



Agenda Item A.7
CONSENT CALENDAR
Meeting Date: March 3, 2020

TO: Mayor and Councilmembers

FROM: Luke Rioux, Finance Director

CONTACT: Tony Gonzalez, Accounting Manager

SUBJECT: Amendment No. 3 to Professional Services Agreement with Willdan Financial Services for the Comprehensive User Fee Study and Full Cost Allocation Plan

RECOMMENDATION:

Authorize the City Manager to execute Amendment No. 3 to the Professional Services Agreement No. 2018-002 between the City of Goleta and Willdan Financial Services for the Comprehensive User Fee Study and Full Cost Allocation Plan, retroactive to December 31, 2019 to extend the term of the agreement to December 31, 2020.

BACKGROUND:

On January 2018, the City Council authorized the City Manager to execute a professional services agreement between the City of Goleta and Willdan Financial Services for a Comprehensive User Fee Study and Full Cost Allocation Plan in an amount not to exceed \$38,708 with a termination date of June 30, 2018. On June 26, 2018, Amendment No. 1 extended the term of Agreement 2018-002 to June 30, 2019. On June 18, 2019, City Council approved Amendment No. 2 for a six-month time extension to December 31, 2019.

DISCUSSION:

The City's agreement with Willdan Financial Services expired on December 31, 2019. Staff inadvertently missed the deadline to extend the agreement and needs to afford the consultant additional time to complete the Comprehensive User Fee Study portion of the project. Accordingly, staff seeks City Council authorization to enter into Amendment No. 3 to extend the term of the agreement to December 31, 2020, and have authorization be retroactive to December 31, 2019. There are no changes to the not-to-exceed amount and no budget appropriation needed.

This project began in January 2018 and is broken into two phases, requiring the development of a Full Cost Allocation Plan first, and then using the results of the Full Cost Allocation Plan, developing the Comprehensive User Fee Study. The draft Full Cost Allocation Plan was completed in October 2018. Since then, there have been various

delays in completing the Comprehensive User Fee Study, though it is now near completion. Staff is in the process of consolidating all user fees into one document, including building and safety related fees, which previously have never been part of the City's Master User Fees and Charges Schedule. Staff is recommending a term extension only of the City's agreement with Willdan Financial Services to December 31, 2020. While staff anticipates the draft Comprehensive User Fee Study to be completed before June 30th, the December 31st ending date provides additional flexibility, if needed.

In addition to adopting the Comprehensive User Fee Study and Full Cost Allocation Plan, staff will also recommend adoption of a user fee and cost recovery policy, which includes guidelines for establishing and maintaining a comprehensive user fee schedule and cost allocation plan. The policy will standardized a method for setting up fees and the extent to which they recover the full cost of service provided, as recommended as a best practice by the Government Finance Officers Association (GFOA), National Advisory Council on State and Local Budgeting (NACSLB), and the Federal Government Office of Management and Budget (Title 2 CFR 200, previously OMB Circular A-87). Once the draft Comprehensive User Fee Study is complete, both the Full Cost Allocation Plan, Comprehensive User Fee Study and recommended user fee and cost recovery policy will be reviewed with the Finance Committee and presented to the City Council for adoption. Staff anticipates the review with the Finance Committee to begin in early FY 2020/21.

Due to timing of completing the study and nearing fiscal year-end, along with efforts to maintain consistency with the City's user fees and charges, staff will be providing a separate annual staff report recommending a CPI adjustment to the current adopted fee schedule to City Council on March 17, 2020. This will include various new fees related to adoption of the New Zoning Ordinance and other deposit type fees needed at this time.

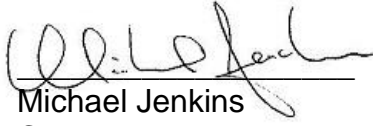
FISCAL IMPACTS:

Funds for the original \$38,708 not-to-exceed contract amount were already encumbered from the FY 17/18 budget in the Finance Department. This amendment authorizes a term extension only through December 31, 2020. No additional appropriation is needed.


ALTERNATIVES:

The City Council may elect not to authorize this contract amendment. Doing so may further delay completion of the Full Cost Allocation Plan and Comprehensive User Fee Study.

Legal Review By:


Michael Jenkins
City Attorney

Approved By:


Michelle Greene
City Manager

ATTACHMENTS:

1. Amendment No. 3 to Professional Services Agreement No. 2018-002
2. Professional Services Agreement No. 2018-002, Professional Services Agreement No. 2018-002.1 and Professional Services Agreement No. 2018-002.2 (available online only)

ATTACHMENT 1:

Amendment No. 3 to Professional Services Agreement No. 2018-002

**AMENDMENT NO. 3
TO A PROFESSIONAL SERVICES AGREEMENT
BETWEEN THE CITY OF GOLETA
AND
WILLDAN FINANCIAL SERVICES**

This Amendment No. 3 to a PROFESSIONAL SERVICES AGREEMENT by and between the **CITY OF GOLETA**, a municipal corporation ("City") and **WILLDAN FINANCIAL SERVICES**, a California Corporation ("Consultant") dated January 16, 2018, ("Agreement," No. 2018-002) is made and entered into this ____ th day of March, 2020.

