AGENDA
MCFARLAND CITY COUNCIL
MCFARLAND SUCCESSOR AGENCY
MCFARLAND PUBLIC FINANCE AUTHORITY
MCFARLAND IMPROVEMENT AUTHORITY
MCFARLAND PARKING AUTHORITY

REGULAR MEETING
CITY COUNCIL CHAMBERS **January 26, 2023**
103 W. SHERWOOD AVE, MCFARLAND, CA **6:00 PM**

In Person Meeting

How to submit public comments:
The meetings of the City Council and all municipal entities, commissions, and boards ("the City") are open to the public. At regularly scheduled meetings, members of the public may address the city on any item listed on the agenda, or on any non-listed matter over which the city has jurisdiction. At special or emergency meetings, members of the public may only address the city on items listed on the agenda. There is a time limitation of two minutes per person. For any item that is not on the agenda and within the jurisdiction or interest of the city, please come to the podium at this time. The Brown Act does not permit any action or discussion on items not listed on the agenda. If you wish to speak regarding a scheduled agenda item, please come to the podium when the item number and subject matter are announced, and the mayor opens Public Comment on the item. When recognized, please begin by providing your name and address for the record (optional). Anyone wishing to submit written information at the meeting needs to furnish ten (10) copies to the City Clerk in advance to allow for distribution to City Council, staff, and the media. Willful disruption of the meeting shall not be permitted. If the Mayor finds that there is in fact willful disruption of any City Council Meeting, he/she may order the disrupting parties out of the room and subsequently conduct the City's business without them present.

Americans with Disabilities Act:
In compliance with the ADA, if you need special assistance to participate in a city meeting or other services offered by the City, please contact the City Clerk's office, at (661) 792-3091 ext. 2135. Notification of at least 48 hours prior to the meeting, or time when services are needed, will assist the city staff in assuring those reasonable arrangements can be made to provide accessibility to the meeting or services.

CALL TO ORDER: Mayor Saul Ayon

ROLL CALL:
Mayor, Saul Ayon
Vice Mayor, Ricardo Cano
Council Member/Board Member, Amador Ayon
Council Member/ Board Member, Anita Gonzalez
Council Member/Board Member, Vacant

INVOCATION Pastor Bobby Sharp

PLEDGE OF ALLEGIANCE

FEATURED PET
Is a feature that highlights a pet available for adoption from the McFarland Animal Shelter.

- Community Development Director Larry Ronk III

PRESENTATIONS, INTRODUCTIONS AND AWARDS

None

PUBLIC COMMENT: The public may address the Council/Board Member on items, which do not appear on the agenda. Council/Board Members may respond briefly to statements made or questions posed. They may ask a question for clarification; may refer the item to staff for further study or for placement on a future agenda. Speakers are limited to two minutes for each person. Please state your name and address for the record prior to making a presentation. Fifteen minutes total will be allowed for any one subject.

DEPARTMENTAL REPORTS

None

CONSENT AGENDA: The Consent Agenda consists of items that in staff's opinion are routine and non-controversial. These items are approved in one motion unless a Council Member/ Board Member or Member from the Public requests to remove a particular item.

1. Approval of the Expense Report in the Amount of $225,906.44 from December 14, 2022, to December 27, 2022.

2. Approval of the Regular Meeting Minutes for November 23, 2022.

PUBLIC HEARINGS

None

ADMINISTRATIVE AGENDA

3. Report, Discuss, and Possible Approval of Resolution No. 2023-0007, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MCFARLAND APPROVING AN APPROPRIATION FOR ADDITIONAL ALLOCATION OF FUNDS FROM THE GENERAL FUND AND AN AGREEMENT BETWEEN MCFARLAND AND DYNAMIC PLANNING + SCIENCE FOR THE LOCAL HAZARD MITIGATION PLAN 2023 UPDATE.

4. Report, Discuss, and Possible Approval of Resolution No. 2023-0009 Approving an Agreement between City of McFarland and Sterling Administration to provide administrative services of continuation of coverage provision of COBRA and Authorizing City Manager to Execute the Agreement.

5. Report, Discuss and Possible Approval of Resolution NO. 2023-0010, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MCFARLAND, CALIFORNIA, TERMINATING MEMBERSHIP IN THE PUBLIC AGENCY COALITION ENTERPRISE.

6. Report, Discuss, and Possible Approval of Resolution NO. 2023-0011, A Resolution of the City of McFarland Authorizing the City Manager to Sign and Execute an Agreement between the City and Boon-Chapman Benefits, Inc. to provide user access of the online portal for employee benefits and comply with the requirements of HIPPA.

7. Report, Discuss, and Possibly Approve the City to Negotiate with the McFarland Employee Unions, SEIU and MPOA, for Employee Salary Increases.

8. Report, Discuss, and Possible Approval of Resolution No. 2023-0008, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MCFARLAND APPROVING DELEGATION OF AUTHORITY FOR CHECK SIGNING

9. Report, Discuss, and Possible Approval Selecting the Finance Director for the Administrative Pro Tempore for the City of McFarland.

10. Report, Discuss, and Possible Approval of Resolution No. 2023-0006, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MCFARLAND AUTHORIZING THE CITY MANAGER TO SIGN AND EXECUTE AN AGREEMENT WITH WILLDAN FINANCIAL SERVICES FOR A COST ALLOCATION PLAN AND A WATER, SEWER, AND SOLID WASTE RATE STUDY.

REPORTS FROM CITY COUNCIL ON COMMITTEE/SPECIAL DISTRICT MEETINGS

a. Delano Mosquito Abatement District (DMAD) –
b. Kern Council of Governments (KCOG)-
c. Kern Economic Development Corp. (KEDC) –
d. Poso Creek (IRWMP)-
e. Kern Local Agency Formation Commission (LAFCO) –

COUNCIL STATEMENTS AND REPORTS

On their own initiative, Council Members may make a brief announcement or a brief report on their own activities. In addition, Council Members may ask a question of staff or the public for clarification on any matter, provide a reference to staff or other resources for information. Alternatively, request staff to report to the City Council at a later meeting concerning any matter. Furthermore, the City Council, or any member thereof, may take action to direct staff to place a matter of business on a future agenda.

CLOSED SESSION

None

ADJOURNMENT

This is to certify this agenda was posted at McFarland City Hall on January 23, 2023.

Francisca Alvarado, City Clerk

Kenneth Williams, City Manager/ Chief of Police

Next Meeting: Regular City Council February 09, 2023.

The City of McFarland does not discriminate based on disability and complies with the provisions of the Americans with Disabilities Act (ADA). If you need special assistance to participate in this meeting, please contact the City Clerk's Office at (661) 792-3091 at least 48 hours prior to the meeting to make reasonable arrangements to ensure accessibility to this meeting.

All agenda item and/or supporting documentation is available for public review on the city website at www.mcfarlandcity.org and the office of the City Clerk of the City of McFarland, at 401 W, Kern Ave. McFarland, CA 93250 during regular business hours of 8:00 am – 5:00 pm Monday through Friday, following the posting of the agenda. Any supporting documentation related to an agenda item for an open session of any regular meeting that is distributed after the agenda is posted and prior to the meeting will also be available for review at the same location and available at the meeting.

Expense Approval Report

City of McFarland, CA

By Vendor Name

Payment Dates 12/14/2022 - 12/27/2022

Vendor Name	Payable Number	Post Date	Description (Item)	Account Number	Amount
Vendor: AAA Services - AAA Services					
AAA Services	156101	12/16/2022	INV 156101 4 New F/E	01-190-56800-0000-1	426.53
			Vendor AAA Services - AAA Services Total:		**426.53**
Vendor: Advanced Data Storag - Advanced Data Storage, Inc.					
Advanced Data Storage, Inc.	157487	12/16/2022	INV0157487	01-130-52200-0000-1	41.40
			Vendor Advanced Data Storag - Advanced Data Storage, Inc. Total:		**41.40**
Vendor: American Fidelity - American Fidelity					
American Fidelity	INV0022683	12/15/2022	American Fidelity Accident 1	01-22800-0000-1	19.34
American Fidelity	INV0022684	12/15/2022	Life 1	01-22900-0000-1	9.81
American Fidelity	INV0022685	12/15/2022	American Fidelity - Disability In…	01-22700-0000-1	200.64
American Fidelity	INV0022686	12/15/2022	Health FSA	01-22600-0000-1	14.09
American Fidelity	INV0022686	12/15/2022	Health FSA	30-22600-0000-1	2.57
American Fidelity	INV0022686	12/15/2022	Health FSA	32-22600-0000-1	2.57
American Fidelity	INV0022687	12/15/2022	Life 1	01-22900-0000-1	88.60
American Fidelity	INV0022688	12/15/2022	Life 2	01-22900-0000-1	24.00
American Fidelity	INV0022697	12/15/2022	Cancer 1 American Fidelity	01-22950-0000-1	13.53
American Fidelity	INV0022709	12/15/2022	American Fidelity Accident 2* P…	30-22800-0000-1	15.41
American Fidelity	INV0022709	12/15/2022	American Fidelity Accident 2* P…	34-22800-0000-1	15.41
American Fidelity	INV0022710	12/15/2022	Life 1	30-22900-0000-1	15.43
American Fidelity	INV0022710	12/15/2022	Life 1	34-22900-0000-1	9.81
American Fidelity	INV0022711	12/15/2022	American Fidelity - Disability In…	01-22700-0000-1	101.74
American Fidelity	INV0022711	12/15/2022	American Fidelity - Disability In…	30-22700-0000-1	88.41
American Fidelity	INV0022711	12/15/2022	American Fidelity - Disability In…	31-22700-0000-1	10.67
American Fidelity	INV0022711	12/15/2022	American Fidelity - Disability In…	32-22700-0000-1	45.83
American Fidelity	INV0022711	12/15/2022	American Fidelity - Disability In…	34-22700-0000-1	30.76
American Fidelity	INV0022712	12/15/2022	Health FSA	01-22600-0000-1	19.23
American Fidelity	INV0022712	12/15/2022	Health FSA	32-22600-0000-1	25.00
American Fidelity	INV0022713	12/15/2022	Life 1	01-22900-0000-1	48.55
American Fidelity	INV0022713	12/15/2022	Life 1	30-22900-0000-1	64.62
American Fidelity	INV0022713	12/15/2022	Life 1	31-22900-0000-1	11.23
American Fidelity	INV0022713	12/15/2022	Life 1	32-22900-0000-1	34.19
American Fidelity	INV0022713	12/15/2022	Life 1	34-22900-0000-1	34.33
American Fidelity	INV0022714	12/15/2022	Life 2	01-22900-0000-1	1.52
American Fidelity	INV0022714	12/15/2022	Life 2	30-22900-0000-1	21.69
American Fidelity	INV0022714	12/15/2022	Life 2	32-22900-0000-1	1.13
American Fidelity	INV0022714	12/15/2022	Life 2	34-22900-0000-1	13.85
American Fidelity	INV0022715	12/15/2022	Life 3	01-22900-0000-1	1.39
American Fidelity	INV0022715	12/15/2022	Life 3	30-22900-0000-1	1.05
American Fidelity	INV0022715	12/15/2022	Life 3	32-22900-0000-1	1.04
American Fidelity	INV0022716	12/15/2022	Life 3	01-22900-0000-1	1.63
American Fidelity	INV0022716	12/15/2022	Life 3	30-22900-0000-1	1.23
American Fidelity	INV0022716	12/15/2022	Life 3	32-22900-0000-1	1.22
American Fidelity	INV0022717	12/15/2022	Life 3	01-22900-0000-1	1.36
American Fidelity	INV0022717	12/15/2022	Life 3	30-22900-0000-1	1.03
American Fidelity	INV0022717	12/15/2022	Life 3	32-22900-0000-1	1.00
American Fidelity	INV0022739	12/15/2022	Cancer 1 American Fidelity	30-22950-0000-1	5.54
American Fidelity	INV0022740	12/15/2022	Cancer 1 American Fidelity	34-22950-0000-1	8.12
American Fidelity	INV0022741	12/15/2022	Cancer 2* - American Fidelity Pr…	30-22950-0000-1	16.50
American Fidelity	INV0022742	12/15/2022	Cancer 2* - American Fidelity Pr…	34-22950-0000-1	16.65
American Fidelity	INV0022751	12/15/2022	American Fidelity - Disability In…	01-22700-0000-1	46.86
			Vendor American Fidelity - American Fidelity Total:		**1,088.58**
Vendor: Auto Zone - Auto Zone					
Auto Zone	INV 6270545178	12/14/2022	Inv. 6270545178 (11/25/2022) …	01-150-56600-0000-1	19.94

Vendor Name	Payable Number	Post Date	Description (Item)	Account Number	Amount
Auto Zone	INV 6270555015	12/14/2022	Inv. 6270555015 (12/12/2022) ...	01-150-56600-0000-1	12.87
				Vendor Auto Zone - Auto Zone Total:	**32.81**
Vendor: Brenntag - Brenntag Pacific Inc.					
Brenntag Pacific Inc.	282992	12/16/2022	INV BPI28992 L A Chemchlor So...	32-510-57400-0000-1	1,500.24
				Vendor Brenntag - Brenntag Pacific Inc. Total:	**1,500.24**
Vendor: WASCO VET - Brian L. Edick					
Brian L. Edick	INV0022679	12/14/2022	WASCO VET 11/8 to 11/23 2022	01-155-51150-0000-1	311.00
				Vendor WASCO VET - Brian L. Edick Total:	**311.00**
Vendor: CA Department of Jus - CA Department of Justice					
CA Department of Justice	INV 611332	12/14/2022	Jonathan Arceo - Finance	01-115-56000-0000-1	32.00
CA Department of Justice	INV 611332	12/14/2022	Christian Perez - Code Enforce...	01-165-56000-0000-1	32.00
CA Department of Justice	INV 611332	12/14/2022	Jasmin Martinez - PW	01-180-56000-0000-1	32.00
				Vendor CA Department of Jus - CA Department of Justice Total:	**96.00**
Vendor: Cintas - Cintas Corporation No.3					
Cintas Corporation No.3	4137158938	12/16/2022	INV 4137158938 Garment Repo...	01-180-51800-0000-1	91.05
Cintas Corporation No.3	4137158938	12/16/2022	INV 4137158938 Garment Repo...	20-200-51800-0000-1	13.36
Cintas Corporation No.3	4137158938	12/16/2022	INV 4137158938 Garment Repo...	30-500-51800-0000-1	46.16
Cintas Corporation No.3	4137158938	12/16/2022	INV 4137158938 Garment Repo...	32-510-51800-0000-1	43.80
Cintas Corporation No.3	4137943402	12/16/2022	INV 4137943402 Garment Repo...	01-180-51800-0000-1	91.05
Cintas Corporation No.3	4137943402	12/16/2022	INV 4137943402 Garment Repo...	20-200-51800-0000-1	41.05
Cintas Corporation No.3	4137943402	12/16/2022	INV 4137943402 Garment Repo...	30-500-51800-0000-1	43.80
Cintas Corporation No.3	4137943402	12/16/2022	INV 4137943402 Garment Repo...	32-510-51800-0000-1	35.99
Cintas Corporation No.3	4138567906	12/16/2022	INV 4138567906 Garment Repo...	01-180-51800-0000-1	91.05
Cintas Corporation No.3	4138567906	12/16/2022	INV 4138567906 Garment Repo...	20-200-51800-0000-1	13.05
Cintas Corporation No.3	4138567906	12/16/2022	INV 4138567906 Garment Repo...	30-500-51800-0000-1	43.80
Cintas Corporation No.3	4138567906	12/16/2022	INV 4138567906 Garment Repo...	32-510-51800-0000-1	35.99
Cintas Corporation No.3	4139233099	12/16/2022	INV 4139233099 Garment Repo...	01-180-51800-0000-1	89.51
Cintas Corporation No.3	4139233099	12/16/2022	INV 4139233099 Garment Repo...	20-200-51800-0000-1	17.33
Cintas Corporation No.3	4139233099	12/16/2022	INV 4139233099 Garment Repo...	30-500-51800-0000-1	45.22
Cintas Corporation No.3	4139233099	12/16/2022	INV 4139233099 Garment Repo...	32-510-51800-0000-1	27.61
				Vendor Cintas - Cintas Corporation No.3 Total:	**769.82**
Vendor: Continental Labor Re - Continental Labor Resources, Inc.					
Continental Labor Resources, In...	70327	12/16/2022	INV 70327 General Laborer-Abi...	20-200-52200-0000-1	1,152.00
Continental Labor Resources, In...	70327	12/16/2022	INV 70327 General Laborer-Abi...	32-510-52200-0000-1	1,152.00
Continental Labor Resources, In...	70440	12/16/2022	INV 70440 General Laborer Abit...	20-200-52200-0000-1	1,024.00
Continental Labor Resources, In...	70440	12/16/2022	INV 70440 General Laborer Abit...	32-510-52200-0000-1	1,024.00
				Vendor Continental Labor Re - Continental Labor Resources, Inc. Total:	**4,352.00**
Vendor: Crafco, Inc. - Crafco, Inc.					
Crafco, Inc.	9402817593	12/16/2022	INV 9402817593 Crafco	26-110-53100-8550-1	18,104.20
				Vendor Crafco, Inc. - Crafco, Inc. Total:	**18,104.20**
Vendor: CSMFO - CSMFO					
CSMFO	200015353	11/22/2022	200015353	01-115-52000-0000-1	470.00
CSMFO	300010277	11/22/2022	300010277	01-115-53200-0000-1	125.00
				Vendor CSMFO - CSMFO Total:	**595.00**
Vendor: CSTC - CSTC					
CSTC	INV 109264	12/14/2022	INV 109264 Pesticide Hazardous..	30-500-53250-0000-1	85.00
				Vendor CSTC - CSTC Total:	**85.00**
Vendor: Cummins Pacific LLC - Cummins Pacific LLC					
Cummins Pacific LLC	y8-20718	12/16/2022	?INV Y8-20718 Road/Field Repa...	30-500-56410-0000-1	811.72
				Vendor Cummins Pacific LLC - Cummins Pacific LLC Total:	**811.72**
Vendor: Dee Jaspar - Dee Jaspar					
Dee Jaspar	INV 22-01034	12/14/2022	Inv. No 22-01034 - 123 TCP	32-510-56000-0000-1	6,375.90
Dee Jaspar	INV 22-01035	12/14/2022	Inv No. 22-01035 - Tract 7393	01-140-56000-8472-1	4,193.35
				Vendor Dee Jaspar - Dee Jaspar Total:	**10,569.25**

Vendor Name	Payable Number	Post Date	Description (Item)	Account Number	Amount
Vendor: DOM Solar - DOM Solar Lessor LTD.					
DOM Solar Lessor LTD.	26858340	12/16/2022	INV26858340	32-510-58000-0000-1	5,341.99
			Vendor DOM Solar - DOM Solar Lessor LTD. Total:		**5,341.99**
Vendor: EDD - EDD					
EDD	INV0022701	12/15/2022	State Income Tax Withholding	01-22200-0000-1	2,002.06
EDD	INV0022701	12/15/2022	State Income Tax Withholding	30-22200-0000-1	60.30
EDD	INV0022701	12/15/2022	State Income Tax Withholding	31-22200-0000-1	54.37
EDD	INV0022701	12/15/2022	State Income Tax Withholding	32-22200-0000-1	60.26
EDD	INV0022702	12/15/2022	SDI - State Disability Insurance	01-22200-0000-1	629.64
EDD	INV0022702	12/15/2022	SDI - State Disability Insurance	30-22200-0000-1	4.27
EDD	INV0022702	12/15/2022	SDI - State Disability Insurance	32-22200-0000-1	4.26
EDD	INV0022703	12/15/2022	State Unemployment Insurance	01-22250-0000-1	167.60
EDD	INV0022703	12/15/2022	State Unemployment Insurance	30-22250-0000-1	11.34
EDD	INV0022703	12/15/2022	State Unemployment Insurance	32-22250-0000-1	11.34
EDD	INV0022746	12/15/2022	State Income Tax Withholding	01-22200-0000-1	517.02
EDD	INV0022746	12/15/2022	State Income Tax Withholding	20-22200-0000-1	3.71
EDD	INV0022746	12/15/2022	State Income Tax Withholding	30-22200-0000-1	386.26
EDD	INV0022746	12/15/2022	State Income Tax Withholding	31-22200-0000-1	98.36
EDD	INV0022746	12/15/2022	State Income Tax Withholding	32-22200-0000-1	213.88
EDD	INV0022746	12/15/2022	State Income Tax Withholding	34-22200-0000-1	7.28
EDD	INV0022747	12/15/2022	SDI - State Disability Insurance	01-22200-0000-1	227.27
EDD	INV0022747	12/15/2022	SDI - State Disability Insurance	20-22200-0000-1	15.33
EDD	INV0022747	12/15/2022	SDI - State Disability Insurance	30-22200-0000-1	146.38
EDD	INV0022747	12/15/2022	SDI - State Disability Insurance	31-22200-0000-1	41.55
EDD	INV0022747	12/15/2022	SDI - State Disability Insurance	32-22200-0000-1	100.24
EDD	INV0022747	12/15/2022	SDI - State Disability Insurance	34-22200-0000-1	10.03
EDD	INV0022748	12/15/2022	State Unemployment Insurance	01-22250-0000-1	76.42
EDD	INV0022748	12/15/2022	State Unemployment Insurance	30-22250-0000-1	102.06
EDD	INV0022748	12/15/2022	State Unemployment Insurance	31-22250-0000-1	8.39
EDD	INV0022748	12/15/2022	State Unemployment Insurance	32-22250-0000-1	102.05
EDD	INV0022748	12/15/2022	State Unemployment Insurance	34-22250-0000-1	56.17
				Vendor EDD - EDD Total:	**5,117.84**
Vendor: Edison - Edison					
Edison	700599695773 12/28/2022	12/16/2022	700599695773 -120822	01-180-58100-0000-1	186.25
				Vendor Edison - Edison Total:	**186.25**
Vendor: Electric Motor Works - Electric Motor Works					
Electric Motor Works	18608	12/16/2022	Quote 29232 US Motor, 20 HP,...	30-500-56410-0000-1	1,082.85
			Vendor Electric Motor Works - Electric Motor Works Total:		**1,082.85**
Vendor: EFTPS - Electronic Federal Tax Payment System					
Electronic Federal Tax Payment ...	INV0022699	12/15/2022	Federal Income Tax Withholding	01-22050-0000-1	4,718.52
Electronic Federal Tax Payment ...	INV0022699	12/15/2022	Federal Income Tax Withholding	30-22050-0000-1	132.56
Electronic Federal Tax Payment ...	INV0022699	12/15/2022	Federal Income Tax Withholding	31-22050-0000-1	111.02
Electronic Federal Tax Payment ...	INV0022699	12/15/2022	Federal Income Tax Withholding	32-22050-0000-1	132.56
Electronic Federal Tax Payment ...	INV0022700	12/15/2022	Social Security	01-22100-0000-1	7,097.86
Electronic Federal Tax Payment ...	INV0022700	12/15/2022	Social Security	30-22100-0000-1	48.12
Electronic Federal Tax Payment ...	INV0022700	12/15/2022	Social Security	32-22100-0000-1	48.10
Electronic Federal Tax Payment ...	INV0022704	12/15/2022	Medicare	01-22150-0000-1	1,788.98
Electronic Federal Tax Payment ...	INV0022704	12/15/2022	Medicare	30-22150-0000-1	37.04
Electronic Federal Tax Payment ...	INV0022704	12/15/2022	Medicare	31-22150-0000-1	25.80
Electronic Federal Tax Payment ...	INV0022704	12/15/2022	Medicare	32-22150-0000-1	37.04
Electronic Federal Tax Payment ...	INV0022744	12/15/2022	Federal Income Tax Withholding	01-22050-0000-1	1,405.92
Electronic Federal Tax Payment ...	INV0022744	12/15/2022	Federal Income Tax Withholding	20-22050-0000-1	11.17
Electronic Federal Tax Payment ...	INV0022744	12/15/2022	Federal Income Tax Withholding	30-22050-0000-1	1,034.06
Electronic Federal Tax Payment ...	INV0022744	12/15/2022	Federal Income Tax Withholding	31-22050-0000-1	220.90
Electronic Federal Tax Payment ...	INV0022744	12/15/2022	Federal Income Tax Withholding	32-22050-0000-1	499.49
Electronic Federal Tax Payment ...	INV0022744	12/15/2022	Federal Income Tax Withholding	34-22050-0000-1	18.31
Electronic Federal Tax Payment ...	INV0022745	12/15/2022	Social Security	01-22100-0000-1	2,561.90
Electronic Federal Tax Payment ...	INV0022745	12/15/2022	Social Security	20-22100-0000-1	172.86
Electronic Federal Tax Payment ...	INV0022745	12/15/2022	Social Security	30-22100-0000-1	1,650.16

Vendor Name	Payable Number	Post Date	Description (Item)	Account Number	Amount
Electronic Federal Tax Payment …	INV0022745	12/15/2022	Social Security	31-22100-0000-1	468.44
Electronic Federal Tax Payment …	INV0022745	12/15/2022	Social Security	32-22100-0000-1	1,129.92
Electronic Federal Tax Payment …	INV0022745	12/15/2022	Social Security	34-22100-0000-1	113.04
Electronic Federal Tax Payment …	INV0022749	12/15/2022	Medicare	01-22150-0000-1	599.14
Electronic Federal Tax Payment …	INV0022749	12/15/2022	Medicare	20-22150-0000-1	40.44
Electronic Federal Tax Payment …	INV0022749	12/15/2022	Medicare	30-22150-0000-1	385.96
Electronic Federal Tax Payment …	INV0022749	12/15/2022	Medicare	31-22150-0000-1	109.56
Electronic Federal Tax Payment …	INV0022749	12/15/2022	Medicare	32-22150-0000-1	264.22
Electronic Federal Tax Payment …	INV0022749	12/15/2022	Medicare	34-22150-0000-1	26.44
			Vendor EFTPS - Electronic Federal Tax Payment System Total:		**24,889.53**
Vendor: Franchise Tax - Franchise Tax					
Franchise Tax	INV0022698	12/15/2022	Case#609265321	01-22350-0000-1	75.00
			Vendor Franchise Tax - Franchise Tax Total:		**75.00**
Vendor: Gregs Petroleum - Gregs Petroleum					
Gregs Petroleum	353483	12/16/2022	INV 353483 11/22/2022	01-115-54000-0000-1	2,464.75
Gregs Petroleum	354349	12/16/2022	INV 354349 11/29/2022	01-115-54000-0000-1	1,714.40
Gregs Petroleum	355833	12/16/2022	INV 355833 12/06/2022	01-115-54000-0000-1	1,936.29
Gregs Petroleum	356909	12/16/2022	INV 356909	01-115-54000-0000-1	3,071.59
			Vendor Gregs Petroleum - Gregs Petroleum Total:		**9,187.03**
Vendor: HDS WHITE CAP - HDS WHITE CAP					
HDS WHITE CAP	INV 50020113280	12/14/2022	INV 50020113280 White Cap	32-510-57400-0000-1	697.11
			Vendor HDS WHITE CAP - HDS WHITE CAP Total:		**697.11**
Vendor: Hodges - Hodges Law Group					
Hodges Law Group	INV00471	12/14/2022	00471- Legal Services	01-130-56100-0000-1	11,819.00
			Vendor Hodges - Hodges Law Group Total:		**11,819.00**
Vendor: Home Depot - Home Depot					
Home Depot	4533611	12/16/2022	Auth Code 009988/4533611 St…	01-180-57400-0000-1	34.90
Home Depot	50550663	12/16/2022	Order WP50550663 Home Dep…	32-510-52950-0000-1	3,043.06
Home Depot	6513726	12/16/2022	Auth Code 007428/6513726 5 …	01-180-57400-0000-1	161.39
			Vendor Home Depot - Home Depot Total:		**3,239.35**
Vendor: Jasmin Maldonado - Jasmin Maldonado					
Jasmin Maldonado	December 2022 Deposit	12/16/2022	Jasmine Maldonado December …	01-24000-0000-1	350.00
			Vendor Jasmin Maldonado - Jasmin Maldonado Total:		**350.00**
Vendor: John Hancock - John Hancock					
John Hancock	INV0022681	12/15/2022	401K - Employer	01-20800-0000-1	3,680.63
John Hancock	INV0022681	12/15/2022	401K - Employer	30-20800-0000-1	20.32
John Hancock	INV0022681	12/15/2022	401K - Employer	32-20800-0000-1	20.32
John Hancock	INV0022682	12/15/2022	401K - Employee	01-20800-0000-1	1,407.76
John Hancock	INV0022682	12/15/2022	401K - Employee	30-20800-0000-1	4.10
John Hancock	INV0022682	12/15/2022	401K - Employee	32-20800-0000-1	4.11
John Hancock	INV0022689	12/15/2022	401K Loan 1	01-20800-0000-1	138.52
John Hancock	INV0022690	12/15/2022	401k Contribution	01-20800-0000-1	275.46
John Hancock	INV0022691	12/15/2022	401k Contribution	01-20800-0000-1	194.71
John Hancock	INV0022692	12/15/2022	401k Contribution	01-20800-0000-1	298.89
John Hancock	INV0022693	12/15/2022	401k Contribution	01-20800-0000-1	281.57
John Hancock	INV0022694	12/15/2022	401k Contribution	01-20800-0000-1	267.96
John Hancock	INV0022695	12/15/2022	401k Contribution	01-20800-0000-1	238.63
John Hancock	INV0022696	12/15/2022	401k Contribution	01-20800-0000-1	569.72
John Hancock	INV0022696	12/15/2022	401k Contribution	30-20800-0000-1	113.94
John Hancock	INV0022696	12/15/2022	401k Contribution	31-20800-0000-1	113.94
John Hancock	INV0022696	12/15/2022	401k Contribution	32-20800-0000-1	113.94
John Hancock	INV0022706	12/15/2022	401K - Employer	01-20800-0000-1	936.23
John Hancock	INV0022706	12/15/2022	401K - Employer	30-20800-0000-1	857.82
John Hancock	INV0022706	12/15/2022	401K - Employer	31-20800-0000-1	284.83
John Hancock	INV0022706	12/15/2022	401K - Employer	32-20800-0000-1	707.34
John Hancock	INV0022707	12/15/2022	401K - Employee	01-20800-0000-1	496.71
John Hancock	INV0022707	12/15/2022	401K - Employee	20-20800-0000-1	78.62
John Hancock	INV0022707	12/15/2022	401K - Employee	30-20800-0000-1	329.30

Vendor Name	Payable Number	Post Date	Description (Item)	Account Number	Amount
John Hancock	INV0022707	12/15/2022	401K - Employee	31-20800-0000-1	237.24
John Hancock	INV0022707	12/15/2022	401K - Employee	32-20800-0000-1	394.22
John Hancock	INV0022708	12/15/2022	401K - Employer	20-20800-0000-1	131.04
John Hancock	INV0022718	12/15/2022	401K Loan 1	32-20800-0000-1	32.25
John Hancock	INV0022719	12/15/2022	401K Loan 1	01-20800-0000-1	45.90
John Hancock	INV0022720	12/15/2022	401K Loan 2	01-20800-0000-1	21.13
John Hancock	INV0022720	12/15/2022	401K Loan 2	30-20800-0000-1	15.85
John Hancock	INV0022720	12/15/2022	401K Loan 2	32-20800-0000-1	15.87
John Hancock	INV0022721	12/15/2022	401K Loan 3	01-20800-0000-1	35.73
John Hancock	INV0022721	12/15/2022	401K Loan 3	30-20800-0000-1	26.80
John Hancock	INV0022721	12/15/2022	401K Loan 3	32-20800-0000-1	26.80
John Hancock	INV0022722	12/15/2022	401K Loan 3	34-20800-0000-1	100.00
John Hancock	INV0022723	12/15/2022	401K Loan 3	01-20800-0000-1	34.35
John Hancock	INV0022724	12/15/2022	401K Loan 4	34-20800-0000-1	75.00
John Hancock	INV0022725	12/15/2022	401K Loan 4	01-20800-0000-1	28.72
John Hancock	INV0022726	12/15/2022	401K Loan 5	01-20800-0000-1	157.75
John Hancock	INV0022727	12/15/2022	401K Loan 4	01-20800-0000-1	105.27
John Hancock	INV0022728	12/15/2022	401K Loan 4	01-20800-0000-1	17.08
John Hancock	INV0022728	12/15/2022	401K Loan 4	30-20800-0000-1	25.63
John Hancock	INV0022728	12/15/2022	401K Loan 4	31-20800-0000-1	17.08
John Hancock	INV0022728	12/15/2022	401K Loan 4	32-20800-0000-1	25.63
John Hancock	INV0022729	12/15/2022	401K Loan 4	01-20800-0000-1	19.69
John Hancock	INV0022729	12/15/2022	401K Loan 4	30-20800-0000-1	29.52
John Hancock	INV0022729	12/15/2022	401K Loan 4	31-20800-0000-1	19.69
John Hancock	INV0022729	12/15/2022	401K Loan 4	32-20800-0000-1	29.52
John Hancock	INV0022730	12/15/2022	401K Loan 4	01-20800-0000-1	145.49
John Hancock	INV0022730	12/15/2022	401K Loan 4	20-20800-0000-1	4.51
John Hancock	INV0022731	12/15/2022	401K Loan 4	01-20800-0000-1	51.07
John Hancock	INV0022731	12/15/2022	401K Loan 4	20-20800-0000-1	1.58
John Hancock	INV0022732	12/15/2022	401k Contribution	01-20800-0000-1	401.44
John Hancock	INV0022733	12/15/2022	401k Contribution	01-20800-0000-1	205.29
John Hancock	INV0022734	12/15/2022	401k Contribution	01-20800-0000-1	78.76
John Hancock	INV0022734	12/15/2022	401k Contribution	30-20800-0000-1	118.15
John Hancock	INV0022734	12/15/2022	401k Contribution	31-20800-0000-1	78.76
John Hancock	INV0022734	12/15/2022	401k Contribution	32-20800-0000-1	118.15
John Hancock	INV0022735	12/15/2022	401k Contribution	30-20800-0000-1	255.20
John Hancock	INV0022736	12/15/2022	401k Contribution	01-20800-0000-1	234.66
John Hancock	INV0022736	12/15/2022	401k Contribution	20-20800-0000-1	7.26
John Hancock	INV0022737	12/15/2022	401k Contribution	34-20800-0000-1	91.16
John Hancock	INV0022738	12/15/2022	401k Contribution	01-20800-0000-1	123.10
			Vendor John Hancock - John Hancock Total:		**15,017.71**
Vendor: Kern Machinery - Kern Machinery					
Kern Machinery	1012788	12/16/2022	INV 103-1012788 Spark Plug	01-180-57400-0000-1	32.65
			Vendor Kern Machinery - Kern Machinery Total:		**32.65**
Vendor: KOEFRAN - Koefran Industries, Inc.					
Koefran Industries, Inc.	INV 0000523729	12/14/2022	Invoice Koefran Inv 0000523729..	01-155-51100-0000-1	220.50
			Vendor KOEFRAN - Koefran Industries, Inc. Total:		**220.50**
Vendor: RON100 - Larry Ronk III					
Larry Ronk III	12/06/2022 Notrary Training Re…	12/16/2022	Reimb National Notary Training	01-175-52000-0000-1	283.39
			Vendor RON100 - Larry Ronk III Total:		**283.39**
Vendor: Golden Empire Water - Mario A. Cervantes					
Mario A. Cervantes	1299	12/16/2022	INV 1299 Monthly Servicer Oct…	32-510-50100-0000-1	2,142.00
			Vendor Golden Empire Water - Mario A. Cervantes Total:		**2,142.00**
Vendor: Pace Analytical Serv - Pace Analytical Services, LLC					
Pace Analytical Services, LLC	464196	12/16/2022	INV B464196 Effluent/ Influent	30-500-58200-0000-1	103.17
			Vendor Pace Analytical Serv - Pace Analytical Services, LLC Total:		**103.17**

Vendor Name	Payable Number	Post Date	Description (Item)	Account Number	Amount
Vendor: PACIFIC POWERS INC. - PACIFIC POWERS INC.					
PACIFIC POWERS INC.	30061	12/16/2022	INV30061 Pacific Power Inc.	01-180-56410-0000-1	424.55
			Vendor PACIFIC POWERS INC. - PACIFIC POWERS INC. Total:		**424.55**
Vendor: Pavement Management - Pavement Management Group LLC					
Pavement Management Group ...	1722	12/16/2022	INV 1722 2022 McFarland PMP ...	26-110-53100-8550-1	2,000.00
Pavement Management Group ...	1743	12/16/2022	INV 1743 2022 McFarland PMP	26-110-53100-8550-1	16,000.00
			Vendor Pavement Management - Pavement Management Group LLC Total:		**18,000.00**
Vendor: PG&E COMPANY - PG&E COMPANY					
PG&E COMPANY	December 2022	12/16/2022	4022268837-2 12/06/2022	01-180-58000-0000-1	154.26
PG&E COMPANY	December 2022	12/16/2022	4453174177-3 11/21/2022 11/...	01-180-58000-0000-1	441.12
PG&E COMPANY	December 2022	12/16/2022	0891499733-6 12/06/2022	01-180-58000-0000-1	95.93
PG&E COMPANY	December 2022	12/16/2022	2514556883-5 12/08/2022	01-180-58000-0000-1	73.74
PG&E COMPANY	December 2022	12/16/2022	0664171738-1 12/06/2022	01-180-58000-0000-1	40.57
PG&E COMPANY	December 2022	12/16/2022	7576987527-1 12/06/2022	01-180-58000-0000-1	136.35
PG&E COMPANY	December 2022	12/16/2022	4483764300-4 11/21/2022	01-180-58100-0000-1	49.20
PG&E COMPANY	December 2022	12/16/2022	0741726506-8 11/21/2022	01-180-58100-0000-1	478.74
PG&E COMPANY	December 2022	12/16/2022	5568620890-5 11/21/2022	01-180-58100-0000-1	9.34
PG&E COMPANY	December 2022	12/16/2022	7663752590-8 11/21/2022	01-180-58100-0000-1	24.20
PG&E COMPANY	December 2022	12/16/2022	2012021553-6 11/21/2022	01-180-58100-0000-1	842.73
PG&E COMPANY	December 2022	12/16/2022	3877090180-9 11/21/2022	01-180-58100-0000-1	397.29
PG&E COMPANY	December 2022	12/16/2022	5629608181-5 11/21/2022	01-180-58100-0000-1	25.15
PG&E COMPANY	December 2022	12/16/2022	1601672325-2 11/21/2022	01-180-58100-0000-1	249.11
PG&E COMPANY	December 2022	12/16/2022	4191871709-5 11/21/2022	01-185-58000-0000-1	1,061.16
PG&E COMPANY	December 2022	12/16/2022	5794429226-7 11/15/2022	20-200-58100-0000-1	207.19
PG&E COMPANY	December 2022	12/16/2022	0309941756-4 12/06/2022	20-200-58100-0000-1	278.40
PG&E COMPANY	December 2022	12/16/2022	6372122228-7 11/21/2022	20-200-58100-0000-1	641.09
PG&E COMPANY	December 2022	12/16/2022	7305081533-8 12/07/2022	20-200-58100-0000-1	87.19
PG&E COMPANY	December 2022	12/16/2022	3047362805-2 12/06/2022	20-200-58100-0000-1	73.39
PG&E COMPANY	December 2022	12/16/2022	0979037755-1 12/06/2022	20-200-58100-0000-1	50.33
PG&E COMPANY	December 2022	12/16/2022	7336692458-4 11/21/2022	20-200-58100-0000-1	1,315.05
PG&E COMPANY	December 2022	12/16/2022	9048125100-8 11/19/2022	30-500-58000-0000-1	146.53
PG&E COMPANY	December 2022	12/16/2022	5842445837-8 11/19/2022	30-500-58000-0000-1	255.14
PG&E COMPANY	December 2022	12/16/2022	2687153110-4 12/06/2022	32-510-58000-0000-1	5,240.41
PG&E COMPANY	December 2022	12/16/2022	7699604118-2 11/21/2022	32-510-58000-0000-1	709.30
PG&E COMPANY	December 2022	12/16/2022	0843084856-7 12/08/2022	32-510-58000-0000-1	199.02
PG&E COMPANY	December 2022	12/16/2022	0425382282-1 11/21/2022	32-510-58000-0000-1	99.11
			Vendor PG&E COMPANY - PG&E COMPANY Total:		**13,381.04**
Vendor: Principal Life - Principal Life Insurance Company					
Principal Life Insurance Company	December 2022	12/16/2022	December 2022 Monthly Billing	01-105-50700-0000-1	5.70
Principal Life Insurance Company	December 2022	12/16/2022	December 2022 Monthly Billing	01-110-50700-0000-1	2.89
Principal Life Insurance Company	December 2022	12/16/2022	December 2022 Monthly Billing	01-115-50700-0000-1	9.24
Principal Life Insurance Company	December 2022	12/16/2022	December 2022 Monthly Billing	01-140-50700-0000-1	9.24
Principal Life Insurance Company	December 2022	12/16/2022	December 2022 Monthly Billing	01-150-50700-0000-1	177.10
Principal Life Insurance Company	December 2022	12/16/2022	December 2022 Monthly Billing	01-155-50700-0000-1	13.86
Principal Life Insurance Company	December 2022	12/16/2022	December 2022 Monthly Billing	01-160-50700-0000-1	1.54
Principal Life Insurance Company	December 2022	12/16/2022	December 2022 Monthly Billing	01-165-50700-0000-1	10.24
Principal Life Insurance Company	December 2022	12/16/2022	December 2022 Monthly Billing	01-175-50700-0000-1	9.24
Principal Life Insurance Company	December 2022	12/16/2022	December 2022 Monthly Billing	01-180-50700-0000-1	34.42
Principal Life Insurance Company	December 2022	12/16/2022	December 2022 Monthly Billing	20-200-50700-0000-1	15.63
Principal Life Insurance Company	December 2022	12/16/2022	December 2022 Monthly Billing	30-500-50700-0000-1	59.83
Principal Life Insurance Company	December 2022	12/16/2022	December 2022 Monthly Billing	31-505-50700-0000-1	15.29
Principal Life Insurance Company	December 2022	12/16/2022	December 2022 Monthly Billing	32-510-50700-0000-1	47.74
Principal Life Insurance Company	December 2022	12/16/2022	December 2022 Monthly Billing	34-520-50700-0000-1	7.70
			Vendor Principal Life - Principal Life Insurance Company Total:		**419.66**
Vendor: R&F Disposal - R&F Disposal					
R&F Disposal	11302	12/16/2022	INV 11302 Community Bulidong...	01-185-52200-0000-1	143.56
R&F Disposal	11305	12/16/2022	INV 11305 3yd at the Kennels	01-155-58050-0000-1	143.56
R&F Disposal	342801	12/16/2022	INV 342801 401 W Kern Roll off...	01-190-58050-0000-1	195.00
			Vendor R&F Disposal - R&F Disposal Total:		**482.12**

Vendor Name	Payable Number	Post Date	Description (Item)	Account Number	Amount
Vendor: Raymond's Trophy - Raymond's Trophy					
Raymond's Trophy	85583	12/16/2022	Inv 30464 Dest Wedge Plastic Si…	01-115-57200-0000-1	45.74
			Vendor Raymond's Trophy - Raymond's Trophy Total:		**45.74**
Vendor: 661 Communications - Rodger C. Goodman JR					
Rodger C. Goodman JR	INV 1694	12/14/2022	Inv 1694 Radio Installation For …	01-150-56600-0000-1	94.49
Rodger C. Goodman JR	INV 1694	12/14/2022	Inv 1694 Radio InstallationACO …	01-155-56600-0000-1	335.76
Rodger C. Goodman JR	INV 1694	12/14/2022	Invoice 1694 Radio Instalation …	01-165-56600-0000-1	132.87
			Vendor 661 Communications - Rodger C. Goodman JR Total:		**563.12**
Vendor: The Gas Co. - SoCalGas					
SoCalGas	16861631949 01/03/2023	12/16/2022	16861631949-12092022	01-185-58000-0000-1	173.22
			Vendor The Gas Co. - SoCalGas Total:		**173.22**
Vendor: Solar Energy - Solar Energy of America 1 LLC					
Solar Energy of America 1 LLC	26858343	12/16/2022	INV26858343-12022022	30-500-58000-0000-1	11,836.12
			Vendor Solar Energy - Solar Energy of America 1 LLC Total:		**11,836.12**
Vendor: SPD - SPD					
SPD	INv 18816	12/14/2022	Inv. 18816 White Envelopes	01-150-57200-0000-1	162.38
SPD	INV 18860	12/14/2022	Inv 18860 Eddie Bauer Jackets f…	01-105-51800-0000-1	514.19
			Vendor SPD - SPD Total:		**676.57**
Vendor: Spectrum - Spectrum					
Spectrum	119560501120122	12/16/2022	119560501120122	01-190-57800-0000-1	1,190.00
			Vendor Spectrum - Spectrum Total:		**1,190.00**
Vendor: Stinson Stationers, - Stinson Stationers, Inc.					
Stinson Stationers, Inc.	INV 199301	12/14/2022	Inv. 199301-0 11/22/22	01-150-57200-0000-1	55.57
			Vendor Stinson Stationers, - Stinson Stationers, Inc. Total:		**55.57**
Vendor: Supplyworks - Supplyworks Inc					
Supplyworks Inc	720658913	12/16/2022	INV 720658913 Operating Supp…	01-180-57400-0000-1	28.64
Supplyworks Inc	720738566	12/16/2022	INV 720738566 Operating Suppl…	01-150-57400-0000-1	150.91
Supplyworks Inc	720738566	12/16/2022	INV 720738566 Operating Suppl…	01-185-57400-0000-1	58.59
Supplyworks Inc	720738566	12/16/2022	INV 720738566 Operating Suppl…	01-190-57400-0000-1	797.22
			Vendor Supplyworks - Supplyworks Inc Total:		**1,035.36**
Vendor: SWRCB - SWRCB					
SWRCB	215974	12/16/2022	INV WD-0215974 Annual Permit…	30-500-53250-0000-1	24,687.00
			Vendor SWRCB - SWRCB Total:		**24,687.00**
Vendor: Telstar Instruments - Telstar Instruments					
Telstar Instruments	114627	12/16/2022	INV 114627 Vehicle/Tool/Test E…	30-500-56410-0000-1	766.00
			Vendor Telstar Instruments - Telstar Instruments Total:		**766.00**
Vendor: THE BANCORP - THE BANCORP BANK					
THE BANCORP BANK	INV 573565	12/14/2022	Inv. 573565 Dec-2022 Lease Py…	01-150-58900-0000-1	7,227.09
			Vendor THE BANCORP - THE BANCORP BANK Total:		**7,227.09**
Vendor: Criscom Public Relat - The Criscom Company					
The Criscom Company	INV 270949	12/14/2022	Inv No 270949 - Grant Research…	01-175-52200-0000-1	4,500.00
The Criscom Company	INV 271012	12/14/2022	Inv No 271012 - Grant Research…	01-175-52200-0000-1	4,500.00
			Vendor Criscom Public Relat - The Criscom Company Total:		**9,000.00**
Vendor: Ultrex Business - Ultrex Business					
Ultrex Business	INV 3646591	12/14/2022	Inv 3646591 Contract Services (…	01-150-52200-0000-1	132.23
			Vendor Ultrex Business - Ultrex Business Total:		**132.23**
Vendor: UNWIREDBROADBAND - unWired Broadband LLC					
unWired Broadband LLC	1492749	12/16/2022	INV01492749	01-155-57800-0000-1	144.99
unWired Broadband LLC	1492749	12/16/2022	INV01492749	30-500-57800-0000-1	145.00
unWired Broadband LLC	1516819	12/16/2022	INV01516819	01-155-57800-0000-1	144.99
unWired Broadband LLC	1516819	12/16/2022	INV01516819	30-500-57800-0000-1	145.00
			Vendor UNWIREDBROADBAND - unWired Broadband LLC Total:		**579.98**
Vendor: Vernon C. Sorenson - Vernon C. Sorenson					
Vernon C. Sorenson	INV 00499961-00	12/14/2022	INV 00499961-00	01-105-52200-0000-1	617.00
Vernon C. Sorenson	499122	12/16/2022	INV00499122-00	01-140-56000-0000-1	215.00

Vendor Name	Payable Number	Post Date	Description (Item)	Account Number	Amount
Vernon C. Sorenson	499426	12/16/2022	INV00499426-00	01-140-56000-0000-1	15.00
			Vendor Vernon C. Sorenson - Vernon C. Sorenson Total:		**847.00**
Vendor: Wells Fargo Bank - Wells Fargo Bank					
Wells Fargo Bank	INV0022753	12/16/2022	CC# 8677 -Costco - Trunk or Tre…	01-150-53500-8620-1	1,287.48
Wells Fargo Bank	INV0022754	12/16/2022	CC# 8677 -Costco - Trunk or Tre…	01-150-53500-8620-1	164.90
Wells Fargo Bank	INV0022755	12/16/2022	CC# 8677 -Costco - Trunk or Tre…	01-150-53500-8620-1	65.96
Wells Fargo Bank	INV0022756	12/16/2022	CC# 8677 -Costco - Trunk or Tre…	01-150-53500-8620-1	184.90
Wells Fargo Bank	INV0022757	12/16/2022	CC# 8677 -Costco - Trunk or Tre…	01-150-53500-8620-1	110.94
Wells Fargo Bank	INV0022758	12/16/2022	CC# 8677 -Jorge Smog & Repair …	01-150-56600-0000-1	1,973.35
Wells Fargo Bank	INV0022759	12/16/2022	CC# 8677 -Smart & Final - Trunk…	01-150-53500-8620-1	1,077.91
Wells Fargo Bank	INV0022760	12/16/2022	CC# 8677 -Home Depot - Trunk …	01-150-53500-8620-1	21.56
Wells Fargo Bank	INV0022761	12/16/2022	BC#8677 K.WILLIAMS HOTEL-C…	01-105-52000-0000-1	500.00
Wells Fargo Bank	INV0022762	12/16/2022	CC# 8677 -Costco - Trunk or Tre…	01-150-53500-8620-1	1,071.72
Wells Fargo Bank	INV0022763	12/16/2022	CC# 8677 -Dollar General - Trun…	01-150-53500-8620-1	24.98
Wells Fargo Bank	INV0022764	12/16/2022	CC# 8677 -Indeed - SP Oct 2022…	01-150-52200-0000-1	1.85
Wells Fargo Bank	INV0022764	12/16/2022	CC# 8677 -Indeed - SP Oct 2022…	01-165-56000-0000-1	7.21
Wells Fargo Bank	INV0022765	12/16/2022	CC# 8677 -Amazon - Shoe Polis…	01-150-57200-0000-1	132.98
Wells Fargo Bank	INV0022766	12/16/2022	CC# 8677 -Amazon - Shoe Polish…	01-150-57200-0000-1	37.53
Wells Fargo Bank	INV0022767	12/16/2022	CC# 8677 -Costco - Trunk or Tre…	01-150-53500-8620-1	184.90
Wells Fargo Bank	INV0022768	12/16/2022	CC# 8677 -Maya Delano - Trunk…	01-150-53500-8620-1	100.00
Wells Fargo Bank	INV1993517	12/16/2022	CC# 8677 -Americas Tires - Adm…	01-110-56600-0000-1	218.25
Wells Fargo Bank	INV68835487	12/16/2022	CC# 8677 -Indeed - SP Oct 2022…	01-150-52200-0000-1	501.61
Wells Fargo Bank	INV68835487	12/16/2022	CC# 8677 -Indeed - SP Oct 2022…	01-165-56000-0000-1	340.50
			Vendor Wells Fargo Bank - Wells Fargo Bank Total:		**8,008.53**
Vendor: Witcher Electric - Witcher Electric					
Witcher Electric	INV39058AA	12/08/2022	INV 39058AA Witcher Electric, I…	01-180-56410-0000-1	5,598.00
Witcher Electric	38938AA	12/16/2022	INV 38938AA Witcher Electric, I…	32-510-52910-2309-1	2,208.62
			Vendor Witcher Electric - Witcher Electric Total:		**7,806.62**
			Grand Total:		**225,906.44**

Report Summary

Fund Summary

Fund	Payment Amount
01 - GENERAL FUND	101,387.14
20 - LIGHTING & LANDSCAPING-DISTRICT 1	5,395.58
26 - MISCELLANEOUS GRANTS	36,104.20
30 - SEWER	46,330.96
31 - REFUSE/RECYCLING	1,927.12
32 - WATER	34,127.38
34 - PUBLIC TRANSPORTATION	634.06
Grand Total:	**225,906.44**

Account Summary

Account Number	Account Name	Payment Amount
01-105-50700-0000-1	Life Insurance	5.70
01-105-51800-0000-1	Clothing Allowance	514.19
01-105-52000-0000-1	Conferences/Meetings/Tr…	500.00
01-105-52200-0000-1	Contract Services	617.00
01-110-50700-0000-1	Life Insurance	2.89
01-110-56600-0000-1	Repairs & Maintenance - …	218.25
01-115-50700-0000-1	Life Insurance	9.24
01-115-52000-0000-1	Conferences/Meetings/Tr…	470.00
01-115-53200-0000-1	Dues & Subscriptions	125.00
01-115-54000-0000-1	Fuel	9,187.03
01-115-56000-0000-1	Professional Services - Ot…	32.00
01-115-57200-0000-1	Supplies - Office	45.74
01-130-52200-0000-1	Contract Services	41.40
01-130-56100-0000-1	Legal Services	11,819.00
01-140-50700-0000-1	Life Insurance	9.24
01-140-56000-0000-1	Professional Services - Ot…	230.00
01-140-56000-8472-1	Professional Services - Int…	4,193.35
01-150-50700-0000-1	Life Insurance	177.10
01-150-52200-0000-1	Contract Services	635.69
01-150-53500-8620-1	Contributions/Donations …	4,295.25
01-150-56600-0000-1	Repairs & Maintenance - …	2,100.65
01-150-57200-0000-1	Supplies - Office	388.46
01-150-57400-0000-1	Supplies - Operating	150.91
01-150-58900-0000-1	Debt Principal	7,227.09
01-155-50700-0000-1	Life Insurance	13.86
01-155-51100-0000-1	Animal Disposal	220.50
01-155-51150-0000-1	Dog Clinic	311.00
01-155-56600-0000-1	Repairs & Maintenance - …	335.76
01-155-57800-0000-1	Telephone & Communicat…	289.98
01-155-58050-0000-1	Utilities Other	143.56
01-160-50700-0000-1	Life Insurance	1.54
01-165-50700-0000-1	Life Insurance	10.24
01-165-56000-0000-1	Professional Services-Oth…	379.71
01-165-56600-0000-1	Repairs & Maintenance - …	132.87
01-175-50700-0000-1	Life Insurance	9.24
01-175-52000-0000-1	Conferences/Meetings/Tr…	283.39
01-175-52200-0000-1	Contract Services	9,000.00
01-180-50700-0000-1	Life Insurance	34.42
01-180-51800-0000-1	Clothing Allowance	362.66
01-180-56000-0000-1	Professional Services - Ot…	32.00
01-180-56410-0000-1	Repairs & Maintenance E…	6,022.55
01-180-57400-0000-1	Supplies - Operating	257.58
01-180-58000-0000-1	Utilities	941.97
01-180-58100-0000-1	Street Lighting	2,262.01
01-185-52200-0000-1	Contract Services	143.56
01-185-57400-0000-1	Supplies - Operating	58.59

Account Summary

Account Number	Account Name	Payment Amount
01-185-58000-0000-1	Utilities	1,234.38
01-190-56800-0000-1	Safety Equipment	426.53
01-190-57400-0000-1	Supplies - Operating	797.22
01-190-57800-0000-1	Telephone & Communicat…	1,190.00
01-190-58050-0000-1	Utilities Other	195.00
01-20800-0000-1	Pension Payable	10,492.22
01-22050-0000-1	Federal Withholding Paya…	6,124.44
01-22100-0000-1	FICA Payable	9,659.76
01-22150-0000-1	Medicare Payable	2,388.12
01-22200-0000-1	State Withholding Payable	3,375.99
01-22250-0000-1	SUTA Payable	244.02
01-22350-0000-1	Garnishments	75.00
01-22600-0000-1	Health FSA	33.32
01-22700-0000-1	Disablity LTD	349.24
01-22800-0000-1	Accident	19.34
01-22900-0000-1	Life	176.86
01-22950-0000-1	Cancer-American Fidelity	13.53
01-24000-0000-1	Deposits	350.00
20-200-50700-0000-1	Life Insurance	15.63
20-200-51800-0000-1	Clothing Allowance	84.79
20-200-52200-0000-1	Contract Services	2,176.00
20-200-58100-0000-1	Street Lighting	2,652.64
20-20800-0000-1	Pension Payable	223.01
20-22050-0000-1	Federal Withholding Paya…	11.17
20-22100-0000-1	FICA Payable	172.86
20-22150-0000-1	Medicare Payable	40.44
20-22200-0000-1	State Withholding Payable	19.04
26-110-53100-8550-1	Grant Expenditure - ARPA…	36,104.20
30-20800-0000-1	Pension Payable	1,796.63
30-22050-0000-1	Federal Withholding Paya…	1,166.62
30-22100-0000-1	FICA Payable	1,698.28
30-22150-0000-1	Medicare Payable	423.00
30-22200-0000-1	State Withholding Payable	597.21
30-22250-0000-1	SUTA Payable	113.40
30-22600-0000-1	Health FSA	2.57
30-22700-0000-1	Disablity LTD	88.41
30-22800-0000-1	Accident	15.41
30-22900-0000-1	Life	105.05
30-22950-0000-1	Cancer- American Fidelity	22.04
30-500-50700-0000-1	Life Insurance	59.83
30-500-51800-0000-1	Clothing Allowance	178.98
30-500-53250-0000-1	Permits & Certificates	24,772.00
30-500-56410-0000-1	Repairs & Maintenance E…	2,660.57
30-500-57800-0000-1	Telephone & Communicat…	290.00
30-500-58000-0000-1	Utilities	12,237.79
30-500-58200-0000-1	Water/Soil/Other Analysis	103.17
31-20800-0000-1	Pension Payable	751.54
31-22050-0000-1	Federal Withholding Paya…	331.92
31-22100-0000-1	FICA Payable	468.44
31-22150-0000-1	Medicare Payable	135.36
31-22200-0000-1	State Withholding Payable	194.28
31-22250-0000-1	SUTA Payable	8.39
31-22700-0000-1	Disablity LTD	10.67
31-22900-0000-1	Life	11.23
31-505-50700-0000-1	Life Insurance	15.29
32-20800-0000-1	Pension Payable	1,488.15
32-22050-0000-1	Federal Withholding Paya…	632.05
32-22100-0000-1	FICA Payable	1,178.02

Account Summary

Account Number	Account Name	Payment Amount
32-22150-0000-1	Medicare Payable	301.26
32-22200-0000-1	State Withholding Payable	378.64
32-22250-0000-1	SUTA Payable	113.39
32-22600-0000-1	Health FSA	27.57
32-22700-0000-1	Disablity LTD	45.83
32-22900-0000-1	Life	38.58
32-510-50100-0000-1	Salaries - Permanent Emp…	2,142.00
32-510-50700-0000-1	Life Insurance	47.74
32-510-51800-0000-1	Clothing Allowance	143.39
32-510-52200-0000-1	Contract Services	2,176.00
32-510-52910-2309-1	Buildings & Improvements..	2,208.62
32-510-52950-0000-1	Equipment - Other (Capita..	3,043.06
32-510-56000-0000-1	Professional Services - Ot…	6,375.90
32-510-57400-0000-1	Supplies - Operating	2,197.35
32-510-58000-0000-1	Utilities	11,589.83
34-20800-0000-1	Pension Payable	266.16
34-22050-0000-1	Federal Withholding Paya…	18.31
34-22100-0000-1	FICA Payable	113.04
34-22150-0000-1	Medicare Payable	26.44
34-22200-0000-1	State Withholding Payable	17.31
34-22250-0000-1	SUTA Payable	56.17
34-22700-0000-1	Disablity LTD	30.76
34-22800-0000-1	Accident	15.41
34-22900-0000-1	Life	57.99
34-22950-0000-1	Cancer-American Fidelity	24.77
34-520-50700-0000-1	Life Insurance	7.70
	Grand Total:	**225,906.44**

Project Account Summary

Project Account Key		Payment Amount
None		225,906.44
	Grand Total:	**225,906.44**

REGULAR CITY COUNCIL MINUTES
<u>IN PERSON MEETING</u>
November 23, 2022

MCFARLAND CITY COUNCIL
MCFARLAND SUCCESSOR AGENCY
MCFARLAND PUBLIC FINANCE AUTHORITY
MCFARLAND IMPROVEMENT AUTHORITY
MCFARLAND PARKING AUTHORITY

CALL TO ORDER

Mayor S. Tafoya called the meeting to order at 6:00 p.m.

ROLL CALL

Councilmembers Present: Mayor S. Tafoya, Mayor Pro-Tem Pérez, Councilmember S. Ayon, Councilmember Cano, Councilmember A. Ayon

Councilmembers Absent: None

OFFICIALS PRESENT

City Manager/Chief of Police Williams, Assistant City Manager Cosentini, City Attorney Hodges, Community Development Director L. Ronk III, Finance Director Viramontes, Human Resources Director Arias, Public Works Director Gonzales, City Clerk Alvarado

Officials Absent: None

INVOCATION

Councilmember Cano

PLEDGE OF ALLEGIANCE

Councilmember S. Ayon

PRESENTATIONS, INTRODUCTIONS AND AWARDS

- Swearing in Ceremony: Sergeant Brian Knox

PUBLIC COMMENTS

No Comments from the Public Were Presented.

Public Comment Closed at 6:08 p.m.

<u>DEPARTMENTAL REPORTS</u>

None

CONSENT AGENDA

1. Approval of Expense Report in the Amount of $588,406.81 from October 19, 2022, to November 1, 2022.

2. Approval of November 10, 2022, Special Meeting Minutes.

3. Approval of November 10, 2022, Regular Meeting Minutes.

Motion was made by: Mayor Pro Tem Pérez to approve the consent agenda; 2nd by: Councilmember R. Cano.

ROLL CALL VOTE: 5/0
AYES: Mayor S. Tafoya, Mayor Pro-Tem Pérez, S. Ayon, R. Cano, A. Ayon,
NAYS: None
ABSTAIN: None
ABSENT: None

Full consensus 6:09 p.m.

PUBLIC HEARINGS

None

ADMINISTRATIVE AGENDA

4. Motion was made by: Councilmember S. Ayon to approve the Employment Agreement Between the City of McFarland and Christina Arias for the Human Resources Director Position; 2nd by: Councilmember A. Ayon.
   ROLL CALL VOTE: 5/0
   AYES: Mayor S. Tafoya, Mayor Pro-Tem Pérez, S. Ayon, R. Cano, A. Ayon,
   NAYS: None
   ABSTAIN: None
   ABSENT: None

   Full consensus 6:12 p.m.

5. Motion was made by: Councilmember S. Ayon to approve Resolution NO. 2022-0124, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MCFARLAND APPROVING AN ADDITIONAL ALLOCATION OF FUNDS FROM THE GENERAL FUND FOR THE LEASE AND INSTALLATION OF TWENTY CAMERAS FROM FLOCK SAFETY WITHIN THE CITY OF MCFARLAND AND APPROVAL OF THE LEASE AGREEMENT WITH FLOCK SAFETY FOR THE TWENTY CAMERAS WITH AUTHORIZATION FOR THE CITY MANAGER TO EXECUTE; 2nd by: Councilmember A. Ayon.
   ROLL CALL VOTE: 5/0
   AYES: Mayor S. Tafoya, Mayor Pro-Tem Pérez, S. Ayon, R. Cano, A. Ayon,
   NAYS: None
   ABSTAIN: None
   ABSENT: None

Full Consensus 6:22 p.m.

Public comments:

Ron Woods 13053 Garzoli Ave- Q. Is additional staff would be required to operate this system.

