. He worked closely with City staff to gather and analyze data to produce reports, participated in multiple meetings, and assisted the City appointed Project Manager in the adoption of the new fees.

City of Hayward, CA — Cost Allocation Plan and User Fee Study: For this project, Mr. Thrasher provided analytical support, and was largely responsible for the development of the models. Primary duties include gathering and verifying necessary data, finalizing model figures and generating reports.

City of Petaluma, CA — Overhead Cost Allocation Plan and OMB Circular A-87 Plan, User Fee Study, CIP Rate Analysis, and Hourly Overhead Rate Study: Mr. Thrasher provided analytical support for this engagement. His primary duties were to work with City staff to gather data, provide assistance to the project manager, and produce reports.

T. Thrasher*Resume Continued*

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.

City of National City, CA — Cost Allocation Plan, OMB Compliant Cost Allocation Plan, User Fee Study, and ISF Allocation Study: Mr. Thrasher served as the technical project manager for the City of National City's Cost Allocation Plan, OMB Compliant Cost Allocation Plan, User Fee, and ISF Allocation Study.

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.

Sacramento Public Library Authority, CA — Cost Allocation Plan and OMB Circular A-87: Mr. Thrasher provided analytical support. His primary duties included finalizing model figures and generating reports.

City of Galt, CA — Cost Allocation Plan: As the assigned technical lead, Mr. Thrasher worked directly with City Staff to develop the Cost Allocation Model and report and worked with Staff to test and adjust the model and methodology where appropriate before finalizing. Following completion of the initial CAP, he worked with the City to update the model for the subsequent budget update.

City of Monterey, CA — Cost Allocation Plan: Mr. Thrasher is serving as the technical project manager for the City of Monterey Cost Allocation Plan engagement and updates. He is assisting in the development of the City's general overhead allocation plan, whereby he applies his expertise on alternative allocation methods.

Dennis Goral

Senior Analyst

Education

Double Bachelor of Science, Finance and Economics, University of Texas

Mr. Goral is a Senior Analyst with 3 years of municipal analysis experience and 2 years in financial and economic analysis experience. His consulting experience includes a variety of projects associated with public water, wastewater, reclaimed water, sanitation, natural gas, and electric utility systems throughout the United States and Pacific Islands.

Areas of Expertise

Rate Studies

Rate Design

Mr. Goral has been involved with many different facets of project analysis for cost allocation, cost of service, and water and wastewater utility systems including data gathering, dashboard development, dynamic model development, sensitivity analysis, cost-benefit analysis, alternative analysis, demographic analysis, consumption analysis and rate design. Additionally, he has been involved in model development and analysis for cost allocation and user fee studies.

Dynamic Computer Modeling

He has special expertise in dashboard development and dynamic model development. In addition, Mr. Goral has an extensive working knowledge of Microsoft Excel and the ability to perform detailed and complex analyses. He has experience in presenting complex information in a simple and easy to understand way.

Dashboard Design

Cost of Service Studies

Representative Client Listing

The following is a listing of Mr. Goral's cost allocation and user fee related project experience:

Alternatives Analysis

City of DeSoto, TX – User Fee Study: Mr. Goral served as the Senior Financial Analyst, and assisted in the preparation of a user fee study for the City of DeSoto. Full cost calculations were developed for each fee analyzed in the study. The report included the methodology and suggested fees for those the City wished to analyze.

Advanced Excel

Cost Allocation Studies

User Fee Studies

City of Missouri City, TX – Full Cost Allocation and User Fee Study: Mr. Goral assisted as the Senior Financial Analyst in the preparation of a full cost allocation and model for the City of Missouri City, that would identify the allocable and non-allocable costs associated with the City's central service departments and functions, and to distribute those costs to the operating entities in a fair and equitable manner. Additionally, the indirect department overhead calculated in the CAP was used to calculate the fully burdened hourly rates for city positions to use in the user fee study. Mr. Goral prepared full cost calculations for each fee analyzed in the user fee study.

Clubs and Organizations

GFOAT, Government Finance Officers Association of Texas

City of Mesquite, TX – Full Cost Allocation Study: The City of Mesquite was looking to update the cost allocation plan to reflect the current fiscal environment. As the Senior Financial Analyst on the project, Mr. Goral worked on creating a new CAP and model for the City, that would identify the allocable and non-allocable costs associated with the City's central service departments and functions, and to distribute those costs to the operating entities in a fair and equitable manner.