RECITALS

WHEREAS, the City entered into the Agreement for the User Fee Study and Full Cost Allocation Plan;

WHEREAS, the Agreement between City and Consultant currently provides in Section 6 for the termination of the Agreement on June 30, 2018;

WHEREAS, on June 26, 2018, the parties extended the term of the Agreement to June 30, 2019 (Amendment No. 1) and;

WHEREAS, on June 18, 2019, the parties extended the term of the Agreement to December 31, 2019 (Amendment No. 2) and;

WHEREAS, the parties desire to retroactively amend the agreement so as to extend the termination of the Agreement to December 31, 2020;

WHEREAS, the City Council approved this amendment No. 3 on this ____ th day of March, 2020.

AMENDED TERMS

1. **Section 6. TERM, PROGRESS AND COMPLETION** of the Agreement is amended to extend the term for an additional year to read in its entirety.

The term of this Agreement is from the date first written above to December 31, 2020, unless the term of this Agreement is extended or the Agreement is terminated as provided for herein.

CONSULTANT shall not commence work on the services to be performed until (i) CONSULTANT furnishes proof of insurance as required by Section 10 below, and (ii) CITY gives written authorization to proceed with the work provided by CITY's Project Manager. All services shall be completed within the term of this Agreement following the notice to proceed.

City of Goleta
Amendment No. 3 to Agreement No. 2018-002

2. Except as otherwise specifically provided herein, all other provisions of the Agreement shall remain in full force and effect.

In concurrence and witness whereof, this Amendment No. 3 has been executed by the parties effective on the date and year first above written.

CITY OF GOLETA

CONSULTANT

Michelle Greene, City Manager

Mark Risco, President

ATTEST:

Deborah Lopez, City Clerk

Chris Fisher, Vice President

APPROVED AS TO FORM



Winnie Cai, Assistant City Attorney

ATTACHMENT 2:

Professional Services Agreement No. 2018-002, Professional Services Agreement 2018-002.1 and Professional Services Agreement 2018-002.2 (Available Online Only)

Project Name: Comprehensive User Fee Study and Full Cost Allocation Plan

**AGREEMENT FOR PROFESSIONAL SERVICES
BETWEEN THE CITY OF GOLETA
AND
WILLDAN FINANCIAL SERVICES**

This AGREEMENT FOR PROFESSIONAL SERVICES (herein referred to as "AGREEMENT") is made and entered into this 16 day of January, 2018, by and between the **CITY OF GOLETA**, a municipal corporation (herein referred to as "CITY"), and **WILLDAN FINANCIAL SERVICES**, a California Corporation (herein referred to as "CONSULTANT").

WHEREAS, the CITY has a need for professional services to conduct a cost-based User Fee Study and Full Cost Allocation Plan; and

WHEREAS, the CITY does not have the personnel able and/or available to perform the services required under this AGREEMENT, and therefore, the CITY desires to contract for professional services to accomplish this work; and

WHEREAS, the CITY noticed a request for proposals and/or qualifications for professional _ services through a competitive bid process; and

WHEREAS, the City Council, on this _____ day of January, 2018, approved this AGREEMENT and authorized the City Manager to execute the AGREEMENT.

CITY and CONSULTANT agree as follows:

1. RETENTION AS CONSULTANT

CITY hereby retains CONSULTANT, and CONSULTANT hereby accepts such engagement, to perform the services described in Section 2. CONSULTANT warrants it has the qualifications, experience, and facilities to properly and timely perform said services.

2. DESCRIPTION OF SERVICES

The services to be performed by CONSULTANT are as follows:

Professional services in conjunction with the Comprehensive User Fee Study and Full Cost Allocation Plan. Services shall generally include draft of user fee tables, draft of comprehensive user fee tables, working and meeting with selected City staff, conducting interviews, identifying total cost of City activities, preparation and delivery of presentations, and providing an electronic copy of the final report, as more particularly set

forth in the Scope of Work, attached as Exhibit "A," and incorporated herein.

CONSULTANT shall deliver to CITY the deliverables defined in Exhibit "A."