A. Chief Williams responded that the system would notify staff and therefor staff won't need to monitor.

Jesse Ramos- Q. Would this system be able to identify shots fired.

A. Chief Williams responded it would not, but that we are currently looking into a ShotSpotter that would.

6. Motion was made by: Mayor Pro Tem Perez to approve Resolution NO.2022-0125, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MCFARLAND, CALIFORNIA, TO ALLOW COUNCIL MEMBERS TO "ELIMINATE" THE CITY PROVIDED EMPLOYEE INSURANCE PLAN IN EXCHANGE FOR A $400 CONTRIBUTION INTO EACH COUNCILMEMBERS RETIREMENT SAVINGS ACCOUNT (401K); 2nd by: Councilmember Cano.
ROLL CALL VOTE: 5/0
AYES: Mayor S. Tafoya, Mayor Pro-Tem Pérez, S. Ayon, R. Cano, A. Ayon,
NAYS: None
ABSTAIN: None
ABSENT: None
Full consensus 6:25 p.m.

7. Motion was made by: Councilmember S. Ayon to select HUB International as the City's New Insurance Broker for Medical Benefits; 2nd by: Councilmember Cano.

a. Presentation by HUB International: Shaylyn Lewis
b. Presentation by Benefits Options Insurance Agency: Eric Trost

Eric Trost from Benefits Options Insurance Agency was present in person. Kylie from HUB International was present via Zoom. Both insurance representatives answered questions briefly.

Mayor Tafoya requested Roll Call vote for HUB International.

ROLL CALL VOTE: 5/0
AYES: Mayor S. Tafoya, Mayor Pro-Tem Pérez, S. Ayon, R. Cano, A. Ayon,
NAYS: None
ABSTAIN: None
ABSENT: None
Full consensus

8. Motion was made by: Councilmember S. Ayon to **TABLE** First Draft of Cannabis Ordinance; 2nd by: Councilmember A. Ayon.

ROLL CALL VOTE: 5/0
AYES: **Mayor S. Tafoya, Mayor Pro-Tem Pérez, S. Ayon, R. Cano, A. Ayon,**
NAYS: **None**
ABSTAIN: **None**
ABSENT: **None**
Full consensus to TABLE 7:03 p.m.

City Attorney Hodges recommended Council form a committee (2 Members) to review the Cannabis Ordinance. That committee would then make recommendations to the Council in order to comply with the Brown Act.

Mayor appointed Council Members Saul Ayon and Ricardo Cano as members of the Cannabis Committee. Both members agreed.

City Attorney directed staff to bring back a resolution to retroactively approve the creation of the cannabis committee at a future City Council Meeting.

Public Comments:

Q. Ron Woods- asked the council to clarify why the formation of the committee was need if cannabis wasn't allowed in town.

A. Assistant City Manager Cosentini clarified that in 2016 Prop 64 allowed cities have cannabis businesses in town with formal action such as an Ordinance.

A. Councilmember Cano informed that during the 2022 election Measure O was presented on the ballot and most of the voters have voted in favor with the percentage being over 60 percent currently.

A. City Attorney Hodges clarified that the passing of Measure O allows the city to tax the sale and cultivation of cannabis and allowed the city to generate revenue from that source.

Q. Jesse Ramos (Number not stated-Seventh Street)- Stated that he doesn't know many police officers that approve Cannabis coming into town. He understands the city needs more revenue but believes there are better ways to create revenue then to allow cannabis. He encouraged the Council to focus on annexing land towards Delano. He also recommended that the Cannabis Measure be put off for the next general election since he believes 800 votes is just not enough votes to vote on such an issue.

A. Councilmember S. Ayon- Responded to Mr. Ramos questions and concerns. Stating the Council has looked for many different revenue options and has done their due diligence in researching all the negative and positive repercussions from cannabis revenue. The outcome was that most cities they visited have greatly prospered form cannabis tax. He reminded Mr. Ramos that Measure O was not the council's choice but city voters. And informed Mr. Ramos that for the measure to be on another ballet cost money and takes a lot of time. He also asked Ramos what would they say to the over 800 votes that did vote during this election.

REPORTS FROM CITY COUNCIL ON COMMITTEE/SPECIAL DISTRICT MEETINGS

a. Delano Mosquito Abatement District (DMAD) – Ricardo Cano reported that the Delano Mosquito Abatement District has taken the month of November off for the Holidays. But reported that they have seen less mosquito activity he encouraged anyone that has any issues with mosquitos to reach out and they would be glad to send someone out to inspect.

b. Kern Council of Governments (KCOG)- Mayor Tafoya reported that on November the 28th Kern Council of Governments would be having grants meeting and encourage Larry or Diana to attend those meetings or workshop in December. Freeway on White Lane and Panama LN. scheduled to be completed fall of 2023. She informed that spoke with Caltrans regarding the overpasses and they said that it will still be a while before that gets done.

c. Kern Economic Development Corp. (KEDC) – Mayor Tafoya -Nothing to Report

d. Kern County Association of Cities (KCAC) – Nothing to Report

e. Poso Creek (IRWMP)- Councilmember S. Ayon – Nothing to Report

f. Kern Local Agency Formation Commission (LAFCO) – Councilmember S. Ayon reported that next meeting is scheduled for December 7, 2022.

COUNCIL STATEMENTS AND REPORTS

Mayor Sally Tafoya- Recognized Former Code Enforcement Officer Bobby Sharp for his 6 years of dedicate services to the City of McFarland and presented him with a certificate for his hard work. Mayor Tafoya also presented Assistant City Manager Peter Cosentini with a certificate of appreciation for his time here at the City of McFarland.

María T. Pérez- No Comments.

Saul Ayon- No Comments.

Ricardo Cano- No Comments.

Amador Ayon- No Comments.

<u>CLOSED SESSION</u>

None

ADJOURNMENT

Meeting adjourned at 7:12 p.m.

____

Francisca Alvarado, City Clerk

CITY OF MCFARLAND

STAFF REPORT

TO: Honorable Mayor and City Council Members

FROM: Kenny Williams, City Manager
Larry A Ronk III, Community Development Director

DATE: January 26, 2023

SUBJECT: Report, Discuss, and Possible Approval of Resolution NO. 2023-0007 Awarding a contract with Dynamic Planning + Science for the Local Hazard Mitigation Plan 2023 Update for the City of McFarland and Appropriating funds for the Agreement.

SUMMARY:

The City of McFarland is in the process of recruiting a consultant to complete a Local Hazard Mitigation Plan Update for the City. The city published a Request for Proposals in the Bakersfield Californian, our city website, and three posting locations within the city. This will create a plan for the city in case of any local hazards were to happen. This plan is a state requirement and makes the city, grant eligible for multiple California Governor's Office of Emergency Services (CAL OES). The city's most recent local hazard mitigation plan expired December of 2021.

The City, after advertising a Request for Proposal, received three (3) bids which are as follows:

Bidder's Name	Total Bid
Dynamic Planning + Science	$44,470.00
Michael Baker	$78,300.00
A-Tech Consulting	$125,100.00

After reviewing the bids, it was determined that Dynamic Planning + Science, was the highest rated overall by reviewers.

The contract shall not take effect until such time as an agreement, approved by the City Attorney, has been signed by the city and two representatives from Dynamic Planning + Science.

FISCAL IMPACT:

$44,470.00 – Fully Funding by So Cal Gas Grant

RECOMMENDATION:

Staff recommends the City of McFarland City Council approve Resolution NO. 2023-0007 to award the contract to Dynamic Planning + Science.

ATTACHMENTS:

1- Resolution NO. 2023-0007
2- Dynamic Planning + Science RFP
3- Agreement

RESOLUTION NO. 2023-0007

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MCFARLAND APPROVING AN APPROPRIATION FOR ADDITIONAL ALLOCATION OF FUNDS FROM THE GERNERAL FUND AND AN AGREEMENT BETWEEN MCFARLAND AND DYNAMIC PLANNING + SCIENCE FOR THE LOCAL HAZARD MITIGATION PLAN 2023 UPDATE.

WHEREAS, the City Council of the City of McFarland has approved a fiscal year budget for 2022/2023; and

WHEREAS, the City Council believe that the necessary deliverables for the project are required; and

WHEREAS, the City Council believe that it is necessary to renew the City's Local Hazard Mitigation Plan and has chosen Dynamic Planning + Science as their consultant; and

WHEREAS, the total funds needed for this appropriation to fund this project is $50,000.00; and

WHEREAS, the project will be fully paid by So Cal Gas Grant which the City received $50,000.00 to update this plan; and

NOW THEREFORE BE IT RESOLVED, by the City Council of the City of McFarland that it hereby finds and determines as follows:

1) The foregoing recitals are true and correct.
2) The Agreement is in the best interest of the City.
3) An additional $50,000.00 shall be allocated to the budget line for the Planning Professional Services from the City's General Fund.
4) The City Manager is hereby authorized and directed to utilize funds for the McFarland Local Hazard Mitigation Plan Update.
5) The City Clerk shall certify to the passage and adoption of this resolution.
6) This resolution is effective immediately.

PASSED AND ADOPTED at a regular meeting of the City Council of the City of McFarland on the 26th day of January 2023 by the following vote:

AYES: ____

NOES: ____

ABSTAIN: ____

ABSENT: ____

ATTEST:

____
Francisca Alvarado, City Clerk

CITY OF MCFARLAND:

____
Saul Ayon, Mayor

I, _________________________, City Clerk of the City of McFarland, California, DO HEREBY CERTIFY that the foregoing resolution is a true and accurate copy of the Resolution passed and adopted by the City Council of the City of McFarland on the date and by the vote indicated herein.

____
Francisca Alvarado, City Clerk

CITY OF McFARLAND

REQUEST FOR PROPOSAL

LOCAL HAZARD MITIGATION PLAN UPDATE 2023

CITY OF McFARLAND
Tradition • Unity • Excellence
1957

PROPOSAL OF SERVICES

PRESENTED BY

DYNAMIC PLANNING + SCIENCE

CREATORS OF

MITIGATE HAZARDS
mitigatehazards.com

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1. INTRODUCTION (TRANSMITTAL LETTER)

January 4th, 2023

Larry A. Ronk III
Community Development Director
City of McFarland
401 W. Kern Avenue
McFarland, CA 93250

Re: Request for Proposal Local Hazard Mitigation Plan Update 2023

Dear Mr. Larry A. Ronk, III,

Dynamic Planning + Science is excited for the opportunity to assist the City and your residents in updating your Local Hazard Mitigation Plan (LHMP) through our unique planning process. We understand the City of McFarland (City) is seeking a qualified consultant team to prepare updates to its LHMP in accordance Cal OES and FEMA guidelines. We will ensure that City's updated plan will be a living document, not only meeting Federal requirements but also providing return on investment to the community in future years. Our firm is comprised of members who have spent the better part of their careers developing hazard mitigation plans and analyzing risk. As a result, we are a highly skilled specialty firm, eager to put the following experience to work for the City:

Ethan Mobley
OWNER, AICP

Dynamic Planning + Science

Colorado Main Office:
19235 HWY 550
Montrose CO, 81403

California Home Office:
4063 Sacramento St,
Concord, CA 94521

Tax ID Number: 47-2973423

www.dynamicplanning.co

- **Local Experience:** Our firm has led planning efforts and authored numerous hazard mitigation plans in the last five years, including the County of Kern's Multi-Jurisdictional Hazard Mitigation Plan (MJHMP). This planning effort covered 10 of the 11 Cities in Kern County, 9 special districts, 10 school districts, and 18 water/sanitary districts. This large-scale planning effort was approved by FEMA in April of 2021. Many of these communities share hazard profiles with the City of McFarland and we can hit the ground running with our hazard data in hand. In addition, I was personally involved in McFarland's previous hazard mitigation plan as the author and lead facilitator. I would love to assist the city again in this effort.

- **Specialized Expertise:** Our team is comprised of specialists in all aspects of emergency response and mitigation planning, including fire suppression engineering, public health, data visualization, and FEMA Hazus modeling. We also understand general plan land use law, which is important because updating a municipal HMP triggers required updates to general plans. The team continues to innovate our products to meet the compounding requirements brought on by state legislators.

- **Stakeholder Management:** Our staff excels at the complex task of stakeholder management and facilitation. We have the tools and proven processes to consistently engage stakeholders with meaningful communication and exercises. Whether it's a flood control department lead or a planning commissioner, we know how to relate this planning effort to their responsibilities.

- **Tested Implementation Measures and Grant Opportunities:** Our implementation action planning focuses on effectively leveraging grant funding. This ensures that your hazard mitigation plan remains relevant, and that grant funding opportunities across California and the nation remain accessible to you for years to come. Implementation actions are easily updated online to meet the needs of an ever-changing community.

- **Public Outreach and Participation Capabilities:** We know how to provide your community with public involvement opportunities without excessive resource burden. We have the experience and tools to facilitate public participation at the appropriate scale and budget even during the COVID pandemic. We develop meaningful and interactive data that the City can utilize and that is easily understood by a general audience.

- **References:** We hope you will contact the references we have provided. Our reputation and history of strong performance have allowed us to branch off from larger firms and develop a leaner, more dedicated practice.

Our reputation for reducing risk to people and property is evident through our experience and relationships. We are passionate about creating safer and more disaster-resilient communities in California. The expertise, local knowledge, and existing relationships between Dynamic Planning + Science, Cal OES, and FEMA will help our team deliver an updated LHMP for the City and residents that is effective, useful, and sustainable.

Dynamic Planning + Science confirms that we meet all licensing requirements to perform this work in the State of California. We acknowledge our complete responsibility for the entire contract, including payment of any and all charges resulting from the contract. Finally, we have reviewed all attachments and addendums and see no past, ongoing, or potential conflicts of interest as a result of performing the work on this project.

If you have any questions, please do not hesitate to call me at 970-323-4331 or email me at ethan@dynamicplanning.co.

Sincerely,

Ethan Mobley
Planner, Owner
Dynamic Planning + Science
PHONE 970-323-4331
COLORADO 19235 HWY 550 Montrose, CO 81403

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2. BACKGROUND AND EXPERIENCE

Dynamic Planning + Science (DP+S) is a small firm (California DGS Micro Business) delivering products and services crafted to foster community health, resilience, and safety by addressing challenges between the natural and built environment. DP+S understands the unique natural hazard conditions and regulatory environments for California cities. Our staff members have over 65 years of combined experience analyzing hazard risks and merging our diverse skills to make our communities safer utilizing engineering, design, regulatory, and planning fields. The City of McFarland is exactly the type of client that DP+S was formed to serve, and we are eager to partner with City Staff to develop the LHMP Update. Our planning efforts will enable the city to maintain eligibility for FEMA's Hazard Mitigation Assistance (HMA) grant program and most importantly provide return on investment.

Our past services similar to this RFP request include authoring multiple general plan updates and over 25 hazard mitigation plans across California. DP+S is a small, dedicated specialty firm comprised of members who have spent the better part of their careers developing FEMA mitigation programs for local, county, and statewide planning areas. Our staff is uniquely qualified to provide support to the City as we have completed similar mitigation planning projects in nearby cities, counties, and districts. An overview of Dynamic Planning + Science (DP+S) regional project experience is presented in Figure 1. As you can see, our staff have experience directly related to the services requested in this RFP. Other projects highlighted on the map are described in our project references and in Table 1 which demonstrates the hazard mitigation plan projects that DP+S has managed for clients in California over the past 5 years.

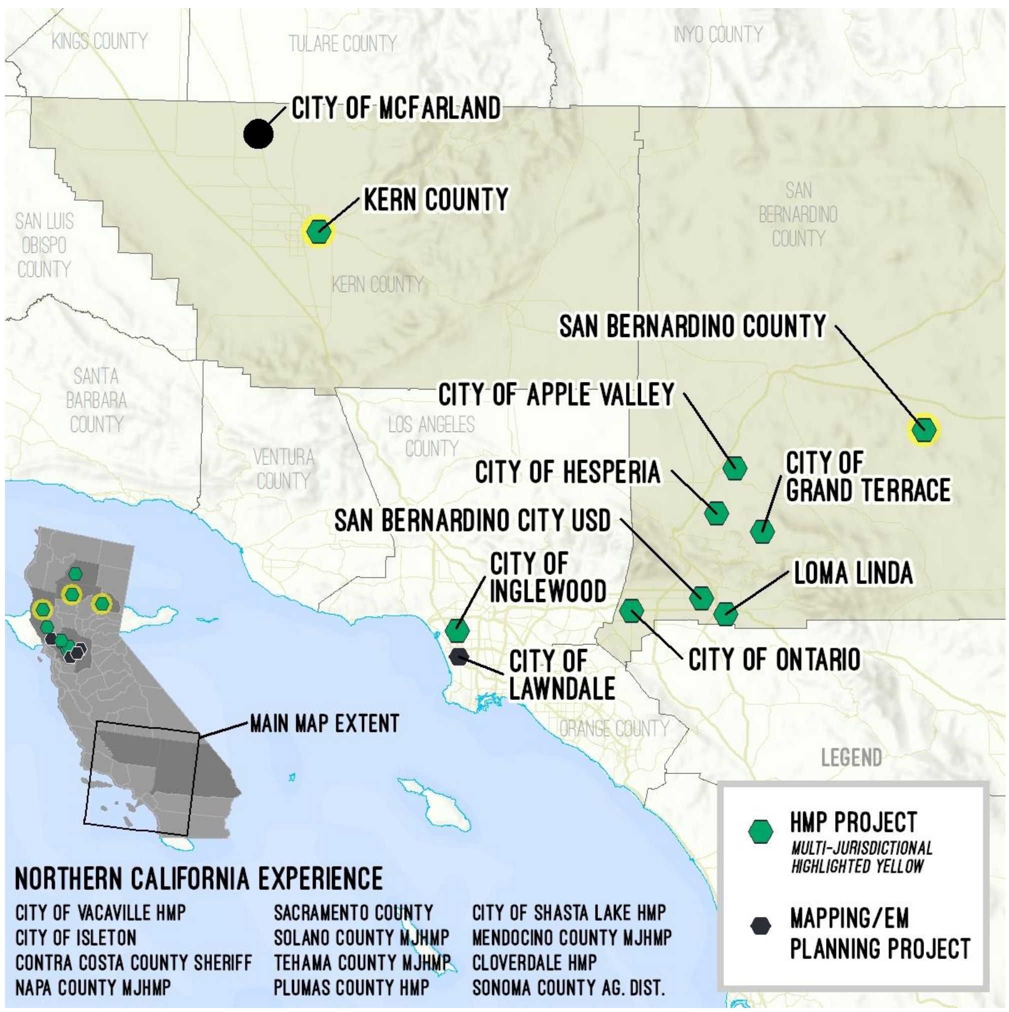


Figure 1: Experience Map

A. PROJECT REFERENCES

Please find our requested reference contact information below for representative projects. For brevity, a small project description of services is provided for each project. If you wish to explore more, please click the links for current working examples of our planning efforts.

CITY OF INGLEWOOD HMP AND SAFETY ELEMENT UPDATE	**Brian A. Walker** *Emergency Services Manager* *Office of Emergency Services and Public Safety* *City of Inglewood* *One W. Manchester Blvd.* *Inglewood, CA 90301*	**Phone:** Office: (310) 412-4323 **E-mail:** bwalker@cityofinglewood.org **Contract Value:** $139,075 **Date of Performance:** 2021-2022
	Description of Services: Hazard Mitigation Plan Update including all hazard analysis and Hazus Level 2 damage estimation for earthquake. Scope of services included a general plan Safety Element Update with robust public outreach campaign. See our work here: https://mitigatehazards.com/inglewood-hmp/	

CITY OF NAPA HMP AND CRS FLOODPLAIN MANAGEMENT PLAN.	**Stephanie Proft** *Engineering Assistant* *Development Engineering Division, City of Napa* *1600 First Street, Napa, CA 94559*	**Phone:** Office: (707) 258-7840 **E-mail:** sproft@cityofnapa.org **Contract Value:** $100,000 **Date of Performance:** 2020-2022
	Description of Services: Hazard Mitigation Plan Update including CRS floodplain management plan. Floodplain management plan included a repetitive loss analysis for more than 55 properties that have experienced flood losses over that last decade. https://mitigatehazards.com/napahmp/ https://mitigatehazards.com/napahmp/hmp2021/	

<table>
<tr><td rowspan="2">SOLANO COUNTY HMP AND CRS FLOODPLAIN MANAGEMENT PLAN</td><td>Don Ryan
Emergency Services Manager
Solano County Sheriff's Office
530 Clay St, Fairfield, CA 94533</td><td>Phone:
Office: (707) 784-1616
E-mail:
dlryan@solanocounty.com
Contract Value:
$189,950
Date of Performance:
2020-2022</td></tr>
<tr><td colspan="2">Description of Services: Hazard Mitigation Plan Update including all municipalities within Solano County. Also included 11 Climate Change Vulnerability Assessments to meet State requirements as a result of SB 379
https://mitigatehazards.com/solanohmp/
https://mitigatehazards.com/solanohmp/hmp/</td></tr>
</table>

While our main references are highlighted above, DP+S has experience with many counties, municipalities, and special districts. Additional recent and similar projects are listed in Table 1 below.

Table 1: Relevant Hazard Mitigation Projects Recently Completed and Ongoing

Kern County MJHMP (2020 Update)

START	2019	COMPLETE	Completed 2021	MANAGER	Ethan Mobley
CONTRACT	Prime	AGENCY	County of Kern	COST	$164,991

City of Vacaville LHMP

START	2015	COMPLETE	2017	MANAGER	Ethan Mobley
CONTRACT	Prime	AGENCY	City of Vacaville	COST	$79,995

City of Shasta Lake HMP (2015 and 2021 update)

START	2015/2020	COMPLETE	Completed 2022.	MANAGER	Ethan Mobley
CONTRACT	Prime	AGENCY	City of Shasta Lake	COST	$139,950

Napa County MJHMP (2020 Update)

START	2018	COMPLETE	2020	MANAGER	Ethan Mobley
CONTRACT	Prime	AGENCY	Napa County	COST	$74,585

Tehama County MJHMP

START	2017	COMPLETE	2018	MANAGER	Ethan Mobley
CONTRACT	Prime	AGENCY	Tehama County	COST	$112,500

Mendocino County MJHMP (2020 Update)

START	2020	COMPLETE	Completed 2021	MANAGER	Aaron Pfannenstiel
CONTRACT	Subconsultant	AGENCY	Atlas Planning Solutions	COST	$99,330

San Bernardino County MJHMP Update

START	2016	COMPLETE	2017	MANAGER	Ethan Mobley
CONTRACT	Prime	AGENCY	San Bernardino County	COST	$49,999

City of Cloverdale (2021 Update)

2020	2020	COMPLETE	2021	MANAGER	Bob Lagomarsino
Subconsultant	Subconsultant	AGENCY	City of Cloverdale	COST	$80,460

City of Grand Terrace LHMP

START	2016	COMPLETE	2018	MANAGER	Ethan Mobley
CONTRACT	Prime	AGENCY	City of Grand Terrace	COST	$11,600

City of Loma Linda (2021 Update)

START	2020	COMPLETE	Completed 2022.	MANAGER	Aaron Pfannenstiel
CONTRACT	Subconsultant	AGENCY	City of Loma Linda	COST	$37,970

B. SPECIAL EXPERIENCE

We have crafted a specialized team of hazard mitigation planners and risk assessment experts to perform the necessary analysis, writing, public outreach, documentation, and travel required to prepare the City of McFarland Local Hazard Mitigation Plan (LHMP). The result will be an LHMP that complies with Federal Emergency Management Agency (FEMA) and state approval requirements with the proper supporting documentation.

Our planning process exceeds the requirements of the Disaster Mitigation Act of 2000 (DMA 2000) and the recommendations of FEMA's 2023 Local Mitigation Planning Policy Guide. Notably, DP+S proposes several value-added deliverables, outside of the City's requested scope, that we believe greatly enhance the outcomes of this LHMP. Those value-added services include:

- Ongoing access to the Mitigation Action Support Tool (MAST), an online mitigation tracking application that creates a truly living document,
- Ongoing access to an interactive Risk Assessment Mapping Tool (RAMP) for the City of McFarland, and
- Ongoing access to all resources produced in the development of the Plan through a customized project portal at mitigatehazards.com

Our land use planning and regulatory expertise provide options for integrating the LHMP content into local regulatory documents such as the General Plan Safety Element if the city so desires. Most importantly, we will work as an extension of City staff developing e-mails, communication, and other outreach material to reduce the impact on City staff resources while you develop these plans. Our staff is here to make the Hazard Mitigation Plan Update process as seamless as possible!

C. ERRORS AND OMISSIONS COVERAGE

Miscellaneous Professional Liability Retroactive Date: 04/06/2018

Each Claim Limit $2,000,000

Aggregate Limit $2,000,000

Our Miscellaneous Professional Liability Coverage includes Errors & Omissions.

3. SPECIALIZED KNOWLEDGE

Our approach is to craft a collaborative, efficient, cost-effective, and seamless planning process that will result in a state and federal-compliant LHMP update. We utilize innovative approaches to project management, technical work, and outreach strategies as well as project coordination measures specifically built for hazard mitigation planning efforts. Our staff and our work remain on the cutting edge of current technology and policy, and we take advantage of platforms and tools that add efficiencies and deliver more to our clients with little impact on project budgets. The following are the key components of our approach.

We understand that the LHMP was last updated in 2015 and concluded with formal adoption of the plan in November 2016. We understand the City would like to maintain eligibility under FEMA's hazard mitigation assistance grant program by continuing a standalone LHMP effort that is not part of the County's hazard mitigation efforts.

We recognize the complications surrounding this project and we assist our clients in navigating the many regulatory hurdles accompanying hazard mitigation planning in California. The federal Disaster Mitigation Act of 2000 (DMA 2000) establishes a requirement for local governments to prepare and adopt FEMA-approved, DMA-compliant plans to maintain eligibility for certain pre- and post- disaster grant funding. In California, these federally imposed requirements were added to long-standing, California-specific requirements to address hazards in general plan safety elements. While State legislation (e.g., AB 1260, AB 1241, SB 379) has been enacted in attempts to reconcile the requirements, very few communities have effectively merged these efforts, largely because of the presence of institutional silos.

Those responsible for public safety (i.e., police and fire) most often lead mitigation planning efforts, often without involvement of community planners or public works/ engineering staff (i.e., those responsible for overseeing the completion of projects that would mitigate community vulnerability to hazards). With our approach, the City can craft a plan that addresses the requirements of DMA 2000 and those of the State by having DP+S staff work on the LHMP and provide recommendations to address updates to the Safety Element of the General Plan concurrently.

A. PROJECT INITIATION

To ensure an effective process and successful outcome for the project, DP+S will focus on the planning process and organizing resources as a required first step for a DMA 2000-compliant hazard mitigation plan.

To document the planning process, our planning staff will conduct a series of three meetings with a technical advisory group (TAG) that welcomes interests of a diverse set of stakeholders. In accordance with DMA 2000 (44 CFR 201.6), representatives from local, state, and federal agencies and departments with significant interests in the community and/or hazard mitigation will be invited to join the TAG and other important planning processes.

B. PUBLIC ENGAGEMENT

To ensure an effective process and successful outcome for the project, the Team will effectively leverage community and stakeholder outreach as required initial and ongoing steps for a DMA 2000-compliant hazard mitigation plan process. DP+S will provide templated e-mail invites, e-newsletters, and other correspondence to help document the stakeholder coordination process and provide thorough communication and coordination as required by DMA 2000. This will be done using a variety of communication platforms.

DP+S has developed a variety of approaches to create efficient outreach campaigns to maximize stakeholder knowledge and turnout. An outreach strategy outlines what you want to accomplish through your efforts, who to involve in the process, and how and when to effectively engage the community. Public outreach tools include:

- An ongoing public survey, accessible during the creation of the LHMP;
- Public outreach toolkits to be shared with partner agencies (e.g., school districts, CERT teams, etc.);
- Public review of the Draft LHMP; and
- Other public outreach mechanisms as deemed appropriate through coordination with the City, such as public workshops and ongoing plan maintenance.
- In-person outreach will be prioritized as possible and depending on local regulations at the time.

DP+S will coordinate with the city to develop a Public Outreach Plan and Toolkit that outlines the public outreach mechanisms, timelines, and materials that make the most sense for City. The outreach plan will adhere to federal policies outlined in FEMA's 2023 Local Mitigation Planning Policy Guide and guidelines from Cal California Governor's Office of Planning and Research surrounding General Plans.

To facilitate ongoing communication throughout its projects, DP+S has developed MitigateHazards.com, a web portal that serves as a tool for project management, collaborative content, and a one-stop-shop for mitigation planning resources in an attractive and intuitive interface. The website will elevate the City's updates and information sharing for the duration of the project. This is a no-cost addition with our Hazard Mitigation Projects.

If the City agrees, project participants and stakeholders will have centralized access to all project information from any device. **MitigateHazards.com** will serve as a centralized project information and file-sharing platform.

C. PLAN REVIEW

DP+S will work with City Staff to collect and review all documents and data relevant to preparing the LHMP. This will include any data that might be used to supplement and update the hazard profiles in the 2015 LHMP. This document review will include any recent flood damage, earthquake damage and water supply issues effecting the City. From our efforts on Kern County Hazard Mitigation, we will extract the data already developed for the City and refresh and update the vulnerability assessment in your current plan. This developed data set will be used in conjunction with FEMA's Hazus-MH software explained below.

D. HAZARD AND RISK ASSESSMENT, LOCAL VULNERABILITY, AND CAPABILITY ASSESSMENT

The risk/vulnerability assessment is a key step in prioritizing projects for funding and implementation. The Consultant Team will work with the City to update the Hazard Identification Risk Assessment (HIRA), which evaluates the vulnerability from potential natural hazards that may affect or have historically affected the region. We will deploy multiple risk assessment methodologies, including those highlighted below.

- **Hazus Damage Estimation:** The Consultant Team will use FEMA's Hazus software to update the loss estimation results from 2015/16 efforts using current day values. Hazus contains a stock database of economic and demographic data, building sites, transportation facilities, local geology, and other information that can be used for several steps in the risk assessment process. To update the loss estimation in your current plan the Consultant Team will replace the stock building data in Hazus with information developed from the Countywide effort. This parcel-specific information will be used to customize the Hazus risk assessments and develop structural replacement costs and associated contents replacement costs for McFarland. In doing so, the Consultant Team will translate all Hazus risk assessment runs into standard mapping and database products for the city to use in the LHMP.
- **Analyzing Development Trends for 2023 and Beyond:** To understand the vulnerability of certain land uses and future development in the City, the Consultant Team will analyze the impacts of past hazards on existing development patterns. Floodplains, earthquake faults, liquefaction zones, and soil hazards will be compared with existing and planned development patterns to determine where people and property are subject to risk. This information will provide the basis for identifying and updating actions that will reduce the City's vulnerability.
- **Population, Parcel, and Critical Facilities Exposure/Vulnerability Analysis:** In addition to using Hazus for flood and earthquake analysis, the Consultant Team will conduct a custom spatial overlay analysis to update the hazard exposure results for populations, parcels, and critical facilities, thus enabling planners to compare results across a broad range of natural hazard threats. The Consultant Team will rely on several sources of inventory data to conduct this assessment. U.S. Census data will provide the baseline information to determine the population at risk, Assessor's data will be used to assess property exposure. Note that the population exposure analysis will include an assessment of social vulnerabilities (e.g., low income, non-English speakers, rural residents, elderly, and residents with mobility limitations).
- **Earthquake Damage Assessments:** The Consultant Team has developed a GIS-based model to rapidly create damage estimation for earthquakes that enables spatial visualization of potential earthquake damage. The model leverages FEMA's Hazus products along with the best available data from local insured asset rolls and parcel data available from the County. Our earthquake damage outputs create an intuitive and low-cost depiction of the potential severity of damage within USGS shake zones, including anticipated damages to structures at the building level. This approach allows additional analysis of earthquakes on population and assets in an easy to view web-based mapping the public can explore.

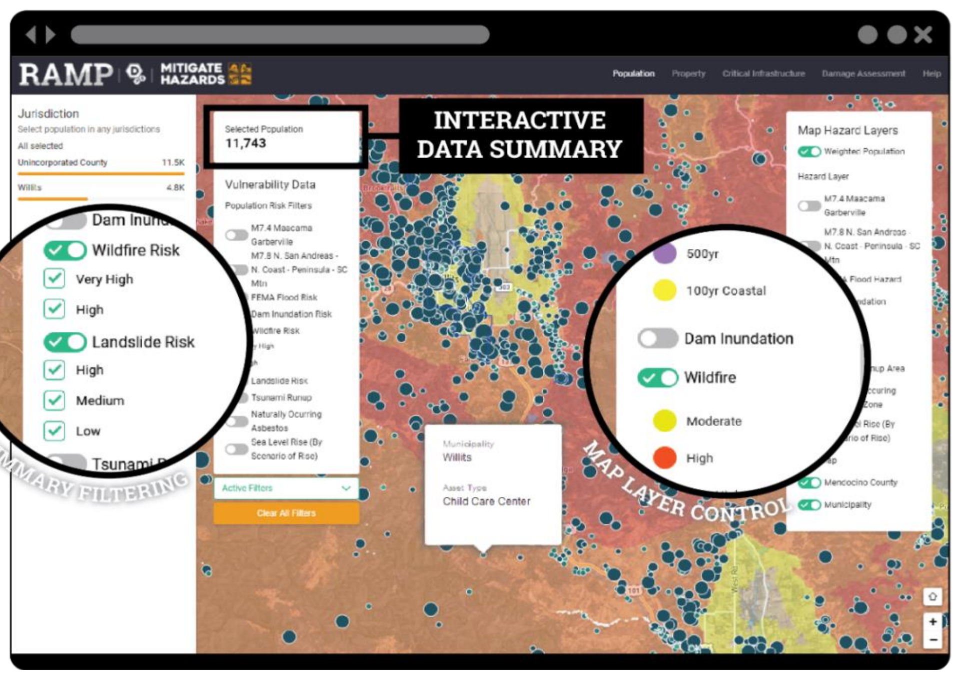


Figure 2: RAMP Screen Shot

VALUE ADDED VULNERABILITY ASSESSMENT

To demonstrate our value to you, we have created screen snapshots of data we have developed for the City of McFarland's vulnerability assessment in our interactive Risk Assessment Mapping Tool (RAMP). This has been accomplished without cost to the City of McFarland as the County's MJHMP effort assisted in the data development for your city in 2020. Based upon current day modeling and building values, you can see how values have changed from previous assessments in 2015. See Figure 3 through Figure 5 for further information on McFarlands 2020 HAZUS Parcel Damage Estimates, the City's Critical Infrastructure, and city parcels exposed to flood risk.

HAZUS Parcel Damage

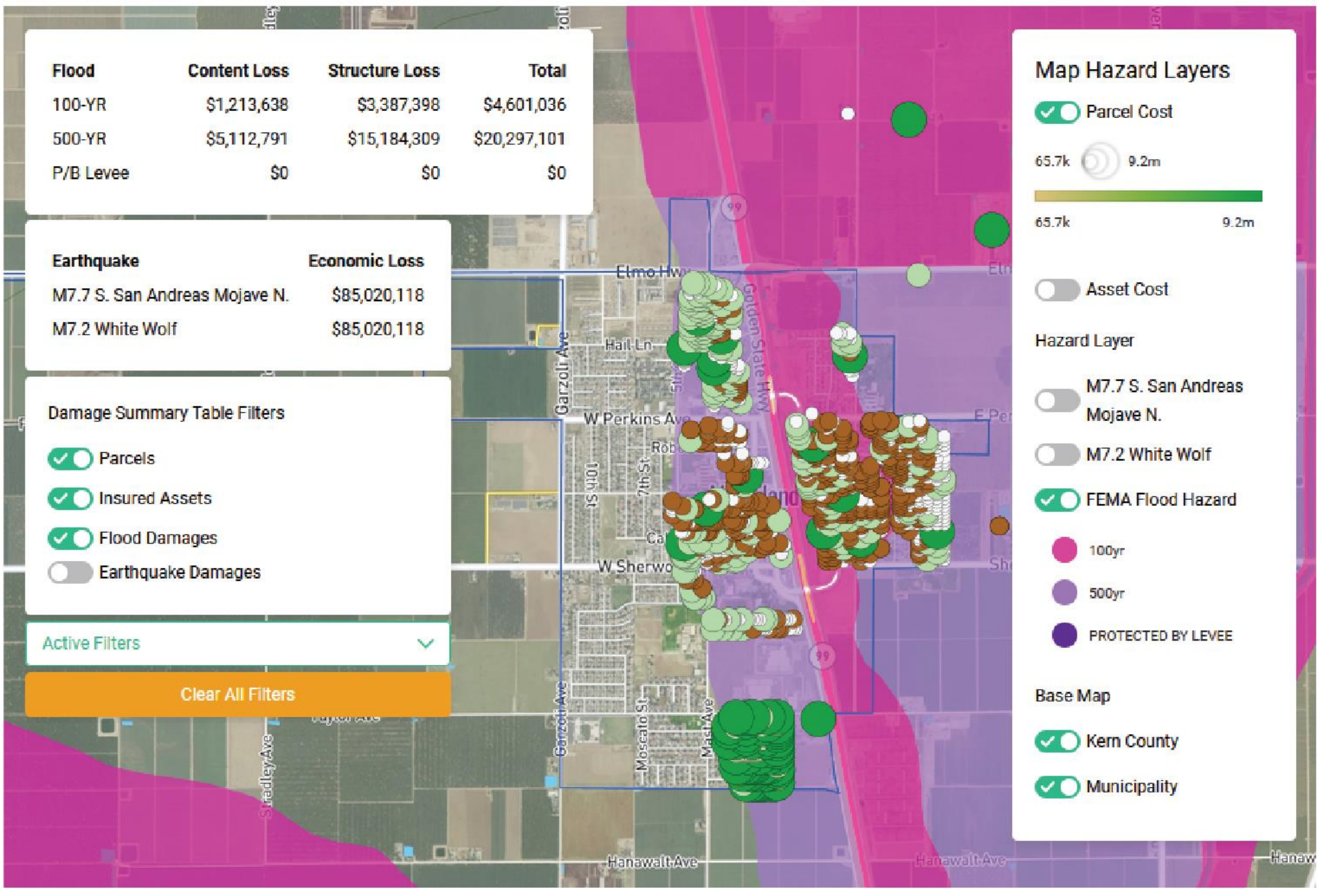


Figure 3: City of McFarland Parcel Damage

Infrastructure Exposure

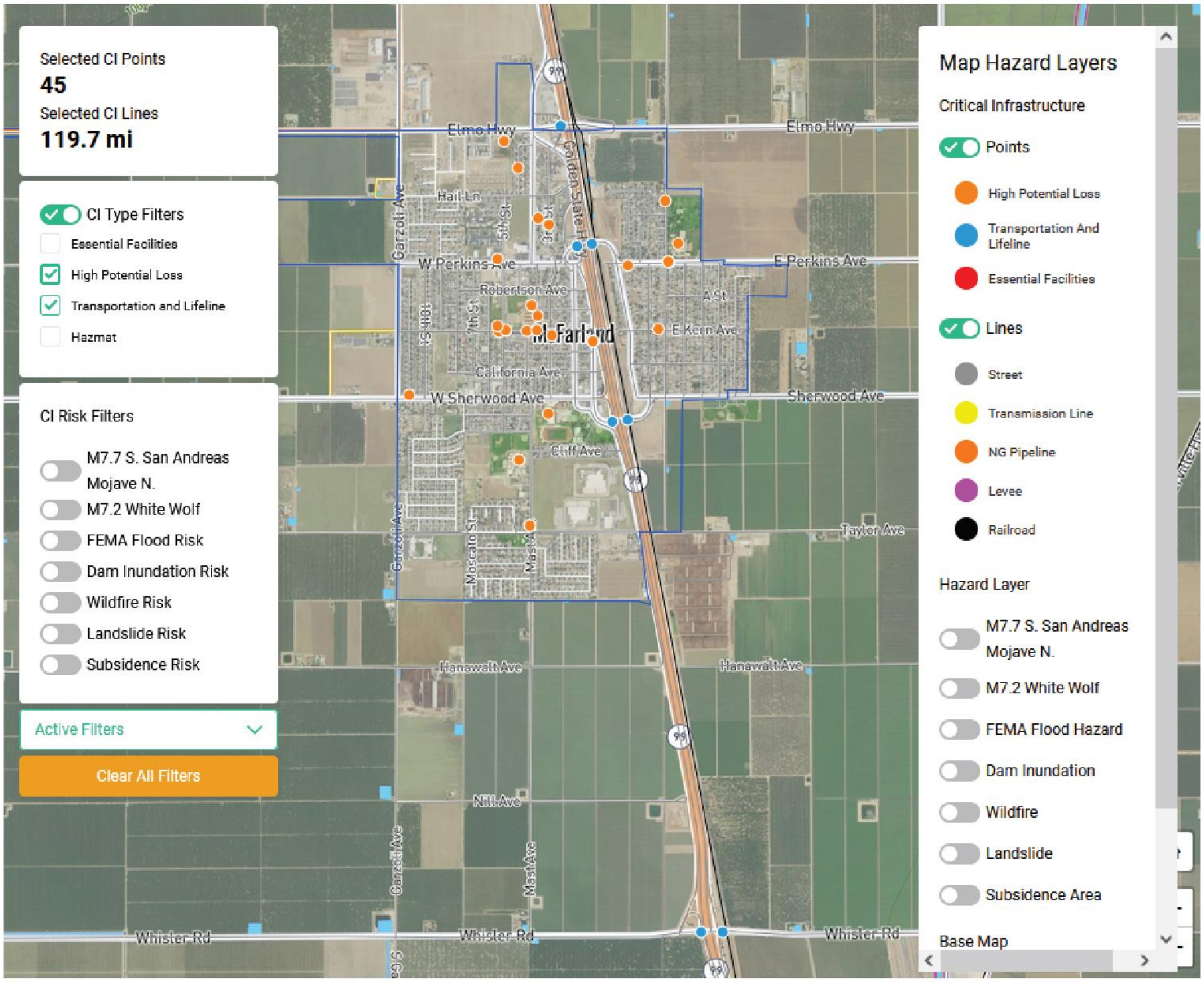


Figure 4: City of McFarland Infrastructure Exposure

Parcel Exposure

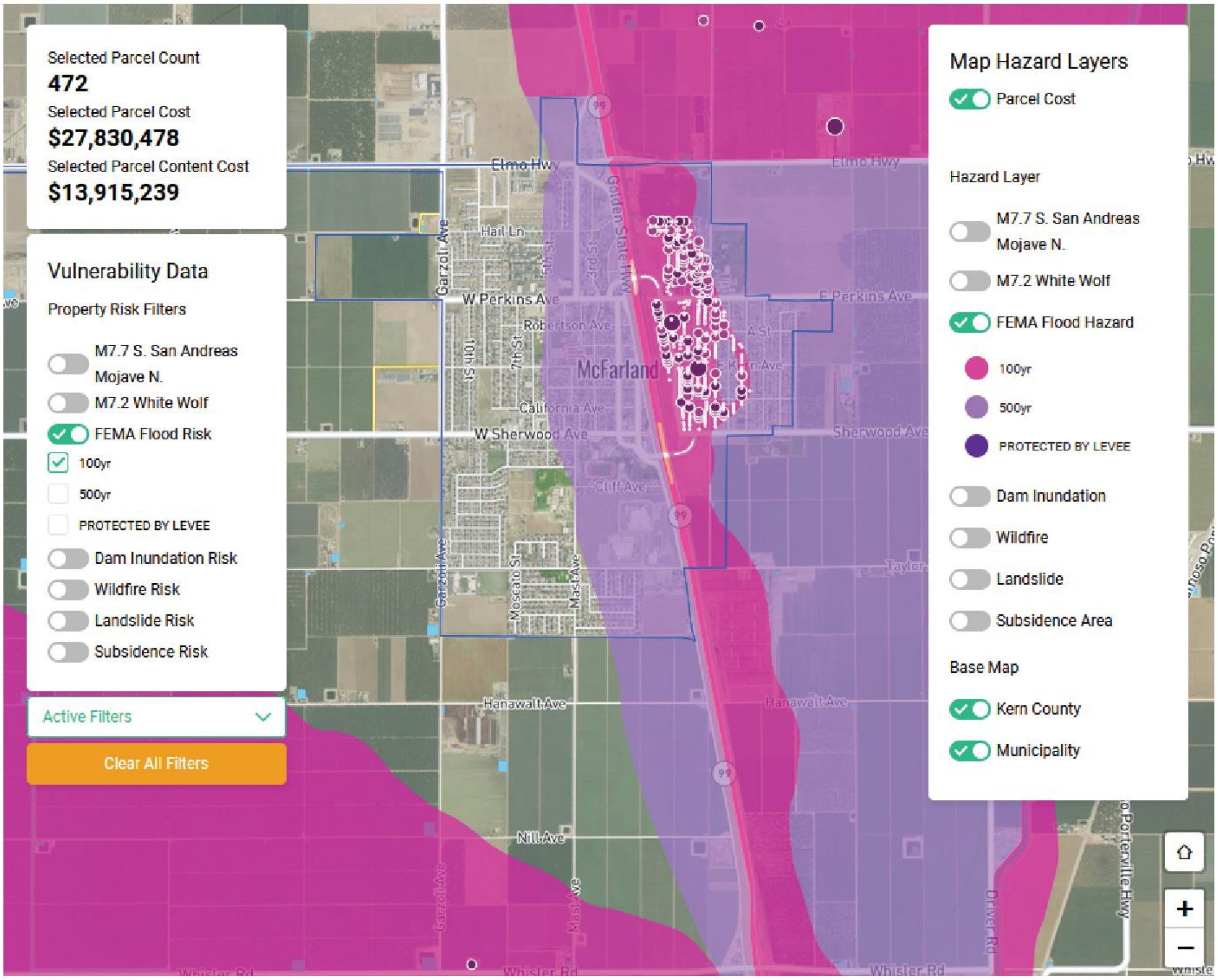


Figure 5: City of McFarland Parcel Exposure

E. IDENTIFY MITIGATION STRATEGIES AND UPDATE LHMP

Using the 2015/16 City of McFarland Local Hazard Mitigation Plan (LHMP) as a starting point, the Consultant Team will collaborate with City to re-build the mitigation strategy based upon the City's priorities and reevaluated risk. To update the mitigation strategy, Consultant Team will focus on public perceptions, risk assessment findings and most importantly how Cal OES is prioritizing hazard mitigation grants in 2023.

The Consultants will collaborate with City Staff to edit current mitigation actions and identify new ones based upon current day practices. These draft actions will take a variety of forms, ranging from institution of new programs and processes to implementation of specific projects that call for physical improvements that will reduce or eliminate the effects of hazards.

As part of this subtask, the Consultant Team will evaluate the implementation status of mitigation actions from the 2015/16 City LHMP (i.e., Completed, Ongoing, Pending). Depending in part on that evaluation, the Consultant Team will provide recommendations concerning retention of the actions for inclusion in the 2023 Draft LHMP.

Once the draft mitigation actions have been identified, the Consultant Team will provide a comparison that relies on a combination of qualitative and quantitative analyses. The qualitative analyses will consider criteria such life safety, preservation of property, and environmental, legal, and political factors. Where sufficient information is available, the quantitative analyses will include planning-level benefit-cost assessments. Based on these analyses, the Consultant Team will work with City Staff and TAG to prioritize and select mitigation actions. This process will include factors for ensuring that the resulting mitigation strategy is reasonable, achievable, and focuses on mitigation through the built environment.

MITIGATION TRACKING

DP+S has developed a web-based user interface to develop and track mitigation actions. Within the Mitigation Action Support Tool (MAST), users can track historic mitigation actions, build new ones, and evaluate progress for mitigation action. Using our planning process and MAST, our Consultant Team will upload old mitigation actions, identify new ones, and ensure identified community vulnerabilities have corresponding mitigation measures. Figure 6 shows the application dashboard for Napa County's 2020 HMP.

Figure 6: Mitigation Action Strategy Tool

Users can create hazard problem statements[1] via a data entry form where each required detail is pre-configured into dropdown lists including mitigation alternatives, areas of concern, and cost/benefit tracking. This application template will be used and adjusted to the individual needs of the City's mitigation strategy. The application gives the user the ability to read a database of mitigation actions that can be leveraged for plan content and remains living for future reference and updates to the mitigation strategy.

[1] *Hazard Problem Statements are developed during the planning process to ensure that jurisdictions develop meaningful mitigation actions, grounded in actual natural hazard vulnerabilities.*

In the static printed document, information will be extracted from MAST and landed into matrices that summarize the key implementation components (i.e., timing responsibility, funding) to meet FEMA requirements. The mitigation action matrix will be sorted to distinguish between implementation activities that can reasonably be accomplished within the first five years of LHMP implementation and those that would take longer or are ongoing; this is particularly important for high-priority infrastructure improvement projects.

MAINTENANCE PLAN STRATEGY

DP+S will develop Mitigation Action implementation plans for each priority action. These actions will be tracked by our staff for future grants and implementation. This saves grant tracking time for City Staff in future fiscal years. MAST allows the planning team to prioritize and track mitigation actions implementable within the City's core capabilities. Additionally, our data analysis tools allow for reporting in quantifiable terms risk reduction to facilities based on staffing, value, and down-time. With our staff support, the City will measure future success through MAST by leveraging the dashboard and live update capabilities.

F. COMPILE DRAFT LHMP UPDATE

DP+S will develop the Draft LHMP in accordance with DMA 2000, FEMA's 44 CFR Part 201 and 206, and FEMA's 2023 Local Mitigation Planning Policy Guide. DP+S will document the process of this review and revision effort and include discussions for the rationale for the changes in the administrative draft. Through collaboration and a series of review meetings, our staff will edit and adjust the plan for public comment and distribution.

The Draft LHMP will include an executive summary, which can be the most important part of a business document. It is the first (and sometimes the only) thing that others will read. Our team will provide the executive summary in the form of a "roll-up document," complete with data visualizations overviewing key figures and features of the plan.

G. LOCAL REVIEW AND REVISION

As required by FEMA, the general public must be given an opportunity to be involved in the planning process while updating the mitigation plan. A good public outreach effort educates the public and motivates them to take action to mitigate hazards near or inside their homes. Many mitigation actions affect private property; therefore, the public should be engaged early to understand community priorities. In addition, although members of the public may not be technical experts, they can help identify community assets and problem areas, describe issues of concern, narrate threat and hazard history, prioritize proposed mitigation alternatives, and provide ideas for continuing public involvement after the plan is adopted.

Based on comments received from City Staff, HMP TAG, and the public, the Consultant Team will revise the Administrative Draft Plan and produce a Final Draft LHMP for formal public review.

H. PLAN SUBMITTAL AND ADOPTION

The Consultant Team will revise the Public Review Draft LHMP to respond to comments received during the public review process and prepare a Final Draft LHMP for Cal OES and FEMA review and completed plan review tool for submittal. Our Consultant Team will assume responsibility to ensure the plan and the planning process are completed to the satisfaction of the City and in accordance with the criteria established by FEMA. Should the LHMP not receive approval after Cal OES and FEMA review, the Consultant Team will review FEMA's "required revision" comments and revise the LHMP to the satisfaction of all review parties.

ADOPTION/FEMA APPROVAL/PROJECT CLOSEOUT

Once the City receives an "approval pending adoption letter" from FEMA, the Consultant Team will collaborate with City Staff to review and revise the Final Draft LHMP in response to FEMA's comments and prepare the Final LHMP for City Council adoption.

DP+S will work with City Staff to present the "Final LHMP" to the Council for final adoption and approval. Generally, the adoption process takes place during Cal OES and FEMA review periods, which allows for efficient response to comments and resubmission of final document.

Following final FEMA approval, the Consultant Team Project Manager will meet with City Staff to review the project and to ensure that the Consultant Team has completed all contractual obligations to the satisfaction of the City.

4. PERSONNEL / PROFESSIONAL QUALIFICATIONS

A. PROJECT TEAM

Dynamic Planning + Science will be the prime consultant and no subconsultants will be necessary to fulfill contract obligations. The City will have direct access and attention from both company principles and owners, Ethan Mobley and Brian Greer. Ethan will be the Project Manager for the project, with the support of our entire staff. We have assembled a small, "what-you-see-is-what-you-get" team for this proposal. All staff assigned to the project are production-oriented technical staff, which allows us to be very quick and responsive. As a small specialty firm, these staff members will remain dedicated to your project from cradle to grave. Figure 7 shows the responsibilities assigned to each member of the team for this project. Brief descriptions of each key team member's roles and responsibilities are presented in Table 2 and resumes in Section 6.

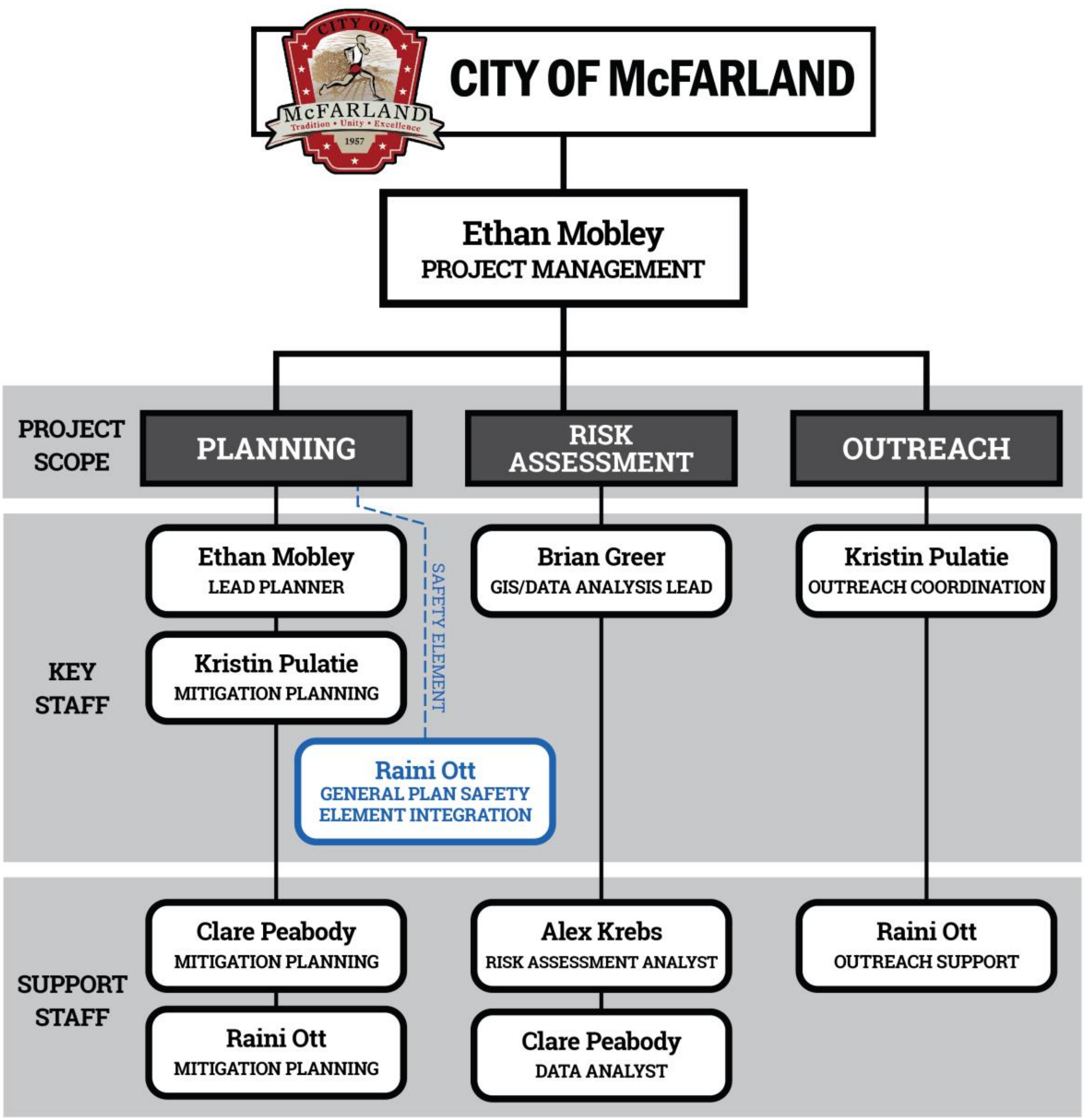


Figure 7: DP+S Organizational Chart

Table 2: Team Members and Roles

Team Member	Roles	Hours on Project
Ethan Mobley, AICP	▪ Overall Project Management ▪ Public Health and Safety Element Task Management ▪ Quality Assurance/Quality Control Lead ▪ Hazard Mitigation Plan Task Management ▪ Engineering Support of Mitigation Projects	▪ 45
Brian Greer	▪ Data Visualization ▪ GIS Data Management and Analysis	▪ 45
Kristin Pulatie	▪ Project Management Support ▪ Community and Stakeholder Outreach Task Management ▪ Document Review	▪ 40
Raini Ott	▪ Safety Element Update ▪ Community Outreach Task Management ▪ Regulatory analysis	▪ 75
Clare Peabody	▪ Research and Documentation Support ▪ Hazard Profile Development ▪ Data Development and Visualization ▪ Mitigation Strategy Development	▪ 110
Alex Krebs	▪ GIS Analysis ▪ RAMP production ▪ Risk Assessment Lead ▪ Hazus Lead	▪ 70

Additionally, administrative staff is included in our cost proposal at 8 hours.

Based upon the SOW in the RFP, we are assuming an **10-month** project period of performance beginning in February 2023. Based upon hourly rates and proposed budget, this project will demand a maximum of 100 hours of staff time per month with required staff time tapering after Cal OES / FEMA submittal in July of 2023. We are confident that our staff members have sufficient availability to finish the project in a timely manner with copious attention to detail based upon hours assigned and current workloads.

Please find staff resumes in Section 6.

5. COST PROPOSAL

A. BURDENED LABOR COSTS

A.1. Personnel Cost Schedule

(Fully Burden Hourly Rates; Hourly Rate includes profit and overhead)

Labor Category	Name	Hr. Rate	Hours	Cost
Project Manager	Ethan Mobley, AICP	$ 145.00	45	$ 6,525
Planning Staff	Raini Ott, AICP, CFM	$ 110.00	75	$ 8,250
Planning Staff	Kristin Pulatie, JD MPH	$ 95.00	40	$ 3,800
Planning Staff	Clare Peabody	$ 95.00	110	$ 10,450
Admin Staff	Christina Greer	$ 95.00	8	$ 760
Sr.GIS Analyst	Brian Greer	$ 120.00	45	$ 5,400
GIS Analyst	Alex Krebs	$ 95.00	70	$ 6,650
Total Hours and Cost			**393**	**$ 41,835**

A.2. Project Milestone Schedule

Milestone	Hours	Cost	%
Project Initiation	39	$ 4,184	10.0%
Public Engagement	20	$ 2,092	5.0%
Plan Review	20	$ 2,092	5.0%
Hazard and Risk Assessment, Local Vulnerability, & Capability Assessment	59	$ 6,275	15.0%
Identify Mitigation Strategies and Update LHMP	59	$ 6,275	15.0%
Compile Draft LHMP Update	138	$ 14,642	35.0%
Local Review and Revision	20	$ 2,092	5.0%
Plan Submittal and Adoption	20	$ 2,092	5.0%
Project Management	20	$ 2,092	5.0%
Total Hours and Cost	**393**	**$ 41,835**	**100%**

LABOR TOTAL $ 41,835

In-Kind Cost Summary

The in-kind service and cost equivalents below represent a 25% in-kind match to the project budget in labor hours or straight dollars.

Assumed City Labor Rates

$75.00/hr

Anticipated In-Kind Service Schedule

Labor Hr. Contribution	Straight Cost (No Labor Contribution)
56	$4,184
28	$2,092
28	$2,092
14	$1,046
0	$0
0	$0
0	$0
0	$0
14	$1,046
139	**$10,459**

In-Kind service estimate based on the assumed city rate shown above. Cost assumes no labor provided.

B. DIRECT COSTS

B.1. Travel, Meetings, Advertisement

Item	Unit Type	# of Units	Cost/Unit	Total Cost
Rental Car	Days	4	$ 80.00	$ 320
Overnight Stay*	Each	4	$ 125.00	$ 500
Flights	Each	2	$ 400.00	$ 800
Meeting Supplies	Each	1	$ 250.00	$ 250
Total Travel, Meetings and Advertisement Costs				**$ 1,870**

**Overnight Stay for; Planning Committee Meetings (2 person, 4 Nights)*

B.2. Print Production and Shipping

Item	Unit Type	# of Units	Cost/Unit	Total Cost
Software Costs	Each	1	$ 300.00	$ 300
FedEx Mail	Each	2	$ 40.00	$ 80
B&W Prints	Each	500	$ 0.05	$ 25
Color Prints	Each	600	$ 0.30	$ 180
Large Scale Color Prints	Sq. Ft.	120	$ 1.50	$ 180
Total Reproduction Costs				**$ 765**

DIRECT COST TOTAL $ 2,635

Anticipated In-Kind ODC Total: $ 659

Total Project Cost

A. Total Burdened Labor Costs	$ 41,835
B. Total Direct Costs	$ 2,635
Total Project Cost	**$ 44,470**

Total In-Kind Cost

$ 11,118

A. TIMELINE FOR PROJECT PER TASK

McFarland Hazard Mitigation Plan

Dynamic Planning + Science

2023

Task	Start	Days	End
Hazard Mitigation Plan Development			
Project Initiation	2/1/2023	**27**	2/28/2023
Public Engagement	2/1/2023	**163**	7/14/2023
Plan Review	2/16/2023	**30**	3/18/2023
Hazard/Risk Assessment and Capability Assessment	3/18/2023	**58**	5/15/2023
Identify Mitigation Strategies and Update LHMP	3/18/2023	**58**	5/15/2023
Compile Draft LHMP Update	5/15/2023	**30**	6/14/2023
Local Review and Revision	6/14/2023	**30**	7/14/2023
Plan Submittal and Adoption	7/14/2023	**170**	12/31/2023

6. RESUMES

Please find staff resumes on the following pages.

970-323-4331 (phone)
970-323-4338 (fax)
ethan@dynamicplanning.co

Years of Experience: 20

EDUCATION

B.S., 2004, Urban Planning, Arizona State University

LICENSES/CERTIFICATIONS

American Institute of Certified Planners (AICP), Since 2007

MEMBERSHIPS/ASSOCIATIONS

American Planning Association Member

American Institute of Architects Associate

National Fire Protection Association Member

American Fire Sprinkler Association Member

California Emergency Services Association Member

Floodplain Management Association Member

EMPLOYMENT HISTORY

Michael Baker International, Oakland, CA- 2010- 2015. Planning Manager

Vernadero Group Tempe, AZ - 2009 – 2010. Planning and Engineering Manager

Michael Baker International, Alexandria, VA |Phoenix, AZ - 2004-2009. GIS Assoc / Arch Assistant

Arizona State University, Tempe, AZ - 1998-2004. Architect and Project Management Assistant

Ethan E. Mobley, AICP

Project Manager | Owner

GENERAL QUALIFICATIONS

Mr. Mobley is the owner of Dynamic Planning + Science. He has over 20 years of experience working for local, state, and federal clients. Prior to starting Dynamic Planning + Science, Mr. Mobley worked at Arizona State University in the facilities division as an Architect and thereafter as a government contractor leading some of our nation's most important infrastructure projects. He has managed projects specializing in land use planning, urban design, fire protection, flood protection, capital improvements planning, hazard mitigation planning, and natural resource protection.

Mr. Mobley is also a fire protection engineer and designer for commercial and residential structures. Through his design and engineering experience he is intimately familiar with the requirements of NFPA and other industry standards for fire prevention in urban environments.

He is versatile in a multitude of software packages and instrumentation, including ESRI, Autodesk, Adobe, SharePoint, Microsoft Office and other software used for analyzing the built environment for natural hazard risk.