SEED, Student Entrepreneurs and Economic Development

SIFE, Student in Free Enterprise

Alpha Beta Gamma, Business Honors Society

Town of Sunnyvale, TX – User Fee Study: Mr. Goral served as the Senior Financial Analyst for the Town of Sunnyvale User Fee Study engagement. Full cost calculations were developed for each fee analyzed in the user fee study. The report included the methodology and suggested fees for the fees the Town wished to analyze.

Honors and Awards

Lowe's Community Improvement Grant for Collin Community College, 2011

The following is a listing of Mr. Goral's water and wastewater related project experience accumulated in the past three years:

5 Years' Experience

- City of DeSoto, TX
- City of Balch Springs, TX
- City of Donna, TX
- City of McKinney, TX
- City of Schertz, TX
- City of Fairview, TX
- City of Altus, OK
- City of Winslow, AZ
- City of Cedar Hill, TX
- City of Frisco, TX
- City of Castroville, TX
- City of Crandall, TX
- City of Hutchins, TX
- City of Midlothian, TX
- City of Springtown, TX
- City of Royse City, TX
- City of Buckeye, AZ
- Schertz-Seguin Local Government Corporation, TX
- Water Authority of Fiji, Fiji
- City of Plano, TX

D. Goral
Resume Continued

- City of Coppell, TX
- Town of Camp Verde, AZ
- City of Allen, TX
- City of Amarillo, TX
- City of Brady, TX
- City of Edmond, OK
- City of Florence, AZ
- City of Laredo, TX
- City of Leander, TX
- City of Los Fresnos, TX
- City of Somerton, AZ
- Town of Prosper, TX
- Town of Carefree, AZ
- City of Duncanville, TX
- City of Rockwall, TX
- Commonwealth Utilities Corporation, Saipan
- City of San Luis, AZ
- City of Rowlett, TX
- City of Russellville, AR
- Town of Springerville, AZ
- City of Tomball, TX
- City of Tornillo, TX
- City of College Station, TX
- Denton County Fresh Water Supply District 1A, TX
- LAZY 9 MUD 1A, TX
- City of New Summerfield, TX
- City of Princeton, TX
- City of Mesquite, TX
- City of Alamo Heights, TX
- Denton County Fresh Water Supply District 8C, TX

Robert Quaid, CPA

Quality Assurance/Technical Advisor

Education

*Bachelor of Science,
University of Southern
California*

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.

Areas of Expertise

*Fiscal Analysis for User
Fees and Rates*

Cost Allocation Plans

*Acquisition Audit
Services*

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.

*Statutory Financial
Reporting*

Fund Audits

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

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.

Affiliations

*California Society of
Municipal Finance
Officers*

*California Society of
CPAs*

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 Rialto, CA — Comprehensive User Fee Study: Project manager for the Comprehensive User Fee Study to develop a user fee model in Microsoft Excel and update fees for Planning, Engineering, Building, Public Works, Recreation, Police, Fire, City Clerk, Treasurer and Finance.

Certifications/ Licenses

*Certified Public
Accountant*

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.

35 Years' Experience

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

- City of Belmont, CA
- City of Cerritos, CA
- City of Claremont, CA
- City of Coalinga, CA
- City of DeSoto, TX
- City of El Cerrito, CA
- City of Fillmore, CA
- City of Galt, CA
- City of Hayward, CA
- City of Indian Wells, CA
- City of Laguna Hills, CA
- City of Missouri City, TX
- City of Monterey, CA
- City of Petaluma, CA
- City of Rocklin, CA
- City of St. Helena, CA
- City of San Bruno, CA
- City of Sunnyvale, TX
- City of Surprise, AZ
- City of Union City, CA
- City of Watsonville, CA
- City of Yucaipa, CA
- County of San Benito, CA
- Sacramento Public Library, CA

6. References

Below are recent project descriptions, including client contact information, that are similar in nature to those requested by the City. 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 DeSoto, TX Comprehensive User Fee Study

Through competitive bid, Willdan was selected by the City of DeSoto to provide a Comprehensive User Fee Study. The City wished to undertake a comprehensive City-wide review and evaluation of user fees and rate charges, which would result in a cost-based user fee study.