3. COMPENSATION AND PAYMENT

(a) **Maximum and Rate.** The total compensation payable to CONSULTANT by CITY for the services under this AGREEMENT **SHALL NOT EXCEED** the sum of \$38,708.00 (herein "not to exceed amount"), and shall be earned as the work progresses on the following basis:

Hourly at the hourly rates and with reimbursement to CONSULTANT for those expenses set forth in CONSULTANT's Schedule of Fees marked Exhibit "B," attached and incorporated herein. The rates and expenses set forth in that exhibit shall be binding upon CONSULTANT until June 30, 2018, after which any change in said rates and expenses must be approved in writing by CITY's Project Manager as described in Section 5 (CITY is to be given 60 days notice of any rate increase request), provided the not to exceed amount is the total compensation due CONSULTANT for all work described under this AGREEMENT.

(b) **Payment.** CONSULTANT shall provide CITY with written verification of the actual compensation earned, which written verification shall be in a form satisfactory to CITY's Project Manager, as described in Section 5. Invoices shall be made no more frequently than on a monthly basis, and describe the work performed (including a list of hours worked by personnel classification). All payments shall be made within 30 days after CITY's approval of the invoice.

4. EXTRA SERVICES

CITY shall pay CONSULTANT for those CITY authorized extra services, not reasonably included within the services described in Section 2, as mutually agreed to in advance. Unless CITY and CONSULTANT have agreed in writing before the performance of extra services, no liability and no right to claim compensation for such extra services or expenses shall exist. The applicable hourly rates for extra services shall be at the hourly rates set forth in the compensation exhibit. Any compensation for extra services shall be part of the total compensation and shall not increase the not to exceed amount identified in Section 3.

5. CITY PROJECT MANAGER AND SERVICES BY CITY

The services to be performed by CONSULTANT shall be accomplished under the general direction of, and coordinate with, CITY's "Project Manager", as that staff person is designated by CITY from time to time, and who presently is Luke Rioux. Project Manager shall have the authority to act on behalf of the CITY in administering

this AGREEMENT but shall not be authorized to extend the term of the AGREEMENT or increase the not to exceed amount.

6. TERM, PROGRESS AND COMPLETION

The term of this AGREEMENT is from the date first written above to June 30, 2018, unless term of this AGREEMENT is extended or the AGREEMENT is terminated as provided for herein.

CONSULTANT shall not commence work on the services to be performed until (i) CONSULTANT furnishes proof of insurance as required by paragraph 10 below, and (ii) CITY gives written authorization to proceed with the work provided by CITY's Project Manager. All services shall be completed prior to June 30, 2018.

7. OWNERSHIP OF DOCUMENTS

All drawings, designs, data, photographs, reports and other documentation (other than CONSULTANT's drafts, notes and internal memorandum), including duplication of same prepared by CONSULTANT in the performance of these services, are the property of CITY. CITY shall be entitled to immediate possession of the same upon completion of the work under this AGREEMENT, or at any earlier or later time when requested by CITY. CITY agrees to hold CONSULTANT harmless from all damages, claims, expenses, and losses arising out of any reuse of the plans and specifications for purposes other than those described in this AGREEMENT, unless written authorization of CONSULTANT is first obtained.

8. PERSONAL SERVICES/NO ASSIGNMENT/SUBCONTRACTOR

This AGREEMENT is for professional services which are personal to CITY. Chris Fisher is deemed to be specially experienced and is a key member of CONSULTANT's firm, and shall be directly involved in the performance of this work. This key person shall communicate with, and periodically report to, CITY on the progress of the work. Should any such individual be removed from assisting in this contracted work for any reason, CITY may terminate this AGREEMENT. This AGREEMENT may not be subcontracted without the City's prior written consent.

9. HOLD HARMLESS AND INDEMNITY

(a) **Hold Harmless for CONSULTANT's Damages.** CONSULTANT holds CITY, its elected officials, officers, agents, and employees, harmless from all of CONSULTANT's claims, demands, lawsuits, judgments, damages, losses, injuries or liability to CONSULTANT, to CONSULTANT's employees, to CONSULTANT's contractors or subcontractors, or to the owners of CONSULTANT's firm, which damages, losses, injuries or liability occur during the work required under this AGREEMENT, or occur while CONSULTANT is on CITY property, or which are connected, directly or indirectly, with CONSULTANT's performance of any activity or work required under this AGREEMENT.

(b) Defense and Indemnity of Third Party Claims/Liability. CONSULTANT shall investigate, defend, and indemnify CITY, its elected officials, officers, agents, and employees, from any claims, lawsuits, demands, judgments, and all liability including, but not limited to, monetary or property damage, lost profit, personal injury, wrongful death, general liability, automobile, infringement of copyright/patent/trademark, or professional errors and omissions arising out of, directly or indirectly, an error, negligence, or omission of CONSULTANT or any of CONSULTANT's officers, agents, employees, representatives, subconsultants, or subcontractors, or the willful misconduct of CONSULTANT or any of CONSULTANT's officers, agents, employees, representatives, subconsultants, or subcontractors, in performing the services described in, or normally associated with, this type of contracted work. The duty to defend shall include any suits or actions concerning any activity, product or work required under this AGREEMENT, and also include the payment of all court costs, attorney fees, expert witness costs, investigation costs, claims adjusting costs and any other costs required for and related thereto.