SELECT PROJECT EXPERIENCE

Inglewood Hazard Mitigation Plan. ***Inglewood, CA*****. Project Manager.**

McFarland Hazard Mitigation Plan. ***Inglewood, CA*****. Project Manager.**

San Bernardino County Multi-Jurisdictional Hazard Mitigation Plan, 2015. ***San Bernardino, CA*****. Project Manager.**

Grand Terrace Hazard Mitigation Plan. ***San Bernardino, CA*****. Project Manager.**

San Bernardino City Unified School District Hazard Mitigation Plan. ***San Bernardino, CA*****. Project Manager.**

Napa County 2019 Hazard Mitigation Plan Update, ***Napa County California. CA. Project Manager.***

Mendocino County 2020 Hazard Mitigation Plan Update, ***Mendocino, California. CA. Project Manager.***

Kern County 2020 Hazard Mitigation Plan Update, ***Kern County California. CA. Project Manager.***

Tehama County 2018 Multi-Jurisdictional Hazard Mitigation Plan (MJHMP) Update. ***Tehama County, CA*****. Project Manager.**

510-253-0054 (phone)
970-323-4338 (fax)
brian@dynamicplanning.co

Years of Experience: 10

EDUCATION

B.S., 2008, Geography, California State University, Hayward

LICENSES/CERTIFICATIONS

Adobe Certified Expert, Illustrator

MEMBERSHIPS / ASSOCIATIONS

North American Cartographic Information Society (NACIS)

Bay Area Automated Mapping Association (BAAMA)

California Emergency Services Association (CESA)

AWARDS

California Emergency Services Association (CESA) Coastal Chapter Silver Award, 2012

GISPCI Map Design Award, 2012

EMPLOYMENT HISTORY

Lettis Consultants International, Inc., Walnut Creek, CA - 2014-2015. GIS Analyst/Cartographer
URS Oakland, CA - 2012-2014. GIS Analyst/Cartographer
Endpoint Environmental, San Francisco, CA - 2012. Cartographer
Michael Baker International, Oakland, CA - 2009- 2012. GIS Associate
Contra Costa County Department of IT, Martinez, CA - 2007-2009. Information Systems Programmer Analyst

Brian Greer

Data Visualization Manager | Co-Owner

GENERAL QUALIFICATIONS

Mr. Greer has the vision, skill, and imagination needed to conceptualize and communicate the role that geospatial technology plays in intricate projects. His deliverables provide the visual information necessary to explain complex data to the public. He has a solid foundation in GIS principles including geography, cartography, Python scripting, GPS data collection & processing, CAD-GIS interoperability. With a suite of software knowledge, his work centers on integrating graphic and spatial software to produce results designed to communicate. He currently leads large geospatial data management and mapping efforts for multiple projects.

Mr. Greer's work has been focused on delivering high-end products to clients across the nation. His skillset has resulted in various customized tools that enable enhanced deliverables in Hazard Mitigation Plan development. Mr. Greer has designed rich interactive web maps, an automated CRS analysis and summary scorecard, and a robust mitigation action database and formatting tool. Brian is a GIS Cartographer whose deliverables provide the visual information necessary to understand complex data and give clients a way to deliver a powerful message with professional graphic appeal. With a suite of software knowledge, his work centers on integrating graphic and spatial software resulting in products designed to communicate. Mr. Greer's work can be seen on the walls of FEMA Headquarters, US Army Corps map books, and the Congressional floor.

SELECT PROJECT EXPERIENCE

Inglewood Hazard Mitigation Plan. ***Inglewood, CA*****. Data Visualization Manager.**

San Bernardino County Multi-Jurisdictional Hazard Mitigation Plan, 2015. ***San Bernardino, CA*****. Data Visualization Manager.**

Grand Terrace Hazard Mitigation Plan. ***San Bernardino, CA*****. Data Visualization Manager.**

San Bernardino City Unified School District Hazard Mitigation Plan. ***San Bernardino, CA*****. Data Visualization Manager.**

Napa County Multi-Jurisdictional Hazard Mitigation Plan (MJHMP) 2019 Update. Data Viz. & GIS Manager.

Kern County 2020 Hazard Mitigation Plan Update, ***Kern County California. CA.*** **Risk Assessment and Data Management**

Tehama County Hazard Mitigation Plan (HMP) Update. ***Tehama County, CA*****. GIS/Data Viz. Analyst.**

510-500-9531 (phone)
970-323-4338 (fax)
clare@dynamicplanning.co

Years of Experience: 3

EDUCATION

B.S. Honors, 2014 Environmental Sciences, Brown University

LISENCES/CERTIFICATIONS

EMR, Rescue Watercraft (RWC), Low Angle Rope Rescue (LARRO), 2020

PUBLICATIONS

Co-author – State of the California Current, *CalCOFI Reports*, 2017-2018 & 2018-2019 annual report

Lead Author – Peabody et al. 2018 *Marine Ecology Progress Series* 607:71-83

AWARDS

Voss Research Fellow, Institute at Brown for Environment and Society 2017-2018

Departmental Honors / Best Thesis, Brown University Department of Environmental Studies 2018

EMPLOYMENT HISTORY

Campbell Global Change Biology Lab, Florida International University, 2021. Data Technician

County of Santa Cruz Emergency Operations Center, Shelter and Care Division, 2020-2021. Admin Aide/Data Manager

California State Parks, Mendocino Coast Sector, 2018-2020. Lifeguard II/ Program Coordinator

Charles Darwin Foundation, Puerto Ayora, Galápagos, 2019-2021. Biostatistician/Consultant

Brown University Department of Computational Biology, 2018. Teaching Assistant – "Statistical Analysis of Biological Data"

Clare Peabody

Associate Planner

GENERAL QUALIFICATIONS

Ms. Peabody is an environmental data analyst by training who has found applications for her skillset in the context of both research and government administration, including emergency response and management. She excels at extracting narrative from complex datasets; her previous work uses data from large-scale ecological observation programs to understand the overlapping impacts of climate variation and human activity on biological communities, across multiple temporal and spatial scales. Her combination of technical knowledge and broader vision bridges the data visualization and planning teams at Dynamic Planning + Science.

Clare developed an interest in emergency management while serving as a State Parks ocean lifeguard for along California's rugged north coast. She went on to serve the County of Santa Cruz Emergency Operations Center (EOC) during the 2020 wildfire season, developing workflows for and data management strategies for non-congregate sheltering during the CZU Lightning Complex Fire, which evacuated approximately 40,000 people in the Santa Cruz Mountains.

SELECT PROJECT EXPERIENCE

City of Inglewood Hazard Mitigation Plan Update. *Inglewood CA.* **Planning Associate.**

Solano County Hazard Mitigation Plan Update. *Solano County, CA.* **Planning Associate.**

City of Shasta Lake General Plan Update. *Shasta Lake, CA*. **Planning Associate.**

City of Tehama General Plan Update. *Tehama, CA*. **Planning Associate/Data Analyst.**

City of Napa Housing Element Update. *Napa, CA*. **Planning Associate.**

City of Isleton General Plan Update. *City of Isleton, CA*. **Planning Associate.**

Trinity County General Plan Update. *Trinity County, CA*. **Planning Associate.**

Benicia Defensible Space & Vegetative Fuels Management Plan. *Benicia, CA.* **Planning Associate/Data Analyst.**

County of Santa Cruz Emergency Operations Center Non-Congregate Shelter / Evacuation Program. *Santa Cruz County, CA.* **Data Manager.**

Jean Lorraine “Raini” Ott

Community Planner | She/Her

970-323-4335 (phone)
970-323-4338 (fax)
raini@dynamicplanning.co

Years of Experience: 8

EDUCATION

B.S., 2014, Environmental Policy and Planning, Virginia Polytechnic Institute and State University (Virginia Tech)

LICENSES/CERTIFICATIONS

Certified Planner (AICP)

Certified Floodplain Manager (CFM)

MEMBERSHIPS/ASSOCIATIONS

American Planning Association (APA)

American Institute of Certified Planners (AICP)

Association of State Floodplain Managers (ASFPM)

EMPLOYMENT HISTORY

Boulder County Community Planning & Permitting (formerly Land Use), Boulder, CO – 2017-2021. Planner I/II

City of Harrisonburg Community Development, Harrisonburg, VA – 2014-2017. Zoning & Planning Technician

City of Newport News Public Works, Newport News, VA – 2014. GIS Intern

Draper Aden Associates, Blacksburg, VA – 2012-2014. Environmental Team Intern/File Clerk

GENERAL QUALIFICATIONS

Ms. Ott is a Community Planner at Dynamic Planning + Science and has seven years of local government experience in development review, project management, public engagement, and regulatory updates. Prior to working for Dynamic, Ms. Ott served as a Development Review Planner for Boulder County, Colorado, where she balanced strict regulatory processes with strong affordable housing, hazard mitigation, and environmental protection initiatives in one of the most expensive and desirable places to live in the nation. This background in local government development review, as well as previous code enforcement experience, provides valuable insight into how planning mechanisms, like General or Comprehensive Plans, are applied on a day-to-day basis.

Ms. Ott also has a passion for strategizing for and assisting with facilitation of public outreach and community and stakeholder engagement opportunities, and she communicates the intricacies of regulatory requirements clearly and concisely using language tailored for her audience. She has experience designing and facilitating public engagement processes, including virtually, and writing detailed staff reports and recommendations to various boards and commissions.

Ms. Ott prides herself on building trust and problem-solving. She is extremely detail-oriented and organized to keep projects on track and minimize time, cost, and effort. In addition, Ms. Ott enjoys finding creative solutions to complex problems for the betterment of a community as a whole, as well as the environment and natural resources upon which it is dependent.

SELECT PROJECT EXPERIENCE

City of Inglewood Hazard Mitigation Plan Update. ***Inglewood, CA.*** **Community Planner.**

Solano County Hazard Mitigation Plan Update. ***Solano County, CA.*** **Community Planner.**

City of Shasta Lake General Plan Update. ***Shasta Lake, CA*****. Community Planner.**

City of Tehama General Plan Update. ***Tehama, CA*****. Community Planner.**

City of Napa Housing Element Update. ***Napa, CA*****. Community Planner.**

City of Isleton General Plan Update. ***City of Isleton, CA*****. Planning Associate.**

970-317-5688 (phone)
970-323-4338 (fax)
alex@dynamicplanning.co

Years of Experience: 10

EDUCATION

M.S., 2018 Geographic Information Science, University of Denver

B.S., 2010 Environmental Science, University of North Carolina at Asheville

LICENSES/CERTIFICATIONS

GIS certificate (GISc) 2016

PUBLICATIONS

Acknowledged – "Crafting Better Decisions' ArcUser Fall, 2009.

Co-author – C. Reed Rossell Jr. et al. *Journal of Herpetology* March 2013, Vol. 47, No. 1 pp. 66-70

AWARDS

Herb Stout Student Award NC GIS conference 2011

EMPLOYMENT HISTORY

High Lonesome Ranch Sudden Aspen Decline study. De Beque, CO. 2011. Field Cartographer.
National Environmental Modeling and Analysis Center – 2007-2011. 3d modelling and flood risk data visualization. 3d visualization in urban planning. Data analysis with Bayesian Belief Network Systems. Forest management.

Alex Krebs

Data Visualization Associate

GENERAL QUALIFICATIONS

Mr. Krebs holds a Master's in Geographic Information Science. He is experienced with workflow automation development, python, spatial analysis, cartographic design, Microsoft Excel, graphics creation, JavaScript, SQL, and web applications. He has special interests in environmental relationships and the corresponding implications of human interaction and climate change

Mr. Krebs has been involved in projects that solve complex issues with simple solutions. These projects range from city planning to field biology and geographic statistics. His unique background and experience make him a dynamic team member. Mr. Krebs excels at filling the voids between technical application and project significance.

SELECT PROJECT EXPERIENCE

Kern County Multi-Jurisdictional Hazard Mitigation Plan Update (MJHMP). ***Kern County, CA.*** **GIS/Data Specialist.**

City of Inglewood Hazard Mitigation Plan Update. ***Inglewood CA.*** **GIS/Data Specialist**

Solano County Hazard Mitigation Plan Update. ***Solano County, CA.*** **GIS/Data Specialist**

Napa County Multi-Jurisdictional Hazard Mitigation Plan (MJHMP) 2019 Update. ***Napa, CA.*** **Data Viz. & GIS Associate.**

City of Cloverdale 2020 Hazard Mitigation Plan Update, ***Cloverdale California. CA.*** **Data Viz. & GIS Associate.**

Kern County Multi-Jurisdictional Hazard Mitigation Plan Update (MJHMP). ***Kern County, CA*** **GIS/Data Specialist.**

Tehama County Hazard Mitigation Plan (HMP) Update. ***Tehama County, CA*****. GIS/Data Specialist.**

Delta County Hazard Mitigation Plant (HMP) Update. ***Delta County, CO*****. GIS/Data Specialist.**

La Plata County Hazard Mitigation Plant (HMP) Update. ***La Plata County, CO*****. GIS/Data Specialist.**

Montrose County Hazard Mitigation Plant (HMP) Update. ***Montrose County, CO*****. GIS/Data Specialis**

Kristin D. Pulatie

Senior Planner | She/Her

505-225-2647 (phone)
970-323-4338 (fax)
kristin@dynamicplanning.co

Years of Experience: 10

EDUCATION

BA, 2003, Psychology, University of Colorado at Boulder

JD, 2008, DePaul University College of Law

MPH, 2012, Maternal and Child Health, University of Illinois - Chicago

EMPLOYMENT HISTORY

RENESAN Institute for Lifelong Learning, Santa Fe, NM – 2019-2022. Executive Director

San Juan Basin Public Health, Durango, CO – 2017-2019. Director of Assessment and Planning

State of New Mexico Bureau of Health Emergency Management, Santa Fe, NM – 2016-2017. Planning and Resource Manager

Montrose County Health & Human Services, Montrose, CO – 2013-2016. Director

GENERAL QUALIFICATIONS

Ms. Pulatie is a Senior Planner at Dynamic Planning + Science and has seven years of local government experience in public health and human services, project and grant management, public engagement, and statutory compliance. Prior to working for Dynamic, Ms. Pulatie served as Director of Health and Human Services for Montrose County, Colorado, as well as Director of Assessment and Planning for San Juan Basin Public Health in Archuleta and La Plata counties. In those roles, she balanced local, state, and federal requirements with population health needs, emergency preparedness planning, and environmental considerations in rural communities. This background in local government administration, as well as assessment and strategic planning, provides valuable insight into developing and implementing improvement, mitigation, and management plans.

Ms. Pulatie also has experience creating programs to address health equity, and she has a passion for creating and delivering public health outreach and education. She has designed and facilitated public engagement processes, utilizing the results to create community-wide improvement plans as well as detailed reports and recommendations to various boards and commissions.

SELECT PROJECT EXPERIENCE

City of Inglewood Hazard Mitigation Plan Update. ***Inglewood CA.*** **Document Review.**

City of Napa Housing Element Updates, 2022-Present, ***Napa, California.*** **Senior Planner**

La Plata County Emergency Operations Plan Update, 2020-2021, ***La Plata County,*** **Colorado. Consultant.**

CITY OF McFARLAND

REQUEST FOR PROPOSAL

LOCAL HAZARD MITIGATION PLAN UPDATE 2023

AGREEMENT FOR DESIGN PROFESSIONAL CONSULTANT SERVICES
BETWEEN
CITY OF MCFARLAND, CALIFORNIA,
AND
DYNAMIC PLANNING + SCIENCE.

THIS AGREEMENT ("Agreement") is made and entered into as of the date of execution by the CITY OF MCFARLAND (the "City") and DYNAMIC PLANNING + SCIENCE, a California corporation ("Consultant").

RECITALS

The City requires outside assistance to provide the following services:

Local Hazard Mitigation Plan Update

WHEREAS, Consultant represents itself as possessing the necessary skills and qualifications to provide the services required by the City and as being duly qualified to perform those services in accordance with the standard of quality ordinarily expected of competent professionals in Consultant's field of expertise;

WHEREAS, Consultant will render such professional services, as hereinafter defined, on the following terms and conditions;

NOW THEREFORE, in consideration of these recitals, and the mutual covenants contained herein, the City and Consultant agree as follows:

AGREEMENT

1. <u>TERM OF AGREEMENT</u>

1.1. This Agreement shall be effective on and from the day, month and year of the execution of this document by the City.

1.2. Consultant shall commence the performance of the services in accordance with the Scope of Work section provided in Attachment "A" to this Agreement and shall continue such services until all tasks to be performed are completed, or this Agreement is otherwise terminated. Consultant shall complete the services and provide final data and reports no later than December 31, 2023, unless an extension of time is mutually agreed to by both parties in writing.

2. <u>CONSULTANT'S OBLIGATIONS- SCOPE OF WORK (ATTACHMENT A)</u>

2.1. Consultant shall provide the City with the following services: The specific manner in which the services are to be performed is described in Attachment "A" which is attached hereto and incorporated herein as though fully set forth at length, collectively hereinafter referred to as "Described Services."

2.2. Consultant shall perform all work required to accomplish the Described Services in conformity with applicable requirements of Federal, State and Local law.

2.3. Consultant is hired to render the Described Services and any payments made to Consultant are compensation fully for such services.

2.4. Consultant shall maintain professional certifications as required in order to properly comply with all City, State, and Federal law.

2.5. Consultant shall assign only competent personnel to perform services pursuant to this Agreement. In the event that City, in good faith, at any time during the term of this Agreement, desires the removal of any such persons, Consultant shall, immediately upon receiving notice from City of such desire of City, cause the removal of such person or persons.

2.6. If a license or certification of any kind is required of Consultant, its employees, agents, or subcontractors by federal, state or law and regulation, Consultant warrants that such license has been obtained, is valid and in good standing, and shall keep in effect at all times during the term of this Agreement, and that any applicable bond has been posted in accordance with all applicable laws and regulations.

2.7. Consultant shall provide the City with timely written reports of all significant developments or delays arising during performance of its services.

3. PAYMENT FOR SERVICES (ATTACHMENT B)

3.1. Payment to Consultant to perform its Scope of Work is set forth in Attachment B, attached hereto and incorporated herein. The payments provided in this Section are full compensation for the Scope of Work as described in Attachment A.

3.2. Consultant shall submit monthly bills to the City, describing its services and costs provided during the previous month, based upon percentage of task completed. Except as specifically authorized by City, Consultant shall not bill City for duplicate services performed by more than one person. Consultant's monthly bills shall include the following information to which such services or costs pertain:

- a description of services performed;
- the date the services were performed;
- the number of hours spent and by whom;
- a description of all costs incurred, and the Consultant's signature.

Consultant agrees to use every appropriate method to contain fees and costs under this Agreement. Once invoice is submitted and approved by the City, City payment will be made within 30 days of approval.

3.3. The amount set forth in Attachment B may be modified or amended only by a written document executed by both Consultant and authorized City representative prior to the performance of the additional work. Such document shall expressly state that it is intended by the parties to amend the terms and conditions of this Agreement.

4. SUBCONTRACTING

4.1. Consultant will not subcontract any portion of its Scope of Work without prior written approval of City. If Consultant subcontracts for any of the work to be performed under this Agreement, Consultant shall be as fully responsible to the City for the acts and omissions of Consultant's subcontractors/subconsultants and for the persons either directly or indirectly employed by the subcontractors/subconsultants, as Consultant is for the acts and omissions of persons directly employed by Consultant. Nothing contained in the Agreement shall create any contractual relationship between any subcontractor/subconsultant of Consultant and the City. Consultant will be responsible for payment of subcontractors/subconsultants. Consultant shall bind every subcontractor/sub-consultant to the terms of the Agreement applicable to Consultant's work unless specifically noted to the contrary in the subcontract in question and approved in writing by the City. Consultant agrees that the City is an intended third-party beneficiary of any services agreement entered into between Consultant and any subcontractor or sub-consultant.

5. PROJECT SCHEDULE AND COMPLETION DATE (ATTACHMENT C)

5.1. Attachment C is the project schedule that Consultant shall strictly meet, including benchmark dates and completion date, which is attached hereto and incorporated herein. Consultant agrees to diligently prosecute the services to be provided under this Agreement to completion and in accordance with the schedule specified herein. In the performance of this Agreement, time is of the essence.

5.2. Consultant shall promptly notify the City of any anticipated or unforeseen delays to the project schedule. Extensions to the project schedule and to this Agreement shall not be made without the prior written approval of the City. All requests for extensions to the project schedule shall be by written request only and submitted to the City prior to the commencement of such work.

6. CHANGES IN WORK AND EXTRA WORK. Consultant shall not change the scope or duration of work or perform work in excess of the Scope of Work without the prior, written approval of the City by an executed Change Order, describing in detail the revision to Scope of Work, revisions in payment and/or time, fully executed by both parties. Failure to obtain a Change Order prior to the commencement of any revision waives Contractor's right to payment for such additional services.

7. **VERBAL AGREEMENT OR CONVERSATION.** No verbal agreement or conversation with any officer, agent or employee of the City, either before, during or after the execution of this Agreement, shall affect or modify any of the terms or obligations herein contained nor shall such verbal agreement or conversation entitle Consultant to any additional payment whatsoever.

8. **TERMINATION OF AGREEMENT**

8.1. In the event of Consultant's failure to prosecute, deliver, or perform the described services, the City may terminate this Agreement by notifying Consultant by certified mail of said termination. Thereupon, Consultant shall cease work and within five (5) working days: (1) assemble all materials and records prepared or obtained in the performance of this Agreement and deliver said documents to the City and (2) place all work in progress in a safe and protected condition. The City Manager of the City shall make a determination of the percentage of work which Consultant has performed which is usable and of worth to the City. Based upon that finding, the City shall determine any final payment due to Consultant.

8.2. This Agreement may be terminated by either party, without cause, upon the giving of ten (10) days written notice to the other party. Prior to the 10th day following the giving of the notice, the Consultant shall: (1) assemble all materials and records prepared or obtained in the performance of this Agreement and deliver said documents to the City and (2) place all work in progress in a safe and protected condition. The City Manager of the City shall make a determination of the percentage of work which Consultant has performed which is usable and of worth to the City. Based upon that finding, the City shall determine any final payment due to Consultant.

9. **COVENANTS AGAINST CONTINGENT FEES.** Consultant warrants that it has not employed or retained any company or person, other than a bona fide employee working for Consultant, to solicit or secure this Agreement, and that Consultant has not paid or agreed to pay any company or person, other than a bona fide employee, any fee, commission, percentage, brokerage fee, gift, or any other consideration contingent upon, or resulting from, the award or making of this Agreement. For breach or violation of this warranty, the City shall have the right to terminate this Agreement without liability or, at the City's discretion, to deduct from the Agreement price or consideration, or otherwise recover the full amount of such fee, commission, percentage, brokerage fee, gift or contingent fee.

10. **OWNERSHIP OF DOCUMENTS**

10.1. All computer data, computer drawing files, plans, studies, sketches, drawings, reports, specifications and all work product produced by Consultant under this Agreement are the property of the City, whether or not the City completes the Scope of Work or proceeds with the project for which such documents are prepared.

10.2. This Agreement creates a nonexclusive and perpetual right or license for City to copy, use, modify, reuse, and sublicense any and all copyrights, designs, and other intellectual property embodied in the writings prepared by Consultant, and Consultant subcontractors, under this Agreement. In the event the City should ever desire to undertake a project or review other proposed projects based upon the documents, the Consultant agrees that the City shall have the right to reuse all or any portion of the documents at no additional compensation to the Consultant.

11. INDEPENDENT CONTRACTOR

11.1. The Consultant shall perform the services provided for herein in a manner of Consultant's own choice, as an independent Contract and in pursuit of Consultant's independent calling, and not as an employee of the City. Consultant shall be under control of the City only as to the result to be accomplished and the personnel assigned to the Project.

11.2. If the Consultant subcontracts any of the work to be performed under this Agreement pursuant to the terms of this Agreement, Consultant shall be as fully responsible to the City or the acts and omissions of the Consultant's subcontractor and of the persons either directly or indirectly employed by the subcontractor, as Consultant is for the acts and omissions of persons directly employed by Consultant. Nothing contained in the Agreement shall create any contractual relationship between any subcontractor of Consultant and the City. The Consultant shall bind every subcontract by the terms of the Agreement applicable to Consultant's work, including indemnity and insurance requirements.

12. HOLD HARMLESS AND INDEMNIFICATION

12.1. **Indemnification -** It is understood and agreed that Consultant has the professional skills, experience, and knowledge necessary to perform the work agreed to be performed under this Agreement and that City relies upon the professional skills of Consultant to do and perform Consultant's work in a skillful and professional manner, and Consultant thus agrees to so perform the work.

12.2. Acceptance by City of the work performed under this Agreement does not operate as a release of said Consultant from such professional responsibility for the work performed. It is further understood and agreed that Consultant is apprised of the scope of the work to be performed under this Agreement and Consultant agrees that said work can and shall be performed in a fully competent manner.

12.3. Consistent with California Civil Code section 2782.8, when the services to be provided under this Agreement are design professional services to be performed by a design professional, as that term is defined under said section 2782.8, Consultant shall, to the fullest extent permitted by law, indemnify, protect, immediately defend, and hold harmless City, and its officers, employees, agents, and volunteers, from and against all claims, demands, damages, costs, or liability (including liability for claims, suits, actions, arbitration proceedings, administrative proceedings, regulatory proceedings, losses, expenses, or costs of any kind, interest, defense costs, and expert witness fees) arising out of, pertaining to, or relating to the negligence, recklessness, or willful misconduct of Consultant, its officers, employees, subcontractors, subconsultants or agents during the performance this Agreement, or from any violation of any federal, state, or municipal law or ordinance to the extent caused, in whole or in part, by the negligence, reckless, or willful misconduct of Consultant or its employees, subcontractors, or agents, or by the quality or character of Consultant's work, excepting only liability arising from the sole negligence, sole active negligence, or intentional misconduct of City, its officers, employees, agents, and volunteers.

12.4. Other than in the performance of professional services by a design professional, which law shall be solely as addressed in subparagraph 12.3 above, and to the fullest extent permitted by law, Consultant shall indemnify, protect, defend, and hold harmless City, and its officers, employees, agents, and volunteers, from and against any claims, demands, damages, costs, or liability (including liability for claims, suits, actions, arbitration proceedings, administrative proceedings, regulatory proceedings, losses, expenses, or costs of any kind, interest, defense costs, and expert witness fees) arising out of the performance of this Agreement by Consultant, its officers, employees, agents, subcontractors and subconsultants, excepting only that resulting from the sole negligence, sole active negligence, or intentional misconduct of City, its officers, employees, agents, and volunteers. It is understood that the duty of Consultant to indemnify and hold harmless includes the duty to defend as set forth in section 2778 of the California Civil Code.

12.5. Acceptance of insurance certificates and endorsements required under this Agreement does not relieve Consultant from liability under this indemnification and hold harmless clause. This indemnification and hold harmless clause shall apply whether or not such insurance policies shall have been determined to be applicable to any of such damages or claims for damages.

13. <u>ASSIGNMENT OF AGREEMENT</u>. Consultant is without right to and shall not assign this Agreement or any part thereof or any monies due hereunder without the prior written consent of the City.

14. <u>INSURANCE</u>

14.1. **Insurance.** On or before beginning any of the services or work called for by any term of this Agreement, Consultant, at its own cost and expense, shall carry, maintain for the duration of the Agreement (including all extensions provided), and provide proof thereof that is acceptable to the City the insurance specified in subsections (A) through (F) below with insurers and under forms of insurance satisfactory in all respects to the City. Consultant shall not allow any subcontractor to commence work on any subcontract until all insurance required of the Consultant has also been obtained for the subcontractor. The Certificate of Insurance shall clearly identify the project name and number in the space labeled "Description of Operations/Locations/Special Items" on the form.

A. ***Commercial General and Automobile Liability*****.** Consultant, at Consultant's own cost and expense, shall maintain commercial general and automobile liability insurance for the period covered by this Agreement in an amount not less than one million dollars ($1,000,000) per occurrence, combined single limit coverage for risks associated with the work contemplated by this Agreement. If a Commercial General Liability Insurance or an Automobile Liability form or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to the work to be performed under this Agreement or the general aggregate limit shall be at least twice the required occurrence limit. Such coverage shall include but shall not be limited to, protection against claims arising from bodily and personal injury, including death resulting therefrom, and damage to property resulting from activities contemplated under this Agreement, including the use of owned and non-owned automobiles.

Coverage shall be at least as broad as Insurance Services Office Commercial General Liability occurrence form CG 0001 and Insurance Services Office Automobile Liability form CA 0001 Code 1 (any auto).

Each of the following shall be included in the insurance coverage or added as an additional insured endorsement to the policy: City, its officers, employees, agents, and volunteers are to be covered as insured's as respects each of the following: liability arising out of activities performed by or on behalf of Consultant, including the insured's general supervision of Consultant; products and completed operations of Consultant; premises owned, occupied or used by Consultant; or automobiles owned, leased, hired, or borrowed by Consultant. In the event that Consultant purchases automobiles during the term of this Agreement, said automobiles shall be likewise covered. The coverage shall contain no special

An endorsement must state that coverage is primary insurance and that no other insurance affected by the City will be called upon to contribute to a loss under the coverage.

Insurance is to be placed with California-admitted insurers with a Best's rating of no less than A:VII.

B. ***Professional Liability.*** Consultant shall obtain, and during the term of this Agreement shall maintain, a policy of professional liability insurance that shall:

i. Be from an insurance company authorized to be in business in the State of California;

ii. Be in an insurable amount of not less than $1,000,000 for each occurrence; and

iii. Provide that the policy shall remain in full force during the full term of this Agreement and shall not be canceled, terminated, or allowed to expire without thirty (30) days prior written notice to the City from the insurance company.

C. ***Workers' Compensation*.** Statutory Workers' Compensation Insurance and Employer's Liability insurance for any and all persons employed directly or indirectly by Consultant shall be provided with limits not less than one million dollars. In the alternative, Consultant may rely on a self-insurance program to meet these requirements so long as the program of self-insurance complies fully with the provisions of the California Labor Code. The insurer, if insurance is provided, or the Consultant, if a program of self-insurance is provided, shall waive all rights of subrogation against the City for loss arising from work performed under this Agreement.

D. ***Deductibles and Self-Insured Retentions.*** During the period covered by this Agreement, upon express written authorization of City Risk Manager, Consultant may increase such deductibles or self-insured retentions with respect to City, its officers, employees, agents, and volunteers. The City may condition approval of an increase in deductible or self-insured retention levels upon a requirement that Consultant procure a bond guaranteeing payment of losses and related investigations, claim administration, and defense expenses that is satisfactory in all respects to each of them.

E. ***Notice of Reduction in Coverage.*** In the event that any coverage required under subsections (A), (B), or (C) of this section of the Agreement is reduced, limited, or materially affected in any other manner, Consultant shall provide written notice to City at Consultant's earliest possible opportunity and in no case later than five day after Consultant is notified of the change in coverage.

F. ***Other Remedies.*** In addition to any other remedies City may have if Consultant fails to provide or maintain any insurance policies or policy endorsements to the extent and within the time herein required, City may, at its sole option:

i. Obtain such insurance and deduct and retain the amount of the premiums for such insurance from any sums due under the Agreement;

ii. Order Consultant to stop work under this Agreement or withhold any payment which becomes due to Consultant hereunder, or both stop work and withhold any payment, until Consultant demonstrates compliance with the requirements hereof;

iii. Terminate this Agreement.

iv. Exercise of any of the above remedies, however, is an alternative to other remedies City may have and is not the exclusive remedy for

Consultant's failure to maintain insurance or secure appropriate endorsements.

15. DISPUTES

15.1. If a dispute should arise regarding the performance of this Agreement, the following initial dispute resolution procedures shall be used:

A. Within twenty (20) City working days after a dispute regarding the performance of this Agreement arises, it shall be reduced to writing at staff level by the complaining party setting forth the nature of the dispute in detail, along with all pertinent back up documentation in support. The writing shall be delivered to the receiving party by first class mail or personal delivery directly to the party's project manager, along with recommended methods of resolution.

B. The party receiving the letter shall reply to the letter with a detailed response, along with a recommended method of resolution, if any, within ten (10) City working days of receipt of the letter.

15.2. If the dispute is not resolved at staff level in accordance with Section 15.1, within five (5) City working days of the receiving party response (or longer if agreed between the parties), the aggrieved party, through its respective project manager shall deliver to the City Manager's office a letter outlining the dispute for the City Manager's review. The receiving party may submit further response, if required, to the City Manager within five (5) City working days thereafter. The City Manager, at his/her sole discretion may respond as he/she deems appropriate, including recommendations for resolution, discussions, or rejection of the dispute within fifteen (15) working days of receipt of the complaint.

15.3. If the dispute remains unresolved and the parties have exhausted the procedures outlined in this section, the parties may then seek remedies available to them under this Agreement and at law, including, but not limited to, under the termination procedures. This provision does not relieve Consultant of its obligation and Consultant is required to timely comply with all applicable provisions of the Government Claims Act before initiating any legal proceeding against City.

16. CONFLICT OF INTEREST. Contractor warrants and covenants that it presently has no interest in, nor shall any interest be hereinafter acquired in, any matter which will render the services required under the provisions of this Agreement a violation of any applicable state, local, or federal law, including, but not limited to, Government Code section 1090. If any principal provider of services is a "consultant" for the purposes of the Fair Political Practices Act (Gov. Code § 81000 et seq.), each such person shall comply with Form 721 Statement of Economic Interests filing requirements in accordance with state or City local Conflict of Interest Code. In addition, if any other conflict of interest should nevertheless hereinafter arise, Consultant shall promptly notify City of the existence of such conflict of interest so that the City may determine whether to terminate this Agreement.

17. CONSULTANT'S BOOKS AND RECORDS.

17.1. Consultant shall maintain any and all ledgers, books of account, invoices, vouchers, canceled checks, and other records or documents evidencing or relating to charges for services, or expenditures and disbursements charged to City for a minimum period of three (3) years, or for any longer period required by law, from the date of final payment to Consultant.

17.2. Consultant shall maintain all documents and records which demonstrate performance under this Agreement for a minimum period of three (3) years, or for any longer period required by law, from the date of termination or completion of this Agreement.

17.3. Any records or documents required to be maintained pursuant to this Agreement shall be made available for inspection or audit, at any time during regular business hours, upon written request by the City General Counsel, City Auditor, City Manager, or a designated representative of any of these officers. Copies of such documents shall be provided to City for inspection when it is practical to do so. Otherwise, unless an alternative is mutually agreed upon, the records shall be available at Consultant's address indicated for receipt of notices in this Agreement.

17.4. City may, by written request by any of the above-named officers, require that custody of the records be given to City and that the records and documents be maintained in the City Manager's office. Access to such records and documents shall be granted to any party authorized by Consultant's representatives, or Consultant's successor in interest.

18. <u>WRITTEN NOTIFICATION</u>. Any notice, demand, request, consent, approval or communication that either party desires or is required to give to the other party shall be in writing and either served personally or sent by prepaid, first class mail. Any such notice, demand, etc. shall be addressed to the other party at the address set forth below. Either party may change its address by notifying the other party of the change of address. Notice shall be deemed communicated within 48 hours from the lime of mailing if mailed as provided in this section.

If to City:

Kenny Williams,
City Manager,
401 West Kem Avenue,
McFarland, California 93250,
Phone: 661-792-3091
Email: kwilliams@mcfarlandcity.org

If to Consultant:

Ethan Mobley
19235 Hwy 550
Montrose, CO 81403
Phone: 970-323-4331

Any party may change any of the foregoing as it relates to the party by giving written notice to the other party of the change in the manner set forth herein.

19. GENERAL PROVISIONS

19.1. Waiver of a breach or default under this Agreement shall not constitute a continuing waiver of a subsequent breach of the same or any other provision under this Agreement.

19.2. If any term or portion of this Agreement is held to be invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions of this Agreement shall continue in full force and effect.

19.3. This Agreement and all matters relating to it shall be governed by the laws of the State of California and any action brought relating to this Agreement shall be held exclusively in a state court in the County of Kern.

19.4. Time is of the essence with regard to each covenant, condition, and provision of this Agreement.

19.5. This Agreement constitutes the entire agreement between the parties with regard to the subject matter herein and supersedes any prior oral and written agreements and understandings between the parties with respect thereto.

19.6. This Agreement may not be altered, amended, or modified except by a writing executed by duly authorized representatives of all parties.

19.7. In the event any action or proceeding is instituted arising out of or relating to this Agreement, the prevailing party shall be entitled to its reasonable attorney's fees and actual costs.

19.8. This Agreement may be executed in counterparts. A facsimile or electronic copy of this Agreement shall be as effective as the original for all purposes.

19.9. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto, and their respective heirs, successors, and assigns. Notwithstanding the foregoing, Consultant shall not assign this Agreement or any part thereof to any other entity or individual.

19.10. City and Consultant each acknowledge that each party and their respective legal counsel have reviewed this Agreement and agree that this Agreement is the product of negotiations between the parties. This Agreement shall be interpreted without reference to the rule of interpretation of documents that uncertainties or ambiguities therein shall be determined against the party so drafting the Agreement.

20. **CONSULTANT'S CERTIFICATION OF AWARENESS OF IMMIGRATION REFORM AND CONTROL ACT.** Consultant certifies that Consultant is aware of the requirements of the Immigration Reform and Control Act of 1986 (8 USC §§ 1101-1525) and has complied and will comply with these requirements, including but not limited to, verifying the eligibility for employment of all agents, employees, subcontractors and consultants that are included in this Agreement.

21. **CONSULTANT'S AWARENESS AND COMPLIANCE WITH THE AMERICANS WITH DISABILITIES ACT.** Consultant certifies that Consultant is aware of the requirements of the Americans with Disabilities Act of 1990 (42 USC § 12101) and has complied with and will comply with these requirements, included but not limited to verifying compliance of their contractors, consultants, agents, and employees.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the Effective Date.

Date: ______________ CITY OF MCFARLAND

By: ___________________________________
Saul Ayon
Mayor

Date: ______________ DYNAMIC PLANNING + SCIENCE.

By: ___________________________________

Name: ________________________________

Its: ___________________________________

ATTACHMENT "A"
Scope of Work

1) Project Initiation

The core planning team will be assembled and confirmed. This phase includes formally inviting the participation of past and potential Planning Partners, and securing the written commitment of each authorized agent or governing body.

The City has applied for So Cal Gas Grant planning grant and the California Adaptation Planning Grant to fund the City's effort to update the LHMP. Pending approval of So Cal Gas Grant funding, to ensure a well-coordinated, inclusive, and cost-effective process, City staff will convene several initial coordination meetings with Planning Department with the Consultant serving as facilitator and project coordinator. Meeting participants will review the overall work program, identify and clarify roles and responsibilities, and add more detailed tasking to the scope of work.

This phase also includes administrative tasks such as establishing project timeline tracking and accounting procedures and coordinating award acceptance if grant funding is approved. Project initiation will be coordinated primarily by the McFarland Community Development Department. Upon the selection of a Consultant for this project, primary management of the project and timeline will be coordinated by the Consultant.

The Consultant will establish and maintain communications with Planning Department, ensure that the project timeline and deadlines are communicated and adhered to throughout the planning process.

Phase 1 is estimated to be completed in approximately one month.

2) Public Engagement

The public will be engaged at all stages of the planning process- from plan review through local adoption of the LHMP. Initial public engagement will utilize online surveys and direct public outreach to assess community perspectives of local hazards and concerns.

City staff will provide public notice and opportunity for comment for all planning phases requiring such notice, including review of the proposed draft update, and prior to adoption of the LHMP.

All Planning Partners and consultants will have roles in public outreach to ensure maximum participation from the community. The Consultant will be responsible for creating public surveys, tracking, compiling, and reporting of the public comments.

3) Plan Review

Planning Partners and the Contractor will undertake a comprehensive review of the existing LHMP, as well as related plans that have been completed or updated since the last LHMP in November of 2016. A performance review of the LHMP will be conducted to identify the status of previously identified projects, what worked well, what did not work well, and known factors for either outcome or no change in progress.

Portions of the plan will be identified that need to be updated to reflect changed circumstances or enhanced due to new data, annexed areas, technology, or tools. Each planning partner will be asked to review their prior action plan and report which initiatives were or were not completed during the performance period, which projects should be carried over, and what new elements or initiatives should be added. The selected Consultant will coordinate plan review and compile review results from all Planning Partners.

The Contractor will coordinate plan review, compile review results from all Planning Partners, determine and document the status of previously identified strategies and projects, and work with any subcontracted consultants to ensure currency and accuracy of technical elements and updates.

The review of the existing LHMP and related plans is estimated to be completed in approximately one month.

4) Hazard and Risk Assessment, Local Vulnerability, and Capability Assessment

This phase will require the most technical assistance from the Consultant. As necessary, portions of the risk assessment will be updated and enhanced in order to provide adequate data that can be used to better gauge the cost effectiveness of potential mitigation projects. Any available credible new technical data will be incorporated into this analysis by the consultant and/or subcontractors approved by the core planning team. For example, new Flood Insurance Rate Maps (FIRMs) have been produced by FEMA for the planning area and involve an updated flood hazard risk assessment for the affected areas. As part of the update, the vulnerability of resources at risk to damage from the identified hazards will be assessed.

Based on the findings of the updated risk assessment, a local vulnerability analysis will be conducted by the consultant and/or subcontractors approved by the core planning team. The objective of this task is to update the summary of each jurisdiction’s vulnerability to hazards based on new information and to address the potential impact of each hazard. The vulnerability analysis will be updated to include an inventory of the number and type of structures at risk; the impact on life, safety, and health, and the need and procedures for warning and evacuating; the identification of critical facilities and the impact of the hazard on those facilities; and a review of the development/ redevelopment trends projected for the future in each identified area.

The plan's capability assessment will also be updated, including an inventory of the community's mission, programs and policies, and an analysis of its capabilities to carry them out.

New or changed elements since the last LHMP update include climate change impacts, sea level rise projections, and the degradation of regional communication infrastructure.

The consultant will identify and coordinate with subcontracted consultants that have been approved by the core planning team and complete the risk assessment and capabilities analysis in accordance with applicable FEMA guidance, including the Threat and Hazard Identification and Risk Assessment process outlined in CPG 201.

<u>This phase is estimated to take approximately two months and may overlap with Phases 3 and 5.</u>

<u>5) Identify Mitigation Strategies and Update LHMP</u>

The hazard mitigation goals and objectives will be reviewed and updated as necessary at the beginning of the plan update drafting process. Planning Partners will focus on identifying new, and refining existing, mitigation actions and projects and submitting documentation and information to the consultant. Each planning partner will be responsible for evaluating and updating their own mitigation strategy. The updated and refined actions and projects outlined in the mitigation strategy will then be analyzed and prioritized by the core planning team. Prioritization will emphasize maximizing the benefits according to a cost effectiveness review of the proposed projects and their anticipated costs based on information provided by the participating jurisdictions.

Planning Partners will be asked to review the structure and format of the previous update and make recommendations for changes that would make the update more useful to their jurisdiction, as well as identify obstacles that prevented completion of previously proposed projects.

Planning Partners will convene to present their plan elements, risk assessment, mitigation strategies, and updates to the other Planning Partners before the draft update is assembled for review.

The Contractor will solicit and collect plan updates from all Planning Partners, schedule and facilitate plan update meetings and workshops, provide guidance and suggestions for refining mitigation strategies to ensure that identified projects align with state and federal mitigation goals and funding requirements, and compile all updated information received from Planning Partners.

This phase is estimated to take approximately two months.

6) Compile Draft LHMP Update

The Contractor will collect and compile all updated LHMP elements from Planning Partners and technical specialists, to produce the Public Review Draft. The Public Review Draft will be published and distributed for review by Planning Partners, stakeholders, interested parties, and the general public.

Assembling the Plan for review is estimated to take approximately one month.

7) Local Review and Revision

Feedback and suggested edits will be compiled by the Contractor and reviewed by the Planning Partners. Final edits will be made and the FEMA plan review crosswalk will also be completed to illustrate the plans compliance with section 201.6 44 CFR requirements.

Coordination of the revision process is estimated to take approximately one month.

9) Plan Submittal and Adoption

City of McFarland will forward the final draft of the updated plan to be approved by Cal OES and FEMA. Requested revisions will be made as applicable and resubmitted by the Planning Team. The section of the plan referencing implementation and maintenance will be referenced by the Planning Team to carry out the recommended hazard mitigation actions.

Once the Planning Partnership has received confirmation of pre-adoption approval from both the Cal OES and FEMA, the Planning Team will invoke its standard adoption process. All participating planning partners will be notified of the "adoption window" and provided with a sample resolution to ensure that all named Planning Partners formally adopt the approved LHMP through its established process with the governing body. The City of McFarland will forward proof of adoption documentation to the State Hazard Mitigation Officer and FEMA region IX office.

The Planning Partnership will formally present the plan update to the Mendocino County Board of Supervisors and the governing bodies of Planning Partners as required. Public notice will be provided to invite community engagement during scheduled presentations.

The Consultant will be responsible for coordinating the correction of any plan elements returned by Cal OES or FEMA for revision. Any corrections required for state and federal approval of the plan after submission to Cal OES and FEMA will be made at no additional cost by Consultant in order to comply with the contracted service of producing a FEMA-approved approved LHMP.

Cal OES and FEMA require a six-month time frame for plan approval. Once the plan has been approved by Cal OES/FEMA.

ATTACHMENT "B"
Payment for Services

Once an invoice is submitted and approved by the City, City payment will be made within 30 days of approval. The payment provided is full compensation for the DESCRIBED SERVICES

McFarland Hazard Mitigation Plan

Dynamic Planning + Science

2023

Task	Start	Days	End	1	2	3	4	5	6	7	8	9	10	11	12
Hazard Mitigation Plan Development															
Project Management	2/1/2023	**333**	12/31/2023												
					$ 190	$ 190	$ 190	$ 190	$ 190	$ 190	$ 190	$ 190	$ 190	$ 190	$ 190
Project Initiation	2/1/2023	**27**	2/28/2023												
					$ 4,184										
Public Engagement	2/1/2023	**163**	7/14/2023												
					$ 380	$ 380	$ 380	$ 380	$ 380	$ 190					
Plan Review	2/16/2023	**30**	3/18/2023												
					$ 523	$ 1,569									
Hazard/Risk Assessment and	3/18/2023	**58**	5/15/2023												
						$ 784	$ 3,138	$ 2,353							
Identify Mitigation	3/18/2023	**58**	5/15/2023												
						$ 784	$ 3,138	$ 2,353							
Compile Draft LHMP Update	5/15/2023	**30**	6/14/2023												
								$ 4,881	$ 9,762						
Local Review and Revision	6/14/2023	**30**	7/14/2023												
									$ 1,046	$ 1,046					
Plan Submittal and Adoption	7/14/2023	**170**	12/31/2023												
										$ 190	$ 380	$ 380	$ 380	$ 380	$ 380
Aniticapted Monthly Labor Cost					$ 5,277	$ 3,708	$ 6,846	$ 10,158	$ 11,378	$ 1,616	$ 570	$ 570	$ 570	$ 570	$ 570
Aniticapted Monthly ODC Cost						$ 659	$ 659	$ 659	$ 659						
Aniticapted Monthly Total Cost					**$ 5,277**	**$ 4,367**	**$ 7,504**	**$ 10,816**	**$ 12,037**	**$ 1,616**	**$ 570**	**$ 570**	**$ 570**	**$ 570**	**$ 570**

ATTACHMENT “C”
Project Schedule and Completion Date

A. TIMELINE FOR PROJECT PER TASK

McFarland Hazard Mitigation Plan

Dynamic Planning + Science

2023

Task	Start	Days	End
Hazard Mitigation Plan Development			
Project Initiation	2/1/2023	**27**	2/28/2023
Public Engagement	2/1/2023	**163**	7/14/2023
Plan Review	2/16/2023	**30**	3/18/2023
Hazard/Risk Assessment and Capability Assessment	3/18/2023	**58**	5/15/2023
Identify Mitigation Strategies and Update LHMP	3/18/2023	**58**	5/15/2023
Compile Draft LHMP Update	5/15/2023	**30**	6/14/2023
Local Review and Revision	6/14/2023	**30**	7/14/2023
Plan Submittal and Adoption	7/14/2023	**170**	12/31/2023

CITY OF MCFARLAND

STAFF REPORT

TO: Honorable Mayor and City Council Members

FROM: Christina Arias, Human Resources Director

DATE: January 26, 2023

SUBJECT: Report, Discuss, and Possible Approval of Resolution No. 2023-0009 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MCFARLAND AUTHORIZING THE CITY MANAGER TO SIGN AND EXECUTE AN AGREEMENT WITH STERLING ADMINISTRATION TO PROVIDE COBRA SERVICES.

SUMMARY:

The attached is a standard agreement for administrative services as required for the administration of the continuation of coverage provisions of COBRA for certain employees and their dependents. Sterling Administration is a provider of these specialized services, which consists of administrative services for the City of McFarland in connection with the Plan beginning February 1, 2023. The agreement shall be for one-year term and shall commence on the effective date February 1, 2023. Either party may terminate this agreement by providing 30 days written notice to the other party. In the absence of such notice, the agreement shall be extended for one (1) year on the anniversary of the original effective date and may therefore be extended in one-year increments. Any modification to the terms of this agreement, including compensation, may be made by execution of a revised services addendum. The services to be provided by Sterling Administration consists of:

ADMINISTRATIVE SERVICES

Administrator shall provide Employer with the following services as required for the administration of the continuation of coverage provisions of COBRA for certain employees and their dependents.

A. Provide the following forms, which are necessary to administer continuation of coverage:

1. Initial COBRA Notice;
2. Notice of continuation of coverage;
3. Continuation enrollment form;
4. Payment Coupons; and

5. Termination notices.

B. Provide direct contact with the continuing individuals on behalf of Employer.

C. Make available to Employer actuarial services to determine a reasonable premium amount. Employer shall reimburse Administrator for actuarial services that Employer authorizes.

D. Distribute the Initial COBRA notice to all newly hired employees.

E. Send notification of continuation to qualified individuals to the last known address, within ten working days of receiving notice of qualifying event.

F. Collect premiums from continuing individuals. Administrator will have no responsibility to remit any premiums not collected from any continuing individual.

G. Remint premiums collected to the Employer.

H. Notify Employer when time limits expire, when Administrator learns that a disqualifying event has occurred, or when coverage lapses dure to non-payment of premium.

I. Maintain and provide to Employer records on individuals covered under the continuation provisions.

J. Provide Employer with information regarding updates and changes in COBRA that affect the services being performed under this agreement.

FINANCIAL IMPACT:

No Financial Impact. The broker is covering the cost of COBRA administration fees, with Sterling Administration any fees associated with the program will be billed to the agency, for as long as the agency remains as the broker of record.

RECOMMENDATION:

Staff Recommends Council Approve Resolution No. 2023-0009 Approving an Agreement between City of McFarland and Sterling Administration to provide administrative services of continuation of coverage provision of COBRA and Authorize the City Manager to Execute the Agreement.

ATTACHMENT:

COBRA Administrative Service Agreement
Resolution No. 2023-0009

RESOLUTION NO. 2023-0009

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MCFARLAND AUTHORIZING THE CITY MANAGER TO SIGN AND EXECUTE AN AGREEMENT WITH STERLING ADMINISTRATION TO PROVIDE COBRA SERVICES.

WHEREAS, the City wishes to contract with Sterling Administrative Services to provide professional services for COBRA, Retiree Billing, ACA or Compliance Products; and

WHEREAS, the services provided are described in the COBRA Administrative Service Agreement

WHEREAS, said agreement has been made in the form and manner prescribed by the City of McFarland Municipal Code and the California Public Contract Code; and

WHEREAS, Sterling Administration and the City each acknowledge that each party and their respective legal counsel have reviewed the Agreement; and

WHEREAS, the Agreement shall be governed by and construed in accordance with the laws of the State of California; and

NOW THEREFORE BE IT RESOLVED, by the City Council of the City of McFarland herby finds and determines as follows:

Section 1. Approves the agreement with Sterling Administration.

Section 2. Authorizes the City Manager to endorse the agreement.

Section 3. The Agreement shall not be valid unless and until so approved by the City Attorney and Executed by the City Manager upon satisfaction of the requirements and contingencies indemnified herein.

I hereby certify that the foregoing is a full, true and correct copy of the resolution of the City Council of the City of McFarland at a meeting held on Thursday, January 26, 2023, moved by Councilmember ___________________and seconded by Councilmember ____________________, duly adopted and passed by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

____
Saul Ayon, Mayor

____
Francisca Alvarado, City Clerk

ADMINISTRATIVE SERVICES AGREEMENT

THIS ADMINISTRATIVE SERVICES AGREEMENT ("Agreement"), effective the First day of your plan year is by and between Sterling Administration ("Sterling"), with principal business and mailing address at P.O. Box 71107, Oakland, California 94612, and your corporation. For purposes of this agreement the terms YOUR CORPORATION will refer to the name listed on page one of the 'Employer Application'.

WITNESSED THAT:

WHEREAS, YOUR CORPORATION, in the interest of providing COBRA, Retiree Billing, ACA or Compliance Products (each, a "Program") Services is desirous of entering into this Agreement with Sterling;

WHEREAS, Sterling is desirous of delivering and providing qualified and competent administrative services ("Service" or "Services") through YOUR CORPORATION, as these services are more fully identified in this Agreement; and

NOW, THEREFORE, in return for the promises contained in this Agreement, and for other good and valuable consideration, the parties, intending to be legally bound, mutually agree as follows:

(1) **TIME OF PERFORMANCE.**

a. Client and Sterling shall provide the Services/Data required under this Agreement during the Term as defined in Section 13 (and thereafter to the limited extent provided in Section 13), unless this Agreement is sooner terminated as provided in this Agreement.

(2) **INDEPENDENT CONTRACTOR STATUS AND RESPONSIBILITIES.**

a. In the performance of the Services required by this Agreement, each party shall be an independent contractor with the authority and responsibility to control and direct its own performance and the details of the work and Services required of such party under this Agreement; however, each party shall have a general right to review the Services provided by the other to determine whether, in the reasonable opinion of the first party, the Services being performed by the other are in accordance with the provisions of this Agreement. All persons hired or used by each party shall be that party's employees and agents and the hiring party shall ensure that such persons are trained, qualified, and appropriately licensed to provide Services under this Agreement. Each party shall be responsible for the accuracy, completeness, and adequacy of any and all work and Services performed by its employees and agents and shall ensure that all applicable licensing and operating requirements of federal, state, county, and municipal governments, and all applicable accreditation and other standards of quality generally accepted in the field of such party's activities are complied with and satisfactorily met. Furthermore, each party intentionally, voluntarily, and knowingly assumes the sole and entire liability to its employees, agents, and other persons for all loss, damage, or injury caused by its employees and agents in the course of their employment or engagement. Participation by a party in the performance of Services under this Agreement shall not constitute nor be construed as employment with the other party and shall not entitle a party or its employees, agents, or subcontractors to vacation, sick leave, retirement, or other benefits afforded employees of the other party. Each party shall be responsible for payment of applicable income, social security, and any other federal, state, county, or municipal taxes and fees.

(3) **SCOPE OF SERVICES**

a. YOUR CORPORATION has sole and final authority to establish, maintain, control, and manage the operation of the applicable Program. Sterling expressly does not assume any responsibility for the general design of any Program, the adequacy of its funding, or any act or omission or breach of duty by YOUR CORPORATION. Nor is Sterling in any way to be deemed an insurer, underwriter, or guarantor with respect to any benefits payable under any Program. Sterling merely facilitates collection of COBRA premiums and submits to client and does not assume any financial risk or obligation with respect to claims for benefits payable by YOUR CORPORATION under the applicable Program. Funding for any payment on behalf of participants under the applicable Program, including but not limited to, all benefits to participants in accordance with the applicable Program, is the sole responsibility of YOUR CORPORATION, and YOUR CORPORATION agrees to accept liability for, and to provide sufficient funds to satisfy, all payments to participants under the applicable Program. Sterling will hold any funds it receives from participants or YOUR CORPORATION to provide services under this agreement in one or more non-interest-bearing accounts. To the fullest extent permitted under applicable law, Sterling does not intend to be the "named fiduciary," "plan sponsor," or "plan administrator" (as such terms are described in ERISA, other applicable law, or the Program documentation) or assume any of the obligations or responsibilities corresponding to those designations. Unless required by applicable law, nothing in this Agreement shall be deemed to (a) render Sterling a party to the Program; (b) confer upon Sterling any authority or control respecting management of the Program, authority or responsibility in connection with administration of the Program, or responsibility for the terms or validity of the Program; or (c) impose upon Sterling any obligation to any employee of YOUR CORPORATION, any Program participant, or any person otherwise entitled to benefits through any Program.

(4) YOUR CORPORATION'S RESPONSIBILITIES

a. Sole Responsibilities.

i. *General*. YOUR CORPORATION has the sole authority and responsibility for the Program and its operation, including the authority and responsibility for establishing, administering, construing, and interpreting the provisions of the Program and making all determinations thereunder. YOUR CORPORATION gives Sterling the authority to act on behalf of YOUR CORPORATION in connection with the Program, but only as expressly stated in this Agreement or as mutually agreed in writing by YOUR CORPORATION and Sterling. All final determinations as to a Program participant's entitlement to Program benefits are to be made by YOUR CORPORATION, including any determination upon appeal of a denied claim for Program benefits.

ii. *Responsibilities*. Without limiting YOUR CORPORATION'S responsibilities with respect to any Program, it shall be YOUR CORPORATION'S sole responsibility and duty to ensure compliance with COBRA; perform required nondiscrimination testing; amend the Programs as necessary to ensure ongoing compliance with applicable law; file any required tax or governmental returns (including Form 5500 returns) relating to the Programs; collect and forward any fees related to the Programs; determine if and when a valid election change has occurred; handle Program participant claim appeals; execute and retain required Program documentation; and take all other steps necessary to maintain and operate the Programs in compliance with applicable provisions of the Programs, ERISA, the Code, and other applicable federal and state laws. YOUR CORPORATION'S engagement of Sterling to assist it in meeting any such obligation does not relieve YOUR CORPORATION of responsibility for the obligation.

b. Service Charges; Fees and Expenses. YOUR CORPORATION shall pay Sterling the service charges set forth in the Proposal presented to the client/broker.

c. Benefit Funding. YOUR CORPORATION shall promptly make funds available for the payment of any Program benefits. These funds shall be clearly separate from any funds otherwise made available for other purposes (e.g., service charges, fees and expenses).

d. Information to Sterling. YOUR CORPORATION shall furnish the information requested by Sterling as determined necessary to perform Sterling's functions hereunder, including information concerning the Program and the eligibility of individuals to participate in and receive Program benefits. Such information shall be provided to Sterling in the time and in the manner agreed to by YOUR CORPORATION and Sterling. Sterling shall have no responsibility with regard to benefits paid (or not paid) in error, or with regard to failure to timely provide required notices or other communications, due to YOUR CORPORATION'S failure to timely update or ensure the accuracy of such information.

e. Plan Documents. YOUR CORPORATION is responsible for the Program's compliance with all applicable federal and state laws and regulations, including amending plan documents as necessary to comply with applicable law changes and reflect changes to the benefit arrangements. Based on the details YOUR CORPORATION provides for the design of the applicable Program, Sterling will prepare, and YOUR CORPORATION will review and approve, the summary plan description and plan documents (including the basic plan document and adoption agreement) for the applicable Program. As the Plan Sponsor, YOUR CORPORATION will be responsible for the contents of the summary plan description and plan documents. To the best of its ability, YOUR CORPORATION will notify Sterling of any changes to a Program at least thirty (30) days before the effective date of such changes. YOUR CORPORATION acknowledges that Sterling is not providing tax or legal advice and that YOUR CORPORATION shall be solely responsible for determining the legal and tax status of the Program.

f. Financial Responsibility for Claims. YOUR CORPORATION is responsible for payment of claims made pursuant to, and the benefits to be provided by, the Program. Sterling does not insure or underwrite the liability of YOUR CORPORATION under the Program. Except for:

    i. expenses required to be paid Sterling in order to be in the business of providing services under this Agreement; and

    ii. expenses specifically assumed by Sterling in this Agreement; YOUR CORPORATION is responsible for all expenses incident to the Program.

g. HIPAA Privacy and Security. With respect to any plan or arrangement under any Program that is subject to the HIPAA privacy rule, YOUR CORPORATION shall provide Sterling with certification that the applicable plan document has been amended as required by the privacy rule to permit disclosures of PHI to YOUR CORPORATION for plan administration purposes and that YOUR CORPORATION agrees to the conditions set forth in applicable plan documentation. Upon request, YOUR CORPORATION will provide a copy of any applicable plan amendments to Sterling. Other aspects of the HIPAA privacy, breach notification, and security rules are reflected in the separate applicable Business Associate Agreement. In the event of a conflict between this Agreement and the Business Associate Agreement regarding HIPAA compliance obligations, the terms of the Business Associate Agreement will control.

(5) **INSURANCE.**

a. Sterling shall obtain, maintain, and keep in force throughout the time of performance of Services under this Agreement, and shall cause its employees and agents to obtain, maintain, and keep in force throughout the time of performance of Services under this Agreement, all insurance coverage appropriate to such party's business and the Services provided under this Agreement, including liability coverage and workers' compensation coverage issued by an insurance company or indemnity company authorized to conduct business in the state of such party's incorporation. Upon a party's request, the other party shall provide documents sufficient to demonstrate compliance with the requirements of this [Section 5].

(6) **INDEMNIFICATION.**

a. Each party (the “indemnifying party”) shall indemnify, defend, and hold harmless the other party and the other party’s officers, directors, employees, and agents, (each of the foregoing hereinafter referred to as an “indemnified party”) from and against any and all actions, liabilities, claims, suits, damages, liens, judgments, losses, fines, penalties, costs, and expenses (including reasonable attorneys’ fees of counsel selected by the indemnified party and costs) arising out of or from (a) the acts or omissions of the indemnifying party or the indemnifying party’s officers, directors, employees, agents, or subcontractors occurring during the indemnifying party’s performance under or in connection with this Agreement, or (b) breach of this Agreement by the indemnifying party or the indemnifying party’s officers, directors, employees, agents, or subcontractors. The indemnifying party’s obligation to indemnify the indemnified party and its officers, directors, employees, and agents shall survive the expiration or termination of this Agreement for any reason.

(7) **SUBCONTRACTORS AND ASSIGNMENTS.**

a. Sterling may perform any of the services described in this agreement through agents or subcontractors selected by Sterling, in its sole discretion. Sterling shall reasonably supervise any such agent or subcontractor, and the retention of agents or subcontractors shall not relieve Sterling of its duties under this Agreement. Furthermore, no assignment of claims for money due or to become due to Sterling under this Agreement shall be effective unless the assignment of such claims is first approved in writing by Sterling.

b. Subject to any provisions of this Agreement restricting assignment or transfer, this Agreement shall be binding upon and shall inure to the benefit of the parties to this Agreement and their respective legal representatives, successors, and permitted subcontractors and assigns. This Agreement shall not be enforceable by or give rise to rights of any other third parties.

(8) **CONFLICTS OF INTEREST.**

a. Each party represents that it presently has no interest, and promises that it shall not acquire any interest, direct or indirect, that would substantially conflict with or jeopardize its performance of Services under this Agreement.

(9) **PROHIBITED DISCRIMINATION.**

a. With respect to this Agreement, each party shall comply with all applicable federal and state laws prohibiting discrimination against any person on the grounds of race, color, national origin, religion, creed, sex, age, disability, or on any other grounds proscribed under applicable state or federal law.

(10) **COMPLIANCE WITH ALL LAWS.**

a. Each party represents and warrants that it has and shall maintain, and that its employees, agents, and subcontractors shall have and maintain, all licenses, accreditations, and approvals that are customary to its business or that are necessary to provide Services under this Agreement. Each party shall observe and comply, and shall cause its employees, agents, and subcontractors to observe and comply, with all laws, ordinances, rules, and regulations of the federal, state, county, or municipal governments, now in force or which may hereinafter be in force.