The Comprehensive Fee Study calculated the full cost of the select City services, and provided a recommended fee to be charged for each applicable service. Willdan recommended cost recovery strategies, and identified best practices in establishing the user fees.

Client Contact: Ms. Melissa Adams, Accounting Manager, Finance Services Department
211 East Pleasant Run Road, DeSoto, TX 75115
Tel #: (972) 230-7306 | Email: madams@desototexas.gov

City of Missouri City, TX Full Overhead Cost Allocation Plan, OMB Cost Allocation Plan, and Comprehensive User Fee Study

Willdan is concluding our work with the City of Missouri City on their Full Cost Allocation Plan and Comprehensive User Fee Study, the CAP will also be OMB compliant.

The City was seeking an outside consultant to complete a review and update of their current cost allocation plan and the preparation of a comprehensive user fee study for the development of its master list of fees. Our primary objective for the cost allocation study is to ensure that general government costs are fairly and equitably allocated to appropriate programs and funds, which are based on tailored and well thought out allocation factors.

For the Fee Study, the primary objective is to ensure that fees for requested services are calculated to account for the full cost of providing the services, and set appropriately, given City policy and financial objectives.

Client Contact: Ms. Edena Atmore, Director of Financial Services
1522 Texas Parkway, Missouri City, TX 77489
Tel #: (281) 403-8614 | Email: Edena.Atmore@Missouricitytx.gov

City of Mesquite, TX Cost Allocation Plan

The City of Mesquite was looking to update the cost allocation study to reflect the current fiscal environment. The City engaged Willdan to create a new CAP and model for the City, that would identify the allocable and non-allocable costs associated with the City's central service departments and functions, and to distribute those costs to the operating entities in a fair and equitable manner.

The Willdan team worked with City staff to gather the necessary data to develop the cost allocation model. Willdan completed a full cost allocation plan for the City in January 2019.

Client Contact: Ms. Debbie Mol, CPA, Director of Finance
757 N Galloway Avenue, Mesquite, TX 75149
Tel #: (972) 216-6287 | Email: dmol@cityofmesquite.com

City of Mission Viejo, CA

Cost Allocation Plan and Comprehensive User Fee Study

Willdan completed a comprehensive user fee study and full cost allocation plan for the City of Mission Viejo, which also included an evaluation of citywide user fees and comparison of fees with similar agencies.

Willdan collected and validated data and information necessary to develop models for both the Cost Allocation Plan and User Fee Study. We 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, or changes in structure for certain fees. We developed a cost of service analysis and model that updated the cost of providing services associated with existing fees and incorporated new fees and used it to create an updated comprehensive fee schedule. We presented the results of both studies to City Staff, and to the City Council. Updated fees were adopted with few questions and requested changes from the Council.

We were recently hired again to prepare an update to the Cost Allocation Plan and User Fee study.

Client Contact: Ms. Cheryl Dyas, CPA, Director of Administrative Services/City Treasurer
200 Civic Center, Mission Viejo, CA 92691
Tel #: (949) 724-6255 | Email: cdyas@cityofmissionviejo.org

City of Hayward, CA

Full Overhead Cost Allocation Plan, OMB A-87 Cost Allocation Plan, and Comprehensive Master User Fee Study

Willdan completed a full overhead cost allocation plan and OMB A-87 cost allocation plan, along with a comprehensive master user fee study for the City of Hayward. The Willdan team worked with City staff to gather the necessary data to develop the cost allocation model. The City had a complicated and detailed budget and the cost allocation plan that Willdan developed is tailored to their structure and includes provisions for several Internal Service Funds. Willdan staff worked through the course of reorganizing staff functions and/or reducing staff, it was important to revisit the manner and methodology by which indirect overhead costs were distributed to the operating departments and, as appropriate, other chargeable funds and programs. The City was in need of a new cost allocation plan that would ensure the fair and equitable allocation of government expenses to appropriate departments, programs, and funds, while utilizing tailored and well thought out allocation factors.

Furthermore, Willdan updated many of its user fee programs, and the information developed during the cost allocation plan served as the basis for the study.

Willdan has been recently re-selected to provide Cost Allocation Plan and User Fee updates for multiple years.

Client Contact: Mr. Dustin Claussen, Director of Finance
777 B Street, 3rd Floor, Hayward, CA 94541
Tel. #: (510) 583-4010 | Email: Dustin.Claussen@hayward-ca.gov



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