(c) No Waiver. CITY does not waive, nor shall be deemed to have waived, any indemnity, defense or hold harmless rights under this section because of the acceptance by CITY, or the deposit with CITY, of any insurance certificates or policies described in Section 10.

10. INSURANCE

CONSULTANT shall, at CONSULTANT's sole cost and expense, provide insurance as described herein. All insurance is to be placed with insurers authorized to do business in the State of California with an A.M. Best and Company rating level of A- or better, Class VII or better, or as otherwise approved by CITY.

Insurance shall include the following (or broader) coverage:

- a) Insurance Services Office Commercial Liability coverage "occurrence" form CG 00 01 or its exact equivalent with an edition date prior to 2004 and with minimum limits of \$1,000,000 per occurrence and \$2,000,000 in the aggregate.
- b) Insurance Services Office form number CA 0001 or equivalent covering Automobile Liability, including hired and non-owned automobile liability with a minimum limit of 1,000,000 per accident. If the Service Provider owns no vehicles, this requirement may be satisfied by a non-owned and hired auto endorsement to Service Provider's commercial general liability policy.
- c) Workers' Compensation insurance complying with California worker's compensation laws, including statutory limits for workers' compensation and an Employer's Liability limit of \$1,000,000 per accident or disease.

Liability insurance policies required to be provided by CONSULTANT hereunder shall contain or be endorsed to contain the following provisions:

- a) CITY, its employees, officials, agents and member agencies shall be covered as additional insureds. Coverage shall apply to any and all liability arising out of the work performed or related to the contract. Additional insured status under the general liability requirement shall be provided on Insurance Services Office Form CG 20 10 with an edition date prior to 2004, or its exact equivalent. Additional insured status for completed operations shall be provided either in the additional insured form or through another endorsement such as CG 20 37 with an edition date prior to 2004.
- b) General and automobile liability insurance shall apply separately to each insured against whom a claim is made or suit is brought, except with respect to the limits of the insurer's liability. Coverage will not be limited to CITY's vicarious liability.
- c) Liability coverage shall be primary and non-contributing with any insurance maintained by CITY.
- d) Evidence of coverage (including the workers' compensation and employer's liability policies) shall provide that coverage shall not be suspended, voided, canceled or reduced in coverage or in limits except after 30 days' prior written notice has been given to CITY. Such provision shall not include any limitation of liability of the insurer for failure to provide such notice.
- e) No liability insurance coverage provided to comply with this AGREEMENT shall prohibit CONSULTANT, or CONSULTANT's employees, or agents, from waiving the right of recovery prior to a loss. CONSULTANT waives its right of recovery against CITY.
- f) CONSULTANT agrees to deposit with CITY within fifteen days of Notice to Proceed of the Contract certificates of insurance and required endorsements.
- g) There shall be no recourse against CITY for payment of premiums or other amounts with respect to the insurance required to be provided by CONSULTANT hereunder. Any failure, actual or alleged, on the part of CITY to monitor compliance with these requirements will not be deemed as a waiver of any rights on the part of CITY. CITY has no additional obligations by virtue of requiring the insurance set forth herein. In the event any policy of insurance required under this AGREEMENT does not comply with these requirements or is canceled and not replaced, CITY has the right but not the duty to obtain the insurance it deems necessary and any premium paid by CITY will be promptly reimbursed by CONSULTANT or CITY will withhold amounts sufficient to pay premium from CONSULTANT payments.

- h) CONSULTANT agrees to provide immediate notice to CITY of any claim or loss against CONSULTANT arising out of the work performed under this AGREEMENT. CITY assumes no obligation or liability by such notice, but has the right (but not the duty) to monitor the handling of any such claim or claims if they are likely to involve CITY.

11. RELATIONSHIP OF CONSULTANT TO CITY

The relationship of the CONSULTANT to CITY shall be that of an independent contractor and that in no event shall CONSULTANT be considered an officer, agent, servant or employee of CITY. CONSULTANT shall be solely responsible for any workers compensation insurance, withholding taxes, unemployment insurance, and any other employer obligations associated with the described work.

12. CORRECTIONS

In addition to the above indemnification obligations, CONSULTANT shall correct, at its expense, all errors in the work that may be disclosed during CITY's review of CONSULTANT's report or plans. Should CONSULTANT fail to make such correction in a reasonably timely manner, such correction shall be made by CITY, and the cost thereof shall be charged to CONSULTANT or withheld from any funds due to CONSULTANT hereunder.