(11) **CONFIDENTIALITY OF BUSINESS INFORMATION.**

a. Each party acknowledges that this Agreement, and all materials and information concerning the other party's business and operations, including, but not limited to, a party's billing and fees, employees, legal disputes, policies, procedures, and all documents and reports regarding or prepared by a party (other than those in the public domain), and any other information regarding the provision of services by, or the administration and operation of, a party (collectively, "**Confidential Information**"), are commercially valuable and confidential. Each party and each party's employees and agents shall hold the other party's Confidential Information in strict confidence, shall not provide, disclose, or otherwise make available any such information to any third party, and shall not use such information for any purposes other than performance in accordance with this Agreement, without the prior written approval of the other party, unless otherwise required by law.

(12) **COPYRIGHTS AND PATENTS.**

a. Sterling shall have complete ownership, title, and right in and to all materials, discoveries, or inventions, both finished and unfinished, which are developed, prepared, assembled, or conceived by Sterling pursuant to this Agreement. No summary, report, chart, graph, table, study, or other document, or discovery, invention, or development produced in whole or in part by Sterling under this Agreement shall be the subject of an application for copyright, trademark, or patent by or on behalf of YOUR CORPORATION or YOUR CORPORATION 's officers, employees, agents, or subcontractors without prior written authorization from Sterling.

(13) **TERM; RENEWAL; TERMINATION.**

a. Unless earlier terminated as provided in this Section 13, this Agreement shall be effective for a term of one (1) year from the Effective Date. Thereafter, this Agreement will automatically terminate unless YOUR CORPORATION completes an online renewal, at www.sterlingadministration.com, submits a paper renewal application or by contacting a Sterling representative.

b. If either party breaches this Agreement, the non-breaching party may terminate this Agreement upon thirty (30) days prior written notice to the breaching party; provided, however, that such termination notice shall not be effective if the breaching party promptly seeks to cure such breach, diligently pursues cure, and does cure such breach within the thirty (30) day period following the date of the notice, or a reasonable longer period if the breach cannot reasonably be cured within such time. Notwithstanding the foregoing, either party may terminate this Agreement immediately upon written notice to the other if: (a) the other party fails to possess any license, accreditation, or approval necessary to its business or to provide the Services under this Agreement, or (b) fails to have and maintain the insurance required under Section 5 of this Agreement, or (c) the party seeking termination reasonably concludes that the other party may pose an imminent threat to the orderly administration of the terminating party's operations, or (d) the other party commits any act that reasonably may impair the reputation of the party seeking termination.

c. In the event of termination or expiration of this Agreement for any reason, all obligations of the parties to each other shall terminate immediately except as provided below.:

d. Upon request of YOUR CORPORATION or Sterling, Services under this Agreement shall continue for such period (not exceeding thirty (30) days) as is reasonably necessary to transfer the provision of the Services to another service provider.

e. The parties shall settle all outstanding matters related to this Agreement, including financial obligations as to payment or otherwise, in good faith and in accordance with this Agreement.

f. Each party shall promptly return to the other party all Confidential Information in its possession relating to the other party.

g. The obligations of the parties set forth in Section 6 (Indemnification), Section 11 (Confidentiality of Business Information) and in this Section 13 (Term; Renewal; Termination) shall survive the expiration or termination of this Agreement.

h. Despite expiration or termination of this Agreement for any reason, neither party shall be relieved of liability to the other party or to third parties for its performance of this Agreement during the Term.

(14) **MODIFICATION OF AGREEMENT.**

a. Any modification, alteration, or change to this Agreement shall be made only by written supplemental agreements executed by authorized representatives of the parties.

(15) **WAIVERS.**

a. It is expressly understood and agreed that no waiver granted by a party of a breach or default by the other party of any of the provisions of this Agreement shall constitute or be construed in any manner as a waiver of the provision or of the right by the non-breaching party to enforce the same as to any other or further violation by the other party. Similarly, no failure or delay on the part of a party in exercising any right, power, or privilege under this Agreement, and no course of dealing between the parties shall operate as a waiver thereof; nor shall any single or partial exercise of any right, power, or privilege under this Agreement by either party preclude any other or further exercise thereof or the exercise of any other right, power, or privilege.

(16) **PERSONNEL RECRUITMENT.**

a. Each party agrees that at no time during the Term of this Agreement or during any extension or renewal thereof, and for a period of one (1) year thereafter, shall it contact any employee of the other party or any affiliate thereof for the purpose of employing, hiring, or otherwise interfering with the employment relationship between such employee and his/her employer or any affiliate thereof without the prior written approval of the employing party, nor shall either party, directly or indirectly, for itself or on behalf of or in connection with any other person, firm, partnership, corporation, or association, solicit, hire, or entice away any employee from his/her employer or any affiliate thereof.

(17) **FORCE MAJEURE.**

a. Should the performance of this Agreement by YOUR CORPORATION and/or Sterling be prevented or delayed by an act of God, war, civil insurrection, fire, flood, storm, strikes, lockouts, or by any law, regulation, or order of any federal, state, county, or municipal authority, or by any other cause beyond the reasonable control of YOUR CORPORATION and/or Sterling, as the case may be, such party's performance to the extent it is so prevented or delayed shall be excused, provided that the party diligently attempts to perform to the extent it is not so prevented or delayed. If any such event occurs, the nonperforming party shall make reasonable efforts to notify the other party of the nature of any such condition and the extent of the delay.

(18) **INVALID PROVISIONS.**

a. If any provision of this Agreement or any other document contemplated hereby is rendered illegal, invalid, or unenforceable by any judicial decision, legislative action or regulation, or other administrative ruling, whether federal or state, such provision shall be fully severable and:

i. This Agreement and any other document contemplated hereby shall be construed and enforced as if such illegal, invalid, or unenforceable provision had never comprised a part hereof or thereto;

ii. The remaining provisions of this Agreement and any other document contemplated hereby that reasonably can be given effect apart from that which is invalidated shall remain in full force and effect and shall not be affected by the illegal, invalid, or unenforceable provision; and

iii. The parties shall in good faith negotiate and substitute a provision as similar in terms to such illegal, invalid, or unenforceable provision as may be possible and still be legal, valid, and enforceable. If the parties cannot, within fifteen (15) days, agree on an amendment to the Agreement to cure such illegal, invalid, or unenforceable provision, either party may terminate this Agreement upon thirty (30) days prior written notice to the other party, or sooner if required by law.

(19) **CAPTIONS AND HEADINGS.**

a. In this Agreement, the captions and headings of paragraphs and/or subparagraphs are inserted for convenience, reference, and identification purposes only, and shall not control, define, limit, or affect any provision in this Agreement.

(20) **NUMBER AND GENDER.**

a. Whenever the singular is used herein, it shall include the plural where appropriate, and vice versa; and words of any gender in this Agreement shall include each gender where appropriate.

(21) **JURISDICTION; VENUE.**

a. In the event of any litigation relating to matters within the scope of this Agreement, the prevailing party on any claim or counterclaim shall be entitled to its costs and reasonable attorneys' fees. In the event of any such litigation, the parties to this Agreement agree that the courts of the State of California will have exclusive jurisdiction, the venue therefore shall be in Alameda County, California and that all matters at issue and all questions concerning the interpretation of this Agreement shall be decided and construed in accordance with California law, excluding the choice of law rules thereof. The parties agree that Alameda, California shall be deemed to be a convenient forum, and that no legal action or other legal proceeding relating to this Agreement shall be initiated in any other forum.

(22) **CONSTRUCTION.**

a. Each party hereto agrees that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not be applied in the construction or interpretation of this Agreement.

(23) **ADDITIONAL DOCUMENTS AND ACTIONS.**

a. Each party agrees to execute and deliver or cause to be executed and delivered such agreements, instruments, and documents, and to take such actions as the other party reasonably requests to the extent such agreements, instruments, documents, and actions are necessary for the purpose of evidencing or implementing the transactions contemplated by this Agreement.

(24) **NOTICES.**

a. Any notice or communication given under this Agreement shall be in writing, and delivered (i) in person, or (ii) by United States mail, registered or certified, return receipt requested, and postage prepaid, or (iii) by facsimile, with a copy sent by United States mail, registered or certified, and postage prepaid, or (iv) by a recognized overnight carrier (e.g., Federal Express), postage prepaid, addressed to the other party at the address listed below or to such other address as a party may notify the other party. All notices and communications shall be deemed to have been duly given (a) upon receipt if delivered in person, (b) three (3) business days after having been deposited in the mail as set forth above, (c) on the same day as sent if delivered by facsimile with a copy sent by mail as set forth above, or (d) one (1) business day after having been delivered to a recognized overnight carrier.

If to YOUR CORPORATION, to:

____
____
____

If to Sterling, to:

Sterling Health Services, Inc.
1000 Broadway, Suite 250
Oakland, CA 94607

(25) **EXECUTION.**

a. This Agreement may be executed by the parties in counterparts, all of which taken together will be deemed one and the same instrument.

(26) **DISPUTES.**

a. In the event of any dispute arising under or relating to this Agreement, either party may request an “executive review” with respect to the dispute. Each party shall designate the appropriate person, such as its chief executive officer or its chief operating officer, as the designated executive reviewer. Either party may request executive consultation between the two executive reviewers with respect to any dispute. Any dispute not resolved by agreement of such executive reviewers to the satisfaction of both parties within thirty (30) days of the executive review may be referred to arbitration as provided below.

(27) **DISPUTES AND ARBITRATION.**

a. If any controversy, dispute, or claim arises between the parties with respect to this Agreement, including, without limitation, disputes concerning compensation, the parties shall make good faith efforts to resolve such matters informally. If the dispute or claim is not resolved to the satisfaction of either or both parties, then such matter shall be settled exclusively by arbitration under the Commercial Arbitration rules of the American Arbitration Association then in force. Such arbitration may be initiated by either party by serving a written demand on the other party stating the substance of the controversy and the contention of the party requesting arbitration. The American Arbitration Association shall appoint an arbitrator who shall be a fit and impartial person. The award rendered by the arbitrator shall include costs and expenses, including, without limitation, reasonable attorneys’ fees, to the prevailing party and shall be final and binding on both parties. The fees and costs of the arbitrator and related expenses for arbitration shall be borne by the non- prevailing party. If the arbitrator determines that neither party has clearly prevailed, then the parties shall bear equally the fees and costs of the arbitration.

(28) **MONEY-BACK GUARANTEE.**

a. If Client is dissatisfied with the level of service, and attempts to remedy that dissatisfaction are considered inadequate, Sterling will refund all monthly administrative fees, not to exceed the amount paid by Client in the past twelve (12) months.

(29) **REMEDIES.**

a. Any remedies which the parties may have pursuant to this Agreement or by law shall be cumulative. The parties agree that if a party fails to comply with the terms and conditions of this Agreement, the harm to the other party may not be fully compensable in money damages and accordingly, the parties agree that neither party shall oppose an application by the other party seeking specific performance of any and all provisions of this Agreement or enjoining the breaching party from continuing to commit any breach, to the full extent permitted by law.

(30) **WARRANT OF AUTHORITY.**

a. Each party represents and warrants that the individual executing this Agreement on behalf of such party has authority to do so, and thereby to bind the party.

IN WITNESS WHEREOF, the parties, by their duly authorized officer, have duly executed this Agreement on the dates below.

YOUR CORPORATION	STERLING ADMINISTRATION
______________________	______________________
Signature	Signature
______________________	
Name, Title	Name, Title
______________________	______________________
Date	Date

CITY OF MCFARLAND

STAFF REPORT

TO: Honorable Mayor and City Council Members

FROM: Christina Arias, Human Resources Director

DATE: January 26, 2023

SUBJECT: Report, Discuss, and Possible Approval of Resolution No. 2023-0010 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MCFARLAND, CALIFORNIA, TERMINATING MEMBERSHIP IN THE PUBLIC AGENCY COALITION ENTERPRISE.

SUMMARY:

The City of McFarland is currently a member in the Public Agency Coalition Enterprise ("PACE"); PACE was established as a vehicle for the purchase of employee benefits insurance and/or by and of the members in PACE.

FINANCIAL IMPACT:

The Board has the right to impose a termination fee upon any Member who fails to provide notice in the manner required by these Bylaws; and the cost associated with this membership for the remainder of the year is $1,013,559.80. Pursuant to the Bylaws, membership will not expire until December 31, 2023 even though this notice will be provided after the resolution is approved by council. The Bylaws state that PACE's fiscal year is different than the City's fiscal year. So, the City would have needed to send termination notice in October 2022 (at the latest) for the membership to be terminated earlier than December 2023.

RECOMMENDATION:

Approval of Resolution No. 2023-0010 approving a termination of membership in the Public Agency Coalition Enterprise.

ATTACHMENT:

Resolution No. 2023-0010

RESOLUTION NO. 2023-0010

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MCFARLAND, CALIFORNIA, TERMINATING MEMBERSHIP IN THE PUBLIC AGENCY COALITION ENTERPRISE

WHEREAS, The City of McFarland ("City") is currently a member in the Public Agency Coalition Enterprise ("PACE"); and

WHEREAS, PACE was established as a vehicle for the purchase of employee benefits insurance and/or such other insurance by and for the Members of PACE; and

WHEREAS, the City desires to terminate its membership in PACE; and

WHEREAS, the Bylaws of PACE state that any Member who has been a member of PACE for at least two (2) years may terminate its membership and its participation in the Joint Powers Agreement by providing notice as follows: Notice must be given at least 60 days before the end of the fiscal year. Notice must be in writing signed by the chief executive of the Member and submitted with a copy of a resolution of the Member's Board of Trustees authorizing the termination. If a Member submits notice of an intent to terminate, but subsequently decides to remain in PACE, the Member shall not be permitted to submit another termination notice for two years. The Board has the right to impose a termination fee upon any Member who fails to provide notice in the manner required by these Bylaws; and

WHEREAS, upon providing Notice as described above, termination will be effective as of the last day of the then-current fiscal year.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MCFARLAND as follows:

1. The City of McFarland ("City") approves the termination of membership in PACE; and

2. The Notice of Termination, attached hereto as Attachment "A" is hereby approved and shall be sent, along with a copy of this Resolution to PACE; and

3. The City Manager of the City of McFarland is authorized to enter into, execute, and deliver any and all documents required or deemed necessary or appropriate to evidence and secure the termination of membership in PACE

4. The City Clerk shall certify to the passage and adoption of this resolution.

5. This resolution is effective immediately.

PASSED AND ADOPTED at a regular meeting of the City Council of the City of McFarland on the 26th day of January, 2023 by the following vote:

AYES: ____

NOES: ____

ABSTAIN: ____

ABSENT: ____

ATTEST:

____
Francisca Alvarado, City Clerk

CITY OF MCFARLAND:

____
Saul Ayon, Mayor

I, _________________________, City Clerk of the City of McFarland, California, DO HEREBY CERTIFY that the foregoing resolution is a true and accurate copy of the Resolution passed and adopted by the City Council of the City of McFarland on the date and by the vote indicated herein.

____
Francisca Alvarado, City Clerk

APPROVED AS TO FORM:

By: __________________________
NATHAN HODGES, City Attorney
Hodges Law Group

CITY OF MCFARLAND

STAFF REPORT

TO: Honorable Mayor and City Council Members

FROM: Christina Arias, Human Resources Director

DATE: January 26, 2023

SUBJECT: Report, Discuss, and Possible Approval of Resolution NO. 2023-0011, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MCFARLAND AUTHORIZING THE CITY MANAGER TO SIGN AND EXECUTE AN AGREEMENT WITH BOON-CHAPMAAN BENEFITS, INC. TO PROVIDE USER ACCESS OF THE ONLINE PORTAL FOR EMPLOYEE BENEFITS AND COMPLY WITH THE REQUIREMENTS OF HIPPA.

SUMMARY: The attached are standard agreements that provide user access of the online portal for employee benefits and comply with the HIPPA requirements. Boon-Chapman Benefit Administrators, Inc. is a provider of these specialized services, which consists of administrative services for the City of McFarland in connection with the Plan beginning January 1, 2023. The agreement shall terminate this Addendum or seek other remedies Boon-Chapman violets a material term of this Addendum. Either party may terminate this agreement by providing 30 days written notice to the other party. Any modification to the terms of this agreement, may be made by execution of a revised services addendum.

Services provided by Benefits Options Insurance Agency to City of McFarland:

- ❖ Administrative ease
  1. Customized benefits administration technology platform
  2. Platform provided at no cost and no set-up fees or PEPM charges
  3. Maintenance, management, and training provided by GIS Benefits
- ❖ Added efficiencies
  1. One convenient access point available 24/7, 365 days a year
  2. Year-round eligibility management for all benefits
  3. Employer management of all additions, changes, and terminations across all benefits
  4. Reporting, including payroll deduction, add/term/change enrollment
  5. One combined bill for all non-medical coverages – across multiple carriers
  6. Full TPA services to include COBRA
  7. Enrollment services to include employee meetings, inbound call center support, and enrollment communications library

FINANCIAL IMPACT:

No Fiscal Impact to the City.

RECOMMENDATION:

Staff Recommends Council Approve Resolution NO. 2023-0011, A Resolution of the City of McFarland Authorizing the City Manager to Sign and Execute an Agreement between the City and Boon-Chapman Benefits, Inc. to provide user access of the online portal for employee benefits and comply with the requirements of HIPPA.

ATTACHMENT:

I. Business Associate Agreement
II. Combined Billing Agreement 2023
III. Medical Eligibility Agreement 2023
IV. Resolution No. 2023-0011

RESOLUTION NO. 2023-0011

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MCFARLAND AUTHORIZING THE CITY MANAGER TO SIGN AND EXECUTE AN AGREEMENT WITH BOON-CHAPMAAN BENEFITS, INC. TO PROVIDE USER ACCESS OF THE ONLINE PORTAL FOR EMPLOYEE BENEFITS AND COMPLY WITH THE REQUIREMENTS OF HIPPA.

WHEREAS, the City wishes to contract with Boon-Chapman Benefits, Inc. to provide user access of the online portal for employee benefits and comply with the requirements of HIPPA; and

WHEREAS, the services provided are described in the Business Associate, Combined Billing, and Medical Eligibility Agreement

WHEREAS, said agreement has been made in the form and manner prescribed by the City of McFarland Municipal Code and the California Public Contract Code; and

WHEREAS, Boon-Chapman Benefits, Inc. and the City each acknowledge that each party and their respective legal counsel have reviewed the Agreement; and

WHEREAS, the Agreement shall be governed by and construed in accordance with the laws of the State of California; and

NOW THEREFORE BE IT RESOLVED, by the City Council of the City of McFarland herby finds and determines as follows:

Section 1. Approves the agreements with Boon-Chapman Benefits, Inc.

Section 2. Authorizes the City Manager to endorse the agreements.

Section 3. The Agreement shall not be valid unless and until so approved by the City Attorney and Executed by the City Manager upon satisfaction of the requirements and contingencies indemnified herein.

I hereby certify that the foregoing is a full, true and correct copy of the resolution of the City Council of the City of McFarland at a meeting held on Thursday, January 26, 2023, moved by Councilmember ___________________and seconded by Councilmember ___________________, duly adopted and passed by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

Saul Ayon, Mayor

Francisca Alvarado, City Clerk

MEDICAL ELIGIBILITY SERVICES AGREEMENT

This Agreement is effective the first day of __________________________, 2023, by and between:

Boon-Chapman Benefit Administrators, Inc.
9401 Amberglen Boulevard; Suite 100
Austin, Texas 78729

-and-

Customer Name & Address:

____ (Customer Name)

____ (Customer Address)

WHEREAS, Customer wants Boon-Chapman (B-C) to perform certain administrative services on Customer's behalf in connection with one or more of Customer's insured benefit plans;

WHEREAS, B-C is willing to perform such services on Customer's behalf, subject to the following terms and conditions (the "Agreement"); and,

NOW, THERFORE, it is agreed, between Customer and B-C as follows:

1. This agreement is only effective if a Combined Billing Agreement between the Customer and B-C is in force. Further, B-C has no responsibilities under this Agreement until: a) B-C receives a completed Medical Eligibility Check List from the Customer; and b) the Customer receives an email from B-C stating that B-C is ready to begin transmitting eligibility. The Customer is responsible for all eligibility changes that are effective before that date.

2. B-C is responsible for electronically or manually providing on-going enrollment information to the insurance company or third party administrator (hereinafter referred to as "Payer' or "Payers") for Customer's medical plan. B-C is not responsible for billing for the Payer or collecting or remitting any payment to the Payer.

3. Customer acknowledges that it retains full responsibility pursuant to applicable law for performance of the services enumerated above and that B-C is performing any such services as Customer's agent, and not as a Plan Administrator as defined by the Employee Retirement Income Security Act of 1974, or as a fiduciary of any welfare benefit plan sponsored by Customer, or in any other legal or fiduciary capacity. Customer will not represent to any entity that B-C is performing, or will perform, any services in a fiduciary capacity.

4. In performing any services hereunder, B-C shall exercise its best efforts, but shall not be responsible for failures occurring for any reason whatsoever, except those caused by B-C's gross negligence or intentional misconduct. In addition, it is understood that, in dealing with Payers, B-C is entitled to rely on any oral or written representations made by a Payer, Customer, or any agent of the Customer.

5. B-C will make reasonable efforts to establishing a HIPAA compliant electronic connection with selected Payers for the transmission of on-going eligibility information but is not responsible for any Payers inability or unwillingness to arrange or maintain such a connection. Further, B-C is not responsible for agreeing to any guidelines, administrative procedures or contractual requirements of a Payer that B-C deems unacceptable.

6. Customer shall be solely responsible for the accuracy, completeness and timely submission of the data and information provided by it to B-C.

7. This Agreement will have operative effect once signed by both parties until cancelled by either party in writing with thirty (30) days' notice.

8. This Agreement is entered into and accepted in the state of Texas.

9. All provisions of this Agreement are severable, and the unenforceability or invalidity of any of the provisions shall not affect the validity or enforceability of the remaining provisions. The remaining provisions will be construed in such a manner as to carry out the full intention of the parties.

10. Section titles or references used in this Agreement shall not have substantive meaning or content and are not a part of this Agreement.

11. All disputes under this Agreement shall be settled by arbitration in Austin, Texas, before a single arbitrator pursuant to the rules of the American Arbitration Association. Arbitration may be commenced at any time by either party giving written notice to the other party that such dispute has been referred to arbitration under this section. The arbitrator shall be selected by the joint agreement of B-C and Customer, but if they do not agree within twenty (20) days after the date of the notice referred to above, the selection will be made pursuant to the rules maintained by the association. Any award rendered by the arbitrator will be conclusive and binding upon the parties and is to be accompanied by a written opinion of the arbitrator giving the reasons for this reward. This provision for arbitration will be specifically enforceable by the parties. The decision of the arbitrator will be final and binding and there will be no right of appeal. Each party will pay its own expenses of arbitration and the expenses of the parties will be equally shared unless, if in the opinion of the arbitrator, any claim or any defense or objection was unreasonable, the arbitrator may assess, as part of his award, all or any part of the arbitration expenses of the other party (including reasonable attorneys' fees) and of the arbitrator against the party raising such unreasonable claim, defense or objection.

12. Neither party will be liable for any failure or delay in performance of its obligations hereunder by reason of any event or circumstance beyond its reasonable control, including but not limited to acts of God, war, riot, strike, labor disturbance, fire explosion, telephone network failure(s), flood or shortage or failure of suppliers. If any delay in performance under this section continues for more than sixty (60) consecutive days, the unaffected party will have the right to terminate this Agreement with ten (10) days' prior written notice to the affected party, unless the affected party is able to remedy its circumstances within the 10-day notice period.

13. Failure to enforce the performance of any provision of this Agreement will not constitute a waiver of rights to subsequently enforce such provision or any other provision. No waiver of any provision of the Agreement will be effective unless in writing.

14. This Agreement may be modified, amended or supplemented only by a writing signed by the authorized representatives of both parties to this Agreement. Such amendments, modifications or supplements will be deemed as much a part of this Agreement as if so incorporated herein.

15. Unless otherwise specified herein, any notice required to be given pursuant to the terms and provisions hereof shall be effective only if given in writing and sent by overnight delivery service with proof of receipt, or by certified mail return receipt requested. Notices shall be sent to the address on page one and to the individual executing the agreement.

16. The parties acknowledge that they have read this Agreement in its entirety and understand and agree to be bound by its terms and conditions. This Agreement constitutes a complete and exclusive statement of the understanding between the parties with respect to its subject matter.

17. The relationship between the parties is that of independent contractors. Neither party is intended to be an employee or employer of, nor joint venture with, the other party; and except as otherwise specifically

contemplated herein, neither party shall function as an agent of the other party. Each party hereto shall be responsible for its own activities and those of its employees and agents.

18. Each party represents and warrants to the other that the signatory identified beneath its name below has authority to execute this Agreement on its behalf.

The parties, intending to be legally bound, have executed and delivered this Agreement as of the date set forth above. In Witness whereof, we set our hands and seals:

Boon-Chapman Benefit Administrators, Inc.

By: ___________________________________

Title: __________________________________

Date: __________________________________

____
(Customer)

By: ___________________________________

Title: __________________________________

Date: __________________________________

COMBINED BILLING SERVICES AGREEMENT

This Agreement is effective the first day of ______________________, 2023, by and between:

Boon-Chapman Benefit Administrators, Inc.
9401 Amberglen Boulevard; Suite 100
Austin, Texas 78729

-and-

Customer Name & Address:

____(Customer Name)

____(Customer Address)

WHEREAS, Customer wants Boon-Chapman (B-C) to perform certain administrative services on Customer's behalf in connection with one or more of Customer's insured benefit plans;

WHEREAS, GIS Benefits may act as an Agent of the Customer;

WHEREAS, B-C is willing to perform such services on Customer's behalf, subject to the following terms and conditions (the "Agreement"); and,

NOW, THERFORE, it is agreed, between Customer and B-C as follows:

1. B-C is responsible for:

   A. Receiving on-going enrollment information that Customer has entered in an on-line enrollment application or manually entering enrollment information received from Customer in on-online enrollment application;

   B. Electronically providing on-going enrollment information to the applicable ancillary medical insurance companies, herein after referred to as "Payer' or "Payers";

   C. Sending Customer a monthly combined bill for ancillary medical insurance premiums; and

   D. Remitting premiums and administrative fees to the respective Payer.

2. Customer acknowledges that it retains full responsibility pursuant to applicable law for performance of the services enumerated above and that B-C is performing any such services as Customer's agent, and not as a Plan Administrator as defined by the Employee Retirement Income Security Act of 1974, or as a fiduciary of any welfare benefit plan sponsored by Customer, or in any other legal or fiduciary capacity. Customer will not represent to any entity that B-C is performing, or will perform, any services in a fiduciary capacity.

3. In performing any services hereunder, B-C shall exercise its best efforts, but shall not be responsible for failures occurring for any reason whatsoever, except those caused by B-C's gross negligence or intentional misconduct. In addition, it is understood that, in dealing with Payers, B-C is entitled to rely on any oral or written representations made by a Payer, Customer, or any agent of the Customer.

4. B-C will make reasonable efforts to establishing a HIPAA compliant electronic connection with selected Payers for the transmission of on-going eligibility information but is not responsible for any Payers

inability or unwillingness to arrange or maintain such a connection. Further, B-C is not responsible for agreeing to any guidelines, administrative procedures or contractual requirements of a Payer that B-C deems unacceptable.

5. Customer shall be solely responsible for the accuracy, completeness and timely submission of the data and information provided by it to B-C.

6. It is the Customer's responsibility to review the monthly combined bill and to pay it by the due date. Customers will pay as billed and not make payment adjustments for coverage changes that were received by the Payer after the Payer's billing cut-off date as such adjustments will be reflected on the next bill. The Customer may request billing adjustments on the following month's bill. Payment of invoice in full does not constitute acceptance of adjustment requested in writing.

7. This Agreement will have operative effect once signed by both parties until cancelled by either party in writing with thirty (30) days' notice.

8. This Agreement is entered into and accepted in the state of Texas.

9. All provisions of this Agreement are severable, and the unenforceability or invalidity of any of the provisions shall not affect the validity or enforceability of the remaining provisions. The remaining provisions will be construed in such a manner as to carry out the full intention of the parties.

10. Section titles or references used in this Agreement shall not have substantive meaning or content and are not a part of this Agreement.

11. All disputes under this Agreement shall be settled by arbitration in Austin, Texas, before a single arbitrator pursuant to the rules of the American Arbitration Association. Arbitration may be commenced at any time by either party giving written notice to the other party that such dispute has been referred to arbitration under this section. The arbitrator shall be selected by the joint agreement of B-C and Customer, but if they do not agree within thirty (30) days after the date of the notice referred to above, the selection will be made pursuant to the rules maintained by the association. Any award rendered by the arbitrator will be conclusive and binding upon the parties and is to be accompanied by a written opinion of the arbitrator giving the reasons for this reward. This provision for arbitration will be specifically enforceable by the parties. The decision of the arbitrator will be final and binding and there will be no right of appeal. Each party will pay its own expenses of arbitration and the expenses of the parties will be equally shared unless, if in the opinion of the arbitrator, any claim or any defense or objection was unreasonable, the arbitrator may assess, as part of his award, all or any part of the arbitration expenses of the other party (including reasonable attorneys' fees) and of the arbitrator against the party raising such unreasonable claim, defense or objection.

12. Neither party will be liable for any failure or delay in performance of its obligations hereunder by reason of any event or circumstance beyond its reasonable control, including but not limited to acts of God, war, riot, strike, labor disturbance, fire explosion, telephone network failure(s), flood or shortage or failure of suppliers. If any delay in performance under this section continues for more than sixty (60) consecutive days, the unaffected party will have the right to terminate this Agreement with ten (10) days' prior written notice to the affected party, unless the affected party is able to remedy its circumstances within the 10-day notice period.

13. Failure to enforce the performance of any provision of this Agreement will not constitute a waiver of rights to subsequently enforce such provision or any other provision. No waiver of any provision of the Agreement will be effective unless in writing.

14. This Agreement may be modified, amended or supplemented only by a writing signed by the authorized representatives of both parties to this Agreement. Such amendments, modifications or supplements will be deemed as much a part of this Agreement as if so incorporated herein.

15. Unless otherwise specified herein, any notice required to be given pursuant to the terms and provisions hereof shall be effective only if given in writing and sent by overnight delivery service with proof of

receipt, or by certified mail return receipt requested. Notices shall be sent to the address on page one and to the individual executing the agreement.

16. The parties acknowledge that they have read this Agreement in its entirety and understand and agree to be bound by its terms and conditions. This Agreement constitutes a complete and exclusive statement of the understanding between the parties with respect to its subject matter.

17. The relationship between the parties is that of independent contractors. Neither party is intended to be an employee or employer of, nor joint venture with, the other party; and except as otherwise specifically contemplated herein, neither party shall function as an agent of the other party. Each party hereto shall be responsible for its own activities and those of its employees and agents.

18. Each party represents and warrants to the other that the signatory identified beneath its name below has authority to execute this Agreement on its behalf.

The parties, intending to be legally bound, have executed and delivered this Agreement as of the date set forth above. In Witness whereof, we set our hands and seals:

Boon-Chapman Benefit Administrators, Inc.

By: ___________________________________

Title: _________________________________

Date: _________________________________

____
(Customer)

By: ___________________________________

Title: _________________________________

Date: _________________________________

BUSINESS ASSOCIATE ADDENDUM

1. PREAMBLE

____(“Covered Entity”) and Boon-Chapman Benefit Administrators, Inc. (“Business Associate”) (jointly “the Parties”) have entered into one or more employee benefits related service agreements and wish to modify those agreements (“Agreement”) to incorporate the terms of this Addendum to comply with the requirements of: (i) the implementing regulations at 45 C.F.R Parts 160, 162, and 164 for the Administrative Simplification provisions of Title II, Subtitle F of the Health Insurance Portability and Accountability Act of 1996 (“HIPAA”) (i.e., the HIPAA Privacy, Security, Electronic Transaction, Breach Notification, and Enforcement Rules (“the Implementing Regulations”)), (ii) the requirements of the Health Information Technology for Economic and Clinical Health Act, as incorporated in the American Recovery and Reinvestment Act of 2009 (the “HITECH Act”) that are applicable to business associates, and (iii) the requirements of the final modifications to the HIPAA Privacy, Security, Enforcement, and Breach Notification Rules as issued on January 25, 2013 and effective March 26, 2013 (75 Fed. Reg. 5566 (Jan. 25, 2013)) (“the Final Regulations”). The Implementing Regulations, the HITECH Act, and the Final Regulations are collectively referred to in this Addendum as “the HIPAA Requirements.”

Covered Entity and Business Associate agree to incorporate into this Addendum any regulations issued by the U.S. Department of Health and Human Services (“DHHS”) with respect to the HIPAA Requirements that relate to the obligations of business associates and that are required to be (or should be) reflected in a business associate agreement. Business Associate recognizes and agrees that it is obligated by law to meet the applicable provisions of the HIPAA Requirements and that it has direct liability for any violations of the HIPAA Requirements.

2. DEFINITIONS

a) “Breach” shall mean, as defined in 45 C.F.R. § 164.402, the acquisition, access, use or disclosure of Unsecured Protected Health Information in a manner not permitted by the HIPAA Requirements that compromises the security or privacy of that Protected Health Information.

b) “Business Associate Subcontractor” shall mean, as defined in 45 C.F.R.§ 160.103, any entity (including an agent) that creates, receives, maintains or transmits Protected Health Information on behalf of Business Associate.

c) “Electronic PHI” shall mean, as defined in 45 C.F.R. § 160.103, Protected Health Information that is transmitted or maintained in any Electronic Media.

d) “Limited Data Set” shall mean, as defined in 45 C.F.R. § 164.514(e), Protected Health Information that excludes the following direct identifiers of the individual or of relatives, employers, or household members of the individual:

   i. Names;

ii. Postal address information, other than town or city, State, and zip code;

iii. Telephone numbers;

iv. Fax numbers;

v. Electronic mail addresses;

vi. Social security numbers;

vii. Medical record numbers;

viii. Health plan beneficiary numbers;

ix. Account numbers;

x. Certificate/license numbers;

xi. Vehicle identifiers and serial numbers, including license plate numbers;

xii. Device identifiers and serial numbers;

xiii. Web Universal Resource Locators (URLs);

xiv. Internet Protocol (IP) address numbers;

xv. Biometric identifiers, including finger and voice prints; and

xvi. Full face photographic images and any comparable images.

e) "*Protected Health Information*" or "*PHI*" shall mean, as defined in 45 C.F.R.§ 160.103, information created or received by a Health Care Provider, Health Plan, employer, or Health Care Clearinghouse, that: (i) relates to the past, present, or future physical or mental health or condition of an individual, provision of health care to the individual, or the past, present, or future payment for provision of health care to the individual; (ii) identifies the individual, or with respect to which there is a reasonable basis to believe the information can be used to identify the individual; and (iii) is transmitted or maintained in an electronic medium, or in any other form or medium. The use of the term "Protected Health Information" or "PHI" in this Addendum shall mean both Electronic PHI and non-Electronic PHI, unless another meaning is clearly specified.

f) "*Security Incident*" shall mean, as defined in 45 C.F.R. § 164.304, the attempted or successful unauthorized access, use, disclosure, modification, or destruction of information or interference with systems operations in an information system.

g) "*Unsecured Protected Health Information*" shall mean, as defined in 45 C.F.R. § 164.402, Protected Health Information that is not rendered unusable, unreadable, or indecipherable to unauthorized persons through the use of a technology or methodology specified by DHHS.

h) All other capitalized terms used in this Addendum shall have the meanings set forth in the applicable definitions under the HIPAA Requirements.

3. GENERAL TERMS

a) In the event of an inconsistency between the provisions of this Addendum and a mandatory term of the HIPAA Requirements (as these terms may be expressly amended from time to time by the DHHS or as a result of interpretations by DHHS, a court, or another regulatory agency with authority over the Parties), the interpretation of DHHS, such court or regulatory agency shall prevail. In the event of a conflict among the interpretations of these entities, the conflict shall be resolved in accordance with rules of precedence.

b) Where provisions of this Addendum are different from those mandated by the HIPAA Requirements, but are nonetheless permitted by the HIPAA Requirements, the provisions of this Addendum shall control.

c) Except as expressly provided in the HIPAA Requirements or this Addendum, this Addendum does not create any rights in third parties.

4. SPECIFIC REQUIREMENTS

a) Flow-Down of Obligations to Business Associate Subcontractors. Business Associate agrees that as required by the HIPAA Requirements, Business Associate will enter into a written agreement with all Business Associate Subcontractors that: (i) requires them to comply with the Privacy and Security Rule provisions of this Addendum in the same manner as required of Business Associate, and (ii) notifies such Business Associate Subcontractors that they will incur liability under the HIPAA Requirements for non-compliance with such provisions. Accordingly, Business Associate shall ensure that all Business Associate Subcontractors agree in writing to the same privacy and security restrictions, conditions and requirements that apply to Business Associate with respect to PHI.

b) Privacy of Protected Health Information

i. *Permitted Uses and Disclosures of PHI*. Business Associate agrees to create, receive, use, disclose, maintain or transmit PHI only in a manner that is consistent with this Addendum or the HIPAA Requirements and only in connection with providing the services to Covered Entity identified in the Agreement. Accordingly, in providing services to or for the Covered Entity, Business Associate, for example, will be permitted to use and disclose PHI for “Treatment, Payment, and Health Care Operations,” as those terms are defined in the HIPAA Requirements. Business Associate further agrees that to the extent it is carrying out one or more of the Covered Entity’s obligations under the Privacy Rule (Subpart E of 45 C.F.R. Part 164), it shall comply with the requirements of the Privacy Rule that apply to the Covered Entity in the performance of such obligations.

1) Business Associate shall report to Covered Entity any use or disclosure of PHI that is not provided for in this Addendum, including reporting Breaches of Unsecured Protected Health Information as required by 45 C.F.R. § 164.410 and required by Section 4(e)(ii) below.

2) Business Associate shall establish, implement and maintain appropriate safeguards, and comply with the Security Standards (Subpart C of 45 C.F.R. Part 164) with respect to Electronic PHI, as necessary to prevent any use or disclosure of PHI other than as provided for by this Addendum.

ii. *Business Associate Obligations*. As permitted by the HIPAA Requirements, Business Associate also may use or disclose PHI received by the Business Associate in its capacity as a Business Associate to the Covered Entity for Business Associate's own operations if:

1) the *use* relates to: (1) the proper management and administration of the Business Associate or to carry out legal responsibilities of the Business Associate, or (2) data aggregation services relating to the health care operations of the Covered Entity; or

2) the *disclosure* of information received in such capacity will be made in connection with a function, responsibility, or services to be performed by the Business Associate, and such disclosure is required by law or the Business Associate obtains reasonable assurances from the person to whom the information is disclosed that it will be held confidential and the person agrees to notify the Business Associate of any breaches of confidentiality.

iii. *Minimum Necessary Standard and Creation of Limited Data Set*. Business Associate's use, disclosure, or request of PHI shall utilize a Limited Data Set if practicable. Otherwise, in performing the functions and activities as specified in the Agreement and this Addendum, Business Associate agrees to use, disclose, or request only the minimum necessary PHI to accomplish the intended purpose of the use, disclosure, or request.

iv. *Access*. In accordance with 45 C.F.R. § 164.524 of the HIPAA Requirements, Business Associate will make available to the Covered Entity (or as directed by the Covered Entity, to those individuals who are the subject of the PHI (or their designees)), their PHI in the Designated Record Set. Business Associate shall make such information available in an electronic format where directed by the Covered Entity.

v. *Disclosure Accounting*. Business Associate shall make available the information necessary to provide an accounting of disclosures of PHI as provided for in 45 C.F.R. § 164.528 of the HIPAA Requirements by making such information available to the Covered Entity or (at the direction of the Covered Entity) making such information available directly to the individual.

vi. *Amendment*. Business Associate shall make PHI in a Designated Record Set available for amendment and, as directed by the Covered Entity, incorporate any amendment to PHI in accordance with 45 C.F.R.§ 164.526 of the HIPAA Requirements.

vii. *Right to Request Restrictions on the Disclosure of PHI and Confidential Communications*. If an individual submits a Request for Restriction or Request for Confidential Communications to the Business Associate, Business Associate and Covered Entity agree that Business Associate, on behalf of Covered Entity, will evaluate and respond to these requests according to Business Associate's own procedures for such requests.

viii. *Return or Destruction of PHI*. Upon the termination or expiration of the Agreement or this Addendum, Business Associate agrees to return the PHI to Covered Entity, destroy the PHI (and retain no copies), or if Business Associate determines that return or destruction of the PHI is not feasible, (a) continue to extend the protections of this Addendum and of the HIPAA Requirements to the PHI, and (b) limit any further uses and disclosures of the PHI to the purpose making return or destruction infeasible.

ix. *Availability of Books and Records*. Business Associate shall make available to DHHS or its agents the Business Associate's internal practices, books, and records relating to the use and disclosure of PHI in connection with this Addendum.

x. *Termination for Breach.*

1) Business Associate agrees that Covered Entity shall have the right to terminate this Addendum or seek other remedies if Business Associate violates a material term of this Addendum.

2) Covered Entity agrees that Business Associate shall have the right to terminate this Addendum or seek other remedies if Covered Entity violates a material term of this Addendum.

c) <u>Information and Security Standards</u>

i. Business Associate will develop, document, implement, maintain, and use appropriate Administrative, Technical, and Physical Safeguards to preserve the Integrity, Confidentiality, and Availability of, and to prevent non-permitted use or disclosure of, Electronic PHI created or received for or from the Covered Entity.

ii. Business Associate agrees that with respect to Electronic PHI, these Safeguards, at a minimum, shall meet the requirements of the HIPAA Security Standards applicable to Business Associate.

iii. More specifically, to comply with the HIPAA Security Standards for Electronic PHI, Business Associate agrees that it shall:

1) Implement Administrative, Physical, and Technical Safeguards consistent with (and as required by) the HIPAA Security Standards that reasonably protect the Confidentiality, Integrity, and Availability of Electronic PHI that Business Associate creates, receives, maintains, or transmits on behalf of Covered Entity. Business Associate shall develop and implement policies and procedures that meet the documentation requirements as required by the HIPAA Requirements;

2) As also provided for in Section 4(a) above, ensure that any Business Associate Subcontractor agrees to implement reasonable and appropriate safeguards to protect the Electronic PHI;

3) Report to Covered Entity any unauthorized access, use, disclosure, modification, or destruction of PHI (including Electronic PHI) not permitted by this Addendum, applicable law, or permitted by Covered Entity in writing ("Successful Security Incidents" or Breaches) of which Business Associate becomes aware. Business Associate shall report such Successful Security Incidents or Breaches to Covered Entity as specified in Section 4(e)(iii)(1);

4) For Security Incidents that do not result in unauthorized access, use, disclosure, modification, or destruction of PHI (including, for purposes of example and not for purposes of limitation, pings on Business Associate's firewall, port scans, attempts to log onto a system or enter a database with an invalid password or username, denial-of-service attacks that do not result in the system being taken off-line, or malware such as worms or viruses) (hereinafter "Unsuccessful Security Incidents"), aggregate the data and, upon the Covered Entity's written request, report to the Covered Entity in accordance with the reporting requirements identified in Section 4(e)(iii)(2);

5) Take all commercially reasonable steps to mitigate, to the extent practicable, any harmful effect that is known to Business Associate resulting from any unauthorized access, use, disclosure, modification, or destruction of PHI;

6) Permit termination of this Addendum if the Covered Entity determines that Business Associate has violated a material term of this Addendum with respect to Business Associate's security obligations and Business Associate is unable to cure the violation; and

7) Upon Covered Entity's request, provide Covered Entity with access to and copies of documentation regarding Business Associate's safeguards for PHI and Electronic PHI.

d) Compliance with HIPAA Transaction Standards

i. *Application of HIPAA Transaction Standards.* Business Associate will conduct Standard Transactions consistent with 45 C.F.R. Part 162 for or on behalf of the Covered Entity to the extent such Standard Transactions are required in the course of Business Associate's performing services under the Agreement and this Addendum for the Covered Entity. As provided for in Section 4(a) above, Business Associate will require any Business Associate Subcontractor involved with the conduct of such Standard Transactions to comply with each applicable requirement of 45 C.F.R. Part 162. Further, Business Associate will not enter into, or permit its Subcontractors to enter into, any trading partner agreement in connection with the conduct of Standard Transactions for or on behalf of the Covered Entity that:

1) Changes the definition, data condition, or use of a data element or segment in a Standard Transaction;

2) Adds any data element or segment to the maximum defined data set;

3) Uses any code or data element that is marked "not used" in the Standard Transaction's implementation specification or is not in the Standard Transaction's implementation specification; or

4) Changes the meaning or intent of the Standard Transaction's implementation specification.

ii. *Specific Communications*. Business Associate, Plan Sponsor and Covered Entity recognize and agree that communications between the parties that are required to meet the Standards for Electronic Transactions will meet the Standards set by that regulation. Communications between Plan Sponsor and Business Associate, or between Plan Sponsor and the Covered Entity, do not need to comply with the HIPAA Standards for Electronic Transactions. Accordingly, unless agreed otherwise by the Parties in writing, all communications (if any) for purposes of "Enrollment" as that term is defined in 45 C.F.R. Part 162, Subpart O or for "Health Covered Entity Premium Payment Data," as that term is defined in 45 C.F.R. Part 162, Subpart Q, shall be conducted between the Plan Sponsor and either Business Associate or the Covered Entity. For all such communications (and any other communications between Plan Sponsor and the Business Associate), Plan Sponsor shall use such forms, tape formats, or electronic formats as Business Associate may approve. Plan Sponsor will include all information reasonably required by Business Associate to affect such data exchanges or notifications.

iii. *Communications Between the Business Associate and the Covered Entity.* All communications between the Business Associate and the Covered Entity that are required to meet the HIPAA Standards for Electronic Transactions shall do so. For any other communications between the Business Associate and the Covered Entity, the Covered Entity shall use such forms, tape formats, or electronic formats as Business Associate may approve. The Covered Entity will include all information reasonably required by Business Associate to affect such data exchanges or notifications.

e) Notice and Reporting Obligations of Business Associate

i. *Notice of Non-Compliance with the Addendum.* Business Associate will notify Covered Entity within 3 calendar days after discovery, any unauthorized access, use, disclosure, modification, or destruction of PHI (including any successful Security Incident) that is not permitted by this Addendum, by applicable law, or permitted in writing by Covered Entity, whether such non-compliance is by (or at) Business Associate or by (or at) a Business Associate Subcontractor.

ii. *Notice of Breach*. Business Associate will notify Covered Entity following discovery and without unreasonable delay but in no event later than 3 calendar days following discovery, any Breach of Unsecured Protected Health Information, whether such Breach is by Business Associate or by Business Associate Subcontractor.

1) As provided for in 45 C.F.R. § 164.402, Business Associate recognizes and agrees that any acquisition, access, use or disclosure of PHI in a manner not permitted under the HIPAA Privacy Rule (Subpart E of 45 C.F.R. Part 164) is presumed to be a Breach. As such, Business Associate shall (i) notify Covered Entity of any non-permitted acquisition, access, use or disclosure of PHI, and (ii) assist Covered Entity in performing (or at Covered Entity's direction, perform) a risk assessment to determine if there is a low probability that the PHI has been compromised.

2) Business Associate shall cooperate with Covered Entity in meeting the Covered Entity's obligations under the HIPAA Requirements and any other security breach notification laws. Business Associate shall follow its notification to the Covered Entity with a report that meets the requirements outlined immediately below.

iii. *Reporting Obligations*.

1) For Successful Security Incidents and Breaches, Business Associate – without unreasonable delay and in no event later than 3 calendar days after Business Associate learns of such non- permitted use or disclosure (whether at Business Associate or at Business Associate Subcontractor) – shall provide Covered Entity a report that will:

a. Identify (if known) each individual whose Unsecured Protected Health Information has been, or is reasonably believed by Business Associate to have been accessed, acquired, or disclosed;

b. Identify the nature of the non-permitted access, use, or disclosure including the date of the incident and the date of discovery;

c. Identify the PHI accessed, used, or disclosed (e.g., name; social security number; date of birth);

d. Identify what corrective action Business Associate (or Business Associate Subcontractor) took or will take to prevent further non-permitted accesses, uses, or disclosures;

e. Identify what Business Associate (or Business Associate Subcontractor) did or will do to mitigate any deleterious effect of the non-permitted access, use, or disclosure; and

f. Provide such other information, including a written report, as the Covered Entity may reasonably request.

2) For Unsuccessful Security Incidents, Business Associate shall provide Covered Entity, upon its written request, a report that: (i) identifies the categories of Unsuccessful Security Incidents as described in Section 4(c)(iii)(4); (ii) indicates whether Business Associate believes its (or its Business Associate Subcontractor's) current defensive security measures are adequate to address all Unsuccessful Security Incidents, given the scope and nature of such attempts; and (iii) if the security measures are not adequate, the measures Business Associate (or Business Associate Subcontractor) will implement to address the security inadequacies.

iv. *Termination*.

1) Covered Entity and Business Associate each will have the right to terminate this Addendum if the other party has engaged in a pattern of activity or practice that constitutes a material breach or violation of Business Associate's or the Covered Entity's respective obligations regarding PHI under this Addendum and, on notice of such material breach or violation from the Covered Entity or Business Associate, fails to take reasonable steps to cure the material breach or end the violation.

2) If Business Associate or the Covered Entity fail to cure the material breach or end the violation after the other party's notice, the Covered Entity or Business Associate (as applicable) may terminate this Addendum by providing Business Associate or the Covered Entity written notice of termination, stating the uncured material breach or violation that provides the basis for the termination and specifying the effective date of the termination. Such termination shall be effective 60 days from this termination notice.

v. *Continuing Privacy and Security Obligations*. Business Associate's and the Covered Entity's obligation to protect the privacy and security of the PHI it created, received, maintained, or transmitted in connection with services to be provided under the Agreement and this Addendum will be continuous and survive termination, cancellation, expiration, or other conclusion of this Addendum or the Agreement. Business Associate's other obligations and rights, and the Covered Entity's obligations and rights upon termination, cancellation, expiration, or other conclusion of this Addendum, are those set forth in this Addendum and/or the Agreement.

AGREED TO:

______________________________	**Boon-Chapman Benefit Administrators, Inc.**
(Covered Entity)	(Business Associate)
By: ________________________________	By: _____________________________
Name: ______________________________	Name: ___________________________
Title: _______________________________	Title: ____________________________

CITY OF MCFARLAND

STAFF REPORT

TO: Honorable Mayor and City Council Members

FROM: Kenny Williams Chief of Police/ City Manager

DATE: January 26, 2023

SUBJECT: Report, Discuss, and Possibly approve the city to negotiate with the McFarland employee unions, SEIU and MPOA, for employee salary increases.

SUMMARY:

Over the course of the past several years City employees have requested salary increases, however due to the unknown financial condition of the city, salary increases were limited.

Now that the city has completed the pending audits and has approved the 22/23 budget the city is now able to begin negotiations with the unions for salary increases.

After a careful analysis of some of the recent cost saving measures, the city believes there is a potential to provide a three-percent Cost of Living Adjustment (COLA) for all employees represented by SEIU or MPOA. In addition, staff is proposing a five-percent increase for these same employees that have a satisfactory annual evaluation.

The three-percent COLA would be offered for all SEIU or MPOA employees excluding all contract employees unless the increase is detailed in the employees' contract.

The five-percent step increase would be included for all employees represented by SEIU or MPOA that are performing at a satisfactory or above performance level as indicated on their most recent evaluation. All Contract employees would be excluded from the step increase unless the increase is detailed in the employees' contract.

FINANCIAL IMPACT:

The financial impact to the city is $214,654.55, however the cost of the increase has been offset by the cost saving measures taken by the city.

RECOMMENDATION:

Staff recommends City Council Discuss and Possibly Approve the city to negotiate with SEIU and MPOA for salary increase for employees.

ATTACHMENTS:

I. Old excel Spread sheet detailing current salary ranges.
II. New excel spread sheet detailing salary range after a three- percent increase.

CITY OF MCFARLAND
POSITION & SALARY RANGE LIST
EFFECTIVE 07/01/2022-06/30/2023

CONTRACT EMPLOYEES

City Manager	Contract
Assistant City Manager	Contract
Police Chief	Contract
Police Captain	Contract
Finance Director	Contract
Public Works Director	Contract
Community Development Deirector	Contract
Human Resources Director	Contract
Deputy Public Works Director	Contract

CITY COUNCIL - MONTHLY

City Councilmembers	$200

NON- EXEMPT EMPLOYEE PAY SCHEDULE - BIWEEKLY								NON- EXEMPT EMPLOYEE HOURLY PAY						NON- EXEMPT EMPLOYEE PAY SCHEDULE - Annual					
TITLE	RANGE	STEP A	STEP B	STEP C	STEP D	STEP E	STEP F	STEP A	STEP B	STEP C	STEP D	STEP E	STEP F	STEP A	STEP B	STEP C	STEP D	STEP E	STEP F
Transit Operator	3	1,054.34	1,107.71	1,163.79	1,222.70	1,284.60	1,349.63	13.18	13.85	14.55	15.28	16.06	16.87	27,412.76	28,800.48	30,258.44	31,790.22	33,399.53	35,090.32
Groundskeeper	3	1,054.34	1,107.71	1,163.79	1,222.70	1,284.60	1,349.63	13.18	13.85	14.55	15.28	16.06	16.87	27,412.76	28,800.48	30,258.44	31,790.22	33,399.53	35,090.32
Wastewater Treatment Plant Operator In Training	6	1,135.41	1,192.88	1,253.27	1,316.71	1,383.37	1,453.40	14.19	14.91	15.67	16.46	17.29	18.17	29,520.55	31,014.96	32,585.04	34,234.59	35,967.64	37,788.43
Water Operator In Training	6	1,135.41	1,192.88	1,253.27	1,316.71	1,383.37	1,453.40	14.19	14.91	15.67	16.46	17.29	18.17	29,520.55	31,014.96	32,585.04	34,234.59	35,967.64	37,788.43
Accounting Clerk I	6	1,135.41	1,192.88	1,253.27	1,316.71	1,383.37	1,453.40	14.19	14.91	15.67	16.46	17.29	18.17	29,520.55	31,014.96	32,585.04	34,234.59	35,967.64	37,788.43
Animal Control Officer	7	1,163.79	1,222.71	1,284.60	1,349.63	1,417.96	1,489.74	14.55	15.28	16.06	16.87	17.72	18.62	30,258.56	31,790.34	33,399.66	35,090.45	36,866.84	38,733.15
Street Maintenance I	7	1,163.79	1,222.71	1,284.60	1,349.63	1,417.96	1,489.74	14.55	15.28	16.06	16.87	17.72	18.62	30,258.56	31,790.34	33,399.66	35,090.45	36,866.84	38,733.15
Wastewater Treatment Plant Operator I	9	1,222.71	1,284.60	1,349.64	1,417.96	1,489.74	1,565.15	15.28	16.06	16.87	17.72	18.62	19.56	31,790.40	33,399.72	35,090.52	36,866.91	38,733.22	40,694.01
Water Operator I	9	1,222.71	1,284.60	1,349.64	1,417.96	1,489.74	1,565.15	15.28	16.06	16.87	17.72	18.62	19.56	31,790.40	33,399.72	35,090.52	36,866.91	38,733.22	40,694.01
Sweeper/Street Maintenance Worker I	13	1,349.64	1,417.96	1,489.74	1,565.16	1,644.39	1,727.64	16.87	17.72	18.62	19.56	20.55	21.60	35,090.65	36,867.05	38,733.37	40,694.17	42,754.23	44,918.57
Administrative Assistant I	14	1,383.38	1,453.41	1,526.99	1,604.29	1,685.50	1,770.83	17.29	18.17	19.09	20.05	21.07	22.14	35,967.92	37,788.72	39,701.70	41,711.52	43,823.08	46,041.54
Community Service Officer	15	1,417.97	1,489.75	1,565.16	1,644.40	1,727.64	1,815.10	17.72	18.62	19.56	20.55	21.60	22.69	36,867.12	38,733.44	40,694.24	42,754.31	44,918.66	47,192.58
Accounting Clerk II	16	1,453.42	1,526.99	1,604.29	1,685.51	1,770.83	1,860.48	18.17	19.09	20.05	21.07	22.14	23.26	37,788.79	39,701.78	41,711.60	43,823.17	46,041.63	48,372.39
Accounting Clerk III	19	1,565.17	1,644.40	1,727.65	1,815.11	1,906.99	2,003.53	19.56	20.56	21.60	22.69	23.84	25.04	40,694.40	42,754.47	44,918.83	47,192.76	49,581.80	52,091.77
Code Enforcement Officer	19	1,565.17	1,644.40	1,727.65	1,815.11	1,906.99	2,003.53	19.56	20.56	21.60	22.69	23.84	25.04	40,694.40	42,754.47	44,918.83	47,192.76	49,581.80	52,091.77
Police Office Technician	19	1,565.17	1,644.40	1,727.65	1,815.11	1,906.99	2,003.53	19.56	20.56	21.60	22.69	23.84	25.04	40,694.40	42,754.47	44,918.83	47,192.76	49,581.80	52,091.77
Streets Maintenance Supervisor	20	1,604.30	1,685.51	1,770.84	1,860.48	1,954.67	2,053.62	20.05	21.07	22.14	23.26	24.43	25.67	41,711.76	43,823.33	46,041.80	48,372.58	50,821.34	53,394.07
Communication/Records Supervisor	21	1,644.41	1,727.65	1,815.11	1,907.00	2,003.53	2,104.96	20.56	21.60	22.69	23.84	25.04	26.31	42,754.55	44,918.92	47,192.85	49,581.89	52,091.87	54,728.92
Crime Scene Technician	23	1,727.65	1,815.11	1,907.00	2,003.54	2,104.96	2,211.52	21.60	22.69	23.84	25.04	26.31	27.64	44,919.00	47,192.94	49,581.98	52,091.97	54,729.03	57,499.57
Staff Accountant	26	1,860.49	1,954.68	2,053.63	2,157.59	2,266.81	2,381.57	23.26	24.43	25.67	26.97	28.34	29.77	48,372.85	50,821.63	53,394.37	56,097.36	58,937.17	61,920.75
Water Operator II	27	1,907.01	2,003.55	2,104.97	2,211.53	2,323.48	2,441.11	23.84	25.04	26.31	27.64	29.04	30.51	49,582.17	52,092.17	54,729.23	57,499.79	60,410.60	63,468.77
Grant Administrator	29	2,003.55	2,104.97	2,211.53	2,323.49	2,441.11	2,564.69	25.04	26.31	27.64	29.04	30.51	32.06	52,092.27	54,729.34	57,499.90	60,410.72	63,468.89	66,681.88
City Clerk	30	2,053.64	2,157.60	2,266.82	2,381.58	2,502.14	2,628.80	25.67	26.97	28.34	29.77	31.28	32.86	53,394.58	56,097.57	58,937.40	61,920.99	65,055.61	68,348.92
Wastewater Treatment Plant Operator III/ Supervisor	32	2,157.60	2,266.83	2,381.58	2,502.14	2,628.81	2,761.89	26.97	28.34	29.77	31.28	32.86	34.52	56,097.68	58,937.51	61,921.10	65,055.74	68,349.05	71,809.09
Police Officer	33	2,211.54	2,323.50	2,441.12	2,564.70	2,694.53	2,830.94	27.64	29.04	30.51	32.06	33.68	35.39	57,500.12	60,410.95	63,469.13	66,682.13	70,057.78	73,604.31
Police Corporal	34	2,266.83	2,381.59	2,502.15	2,628.81	2,761.89	2,901.71	28.34	29.77	31.28	32.86	34.52	36.27	58,937.62	61,921.22	65,055.86	68,349.18	71,809.22	75,444.42
Building Inspector I	35	2,323.50	2,441.13	2,564.70	2,694.54	2,830.94	2,974.25	29.04	30.51	32.06	33.68	35.39	37.18	60,411.06	63,469.25	66,682.26	70,057.91	73,604.45	77,330.53
Water Operator III/Supervisor	38	2,502.16	2,628.82	2,761.90	2,901.72	3,048.61	3,202.94	31.28	32.86	34.52	36.27	38.11	40.04	65,056.11	68,349.44	71,809.50	75,444.71	79,263.95	83,276.53
Accounting Supervisor	38	2,502.16	2,628.82	2,761.90	2,901.72	3,048.61	3,202.94	31.28	32.86	34.52	36.27	38.11	40.04	65,056.11	68,349.44	71,809.50	75,444.71	79,263.95	83,276.53
City Planner	39	2,564.71	2,694.55	2,830.95	2,974.26	3,124.83	3,283.02	32.06	33.68	35.39	37.18	39.06	41.04	66,682.51	70,058.18	73,604.73	77,330.83	81,245.55	85,358.44
Police Sergeant	41	2,694.55	2,830.96	2,974.27	3,124.83	3,283.02	3,449.22	33.68	35.39	37.18	39.06	41.04	43.12	70,058.31	73,604.87	77,330.97	81,245.70	85,358.60	89,679.71

EXEMPT EMPLOYEE PAY SCHEDULE - BIWEEKLY								EXEMPT EMPLOYEE HOURLY PAY						EXEMPT EMPLOYEE PAY SCHEDULE - Annual					
Police Lieutenant	46	3,048.64	3,202.97	3,365.11	3,535.46	3,714.44	3,902.48	38.11	40.04	42.06	44.19	46.43	48.78	79,264.55	83,277.16	87,492.90	91,922.05	96,575.42	101,464.36

NEW

City of McFarland
Non-Exempt Pay Schedule
07/01/2021 thru 06/30/2022

Salary Range	Step A	Step B	Step C	Step D	Step E	Step F
1	$ 12.54	$ 13.18	$ 13.85	$ 14.55	$ 15.28	$ 16.06
	$ 1,003.53	$ 1,054.33	$ 1,107.71	$ 1,163.78	$ 1,222.70	$ 1,284.60
2	$ 12.86	$ 13.51	$ 14.19	$ 14.91	$ 15.67	$ 16.46
	$ 1,028.62	$ 1,080.69	$ 1,135.40	$ 1,192.88	$ 1,253.27	$ 1,316.71
3	$ 13.18	$ 13.85	$ 14.55	$ 15.28	$ 16.06	$ 16.87
	$ 1,054.34	$ 1,107.71	$ 1,163.79	$ 1,222.70	$ 1,284.60	$ 1,349.63
4	$ 13.51	$ 14.19	$ 14.91	$ 15.67	$ 16.46	$ 17.29
	$ 1,080.70	$ 1,135.40	$ 1,192.88	$ 1,253.27	$ 1,316.71	$ 1,383.37
5	$ 13.85	$ 14.55	$ 15.28	$ 16.06	$ 16.87	$ 17.72
	$ 1,107.71	$ 1,163.79	$ 1,222.70	$ 1,284.60	$ 1,349.63	$ 1,417.95
6	$ 14.19	$ 14.91	$ 15.67	$ 16.46	$ 17.29	$ 18.17
	$ 1,135.41	$ 1,192.88	$ 1,253.27	$ 1,316.71	$ 1,383.37	$ 1,453.40
7	$ 14.55	$ 15.28	$ 16.06	$ 16.87	$ 17.72	$ 18.62
	$ 1,163.79	$ 1,222.71	$ 1,284.60	$ 1,349.63	$ 1,417.96	$ 1,489.74
8	$ 14.91	$ 15.67	$ 16.46	$ 17.29	$ 18.17	$ 19.09
	$ 1,192.89	$ 1,253.27	$ 1,316.72	$ 1,383.37	$ 1,453.40	$ 1,526.98
9	$ 15.28	$ 16.06	$ 16.87	$ 17.72	$ 18.62	$ 19.56
	$ 1,222.71	$ 1,284.60	$ 1,349.64	$ 1,417.96	$ 1,489.74	$ 1,565.15
10	$ 15.67	$ 16.46	$ 17.29	$ 18.17	$ 19.09	$ 20.05
	$ 1,253.28	$ 1,316.72	$ 1,383.38	$ 1,453.41	$ 1,526.98	$ 1,604.28
11	$ 16.06	$ 16.87	$ 17.72	$ 18.62	$ 19.56	$ 20.55
	$ 1,284.61	$ 1,349.64	$ 1,417.96	$ 1,489.74	$ 1,565.16	$ 1,644.39
12	$ 16.46	$ 17.29	$ 18.17	$ 19.09	$ 20.05	$ 21.07
	$ 1,316.72	$ 1,383.38	$ 1,453.41	$ 1,526.99	$ 1,604.29	$ 1,685.50
13	$ 16.87	$ 17.72	$ 18.62	$ 19.56	$ 20.55	$ 21.60
	$ 1,349.64	$ 1,417.96	$ 1,489.74	$ 1,565.16	$ 1,644.39	$ 1,727.64
14	$ 17.29	$ 18.17	$ 19.09	$ 20.05	$ 21.07	$ 22.14
	$ 1,383.38	$ 1,453.41	$ 1,526.99	$ 1,604.29	$ 1,685.50	$ 1,770.83
15	$ 17.72	$ 18.62	$ 19.56	$ 20.55	$ 21.60	$ 22.69
	$ 1,417.97	$ 1,489.75	$ 1,565.16	$ 1,644.40	$ 1,727.64	$ 1,815.10
16	$ 18.17	$ 19.09	$ 20.05	$ 21.07	$ 22.14	$ 23.26
	$ 1,453.42	$ 1,526.99	$ 1,604.29	$ 1,685.51	$ 1,770.83	$ 1,860.48
17	$ 18.62	$ 19.56	$ 20.55	$ 21.60	$ 22.69	$ 23.84
	$ 1,489.75	$ 1,565.17	$ 1,644.40	$ 1,727.64	$ 1,815.10	$ 1,906.99
18	$ 19.09	$ 20.05	$ 21.07	$ 22.14	$ 23.26	$ 24.43
	$ 1,526.99	$ 1,604.30	$ 1,685.51	$ 1,770.84	$ 1,860.48	$ 1,954.66
19	$ 19.56	$ 20.56	$ 21.60	$ 22.69	$ 23.84	$ 25.04
	$ 1,565.17	$ 1,644.40	$ 1,727.65	$ 1,815.11	$ 1,906.99	$ 2,003.53
20	$ 20.05	$ 21.07	$ 22.14	$ 23.26	$ 24.43	$ 25.67
	$ 1,604.30	$ 1,685.51	$ 1,770.84	$ 1,860.48	$ 1,954.67	$ 2,053.62
21	$ 20.56	$ 21.60	$ 22.69	$ 23.84	$ 25.04	$ 26.31
	$ 1,644.41	$ 1,727.65	$ 1,815.11	$ 1,907.00	$ 2,003.53	$ 2,104.96
22	$ 21.07	$ 22.14	$ 23.26	$ 24.43	$ 25.67	$ 26.97
	$ 1,685.52	$ 1,770.84	$ 1,860.49	$ 1,954.67	$ 2,053.62	$ 2,157.58
23	$ 21.60	$ 22.69	$ 23.84	$ 25.04	$ 26.31	$ 27.64
	$ 1,727.65	$ 1,815.11	$ 1,907.00	$ 2,003.54	$ 2,104.96	$ 2,211.52
24	$ 22.14	$ 23.26	$ 24.43	$ 25.67	$ 26.97	$ 28.34
	$ 1,770.85	$ 1,860.49	$ 1,954.67	$ 2,053.63	$ 2,157.59	$ 2,266.81

***Note: All step increases are 5% and all range increases are 2.5%**

Bi-Weekly Estimated Rate is at 80 hour Workschedule

NEW

City of McFarland
Non-Exempt Pay Schedule
07/01/2021 thru 06/30/2022

Salary Range	Step A	Step B	Step C	Step D	Step E	Step F
25	$ 22.69	$ 23.84	$ 25.04	$ 26.31	$ 27.64	$ 29.04
	$ 1,815.12	$ 1,907.00	$ 2,003.54	$ 2,104.97	$ 2,211.53	$ 2,323.48
26	$ 23.26	$ 24.43	$ 25.67	$ 26.97	$ 28.34	$ 29.77
	$ 1,860.49	$ 1,954.68	$ 2,053.63	$ 2,157.59	$ 2,266.81	$ 2,381.57
27	$ 23.84	$ 25.04	$ 26.31	$ 27.64	$ 29.04	$ 30.51
	$ 1,907.01	$ 2,003.55	$ 2,104.97	$ 2,211.53	$ 2,323.48	$ 2,441.11
28	$ 24.43	$ 25.67	$ 26.97	$ 28.34	$ 29.77	$ 31.28
	$ 1,954.68	$ 2,053.63	$ 2,157.59	$ 2,266.82	$ 2,381.57	$ 2,502.13
29	$ 25.04	$ 26.31	$ 27.64	$ 29.04	$ 30.51	$ 32.06
	$ 2,003.55	$ 2,104.97	$ 2,211.53	$ 2,323.49	$ 2,441.11	$ 2,564.69
30	$ 25.67	$ 26.97	$ 28.34	$ 29.77	$ 31.28	$ 32.86
	$ 2,053.64	$ 2,157.60	$ 2,266.82	$ 2,381.58	$ 2,502.14	$ 2,628.80
31	$ 26.31	$ 27.64	$ 29.04	$ 30.51	$ 32.06	$ 33.68
	$ 2,104.98	$ 2,211.54	$ 2,323.49	$ 2,441.12	$ 2,564.69	$ 2,694.52
32	$ 26.97	$ 28.34	$ 29.77	$ 31.28	$ 32.86	$ 34.52
	$ 2,157.60	$ 2,266.83	$ 2,381.58	$ 2,502.14	$ 2,628.81	$ 2,761.89
33	$ 27.64	$ 29.04	$ 30.51	$ 32.06	$ 33.68	$ 35.39
	$ 2,211.54	$ 2,323.50	$ 2,441.12	$ 2,564.70	$ 2,694.53	$ 2,830.94
34	$ 28.34	$ 29.77	$ 31.28	$ 32.86	$ 34.52	$ 36.27
	$ 2,266.83	$ 2,381.59	$ 2,502.15	$ 2,628.81	$ 2,761.89	$ 2,901.71
35	$ 29.04	$ 30.51	$ 32.06	$ 33.68	$ 35.39	$ 37.18
	$ 2,323.50	$ 2,441.13	$ 2,564.70	$ 2,694.54	$ 2,830.94	$ 2,974.25
36	$ 29.77	$ 31.28	$ 32.86	$ 34.52	$ 36.27	$ 38.11
	$ 2,381.59	$ 2,502.15	$ 2,628.82	$ 2,761.90	$ 2,901.71	$ 3,048.61
37	$ 30.51	$ 32.06	$ 33.68	$ 35.39	$ 37.18	$ 39.06
	$ 2,441.13	$ 2,564.71	$ 2,694.54	$ 2,830.95	$ 2,974.26	$ 3,124.82
38	$ 31.28	$ 32.86	$ 34.52	$ 36.27	$ 38.11	$ 40.04
	$ 2,502.16	$ 2,628.82	$ 2,761.90	$ 2,901.72	$ 3,048.61	$ 3,202.94
39	$ 32.06	$ 33.68	$ 35.39	$ 37.18	$ 39.06	$ 41.04
	$ 2,564.71	$ 2,694.55	$ 2,830.95	$ 2,974.26	$ 3,124.83	$ 3,283.02
40	$ 32.86	$ 34.52	$ 36.27	$ 38.11	$ 40.04	$ 42.06
	$ 2,628.83	$ 2,761.91	$ 2,901.73	$ 3,048.62	$ 3,202.95	$ 3,365.09
41	$ 33.68	$ 35.39	$ 37.18	$ 39.06	$ 41.04	$ 43.12
	$ 2,694.55	$ 2,830.96	$ 2,974.27	$ 3,124.83	$ 3,283.02	$ 3,449.22
42	$ 34.52	$ 36.27	$ 38.11	$ 40.04	$ 42.06	$ 44.19
	$ 2,761.91	$ 2,901.73	$ 3,048.62	$ 3,202.96	$ 3,365.10	$ 3,535.45
43	$ 35.39	$ 37.18	$ 39.06	$ 41.04	$ 43.12	$ 45.30
	$ 2,830.96	$ 2,974.27	$ 3,124.84	$ 3,283.03	$ 3,449.23	$ 3,623.84
44	$ 36.27	$ 38.11	$ 40.04	$ 42.06	$ 44.19	$ 46.43
	$ 2,901.74	$ 3,048.63	$ 3,202.96	$ 3,365.11	$ 3,535.46	$ 3,714.43
45	$ 37.18	$ 39.06	$ 41.04	$ 43.12	$ 45.30	$ 47.59
	$ 2,974.28	$ 3,124.85	$ 3,283.04	$ 3,449.23	$ 3,623.84	$ 3,807.29
46	$ 38.11	$ 40.04	$ 42.06	$ 44.19	$ 46.43	$ 48.78
	$ 3,048.64	$ 3,202.97	$ 3,365.11	$ 3,535.46	$ 3,714.44	$ 3,902.48
47	$ 39.06	$ 41.04	$ 43.12	$ 45.30	$ 47.59	$ 50.00
	$ 3,124.85	$ 3,283.04	$ 3,449.24	$ 3,623.85	$ 3,807.30	$ 4,000.04
48	$ 40.04	$ 42.06	$ 44.19	$ 46.43	$ 48.78	$ 51.25
	$ 3,202.97	$ 3,365.12	$ 3,535.47	$ 3,714.45	$ 3,902.48	$ 4,100.04

***Note: All step increases are 5% and all range increases are 2.5%**
Bi-Weekly Estimated Rate is at 80 hour Workschedule

OLD

City of McFarland
Non-Exempt Pay Schedule
07/01/2022 thru 06/30/2023

Salary Range	Step A	Step B	Step C	Step D	Step E	Step F
1	$ 12.18	$ 12.80	$ 13.44	$ 14.12	$ 14.84	$ 15.59
	$ 974.30	$ 1,023.63	$ 1,075.45	$ 1,129.89	$ 1,187.09	$ 1,247.18
2	$ 12.48	$ 13.12	$ 13.78	$ 14.48	$ 15.21	$ 15.98
	$ 998.66	$ 1,049.22	$ 1,102.33	$ 1,158.13	$ 1,216.76	$ 1,278.36
3	$ 12.80	$ 13.44	$ 14.12	$ 14.84	$ 15.59	$ 16.38
	$ 1,023.63	$ 1,075.45	$ 1,129.89	$ 1,187.09	$ 1,247.18	$ 1,310.32
4	$ 13.12	$ 13.78	$ 14.48	$ 15.21	$ 15.98	$ 16.79
	$ 1,049.22	$ 1,102.33	$ 1,158.14	$ 1,216.77	$ 1,278.36	$ 1,343.08
5	$ 13.44	$ 14.12	$ 14.84	$ 15.59	$ 16.38	$ 17.21
	$ 1,075.45	$ 1,129.89	$ 1,187.09	$ 1,247.18	$ 1,310.32	$ 1,376.65
6	$ 13.78	$ 14.48	$ 15.21	$ 15.98	$ 16.79	$ 17.64
	$ 1,102.34	$ 1,158.14	$ 1,216.77	$ 1,278.36	$ 1,343.08	$ 1,411.07
7	$ 14.12	$ 14.84	$ 15.59	$ 16.38	$ 17.21	$ 18.08
	$ 1,129.89	$ 1,187.09	$ 1,247.19	$ 1,310.32	$ 1,376.66	$ 1,446.35
8	$ 14.48	$ 15.21	$ 15.98	$ 16.79	$ 17.64	$ 18.53
	$ 1,158.14	$ 1,216.77	$ 1,278.37	$ 1,343.08	$ 1,411.07	$ 1,482.50
9	$ 14.84	$ 15.59	$ 16.38	$ 17.21	$ 18.08	$ 18.99
	$ 1,187.09	$ 1,247.19	$ 1,310.33	$ 1,376.66	$ 1,446.35	$ 1,519.57
10	$ 15.21	$ 15.98	$ 16.79	$ 17.64	$ 18.53	$ 19.47
	$ 1,216.77	$ 1,278.37	$ 1,343.08	$ 1,411.07	$ 1,482.51	$ 1,557.56
11	$ 15.59	$ 16.38	$ 17.21	$ 18.08	$ 18.99	$ 19.96
	$ 1,247.19	$ 1,310.33	$ 1,376.66	$ 1,446.35	$ 1,519.57	$ 1,596.50
12	$ 15.98	$ 16.79	$ 17.64	$ 18.53	$ 19.47	$ 20.46
	$ 1,278.37	$ 1,343.09	$ 1,411.08	$ 1,482.51	$ 1,557.56	$ 1,636.41
13	$ 16.38	$ 17.21	$ 18.08	$ 18.99	$ 19.96	$ 20.97
	$ 1,310.33	$ 1,376.66	$ 1,446.35	$ 1,519.57	$ 1,596.50	$ 1,677.32
14	$ 16.79	$ 17.64	$ 18.53	$ 19.47	$ 20.46	$ 21.49
	$ 1,343.09	$ 1,411.08	$ 1,482.51	$ 1,557.56	$ 1,636.41	$ 1,719.25
15	$ 17.21	$ 18.08	$ 18.99	$ 19.96	$ 20.97	$ 22.03
	$ 1,376.67	$ 1,446.36	$ 1,519.58	$ 1,596.50	$ 1,677.32	$ 1,762.23
16	$ 17.64	$ 18.53	$ 19.47	$ 20.46	$ 21.49	$ 22.58
	$ 1,411.08	$ 1,482.52	$ 1,557.57	$ 1,636.41	$ 1,719.25	$ 1,806.29
17	$ 18.08	$ 18.99	$ 19.96	$ 20.97	$ 22.03	$ 23.14
	$ 1,446.36	$ 1,519.58	$ 1,596.50	$ 1,677.32	$ 1,762.24	$ 1,851.45
18	$ 18.53	$ 19.47	$ 20.46	$ 21.49	$ 22.58	$ 23.72
	$ 1,482.52	$ 1,557.57	$ 1,636.42	$ 1,719.26	$ 1,806.29	$ 1,897.73
19	$ 18.99	$ 19.96	$ 20.97	$ 22.03	$ 23.14	$ 24.31
	$ 1,519.58	$ 1,596.51	$ 1,677.33	$ 1,762.24	$ 1,851.45	$ 1,945.17
20	$ 19.47	$ 20.46	$ 21.49	$ 22.58	$ 23.72	$ 24.92
	$ 1,557.57	$ 1,636.42	$ 1,719.26	$ 1,806.29	$ 1,897.73	$ 1,993.80
21	$ 19.96	$ 20.97	$ 22.03	$ 23.14	$ 24.31	$ 25.55
	$ 1,596.51	$ 1,677.33	$ 1,762.24	$ 1,851.45	$ 1,945.18	$ 2,043.65
22	$ 20.46	$ 21.49	$ 22.58	$ 23.72	$ 24.92	$ 26.18
	$ 1,636.42	$ 1,719.26	$ 1,806.30	$ 1,897.74	$ 1,993.81	$ 2,094.74
23	$ 20.97	$ 22.03	$ 23.14	$ 24.31	$ 25.55	$ 26.84
	$ 1,677.33	$ 1,762.25	$ 1,851.46	$ 1,945.18	$ 2,043.65	$ 2,147.11
24	$ 21.49	$ 22.58	$ 23.72	$ 24.92	$ 26.18	$ 27.51
	$ 1,719.27	$ 1,806.30	$ 1,897.74	$ 1,993.81	$ 2,094.74	$ 2,200.79

***Note: All step increases are 5% and all range increases are 2.5%**
Bi-Weekly Estimated Rate is at 80 hour Workschedule

OLD

City of McFarland
Non-Exempt Pay Schedule
07/01/2022 thru 06/30/2023

Salary Range	Step A	Step B	Step C	Step D	Step E	Step F
25	$ 22.03	$ 23.14	$ 24.31	$ 25.55	$ 26.84	$ 28.20
	$ 1,762.25	$ 1,851.46	$ 1,945.19	$ 2,043.66	$ 2,147.11	$ 2,255.81
26	$ 22.58	$ 23.72	$ 24.92	$ 26.18	$ 27.51	$ 28.90
	$ 1,806.31	$ 1,897.75	$ 1,993.82	$ 2,094.75	$ 2,200.79	$ 2,312.20
27	$ 23.14	$ 24.31	$ 25.55	$ 26.84	$ 28.20	$ 29.63
	$ 1,851.46	$ 1,945.19	$ 2,043.66	$ 2,147.12	$ 2,255.81	$ 2,370.01
28	$ 23.72	$ 24.92	$ 26.18	$ 27.51	$ 28.90	$ 30.37
	$ 1,897.75	$ 1,993.82	$ 2,094.75	$ 2,200.79	$ 2,312.21	$ 2,429.26
29	$ 24.31	$ 25.55	$ 26.84	$ 28.20	$ 29.63	$ 31.12
	$ 1,945.19	$ 2,043.66	$ 2,147.12	$ 2,255.81	$ 2,370.01	$ 2,489.99
30	$ 24.92	$ 26.18	$ 27.51	$ 28.90	$ 30.37	$ 31.90
	$ 1,993.82	$ 2,094.76	$ 2,200.80	$ 2,312.21	$ 2,429.26	$ 2,552.24
31	$ 25.55	$ 26.84	$ 28.20	$ 29.63	$ 31.12	$ 32.70
	$ 2,043.67	$ 2,147.13	$ 2,255.82	$ 2,370.02	$ 2,489.99	$ 2,616.04
32	$ 26.18	$ 27.51	$ 28.90	$ 30.37	$ 31.90	$ 33.52
	$ 2,094.76	$ 2,200.80	$ 2,312.21	$ 2,429.27	$ 2,552.24	$ 2,681.44
33	$ 26.84	$ 28.20	$ 29.63	$ 31.12	$ 32.70	$ 34.36
	$ 2,147.13	$ 2,255.82	$ 2,370.02	$ 2,490.00	$ 2,616.05	$ 2,748.48
34	$ 27.51	$ 28.90	$ 30.37	$ 31.90	$ 33.52	$ 35.21
	$ 2,200.81	$ 2,312.22	$ 2,429.27	$ 2,552.25	$ 2,681.45	$ 2,817.19
35	$ 28.20	$ 29.63	$ 31.13	$ 32.70	$ 34.36	$ 36.10
	$ 2,255.83	$ 2,370.02	$ 2,490.00	$ 2,616.05	$ 2,748.49	$ 2,887.62
36	$ 28.90	$ 30.37	$ 31.90	$ 33.52	$ 35.21	$ 37.00
	$ 2,312.22	$ 2,429.27	$ 2,552.25	$ 2,681.45	$ 2,817.20	$ 2,959.81
37	$ 29.63	$ 31.13	$ 32.70	$ 34.36	$ 36.10	$ 37.92
	$ 2,370.03	$ 2,490.01	$ 2,616.06	$ 2,748.49	$ 2,887.63	$ 3,033.81
38	$ 30.37	$ 31.90	$ 33.52	$ 35.22	$ 37.00	$ 38.87
	$ 2,429.28	$ 2,552.26	$ 2,681.46	$ 2,817.20	$ 2,959.82	$ 3,109.65
39	$ 31.13	$ 32.70	$ 34.36	$ 36.10	$ 37.92	$ 39.84
	$ 2,490.01	$ 2,616.06	$ 2,748.50	$ 2,887.63	$ 3,033.81	$ 3,187.40
40	$ 31.90	$ 33.52	$ 35.22	$ 37.00	$ 38.87	$ 40.84
	$ 2,552.26	$ 2,681.47	$ 2,817.21	$ 2,959.82	$ 3,109.66	$ 3,267.08
41	$ 32.70	$ 34.36	$ 36.10	$ 37.92	$ 39.84	$ 41.86
	$ 2,616.07	$ 2,748.50	$ 2,887.64	$ 3,033.82	$ 3,187.40	$ 3,348.76
42	$ 33.52	$ 35.22	$ 37.00	$ 38.87	$ 40.84	$ 42.91
	$ 2,681.47	$ 2,817.21	$ 2,959.83	$ 3,109.67	$ 3,267.09	$ 3,432.48
43	$ 34.36	$ 36.10	$ 37.92	$ 39.84	$ 41.86	$ 43.98
	$ 2,748.51	$ 2,887.64	$ 3,033.83	$ 3,187.41	$ 3,348.76	$ 3,518.29
44	$ 35.22	$ 37.00	$ 38.87	$ 40.84	$ 42.91	$ 45.08
	$ 2,817.22	$ 2,959.84	$ 3,109.67	$ 3,267.09	$ 3,432.48	$ 3,606.24
45	$ 36.10	$ 37.92	$ 39.84	$ 41.86	$ 43.98	$ 46.21
	$ 2,887.65	$ 3,033.83	$ 3,187.41	$ 3,348.77	$ 3,518.29	$ 3,696.40
46	$ 37.00	$ 38.87	$ 40.84	$ 42.91	$ 45.08	$ 47.36
	$ 2,959.84	$ 3,109.68	$ 3,267.10	$ 3,432.49	$ 3,606.25	$ 3,788.81
47	$ 37.92	$ 39.84	$ 41.86	$ 43.98	$ 46.21	$ 48.54
	$ 3,033.84	$ 3,187.42	$ 3,348.78	$ 3,518.30	$ 3,696.41	$ 3,883.53
48	$ 38.87	$ 40.84	$ 42.91	$ 45.08	$ 47.36	$ 49.76
	$ 3,109.68	$ 3,267.10	$ 3,432.50	$ 3,606.26	$ 3,788.82	$ 3,980.62

***Note: All step increases are 5% and all range increases are 2.5%**

Bi-Weekly Estimated Rate is at 80 hour Workschedule

CITY OF MCFARLAND
POSITION & SALARY RANGE LIST
EFFECTIVE 07/01/2022-06/30/2023

CONTRACT EMPLOYEES	
City Manager	Contract
Assistant City Manager	Contract
Police Chief	Contract
Police Captain	Contract
Finance Director	Contract
Public Works Director	Contract
Community Development Deirector	Contract
Human Resources Director	Contract
Deputy Public Works Director	Contract

CITY COUNCIL - MONTHLY	
City Councilmembers	$200

NON- EXEMPT EMPLOYEE PAY SCHEDULE - BIWEEKLY								NON- EXEMPT EMPLOYEE HOURLY PAY						NON- EXEMPT EMPLOYEE PAY SCHEDULE - Annual					
TITLE	RANGE	STEP A	STEP B	STEP C	STEP D	STEP E	STEP F	STEP A	STEP B	STEP C	STEP D	STEP E	STEP F	STEP A	STEP B	STEP C	STEP D	STEP E	STEP F
Transit Operator	3	1,054.34	1,107.71	1,163.79	1,222.70	1,284.60	1,349.63	13.18	13.85	14.55	15.28	16.06	16.87	27,412.76	28,800.48	30,258.44	31,790.22	33,399.53	35,090.32
Groundskeeper	3	1,054.34	1,107.71	1,163.79	1,222.70	1,284.60	1,349.63	13.18	13.85	14.55	15.28	16.06	16.87	27,412.76	28,800.48	30,258.44	31,790.22	33,399.53	35,090.32
Wastewater Treatment Plant Operator In Training	6	1,135.41	1,192.88	1,253.27	1,316.71	1,383.37	1,453.40	14.19	14.91	15.67	16.46	17.29	18.17	29,520.55	31,014.96	32,585.04	34,234.59	35,967.64	37,788.43
Water Operator In Training	6	1,135.41	1,192.88	1,253.27	1,316.71	1,383.37	1,453.40	14.19	14.91	15.67	16.46	17.29	18.17	29,520.55	31,014.96	32,585.04	34,234.59	35,967.64	37,788.43
Accounting Clerk I	6	1,135.41	1,192.88	1,253.27	1,316.71	1,383.37	1,453.40	14.19	14.91	15.67	16.46	17.29	18.17	29,520.55	31,014.96	32,585.04	34,234.59	35,967.64	37,788.43
Animal Control Officer	7	1,163.79	1,222.71	1,284.60	1,349.63	1,417.96	1,489.74	14.55	15.28	16.06	16.87	17.72	18.62	30,258.56	31,790.34	33,399.66	35,090.45	36,866.84	38,733.15
Street Maintenance I	7	1,163.79	1,222.71	1,284.60	1,349.63	1,417.96	1,489.74	14.55	15.28	16.06	16.87	17.72	18.62	30,258.56	31,790.34	33,399.66	35,090.45	36,866.84	38,733.15
Wastewater Treatment Plant Operator I	9	1,222.71	1,284.60	1,349.64	1,417.96	1,489.74	1,565.15	15.28	16.06	16.87	17.72	18.62	19.56	31,790.40	33,399.72	35,090.52	36,866.91	38,733.22	40,694.01
Water Operator I	9	1,222.71	1,284.60	1,349.64	1,417.96	1,489.74	1,565.15	15.28	16.06	16.87	17.72	18.62	19.56	31,790.40	33,399.72	35,090.52	36,866.91	38,733.22	40,694.01
Sweeper/Street Maintenance Worker I	13	1,349.64	1,417.96	1,489.74	1,565.16	1,644.39	1,727.64	16.87	17.72	18.62	19.56	20.55	21.60	35,090.65	36,867.05	38,733.37	40,694.17	42,754.23	44,918.57
Administrative Assistant I	14	1,383.38	1,453.41	1,526.99	1,604.29	1,685.50	1,770.83	17.29	18.17	19.09	20.05	21.07	22.14	35,967.92	37,788.72	39,701.70	41,711.52	43,823.08	46,041.54
Community Service Officer	15	1,417.97	1,489.75	1,565.16	1,644.40	1,727.64	1,815.10	17.72	18.62	19.56	20.55	21.60	22.69	36,867.12	38,733.44	40,694.24	42,754.31	44,918.66	47,192.58
Accounting Clerk II	16	1,453.42	1,526.99	1,604.29	1,685.51	1,770.83	1,860.48	18.17	19.09	20.05	21.07	22.14	23.26	37,788.79	39,701.78	41,711.60	43,823.17	46,041.63	48,372.39
Accounting Clerk III	19	1,565.17	1,644.40	1,727.65	1,815.11	1,906.99	2,003.53	19.56	20.56	21.60	22.69	23.84	25.04	40,694.40	42,754.47	44,918.83	47,192.76	49,581.80	52,091.77
Code Enforcement Officer	19	1,565.17	1,644.40	1,727.65	1,815.11	1,906.99	2,003.53	19.56	20.56	21.60	22.69	23.84	25.04	40,694.40	42,754.47	44,918.83	47,192.76	49,581.80	52,091.77
Police Office Technician	19	1,565.17	1,644.40	1,727.65	1,815.11	1,906.99	2,003.53	19.56	20.56	21.60	22.69	23.84	25.04	40,694.40	42,754.47	44,918.83	47,192.76	49,581.80	52,091.77
Streets Maintenance Supervisor	20	1,604.30	1,685.51	1,770.84	1,860.48	1,954.67	2,053.62	20.05	21.07	22.14	23.26	24.43	25.67	41,711.76	43,823.33	46,041.80	48,372.58	50,821.34	53,394.07
Communication/Records Supervisor	21	1,644.41	1,727.65	1,815.11	1,907.00	2,003.53	2,104.96	20.56	21.60	22.69	23.84	25.04	26.31	42,754.55	44,918.92	47,192.85	49,581.89	52,091.87	54,728.92
Crime Scene Technician	23	1,727.65	1,815.11	1,907.00	2,003.54	2,104.96	2,211.52	21.60	22.69	23.84	25.04	26.31	27.64	44,919.00	47,192.94	49,581.98	52,091.97	54,729.03	57,499.57
Staff Accountant	26	1,860.49	1,954.68	2,053.63	2,157.59	2,266.81	2,381.57	23.26	24.43	25.67	26.97	28.34	29.77	48,372.85	50,821.63	53,394.37	56,097.36	58,937.17	61,920.75
Water Operator II	27	1,907.01	2,003.55	2,104.97	2,211.53	2,323.48	2,441.11	23.84	25.04	26.31	27.64	29.04	30.51	49,582.17	52,092.17	54,729.23	57,499.79	60,410.60	63,468.77
Grant Administrator	29	2,003.55	2,104.97	2,211.53	2,323.49	2,441.11	2,564.69	25.04	26.31	27.64	29.04	30.51	32.06	52,092.27	54,729.34	57,499.90	60,410.72	63,468.89	66,681.88
City Clerk	30	2,053.64	2,157.60	2,266.82	2,381.58	2,502.14	2,628.80	25.67	26.97	28.34	29.77	31.28	32.86	53,394.58	56,097.57	58,937.40	61,920.99	65,055.61	68,348.92
Wastewater Treatment Plant Operator III/ Supervisor	32	2,157.60	2,266.83	2,381.58	2,502.14	2,628.81	2,761.89	26.97	28.34	29.77	31.28	32.86	34.52	56,097.68	58,937.51	61,921.10	65,055.74	68,349.05	71,809.09
Police Officer	33	2,211.54	2,323.50	2,441.12	2,564.70	2,694.53	2,830.94	27.64	29.04	30.51	32.06	33.68	35.39	57,500.12	60,410.95	63,469.13	66,682.13	70,057.78	73,604.31
Police Corporal	34	2,266.83	2,381.59	2,502.15	2,628.81	2,761.89	2,901.71	28.34	29.77	31.28	32.86	34.52	36.27	58,937.62	61,921.22	65,055.86	68,349.18	71,809.22	75,444.42
Building Inspector I	35	2,323.50	2,441.13	2,564.70	2,694.54	2,830.94	2,974.25	29.04	30.51	32.06	33.68	35.39	37.18	60,411.06	63,469.25	66,682.26	70,057.91	73,604.45	77,330.53
Water Operator III/Supervisor	38	2,502.16	2,628.82	2,761.90	2,901.72	3,048.61	3,202.94	31.28	32.86	34.52	36.27	38.11	40.04	65,056.11	68,349.44	71,809.50	75,444.71	79,263.95	83,276.53
Accounting Supervisor	38	2,502.16	2,628.82	2,761.90	2,901.72	3,048.61	3,202.94	31.28	32.86	34.52	36.27	38.11	40.04	65,056.11	68,349.44	71,809.50	75,444.71	79,263.95	83,276.53
City Planner	39	2,564.71	2,694.55	2,830.95	2,974.26	3,124.83	3,283.02	32.06	33.68	35.39	37.18	39.06	41.04	66,682.51	70,058.18	73,604.73	77,330.83	81,245.55	85,358.44
Police Sergeant	41	2,694.55	2,830.96	2,974.27	3,124.83	3,283.02	3,449.22	33.68	35.39	37.18	39.06	41.04	43.12	70,058.31	73,604.87	77,330.97	81,245.70	85,358.60	89,679.71

EXEMPT EMPLOYEE PAY SCHEDULE - BIWEEKLY								EXEMPT EMPLOYEE HOURLY PAY						EXEMPT EMPLOYEE PAY SCHEDULE - Annual					
Police Lieutenant	46	3,048.64	3,202.97	3,365.11	3,535.46	3,714.44	3,902.48	38.11	40.04	42.06	44.19	46.43	48.78	79,264.55	83,277.16	87,492.90	91,922.05	96,575.42	101,464.36

NEW

City of McFarland
Non-Exempt Pay Schedule
07/01/2021 thru 06/30/2022

Salary Range	Step A	Step B	Step C	Step D	Step E	Step F
1	$ 12.54	$ 13.18	$ 13.85	$ 14.55	$ 15.28	$ 16.06
	$ 1,003.53	$ 1,054.33	$ 1,107.71	$ 1,163.78	$ 1,222.70	$ 1,284.60
2	$ 12.86	$ 13.51	$ 14.19	$ 14.91	$ 15.67	$ 16.46
	$ 1,028.62	$ 1,080.69	$ 1,135.40	$ 1,192.88	$ 1,253.27	$ 1,316.71
3	$ 13.18	$ 13.85	$ 14.55	$ 15.28	$ 16.06	$ 16.87
	$ 1,054.34	$ 1,107.71	$ 1,163.79	$ 1,222.70	$ 1,284.60	$ 1,349.63
4	$ 13.51	$ 14.19	$ 14.91	$ 15.67	$ 16.46	$ 17.29
	$ 1,080.70	$ 1,135.40	$ 1,192.88	$ 1,253.27	$ 1,316.71	$ 1,383.37
5	$ 13.85	$ 14.55	$ 15.28	$ 16.06	$ 16.87	$ 17.72
	$ 1,107.71	$ 1,163.79	$ 1,222.70	$ 1,284.60	$ 1,349.63	$ 1,417.95
6	$ 14.19	$ 14.91	$ 15.67	$ 16.46	$ 17.29	$ 18.17
	$ 1,135.41	$ 1,192.88	$ 1,253.27	$ 1,316.71	$ 1,383.37	$ 1,453.40
7	$ 14.55	$ 15.28	$ 16.06	$ 16.87	$ 17.72	$ 18.62
	$ 1,163.79	$ 1,222.71	$ 1,284.60	$ 1,349.63	$ 1,417.96	$ 1,489.74
8	$ 14.91	$ 15.67	$ 16.46	$ 17.29	$ 18.17	$ 19.09
	$ 1,192.89	$ 1,253.27	$ 1,316.72	$ 1,383.37	$ 1,453.40	$ 1,526.98
9	$ 15.28	$ 16.06	$ 16.87	$ 17.72	$ 18.62	$ 19.56
	$ 1,222.71	$ 1,284.60	$ 1,349.64	$ 1,417.96	$ 1,489.74	$ 1,565.15
10	$ 15.67	$ 16.46	$ 17.29	$ 18.17	$ 19.09	$ 20.05
	$ 1,253.28	$ 1,316.72	$ 1,383.38	$ 1,453.41	$ 1,526.98	$ 1,604.28
11	$ 16.06	$ 16.87	$ 17.72	$ 18.62	$ 19.56	$ 20.55
	$ 1,284.61	$ 1,349.64	$ 1,417.96	$ 1,489.74	$ 1,565.16	$ 1,644.39
12	$ 16.46	$ 17.29	$ 18.17	$ 19.09	$ 20.05	$ 21.07
	$ 1,316.72	$ 1,383.38	$ 1,453.41	$ 1,526.99	$ 1,604.29	$ 1,685.50
13	$ 16.87	$ 17.72	$ 18.62	$ 19.56	$ 20.55	$ 21.60
	$ 1,349.64	$ 1,417.96	$ 1,489.74	$ 1,565.16	$ 1,644.39	$ 1,727.64
14	$ 17.29	$ 18.17	$ 19.09	$ 20.05	$ 21.07	$ 22.14
	$ 1,383.38	$ 1,453.41	$ 1,526.99	$ 1,604.29	$ 1,685.50	$ 1,770.83
15	$ 17.72	$ 18.62	$ 19.56	$ 20.55	$ 21.60	$ 22.69
	$ 1,417.97	$ 1,489.75	$ 1,565.16	$ 1,644.40	$ 1,727.64	$ 1,815.10
16	$ 18.17	$ 19.09	$ 20.05	$ 21.07	$ 22.14	$ 23.26
	$ 1,453.42	$ 1,526.99	$ 1,604.29	$ 1,685.51	$ 1,770.83	$ 1,860.48
17	$ 18.62	$ 19.56	$ 20.55	$ 21.60	$ 22.69	$ 23.84
	$ 1,489.75	$ 1,565.17	$ 1,644.40	$ 1,727.64	$ 1,815.10	$ 1,906.99
18	$ 19.09	$ 20.05	$ 21.07	$ 22.14	$ 23.26	$ 24.43
	$ 1,526.99	$ 1,604.30	$ 1,685.51	$ 1,770.84	$ 1,860.48	$ 1,954.66
19	$ 19.56	$ 20.56	$ 21.60	$ 22.69	$ 23.84	$ 25.04
	$ 1,565.17	$ 1,644.40	$ 1,727.65	$ 1,815.11	$ 1,906.99	$ 2,003.53
20	$ 20.05	$ 21.07	$ 22.14	$ 23.26	$ 24.43	$ 25.67
	$ 1,604.30	$ 1,685.51	$ 1,770.84	$ 1,860.48	$ 1,954.67	$ 2,053.62
21	$ 20.56	$ 21.60	$ 22.69	$ 23.84	$ 25.04	$ 26.31
	$ 1,644.41	$ 1,727.65	$ 1,815.11	$ 1,907.00	$ 2,003.53	$ 2,104.96
22	$ 21.07	$ 22.14	$ 23.26	$ 24.43	$ 25.67	$ 26.97
	$ 1,685.52	$ 1,770.84	$ 1,860.49	$ 1,954.67	$ 2,053.62	$ 2,157.58
23	$ 21.60	$ 22.69	$ 23.84	$ 25.04	$ 26.31	$ 27.64
	$ 1,727.65	$ 1,815.11	$ 1,907.00	$ 2,003.54	$ 2,104.96	$ 2,211.52
24	$ 22.14	$ 23.26	$ 24.43	$ 25.67	$ 26.97	$ 28.34
	$ 1,770.85	$ 1,860.49	$ 1,954.67	$ 2,053.63	$ 2,157.59	$ 2,266.81

***Note: All step increases are 5% and all range increases are 2.5%**
Bi-Weekly Estimated Rate is at 80 hour Workschedule

NEW

City of McFarland
Non-Exempt Pay Schedule
07/01/2021 thru 06/30/2022

Salary Range	Step A	Step B	Step C	Step D	Step E	Step F
25	$ 22.69	$ 23.84	$ 25.04	$ 26.31	$ 27.64	$ 29.04
	$ 1,815.12	$ 1,907.00	$ 2,003.54	$ 2,104.97	$ 2,211.53	$ 2,323.48
26	$ 23.26	$ 24.43	$ 25.67	$ 26.97	$ 28.34	$ 29.77
	$ 1,860.49	$ 1,954.68	$ 2,053.63	$ 2,157.59	$ 2,266.81	$ 2,381.57
27	$ 23.84	$ 25.04	$ 26.31	$ 27.64	$ 29.04	$ 30.51
	$ 1,907.01	$ 2,003.55	$ 2,104.97	$ 2,211.53	$ 2,323.48	$ 2,441.11
28	$ 24.43	$ 25.67	$ 26.97	$ 28.34	$ 29.77	$ 31.28
	$ 1,954.68	$ 2,053.63	$ 2,157.59	$ 2,266.82	$ 2,381.57	$ 2,502.13
29	$ 25.04	$ 26.31	$ 27.64	$ 29.04	$ 30.51	$ 32.06
	$ 2,003.55	$ 2,104.97	$ 2,211.53	$ 2,323.49	$ 2,441.11	$ 2,564.69
30	$ 25.67	$ 26.97	$ 28.34	$ 29.77	$ 31.28	$ 32.86
	$ 2,053.64	$ 2,157.60	$ 2,266.82	$ 2,381.58	$ 2,502.14	$ 2,628.80
31	$ 26.31	$ 27.64	$ 29.04	$ 30.51	$ 32.06	$ 33.68
	$ 2,104.98	$ 2,211.54	$ 2,323.49	$ 2,441.12	$ 2,564.69	$ 2,694.52
32	$ 26.97	$ 28.34	$ 29.77	$ 31.28	$ 32.86	$ 34.52
	$ 2,157.60	$ 2,266.83	$ 2,381.58	$ 2,502.14	$ 2,628.81	$ 2,761.89
33	$ 27.64	$ 29.04	$ 30.51	$ 32.06	$ 33.68	$ 35.39
	$ 2,211.54	$ 2,323.50	$ 2,441.12	$ 2,564.70	$ 2,694.53	$ 2,830.94
34	$ 28.34	$ 29.77	$ 31.28	$ 32.86	$ 34.52	$ 36.27
	$ 2,266.83	$ 2,381.59	$ 2,502.15	$ 2,628.81	$ 2,761.89	$ 2,901.71
35	$ 29.04	$ 30.51	$ 32.06	$ 33.68	$ 35.39	$ 37.18
	$ 2,323.50	$ 2,441.13	$ 2,564.70	$ 2,694.54	$ 2,830.94	$ 2,974.25
36	$ 29.77	$ 31.28	$ 32.86	$ 34.52	$ 36.27	$ 38.11
	$ 2,381.59	$ 2,502.15	$ 2,628.82	$ 2,761.90	$ 2,901.71	$ 3,048.61
37	$ 30.51	$ 32.06	$ 33.68	$ 35.39	$ 37.18	$ 39.06
	$ 2,441.13	$ 2,564.71	$ 2,694.54	$ 2,830.95	$ 2,974.26	$ 3,124.82
38	$ 31.28	$ 32.86	$ 34.52	$ 36.27	$ 38.11	$ 40.04
	$ 2,502.16	$ 2,628.82	$ 2,761.90	$ 2,901.72	$ 3,048.61	$ 3,202.94
39	$ 32.06	$ 33.68	$ 35.39	$ 37.18	$ 39.06	$ 41.04
	$ 2,564.71	$ 2,694.55	$ 2,830.95	$ 2,974.26	$ 3,124.83	$ 3,283.02
40	$ 32.86	$ 34.52	$ 36.27	$ 38.11	$ 40.04	$ 42.06
	$ 2,628.83	$ 2,761.91	$ 2,901.73	$ 3,048.62	$ 3,202.95	$ 3,365.09
41	$ 33.68	$ 35.39	$ 37.18	$ 39.06	$ 41.04	$ 43.12
	$ 2,694.55	$ 2,830.96	$ 2,974.27	$ 3,124.83	$ 3,283.02	$ 3,449.22
42	$ 34.52	$ 36.27	$ 38.11	$ 40.04	$ 42.06	$ 44.19
	$ 2,761.91	$ 2,901.73	$ 3,048.62	$ 3,202.96	$ 3,365.10	$ 3,535.45
43	$ 35.39	$ 37.18	$ 39.06	$ 41.04	$ 43.12	$ 45.30
	$ 2,830.96	$ 2,974.27	$ 3,124.84	$ 3,283.03	$ 3,449.23	$ 3,623.84
44	$ 36.27	$ 38.11	$ 40.04	$ 42.06	$ 44.19	$ 46.43
	$ 2,901.74	$ 3,048.63	$ 3,202.96	$ 3,365.11	$ 3,535.46	$ 3,714.43
45	$ 37.18	$ 39.06	$ 41.04	$ 43.12	$ 45.30	$ 47.59
	$ 2,974.28	$ 3,124.85	$ 3,283.04	$ 3,449.23	$ 3,623.84	$ 3,807.29
46	$ 38.11	$ 40.04	$ 42.06	$ 44.19	$ 46.43	$ 48.78
	$ 3,048.64	$ 3,202.97	$ 3,365.11	$ 3,535.46	$ 3,714.44	$ 3,902.48
47	$ 39.06	$ 41.04	$ 43.12	$ 45.30	$ 47.59	$ 50.00
	$ 3,124.85	$ 3,283.04	$ 3,449.24	$ 3,623.85	$ 3,807.30	$ 4,000.04
48	$ 40.04	$ 42.06	$ 44.19	$ 46.43	$ 48.78	$ 51.25
	$ 3,202.97	$ 3,365.12	$ 3,535.47	$ 3,714.45	$ 3,902.48	$ 4,100.04

***Note: All step increases are 5% and all range increases are 2.5%**

Bi-Weekly Estimated Rate is at 80 hour Workschedule

OLD

City of McFarland
Non-Exempt Pay Schedule
07/01/2022 thru 06/30/2023

Salary Range	Step A	Step B	Step C	Step D	Step E	Step F
1	$ 12.18	$ 12.80	$ 13.44	$ 14.12	$ 14.84	$ 15.59
	$ 974.30	$ 1,023.63	$ 1,075.45	$ 1,129.89	$ 1,187.09	$ 1,247.18
2	$ 12.48	$ 13.12	$ 13.78	$ 14.48	$ 15.21	$ 15.98
	$ 998.66	$ 1,049.22	$ 1,102.33	$ 1,158.13	$ 1,216.76	$ 1,278.36
3	$ 12.80	$ 13.44	$ 14.12	$ 14.84	$ 15.59	$ 16.38
	$ 1,023.63	$ 1,075.45	$ 1,129.89	$ 1,187.09	$ 1,247.18	$ 1,310.32
4	$ 13.12	$ 13.78	$ 14.48	$ 15.21	$ 15.98	$ 16.79
	$ 1,049.22	$ 1,102.33	$ 1,158.14	$ 1,216.77	$ 1,278.36	$ 1,343.08
5	$ 13.44	$ 14.12	$ 14.84	$ 15.59	$ 16.38	$ 17.21
	$ 1,075.45	$ 1,129.89	$ 1,187.09	$ 1,247.18	$ 1,310.32	$ 1,376.65
6	$ 13.78	$ 14.48	$ 15.21	$ 15.98	$ 16.79	$ 17.64
	$ 1,102.34	$ 1,158.14	$ 1,216.77	$ 1,278.36	$ 1,343.08	$ 1,411.07
7	$ 14.12	$ 14.84	$ 15.59	$ 16.38	$ 17.21	$ 18.08
	$ 1,129.89	$ 1,187.09	$ 1,247.19	$ 1,310.32	$ 1,376.66	$ 1,446.35
8	$ 14.48	$ 15.21	$ 15.98	$ 16.79	$ 17.64	$ 18.53
	$ 1,158.14	$ 1,216.77	$ 1,278.37	$ 1,343.08	$ 1,411.07	$ 1,482.50
9	$ 14.84	$ 15.59	$ 16.38	$ 17.21	$ 18.08	$ 18.99
	$ 1,187.09	$ 1,247.19	$ 1,310.33	$ 1,376.66	$ 1,446.35	$ 1,519.57
10	$ 15.21	$ 15.98	$ 16.79	$ 17.64	$ 18.53	$ 19.47
	$ 1,216.77	$ 1,278.37	$ 1,343.08	$ 1,411.07	$ 1,482.51	$ 1,557.56
11	$ 15.59	$ 16.38	$ 17.21	$ 18.08	$ 18.99	$ 19.96
	$ 1,247.19	$ 1,310.33	$ 1,376.66	$ 1,446.35	$ 1,519.57	$ 1,596.50
12	$ 15.98	$ 16.79	$ 17.64	$ 18.53	$ 19.47	$ 20.46
	$ 1,278.37	$ 1,343.09	$ 1,411.08	$ 1,482.51	$ 1,557.56	$ 1,636.41
13	$ 16.38	$ 17.21	$ 18.08	$ 18.99	$ 19.96	$ 20.97
	$ 1,310.33	$ 1,376.66	$ 1,446.35	$ 1,519.57	$ 1,596.50	$ 1,677.32
14	$ 16.79	$ 17.64	$ 18.53	$ 19.47	$ 20.46	$ 21.49
	$ 1,343.09	$ 1,411.08	$ 1,482.51	$ 1,557.56	$ 1,636.41	$ 1,719.25
15	$ 17.21	$ 18.08	$ 18.99	$ 19.96	$ 20.97	$ 22.03
	$ 1,376.67	$ 1,446.36	$ 1,519.58	$ 1,596.50	$ 1,677.32	$ 1,762.23
16	$ 17.64	$ 18.53	$ 19.47	$ 20.46	$ 21.49	$ 22.58
	$ 1,411.08	$ 1,482.52	$ 1,557.57	$ 1,636.41	$ 1,719.25	$ 1,806.29
17	$ 18.08	$ 18.99	$ 19.96	$ 20.97	$ 22.03	$ 23.14
	$ 1,446.36	$ 1,519.58	$ 1,596.50	$ 1,677.32	$ 1,762.24	$ 1,851.45
18	$ 18.53	$ 19.47	$ 20.46	$ 21.49	$ 22.58	$ 23.72
	$ 1,482.52	$ 1,557.57	$ 1,636.42	$ 1,719.26	$ 1,806.29	$ 1,897.73
19	$ 18.99	$ 19.96	$ 20.97	$ 22.03	$ 23.14	$ 24.31
	$ 1,519.58	$ 1,596.51	$ 1,677.33	$ 1,762.24	$ 1,851.45	$ 1,945.17
20	$ 19.47	$ 20.46	$ 21.49	$ 22.58	$ 23.72	$ 24.92
	$ 1,557.57	$ 1,636.42	$ 1,719.26	$ 1,806.29	$ 1,897.73	$ 1,993.80
21	$ 19.96	$ 20.97	$ 22.03	$ 23.14	$ 24.31	$ 25.55
	$ 1,596.51	$ 1,677.33	$ 1,762.24	$ 1,851.45	$ 1,945.18	$ 2,043.65
22	$ 20.46	$ 21.49	$ 22.58	$ 23.72	$ 24.92	$ 26.18
	$ 1,636.42	$ 1,719.26	$ 1,806.30	$ 1,897.74	$ 1,993.81	$ 2,094.74
23	$ 20.97	$ 22.03	$ 23.14	$ 24.31	$ 25.55	$ 26.84
	$ 1,677.33	$ 1,762.25	$ 1,851.46	$ 1,945.18	$ 2,043.65	$ 2,147.11
24	$ 21.49	$ 22.58	$ 23.72	$ 24.92	$ 26.18	$ 27.51
	$ 1,719.27	$ 1,806.30	$ 1,897.74	$ 1,993.81	$ 2,094.74	$ 2,200.79

***Note: All step increases are 5% and all range increases are 2.5%**
Bi-Weekly Estimated Rate is at 80 hour Workschedule

OLD

City of McFarland
Non-Exempt Pay Schedule
07/01/2022 thru 06/30/2023

Salary Range	Step A	Step B	Step C	Step D	Step E	Step F
25	$ 22.03	$ 23.14	$ 24.31	$ 25.55	$ 26.84	$ 28.20
	$ 1,762.25	$ 1,851.46	$ 1,945.19	$ 2,043.66	$ 2,147.11	$ 2,255.81
26	$ 22.58	$ 23.72	$ 24.92	$ 26.18	$ 27.51	$ 28.90
	$ 1,806.31	$ 1,897.75	$ 1,993.82	$ 2,094.75	$ 2,200.79	$ 2,312.20
27	$ 23.14	$ 24.31	$ 25.55	$ 26.84	$ 28.20	$ 29.63
	$ 1,851.46	$ 1,945.19	$ 2,043.66	$ 2,147.12	$ 2,255.81	$ 2,370.01
28	$ 23.72	$ 24.92	$ 26.18	$ 27.51	$ 28.90	$ 30.37
	$ 1,897.75	$ 1,993.82	$ 2,094.75	$ 2,200.79	$ 2,312.21	$ 2,429.26
29	$ 24.31	$ 25.55	$ 26.84	$ 28.20	$ 29.63	$ 31.12
	$ 1,945.19	$ 2,043.66	$ 2,147.12	$ 2,255.81	$ 2,370.01	$ 2,489.99
30	$ 24.92	$ 26.18	$ 27.51	$ 28.90	$ 30.37	$ 31.90
	$ 1,993.82	$ 2,094.76	$ 2,200.80	$ 2,312.21	$ 2,429.26	$ 2,552.24
31	$ 25.55	$ 26.84	$ 28.20	$ 29.63	$ 31.12	$ 32.70
	$ 2,043.67	$ 2,147.13	$ 2,255.82	$ 2,370.02	$ 2,489.99	$ 2,616.04
32	$ 26.18	$ 27.51	$ 28.90	$ 30.37	$ 31.90	$ 33.52
	$ 2,094.76	$ 2,200.80	$ 2,312.21	$ 2,429.27	$ 2,552.24	$ 2,681.44
33	$ 26.84	$ 28.20	$ 29.63	$ 31.12	$ 32.70	$ 34.36
	$ 2,147.13	$ 2,255.82	$ 2,370.02	$ 2,490.00	$ 2,616.05	$ 2,748.48
34	$ 27.51	$ 28.90	$ 30.37	$ 31.90	$ 33.52	$ 35.21
	$ 2,200.81	$ 2,312.22	$ 2,429.27	$ 2,552.25	$ 2,681.45	$ 2,817.19
35	$ 28.20	$ 29.63	$ 31.13	$ 32.70	$ 34.36	$ 36.10
	$ 2,255.83	$ 2,370.02	$ 2,490.00	$ 2,616.05	$ 2,748.49	$ 2,887.62
36	$ 28.90	$ 30.37	$ 31.90	$ 33.52	$ 35.21	$ 37.00
	$ 2,312.22	$ 2,429.27	$ 2,552.25	$ 2,681.45	$ 2,817.20	$ 2,959.81
37	$ 29.63	$ 31.13	$ 32.70	$ 34.36	$ 36.10	$ 37.92
	$ 2,370.03	$ 2,490.01	$ 2,616.06	$ 2,748.49	$ 2,887.63	$ 3,033.81
38	$ 30.37	$ 31.90	$ 33.52	$ 35.22	$ 37.00	$ 38.87
	$ 2,429.28	$ 2,552.26	$ 2,681.46	$ 2,817.20	$ 2,959.82	$ 3,109.65
39	$ 31.13	$ 32.70	$ 34.36	$ 36.10	$ 37.92	$ 39.84
	$ 2,490.01	$ 2,616.06	$ 2,748.50	$ 2,887.63	$ 3,033.81	$ 3,187.40
40	$ 31.90	$ 33.52	$ 35.22	$ 37.00	$ 38.87	$ 40.84
	$ 2,552.26	$ 2,681.47	$ 2,817.21	$ 2,959.82	$ 3,109.66	$ 3,267.08
41	$ 32.70	$ 34.36	$ 36.10	$ 37.92	$ 39.84	$ 41.86
	$ 2,616.07	$ 2,748.50	$ 2,887.64	$ 3,033.82	$ 3,187.40	$ 3,348.76
42	$ 33.52	$ 35.22	$ 37.00	$ 38.87	$ 40.84	$ 42.91
	$ 2,681.47	$ 2,817.21	$ 2,959.83	$ 3,109.67	$ 3,267.09	$ 3,432.48
43	$ 34.36	$ 36.10	$ 37.92	$ 39.84	$ 41.86	$ 43.98
	$ 2,748.51	$ 2,887.64	$ 3,033.83	$ 3,187.41	$ 3,348.76	$ 3,518.29
44	$ 35.22	$ 37.00	$ 38.87	$ 40.84	$ 42.91	$ 45.08
	$ 2,817.22	$ 2,959.84	$ 3,109.67	$ 3,267.09	$ 3,432.48	$ 3,606.24
45	$ 36.10	$ 37.92	$ 39.84	$ 41.86	$ 43.98	$ 46.21
	$ 2,887.65	$ 3,033.83	$ 3,187.41	$ 3,348.77	$ 3,518.29	$ 3,696.40
46	$ 37.00	$ 38.87	$ 40.84	$ 42.91	$ 45.08	$ 47.36
	$ 2,959.84	$ 3,109.68	$ 3,267.10	$ 3,432.49	$ 3,606.25	$ 3,788.81
47	$ 37.92	$ 39.84	$ 41.86	$ 43.98	$ 46.21	$ 48.54
	$ 3,033.84	$ 3,187.42	$ 3,348.78	$ 3,518.30	$ 3,696.41	$ 3,883.53
48	$ 38.87	$ 40.84	$ 42.91	$ 45.08	$ 47.36	$ 49.76
	$ 3,109.68	$ 3,267.10	$ 3,432.50	$ 3,606.26	$ 3,788.82	$ 3,980.62

***Note: All step increases are 5% and all range increases are 2.5%**
Bi-Weekly Estimated Rate is at 80 hour Workschedule

CITY OF MCFARLAND

STAFF REPORT

TO: Honorable Mayor and Council Members

FROM: Kenny Williams, City Manager

DATE: January 26, 2023

SUBJECT: Report, Discuss, and Possible Approval of Resolution No. 2023-0008 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MCFARLAND APPROVING DELEGATION OF AUTHORITY FOR CHECK SIGNING.

SUMMARY:

All checks require two signatures. Currently approved authority to sign checks are the following:

1. Sally Tafoya, City Mayor
2. Maria T. Perez, City Council Member
3. Saul Ayon, City Council Member
4. Ricardo Cano, City Council Member
5. Francisca Alvarado, City Clerk
6. Claudia Ceja, Executive Administrative Assistant
7. Kenneth Williams, City Manager/ Chief of Police

Staff recommends the removal of Sally Tafoya, Maria T. Perez and Claudia Ceja and the addition of City Council Member Amador Ayon, and Maria Anita Gonzalez so that if a scheduling conflict occurs there are adequate check signers in place to make sure that City business can be processed effectively.

FISCAL IMPACT:

NONE

RECOMMENDATION:

Staff recommends that City Council adopt Resolution No. 2023-0008 APPROVING DELEGATION OF AUTHORITY FOR CHECK SIGNING.

ATTACHMENTS:

1. Resolution No. 2023-0008

RESOLUTION NO. 2023-0008

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MCFARLAND APPROVING DELEGATION OF AUTHORITY FOR CHECK SIGNING

WHEREAS, the City Clerk recommends that the Check Signing Policy be updated for elected and or appointed official changes, which were presented at the meeting of the City Council on December 22, 2022; and

WHEREAS, the revised signature authority is recommended, as follows:

1. Saul Ayon, City Mayor
2. Ricardo Cano, Vice Mayor
3. Amador Ayon, City Council Member
4. Maria Anita Gonzalez, City Council Member
5. Francisca Alvarado, City Clerk
6. Kenneth Williams, City Manager/ Chief of Police

WHEREAS, the City Council did consider the appropriateness of the proposed revision of the Check Signing Policy, including the update of the delegation of the authority to sign checks based on the current elected and or appointed officials of City of McFarland, and does endorse recommended changes.

NOW THEREFORE BE IT RESOLVED, that the City of McFarland City Council does hereby resolve that the above noted signature succession is adopted

PASSED AND ADOPTED at a regular meeting of the City Council of the City of McFarland on the 26th day of January 2023 by the following vote:

AYES: ______________________________

NOES: ______________________________

ABSTAIN: ______________________________

ABSENT: ______________________________

ATTEST:

____
Francisca Alvarado, City Clerk

CITY OF MCFARLAND:

____
Saul Ayon, Mayor

I, __________________________, City Clerk of the City of McFarland, California, DO HEREBY CERTIFY that the foregoing resolution is a true and accurate copy of the Resolution passed and adopted by the City Council of the City of McFarland on the date and by the vote indicated herein.

____
Francisca Alvarado, City Clerk

CITY OF MCFARLAND

STAFF REPORT

TO: Honorable Mayor and City Council Members

FROM: Kenny Williams Chief of Police/ City Manager

DATE: January 26, 2023

SUBJECT: Report, Discuss, and Possible Approval selecting the Finance Director for the Administrative Pro Tempore for the city of McFarland.

SUMMARY:

In 2021 the City began recruitment for an assistant city manager to assist with oversight of the administrative functions of the city of McFarland until the transition of the Chief of Police to the city manager's position. Recently the assistant city managers contract was ended, and the chief of police is in the process of transitioning to the city manager position.

In light of this transition, it is imperative the City have a plan in the event the city manager is out of town our otherwise unable to perform the functions of the city manager.

The McFarland city ordinances, section 2.16.020, provides for the selection of an administrator pro tempore, to serve during any temporary absence or disability of the city manager. After analyzing the various positions within the city government, staff believes the finance director possesses the, knowledge, skills, and abilities necessary for the administrator pro tempore position.

FINANCIAL IMPACT:

This change will have no impact on the overall budget of the city.

RECOMMENDATION:

Staff recommends City Council Discuss and Possibly Approve the selecting of the finance director as the administrator pro tempore.

ATTACHMENT:

I. Ordinance 2.16.020

2.16.020 - Appointment of administrator pro tempore.

The city manager shall appoint, subject to the approval of the city council, one of the other officers or employees of the city to serve as administrator pro tempore during any temporary absence or disability of the city manager. In case of the absence or disability of the city manager and his failure to appoint an administrator pro tempore, the city council may designate some qualified city employee to perform the duties of the city manager during the period of disability of the city manager, subject, however, to said person furnishing a corporate surety bond conditioned upon faithful performance of the duties required to be performed as set forth in this chapter.

(Ord. 73 §4, 1963)

CITY OF MCFARLAND

STAFF REPORT

TO: Honorable Mayor and City Council Members

FROM: Kenny Williams, City Manager

Diego Viramontes, Finance Director

DATE: January 26, 2022

SUBJECT: Report, Discuss, and Possible Approval of Resolution No. 2023-0006 A Resolution of the City Council of the City of McFarland Authorizing the City Manager to sign and execute the award of a professional services agreement with Willdan Financial Services in the amount of $82,595 and allowing the City Manager to execute contract amendments in an amount not to exceed $20,000 for the Cost Allocation Plan and Utility Rate Studies.

<u>SUMMARY</u>:

The City of McFarland is faced with escalating costs and increasing regulatory requirements from both the State and Federal level governments. The City is currently faced with the challenge of rebuilding the water well system that ties into the City's water distribution system. In addition to this, the City must plan to replace the aging water distribution infrastructure in the ground. The Wastewater Treatment Plant is also in need of undergoing large capital projects over the next five years. On a routine basis, adjustments must be made to rates in order to ensure appropriate revenues are available to maintain a quality level of service and compliance with regulatory requirements. The City last performed water and sewer rate studies in 2019 and is on its last year of scheduled rate adjustments. As such, staff has determined that it is necessary to conduct rate studies for all utilities to ensure that adequate revenues are available to meet the City's operating and capital needs over the next five years.

On December 5, 2022, staff issued a Request for Proposal (RFP) requesting responses from firms qualified to perform a Cost Allocation Plan and Utility Rate Studies for our Water, Sewer and Solid Waste operations. The City received three proposals by the deadline; however, only two of the consulting firms included the entire scope of work outlined in the RFP (Willdan & NBS).

Firm	Proposal (Utility Rate Studies)	Proposal (Cost Allocation Plan)	Total Proposal
Willdan Financial Services	$ 71,690.00	$ 10,905.00	$ 82,595.00
Lechowicz & Tseng Municipal Consultants	$ 68,370.00	N/A	$ 68,370.00
NBS	$ 149,980.00	$ 16,500.00	$ 166,480.00

A staff selection committee comprised of the City Manager, Public Works Director and Finance Director reviewed and rated the proposals. The scoring was based on evaluating six main criteria: 1) Understanding of work to be done 2) Quality of past performance on similar projects 3) Qualifications of project team 4) Knowledge of local conditions and the project area 5) Familiarity with State and Local procedures 6) Cost of Proposal. After reviewing all 3 proposals and interviewing 2 of the consulting firms, staff has determined that Willdan Financial Services is the most qualified and appropriate proposer to conduct the Cost Allocation Plan and Utility Rate Studies.

The City may utilize Willdan Financial Services to print and mail required Prop 218 hearing notices; therefore, staff is requesting authorization for the City Manager to execute contract amendments in an amount not to exceed an aggregate of $20,000.

FINANCIAL IMPACT:

The City originally budgeted $15,000 for a Cost Allocation Plan and $120,000 for Utility Rate Studies in the fiscal year 2022-23 operating budget. These budget amounts are adequate to cover the cost of the proposal as well as any needed contract amendments.

RECOMMENDATION:

Staff recommends adopting resolution NO. 2023-0006 authorizing the City Manager to sign and execute the award of a professional services agreement and conduct a Cost Allocation Plan and Utility Rate Studies.

ATTACHMENT:

1. Resolution
2. Agreement
3. Request for Proposal
4. Willdan Proposal

RESOLUTION NO. 2023- 0006

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MCFARLAND AUTHORIZING THE CITY MANAGER TO SIGN AND EXECUTE AN AGREEMENT WITH WILLDAN FINANCIAL SERVICES FOR A COST ALLOCATION PLAN AND A WATER, SEWER AND SOLID WASTE RATE STUDY.