13. TERMINATION BY CITY

CITY, by notifying CONSULTANT in writing, may upon 30 calendar days notice, terminate without cause any portion or all of the services agreed to be performed under this AGREEMENT. If termination is for cause, no notice period need be given. In the event of termination, CONSULTANT shall have the right and obligation to immediately assemble work in progress for the purpose of closing out the job. All compensation for actual work performed and charges outstanding at the time of termination shall be payable by CITY to CONSULTANT within 30 days following submission of a final statement by CONSULTANT unless termination is for cause. In such event, CONSULTANT shall be compensated only to the extent required by law.

14. ACCEPTANCE OF FINAL PAYMENT CONSTITUTES RELEASE

The acceptance by CONSULTANT of the final payment made under this AGREEMENT shall operate as and be a release of CITY from all claims and liabilities for compensation to CONSULTANT for anything done, furnished, or relating to CONSULTANT'S work or services. Acceptance of payment shall be any negotiation of CITY's check or the failure to make a written extra compensation claim within 10 calendar days of the receipt of that check. However, approval or payment by CITY shall not constitute, nor be deemed, a release of the responsibility and liability of CONSULTANT, its employees, subcontractors, agents and CONSULTANTS for the accuracy and competency of the information provided and/or work performed; nor shall such approval or payment be deemed to be an assumption of such responsibility or

liability by CITY for any defect or error in the work prepared by CONSULTANT, its employees, subcontractors, agents and CONSULTANTS.

15. AUDIT OF RECORDS

At any time during normal business hours and as often as it may deem necessary, CONSULTANT shall make available to a representative of CITY for examination of all its records with respect to all matters covered by this AGREEMENT and will permit CITY to audit, examine and/or reproduce such records. CONSULTANT will retain such financial records, time sheets, work progress reports, invoices, bills and project records for at least two years after termination or final payment under this AGREEMENT.

16. WAIVER; REMEDIES CUMULATIVE

Failure by a party to insist upon the strict performance of any of the provisions of this AGREEMENT by the other party, irrespective of the length of time for which such failure continues, shall not constitute a waiver of such party's right to demand strict compliance by such other party in the future. No waiver by a party of a default or breach of the other party shall be effective or binding upon such party unless made in writing by such party, and no such waiver shall be implied from any omissions by a party to take any action with respect to such default or breach. No express written waiver of a specified default or breach shall affect any other default or breach, or cover any other period of time, other than any default or breach and/or period of time specified. All of the remedies permitted or available to a party under this AGREEMENT, or at law or in equity, shall be cumulative and alternative, and invocation of any such right or remedy shall not constitute a waiver or election of remedies with respect to any other permitted or available right of remedy.

17. CONFLICT OF INTEREST

CONSULTANT is unaware of any CITY employee or official that has a financial interest in CONSULTANT'S business. During the term of this AGREEMENT and/or as a result of being awarded this AGREEMENT, CONSULTANT shall not offer, encourage or accept any financial interest in CONSULTANT'S business by any CITY employee or official.

18. CONSTRUCTION OF LANGUAGE OF AGREEMENT

The provisions of this AGREEMENT shall be construed as a whole according to its common meaning of purpose of providing a public benefit and not strictly for or against any party. It shall be construed consistent with the provisions hereof, in order to achieve the objectives and purposes of the parties. Wherever required by the context, the singular shall include the plural and vice versa, and the masculine gender shall include the feminine or neutral genders or vice versa.

19. MITIGATION OF DAMAGES

In all situations arising out of this AGREEMENT, the parties shall attempt to avoid and minimize the damages resulting from the conduct of the other party.

20. GOVERNING LAW

This AGREEMENT, and the rights and obligations of the parties, shall be governed and interpreted in accordance with the laws of the State of California. Should litigation occur, venue shall be in Superior Court of Santa Barbara County.

21. NONDISCRIMINATION

CONSULTANT shall comply with the federal Americans with Disability Act, Public Law 101-336, and observe the disability discrimination prohibitions of such laws in the performance of the work required under this AGREEMENT.

22. TAXPAYER IDENTIFICATION NUMBER

CONSULTANT shall provide CITY with a complete Request for Taxpayer Identification Number and Certification, Form W-9 (Rev. 12-87), as issued by the Internal Revenue Service.

23. NON-APPROPRIATION OF FUNDS

Payments due and payable to CONSULTANT for current services are within the current budget and within an available, unexhausted and unencumbered appropriation of CITY funds. In the event CITY has not appropriated sufficient funds for payment of CONSULTANT services beyond the current fiscal year, this AGREEMENT shall cover only those costs incurred up to the conclusion of the current fiscal year.