WHEREAS, the City wishes to contract with Willdan Financial Services to provide professional services for a cost allocation plan and a water, sewer and solid waste rate study; and

WHEREAS, the services provided are described in the Agreement found in Exhibit "A"; and

WHEREAS, said agreement has been made in the form and manner prescribed by the City of McFarland Municipal Code and the California Public Contract Code; and

WHEREAS, Willdan Financial Services and the City each acknowledge that each party and their respective legal counsel have reviewed the Agreement; and

WHEREAS, the Agreement shall be governed by and construed in accordance with the laws of the State of California; and

NOW THEREFORE BE IT RESOLVED, by the City Council of the City of McFarland herby finds and determines as follows:

Section 1. Approves the agreement with Willdan Financial Services.

Section 2. Authorizes the City Manager to endorse the agreement.

Section 3. Authorizes the City Manager to execute contract amendments in an amount not exceeding an aggregate of $20,000.

Section 4. The Agreement shall not be valid unless and until so approved by the City Attorney and Executed by the City Manager upon satisfaction of the requirements and contingencies indemnified herein.

I hereby certify that the foregoing is a full, true and correct copy of the resolution of the City Council of the City of McFarland at a meeting held on Thursday, January 26, 2023, moved by Councilmember ____________________ and seconded by Councilmember ____________________, duly adopted and passed by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

Saul Ayon, Mayor

Francisca Alvarado, City Clerk

AGREEMENT FOR CONSULTANT SERVICES BETWEEN

CITY OF MCFARLAND, CALIFORNIA,

AND

WILLDAN FINANCIAL SERVICES

THIS AGREEMENT ("Agreement") is made and entered into as of the date of execution by the CITY OF MCFARLAND (the "City") and WILLDAN FINANCIAL SERVICES, a California corporation ("Consultant").

RECITALS

The City requires outside assistance to provide the following services:

Cost Allocation Plan and Rate Studies for Water, Sewer and Solid Waste Operations

WHEREAS, Consultant represents itself as possessing the necessary skills and qualifications to provide the services required by the City and as being duly qualified to perform those services in accordance with the standard of quality ordinarily expected of competent professionals in Consultant's field of expertise;

WHEREAS, Consultant will render such professional services, as hereinafter defined, on the following terms and conditions;

NOW THEREFORE, in consideration of these recitals, and the mutual covenants contained herein, the City and Consultant agree as follows:

AGREEMENT

1. **TERM OF AGREEMENT.**

   1.1. This Agreement shall be effective on and from the day, month and year of the execution of this document by the City.

   1.2. Consultant shall commence the performance of the services in accordance with the Scope of Work section provided in Attachment "A" to this Agreement and shall continue such services until all tasks to be performed are completed, or this Agreement is otherwise terminated. Consultant shall complete the services and provide final data and reports no later than August 31, 2023, unless an extension of time is mutually agreed to by both parties in writing.

2. **CONSULTANT'S OBLIGATIONS- SCOPE OF WORK (ATTACHMENT A).**

   2.1. Consultant shall provide the City with the following services: The specific manner in which the services are to be performed is described in Attachment "A" which is attached hereto and incorporated herein as though fully set forth at length, collectively hereinafter referred to as "Described Services."

2.2. Consultant shall perform all work required to accomplish the Described Services in conformity with applicable requirements of Federal, State and Local law.

2.3. Consultant is hired to render the Described Services and any payments made to Consultant are compensation fully for such services.

2.4. Consultant shall maintain professional certifications as required to properly comply with all City, State, and Federal law.

2.5. Consultant shall assign only competent personnel to perform services pursuant to this Agreement. If the City, in good faith, at any time during the term of this Agreement, desires the removal of any such persons, Consultant shall, immediately upon receiving notice from City of such desire of City, cause the removal of such person or persons.

2.6. If a license or certification of any kind is required of Consultant, its employees, agents, or subcontractors by federal, state or law and regulation, Consultant warrants that such license has been obtained, is valid and in good standing, and shall keep in effect at all times during the term of this Agreement, and that any applicable bond has been posted in accordance with all applicable laws and regulations.

2.7. Consultant shall provide the City with timely written reports of all significant developments or delays arising during performance of its services.

3. PAYMENT FOR SERVICES (ATTACHMENT B).

3.1. Payment to Consultant to perform its Scope of Work is set forth in Attachment B, attached hereto and incorporated herein. The payments provided in this Section are full compensation for the Scope of Work as described in Attachment A.

3.2. Consultant shall submit monthly bills to the City, describing its services and costs provided during the previous month, based upon percentage of task completed. Except as specifically authorized by City, Consultant shall not bill City for duplicate services performed by more than one person. Consultant's monthly bills shall include the following information to which such services or costs pertain:

- a description of services performed;
- the date the services were performed;
- the number of hours spent and by whom;
- a description of all costs incurred, and the Consultant's signature.

Consultant agrees to use every appropriate method to contain fees and costs under this Agreement. Once invoice is submitted and approved by the City, City payment will be made within 30 days of approval.

3.3. The amount set forth in Attachment B may be modified or amended only by a written document executed by both Consultant and authorized City representative prior to the performance of the additional work. Such document shall expressly state that it is intended by the parties to amend the terms and conditions of this Agreement.

4. SUBCONTRACTING.

4.1. Consultant will not subcontract any portion of its Scope of Work without prior written approval of City. If Consultant subcontracts for any of the work to be performed under this Agreement, Consultant shall be as fully responsible to the City for the acts and omissions of Consultant's subcontractors/subconsultants and for the persons either directly or indirectly employed by the subcontractors/subconsultants, as Consultant is for the acts and omissions of persons directly employed by Consultant. Nothing contained in the Agreement shall create any contractual relationship between any subcontractor/subconsultant of Consultant and the City. Consultant will be responsible for payment of subcontractors/subconsultants. Consultant shall bind every subcontractor/sub-consultant to the terms of the Agreement applicable to Consultant's work unless specifically noted to the contrary in the subcontract in question and approved in writing by the City. Consultant agrees that the City is an intended third-party beneficiary of any services agreement entered into between Consultant and any subcontractor or sub-consultant.

5. PROJECT SCHEDULE AND COMPLETION DATE (ATTACHMENT C).

5.1. Attachment C is the project schedule that Consultant shall strictly meet, including benchmark dates and completion date, which is attached hereto and incorporated herein. Consultant agrees to diligently prosecute the services to be provided under this Agreement to completion and in accordance with the schedule specified herein. In the performance of this Agreement, time is of the essence.

5.2. Consultant shall promptly notify the City of any anticipated or unforeseen delays to the project schedule. Extensions to the project schedule and to this Agreement shall not be made without the prior written approval of the City. All requests for extensions to the project schedule shall be by written request only and submitted to the City prior to the commencement of such work.

6. CHANGES IN WORK AND EXTRA WORK. Consultant shall not change the scope or duration of work or perform work in excess of the Scope of Work without the prior, written approval of the City by an executed Change Order, describing in detail the revision to Scope of Work, revisions in payment and/or time, fully executed by both parties. Failure to obtain a Change Order prior to the commencement of any revision waives Contractor's right to payment for such additional services.

7. RESPONSIBILITIES OF AND TASKS TO BE PERFORMED BY CITY. City designates Kenny Williams, its City Manager, to represent the City in all matters within the scope of this Contract relating to the conduct and approval of the work to be performed. Whenever the term "approval of City," "consult with City," "confer with City," or similar terms are used, they shall refer to the City Manager. The City Manager may designate an assistant to act in his/her stead.

The CITY shall furnish upon request, without charge, all standard plans and specifications and any other information which the City now has in its files that may be of use to Consultant.

8. VERBAL AGREEMENT OR CONVERSATION. No verbal agreement or conversation with any officer, agent, or employee of the City, either before, during or after the execution of this Agreement, shall affect or modify any of the terms or obligations herein contained nor shall such verbal agreement or conversation entitle Consultant to any additional payment whatsoever.

9. TERMINATION OF AGREEMENT.

9.1. Termination for Convenience City may terminate this Contract for City's convenience at any time by providing Consultant thirty days written notice. Upon receipt of the notice of termination, Consultant shall immediately take action not to incur any additional obligations, costs or expenses, except as may be necessary to terminate its activities. City shall pay Consultant its reasonable and allowable costs through the effective date of termination and those reasonable and necessary costs incurred by Consultant to effect the termination. Thereafter, Consultant shall have no further claims against City under this Contract. All finished and unfinished documents and materials procured for or produced under this Contract, including all intellectual property rights City is entitled to, shall become City property upon the date of the termination. Consultant agrees to execute any documents necessary for City to perfect, memorialize, or record City's ownership of rights provided herein.

9.2. Termination for Breach of Contract.

9.2.1. Except as provided in Attachment "C", if Consultant fails to perform any of the provisions of this Contract or so fails to make progress as to endanger timely performance of this Contract, City may give Consultant written notice of the default. City's default notice will indicate whether the default may be cured and the time period to cure the default to the sole satisfaction of City. Additionally, City's default notice may offer Consultant an opportunity to provide City with a plan to cure the default, which shall be submitted to City within the time period allowed by City. At City's sole discretion, City may accept or reject Consultant's plan. If the default cannot be cured or if Consultant fails to cure within the period allowed by City, then City may terminate this Contract due to Consultant's breach of this Contract.

9.2.2. If the default under this Contract is due to Consultant's failure to maintain the insurance required under this Contract, Consultant shall immediately: (1) suspend performance of any services under this Contract for which insurance was required; and (2) notify its employees and Subconsultants of the loss of insurance coverage and Consultant's obligation to suspend performance of services. Consultant shall not recommence performance until Consultant is fully insured and in compliance with City's requirements.

9.2.3. If a federal or state proceeding for relief of debtors is undertaken by or against Consultant, or if Consultant makes an assignment for the benefit of creditors, then City may immediately terminate this Contract.

9.2.4. If Consultant engages in any dishonest conduct related to the performance or administration of this Contract or violates City's laws, regulations or policies relating to lobbying, then City may immediately terminate this Contract.

9.2.5. Acts of Moral Turpitude.

a. Consultant shall immediately notify City if Consultant T or any Key Person, as defined below, is charged with, indicted for, convicted of, pleads nolo contendere to, or forfeits bail or fails to appear in court for a hearing related to, any act which constitutes an offense involving moral turpitude under federal, state, or local laws ("Act of Moral Turpitude").

b. If Consultant or a Key Person is convicted of, pleads nolo contendere to, or forfeits bail or fails to appear in court for a hearing related to, an Act of Moral Turpitude, City may immediately terminate this Contract.

c. If Consultant or a Key Person is charged with or indicted for an Act of Moral Turpitude, City may terminate this Contract after providing Consultant an opportunity to present evidence of Consultant's ability to perform under the terms of this Contract.

d. Acts of Moral Turpitude include, but are not limited to: violent felonies as defined by Penal Code Section 667.5, crimes involving weapons, crimes resulting in serious bodily injury or death, serious felonies as defined by Penal Code Section 1192.7, and those crimes referenced in the Penal Code and articulated in California Public Resources Code Section 5164(a)(2); in addition to and including acts of murder, rape, sexual assault, robbery, kidnapping, human trafficking, pimping, voluntary manslaughter, aggravated assault, assault on a peace officer, mayhem, fraud, domestic abuse, elderly abuse, and child abuse, regardless of whether such acts are punishable by felony or misdemeanor conviction.

e. For the purposes of this provision, a Key Person is a principal, officer, or employee assigned to this Contract, or owner (directly or indirectly, through one or more intermediaries) of ten percent or more of the voting power or equity interests of Consultant.

9.2.6. In the event City terminates this Contract as provided in this section, City may procure, upon such terms and in the manner as City may deem appropriate, services similar in scope and level of effort to those so terminated, and Consultant shall be liable to City for all of its costs and damages, including, but not limited to, any excess costs for such services.

9.2.7. If, after notice of termination of this Contract under the provisions of this section, it is determined for any reason that Consultant was not in default under the provisions of this section, or that the default was excusable under the terms of this Contract, the rights and obligations of the parties shall be the same as if the notice of termination had been issued pursuant to Article 8 Termination for Convenience.

9.2.8. The rights and remedies of City provided in this section shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

9.3. In the event that this Contract is terminated, Consultant shall immediately notify all employees and Subconsultants, and shall notify in writing all other parties contracted with under the terms of this Contract within five (5) working days of the termination.

10. COVENANTS AGAINST CONTINGENT FEES. Consultant warrants that it has not employed or retained any company or person, other than a bona fide employee working for Consultant, to solicit or secure this Agreement, and that Consultant has not paid or agreed to pay any company or person, other than a bona fide employee, any fee, commission, percentage, brokerage fee, gift, or any other consideration contingent upon, or resulting from, the award or making of this Agreement. For breach or violation of this warranty, the City shall have the right to terminate this Agreement without liability or, at the City's discretion, to deduct from the Agreement price or consideration, or otherwise recover the full amount of such fee, commission, percentage, brokerage fee, gift or contingent fee.

11. OWNERSHIP OF DOCUMENTS.

11.1. All computer data, computer drawing files, plans, studies, sketches, drawings, reports, specifications, and all work product produced by Consultant under this Agreement are the property of the City, whether or not the City completes the Scope of Work or proceeds with the project for which such documents are prepared.

11.2. This Agreement creates a nonexclusive and perpetual right or license for City to copy, use, modify, reuse, and sublicense any and all copyrights, designs, and other intellectual property embodied in the writings prepared by Consultant, and Consultant subcontractors, under this Agreement. In the event the City should ever desire to undertake a project or review other proposed projects based upon the documents, the Consultant agrees that the City shall have the right to reuse all or any portion of the documents at no additional compensation to the Consultant.

12. INDEPENDENT CONTRACTOR.

12.1. The Consultant shall perform the services provided for herein in a manner of Consultant's own choice, as an independent Contract and in pursuit of Consultant's independent calling, and not as an employee of the City. Consultant shall be under control of the City only as to the result to be accomplished and the personnel assigned to the Project.

12.2. If the Consultant subcontracts any of the work to be performed under this Agreement pursuant to the terms of this Agreement, Consultant shall be as fully responsible to the City or the acts and omissions of the Consultant's subcontractor and of the persons either directly or indirectly employed by the subcontractor, as Consultant is for the acts and omissions of persons directly employed by Consultant. Nothing contained in the Agreement shall create any contractual relationship between any subcontractor of Consultant and the City. The Consultant shall bind every subcontract by the terms of the

Agreement applicable to Consultant's work, including indemnity and insurance requirements.

13. HOLD HARMLESS AND INDEMNIFICATION.

13.1. **Indemnification** - It is understood and agreed that Consultant has the professional skills, experience, and knowledge necessary to perform the work agreed to be performed under this Agreement and that City relies upon the professional skills of Consultant to do and perform Consultant's work in a skillful and professional manner, and Consultant thus agrees to so perform the work.

13.2. Acceptance by City of the work performed under this Agreement does not operate as a release of said Consultant from such professional responsibility for the work performed. It is further understood and agreed that Consultant is apprised of the scope of the work to be performed under this Agreement and Consultant agrees that said work can and shall be performed in a fully competent manner.

13.3. Consistent with California Civil Code section 2782.8, when the services to be provided under this Agreement are design professional services to be performed by a design professional, as that term is defined under said section 2782.8, Consultant shall, to the fullest extent permitted by law, indemnify, protect, immediately defend, and hold harmless City, and its officers, employees, agents, and volunteers, from and against all claims, demands, damages, costs, or liability (including liability for claims, suits, actions, arbitration proceedings, administrative proceedings, regulatory proceedings, losses, expenses, or costs of any kind, interest, defense costs, and expert witness fees) arising out of, pertaining to, or relating to the negligence, recklessness, or willful misconduct of Consultant, its officers, employees, subcontractors, subconsultants or agents during the performance this Agreement, or from any violation of any federal, state, or municipal law or ordinance to the extent caused, in whole or in part, by the negligence, reckless, or willful misconduct of Consultant or its employees, subcontractors, or agents, or by the quality or character of Consultant’s work, excepting only liability arising from the sole negligence, sole active negligence, or intentional misconduct of City, its officers, employees, agents, and volunteers.

13.4. Other than in the performance of professional services by a design professional, which law shall be solely as addressed in subparagraph 12.3 above, and to the fullest extent permitted by law, Consultant shall indemnify, protect, defend, and hold harmless City, and its officers, employees, agents, and volunteers, from and against any claims, demands, damages, costs, or liability (including liability for claims, suits, actions, arbitration proceedings, administrative proceedings, regulatory proceedings, losses, expenses, or costs of any kind, interest, defense costs, and expert witness fees) arising out of the performance of this Agreement by Consultant, its officers, employees, agents, subcontractors and subconsultants, excepting only that resulting from the sole negligence, sole active negligence, or intentional misconduct of City, its officers, employees, agents, and volunteers. It is understood that the duty of Consultant to indemnify and hold harmless includes the duty to defend as set forth in section 2778 of the California Civil Code.

13.5. Acceptance of insurance certificates and endorsements required under this Agreement does not relieve Consultant from liability under this indemnification and hold harmless clause. This indemnification and hold harmless clause shall apply whether or not such insurance policies shall have been determined to be applicable to any of such damages or claims for damages.

14. ASSIGNMENT OF AGREEMENT. Consultant is without right to and shall not assign this Agreement or any part thereof or any monies due hereunder without the prior written consent of the City.

15. INSURANCE.

15.1. **Insurance.** On or before beginning any of the services or work called for by any term of this Agreement, Consultant, at its own cost and expense, shall carry, maintain for the duration of the Agreement (including all extensions provided), and provide proof thereof that is acceptable to the City the insurance specified in subsections (A) through (F) below with insurers and under forms of insurance satisfactory in all respects to the City. Consultant shall not allow any subcontractor to commence work on any subcontract until all insurance required of the Consultant has also been obtained for the subcontractor. The Certificate of Insurance shall clearly identify the project name and number in the space labeled "Description of Operations/Locations/Special Items" on the form.

A. ***Commercial General and Automobile Liability.*** Consultant, at Consultant's own cost and expense, shall maintain commercial general and automobile liability insurance for the period covered by this Agreement in an amount not less than one million dollars ($1,000,000) per occurrence, combined single limit coverage for risks associated with the work contemplated by this Agreement. If a Commercial General Liability Insurance or an Automobile Liability form or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to the work to be performed under this Agreement or the general aggregate limit shall be at least twice the required occurrence limit. Such coverage shall include but shall not be limited to, protection against claims arising from bodily and personal injury, including death resulting therefrom, and damage to property resulting from activities contemplated under this Agreement, including the use of owned and non-owned automobiles.

Coverage shall be at least as broad as Insurance Services Office Commercial General Liability occurrence form CG 0001 and Insurance Services Office Automobile Liability form CA 0001 Code 1 (any auto).

Each of the following shall be included in the insurance coverage or added as an additional insured endorsement to the policy: City, its officers, employees, agents, and volunteers are to be covered as insured's as respects each of the following: liability arising out of activities performed by or on behalf of Consultant, including the insured's general supervision of Consultant; products and completed operations of Consultant; premises owned, occupied or used by Consultant; or automobiles owned, leased, hired, or borrowed by Consultant. In the event that Consultant purchases automobiles during the term of this Agreement, said automobiles shall be likewise covered. The coverage shall contain no special

An endorsement must state that coverage is primary insurance and that no other insurance affected by the City will be called upon to contribute to a loss under the coverage.

Insurance is to be placed with California-admitted insurers with a Best's rating of no less than A:VII.

B. ***Professional Liability.*** Consultant shall obtain, and during the term of this Agreement shall maintain, a policy of professional liability insurance that shall:

i. Be from an insurance company authorized to be in business in the State of California;

ii. Be in an insurable amount of not less than $1,000,000 for each occurrence; and

iii. Provide that the policy shall remain in full force during the full term of this Agreement and shall not be canceled, terminated, or allowed to expire without thirty (30) days prior written notice to the City from the insurance company.

C. ***Workers' Compensation.*** Statutory Workers' Compensation Insurance and Employer's Liability insurance for any and all persons employed directly or indirectly by Consultant shall be provided with limits not less than one million dollars. In the alternative, Consultant may rely on a self-insurance program to meet these requirements so long as the program of self-insurance complies fully with the provisions of the California Labor Code. The insurer, if insurance is provided, or the Consultant, if a program of self-insurance is provided, shall waive all rights of subrogation against the City for loss arising from work performed under this Agreement.

D. ***Deductibles and Self-Insured Retentions.*** During the period covered by this Agreement, upon express written authorization of City Risk Manager, Consultant may increase such deductibles or self-insured retentions with respect to City, its officers, employees, agents, and volunteers. The City may condition approval of an increase in deductible or self-insured retention levels upon a requirement that Consultant procure a bond guaranteeing payment of losses and related investigations, claim administration, and defense expenses that is satisfactory in all respects to each of them.

E. ***Notice of Reduction in Coverage.*** In the event that any coverage required under subsections (A), (B), or (C) of this section of the Agreement is reduced, limited, or materially affected in any other manner, Consultant shall provide written notice to City at Consultant's earliest possible opportunity and in no case later than five day after Consultant is notified of the change in coverage.

F. ***Other Remedies.*** In addition to any other remedies City may have if Consultant fails to provide or maintain any insurance policies or policy endorsements to the extent and within the time herein required, City may, at its sole option:

i. Obtain such insurance and deduct and retain the amount of the premiums for such insurance from any sums due under the Agreement;

ii. Order Consultant to stop work under this Agreement or withhold any payment which becomes due to Consultant hereunder, or both stop work and withhold any payment, until Consultant demonstrates compliance with the requirements hereof;

iii. Terminate this Agreement.

iv. Exercise of any of the above remedies, however, is an alternative to other remedies City may have and is not the exclusive remedy for Consultant's failure to maintain insurance or secure appropriate endorsements.

16. DISPUTES.

16.1. If a dispute should arise regarding the performance of this Agreement, the following initial dispute resolution procedures shall be used:

A. Within twenty (20) City working days after a dispute regarding the performance of this Agreement arises, it shall be reduced to writing at staff level by the complaining party setting forth the nature of the dispute in detail, along with all pertinent back up documentation in support. The writing shall be delivered to the receiving party by first class mail or personal delivery directly to the party's project manager, along with recommended methods of resolution.

B. The party receiving the letter shall reply to the letter with a detailed response, along with a recommended method of resolution, if any, within ten (10) City working days of receipt of the letter.

16.2. If the dispute is not resolved at staff level in accordance with Section 16.1, within five (5) City working days of the receiving party response (or longer if agreed between the parties) , the aggrieved party, through its respective project manager shall deliver to the General Manager's office a letter outlining the dispute for the General Manager's review. The receiving party may submit further response, if required, to the General Manager within five (5) City working days thereafter. The General Manager, at his/her sole discretion may respond as he/she deems appropriate, including recommendations for resolution, discussions or rejection of the dispute within fifteen (15) working days of receipt of the complaint.

16.3. If the dispute remains unresolved and the parties have exhausted the procedures outlined in this section, the parties may then seek remedies available to them under this Agreement and at law, including, but not limited to, under the termination procedures. This provision does not relieve Consultant of its obligation and Consultant is required to timely comply with all applicable provisions of the Government Claims Act before initiating any legal proceeding against City.

17. CONFLICT OF INTEREST. Contractor warrants and covenants that it presently has no interest in, nor shall any interest be hereinafter acquired in, any matter which will render the services required under the provisions of this Agreement a violation of any applicable state, local, or federal law, including, but not limited to, Government Code section 1090. If any principal provider of services is a "consultant" for the purposes of the Fair Political Practices Act (Gov. Code § 81000 et seq.), each such person shall comply with Form 721 Statement of Economic Interests filing requirements in accordance with state or City local Conflict of Interest Code. In addition, if any other conflict of interest should nevertheless hereinafter arise, Consultant shall promptly notify City of the existence of such conflict of interest so that the City may determine whether to terminate this Agreement.

18. CONSULTANT'S BOOKS AND RECORDS.

18.1. Consultant shall maintain any and all ledgers, books of account, invoices, vouchers, canceled checks, and other records or documents evidencing or relating to charges for services, or expenditures and disbursements charged to City for a minimum period of three (3) years, or for any longer period required by law, from the date of final payment to Consultant.

18.2. Consultant shall maintain all documents and records which demonstrate performance under this Agreement for a minimum period of three (3) years, or for any longer period required by law, from the date of termination or completion of this Agreement.

18.3. Any records or documents required to be maintained pursuant to this Agreement shall be made available for inspection or audit, at any time during regular business hours, upon written request by the City General Counsel, City Auditor, General Manager, or a designated representative of any of these officers. Copies of such documents shall be provided to City for inspection when it is practical to do so. Otherwise, unless an alternative is mutually agreed upon, the records shall be available at Consultant's address indicated for receipt of notices in this Agreement.

18.4. City may, by written request by any of the above-named officers, require that custody of the records be given to City and that the records and documents be maintained in the General Manager's office. Access to such records and documents shall be granted to any party authorized by Consultant's representatives, or Consultant's successor in interest.

19. WRITTEN NOTIFICATION. Any notice, demand, request, consent, approval or communication that either party desires or is required to give to the other party shall be in writing and either served personally or sent by prepaid, first-class mail. Any such notice, demand, etc. shall be addressed to the other party at the address set forth below. Either party may change its address by notifying the other party of the change of address. Notice shall be deemed communicated within 48 hours from the time of mailing if mailed as provided in this section.

If to City:	City of McFarland Attn: City Manager 401 W. Kern Avenue McFarland, CA 93250
If to Consultant:	Willdan Financial Services Attn: Chris Fisher 27368 Via Industria, Suite 200 Temecula, CA 92590

Any party may change any of the foregoing as it relates to the party by giving written notice to the other party of the change in the manner set forth herein.

20. GENERAL PROVISIONS.

20.1. Waiver of a breach or default under this Agreement shall not constitute a continuing waiver of a subsequent breach of the same or any other provision under this Agreement.

20.2. If any term or portion of this Agreement is held to be invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions of this Agreement shall continue in full force and effect.

20.3. This Agreement and all matters relating to it shall be governed by the laws of the State of California and any action brought relating to this Agreement shall be held exclusively in a state court in the County of Kern.

20.4. Time is of the essence with regard to each covenant, condition and provision of this Agreement.

20.5. This Agreement constitutes the entire agreement between the parties with regard to the subject matter herein and supersedes any prior oral and written agreements and understandings between the parties with respect thereto.

20.6. This Agreement may not be altered, amended, or modified except by a writing executed by duly authorized representatives of all parties.

20.7. In the event any action or proceeding is instituted arising out of or relating to this Agreement, the prevailing party shall be entitled to its reasonable attorney's fees and actual costs.

20.8. This Agreement may be executed in counterparts. A facsimile or electronic copy of this Agreement shall be as effective as the original for all purposes.

20.9. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto, and their respective heirs, successors, and assigns. Notwithstanding the foregoing, Consultant shall not assign this Agreement or any part thereof to any other entity or individual.

20.10. City and Consultant each acknowledge that each party and their respective legal counsel have reviewed this Agreement and agree that this Agreement is the product of negotiations between the parties. This Agreement shall be interpreted without reference to the rule of interpretation of documents that uncertainties or ambiguities therein shall be determined against the party so drafting the Agreement.

20.11. All references to a statute or ordinance, shall incorporate any, or all, successor statute or ordinance enacted to govern the activity now governed by the statute or ordinance, noted herein to the extent, however, that incorporation of such successor statute or ordinance does not adversely affect the benefits and protections granted to the Developer under this Agreement.

21. **CONSULTANT'S CERTIFICATION OF AWARENESS OF IMMIGRATION REFORM AND CONTROL ACT.** Consultant certifies that Consultant is aware of the requirements of the Immigration Reform and Control Act of 1986 (8 USC §§ 1101-1525) and has complied and will comply with these requirements, including but not limited to, verifying the eligibility for employment of all agents, employees, subcontractors and consultants that are included in this Agreement.

22. **ACCESS AND ACCOMMODATIONS**

22.1. Consultant shall comply with the Americans with Disabilities Act, as amended, 42 U.S.C. Section 12101 et seq., the Rehabilitation Act of 1973, as amended, 29 U.S.C. Section 701 et seq., the Fair Housing Act, and its implementing regulations and any subsequent amendments, and California Government Code Section 11135;

22.2. Consultant shall not discriminate on the basis of disability or on the basis of a person's relationship to, or association with, a person who has a disability;

22.3. Consultant shall provide reasonable accommodation upon request to ensure equal access to CITY-funded programs, services and activities;

22.4. Construction, if any, will be performed in accordance with the Uniform Federal Accessibility Standards (UFAS), 24 C.F.R. Part 40; and

22.5. The buildings and facilities used to provide services under this Contract are in compliance with the federal and state standards for accessibility as set forth in the 2010 ADA Standards, California Title 24, Chapter 11, or other applicable federal and state law.

Consultant understands that City is relying upon these certifications and representations as a condition to funding this Contract. Any subcontract entered into by Consultant for work to be performed under this Contract must include an identical provision.

[*Signature Page Follows*]

IN WITNESS WHEREOF, the Parties hereto have duly executed this Agreement on the day and year written below.

CITY	CONSULTANT*
CITY OF MCFARLAND, a municipal corporation By: ___________________________ Name: _________________________ Title: __________________________ Dated: _______________, 202__ ATTEST: _______________________ Francisca Alvarado, City Clerk	**WILLDAN FINANCIAL SERVICES** a corporation By: _____________________________ Name: ____________________________ Title: _____________________________ Dated: ______________, 202__ By: _____________________________ Name: ____________________________ Title: _____________________________ Dated: ______________, 202__ *Signatures of consultant must be notarized. Need two signatures if contractor is a corporation. Attach acknowledgement
APPROVED AS TO FORM: _____________________________ Nathan M. Hodges, City Attorney	

“ATTACHMENT “A”

Cost Allocation Plan Work Plan

Our proposed work plan, described in detail by task, is 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 study.

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

Task 1:	Initial Document Request
Objective:	Initial due diligence.
Description:	Prior to project kick-off, relevant documentation will be obtained and reviewed in order to enhance our understanding of the City's current cost allocation plan and internal structure of the agency. A written request for specific data will be sent to the City. The data provided in this task will provide the building blocks for later model development. Our request may include (but is not limited to): ▪ Detailed budget and accounting data; ▪ Prior year's financial data, salary, position, and staffing data; ▪ Organizational structure; and ▪ Data related to various allocation bases that may be incorporated as part of the methodology, i.e., Council agenda frequencies by department, AP/AR transactions by department, IT equipment distribution by department, etc.
Deliverables:	**Willdan:** Submit information request to City. **City:** Provide requested data to Willdan (prior to Task 2, Kick-off/Refine Scope). We will follow up with the City to confirm in writing the data that we have received, or which is still outstanding.

Task 2:	Kick-off / Refine Scope
Objective:	Confirm project goals and objectives. Identify and discuss policy issues related to the study.
Description:	Willdan will identify and discuss policy issues typically raised by these studies, discuss any operational changes, and address data gaps in order to gain a full understanding of the City's goals for the cost allocation plan. We will establish effective lines of communication and processes for information gathering and review. We will ask that the City assign a project manager to serve as its primary contact. The selected City project manager will ensure that available data is provided to Willdan in a timely manner, thereby maintaining adherence to the project's schedule. We will obtain and review the current cost allocation methodology and discuss with City staff. The objective of this review is to determine specific areas of focus as they relate to the City's objectives, and to discuss and evaluate current and potential allocation factors.
Meetings:	One (1) project kick-off conference call to initiate the project, discuss data needs and methodologies and to address policy issues.
Deliverables:	**Willdan:** If needed, a revised project scope and schedule. **City:** Provide further data requirements and select / introduce City's project manager.

Task 3:	Gather Staffing Information and Develop Cost Allocation Plan Model
Objective:	Gather information related to indirect staffing and functions. Prepare draft both full and OMB compliant cost allocation plan and model.
Description:	This task involves the gathering of specific information, directly from City staff, through interviews and discussion, related to the functions served by indirect staff and the departments served by their activities. This task also focuses on the development of, and/or adjustment of existing, allocation bases, and the development and testing of a model that will ultimately be used to calculate the proper cost allocations derived from data gathered in prior tasks.

The model will be developed to incorporate any recent changes in the provision of City services, and fully allocate central service costs.

The model will also be developed to allocate only those costs eligible under 2 CFR Part 200. This is accomplished by loading relevant data into the model, identifying which costs are not allocable under the OMB guidelines. The OMB Super Circular compliant model is valuable as the City may receive Federal or State grant funding that mandates compliance with Federal OMB regulations.

We will utilize budget and organizational information, and other required information gathered from City staff to complete the work in this task. Specific discussions will be held to discuss bases, how central overhead services are provided to and utilized by other departments, cost categories and allocation criteria, and how these will factor into the overall cost allocation methodology.

The model and methodology will also produce indirect cost rates. These rates will be suitable for a variety of uses, billing to CIP projects, and in the OMB Super Circular compliant CAP, to Federal grants.

Meetings: Online meetings with staff to understand structure and operations as model and allocation bases are developed. Key staff will be interviewed to best understand central overhead staffing and functions and the departments served.

Deliverables: **Willdan:** One (1) user-friendly model in Microsoft Excel format that provides both a full cost allocation plan and an OMB Super Circular compliant cost allocation plan.

Task 4: Test and Review Cost Allocation Methodology

Objective: Test and review model and results with City.

Description: The draft cost allocation plan model will be reviewed with City staff, and adjusted as necessary, to ensure that preliminary allocations provide an accurate depiction of how the central overhead costs should be borne by the operating programs and funds. Over the past several years, we have successfully integrated online meetings by using WebEx™ as an element to our approach. This allows us to remotely guide staff through the model review and allows you the opportunity to interactively change inputs and test approaches.

Meetings: One (1) online meeting and demonstration with City Staff to review the model.

Deliverables: **Willdan and City:** Draft cost allocation plan model review.

Task 5: Prepare and Present Draft Report

Objective: Prepare the draft cost allocation report.

Description: This task involves the draft report preparation. The report will include an executive summary, cost allocation plan's background, data and information sources utilized, model methodologies and calculation approaches, and results; calculations and supporting data will be presented textually and in easily understood tables and provided to the City.

The draft report will provide a breakdown of allocations, showing both the allocating and receiving organizations, as well as a comparison between allocations calculated for this new CAP (full and OMB) and prior year allocations.

Meetings: One (1) online meeting to present the draft report to City Staff.

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

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

Task 6: Discuss and Revise Report

Objective: Review of draft report, cost distribution methods, and model.

Description: An in-depth review of the draft report and model will be conducted to arrive at an optimum allocation method for each expenditure type.

Often, through the course of an engagement, comments usually revolve around issues of understandability; appropriate levels of enterprise funds' cost recovery, etc.; ease of calculation; differences in allocations from previous years; and overhead costs' distribution methods.

Our reports are structured to include both the full and OMB compliant plan, but in the course of review if a separate report is desired for each or just one of the plans, they will be split.

Following a round of comments from City staff concerning the draft report, the final report will be prepared for presentation to the City Council.

Meetings: One (1) web meeting or conference call with City staff to review the report with changes and revisions.

Deliverables: Draft report, and revised draft/final report.

Task 7: Prepare and Present Final Report and Model

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

Description: This task is the culmination of the cost allocation plan project. Based on staff comments on the draft report, Willdan will prepare the final report for presentation to City Council.

Meetings: One (1) meeting with the City Council to present the final plan.

We will also provide staff training on the operation and use of the model so it can be used in future years to prepare updates. We will also be available for questions following this training.

Deliverables: **Willdan:** Provide one (1) electronic PDF file copy of the final report and model (full and OMB Super Circular compliant); and two (2) bound copies to the City. Using Microsoft Word and Excel, an updateable electronic copy of the study and models, as well as related schedules, will also be provided on CD/ROM.

Water, Sewer, and Solid Waste Utility Rate Study Work Plan

The following proposed scope of services is intended to capture the goals and objectives of the City. Willdan is confident the following will effectively meet the stated project objectives. A final scope and schedule will be determined following the selection of a consultant and based on further discussions with staff. Willdan's work plan will culminate in the successful development of water and sewer projections and rates for five years, an extended ten-year financial plan, and the education of staff and key stakeholders.

Project Initiation

Task 1.1 – Data Collection and Review

Task 1.1.1 – Data Collection. The City will be provided with an initial list of basic data needed to conduct the study. The data request may include, but will not be limited to:

- Financial and operating data (budgets, audits, financial statements, cash balances, etc.);
- Customer account and billing data;
- Related reports prepared by others (i.e., Master Plans);
- Capital improvement programs, fixed asset records;
- System operating data for the utility;
- Service contracts, residential and commercial, for refuse collection, recycling, and disposal services;
- Bond statements, debt service schedules;
- Ordinances, previous rate studies, City codes; and
- City financial, debt and reserve policies.

Task 1.1.2 – Data Review. We propose to conduct initial data collection and review prior to the kick-off meeting to allow for a more meaningful discussion to occur. This will allow for our review of data in advance of the meeting so that we can request clarifications or follow-up information as necessary. However, if the City's preference is to conduct the kick-off prior to collecting data, we will accommodate that request. The data will be reviewed for completeness and to ensure a sufficient understanding of historical utility operations. The data collection and review process will be ongoing throughout the process as the need for additional information arises.

Task 1.2 – Kick-off Meeting and Planning Discussion

Task 1.2.1 – Project Kick-off. Following initial data collection and review, Willdan will conduct a kick-off meeting with City Staff. During this meeting we will discuss goals and objectives of the study, the schedule, constraints, or challenges that may be encountered, stakeholder considerations and objectives, and political concerns. Discussions may center around the following:

- Review of previous rate study and existing rate structure and areas where existing rates have been successful and/or specific areas of focus;
- Review of service contracts;
- Review of recent financial performance for the utilities;

- Discussion of anticipated significant events (i.e., loss or gain of any major customers);
- Components to incorporate into the updated revenue requirements; such as, capital improvements, debt repayment, reserves, annual repair and replacement, ongoing maintenance, cost of imported water, etc.;
- Strategy and level of effort for outreach and education;
- Conduct a detailed review of the data used in the baseline financial forecast; and
- Review and resolve (or develop a plan for resolving) data issues and questions.

For further efficiency and collaboration, the kick-off meeting will include a financial policy discussion. This will serve to address and document the City's financial policies for the utilities to be studied.

Topics of discussion may include:

- Rate design approaches and alternatives;
- Rate policy objectives;
- City financial policies;
- Reserve options and target levels (operating, debt services, rate stabilization, repair, and replacement);
- Conservation objectives and rate options;
- Capital Improvement Plan (CIP) financing options – i.e., PAYGO vs. debt vs. grants;
- Customer characteristics and classifications; and
- Cost of service factors and Proposition 218.

Water and Sewer Rate Study

Task 2.1 –Financial Plan, Revenue Requirements and Rate Determinants

Task 2.1.1 – Historical Billing Data Analysis. The data request document will provide instructions for the development of historical customer billing information. It is anticipated that the billing information will be provided in a format necessary to summarize the water and sewer system accounts and billable flows by customer class for a recent historical period for which audited revenues exist. The customers and flows provide the basis on which operating revenues are derived and are therefore the primary factors utilized in reviewing the user rates and charges. As such, the historical billing data provides an important basis for analyses that will be used to develop assumptions for projecting revenues under existing and/or proposed rates.

Task 2.1.2 – Customer and Flow Projections. The water and sewer system accounts and billable flows will be forecasted for a five-year planning period. Such projections will be developed by considering historical growth trends, peak demands, climatological patterns, local economic conditions, potential for adding/losing major utility customers, changes in customer class usage patterns over time, and experienced judgment. The billable flow projections will be based on the projected number of utility accounts and a usage per account analysis to differentiate the historical effects of account growth and increased (decreased) average usage by customer class.

Task 2.1.3 – Projected Revenues Under Existing Rates. Projections of utility system revenues under existing rates for the five-year planning period will be developed for water and sewer, recognizing projected accounts, flow volumes, and usage patterns by customer class (as determined in the billing analysis under the previous tasks).

Task 2.1.4 – Projected Revenue Requirements. Revenue requirements (i.e., system expenditures) will be developed for the utility systems based on an analysis of historical, currently budgeted, and anticipated operating and capital expenditures.

The revenue requirements will be projected on a fiscal year cash flow basis, considering expected operational changes, changes in staffing or operating expenditures for new facilities, system growth occurring from new development, anticipated extraordinary expenses, and allowances for inflation.

The projections will cover FY 22/23 through FY 26/27 (consistent with recommended rate adjustments), with an extended project period first through June 30, 2032, and will include, but not be limited to, the following:

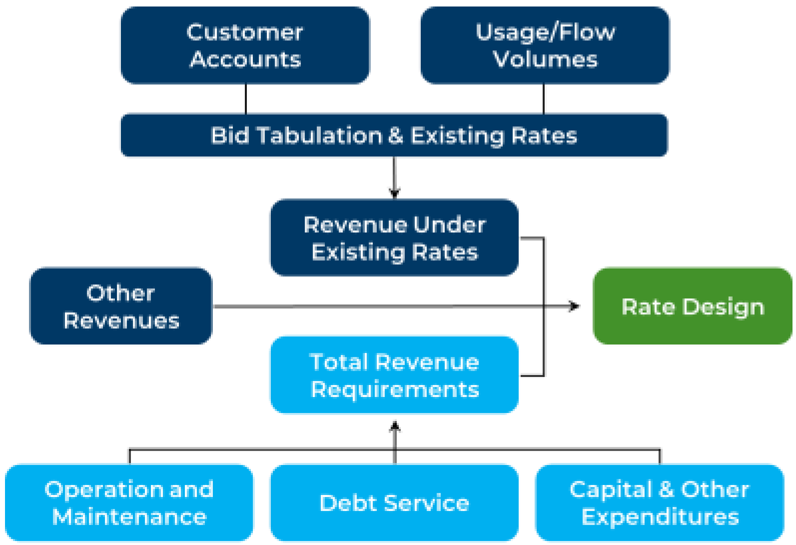
- Operation and maintenance expenses;
- Direct and indirect costs utilizing the City's existing overhead cost allocation model;
- Outlay for annual capital additions and replacements;
- Debt service and reserve requirements on existing and anticipated debt instruments;
- Funding for long-term capital projects; and
- Other expenditures and transfers.

Task 2.1.5 – Projected Operating Results Based on Existing Rates. The projected revenues and revenue requirements will be summarized into a five and ten-year cash flow statement providing the projected operating results of the water and sewer systems under the existing rates.

The cash flow statement will be used to estimate annual adjustments in utility revenues necessary to fund operating and capital expenditure requirements, meet existing bond covenant requirements, and maintain prudent utility management practices. The estimated timing and magnitude of future debt issues required, if any, to finance proposed capital improvements will also be shown.

Concurrent with the development of the projected operating results, the study will review the general financial health of the utility operations and, as necessary, make recommendations for changes in fund balances, reserves, and debt service coverage ratios to maintain financial integrity and a stable bond rating.

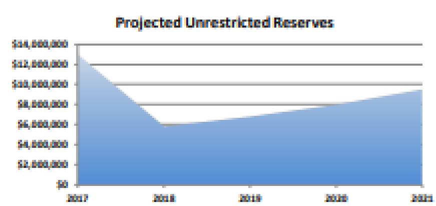
The graphic below demonstrates the general rate study methodology and major components of the rate process.



Task 2.2 – Capital Plan Analysis

Task 2.2.1 – Review Capital Improvement Program (CIP) and Asset Replacement Schedules. The City's existing utility system five-year CIP and asset replacement schedules will be reviewed in conjunction with conversations with City Staff. The objective of such a review is to gain an understanding of the types of projects scheduled; the timing associated with such projects, associated expenditure requirements and the sources of funding each project. Examining the impacts on the financial objectives of the water and sewer utilities, as well as capital projects associated with rehabilitation and replacement of existing facilities, will be a key objective of not only this task but the entire project. The results of the financial plan will also help the City to prioritize projects identified within the CIP.

Task 2.2.2 – Develop Capital Needs Plan. Based on the findings made in the previous task and the Projected Operating Results described in Task 2.1.5, a plan will be developed to provide for the anticipated capital expenditure activities, including debt issuances, relative to the CIP. Such a plan will include consideration for the use of restricted and unrestricted funds, surplus operating reserves, capital recovery fees, and future rate adjustments. The analysis will also develop a projection of reserve fund balances and level of liquidity.

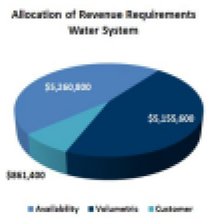


Task 2.2.3 – Capital Projects Model. The CIP will drive the future funding options and will directly impact rates. Therefore, the rate analysis will incorporate the City's current five-year CIP. The rate model will have the ability to run various CIP funding scenarios and quickly show the estimated impact on utility rates.

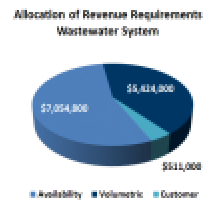
Provide a system performance report and meter evaluation to determine Non-Revenue Water Loss and Recovery and how this will impact costs and rates. Provide cost scenarios for new equipment, system requirements, energy, and water savings.

Since we are not serving as the financial/municipal advisor to the City for this project, we will rely on information relative to proposed debt or financing structures provided by the City or its designated financial/municipal advisor.

Task 2.3 – Cost-of-Service Allocations



Task 2.3.1 – Functional Cost Allocations. The analysis will allocate the Test Year revenue requirement (i.e., costs of providing service) to the various cost/rate components that constitute functional classifications of the types of service provided. The functional cost allocations will evaluate such aspects as fixed costs, customer related costs and volumetric/usage related costs. The evaluation of allocation factors associated with applicable costs will be based on existing rate structures applied by the City, meter size, rate structures applied by other comparable utility systems in the region, common industry practice and standard rate-making principals.



Task 2.3.2 – Determination of Revenue Adequacy. Comparisons of revenues under the existing water and sewer rates with the allocated costs of service will be evaluated in order to determine the degree of cost recovery by the various cost components, and to identify areas that may possibly require adjustments to align the revenues from each rate component with the allocated costs.

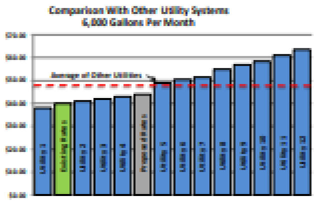
Task 2.4 – Rate Analysis and Design

Task 2.4.1 – Evaluation of Existing Rate Structures. The existing rate structures will be further evaluated for their effectiveness in equitably recovering costs of utility service from each customer class. The City's current rate structure will be evaluated, and recommendations will be made for potential modifications to the current rates.

As part of the rate design process, Willdan will discuss with departmental staff the current trends and philosophies in utility ratemaking. Based on these discussions, the analysis will develop and recommend a rate design and philosophy that best meets the objectives of the City. The analysis model will be developed in a dynamic manner allowing the City to compare alternative annual incremental/phasing adjustments to achieve funding goals. Basic standards for rate design accepted by the industry are:

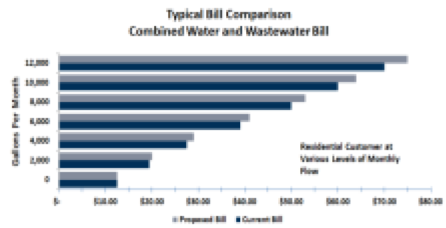
- **Full Cost Recovery –** rate revenue should provide sufficient income so that, when combined with other sources of funds, funding requirements for the system are covered including, all current long-term liabilities, debt obligations and future expansion-related and R&R-related capital needed to replace aging and infrastructure.
- **Fairness and Equity –** based on cost responsibility as reflected in cost-of-service allocations, in accordance with industry standards.
- **Technically Defensible –** apply industry proven standards and methodologies to help shield the City from potential legal challenges associated with the proposed utility rates.
- **Resource Conservation –** under conditions of scarcity, the pricing of water as a commodity should promote voluntary conservation, discourage unnecessary service use and extend the availability of supply.
- **Administrative Efficiency –** rates should be understandable to customers and efficiently administered by staff.
- **Customer Acceptance –** customers understand the rates, view them as fair, and consider them to be reasonable compared to other costs and other utilities.
- **Public Health and Welfare –** rates are structured so that essential service usage is encouraged through affordability.

Task 2.4.2 – Rate Structure Alternatives. The rate model will be developed in a dynamic manner such that the Willdan Team and City Staff will be able to analyze "what if" scenarios detailing the financial impacts under each scenario utilizing an iterative dashboard view. Baseline rate structures will be recommended as required to fund the utility systems and consider annual inflationary indexed adjustments to rates as needed to maintain each utility. We will coordinate with City Staff to ensure suggested rate structures are compatible with the City's utility billing software.



Task 2.4.3 – Projected Operating Results Based on Proposed Rates. The proposed user rates and/or rate structures will be applied to the projected customers and flows in order to estimate the revenues to be generated from the proposed rates for the Test Year and the subsequent years of the projection period. The projected revenues will consider possible elasticity effects associated with changes in usage characteristics that may occur from revising the rate structure. In addition, similar to the process described in Task 2.1, the five-year forecast will identify annual adjustments in utility system revenues necessary to meet existing bond covenant requirements, prudent management practices, and/or sound capital financing considerations.

Task 2.4.4 – Typical Bill Comparison. Comparisons of typical utility bills under the existing and proposed rates will be developed for each customer class under various levels of usage. The selected customer class usage levels will reflect the results of the billing analysis to better demonstrate rate impacts on typical customer accounts in each class.



Task 2.4.5 – Neighboring Utility Comparison. A comparison will be prepared to assess the difference between existing and proposed rates of the City with those of other comparable municipal utility systems.

Solid Waste Rate Study

The following section outlines the work tasks exclusive to the solid waste rate study.

Task 3.1 – Development of the Revenue Requirements

The first task in conducting the solid waste cost of service analysis will be the development of the annual revenue requirements. This represents the total revenue that the Solid Waste Enterprise Fund will need to recover during the year in order to fund expenses associated with the provision of services. Willdan will work with City staff to select a one-year period that reflects typical operations.

We will then review all financial data and work with City staff to make any adjustments to costs in order to be representative of a typical year. Willdan will work with staff to project changes in costs due to inflation, salary increases, new equipment, new customers, etc. The result will be a ten-year revenue requirement forecast.

Task 3.2 – Allocation of Costs to Service Categories

Following the development of the revenue requirements, Willdan will assign and allocate costs to various service categories. The service categories represent the primary services provided by the Solid Waste Enterprise Fund.

Task 3.3 – Allocation of Costs to Customer Classes

Once the allocation of costs has been identified by overall service categories, Willdan will group the service categories based upon the customer classes that will recover each category's costs.

Task 3.4 – Determination of Billing Units

Willdan will identify the appropriate billing units for each customer class, incorporating existing policies and formulas as appropriate, to ensure the updated rates provide sufficient cost recovery and follow the cost-of-service principles of Proposition 218.

Task 3.5 – Rate Design

Willdan will identify adjustments to the current rates for the recovery of solid waste system revenue requirements that reflect the goals and objectives of the City. Rate design alternatives may be generated on cost-based rates as developed in the previous task, as well as on the City's existing rate structure or other methodologies that meet the specific requirements of the City.

Preparation of Reports and Proposition 218 Notices

Task 4.1 – Reports and Deliverables

Task 4.1.1 – Preliminary Draft Report. A draft report will be developed to address study findings and proposed recommendations. Contents will also include assumptions relied upon for the projection of customers and usage characteristics, revenue requirements, revenues, operating results, the cost recovery profile for each class, the results of the fully allocated cost of service analyses and any proposed adjustments to the utility rates. Upon completion, an electronic PDF copy and ten copies of the draft report will be provided to staff for review. The report and presentations will also include a comparison of the City's current and proposed water and sewer rates with five other public agencies.

Task 4.1.2 – Final Report. Based on comments received from staff and other participants during the presentation of the Preliminary Draft Report, the Final Report will be revised to incorporate the agreed upon changes. Upon completion, an electronic PDF copy and two (2) copies of the Final Rate Study Report, as well as the dashboard model spreadsheet will be provided to the City.

Task 4.2 – Proposition 218 Notice Preparation and Mailing

Task 4.2.1 – Proposition 218 Notices. Based on our over 25-year history with Proposition 218 compliance, we will assist with the drafting of the notices that will explain:

- The purpose of the rates;
- The reason for the increases;
- How the rates are structured;
- The date, time, and place of the public hearing; and
- Details on what constitutes the existence of a majority protest, as it relates to the implementation of a new/increased utility rate structure.

Task 4.2.2 – Proposition 218 Notice Processing. We will develop the materials, create a parcel database of properties subject to the new proposed rates, and coordinate the printing and mailing of the materials in conjunction with a mailing house that we typically work with on these types of projects. The additional cost for these services is estimated at $.75 per parcel and includes direct costs associated with the mailing. ***Our cost proposal does not include these direct costs. They will be billed directly to the City at the time of the mailing once the actual costs are known.***

Phase III: Public Outreach

Community outreach and education efforts can involve a variety of mechanisms and tools. Depending on the extent of the proposed street sweeping fees the City may wish to implement, a more concentrated outreach effort that could include social media, newspaper releases or enhanced graphic designs for property owner mailings. Depending on the level of effort, it may be advisable for the City to retain the services of a public relations firm. If the City chooses not to retain additional public relations assistance, Willdan can, at the City's request, assist with coordinating and scheduling of basic public outreach efforts that do not require a public relations firm.

This phase of the project will be initiated with a conference call to discuss the various public outreach elements necessary to garner support for the proposed new/increased street sweeping fees. This discussion will also include the development of an overall outreach strategy and course of action. Outlined below are services that Willdan can provide for this particular engagement.

Task A - Property Owner Outreach Workshops

As needed, attend public/property owner outreach meeting/workshops, acting as technical support to City staff to answer questions and prepare and provide information related to the calculation of the proposed fee and the improvements and activities it would fund; as well as to describe the notice and balloting process. The purpose of the workshops is to provide property owners with background information to assist them in making informed decisions about the proposed fee.

Communicating Results - Presentations & Meetings

Task 6.1 – Meetings and Presentations

Task 6.1.1 – Project Kick-Off. As detailed in Task 1.2, a kick-off conference call will be scheduled with City Staff at the start of the project to discuss project requirements, finalize project scheduling/milestones and reporting requirements, and receive overall project direction. This discussion will provide the opportunity to review current utility rates, fees, charges, issues, and deficiencies with staff.

Task 6.1.2 – Project Progress Web Conferences. During the project, and prior to meetings with the City Council, team web conferences will be scheduled to present the progression of the analysis to staff in order to obtain input and feedback associated with any rate adjustments that may be presented. These web meetings will assist in the completion of rate design for the utility systems and guide the development of the draft report.

Task 6.1.3 – Rate Workshops/Community Outreach. As requested in the RFP, Willdan will conduct a minimum of three (3) rate workshops with the City Council and City Staff, and three (3) to five (5) community outreach meetings.

Task 6.1.4 – Public Meetings. As necessary, we will work with City Staff to develop a public outreach strategy, should communications beyond the Proposition 218 notice be required. If requested, we will attend two (2) public meetings to educate the public about proposed rate changes prior to the Prop 218 Public Hearing.

Task 6.1.5 – Draft Financial Plan Meeting. The results of the Preliminary Financial Plan and Revenue Requirements will be presented to staff for comment, feedback, and direction.

Task 6.1.6 – Draft Study/Final Report Meetings/Public Hearing. The draft report will be reviewed with City Staff to discuss findings and recommendations, gather feedback and address questions, then presented to the City Council.

The results of the Final Report will be presented to the City Council during one (1) public City Council meeting, and then again at one (1) Public Hearing required by Proposition 218. Willdan's project manager will be present to address any questions or concerns raised during the public hearings. Please note, meetings may need to be conducted remotely using video collaboration software and/or conference calls depending on the public health mandates in effect due to COVID-19.

ATTACHMENT "B"
Payment for Services

Once an invoice is submitted and approved by the City, City payment will be made within 30 days of approval. The payment provided is full compensation for the DESCRIBED SERVICES

Fee Proposal

Cost Allocation Plan

Willdan Financial Services ("Willdan") proposes a ***not-to-exceed fixed fee of $10,905*** for the Cost Allocation Plan phase. The table below provide a breakdown of the fee to complete each study by task and project team member.

City of McFarland Cost Allocation Plan Fee Proposal	C. Fisher Principal-in-Charge	T. Thrasher Project Manager	P. Patel Analytical Support	R. Quaid QA/Tech Advisor	Total	
	$ 250	$ 210	$ 135	$ 210	Hours	Cost
Cost Allocation Plan						
Task 1: Initial Document Request	-	1.0	1.0	-	2.0	$ 345
Task 2: Kick-off /Refine Scope	-	1.0	1.0	-	2.0	345
Task 3: Gather Staffing Information & Develop CAP Model	1.0	6.0	16.0	1.0	24.0	3,880
Task 4: Test and Review Cost Allocation Methodology	-	3.0	8.0	1.0	12.0	1,920
Task 5: Prepare and Present Draft Report	1.0	2.0	8.0	1.0	12.0	1,960
Task 6: Discuss and Revise Report	1.0	2.0	5.0	-	8.0	1,345
Task 7: Prepare and Present Final Report/Instruct Staff on Model	-	4.0	2.0	-	6.0	1,110
Total – Cost Allocation Plan	3.0	19.0	41.0	3.0	66.0	$ 10,905

Water, Sewer, and Solid Waste Utility Rate Study

Based on our work plan provided in the scope of services, we propose a ***not-to-exceed fixed fee of $71,690***. The table below provides a breakdown of this fee by task and project team member.

City of McFarland Water, Sewer, and Solid Waste Utility Rate Study Fee Proposal	C. Fisher Principal-in-Charge	J. McGarvey Tech Advisor & QA/QC	K. Burnett Technical Advisor	M. Cronan Analytical Support	Total	
	$250	$240	$185	$125	Hours	Cost
Scope of Work						
Project Initiation						
Task 1.1 - Data Collection & Review	1.0	3.0	2.0	16.0	22.0	$ 3,340
Task 1.2 - Kick-off Meeting & Planning Discussion	1.0	1.0	-	1.0	3.0	615
Water and Wastewater Rate Study						
Task 2.1 - Financial Plan, Requirements & Determinants	16.0	3.0	16.0	60.0	95.0	15,180
Task 2.2 - Capital Plan Analysis	5.0	3.0	2.0	16.0	26.0	4,340
Task 2.3 - Cost-of-Service Allocations	4.0	1.0	4.0	12.0	21.0	3,480
Task 2.4 - Rate Analysis & Design	6.0	1.0	10.0	24.0	41.0	6,590
Solid Waste Study Rate Study						
Task 3.1 Development of the Revenue Requirements	2.0	6.0	-	18.0	26.0	4,190
Task 3.2 Allocation of Costs to Service Categories	2.0	4.0	-	8.0	14.0	2,460
Task 3.3 Allocation of Costs to Customer Classes	2.0	4.0	-	12.0	18.0	2,960
Task 3.4 Determination of Billing Units	1.0	3.0	-	8.0	12.0	1,970
Task 3.5 Rate Design	1.0	3.0	-	10.0	14.0	2,220
Preparation of Reports and Proposition 218 Notices						
Task 4.1 - Reports & Deliverables	8.0	4.0	6.0	36.0	54.0	8,570
Task 4.2 - Proposition 218 Notice Preparation & Mailing	12.0	1.0	1.0	12.0	26.0	4,925
Communicating Results - Presentations & Meetings						
Task 6.1 Meetings & Presentations	26.0	2.0	2.0	28.0	58.0	10,850
Total - Utility Rate Study	87.0	39.0	43.0	261.0	430.0	$ 71,690

Proposition 218 Fees

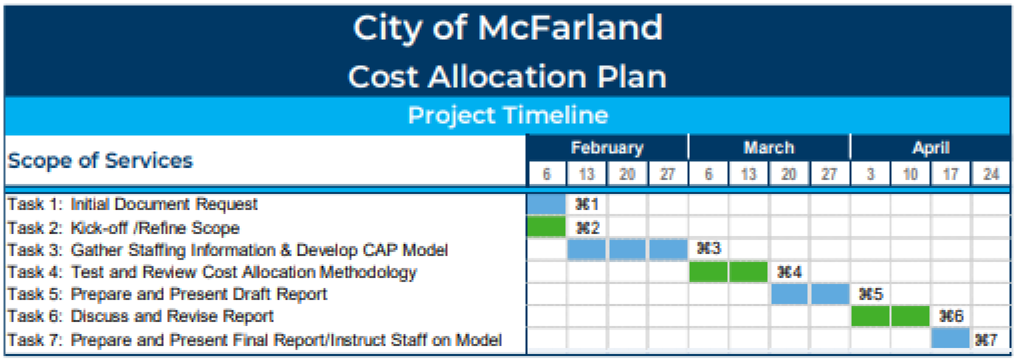
The fixed fee does not include direct costs associated with the printing, processing, and mailing of Proposition 218 notices. We will bill the City for these at our cost plus 10 percent (10%), based on actual quotes provided by our mailing house. These costs are estimated at ¢.75 per mailed piece.

ATTACHMENT “C”
Project Schedule and Completion Date

Project Timelines

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

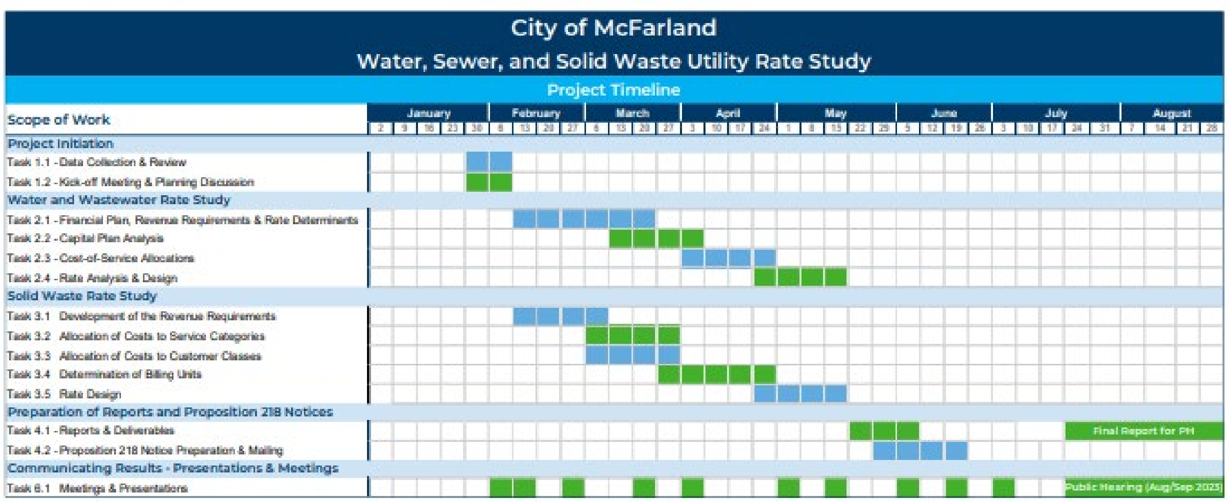
Cost Allocation Plan



Deliverables:

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

Water, Sewer, and Solid Waste Utility Rate Study



Neither party shall be liable for its delay or failure to perform any obligation under and in accordance with this Contract, if the delay or failure arises out of fires, floods, earthquakes, epidemics, quarantine restrictions, other natural occurrences, strikes, lockouts (other than a lockout by the party or any of the party's Subconsultants), freight embargoes, terrorist acts, insurrections or other civil disturbances, or other similar events to those described above, but in each case the delay or failure to perform must be beyond the control and without any fault or negligence of the party delayed or failing to perform (these events are referred to in this provision as "Force Majeure Events").

Notwithstanding the foregoing, a delay or failure to perform by a Subconsultant of Consultant shall not constitute a Force Majeure Event, unless the delay or failure arises out of causes beyond the control of both Consultant and Subconsultant, and without any fault or negligence of either of them. In such case, Consultant shall not be liable for the delay or failure to perform, unless the goods or services to be furnished by the Subconsultant were obtainable from other sources in sufficient time to permit Consultant to perform timely. As used in this Contract, the term "Subconsultant" means a subconsultant at any tier. In the event Consultant's delay or failure to perform arises out of a Force Majeure Event, Consultant agrees to use commercially reasonable best efforts to obtain the goods or services from other sources, and to otherwise mitigate the damages and reduce the delay caused by the Force Majeure Event.