24. MODIFICATION OF AGREEMENT

The tasks described in this AGREEMENT and all other terms of this AGREEMENT may be modified only upon mutual written consent of CITY and CONSULTANT.

25. USE OF THE TERM "CITY"

Reference to "CITY" in this AGREEMENT includes City Manager or any authorized representative acting on behalf of CITY.

26. PERMITS AND LICENSES

CONSULTANT, at its sole expense, shall obtain and maintain during the term of this AGREEMENT, all appropriate permits, licenses, and certificates that may be required in connection with the performance of services under this AGREEMENT.

27. CAPTIONS

The captions or headings in this AGREEMENT are for convenience only and in no other way define, limit or describe the scope or intent of any provision or section of the AGREEMENT.

28. AUTHORIZATION

Each party has expressly authorized the execution of this AGREEMENT on its behalf and bind said party and its respective administrators, officers, directors, shareholders, divisions, subsidiaries, agents, employees, successors, assigns, principals, partners, joint venturers, insurance carriers and any others who may claim through it to this AGREEMENT.

29. ENTIRE AGREEMENT BETWEEN PARTIES

Except for CONSULTANT'S proposals and submitted representations for obtaining this AGREEMENT, this AGREEMENT supersedes any other agreements, either oral or in writing, between the parties hereto with respect to the rendering of services, and contains all of the covenants and agreements between the parties with respect to said services.

30. PARTIAL INVALIDITY

If any provision in this AGREEMENT is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions will nevertheless continue in full force without being impaired or invalidated in any way.

31. NOTICES


Any notice required to be given hereunder shall be deemed to have been given by depositing said notice in the United States mail, postage prepaid, and addressed as follows:

TO CITY: Attention: Michelle Greene, City Manager
City of Goleta
130 Cremona Drive, Suite B
Goleta, CA 93117


TO CONSULTANT: Attention: Chris Fisher
Willdan Financial Services
27368 Via Industria, Suite 200
Temecula, CA 92590

In concurrence and witness whereof, this AGREEMENT has been executed by the parties effective on the date and year first above written.

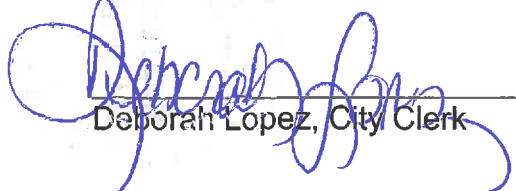
CITY OF GOLETA


Michelle Greene, City Manager

CONSULTANT


By: Mark Risco, President

ATTEST


Deborah Lopez, City Clerk


By: Chris Fisher, Vice President

APPROVED AS TO FORM


Winnie Cai, Deputy City Attorney

Exhibit A

Scope of Work

Full Cost Allocation Plan

Prepare the City's Full Cost Allocation Plan (total cost plan and an OMB 2 CFR Part 225 plan), which may include the following elements (if the consultant feels that additional tasks are warranted, they must be clearly identified in the consultant's proposal):

- A. Work and meet with selected City staff to refine the project scope, purpose, uses and goals of the City's Full Cost Allocation Plan to ensure that the study will be both accurate and appropriate to the City's needs. Review project schedule and answer any questions pertaining to the successful development of the study.
- B. Meet with staff and conduct interviews as needed to gain an understanding of the City's processes and operations. This includes where certain services and functions are performed together or shared through cooperation between different departments. Costs should be identified so that they can be allocated to and tracked by the appropriate department.
- C. Identify the total cost of providing each City service at the appropriate activity level and in a manner that is consistent with all applicable laws, statutes, rules and regulations governing the collection of fees, rates, and charges by public entities including, but not limited to, the State Controller's Office Guidelines for Cost Claiming and OMB 2 CFR Part 225 standards.
- D. Develop a Full Cost Allocation Model using FY 2017/18 budget and/or actual data for calculating the full costs of providing each City service. The requirements of the model should allow for:
 - a. Additions, revisions, or removal of direct and overhead costs so that the full cost allocation plan can be easily adapted to a range of activities, both simple and complex.
 - b. The ability of the City to continuously update the model and full cost allocation plan from year to year as the organization changes.
 - c. The addition of hypothetical service area information for future service enhancements, and the ability to calculate the estimated costs of providing the service under consideration (i.e. ad-hoc analysis).
- E. Report on other matters that come to your attention in the course of your evaluation that in your professional opinion the City should consider.
- F. Present the plan to the City's management group and make necessary adjustments as requested.

- G. Prepare and deliver presentations to the Council to facilitate their understanding of the plan and its implications to the City.
- H. Work with the Finance Department in developing service provisions, cost categories, and allocation criteria for current and future programs.
- I. Provide the City with an electronic copy of the final comprehensive review, including related schedules and cost documentation in a format such as Microsoft Word and Microsoft Excel that can be edited and updated by City staff to accommodate changes in the organization or changes in cost.
- J. Prepare a final report and provide five bound copies, one unbound copy, and a single Microsoft Excel and PDF file of the Full Cost Recovery Plan that can be made available to City staff. Models, tables and graphs should be provided in Microsoft Excel. Any Cost Allocation Model revisions developed shall also be made available to the City in Microsoft Excel and PDF formats, providing the ability to add, delete and/or update information as needed.
- K. Provide a computer based model in Microsoft Excel for adjusting these fees and charges for the City's current and future needs and provide the City with an electronic copy of the final comprehensive study, including related schedules and cost documentation in a format that can be edited and updated by City staff to accommodate changes in the organization or changes in costs.
- L. Consult with City staff should the need arise to defend the cost allocation plan as a result of audits or other challenges.

Comprehensive User Fee Study

Prepare a Comprehensive User Fee Study for the City, which may include the following elements (if the consultant feels that additional tasks are warranted, they must be clearly identified in the consultant's proposal):

- A. Work and meet with City staff to refine the project scope, purpose, uses and goals of the City's Comprehensive User Fee Study to ensure that the study will be both accurate and appropriate to the City's needs. Review project schedule and answer any questions pertaining to the successful development of the study.
- B. Meet with staff and conduct interviews as needed to gain an understanding of the City's processes and operations. Conduct a comprehensive review of the City's existing fees, rates, and charges.
- C. Identify the total cost of providing each City service at the appropriate activity level and in a manner that is consistent with all applicable laws, statutes, rules and regulations governing the collection of fees, rates, and charges by public

entities including, but not limited to, Proposition 26 and Proposition 218.

- D. Compare service costs with existing recovery levels. This should include any service areas where the City is currently charging for services as well as areas where perhaps the City should charge, in light of the City's practices, or the practices of similar or neighboring cities.
- E. Recommend potential new fees and charges for services that the City currently provides but does not have any fees and/or charges established. Recommendations should be based on practices by surrounding cities that may charge for similar services, industry best practices, or the consultant's professional opinion.
- F. Recommend appropriate fees and charges based on the firm's analysis together with the appropriate subsidy percentage for those fees where full cost recovery may be unrealistic.
- G. Prepare a report that identifies each fee service, its full cost, recommended and current cost recovery levels. The report should also identify the direct cost, the indirect cost, and the overhead cost for each service.
- H. Prepare a report that identifies the present fees, recommended fees, percentage change, cost recovery percentage, revenue impact and fee comparison with other Santa Barbara County cities or other California cities that are comparable to the City of Goleta. A survey comparison of rates and fees with similar cities is required.
- I. Report on other matters that come to the Consultant's attention in the course of the evaluation that, in the Consultant's professional opinion, the City should consider.
- J. Provide a computer based model in Microsoft Excel for adjusting these fees and charges for the City's current and future needs and provide the City with an electronic copy of the final comprehensive study, including related schedules and cost documentation in a format that can be edited and updated by City staff to accommodate changes in the organization or changes in costs. The requirements of the model should allow for:
 - a. Additions, revisions, or removal of direct and overhead costs so that the full cost allocation plan can be easily adapted to a range of activities, both simple and complex.
 - b. The ability of the City to continuously update the model and full cost allocation plan from year to year as the organization changes.
 - c. The addition of hypothetical service area information for future service

enhancements, and the ability to calculate the estimated costs of providing the service under consideration (i.e. ad-hoc analysis).

- K. Prepare and deliver presentations to the City Council to facilitate their understanding of the plan and its implications for the City and make necessary adjustments as requested.
- L. Provide on-site training to enable staff to update fees on an annual basis.
- M. Prepare a final fee study report and provide five bound copies, one unbound copy, and a single Microsoft Excel and PDF file of the User Fee Study that can be made available to City staff. Models, tables and graphs should be provided in Microsoft Excel. Any Master Fee Schedule revisions developed shall also be made available to the City in Microsoft Excel and PDF format, providing the ability to add or delete and/or update information as needed.
- N. Consult with City staff should it become necessary to defend the City's Comprehensive User Fees as a result of any legal or other challenge.

**AMENDMENT NO. 1
TO A PROFESSIONAL SERVICES AGREEMENT
BETWEEN THE CITY OF GOLETA
AND
WILLDAN FINANCIAL SERVICES**

This Amendment No. 1 to a PROFESSIONAL SERVICES AGREEMENT by and between the **CITY OF GOLETA**, a municipal corporation ("City") and **WILLDAN FINANCIAL SERVICES**, a California Corporation ("Consultant") dated January 16, 2018, ("Agreement," No. 2018-002) is made and entered into this 26th day of June, 2018.