REQUESTS FOR PROPOSAL

City Cost Allocation Plan and Rate Studies for Water, Sewer and Solid Waste Operations, and Optional Rate Study for Street Sweeping Operations 2023

Issued by Diego Viramontes, Finance Director
Kenny Williams, City Manager

City of McFarland
401 W. Kern Avenue
McFarland CA 93250

ISSUED: Sunday December 5, 2022
DUE DATE: Wednesday January 4, 2023 at 2:00 p.m.

NOTICE OF REQUESTS FOR PROPOSALS

CITY COST ALLOCATION PLAN AND RATE STUDIES FOR WATER, SEWER, SOLID WASTE OPERATIONS, AND OPTIONAL RATE STUDY FOR STREET SWEEPING OPERATIONS 2023

1) The City of McFarland (hereinafter "CITY") is soliciting proposals for a qualified consultant to prepare a cost allocation plan and sewer, water and solid waste rate studies. In addition, the City is requesting that all proposals include an optional street sweeping rate study.

2) The services to be performed by the successful proposer are described in the Request for Proposal in the Project Scope of Work Section. Copies of the Request for Proposal are available from the CITY at:

City of McFarland City Hall
401 W. Kern Avenue
McFarland CA 93250
(661) 792-3091

3) All responses shall be submitted to the City Clerk of the City of McFarland on or before, Wednesday January 4, 2023 at 2:00 p.m. ***Please submit one (1) original and four (4) copies of and one (1) electronic copy sent by email to***:

City Clerk
Attn: Francisca Alvarado
City of McFarland
401 W. Kern Ave.
McFarland, CA 93250
falvarado@mcfarlandcity.org

4) All responsive proposals shall be reviewed and evaluated by the CITY in order to determine which proposer best meets the CITY's needs for service. The criteria by which the CITY shall evaluate proposals are set forth in the Request for Proposals.

5) The CITY reserves the right to reject any and all proposals or waive any irregularities in any proposal or the proposal process.

6) In the event that it becomes necessary to revise any part of the RFP, written addenda will be issued.

INTRODUCTION:

The City of McFarland (hereinafter "City") is soliciting proposals for a qualified consultant to prepare a cost allocation plan and water, sewer and solid waste rate studies.

TENTATIVE TIMELINE AND SCHEDULE OF EVENTS:

- Request for Proposal Available – December 5, 2022
- Inquiry Deadline (no questions after this date) – **December 21, 2022**
- Proposals Due – **2:00pm on Wednesday, January 4, 2023**
- Evaluation of Proposals – Scheduled to begin January 6, 2023
- Oral Interviews (Conducted at City Discretion) – January 9, 2023 (Week of)
- Final Selection – By January 13, 2023
- City Council Recommendation – January 26, 2023
- Notice to Proceed (Tentative) – February 1, 2023

SCOPE OF WORK:

1.0 INTRODUCTION

1.1 PROJECT DESCRIPTION AND OBJECTIVES

The City of McFarland (City) is soliciting proposals from qualified consulting firms to conduct a comprehensive cost allocation plan and rate studies for water, sewer and solid waste operations. In addition, the City is requesting that all proposals include an optional rate study for street sweeping operations.

Full Cost Allocation Plan Services – The purpose of this project is to ensure that the City of McFarland has a basis of applying comprehensive overhead rates and is accurately accounting for the true cost of providing various services by department. A Cost Allocation Plan allocates all direct and indirect costs between funds, as appropriate. Additionally, best practices, accounting standards and OMB 2 CFR part 225 make it necessary for the City to maintain a well-documented cost allocation plan to appropriately allocate general and administrative costs in its budget; properly identify overhead rates that can be used in the calculation of billable hourly rates for federal and state grants, user fees, and reimbursements from other governmental agencies. The City does not have an existing cost allocation plan.

Rate Study Services for Water, Sewer and Solid Waste Operations - The focus of the rate studies is to ensure the City's water, sewer and solid waste utilities have sufficient, defensible funding to meet their operational, capital, current and proposed debt service obligations and those utility rates are set proportionate to the cost of providing service to each customer class. In addition, the consultant will provide a financial model showing rate impacts created by new capital and operational requirements. This model will be useable by City staff for future financial planning. The

City is responsible for providing water, sewer and solid waste services to approximately 3,000 customers. Water and Sewer services are City operated while all solid waste services have been outsourced since 2020. The most recent water and sewer rate study was completed in 2019 and the last rate increase is scheduled on January 1, 2023. The City has not conducted a rate study for Solid Waste that incorporates the cost to provide the service with a third-party hauler.

Optional Rate Study Services for Street Sweeping Operations – The scope of work for this optional rate study would be identical to those of the water, sewer and solid waste operations. The City currently performs street sweeping on all roads within City limits. The City's General Fund currently absorbs the cost of providing this service. The City desires to establish an appropriate customer base and establish a rate that is proportionate to the cost of providing service to these customers.

2.0 FULL COST ALLOCATION PLAN SERVICES

2.1 SCOPE OF SERVICES

The consultant will prepare the City's Cost Allocation 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):

Task 1 - Work and meet with the selected City staff to refine the project scope, purpose, uses and goals of the City's 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.

Task 2 - 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 they can be allocated to and tracked by the appropriate department.

Task 3 - Identify the total cost of providing each City service at the appropriate activity level and in a manner 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.

Task 4 - Develop a Cost Allocation Model using FY 2022-23 budget and/or actual data for calculation of the full costs of providing each City service. The requirements of the model should allow for:

- Additions, revisions, or removal of direct and overhead costs so the cost allocation plan can be easily adapted to a range of activities, both simple and complex.
- The ability of the City to continuously update the model and full cost allocation plan from year to year as organization and/or service model changes occur over time.
- The addition of hypothetical service area information for future service enhancements, and the ability to calculate the estimated cost of provide the service under consideration (i.e. ad-hoc analysis).

Task 5 - Report on other matters that surface during the evaluation that the City should consider.

Task 6 - Present the plan to the City's management group and make necessary adjustments as requested.

Task 7 -Prepare and deliver presentation to the Council to facilitate their understanding of the plan and its implications to the City.

Task 8 - Work with the Finance Department in developing service provisions, cost categories, and allocation criteria for current and future programs.

Task 9 - 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 Excel that can be edited and updated by City staff to accommodate changes in the organization or changes in cost.

Task 10 - Provide a computer-based model in 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.

Task 11 - Consult with City staff should the need arise to defend the cost allocation plan as a result of audits or other challenges.

3.0 RATE STUDY SERVICES – WATER, SEWER AND SOLID WASTE (OPTIONAL RATE STUDY SERVICES FOR STREET SWEEPING) *

3.1 SCOPE OF SERVICES

Consultants will conduct a detailed comprehensive cost-of-service analysis of existing water, sewer and solid waste rates and charges, current enterprise fund balances, adequacy of reserves and debt service coverage, and impacts of potential debt financing for future capital projects.

Consultants will produce a Water, Sewer and Solid Waste Utility Rate Study Report that includes a long-term (10-year) financial plan projecting revenues, operational and maintenance costs, capital improvement costs, reserve funding, debt service costs and a five-year rate schedule that appropriately distributes costs across customer classes in compliance with Proposition 218, Proposition 26 and other state and federal regulations.

*In addition, the City would like the consultant to provide a proposal that includes the option of a street sweeping rate study. The scope of work for this optional rate study would be identical to those of the water, sewer and solid waste operations

Major tasks require to complete the study are outlined below.

Task 1 – Coordinate and conduct a project kick-off meeting with City staff to discuss project priorities, data needs and the project schedule. Consultant will also need to prepare a data requirements list that will be discussed during the meeting and delegated to specific City staff.

Task 2 – Develop a 10-year financial plan model for the Water, Sewer and Solid Waste Enterprise Funds. The financial plans should include revenue requirements based on projected revenues, operating and maintenance expenditures including capital improvements, debt service coverage and reserve funding policies as well as any other policy consideration that the City determines are priorities.

Task 3 – Prepare a comprehensive cost-of-service analysis and provide options for a five-year rate structure that fairly and equitably allocates costs to customer classes while adequately funding revenue requirements including operations and maintenance, capital improvements, reserves, and debt service. The analysis must ensure that rates and charges are defensible and comply with the requirements of Proposition 218, Proposition 26, and other applicable laws.

Task 4 – Provide a comparative analysis that illustrates how the City of McFarland's rate structure and costs compare to neighboring utilities and any other utilities the Consultant may find appropriate.

Task 5 – Recommend rate and fee structures/options for potable water, sewer and solid waste utilities that will fairly recover allocated costs and adequately fund reserves. Rate structure recommendations should consider the following: current and future operations and maintenance costs, projected demands, water supply, and capital improvement requirements. Recommended rate structures should include water conservation pricing and drought surcharges and methodology.

Task 6 – Review impacts of projected new development and redevelopment rates. As part of this review, the consultant should concentrate on capital costs associated with rehabilitation and replacement of existing facilities and not on the improvements required for expansion of service as a result of new development.

Task 7 – Prepare draft and final reports that summarize the results and recommendations of the study and serve as a document of record in compliance with Proposition 218. Draft and final deliverables shall be made available in Word, Excel, and PDF file formats. Word and Excel formats shall be editable by City staff.

Task 8 – Provide "sample bills" for all customer categories illustrating recommended rate increases, which will analyze impacts to the customers.

Task 9 – Conduct minimum of three (3) rate workshops with City Council and staff and three (3) to five (5) community outreach meetings.

Task 10 – In addition to meetings identified in Task 9, Consultant will develop the Proposition 218 notice of public hearing and conduct a minimum of two (2) community meetings to inform the public of proposed rate structure prior to the Proposition 218 hearing.

Task 11 – The scope should include any additional meetings or webinars that the consultant deems necessary to ensure that the City is well informed as to the status of the project and to discuss major milestones of the project.

SUBMITTAL REQUIREMENTS:

A. Delivery of Proposal
It is the Proposer's responsibility to ensure that the proposal is received by the City prior to the hour and date of the submission deadline specified in the Notice of Request for Proposal. Any proposals received by the City after the hour and date shell rejected and returned unopened.

B. Format of Proposal
All proposals shall be typewritten or printed in ink clearly and legibly, in conformance with the Request for Proposal and submitted in an envelope plainly marked outside: **"City Cost Allocation Plan and Rate Studies for Water, Sewer and Solid Waste Operations, and Optional Rate Study for Street Sweeping Operations 2023".** Five (5) copies of the proposal are required.

C. Quality of Proposal
Unnecessarily elaborate or glossy proposals are neither expected nor desired. The emphasis of the proposal should be responding to the requirements set forth in this Request for Proposal.

D. Contents of Proposal
The proposer shall include in its proposal, at a minimum, the following information presented in a clear and concise format, in order to demonstrate the proposer's related experience, competence and professional qualifications in performing the services outlined in the Scope of Work.

1) Introduction (transmittal letter)

a. A brief statement of the Responder's understanding of the scope of work to be performed.
b. A confirmation that the Respondent meets the appropriate state licensing requirements to practice in the State of California.
c. A confirmation that, if awarded the contract, the Respondent acknowledges its complete responsibility for the entire contract, including payment of any and all charges resulting from the contract.
d. Any other information that the Respondent feels appropriate.
e. The signature of an individual who is authorized to provide information of this nature in the name of the Respondent submitting the Request for Proposal.
f. A statement which discloses any past, ongoing or potential conflicts of interest which the Respondent may have as a result of performing the work on this project.

2) Background and Experience

a. A list of the most recent projects for which the Respondent's has performed services of similar size, scope and complexity. The list shall include the name, contact person, address and phone number of each party for whom the service was provided, as well as a description of the service performed and the dollar amount of the contract and the date of the performance.

b. Describe any issue the characteristics of which would be uniquely relevant in evaluating the experience of Respondent's firm to handle the proposed project(s).

c. Provide current information on professional errors and omissions coverage carried by Respondent's firm, including amount of coverage.

3) Specialized Knowledge

a. Describe their knowledge and experience in the particular types of projects described in Part One

4) Personnel/Professional Qualifications

a. A list of the Respondent's principals, employees, agents and sub-consultants (project team) which Respondent anticipates assigning to the project and the approximate number of hours each will devote to the project.

b. Include resumes or curriculum vitae of each such staff member designated above, including name, position, telephone number, fax number, email address, education, and years and type of experience.

5) Total Projected Cost of the Project

a) Breakdown of cost per task.

b) Breakdown of cost per associate working on project.

c) Timeline for project per task.

E. Interpretations of the Request for Proposals

If the Proposer is in doubt as to the meaning of any part of the RFP, or finds discrepancies in or omissions from the RFP, the Proposer shall submit to the City a written or email request for an interpretation or clarification a minimum of forty eight (48) hours prior to the time Proposals are due. All such requests should be sent to:

City of McFarland
401 W. Kern Avenue
McFarland CA 93250
Attn: Diego Viramontes, Finance Director
dviramontes@mcfarlandcity.org

The City shall not be responsible for any explanations or interpretations of the RFP other than by written addendum delivered to each Proposer. No oral interpretations of any provision in the RFP shall be binding upon the City.

F. Review of Proposals and Evaluation Criteria

After the Responses are received and opened by the City, a selection committee shall review and evaluate all proposals for responsiveness to the RFP in order to determine whether the Respondent possesses the professional qualifications necessary for the satisfactory performance of the services required. The City shall also investigate qualifications of all Respondents to whom the award is contemplated, and the City may request clarification of proposals directly from one or more of the Respondents. It is anticipated this review period will last approximately one (1) to two (2) weeks. In reviewing the proposals, the City may consider the following:

a. The Respondents understanding of the proposed project;
b. The experience and past performance of the Respondent and its employees, agents and sub-consultants (project team) in completing similar project in type, size and complexity. The City may consider the Respondent's timely and accurate completion of similar projects within budget.
c. The feasibility of the proposal based upon performance, delivery schedules and methodology to be used by the Respondent. This includes a demonstration of the dedication of resources to undertake and complete the Scope of Work within a reasonable time and budget.
d. The Respondent's responsiveness to the RFP, and clarity and creativity in their proposal.

After completion of the review of the proposals, the City will rank the firms based on the demonstrated competence and qualifications in accordance with established/advertised criteria. The ranking criteria are as follows:

a. Understanding of work to be done	(20 points)
b. Quality of past performance on similar projects	(20 points)
c. Qualifications of project team	(20 points)
d. Knowledge of local conditions and the project area	(10 points)
e. Familiarity with State and Local procedures	(10 points)
f. Cost of Proposal without Optional Items	(20 points)

Selection committee results will only be available through submission of a public records request to the City Clerk's office at (661) 792-3091.

AWARD OF AGREEMENT

Upon completion of the review period, the City shall notify the Respondent selected for the Responder so notified may be required to provide specific documentation to the City. Any delay caused by the Respondent's failure to respond to direction from the City may lead to a rejection of the proposal.

If the City decides, after evaluation and negotiation, to award the agreement, a contract shall be sent to the successful Respondent for signature. No proposal shall be binding upon the City until after the Agreement is signed by duly authorized representatives of both the Respondent and the City. The City reserves the right to reject any or all proposals and to waive any irregularities.

ANTI-LOBBYING
CERTIFICATION

The undersigned certifies, to the best of his or her knowledge or belief, that:

a. No Federal appropriated funds have been paid or will be paid, by or on behalf of it, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement;

b. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, it will complete and submit Standard Form-LLL," Disclosure Form to Report Lobbying," in accordance with its instructions.

Signature Date

City of McFarland

Proposal

Cost Allocation Plan and Utility Rate Study

WILLDAN

Table of Contents

1) Introduction

January 3, 2023

Mr. Diego Viramontes
Finance Director
City of McFarland
401 W Kern Avenue
McFarland, CA 93250

Re: Proposal in Response to RFP – Cost Allocation Plan and Utility Rate Study for the City of McFarland

Dear Mr. Viramontes;

Due to the extended shutdown of much of the economy as a result of the Covid-19 outbreak, now more than ever municipalities are challenged with doing more with less. ***Accounting for indirect overhead support to operating groups, revenue funds and enterprises is a key component of developing the fully burdened cost of providing services that policymakers need to clearly understand as they make cost recovery and fee-setting decisions. Further, the development of comprehensive financial plans and Rate Studies for the Water, Sewer and Solid Waste utilities will ensure that these enterprises will have the financial resources to meet operating and capital needs over the next five years.*** Recognizing this, the City of McFarland ("City") is requesting proposals for a Cost Allocation Plan ("CAP") and Utility Rate Studies for Water, Sewer, and Solid Waste.

Willdan's interactive approach will result in dynamic and customized Excel financial models, that the City will retain, as well as a focused and tailored analysis of the City's current rates, revenues, capital project and operational expenditures, debt commitments, reserve funding, and other financial data. The culmination of our analyses will be a comprehensive financial management plan that develops projected system operating results for the next ten (10) fiscal years, and suggested rates for up to five (5) years. We will employ our proven interactive approach, supported with advanced financial modeling techniques, to develop a sophisticated and flexible financial model to help us guide the City through operating and financial scenarios, while evaluating the impact of policy assumptions, and performing sensitivity analysis on utility rate and financial strategies.

Our ability to focus on the financial aspects of operating publicly owned utility systems is coupled with recognized leadership in strategic planning and operations and enables us to bring unmatched value to our clients. Our team brings a set of nationally recognized qualifications and experts that sets us apart. These qualifications include:

Experience with McFarland — Willdan has partnered successfully with the City of McFarland for many years on multiple projects including the annual administration of the City's Community Facilities Districts and Landscaping and Lighting District and the ongoing Development Impact Fee Study. We will bring this same level of professionalism and expertise to this proposed engagement. Our knowledge of the City, and our relationships with Staff, will allow us to effectively gather data and information and clarify questions. ***We will leverage our knowledge of the City of McFarland operations and key staff to facilitate this study in a cost-effective and efficient manner; focusing less time on data gathering, and more on analysis, resulting in lower project cost and a higher value.***

Recent Experience with Cities Facing Capital Funding Challenges Similar to McFarland, and Projects with Similar Objectives — The City's most recent Adopted Annual Operating Budget outlines financial challenges facing the Water and Sewer Enterprises; specifically, ***the need to fund significant capital projects for both utilities. Over the past year, Willdan has worked with several cities, including Dinuba, Lomita, and Blythe, among others, who are facing this exact challenge. For these cities and their utility enterprises, we developed comprehensive models that facilitated the examination of various financial plans and capital funding scenarios.*** Each of these scenarios incorporated different funding sources and alternative timing and/or inclusion of projects, so that we could work collaboratively with the cities to evaluate the impacts of these changes on the overall financial plans for, and most importantly, understand the impact on customers.

Willdan has also worked with cities near McFarland, and throughout California, on Cost Allocation and Rate Study projects with objectives very much like those for this study. ***Our local knowledge will help us bring valuable perspective and knowledge of other cities' approaches and policies to accounting for and allocating overhead costs and developing financial plans and cost-of-service rates for utilities***. Recent Cost Allocation and Rate Study projects studies include Guadalupe, Soledad, Lindsay, Lakeport, La Palma, Lomita, the McKinleyville CSD, Goleta, Pismo Beach, Gilroy, Fillmore, Chino Hills, Pomona, Eastvale, Claremont, Stanton, Rosemead, Richmond, Sebastopol, and Grover Beach; ***and are currently working with the Cities of Dinuba, Vacaville, and Fillmore, with objectives and experience that relate closely to the goals of the City's proposed study.***

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 determining the full effort associated with service delivery.

Collaborative Approach and User-friendly Models and Reports — Willdan prides itself on working closely with City Staff to develop an approach that is targeted toward your specific objectives and accounts for your reality.

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

Our Cost Allocation methodologies and models have been recently reviewed and approved by the US Army and the US Department of Housing and Urban Development, providing evidence of our thorough and defensible approach to the development of Cost Allocation strategies and fully burdened personnel rates for grant reimbursement.

Our Cost Allocation Model is straightforward and intuitive and includes both the full-cost and OMB-cost approaches in one streamlined presentation. The data and analysis is contained in one model, with a simple toggle to switch from one approach to the other.

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 are geared toward delivering work on schedule and presenting results at public meetings and City Council workshops. 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. We have coordinated or participated in numerous public and staff workshops regarding fees and cost of service-based charges.

Our objective is to provide useful, detailed information to the City Council and City Staff, so that they have the information necessary to make important decisions. Our experience ensures that we can meet this objective. Whether policymakers are considering subsidizing or increasing fees, the process may be subject to public discussion among City Council members and community stakeholders.

Due to ongoing policies related to COVID, we have adopted a flexible policy regarding in person versus virtual meetings. We can work in either format at the option of the client, and have in the past few years completed many fee updates completely virtually where desired.

Willdan acknowledges herein that it maintains all required licensing to conduct business in the state of California; and will be responsible for completing the contract and subordinate payments resulting from this project. Willdan is not aware of any direct past, ongoing or potential conflicts of interest that would impair or impede our ability to conduct the Cost Allocation Plan and Utility Rate Studies objectively for the City of McFarland.

As an officer of the firm, I am authorized to bind the firm to the terms of this proposal, as well as the subsequent agreement. My contact information is provided in the table below:

Contact Information
Principal-in-Charge
Chris Fisher
Director / Vice President
27368 Via Industria, Suite 200, Temecula, CA 92590
Tel#: (800) 755-6864 | Email: CFisher@Willdan.com

Sincerely,
WILLDAN FINANCIAL SERVICES

Chris Fisher
Director / Vice President

2) Background and Experience

Project Descriptions and References

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.

Combined Study

City of Lomita, CA
Water Rate Study and Comprehensive User Fee Study and Full Cost Allocation Plan

Willdan recently completed a Water Rate Study, Cost Allocation Plan and User Fee Study for the City of Lomita. The Cost Allocation Plan was completed to allocate the cost of shared support services to all operating funds and programs in the City, and the User Fee Study resulted in an updated Master Fee Schedule for the City.

The Water Rate Study included development of a comprehensive financial plan and model that incorporated a detailed analysis of operating and maintenance budgets, fund balances, as well as the capital plan. Using this model, we prepared and presented multiple financial scenarios for evaluation, which showed alternatives for inclusion/exclusion and timing of capital projects, different funding sources, and demonstrated the effects of these proposed plans on rate payers. During the course of the Rate Study, the City was finalizing its Water Master Plan update. As a result, the Rate Study was put on hold until the Master Plan was completed, and the Capital Improvement Plan was updated based on information presented in the completed Master Plan. This was the primary driver for the creation and evaluation of the scenarios described here.

Once the process of evaluating alternatives was finalized, a cost-of-service analysis was completed, and updated rates were developed and presented. Willdan prepared the report, created, and mailed the Prop 218 Notice, and attended all required meetings, including the City Council meeting and Public Hearing.

Client Contact:	Ryan Smoot, City Manager Tel #: (310) 325-7110, ext. 121 | Email: r.smoot@lomitacity.com Susan Kamada, Administrative Services Director Tel #: (310) 325-7110, ext. 127 | Email: s.kamada@lomitacity.com 24300 Narbonne Avenue, Lomita, CA 90717
Project Dates:	October 2020 - October 2022

Cost Allocation Plan

Housing Authority of San Bernardino County, CA
Cost Allocation Plan

The Housing Authority of San Bernardino County engaged Willdan to complete a full and OMB compliant cost allocation plan. This engagement was triggered by unfavorable audit findings that the Housing Authority received from the Office of the Inspector General, for a grant program. Willdan's work resulted in the audit findings being cleared.

Furthermore, Willdan was re-selected, through a competitive solicitation, to provide ongoing Cost Allocation Plan updates.

Client Contact:	Jesse Diaz, Finance Manager 715 E. Brier Drive, San Bernardino, CA 92408 Tel #: (909) 332-6323 | Email: jdiaz@hacsb.com
Project Dates:	April 2020 - Ongoing

City of Monterey, CA
Cost Allocation Plan and Indirect Cost Rates

Willdan completed a cost allocation plan for the City of Monterey. 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, which includes enterprise funds. The project involved the development of a full Cost Allocation Plan model, and development of indirect and fully burdened rates for use in projects and services related to the Presidio. Recommended procedures included: analyze expenditures, interview staff, review the comprehensive annual financial report, and other financial documents.

Willdan was re-selected, through competitive bid, to update the Cost Allocation Plan and to calculate fully burdened hourly staff labor rates.

Client Contact:	Jordan Cupps, CPA, Assistant Finance Director 580 Pacific Street, Monterey, CA 93940 Tel #: (831) 646-3724 | Email: cupps@monterey.org
Project Dates:	October 2014 - Ongoing

City of San Marcos, CA
Cost Allocation Plan and Indirect Cost Rates

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

Models were created, which contained all City personnel and expenditures broken down into the ICRP tables that are needed for a report; once approved individual ICRP's will be created for each department individually.

This project is ongoing.

Client Contact:	Jeffrey Jorgenson, Accountant 1 Civic Center Drive, San Marcos CA 92069 Tel #: (760) 744-1050, ext. 3123 | Email: jjorgenson@san-marcos.net
Project Dates:	June 2020 - Ongoing

City of Goleta, CA
Cost Allocation Plan Update and Comprehensive User Fee Study

The City of Goleta 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 was to ensure that general government costs were fairly and equitably allocated to appropriate programs and funds, which are based on tailored and well thought out allocation factors.

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

The cost allocation plan is complete, and Willdan is utilizing the final report to conduct the comprehensive user fee study at this time.

Client Contact:	Luke Rioux, Finance Director 130 Cremona Drive, Suite B, Goleta, CA 93117 Tel #: (805) 562-5508 | Email: LRioux@cityofgoleta.org
Project Dates:	February 2013 – March 2018

City of Salinas, CA

Comprehensive User Fee Study and Full & OMB Cost Allocation Plan

Willdan was hired by the City of Salinas to prepare an OMB A-87-compliant full cost allocation plan, and comprehensive fee study for the development of a master list of fees. The Willdan Team 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.

The Willdan Team worked to identify and take into account direct and indirect costs, along with changes in staffing, structure, and service delivery methods. User-friendly Excel-based models were prepared, so that City staff can easily update in the future to determine the proper allocation of expenditures and ongoing full cost of City-provided services.

Willdan was re-selected to provide an update to the Cost Allocation Plan.

Client Contact: Matt Pressey, CPA, Budget & Finance Director
200 Lincoln Avenue, Salinas, CA 93901
Tel #: (831) 758-7420 | Email: Mattp@ci.salinas.ca.us

Project Dates: February 2013 – March 2018

City of Irvine, CA

Full Cost Allocation Plan and Comprehensive User Fee Study

Willdan completed a comprehensive user fee study and full cost allocation plan for the City of Irvine. The cost allocation plan was also OMB compliant, whereas the user fee study focused on the community development/ planning, city clerk, public safety, and public works departments.

In addition to identifying the true costs of City-provided services, Willdan staff worked with each department to identify opportunities in recovering costs of services for which no fee had previously been collected. Willdan also conducted the City's previous study and was selected to conduct a Building & Safety User Fee.

Willdan was recently re-selected, through competitive bid, to conduct a Master User Fee Study and Cost Allocation Plan, with annual updates, for three years.

Client Contact: Amy Roblyer, Senior Management Analyst
One Civic Center Plaza, Irvine, CA 92606
Tel #: (949) 724-6255 | Email: aroblyer@cityofirvine.org

Project Dates: May 2017 – Ongoing

Utility Rate Studies

City of Lomita, CA

Water Rate Study and Comprehensive User Fee Study and Full & OMB Cost Allocation Plan

Willdan assisted the City of Lakeport with the development of a water and wastewater utility rate study. The scope of services included development of the financial plan, model, and reports, including the adjustment of the tiered rate structure. The City was in the position of needing potentially significant rate increases, so we worked collaboratively with them throughout the process to evaluate options for the financial plan to address the needs of the utilities, while balancing the impact on ratepayers.

Willdan team members worked closely with the City's Proposition 218 legal counsel to update the City's water rate structure while ensuring compliance with the applicable provisions of the California Constitution, as well as the San Juan Capistrano court decision.

Client Contact: Nick Walker, Assistant City Manager, Finance Director
225 Park Street, Lakeport, CA 95453
Tel #: (707) 263-5615 x 301 | Email: nwalker@cityoflakeport.com

Project Dates: February 2021 - October 2021

City of Lakeport, CA
Water and Sewer Rate Study

Willdan assisted the City of Lakeport with the development of a water and wastewater utility rate study. The scope of services included development of the financial plan, model, and reports, including the adjustment of the tiered rate structure. The City was in the position of needing potentially significant rate increases, so we worked collaboratively with them throughout the process to evaluate options for the financial plan to address the needs of the utilities, while balancing the impact on ratepayers.

Willdan team members worked closely with the City's Proposition 218 legal counsel to update the City's water rate structure while ensuring compliance with the applicable provisions of the California Constitution, as well as the San Juan Capistrano court decision.

Client Contact:	Nick Walker, Assistant City Manager, Finance Director 225 Park Street, Lakeport, CA 95453 Tel #: (707) 263-5615 x 301 | Email: nwalker@cityoflakeport.com
Project Dates:	February 2021 - October 2021

McKinleyville Community Services District, CA
Water & Sewer Rate and Capacity Fee Studies

MCSD's connection fees had not been updated for a number of years and were relatively low in comparison to similar agencies. In addition, there were several new local development projects in the planning stages requiring MCSD to provide utility services; placing even greater demand upon existing facilities and possibly requiring expansion of existing facilities, or construction of new ones. Willdan worked with staff to compile a list of proposed capital improvements and their estimated cost and conducted an analysis of existing and proposed development within the district boundaries. Finally, the team analyzed existing demand on the current utility systems and calculated remaining capacity in order to develop fair and equitable capacity fees.

In addition to the capacity fee study, Willdan assisted MCSD in developing cost-based water and sewer rates in order to maintain requirements with state revolving fund loans.

Willdan recently assisted MCSD with a water and sewer rate study, where rates were successfully adopted for five years, for both utilities. The project included a rigorous evaluation of the CIPs for both utilities, testing of scenarios to understand the financial impacts on customers and mitigate rate increases. The District takes a conservative and aggressive approach to completing capital projects and accumulating reserves to protect itself from unanticipated events, so our modeling included multiple provisions to present, discuss and evaluate options.

The project also included the preparation of the comprehensive model and financial plan, which analyzed projections for both utilities for ten years, preparation of reports, preparation and mailing of Prop 218 notices, and presentation of results to the Board of Directors. Rates were successfully adopted in November 2022.

Client Contact:	Patrick Kaspari, PE, General Manager 1656 Sutter Road, McKinleyville, CA 95519 Tel #: (707) 839-3251 | Email: pkaspari@mckinleyvillecsd.com
Project Dates:	Sewer Rate Study, June 2014 – May 2015 | Capacity Fee Update, February – June 2016 Water and Wastewater Rate Study, April 2018 – November 2018 Water & Sewer Rate Study, December 2021 – November 2022

City of La Palma, CA
Water and Wastewater Utility Rate Study

In 2021, Willdan was re-selected to work with the City on its latest water and sewer rate study. This followed our previous work with the City in 2016/17. Our team worked with City Staff to evaluate alternatives for both utilities, particularly for water, where the City is preparing for the drilling and completion of a new well in eight years. We evaluate options to help them prepare for this key capital project. The study included the development of a comprehensive financial plan and model, the evaluation of alternatives for rate adjustments, and the preparation of reports and Prop 218 documents.

Willdan gathered and validated financial data for the project, including budget, fund balances, capital plans, historical financial results, and policy documents. The study also included the required cost-of-service analysis and entailed some adjustments based on changing customer usage characteristics.

We guided the City through the Proposition 218 process and developed and mailed Prop 218 notices. The study is complete, and the Public Hearing was conducted in April 2022.

Client Contact:	Mike Belknap, Community Development Director 7822 Walker Street, La Palma, CA 90623 Tel #: (714) 690-3356 | Email: mbelknap@cityoflapalma.org
Project Dates:	Water and Wastewater Utility Rate Study, February 2015 – January 2016 Water and Wastewater Utility Rate Study, March 2021 – April 2022

City of Guadalupe, CA
Water and Wastewater Utility Rate Study

In 2021, Willdan worked with the City of Guadalupe to complete a utility rate study for its water and wastewater enterprises. The study included the development of a comprehensive financial plan and model, and the evaluation of alternatives for rate adjustments.

Willdan gathered and validated financial data for the project, including budget, historical financial results, and capital plans, evaluated adjustments to the base water and wastewater rate structures, prepared a comprehensive financial model, and presented alternatives and scenarios to City Staff.

We guided the City through the Proposition 218 process and completed a study report and developed and mailed Prop 218 notices. The study is complete and Public Hearing was conducted in January 2022

Client Contact:	Shannon Sweeney, Director of Public Works 918 Obispo Street, Guadalupe, CA 93434 Tel #: (805) 356-3910 | Email: ssweeney@ci.guadalupe.ca.us
Project Dates:	February 2021 – January 2022

Cost Allocation Plan Project Experience

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

Willdan Financial Services
Five Year Cost Allocation Plan and User Fee Study Experience

Client	Project Description
City of Amarillo, TX	Cost Allocation Plan
City of Arcadia, CA	Cost Allocation Plan and Comprehensive User Fee Study
City of Arroyo Grande, CA	Cost Allocation Plan, OMB Compliant Plan, User Fee Study and Development Impact Fee Study
City of Aurora, CO	Cost Allocation Plan and Comprehensive User Fee Study
City of Barstow, CA	Cost Allocation Plan
City of Bedford, TX	Cost Allocation Plan
City of Belmont, CA	Development Services User Fee Study
City of Bellflower, CA	Cost Allocation Plan, OMB Compliant Plan, User Fee Study and Development Impact Fee Study
City of Benicia, CA	Cost Allocation Plan and Comprehensive User Fee Study
City of Blythe, CA	Cost Allocation Plan and Comprehensive User Fee Study
City of Brighton, CO	Cost Allocation Plan
City of Burbank, CA	Comprehensive User Fee Study
City of Canyon Lake, CA	Comprehensive User Fee Study
City of Chino, CA	Comprehensive User Fee Study, Cost Allocation Plan and Indirect Cost Rate Studies
City of Chino Hills, CA	Cost Allocation Plan and Comprehensive User Fee Study, and Updates
City of Claremont, CA	Cost Allocation Plan and User Fee Study
City of Clermont, FL	Building & Safety Department User Fee Study
City of Coalinga, CA	User Fee and Rate Study
City of Colton, CA	User Fee Study
City of Commerce City, CO	Comprehensive User Fee Study and Development Impact Fee Study
City of Coppell, TX	Full Cost Allocation Plan
City of Cudahy, CA	Cost Allocation Plan, OMB Compliant Plan, User Fee Study and Development Impact Fee Study
City of DeSoto, TX	Comprehensive User Fee Study
City of Dinuba, CA	Cost Allocation Plan & User Fee Study
City of El Centro, CA	Comprehensive User Fee Study
City of El Cerrito, CA	Cost Allocation Plan and Community Development Department User Fee Study
City of El Monte, CA	Cost Allocation Plan, OMB Compliant Plan, User Fee Study and Development Impact Fee Study

Willdan Financial Services Five Year Cost Allocation Plan and User Fee Study Experience	
Client	**Project Description**
City of Eastvale, CA	Cost Allocation Plan, OMB Compliant Plan, and Comprehensive User Fee Study
City of Encinitas, CA	Development Services User Fee Study and Cost Allocation Plan
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 Foster City, CA	Cost Allocation Plan, OMB Compliant Plan, and Comprehensive User Fee Study
City of Fountain Hills, AZ	Comprehensive User Fee Study
City of Fontana, CA	Building & Safety 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 Georgetown, TX	Cost Allocation Plan
City of Gilroy, CA	Cost Allocation Plan, OMB Compliant Plan, and Comprehensive User Fee Study
City of Goleta, CA	Cost Allocation Plan, OMB Compliant Plan, and Comprehensive User Fee Study
City of Hayward, CA	Comprehensive Master User Fee Study, Full Cost Allocation Plan, and updates, and Rental Inspection Program Fee Analysis
City of Hollister, CA	User Fee Study
City of Indian Wells, CA	Comprehensive User Fee Study
City of Irvine, CA	Overhead Cost Allocation, OMB Compliant Plan, Comprehensive User Fee Study and Building & Safety Fee Update
City of Irwindale, CA	Cost Allocation Plan, User Fee Study and Development Impact Fee Study
City of Kingsburg, CA	Cost Allocation Plan
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 Lake Elsinore, CA	User Fee Study and Cost Allocation Plan and Updates
City of Lindsay, CA	Cost Allocation Plan, User Fee Study, and Impact Fee Analysis
City of Lomita, CA	Cost Allocation Plan, OMB Compliant Plan, User Fee Study and Development Impact Fee Analysis
City of Los Altos, CA	Cost Allocation Study, OMB Compliant Plan, and Comprehensive User Fee Study
City of Los Angeles, CA	Building & Safety User Fee Study
City of Los Banos, CA	Full Cost Allocation Study, OMB Compliant Plan, and Comprehensive User Fee Study
City of Lynwood, CA	User Fee Study and Cost Allocation Plan, and Updates
City of Manteca, CA	Cost Allocation Plan and Comprehensive User Fee Study

Willdan Financial Services Five Year Cost Allocation Plan and User Fee Study Experience	
Client	Project Description
City of Mesquite, TX	Cost Allocation Plan and OMB Compliant Plan
City of Mission Viejo, CA	Comprehensive User Fee Study and Cost Allocation Plan, and Updates
City of Missouri City, TX	Full and OMB Compliant Cost Allocation Plan and User Fee Study
City of Montebello, CA	Cost Allocation Plan and User Fee Study
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 Napa, CA	Comprehensive User Fee Study, Full Cost Allocation Plan, and OMB Compliant Plan
City of National City, CA	Cost Allocation Plan, OMB Compliant Cost Allocation Plan, User Fee Study, and ISF Allocation Study
City of Oroville, CA	Cost Allocation Plan and Updates
City of Oviedo, FL	Cost Allocation Plan
City of Palm Desert, CA	Cost Allocation Plan and Comprehensive User Fee Study
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, and Updates
City of Pismo Beach, CA	Cost Allocation Plan, OMB Compliant Plan, and User Fee Study
City of Pittsburg, CA	User Fee Study and Cost Allocation Plan
City of Pomona, CA	Master Fee Schedule Update and Development Impact Fee Review
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 Rosemead, CA	Cost Allocation Plan, OMB Compliant Plan, User Fee Study and Development Impact Fee Study
City of St. Helena, CA	Cost Allocation Plan, OMB Compliant Plan, User Fee Study and Development Impact Fee Study
City of Salinas, CA	Full Cost Allocation Plan and Comprehensive Fee Study
City of San Anselmo, CA	Cost Allocation Plan and Comprehensive User Fee Study
City of San Bruno, CA	Comprehensive User Fee Study, Cost Allocation Plan, and OMB Compliant Plan
City of San Dimas	Cost Allocation Plan and Comprehensive User Fee Study
City of San Fernando, CA	Cost Allocation Plan, OMB Compliant Plan, User Fee Study and Development Impact Fee Study, and Updates
City of San Jacinto, CA	Cost Allocation Plan, OMB Compliant Plan, User Fee Study and Development Impact Fee Study

Willdan Financial Services Five Year Cost Allocation Plan and User Fee Study Experience	
Client	**Project Description**
City of San Luis, AZ	Cost Allocation Plan
City of San Marcos, CA	Cost Allocation Plan, Indirect Cost Rate Studies and Comprehensive Citywide User Fee Study
City of Santa Ana, CA	User Fee Study
City of Santa Cruz, CA	Citywide Overhead Cost Allocation Plan, Santa Cruz Library Cost Allocation Plan, and Fleet and Facility Services Cost Allocation Plan
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 Stanton, CA	Comprehensive User Fee Study, Cost Allocation Plan, and OMB Compliant Plan
City of Surprise, AZ	Full Cost Allocation Plan
City of Tamarac, FL	Building & Safety Department User Fee Study
City of Tulare, CA	Comprehensive User Fee and Rate Study, Full Cost Allocation Plan, and OMB Compliant Plan
City of Tustin, CA	Comprehensive User Fee Study
City of Twentynine Palms, CA	Comprehensive User Fee Study, Full Cost Allocation Plan, and OMB Compliant Plan
City of Upland, CA	Cost Allocation Plan and Comprehensive User Fee Study
City of Watsonville, CA	Comprehensive User Fee and Rate Study, Cost Allocation Plan, and OMB Compliant Plan, and Updates
City of West Hollywood, CA	Cost Allocation Plan and User Fee Study
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 Mono, CA	Comprehensive User Fee Study
County of Placer, CA	Land Development Fee Study
County of San Benito, CA	Comprehensive User Fee Study and Development Impact Fee Study
Housing Authority of the City of Alameda, CA	Cost Allocation Plan and Updates
Housing Authority of the County of San Bernardino, CA	Cost Allocation Plan and Updates
Town of Apple Valley, CA	Cost Allocation Plan
Town of Paradise Valley, AZ	Master User Fee Study
Town of San Anselmo, CA	Full Cost Allocation Plan and Comprehensive User Fee Study
Town of Sunnyvale, TX	Comprehensive User Fee Study
Town of Yucca Valley, CA	Comprehensive User Fee Study

Utility Rate Project Experience

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

Willdan Financial Services Five Year Utility Related Experience	
Client	**Project Description**
City of Albany, CA	Sewer Rate Study
City of Avenal, CA	Water and Sewer Rate Study
City of Blythe, CA	Water and Wastewater Rate Study
City of Brighton, CO	Potable Water Rate Study
City of Calexico, CA	Water and Sewer Rate Study
City of Claremont, CA	Sewer Rate Study
City of Delano, CA	Water, Sanitary Sewer, Solid Waste Utility Rate Study
City & County of Denver, CO	Sanitary Sewer & Storm Drainage Benchmarking and Storm Drainage Impact Fee Study
City of Dinuba, CA	Water, Sewer, & Solid Waste Rate Study
City of Durango, CO	Water and Wastewater Rate Study
City of Fillmore, CA	Water and Sewer Rate Study
City of Fruita, CO	Sewer Rate Study
City of Grover Beach, CA	Water, Wastewater, and Stormwater Financial Plan and Utility Rate Study
City of Guadalupe, CA	Water and Sewer Rate Study
City of Hercules, CA	Wastewater Financial Plan and Connection Fee Study
City of Kingman, AZ	Water and Sewer Rate Study
City of La Palma, CA	Water and Sewer Rate Study
City of Lakeport, CA	Water and Sewer Rate Study, and Connection Fee Study
City of Lomita, CA	Water Rate Study
City of Norwalk, CA	Water Rate Study
City of Pinole, CA	Wastewater Rate and Fee Study
City of Richmond, CA	Wastewater Rate Study
City of Sebastopol, CA	Water and Wastewater Fee Study
City of Soledad, CA	Water Rate Study Consulting Services
City of Tulare, CA	Water and Wastewater Rate Study
City of Twentynine Palms, CA	Sewer Treatment Facility Fair Share and Sewer Rate Analysis
County of San Diego, CA	Sewer Rate and Standby Charge Study
McKinleyville CSD, CA	Water and Wastewater Rate and Capacity Fee Study
Mission Springs Water District, CA	Water and Sewer Rate and Fee Study
Monte Vista Water District, CA	Connection Fee Study
Phelan Piñon Hills CSD, CA	Water Rate and Fee Study
Rainbow Municipal Water District, CA	Water and Wastewater Asset Cost and Capacity Fee Study
Town of Apple Valley, CA	Sewer Rate and Nexus Study
Town of Gilbert, AZ	Water and Sewer Rate Study

Insurability

With a rating of A+XV, Willdan maintains insurance from top-rated companies. Upon award of contract, a certificate of insurance and endorsements will be provided to the City of McFarland specific to this engagement. Provided below is a current certificate of insurance for the ongoing Development Impact Fee study.

ACORD®

CERTIFICATE OF LIABILITY INSURANCE 11/9/2023

DATE (MM/DD/YYYY) 10/27/2022

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER
Lockton Insurance Brokers,LLC
CA License #0F15767
777 S. Figueroa Street, 52nd fl.
Los Angeles CA 90017
213-689-0065

CONTACT NAME:
PHONE (A/C, No, Ext): FAX (A/C, No):
E-MAIL ADDRESS:

INSURER(S) AFFORDING COVERAGE	NAIC #
INSURER A : Travelers Property Casualty Company of America	25674
INSURER B : Allied World Surplus Lines Insurance Company	24319
INSURER C :	
INSURER D :	
INSURER E :	
INSURER F :	

INSURED 1506306
Willdan Financial Services
27368 Via Industria, Suite 200
Temecula, CA 92590

COVERAGES WILLD01 **CERTIFICATE NUMBER:** 18906596 **REVISION NUMBER:** XXXXXXX

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	X COMMERCIAL GENERAL LIABILITY	Y	N	P-630-7T016289-TIL-22	11/9/2022	11/9/2023	EACH OCCURRENCE	$ 1,000,000
	CLAIMS-MADE X OCCUR						DAMAGE TO RENTED PREMISES (Ea occurrence)	$ 1,000,000
	X Emp. Benefits Liab.						MED EXP (Any one person)	$ 15,000
	X Contr. Liab. Incl.						PERSONAL & ADV INJURY	$ 1,000,000
	GEN'L AGGREGATE LIMIT APPLIES PER:						GENERAL AGGREGATE	$ 2,000,000
	POLICY X PRO-JECT X LOC						PRODUCTS - COMP/OP AGG	$ 2,000,000
	OTHER:							$
A	AUTOMOBILE LIABILITY	N	N	810-7T01965A-22-43-G	11/9/2022	11/9/2023	COMBINED SINGLE LIMIT (Ea accident)	$ 1,000,000
	X ANY AUTO						BODILY INJURY (Per person)	$ XXXXXXX
	OWNED AUTOS ONLY / SCHEDULED AUTOS						BODILY INJURY (Per accident)	$ XXXXXXX
	HIRED AUTOS ONLY / NON-OWNED AUTOS ONLY						PROPERTY DAMAGE (Per accident)	$ XXXXXXX
								$ XXXXXXX
	UMBRELLA LIAB / OCCUR			NOT APPLICABLE			EACH OCCURRENCE	$ XXXXXXX
	EXCESS LIAB / CLAIMS-MADE						AGGREGATE	$ XXXXXXX
	DED / RETENTION $							$ XXXXXXX
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY Y/N; ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) N; If yes, describe under DESCRIPTION OF OPERATIONS below	N/A	N	UB-7T02108A-22-43-G	11/9/2022	11/9/2023	X PER STATUTE / OTH-ER	
							E.L. EACH ACCIDENT	$ 1,000,000
							E.L. DISEASE - EA EMPLOYEE	$ 1,000,000
							E.L. DISEASE - POLICY LIMIT	$ 1,000,000
B	Arch&Eng Prof	N	N	0313-5950	11/9/2022	11/9/2023	Per Claim:$1,000,000 Aggregate:$1,000,000	

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
RE: Project Name: Development Impact Fee Study. City of McFarland, its officers, councilpersons, commissioners, employees and agents are included as Additional Insured in accordance with the policy provisions of the General Liability policy.

CERTIFICATE HOLDER

18906596
City of McFarland
Attn: City Manager
401 West Kern Ave.
McFarland CA 93250

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

ACORD 25 (2016/03)

3) Specialized Knowledge

Firm Summary

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

A financially stable company, Willdan has approximately 1,500 employees working in more than a dozen states across the U.S. Our employees include a number of nationally recognized Subject Matter Experts for all areas related to the broadest definition of connected communities — ***seven of whom are committed to contribute their expertise throughout the duration of City of McFarland's Cost Allocation Plan and Utility Rate Studies engagement.***

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

Willdan Financial Services Capabilities

Our staff supports our clients by conducting year-round workshops and on-site training to assist them in keeping current with the latest developments in our areas of expertise. Willdan assists local public agencies by providing the following services:

Willdan Financial Services	
Services Provided	
▪ User fee studies;	▪ Utility rate and cost of service studies;
▪ Cost allocation plan studies;	▪ Tax increment finance district formation and amendment;
▪ Development impact fee establishment and analysis;	▪ Feasibility studies;
▪ Real estate economic analysis;	▪ Housing development and implementation strategies;
▪ Municipal advisory services;	▪ Arbitrage and continuing disclosure services;
▪ District administration services;	▪ Debt issuance support; and
▪ Property tax audits;	▪ Long-term financial plans and cash flow modeling.
▪ Economic development strategic plans;	

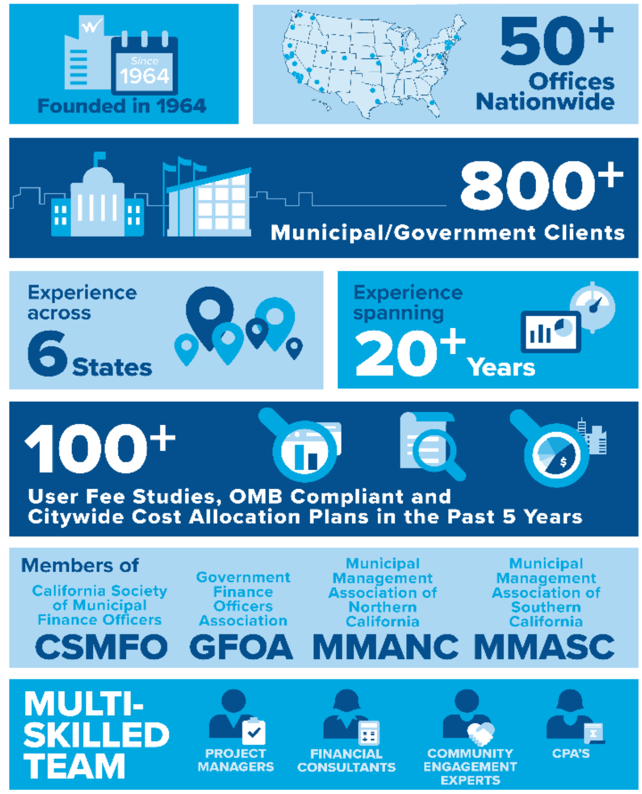
Firm Qualifications and Experience

Cost Allocation Plan Experience

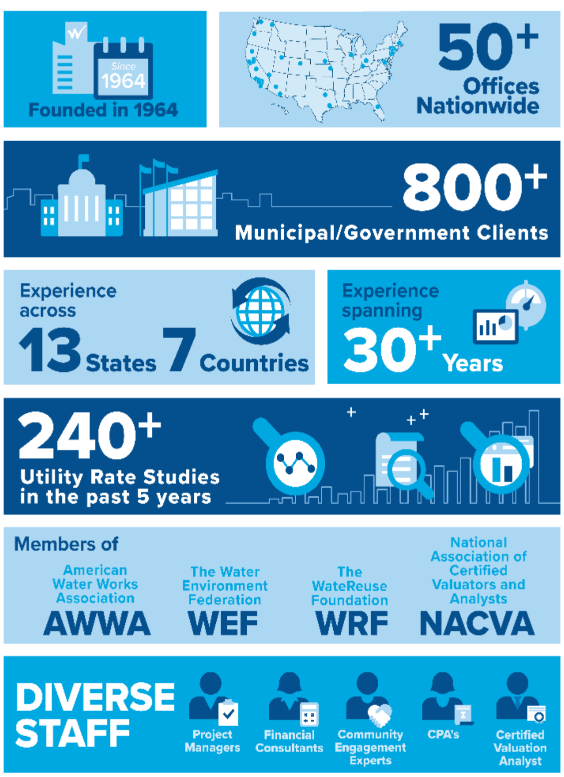
Willdan Financial Services is a team of professionals who provide essential financial consulting services throughout the USA. Our direct experience as “agency staff” provides us with firsthand understanding of City operations and is uniquely useful in determining the full effort associated with service delivery and in developing a fee schedule that is easy to communicate and implement.

Willdan has provided User Fee Study and Cost Allocation Plan services to municipal clients for over 20 years. The project team has prepared user fee studies, cost allocation plans and OMB compliant cost allocation plans for clients throughout California, and the United States. 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.

Willdan has extensive experience with a range of fee studies and the typical pros, cons, and challenges, both in implementation and management. Willdan will be bring its expertise to the City’s process of considering financial, practical, and policy issues in deciding on its future fee program. Our record of success within the industry provides assurance of the professionalism and capability we will bring to this engagement.



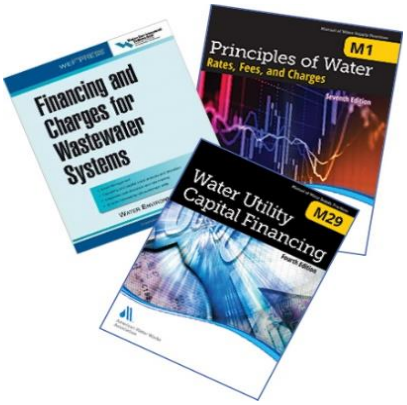
Utility Rate Experience



Willdan’s professional staff has provided professional consulting services, including financial planning; rate and cost-of-service studies; alternative and feasibility analyses; and operational and management studies for water, reclaimed water, wastewater, solid waste, and stormwater utility clients across the United States. Additionally, Willdan staff are involved with the development of the rate-setting methodologies set forth in the American Water Works Association (AWWA) M-1 manual “Principles of Water Rates, Fees and Charges,” and the AWWA M-29 manual, “Water Utility Capital Financing.” Willdan is nationally recognized for its expertise with staff frequently being called upon to speak or instruct on utility financial matters, as subject matter experts, including the AWWA Utility Management conference.

We are also deeply familiar with the procedural and substantive requirements of Proposition 218. Willdan staff (including Mr. Fisher, proposed as the principal-in-charge for this engagement) speak regularly to California industry groups such as the California Special Districts Association (CSDA) and the California Society of Municipal Finance Offices (CSMFO). Further, we recently completed a water and wastewater study for the City of Lakeport where ***the same team proposed for this engagement worked closely with a leading Proposition 218 law firm in the state to update their tiered water rate structure to be compliant with the requirements of Proposition 218 and the City of San Juan Capistrano decision. We will bring this recent experience and insight to the City of McFarland.***

Willdan staff is experienced in a broad range of utility planning services; and therefore, understand the importance of an approach that integrates elements of utility planning, engineering, and finance. Willdan team members possess considerable experience in utility rate and cost-of-service studies and have performed these services for hundreds of utilities throughout the country. Our team includes staff with public sector experience spanning 30 years, and staff on the forefront of utility ratemaking and rate-modeling. In addition, team members have held positions as finance directors, deputy city managers, and auditors, and therefore understand the financial, operational, and political realities faced by governmental staff and management; we craft solutions, which are sensitive to this.

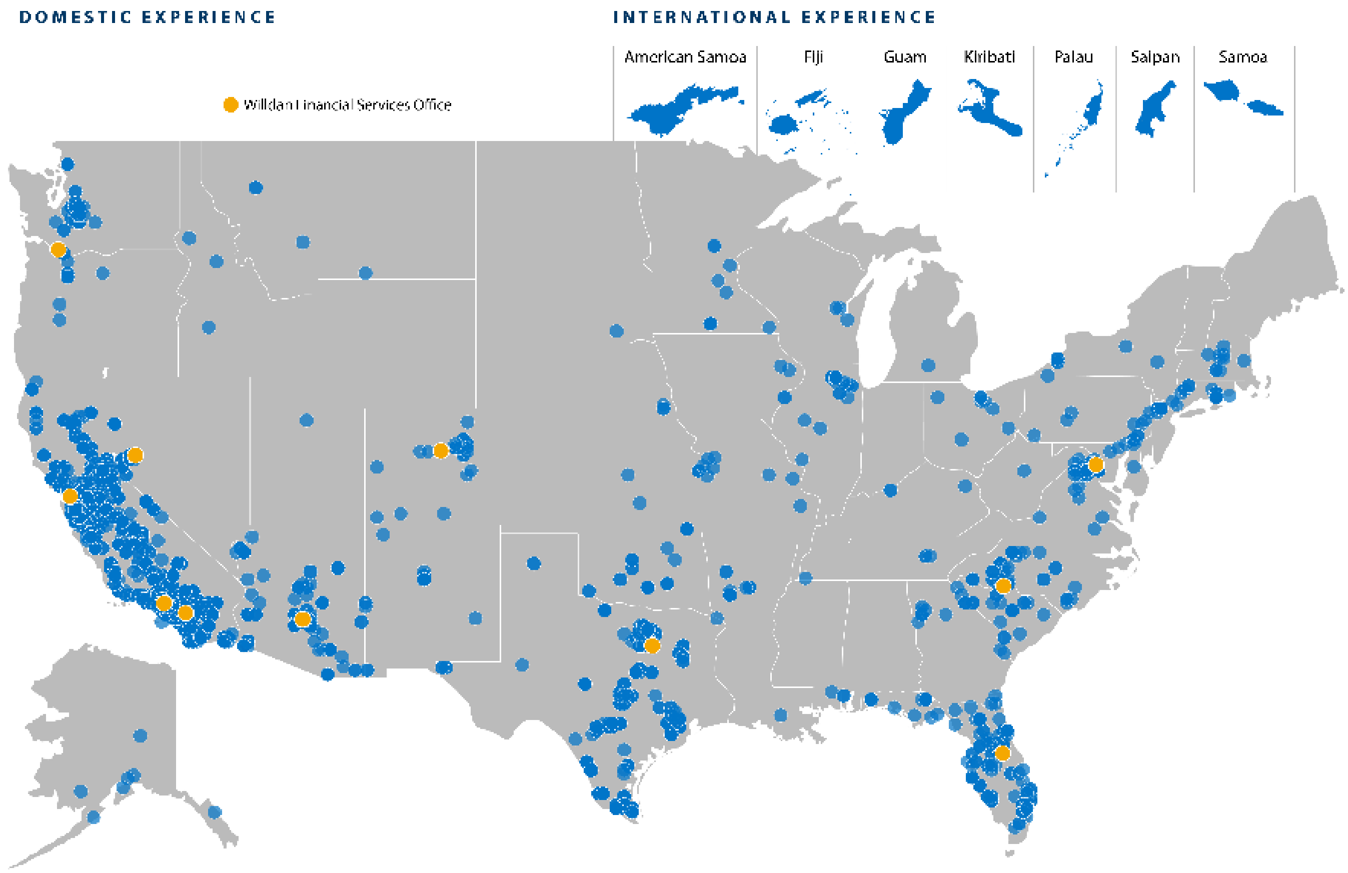


Willdan will work with the City to identify, and prioritize operational and fiscal objectives, and match these to specific rate attributes; and use this information throughout the engagement to develop a comprehensive financial plan and design utility rates that effectively meet these goals. The culmination of our analyses will be rate policies that guide the rate setting process, and a financial management plan that develops projected system operating results for the utility for the forecasted period. Willdan will employ its proven interactive approach, coupled with advanced financial modeling techniques to design rates and a financial plan that meet established goals and performance criteria. These modeling techniques serve as a powerful decision-making tool and provide the City with genuine business solutions and recommendations as to the strategic direction of its utilities.

During rate and financial planning projects we employ tools and techniques, which focus on consensus building among stakeholders to ensure the team understands the future financial implications of current management decisions. Our extensive project expertise is bolstered by our unique interactive financial planning process and model.

National and International Presence

For over 30 years, Willdan's professional staff has provided utility rate, financial, economic, management and capital planning consulting services to utilities and governmental entities across the country. A representation of Willdan's geographical client presence is depicted in the graphic below**.** Our client base extends from the south shores of Florida to the inside passage of Alaska, and for five sovereign nations.



Firm Distinctiveness

Key distinct advantages that Willdan brings to the City include the following:

Proven Professionals

The Team's quality is often as important as the consulting firm's reputation. Willdan is known for its personal, customized service. Our team will work with the City's professional staff to provide the long-term service, that is our prime goal. Willdan is the only firm providing these types of consulting services that also have a long history of providing contract staff support to public agencies for the delivery of municipal services.

Project Dedication

Willdan has assembled a project team of seven (7) subject matter experts within the Financial Consulting Services group, to conduct the City's Cost Allocation Plan and Utility Rate Studies engagement. This team has coordinated or participated in numerous public stakeholder and staff workshops regarding fees and cost of service-based charges.

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

The Financial Consulting Services group is made up of over 20 professionals who can be called upon as needed; we are confident that our team possesses the depth of experience that will successfully fulfill the desired work performance.

Community Investment

Much of our success in developing effective programs and studies is due to our experiences in meeting with citizen / stakeholder groups and elected officials. Our ability to explain technical information in a concise, understandable manner is a fundamental reason for our high degree of success. Willdan staff takes the time to ***include and inform the Community***.

Extensive Public Sector Experience

Willdan Group Inc. has delivered industry-leading financial, energy and engineering solutions that have transformed government and commerce for 58 years. Willdan Financial Services advises governments throughout the United States and abroad about financial and economic consulting. We serve all levels of government and collaborate with government staff, constituents, developers, officials, and other professional services firms.

Staff Continuity

Mr. Fisher has been assigned to serve as the City's representative; he has been selected for this role due to his extensive experience, which includes the preparation and supervision of numerous fee studies. Willdan as a whole is composed of approximately 1,500 employees, including a cadre of public finance experts.

It is important to note that Mr. Fisher has been with Willdan for more than 23 years, ensuring City of McFarland of continuity and dedication in staffing during the completion of the project.

As needed, 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. We do not anticipate staffing changes during the course of the project, however, should the situation arise, any change in team members will be discussed with and approved by the City prior to the change being made, to meet the needs of the City. In doing this, we will ensure the project stays on track and evolves, based upon current thinking and outside dynamics.

4) Personnel / Professional Qualifications

Project Roles

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.

City of McFarland Project Team			
Team Member	**Project Role**	**Contact Information**	**Responsibility to the Engagement**
Principal-in-Charge			
Chris Fisher **Vice President/Director**	Overall Engagement Principal-in-Charge & Utility Rate Study Project Manager	CFisher@Willdan.com Tel #: (800) 755-6864 Fax #: (951) 587-3510	▪ Technical guidance; ▪ Project oversight; ▪ Quality assurance & control; and ▪ Meeting and presentation attendance.
Cost Allocation Plan Team			
Tony Thrasher **Principal Consultant**	Project Manager	TTrasher@Willdan.com Tel #: (800) 755-6864 Fax #: (951) 587-3510	▪ Task oversight; ▪ Model development; ▪ Produce key elements of the analyses; ▪ Responsible for project deliverables; ▪ Report evaluation; and ▪ Meeting and presentation attendance.
Priti Patel **Senior Project Analyst**	Financial Analyst	PPatel@Willdan.com Tel #: (800) 755-6864 Fax #: (951) 587-3510	▪ Collect, interpret, and analyze key data; ▪ Assistance with model development; and ▪ Report preparation.
Robert Quaid **Principal Consultant**	Quality Assurance Technical Advisor	BQuaid@Willdan.com Tel #: (800) 755-6864 Fax #: (951) 587-3510	▪ Third party reviewer; and ▪ Report evaluation.
Utility Rate Study Team			
Michael Cronan **Senior Analyst**	Lead Financial Analyst	MCronan@Willdan.com Tel #: (800) 755-6864 Fax #: (951) 587-3510	▪ Collect, coordinate, interpret, and analyze key data; ▪ Model development; ▪ Responsible for project deliverables; ▪ Stakeholder outreach; and ▪ Report preparation.
Jeff McGarvey **Managing Principal**	Quality Assurance & Technical Support	JMcGarvey@Willdan.com Tel #: (800) 755-6864 Fax #: (951) 587-3510	▪ Quality assurance & control; and ▪ Ensures procedural integrity;
Kevin Burnett, MA **Senior Project Manager**	Technical Advisor & Utility Expertise	KBurnett@Willdan.com Tel #: (800) 755-6864 Fax #: (951) 587-3510	▪ Model and report review and technical guidance; ▪ Review of project deliverables; ▪ Selected meeting and presentation attendance.