RECITALS

WHEREAS, the City entered into the Agreement for the User Fee Study and Full Cost Allocation Plan; and

WHEREAS, the Agreement between City and Consultant currently provides in Section 6 for the termination of the Agreement on June 30, 2018; and

WHEREAS, the parties desire to amend the Agreement so as to extend the termination of the Agreement to June 30, 2019;

AMENDED TERMS

1. **Section 6. TERM, PROGRESS AND COMPLETION** of the Agreement is amended to extend the term for an additional year to read in its entirety.

The term of this Agreement is from the date first written above to June 30, 2019, unless the term of this Agreement is extended or the Agreement is terminated as provided for herein.

CONSULTANT shall not commence work on the services to be performed until (i) CONSULTANT furnishes proof of insurance as required by Section 10 below, and (ii) CITY gives written authorization to proceed with the work provided by CITY's Project Manager. All services shall be completed within the term of this Agreement following the notice to proceed.

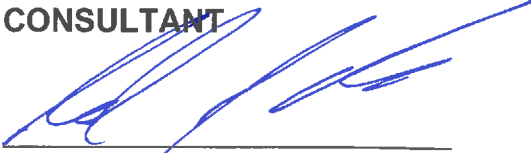
2. Except as otherwise specifically provided herein, all other provisions of the Agreement shall remain in full force and effect.

In concurrence and witness whereof, this Amendment No. 1 has been executed by the parties effective on the date and year first above written.

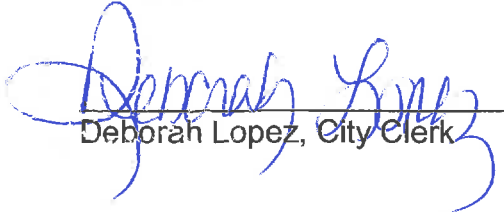
CITY OF GOLETA


Michelle Greene, City Manager

CONSULTANT


Mark Risco, President

ATTEST:


Deborah Lopez, City Clerk


Chris Fisher, Vice President

APPROVED AS TO FORM


Winnie Cai, Deputy City Attorney

**AMENDMENT NO. 2
TO A PROFESSIONAL SERVICES AGREEMENT
BETWEEN THE CITY OF GOLETA
AND
WILLDAN FINANCIAL SERVICES**

This Amendment No. 2 to a PROFESSIONAL SERVICES AGREEMENT by and between the **CITY OF GOLETA**, a municipal corporation ("City") and **WILLDAN FINANCIAL SERVICES**, a California Corporation ("Consultant") dated January 16, 2018, ("Agreement," No. 2018-002) is made and entered into this 18 th day of June, 2019.

RECITALS

WHEREAS, the City entered into the Agreement for the User Fee Study and Full Cost Allocation Plan;

WHEREAS, the Agreement between City and Consultant currently provides in Section 6 for the termination of the Agreement on June 30, 2018;

WHEREAS, on June 26, 2018, the parties extended the term of the Agreement to June 30, 2019 (Amendment No. 1) and;

WHEREAS, the parties desire to amend the Agreement so as to extend the termination of the Agreement to December 31, 2019;

AMENDED TERMS

1. **Section 6. TERM, PROGRESS AND COMPLETION** of the Agreement is amended to extend the term for an additional year to read in its entirety.

The term of this Agreement is from the date first written above to December 31, 2019, unless the term of this Agreement is extended or the Agreement is terminated as provided for herein.


CONSULTANT shall not commence work on the services to be performed until (i) CONSULTANT furnishes proof of insurance as required by Section 10 below, and (ii) CITY gives written authorization to proceed with the work provided by CITY's Project Manager. All services shall be completed within the term of this Agreement following the notice to proceed.

2. Except as otherwise specifically provided herein, all other provisions of the Agreement shall remain in full force and effect.


City of Goleta
Amendment No. 2 to Agreement No. 2018-002

In concurrence and witness whereof, this Amendment No. 1 has been executed by the parties effective on the date and year first above written.

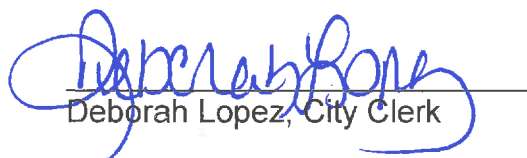
CITY OF GOLETA


Michelle Greene, City Manager

CONSULTANT


Mark Risco, President

ATTEST:


Deborah Lopez, City Clerk


Chris Fisher, Vice President

APPROVED AS TO FORM


Winnie Cai, Assistant City Attorney