Resumes

Resumes for Willdan's project team are presented on the following pages. We are confident that our team possesses the depth of experience that will successfully fulfill your desired work performance.

Chris Fisher

Principal-in-Charge/Project Manager

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

23 Years' Experience

Mr. Chris Fisher, Vice President / Director of Willdan's Financial Consulting Services group, will serve as the overall Principal-in-Charge for the City's combined engagement and Project Manager for the Utility Rate Study. 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, Colorado, 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.

Select Related Experience

City of San Marcos, CA — Cost Allocation Plan, Indirect Cost Rate Proposals & Comprehensive User Fee Study: Mr. Fisher is the principal-in-charge for the City's full and OMB compliant cost allocation plan, preparation of Indirect Cost Rate proposals, and Comprehensive user Fee Study engagement. The project is ongoing, and the User Fee Study is now underway.

City of Santa Cruz, CA – Cost Allocation Plan Update and Fully Burdened Hourly Rate Study: Mr. Fisher is overseeing the City of Santa Cruz engagement; this is an ongoing study.

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

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

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. ***The City of Irvine has recently re-engaged, through competitive bid, Willdan to complete an updated Cost Allocation Plan and User Fee Study.***

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

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.***

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

C. Fisher
Resume Continued

City of Lakeport, CA – Water and Wastewater Fee Study: Mr. Fisher led the engagement for Lakeport in the role of the principal-in-charge. The project included the completion of a comprehensive financial model, with multiple iterations and alternatives to address a situation where the City had not increased rates in several years. He led discussions with staff to outline the options and make adjustments as necessary. He also worked closely with the City and its legal counsel to update rates and to incorporate tiers while ensuring compliance with Proposition 218 and the San Juan Capistrano Court decision.

City of Grover Beach, CA – Water and Wastewater Rate Study: In the role of principal-in-charge, Mr. Fisher led the City's utility rate study, which included the preparation of a comprehensive financial plan, along with cost-of-service analysis and development of updated rates. The financial plan prepared contained various options and scenarios for City Staff's consideration, including shifting from a uniform water rate structure to either a two- or three-tiered structure. The City's utilities were in relatively good health, so major increases were not recommended.

City of Sebastopol, CA – Water and Wastewater Rate Study: Mr. Fisher led the City of Sebastopol engagement in the role of the principal-in-charge. The objective of the study was to update water and wastewater rates to address capital needs for both utilities, and ensure rates provided adequate funding for ongoing operations and maintenance. Project work included development of a comprehensive financial model and preparation of rate scenarios for evaluation by staff and the City Council. Mr. Fisher and the project team presented the results to the City Council and instructed staff on the use of the model.

City of Guadalupe, CA – Water and Sewer Utility Rate Study: Mr. Fisher served as the principal-in-charge for the City's recent water and sewer rate study, providing technical assistance throughout the project, conducting working discussions with City Staff to evaluate financial and rate options, and coordinating the project. He oversaw the development of the comprehensive financial plan, and preparation of rate alternatives and analysis. This engagement included the development of a comprehensive financial model and updated water and sewer rates, including identification of the rates of comparable jurisdictions and a comparative rate and cost analysis.

City of Richmond, CA – Wastewater Rate Study: Mr. Fisher led the City of Richmond engagement as the principal-in-charge. The objective of the study was to prepare a comprehensive financial plan and updated wastewater rates to address funding for capital and operating needs. The effort included development of a comprehensive financial model and report, and preparation of rate scenarios, including revised scenarios to address the impacts of the COVID pandemic, for evaluation by staff and the City Council. Mr. Fisher and the project team presented the results to the City Council, whereby rate increases were approved.

McKinleyville Community Services District, CA – Water and Wastewater Capacity Fee Study: Mr. Fisher served as principal-in-charge of this project. The prior connection fees had not been updated for a number of years and were relatively low in comparison to similar agencies. In addition, there were several new local development projects in the planning stages requiring the District to provide utility services; placing even greater demand upon existing facilities and possibly requiring expansion of existing facilities, or construction of new ones. Willdan worked with staff to compile a list of proposed capital improvements and their estimated cost and conducted an analysis of existing and proposed development within the District's service boundaries.

Tony Thrasher

Cost Allocation Plan 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

13 Years' Experience

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

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

Select Related Experience

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

City of Monterey, CA — Cost Allocation Plan: Mr. Thrasher is 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.

City of Santa Cruz, CA – Cost Allocation Plan Update and Fully Burdened Hourly Rate Study: Mr. Thrasher is serving as the project manager for the City of Santa Cruz' engagement; this is an ongoing study.

Housing Authority of the County of San Bernardino — Cost Allocation Plan: Mr. Thrasher served as the project manager for the completion of the Authority's full and OMB cost allocation plan and is currently completing an update to that plan. This engagement was triggered by OIG findings that questioned the Housing Authority's cost allocation methods. The project resulted in a new cost allocation plan approved by the OIG and HUD and clearance of the audit findings with no penalty or returned grant funding.

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

City of Chino Hills, CA — Cost Allocation Plan and Comprehensive User Fee Study: Mr. Thrasher is 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 Irvine, CA —Cost Allocation Plan and Comprehensive User Fee Study: Serving as the project's project manager and lead analyst, Mr. Thrasher oversaw the development of the model and led analytical efforts; and designed micro-level allocation models to ensure full-cost recovery for public safety, public works, community development, community services, and administrative departments. ***The City of Irvine has recently re-engaged, through competitive bid, Willdan to conduct a Cost Allocation Plan and User Fee Study.***

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

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

Priti Patel

Cost Allocation Plan Senior Financial Analyst

Education

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

Areas of Expertise

Cost Allocation Plans

User Fee Studies

Proposition 218

9 Years' Experience

Ms. Priti Patel is a Senior Analyst within the Financial Consulting Services group, whereby she supports project managers in conducting utility rate analyses, fee studies, cost allocation plans, monitoring Proposition 218 compliance, and forming special districts.

Coordinating and conducting activities associated with Cost Allocation Plans and User Fee Studies, including database integration and manipulation, revenue and expenditure analyses, and documentation preparation are just some of Ms. Patel's duties. With these duties, she interacts with clients on a regular basis.

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

Select Related Experience

City of San Marcos, CA — Cost Allocation Plan, Indirect Cost Rate Proposals & Comprehensive User Fee Study: Ms. Patel is the financial analyst assigned to the City of San Marcos' engagement to complete a full and OMB compliant cost allocation plan and preparation of Indirect Cost Rate proposals engagement.

City of Monterey, CA — Cost Allocation Plan: Ms. Patel is serving as the financial analyst for the Monterey Cost Allocation Plan and updates. In this role she is responsible for obtaining updated information and data, reviewing overhead structure and functions, and preparing the updated model and report. ***The City originally hired Willdan for the creation of the first Cost Allocation Plan and has hired us for multiple updates since then.***

City of Santa Cruz, CA – Cost Allocation Plan Update and Fully Burdened Hourly Rate Study: Ms. Patel is assisting the project manager in this ongoing study.

City of San Fernando, CA — Cost Allocation Plan and Comprehensive User Fee Study: Ms. Patel provided support to senior team members in the preparation of a cost allocation plan, OMB compliant plan and comprehensive user fee study. ***Willdan has recently, through competitive bid, been re-selected to update the cost allocation plan.***

Housing Authority of the County of San Bernardino — Cost Allocation Plan: Ms. Patel was the assigned financial analyst that assisted the principal-in-charge and project manager with the completion of the Authority's full and OMB cost allocation plan.

Rainbow Municipal Water District, CA — Cost Allocation Plan and OMB Compliant Plan: Ms. Patel provided analytical support to ensure that the District's Cost Allocation Plan and OMB compliant cost allocation model and plan fairly allocated general and administrative overhead service costs to appropriate activities and departments.

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

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

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

Robert Quaid

Cost Allocation Plan Quality Assurance/Technical Advisor

Education

Bachelor of Science, University of Southern California

Areas of Expertise

Fiscal Analysis for User Fees and Rates

Cost Allocation Plans

Acquisition Audit Services

Statutory Financial Reporting

Fund Audits

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

Affiliations

California Society of Municipal Finance Officers

35 Years' Experience

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

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

Select 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.

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

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

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

- City of Aurora, CO
- City of Bedford, TX
- 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 Galt, CA
- City of Hayward, CA
- City of Indian Wells, CA
- City of Mesquite, TX
- 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 Fernando, CA
- City of San Bruno, CA
- Sacramento Public Library, CA
- City of Salinas, CA
- City of Union City, CA
- City of Watsonville, CA
- City of Yucaipa, CA

Michael Cronan

Utility Rate Study Lead Financial Analyst

Education

Bachelor of Arts and Science; University of Central Florida

Areas of Expertise

Utility Rate Studies

User Fee Studies

Financial Forecast Modeling

5 Years' Experience

Mr. Michael Cronan is a senior analyst with five years of experience within Willdan's Financial Consulting Services group. His primary function is to support project managers and senior analysts with utility rate studies. He specializes in analysis for a variety of clients, including cities, water districts, and public utilities.

Select Related Experience

City of La Palma, CA — Water and Wastewater Utility Rate Study: Mr. Cronan was assigned to the La Palma engagement as the lead financial analyst. He worked directly with staff at the City to conduct financial analysis, which included the evaluation of alternatives for rate adjustments that incorporated different capital funding scenarios and operating budget assumptions, as well as the preparation of reports and Prop 218 documents. He was also instrumental in the development of the financial model.

City of Richmond, CA — Wastewater Rate Study: Mr. Cronan served as the project analyst and provided support for the City's rate study. He gathered and verified data for the project manager and lead project consultant and played a significant role in the development of the customer database and financial model.

City of Lakeport, CA — Water and Sewer Rate Study: Mr. Cronan provided analytical support to the senior project team members and led the development of the financial model as the project analyst for the City's utility rate study. He worked directly with staff at the City to evaluate financial plan alternatives, particularly for sewer where years of deferred rate increases, and a significant capital plan required careful consideration. He also led the revamp of the City's cost-of-service approach, working closely with a leading Prop 218 attorney to ensure rates were compliant with State law.

McKinleyville Community Services District, CA — Water and Sewer Utility Rate Study: Willdan was retained to update the models, develop the CSD's water and sewer rates and assist with the required Proposition 218 noticing process. Mr. Cronan provided analytical support to the project's senior team and provided the same support for the ongoing update to the previous study.

City of Claremont, CA — Sewer Rate Study: Mr. Cronan provided analytical support for the City's sewer rate study. He gathered and verified data for the project manager and principal consultant.

City of Twentynine Palms, CA — Sewer Treatment Facility Fair Share and Sewer Rate Analysis: Mr. Cronan provided analytical support in the development of the model to support to the project's senior team on the City of Twentynine Palms' sewer treatment facility fair share analysis. This study also included a sewer rate study, specific to the new treatment plant and its customers.

City of Denver, CO — Sanitary Sewer and Storm Drainage Benchmarking and Storm Drainage Impact Fee Study: Mr. Cronan served as the lead analyst on a benchmarking study to review and compare the City's current rate structures to those of other front range and national utilities. The intent of the study was to identify potential areas for refinement to the City's current rate structures. Mr. Cronan also served as the lead analyst for developing and implementing first time storm drainage impact fees for the City.

City of Fruita, CO — Sewer Rate Study: Mr. Cronan provided analytical support to the project manager and principal consultant for the City's comprehensive sewer rate study. The study sought to determine the costs of operating the utility for a five-year period while equitably recovering costs from each customer class. An evaluation of changing the current flat rate approach for residential customers to a volume based average winter consumption approach was also evaluated.

City of College Station, TX — Electric Rate Study: Mr. Cronan was the analyst for the City's electric retail rate and cost-of-service study.

GRU/Gainesville, FL — Combined Utility Rate Project: Mr. Cronan assisted senior project staff on Willdan's recent combined utility rate project conducted for Gainesville Regional Utilities, in Gainesville, Florida and included a comprehensive revenue requirement, cost of service analysis, and rate design for their electric, water, wastewater, and natural gas utility systems.

Jeffrey McGarvey

Utility Rate Study Technical Support/Quality Control

Education

Bachelor of Science, Finance, University of Central Florida

Areas of Expertise

Alternatives Analysis

Strategic Planning

Rate Studies

Cost of Service Studies

Revenue Bonds

Feasibility Analyses

Capital Funding

Acquisitions

Valuation Analyses

Affiliations

American Water Works Association

The Water Environment Federation

The Utility Management Conference

The WateReuse Foundation

31 Years' Experience

Mr. Jeffrey McGarvey is a Managing Principal in Willdan's Financial Consulting Services group, and for more than 31 years, has provided professional consulting services to municipal water, wastewater, solid waste, electric, and natural gas utilities throughout the country. He possesses a broad range of municipal utility systems experience, including special expertise in complex alternatives analyses; utility rate analyses; utility valuations and acquisitions; regionalization and consolidation studies; debt issuance support, such as the preparation of financial feasibility analyses associated with revenue bond issuance; capital financing analyses; strategic planning; rate and regulatory assistance; and instituting financial mechanisms to provide for the sufficient recovery of operating and capital costs.

Mr. McGarvey has extensive experience in utility rates and cost of service studies for water, wastewater, solid waste, electric and natural gas systems. This experience generally relates to performing budget analyses, customer and usage analyses, development of revenue requirements, cost of service allocations and sensitivity analyses related to the implementation of rate structures designed to promote desired usage characteristics.

Select Related Experience

Phelan Piñon Hills Community Services District (Phelan, CA) – Water Rate and Fee Study: Mr. McGarvey served in the role of technical advisor for this comprehensive revenue requirement analysis and financial plan, which provided targeted rate and fee structure recommendations. A comprehensive proforma financial analysis was prepared focusing on primary rate and financial objectives. The analysis resulted in rate structures that provided adequate revenue to fund operations; and created a secure and reliable funding source for future capital improvements.

McKinleyville Community Services District, CA – Water and Wastewater Capacity Fee Study: Mr. McGarvey provided technical support, as well as quality assurance/quality control, to this engagement. The prior connection fees had not been updated for a number of years and were relatively low in comparison to similar agencies. In addition, there were several new local development projects in the planning stages requiring the District to provide utility services; placing even greater demand upon existing facilities and possibly requiring expansion of existing facilities, or construction of new ones. Willdan worked with staff to compile a list of proposed capital improvements and their estimated cost and conducted an analysis of existing and proposed development within the District boundaries. Finally, the team analyzed existing demand on the current utility systems and calculated remaining capacity in order to develop fair and equitable capacity fees.

Mission Springs Water District, CA – Comprehensive Water and Wastewater Financial Plan and Rate Study: Mr. McGarvey provided technical support for the District's comprehensive financial plan and rate study. He was also responsible for quality control. A key focus of this study was on the need to address the Chromium 6 detected in the groundwater. Willdan developed a comprehensive financial model, and updated water and wastewater rates. Mr. McGarvey oversaw the development of the financial model prepared for the District.

City of Flagstaff, AZ – Water, Wastewater and Reclaimed Water Rate Study: Mr. McGarvey served as the technical advisor of the City of Flagstaff's utility rate analysis. In the wake of six water main breaks, the City was faced with decreasing revenues and increasing capital and operational costs. The proposed rates developed by Willdan reversed the City's trajectory of a falling operating reserve and provide the City with sufficient revenue to cover existing and future operations, maintenance, and debt service; all while being financially prudent and responsive to the concerns of the City's Water Commission. The proposed residential inclining block rate appropriately spreads the burden of increased costs based on a comprehensive analysis of customer demands.

City of Durango, CO – Water and Wastewater Rate Study: Mr. McGarvey led the preparation of a long-term financial plan, cost of service-based rates and updated plant investment fees. The City needs to perform $50 million in improvements to the wastewater treatment plant to comply with State wastewater treatment standards and to provide available capacity for new growth. A balanced financial plan was developed incorporating rate increases and anticipated debt to fully fund requirements and minimize customer impact.

Kevin Burnett, MA

Utility Rate Study Technical Advisor & Utility Expertise

Education

Master of Arts, Economics, State University of New York, Buffalo

Bachelor of Arts, University of Waterloo, Ontario

Areas of Expertise

Financial Planning

Cost of Service Studies

Rate Design

Impact Fees

Bond Feasibility

Affiliations

American Water Works Association

21 Years' Experience

Mr. Kevin Burnett is a senior project manager with 21 years of utility analysis experience, possessing extensive experience with rate and cost of service studies for retail and wholesale use. He has been selected to serve as Project Manager for the Utility Rate Study portion of the City's engagement. His project experience includes water, wastewater, reuse, and stormwater rate studies using state-of-the-art utility financial planning tools. He has developed both short and long-term financial plans for utilities of all sizes – including regional water authorities and regional wastewater providers with individual wholesale service contracts.

Select Related Experience

City of Sebastopol, CA – Water and Wastewater Fee Study: Mr. Burnett served as the lead project consultant for the City's water and wastewater utility rate study. The objective of the study was to update utility rates to address capital needs for both utilities, and ensure rates provided adequate funding for ongoing operations and maintenance. Mr. Burnett led the development of the financial model and scenarios for the City and presented the report and results to the Council.

City of Grover Beach, CA – Water and Wastewater Rate Study: Mr. Burnett led the City's water and wastewater rate study, which included the preparation of a comprehensive financial plan, along with cost-of-service analyses and development of updated rates. He presented the financial plan and outlined the various options and scenarios for City Staff's consideration, including shifting from a uniform water rate structure to a two-tiered structure.

City of Calexico, CA – Water and Sewer Rate and Capacity Fees Study: As lead project consultant, Mr. Burnett conducted a water and sewer rate study for the City of Calexico. Their previous rate study was dated, and the City wished to complete a new study to meet future revenue requirements and planned substantial capital improvement projects, and to ensure new rates followed Proposition 218 cost of service requirements. The City also requested the establishment of capacity fee charges. Mr. Burnett created the financial and rate model, completed the technical analysis, and worked through financial scenarios and options with City Staff. He was also responsible for the preparation of the report and other study documents.

City of Tulare, CA – Water and Wastewater Rate Study: As project manager Mr. Burnett led the model and rate development, in addition to facilitating presentations to both the City Council and Public Utilities Board in preparation of the City's water and wastewater utility rates. He generated updated rate structures for the City, which met the requirements of Proposition 218.

City of Avenal, CA – Water and Sewer Rate Study: Served as project manager for the City's rate study. The objectives of this analysis were to develop a tiered rate structure for customers that: 1) generate sufficient revenues to meet operating and capital expenses associated with water in response to the rising cost of purchased water; 2) technically defensible and equitable across customer classes (Proposition 218 compliant); and 3) developed within spreadsheet models that are user-friendly and can be easily updated by City Staff in the future.

City of Fillmore, CA – Water and Sewer Rate Study: The City's rates were outdated and not generating sufficient revenue needed to operate, maintain, and enhance the system. As project manager, Mr. Burnett led the Willdan Team and worked closely with the City, to redesign the rate structure. Willdan was responsible for the model and rate development, and generation of multiple alternative rate structures.

City of Dinuba, CA – Water, Sewer, and Solid Waste Rate Study: The City had undergone a period of declining net revenues and an inability to fully fund capital repair and replacement needs. In the role of lead analyst, Mr. Burnett worked with City Staff to update the rate structures to ensure class cost of service-based water rates that promote conservation and adhere to Proposition 218 requirements. Multiple water and sewer financial plans were developed and presented to Council for consideration.

5) Total Projected Cost of the Project

Scope of Services

Willdan is confident that we can meet the City of McFarland's request for services for Cost Allocation Plan and Utility Rate Studies Services.

Cost Allocation Plan Project Understanding

Over the past several years, many public agencies have responsibly focused on the many challenges created by the prior recession and the Covid pandemic. Through the course of reorganizing staff functions and departments, shifting resources, implementation of new processes and/or new software, and/or reducing staff, it is important to continually revisit the manner and methodology by which indirect overhead costs are distributed to the operating departments and, as appropriate, other chargeable funds and programs (e.g., enterprise funds, grant programs, capital programs internal service funds, etc.).

The City needs a cost allocation plan that will ensure the fair and equitable allocation of internal service costs to appropriate external-facing operations such as: enterprises, special revenue funds, departments, and programs, while utilizing tailored and well thought out allocation factors that reflect current staffing and processes.

We will prepare a full CAP, based upon the City's 2022/23 budget or actual financial data, as well as an OMB CAP that will be compliant with 2 CFR Part 200 Federal regulations related to cost reimbursement and grant funding, formerly known as OMB A-87 and 2 CFR Part 225 guidelines, which have now been superseded by the Omni Circular. The new circular did not completely overhaul the guidelines, and the intent is still the same, but it did add new limitations to consider and incorporate into a compliant CAP.

The end-product will include a user-friendly Excel-based model which City Staff will retain, and which can be easily updated in the future to determine the proper allocation of expenditures. Most importantly, we will ensure that the results and recommendations are clear and understandable, defensible, and easily implementable.

The purpose of this engagement is to establish the CAP methodology and model that ensures the City is properly allocating costs associated with indirect overhead support services, such as Accounting, Finance, Purchasing, Human Resources, among others, to identified operating departments, as well as enterprise and other chargeable funds, internal service funds, and projects; to ensure that those organizations can account for the true cost of providing services, including indirect overhead.

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

We will also develop updated Indirect Cost Rates for specific purposes and hourly overhead rates for staff in general. We will work closely with City Staff in identifying the functions of indirect staff and the proper balance of appropriate allocation factors for the City. To achieve cost recovery objectives, the City must have a method of identifying and distributing administrative overhead costs that is fair, comprehensive, well documented, and defensible. This cost allocation plan will enable the City to achieve this goal.

For this study, we will meet directly with departmental representatives at the City, to discuss the approach and process for the study. Discussions will include ways to combine tasks and efforts among the Cost Allocation Plan components to maximize efficiencies and ensure adherence to specified timelines.

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, as well as internal service funds, or other programs or projects to which overhead can be defensibly allocated.

We will review the City's existing plans and structure, to ensure that general government costs are fairly and equitably allocated to the appropriate programs and funds. This effort will ensure that each enterprise and program bears its fair share of general governmental expenses.

Willdan possesses the resources, practical experience, creative thinking, and collaborative consulting skills necessary to complete this important project.

Public Engagement

Our models and project approach are geared toward delivering our work on schedule and presenting our analysis results at public meetings and City Council workshops. 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 project team for this engagement have 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 City 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 model collaboratively with City Staff*****.** With City staff's immediate input and collaboration, Willdan will design an extremely flexible, intuitive Excel-based model. In the future, as the City assumes new responsibilities, modifies existing processes, and/or eliminates unnecessary services or programs, the model 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 will design our model to match your immediate and desired needs to ensure that end-results exceed staff expectations.

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.

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

A key element of these types of studies are presenting results and recommendations in a straightforward manner, which allows the City Council and City Staff to confidently make policy decisions and understand the impacts of those decisions. Rather than using an inflexible proprietary software program, we construct our model from the ground up, as previously discussed, mirroring the City's budget format wherever possible.

As a result, the information contained in our model is 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. 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 as the City moves forward.

Utility Rate Study Project Understanding

The following project approach and scope of services is based on Willdan's current understanding of the City of McFarland's ("City") needs and objectives for a water, sewer, solid waste, and optional street sweeping utility rate, and the services outlined within the Request for Proposals ("RFP"). A final scope and schedule will be determined following further discussions with City staff.

Current water rates consist of a fixed charge based on the size of the customer's meter, three tiers of successively increasing volumetric rates for single-family customers, and a volumetric rate for non-residential customers. Sewer rates consist of rates for single and multi-family customers, different rates based on strength for non-residential and commercial customers, and a rate for correction facilities. Solid waste rates are based primarily on the size and number of receptacles utilized by customers.

Our objective is to provide Staff and the Council with the information it needs to fully understand the water, sewer, solid waste, and street sweeping (if undertaken) utilities current and projected financial condition, including planned capital projects and potential funding options, evaluate options for moving forward, and make informed decisions based on this process.

The intent of the study is to independently evaluate the City's current utility rates, determine whether sufficient revenue is being collected for utility activities, and as appropriate, develop an updated schedule of rates for each utility that is simple, equitable, and most importantly, structured to meet the future financial needs of the City's utilities. The proposed rate structures must adequately fund the ongoing operating, maintenance and capital improvement needs of the water and sewer utilities.

The City of McFarland provides water and sewer service to a population of approximately 14,459, through roughly 3,000 service connections. The City also provides refuse service to its residents through a third-party vendor. ***A brief review of the most recent financial statements available on the City's website provides insight into the financial condition of the utilities. The Water, Sewer and Solid Waste Utilities all appear to be in good standing currently, based on recent historical operating results, but all are facing challenges moving forward, as discussed in the City's Fiscal Year 2022/23 Operating Budget (Budget)***.

As discussed in the Budget statement, two of the City's three major enterprise funds – sewer and water – are facing significant fiscal challenges in the coming years. The issues primarily surround the need to fund capital improvements. While the funds have adequate working capital balances to fund services and improvements in 2022/2023 and fund basic operations and maintenance, the working capital balances are below levels necessary to fund long-term capital needs for Sewer and Water.

The City is pursuing grant funding through the State Water Resources Control Board (SWRCB) to assist with current and long- term capital needs for Sewer ($20 million) and Water ($24.8 million), and may also utilize debt, impact fees and rate revenue. ***Willdan has worked recently with several cities, including Lakeport, Blythe, Lomita, and Dinuba, all of which face the exact challenge that McFarland is facing: funding significant capital plans while trying to limit the impact on ratepayers. For these projects we developed dynamic financial models that successfully facilitated the creation and evaluation of funding and financial scenarios, with the ability to make on-the-fly changes to compare alternative approaches.***

For the sewer utility, the most recent available Audited Financial Report, for the Fiscal Year Ending (FYE) June 30, 2021, shows that operating revenue was $1.47M, compared to operating expenses of $1.43M, for a positive operating result of $533K. In addition, the cash position was sound, with unrestricted cash of $911K at the end of Fiscal 2021. This balance exceeded the objective of 35% of operating expenses and debt service (or 120 days), as called for in the City's financial policies. Looking forward to the Fiscal Year 2022/23 Adopted Annual Operating Budget, revenues are projected to increase to $2.09M, and expenses are projected to increase to $2.41M, resulting in projected negative operating results for the year. As mentioned earlier, the capital plan included in the Budget shows significant projects for the sewer utility in the upcoming five-year period, totaling more than $20.6MM over the five years. Among others, the projects consist of line replacements and wastewater expansion.

For the water utility, the most recent financial report also showed positive results. For FYE June 30, 2021, operating revenues for the water utility were $1.84M, compared to operating expenses of $1.58M, for a positive operating result of $253K. Unrestricted cash at the end of Fiscal 2021 was strong at $1.48M, equivalent to just under a full year's operating expenses, exceeding the reserve policy goal. Looking forward, the FY 22/23 Budget projects revenues increasing to $2.06M, but also anticipates expenses increasing at a higher rate, to $3.51M, resulting in projected negative operating results in the coming year, and a reduction in working capital. The capital plan shown in the Budget includes more than $29M in projects over the five years, including multiple well replacements and a 1 MG tank replacement, and booster project.

Funding for water and sewer utility capital projects is anticipated to come from a combination of SWRCB grants (as available), impact fees, debt, and operating funds. The model we develop for the City will be capable of adjusting the timing of capital projects and selecting different funding sources to demonstrate and evaluate the impacts of these options on the overall plan and ultimately, the rate impacts on customers.

For refuse, the financial picture is similar to the water and sewer utilities. Per information presented in the 2020/21 Financial Report, operating revenues were $1.39M, while operating expenses were $1.29M, with a positive operating result of $98K. Unrestricted cash for FYE June 30, 2021, was less favorable than the other utilities, at $135K, or just over 10% of annual operating expenses for the year. The 2022/23 Adopted Budget projects revenues to increase to $1.43M, and expenses to increase to $1.599M, flipping the projected operating results to negative for the year.

The proposed option of creating a charge for street sweeping will entail a different approach, and discussion regarding the approach prior to starting. Under Proposition 218, only water, sewer and solid waste charges are exempt as this type of charge will require a balloting of affected properties, or voters, depending on the approach selected under Proposition 218. We have experience with other types of fees and assessments under Prop 218, that require property owner or voter approval, however, this brings in an expansion of planning and community engagement activities not typically necessary for other utility rates, and also extends the timeline.

The level of rate increases will be largely dependent on how successful the City is obtaining grant funding for planned capital projects. ***We will model options as necessary to evaluate the effects on the overall plan and recommended rate adjustments, depending on whether capital projects are funded with grants, debt, rate revenue, or some combination of all three.*** We will develop a comprehensive financial model and evaluate the projected operations for the next five years to confirm preliminary assumptions, and to be sure everything is accounted for, and appropriate recommendations are made. We also will ensure that the appropriate level of operating reserve (35% of annual operating expenses) is maintained as outlined in the City's financial policies.

The project will entail three primary phases. The first is the review and evaluation of the previous rate study and development of objectives, development of a comprehensive financial plan for each utility, with projections for the next five years for the purposes of recommending rate adjustments extended out to ten (10) years to provide a longer view of potential utility needs, particularly capital projects. The purpose of the financial plan is to arrive at the required revenue for each utility, which serves as the basis for recommendations going forward, and the development of updated rates, if necessary. Then, once the results of the financial plan are reviewed with City staff, we will proceed with the cost-of-service analysis and development of rates, and preparation of a report.

Clearly all of the above-mentioned factors require a comprehensive and detailed look at the utilities. Our approach and model incorporate a robust Capital Plan Analysis to ensure the utilities will be best equipped to address upcoming projects and their funding over the next five years, while maintaining required debt service coverage and appropriate reserve fund balances.

When developing the financial plan, it will be important to take into consideration updated costs of operating and maintaining the systems, as well as planned capital projects and their funding sources (including SWRCB grants) over the next five to ten years. We will produce financial analyses and recommendations to account for these critical needs, while balancing them with the potential impact on customers. Willdan will develop a comprehensive financial plan that considers updated forecasts for sales, operating expenses, as well as capital expenses, and provides for:

- Sufficient and stable revenue for operations and routine maintenance;
- Coverage for direct and indirect costs;
- Adequate debt service coverage for existing and/or proposed debt;
- Sufficient funds to support new debt issuance, if necessary;
- Consideration of drought impacts on the rate structure;
- Accumulation and maintenance of appropriate reserves;
- Anticipated and routine repair and replacement of existing aging pipelines and infrastructure; and
- Major and minor capital projects.

This financial plan will serve as the basis for a full cost of service analysis and ultimately the development of recommendations for updated rates. The cost-of-service analysis will be conducted to ensure any new recommended rates comply with the requirements of Proposition 218 and recent legal decisions.

Our recommendations and proposed structure(s) will be developed in compliance with Proposition 218 requirements and recent court decisions, including the San Juan Capistrano case. We have worked recently with leading Proposition 218 legal experts to develop tiered rates and supporting analysis to address these factors, allowing us to bring this insight to the City of McFarland's study.

Cost Allocation Plan Methodology

Study Approach

The purpose of this cost allocation plan engagement is to ensure that the City is maximizing the allowable recovery of indirect overhead costs from identified operating departments, as well as enterprise and other chargeable funds. A sound cost allocation plan is also a foundational element in the development of internal hourly rates, including position billing rates. We will work closely with staff in identifying the proper balance of allocation factors appropriate for the City so that the City has a method of identifying and distributing administrative costs that is fair, comprehensive, well documented, and fully defensible.

We will work collaboratively with City Staff in the development of this model to verify that our assumptions are sound and accurate, given specific City characteristics. Further, we will ensure that appropriate allocation factors are selected for various City functions and enterprises to ensure that the overall allocation strategy is tailored for City of McFarland.

Cost allocation studies should be simple in concept and form. Our plans are not over-complicated, can be easily understood by non-finance-oriented individuals, and are readily presentable to elected officials, appointed finance committees and the public.

We deliberately design our cost allocation models to quickly and easily transition from a simple model to a progressively more inclusive plan. The logical step-by-step presentation of our plans fosters confidence in their results and facilitates adoption and implementation.

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

Approach for Managing the Project

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

Effective Project Management

Principal-in-Charge, Chris Fisher will manage the entire project with an eye toward high responsiveness, while ensuring that all stakeholders are “on board” with the direction of the project, as well as with the final results. Mr. Fisher will ensure that regular status updates are provided to City Staff, conference calls are scheduled, and that in-person meetings are conducted (as necessary). By taking these steps, he will be responsible for ensuring that Willdan will be accessible and fully engaged with your management and staff; and that communication remains, in effect, open throughout the project’s lifecycle — another essential step towards avoiding errors and irregularities.

Adherence to Time Schedule

Willdan recognizes that the use of “timelines” is highly effective in meeting all required deadlines. To keep the project on schedule, there are several tasks that must be completed in a timely manner. Therefore, we will present a project timeline at the kick-off meeting that should be closely followed.

Although the establishment of an experienced project team and a detailed project timeline work extremely well in general, Willdan understands that outside influences can create uncontainable situations for everyone involved in the project. In rare circumstances like these, our team quickly adapts to changes, and communicates our recommended schedule adjustments to the City. In so doing, we are able to produce a corrected timeline that will bring the project back on course to a successful completion by a mutually agreed upon deadline.

Approach in Communicating with the City

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

- E-mail (creation of a dedicated distribution list)
- Phone calls
- Project status memos
- Using “timelines” as a highly effective tool to meet all required deadlines in a timely manner to keep the project on schedule
- Meetings
- Zoom or WebEx Conference Calls

Utility Rate Study Project Methodology

As described herein, and detailed within the scope of services that follows, our approach to this utility rate study is ***built around three primary objectives:***

Primary Objectives		
Working collaboratively with the City of McFarland to develop the comprehensive financial plan and model for the utilities	Using the model to develop and evaluate various rate, financial and capital funding scenarios	Arriving at a final plan and set of recommended rates that have a clear and transparent rationale and basis

We propose to conduct this process in a way in which staff and stakeholders gain understanding throughout the process of how the plan is developed, and how policy and financial decisions affect it, so that we can clearly communicate the process and results to City Council and the community. The communication part of the process is critical in gaining acceptance and understanding of the broader community.

Our rate study analysis will include comprehensive financial management plan alternatives for the next ten fiscal years to support the proposed five-year rate plan.

As part of this analyses, Willdan will develop a comprehensive financial analysis — which incorporates the following:

- Revenue requirements such as operating expenses, transfers, and reserve requirements;
- Major and minor capital expenses;
- Cash and debt-funded major capital expenditures, along with existing annual debt service expenses;
- Adequate funding of designated reserves including operating and existing debt service, and other reserves as outlined in the City's financial policies; and
- Functional cost breakdown consistent with Proposition 218 requirements and American Water Works Association (AWWA) rate-making standards.

The culmination of the revenue requirements analysis, which will include a capital project financing plan and cost of service allocations, will be alternative rate plans which will provide sufficient revenue to meet the ongoing funding needs of each system, while recovering costs from customers in a manner which is fair, equitable, and within reasonable customer impact parameters.

The financial planning component of the model provides transparency such that users can develop a viable financial plan and understand the reasons for needed revenue adjustments.

During this project, we will utilize our Microsoft Excel-based model, with its interactive dashboard, as a comprehensive financial tool to allow for planning and reviewing of variable inputs and assumptions, thereby creating a thorough analysis of revenue requirements to address the City's goal of ensuring predictable and stable revenue. These analyses are then seamlessly integrated with the rate development component of the model to demonstrate and project various rate design alternatives, and the effects they would have on the City's financial outlook.

The model is used in meetings, in order to efficiently cycle through rate scenarios and establish the most viable rate plans for the City. During these interactive meetings, we invite City staff to participate in scenario planning / "what-if" sessions, where we use the dashboard to demonstrate and evaluate the financial/rate impact of alternative data (CIP, operating costs, etc.) and assumptions (interest rates, customer growth, cost escalation, etc.) in real-time to focus on the most critical drivers of the analysis.

This ensures the resulting rate plan alternatives are viable from a financial, operational, managerial, and political perspective.

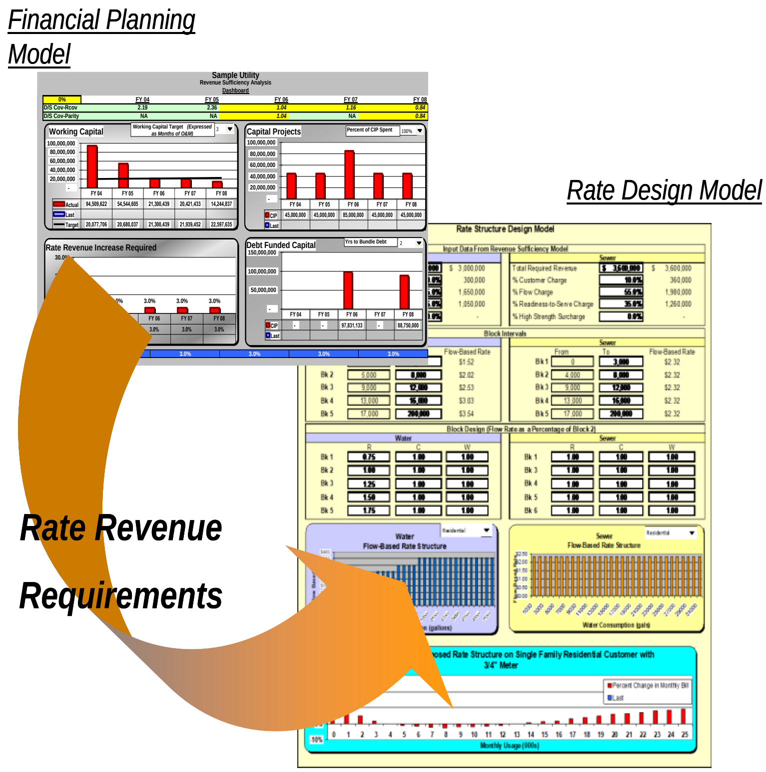
To the extent revenues are not projected to be sufficient to meet requirements including operating expenses, debt service payments and coverage requirements, planned capital expenditures and targeted operating reserves, the model can be used to evaluate variable outcomes and alternatives, providing basis for meaningful discussions with elected officials and stakeholders well in advance of the actual rate increase process.

Real-Time Financial Modeling

The goal of financial forecasting is to provide clear vision regarding the potential financial outcomes of current management decisions. Our goal is to help you mold the existing knowledge base of the City into a viable financial management and rate plan. At Willdan, the development and use of real-time financial models in an interactive, collaborative process is an integral part of the model development.

Any model is only as effective as the expertise of those who develop it; our state-of-the-art financial modeling techniques allow us to incorporate our considerable experience by asking the correct questions, evaluating, and incorporating appropriate data, providing interactive consulting services, and evaluating multiple scenarios with the City in a real-time setting.

Because our interactive model will be populated with specific data from the City (i.e., division and account structure), each alternative reviewed in real-time during interactive meetings with the City can be done with a complete understanding of specific customer impacts. Further, our experience ensures that the data loaded into the model is vetted and validated, and that the baseline results from which forecasts are developed are fully understood from the beginning, so that more time is spent on evaluation of potential solutions, rather than questioning whether the underlying data and assumptions are correct.



Model Development as Part of the Consulting Process

The financial planning model will be designed with the following elements:

- Graphical dashboard to clearly show the results of various scenarios to the user;
- Easily reviewed and modified assumptions;
- Validated data tables generated from the City's financial and operational information; and
- A powerful calculation engine.

The model will be "baselined" after an initial meeting with staff to ensure that we have the correct data and a basic understanding of the financial dynamics of your system. We will then conduct interactive financial planning sessions with City staff. After validating our data, calculation approach, and baseline assumptions, we will explore alternative scenarios, varying a number of assumptions and financial planning techniques including:

- Rate increase magnitude and timing;
- Alternative timing of capital projects;
- Alternative financing options (alternative combinations of pay-as-you-go, revenue bond debt and other debt, for example);
- Alternative growth/demand forecasts and other "what if" analyses, such as the impact of a loss of one or more service areas or significant customers; and
- Effect of increases in other sources of funds.

Given any combination of cost requirements (both operating and capital), non-rate sources of funds, and forecast assumptions, the Willdan team will work with the City to develop a financial plan that:

- Meets specified reserve targets;
- Addresses identified benchmarks or key performance indicators;
- Fully funds capital expenditures using specified financing techniques; and
- Meets legal, policy and contractual requirements that are financially measurable, such as existing debt service coverage on revenue bonds.

Subsequent to careful development and validation of the baseline forecast, a series of alternative forecasts will be prepared illustrating various results in the following general categories:

- **What if things turn out differently?** These alternatives will demonstrate the sensitivity of the forecast to the significant assumptions used. This results in a sound understanding of areas where a conservative forecast approach is warranted.
- **What happens when we try this?** This series of alternatives focuses on different financial management approaches. For example, the use of different financing techniques such as capitalized interest, interim short-term financing, and capital appreciation bonds may be explored.
- **What can we do to make it better?** This approach to forecasting identifies the factors that may be causing significant rate increases in a given year and explores alternatives. For example, if a large capital project in a single year is the culprit, we would work with staff and the consulting engineers to determine whether this project could be phased or delayed.
- **How will any adjustments affect our customers?** In examining rate structure alternatives, we will demonstrate and discuss how users in various categories or classifications will be impacted. Our consultants will use our rate design model to explore the impact of various rate structures on bills for each customer class over the relevant consumption range.

Communication as Part of the Consulting Process

Willdan's experienced professionals are accustomed to communicating with a variety of stakeholder groups, from management and staff, boards, and commissions, as well as the community. Our analytical and modeling approach will be customized to the City's specific needs. As mentioned, the custom graphical interfaces imbedded in our models allow our consultants to easily track key performance metrics and work through alternative scenarios with the City staff and management. Features of the Excel-based analysis model include the ability to incorporate line-item data and assumptions that are then summarized in a graphic dashboard to show key financial indicators for the utility systems.

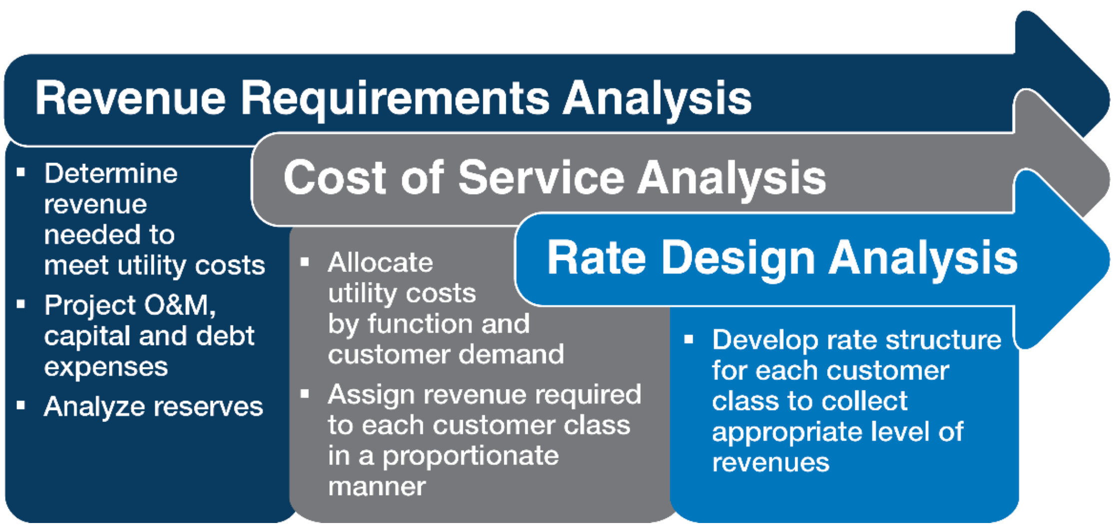
The sample dashboard illustrates how we can summarize data, assumptions, and calculations into an easy-to-understand graphical interface that updates with each alternative scenario evaluated. A copy of the final dashboard model will be provided to the City of McFarland upon completion of the project.

Rate Study Objectives

The overarching rate study objectives are outlined below.

Rate Setting Process

The graphic below summarizes the standard approach commonly employed to develop utility rates. Willdan's rate-setting process and model has been developed through the completion of many successful studies over the course of time and continues to be the basis for developing proven, well-balanced financial plans that are supported by equitable rate structures. Willdan's combination of consulting experience and technical expertise helps distill the complex decisions into a clear and easy-to-understand process. As there are often competing objectives, for a successful rate study it is necessary to understand not only the technical details and corresponding rates, but also the social and political corollaries that can often jeopardize the implementation of a technically sound rate structure. Our rate experience goes beyond simply "running the numbers" by creating numerous scenarios and considering stakeholder considerations, such as customer impact (ability to pay) to ensure a complete and unimpeded rate analysis.



Each step of the three-step approach is typically performed in tandem. Although presented sequentially, the overall analysis is circular – as variables in one analysis may influence another. Thus, it is imperative to constantly review assumptions to determine if variables are fixed (i.e., debt service) or flexible (i.e., consumption or treatment) and monitor how changes in certain variables affect the overall analysis.

Cost Allocation Plan Work Plan

Our proposed work plan, described in detail by task, is 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 study.

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

Task 1: Initial Document Request

Objective: Initial due diligence.

Description: Prior to project kick-off, relevant documentation will be obtained and reviewed in order to enhance our understanding of the City's current cost allocation plan and internal structure of the agency. A written request for specific data will be sent to the City. The data provided in this task will provide the building blocks for later model development.

Our request may include (but is not limited to):

- Detailed budget and accounting data;
- Prior year's financial data, salary, position, and staffing data;
- Organizational structure; and
- Data related to various allocation bases that may be incorporated as part of the methodology, i.e., Council agenda frequencies by department, AP/AR transactions by department, IT equipment distribution by department, etc.

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

City: Provide requested data to Willdan (prior to Task 2, Kick-off/Refine Scope). We will follow up with the City to confirm in writing the data that we have received, or which is still outstanding.

Task 2: Kick-off / Refine Scope

Objective: Confirm project goals and objectives. Identify and discuss policy issues related to the study.

Description: Willdan will identify and discuss policy issues typically raised by these studies, discuss any operational changes, and address data gaps in order to gain a full understanding of the City's goals for the cost allocation plan. We will establish effective lines of communication and processes for information gathering and review.

We will ask that the City assign a project manager to serve as its primary contact. The selected City project manager will ensure that available data is provided to Willdan in a timely manner, thereby maintaining adherence to the project's schedule.

We will obtain and review the current cost allocation methodology and discuss with City staff. The objective of this review is to determine specific areas of focus as they relate to the City's objectives, and to discuss and evaluate current and potential allocation factors.

Meetings: One (1) project kick-off conference call to initiate the project, discuss data needs and methodologies and to address policy issues.

Deliverables: **Willdan:** If needed, a revised project scope and schedule.

City: Provide further data requirements and select / introduce City's project manager.

Task 3: Gather Staffing Information and Develop Cost Allocation Plan Model

Objective: Gather information related to indirect staffing and functions. Prepare draft both full and OMB compliant cost allocation plan and model.

Description: This task involves the gathering of specific information, directly from City staff, through interviews and discussion, related to the functions served by indirect staff and the departments served by their activities.

This task also focuses on the development of, and/or adjustment of existing, allocation bases, and the development and testing of a model that will ultimately be used to calculate the proper cost allocations derived from data gathered in prior tasks.

The model will be developed to incorporate any recent changes in the provision of City services, and fully allocate central service costs.

The model will also be developed to allocate only those costs eligible under 2 CFR Part 200. This is accomplished by loading relevant data into the model, identifying which costs are not allocable under the OMB guidelines. The OMB Super Circular compliant model is valuable as the City may receive Federal or State grant funding that mandates compliance with Federal OMB regulations.

We will utilize budget and organizational information, and other required information gathered from City staff to complete the work in this task. Specific discussions will be held to discuss bases, how central overhead services are provided to and utilized by other departments, cost categories and allocation criteria, and how these will factor into the overall cost allocation methodology.

The model and methodology will also produce indirect cost rates. These rates will be suitable for a variety of uses, billing to CIP projects, and in the OMB Super Circular compliant CAP, to Federal grants.

Meetings: Online meetings with staff to understand structure and operations as model and allocation bases are developed. Key staff will be interviewed to best understand central overhead staffing and functions and the departments served.

Deliverables: **Willdan:** One (1) user-friendly model in Microsoft Excel format that provides both a full cost allocation plan and an OMB Super Circular compliant cost allocation plan.

Task 4: Test and Review Cost Allocation Methodology

Objective: Test and review model and results with City.

Description: The draft cost allocation plan model will be reviewed with City staff, and adjusted as necessary, to ensure that preliminary allocations provide an accurate depiction of how the central overhead costs should be borne by the operating programs and funds. Over the past several years, we have successfully integrated online meetings by using WebEx™ as an element to our approach. This allows us to remotely guide staff through the model review and allows you the opportunity to interactively change inputs and test approaches.

Meetings: One (1) online meeting and demonstration with City Staff to review the model.

Deliverables: **Willdan and City:** Draft cost allocation plan model review.

Task 5: Prepare and Present Draft Report

Objective: Prepare the draft cost allocation report.

Description: This task involves the draft report preparation. The report will include an executive summary, cost allocation plan's background, data and information sources utilized, model methodologies and calculation approaches, and results; calculations and supporting data will be presented textually and in easily understood tables and provided to the City.

The draft report will provide a breakdown of allocations, showing both the allocating and receiving organizations, as well as a comparison between allocations calculated for this new CAP (full and OMB) and prior year allocations.

Meetings: One (1) online meeting to present the draft report to City Staff.

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

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

Task 6: Discuss and Revise Report

Objective: Review of draft report, cost distribution methods, and model.

Description: An in-depth review of the draft report and model will be conducted to arrive at an optimum allocation method for each expenditure type.

Often, through the course of an engagement, comments usually revolve around issues of understandability; appropriate levels of enterprise funds' cost recovery, etc.; ease of calculation; differences in allocations from previous years; and overhead costs' distribution methods.

Our reports are structured to include both the full and OMB compliant plan, but in the course of review if a separate report is desired for each or just one of the plans, they will be split.

Following a round of comments from City staff concerning the draft report, the final report will be prepared for presentation to the City Council.

Meetings: One (1) web meeting or conference call with City staff to review the report with changes and revisions.

Deliverables: Draft report, and revised draft/final report.

Task 7: Prepare and Present Final Report and Model

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

Description: This task is the culmination of the cost allocation plan project. Based on staff comments on the draft report, Willdan will prepare the final report for presentation to City Council.

Meetings: One (1) meeting with the City Council to present the final plan.

We will also provide staff training on the operation and use of the model so it can be used in future years to prepare updates. We will also be available for questions following this training.

Deliverables: **Willdan:** Provide one (1) electronic PDF file copy of the final report and model (full and OMB Super Circular compliant); and two (2) bound copies to the City. Using Microsoft Word and Excel, an updateable electronic copy of the study and models, as well as related schedules, will also be provided on CD/ROM.

Water, Sewer, and Solid Waste Utility Rate Study Work Plan

The following proposed scope of services is intended to capture the goals and objectives of the City. Willdan is confident the following will effectively meet the stated project objectives. A final scope and schedule will be determined following the selection of a consultant and based on further discussions with staff. Willdan's work plan will culminate in the successful development of water and sewer projections and rates for five years, an extended ten-year financial plan, and the education of staff and key stakeholders.

Project Initiation

Task 1.1 – Data Collection and Review

Task 1.1.1 – Data Collection. The City will be provided with an initial list of basic data needed to conduct the study. The data request may include, but will not be limited to:

- Financial and operating data (budgets, audits, financial statements, cash balances, etc.);
- Customer account and billing data;
- Related reports prepared by others (i.e., Master Plans);
- Capital improvement programs, fixed asset records;
- System operating data for the utility;
- Service contracts, residential and commercial, for refuse collection, recycling, and disposal services;
- Bond statements, debt service schedules;
- Ordinances, previous rate studies, City codes; and
- City financial, debt and reserve policies.

Task 1.1.2 – Data Review. We propose to conduct initial data collection and review prior to the kick-off meeting to allow for a more meaningful discussion to occur. This will allow for our review of data in advance of the meeting so that we can request clarifications or follow-up information as necessary. However, if the City's preference is to conduct the kick-off prior to collecting data, we will accommodate that request. The data will be reviewed for completeness and to ensure a sufficient understanding of historical utility operations. The data collection and review process will be ongoing throughout the process as the need for additional information arises.

Task 1.2 – Kick-off Meeting and Planning Discussion

Task 1.2.1 – Project Kick-off. Following initial data collection and review, Willdan will conduct a kick-off meeting with City Staff. During this meeting we will discuss goals and objectives of the study, the schedule, constraints, or challenges that may be encountered, stakeholder considerations and objectives, and political concerns. Discussions may center around the following:

- Review of previous rate study and existing rate structure and areas where existing rates have been successful and/or specific areas of focus;
- Review of service contracts;
- Review of recent financial performance for the utilities;

- Discussion of anticipated significant events (i.e., loss or gain of any major customers);
- Components to incorporate into the updated revenue requirements; such as, capital improvements, debt repayment, reserves, annual repair and replacement, ongoing maintenance, cost of imported water, etc.;
- Strategy and level of effort for outreach and education;
- Conduct a detailed review of the data used in the baseline financial forecast; and
- Review and resolve (or develop a plan for resolving) data issues and questions.

For further efficiency and collaboration, the kick-off meeting will include a financial policy discussion. This will serve to address and document the City's financial policies for the utilities to be studied.

Topics of discussion may include:

- Rate design approaches and alternatives;
- Rate policy objectives;
- City financial policies;
- Reserve options and target levels (operating, debt services, rate stabilization, repair, and replacement);
- Conservation objectives and rate options;
- Capital Improvement Plan (CIP) financing options – i.e., PAYGO vs. debt vs. grants;
- Customer characteristics and classifications; and
- Cost of service factors and Proposition 218.

Water and Sewer Rate Study

Task 2.1 –Financial Plan, Revenue Requirements and Rate Determinants

Task 2.1.1 – Historical Billing Data Analysis. The data request document will provide instructions for the development of historical customer billing information. It is anticipated that the billing information will be provided in a format necessary to summarize the water and sewer system accounts and billable flows by customer class for a recent historical period for which audited revenues exist. The customers and flows provide the basis on which operating revenues are derived and are therefore the primary factors utilized in reviewing the user rates and charges. As such, the historical billing data provides an important basis for analyses that will be used to develop assumptions for projecting revenues under existing and/or proposed rates.

Task 2.1.2 – Customer and Flow Projections. The water and sewer system accounts and billable flows will be forecasted for a five-year planning period. Such projections will be developed by considering historical growth trends, peak demands, climatological patterns, local economic conditions, potential for adding/losing major utility customers, changes in customer class usage patterns over time, and experienced judgment. The billable flow projections will be based on the projected number of utility accounts and a usage per account analysis to differentiate the historical effects of account growth and increased (decreased) average usage by customer class.

Task 2.1.3 – Projected Revenues Under Existing Rates. Projections of utility system revenues under existing rates for the five-year planning period will be developed for water and sewer, recognizing projected accounts, flow volumes, and usage patterns by customer class (as determined in the billing analysis under the previous tasks).

Task 2.1.4 – Projected Revenue Requirements. Revenue requirements (i.e., system expenditures) will be developed for the utility systems based on an analysis of historical, currently budgeted, and anticipated operating and capital expenditures.

The revenue requirements will be projected on a fiscal year cash flow basis, considering expected operational changes, changes in staffing or operating expenditures for new facilities, system growth occurring from new development, anticipated extraordinary expenses, and allowances for inflation.

The projections will cover FY 22/23 through FY 26/27 (consistent with recommended rate adjustments), with an extended project period first through June 30, 2032, and will include, but not be limited to, the following:

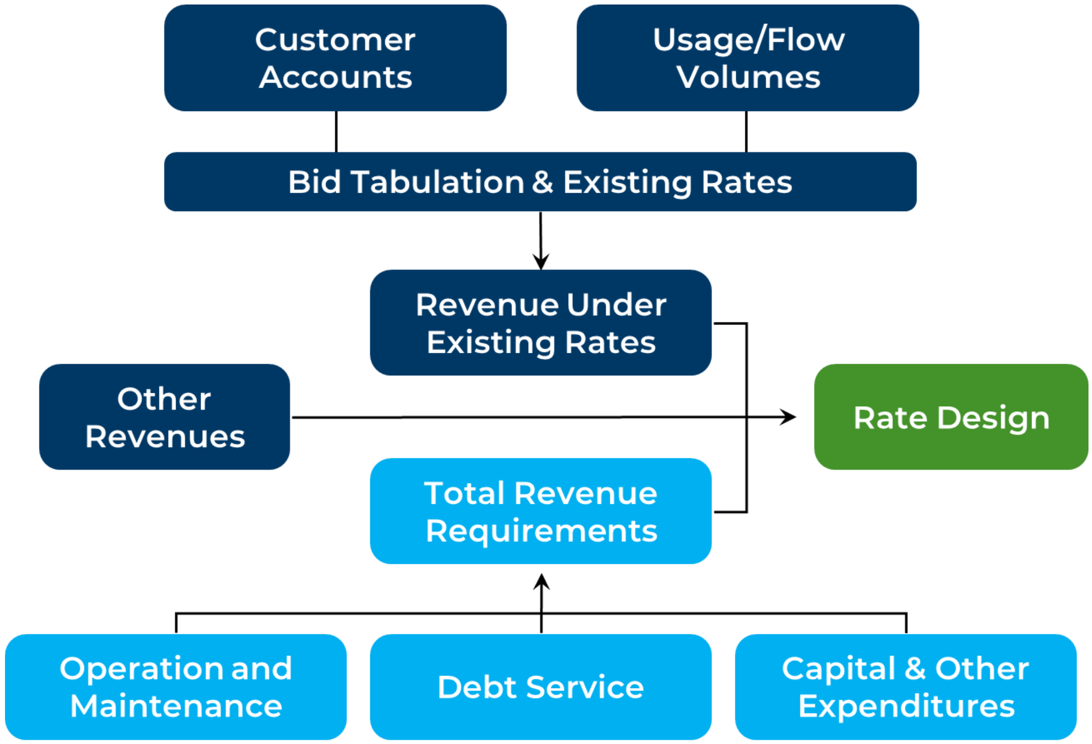
- Operation and maintenance expenses;
- Direct and indirect costs utilizing the City's existing overhead cost allocation model;
- Outlay for annual capital additions and replacements;
- Debt service and reserve requirements on existing and anticipated debt instruments;
- Funding for long-term capital projects; and
- Other expenditures and transfers.

Task 2.1.5 – Projected Operating Results Based on Existing Rates. The projected revenues and revenue requirements will be summarized into a five and ten-year cash flow statement providing the projected operating results of the water and sewer systems under the existing rates.

The cash flow statement will be used to estimate annual adjustments in utility revenues necessary to fund operating and capital expenditure requirements, meet existing bond covenant requirements, and maintain prudent utility management practices. The estimated timing and magnitude of future debt issues required, if any, to finance proposed capital improvements will also be shown.

Concurrent with the development of the projected operating results, the study will review the general financial health of the utility operations and, as necessary, make recommendations for changes in fund balances, reserves, and debt service coverage ratios to maintain financial integrity and a stable bond rating.

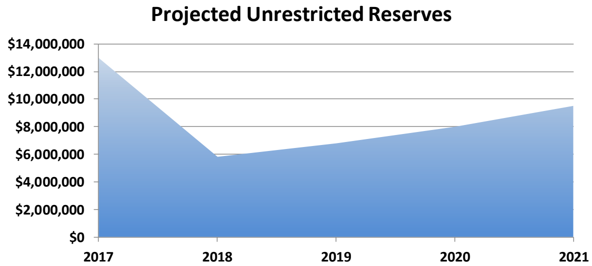
The graphic below demonstrates the general rate study methodology and major components of the rate process.



Task 2.2 – Capital Plan Analysis

Task 2.2.1 – Review Capital Improvement Program (CIP) and Asset Replacement Schedules. The City's existing utility system five-year CIP and asset replacement schedules will be reviewed in conjunction with conversations with City Staff. The objective of such a review is to gain an understanding of the types of projects scheduled; the timing associated with such projects, associated expenditure requirements and the sources of funding each project. Examining the impacts on the financial objectives of the water and sewer utilities, as well as capital projects associated with rehabilitation and replacement of existing facilities, will be a key objective of not only this task but the entire project. The results of the financial plan will also help the City to prioritize projects identified within the CIP.

Task 2.2.2 – Develop Capital Needs Plan. Based on the findings made in the previous task and the Projected Operating Results described in Task 2.1.5, a plan will be developed to provide for the anticipated capital expenditure activities, including debt issuances, relative to the CIP. Such a plan will include consideration for the use of restricted and unrestricted funds, surplus operating reserves, capital recovery fees, and future rate adjustments. The analysis will also develop a projection of reserve fund balances and level of liquidity.

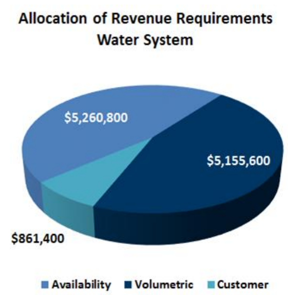


Task 2.2.3 – Capital Projects Model. The CIP will drive the future funding options and will directly impact rates. Therefore, the rate analysis will incorporate the City's current five-year CIP. The rate model will have the ability to run various CIP funding scenarios and quickly show the estimated impact on utility rates.

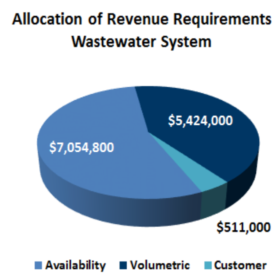
Provide a system performance report and meter evaluation to determine Non-Revenue Water Loss and Recovery and how this will impact costs and rates. Provide cost scenarios for new equipment, system requirements, energy, and water savings.

Since we are not serving as the financial/municipal advisor to the City for this project, we will rely on information relative to proposed debt or financing structures provided by the City or its designated financial/municipal advisor.

Task 2.3 – Cost-of-Service Allocations



Task 2.3.1 – Functional Cost Allocations. The analysis will allocate the Test Year revenue requirement (i.e., costs of providing service) to the various cost/rate components that constitute functional classifications of the types of service provided. The functional cost allocations will evaluate such aspects as fixed costs, customer related costs and volumetric/usage related costs. The evaluation of allocation factors associated with applicable costs will be based on existing rate structures applied by the City, meter size, rate structures applied by other comparable utility systems in the region, common industry practice and standard rate-making principals.



Task 2.3.2 – Determination of Revenue Adequacy. Comparisons of revenues under the existing water and sewer rates with the allocated costs of service will be evaluated in order to determine the degree of cost recovery by the various cost components, and to identify areas that may possibly require adjustments to align the revenues from each rate component with the allocated costs.

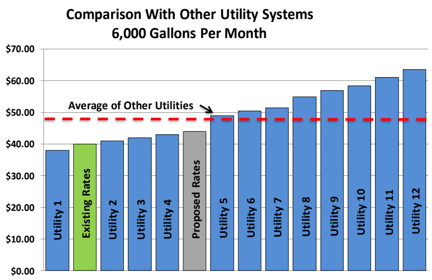
Task 2.4 – Rate Analysis and Design

Task 2.4.1 – Evaluation of Existing Rate Structures. The existing rate structures will be further evaluated for their effectiveness in equitably recovering costs of utility service from each customer class. The City's current rate structure will be evaluated, and recommendations will be made for potential modifications to the current rates.

As part of the rate design process, Willdan will discuss with departmental staff the current trends and philosophies in utility ratemaking. Based on these discussions, the analysis will develop and recommend a rate design and philosophy that best meets the objectives of the City. The analysis model will be developed in a dynamic manner allowing the City to compare alternative annual incremental/phasing adjustments to achieve funding goals. Basic standards for rate design accepted by the industry are:

- **Full Cost Recovery –** rate revenue should provide sufficient income so that, when combined with other sources of funds, funding requirements for the system are covered including, all current long-term liabilities, debt obligations and future expansion-related and R&R-related capital needed to replace aging and infrastructure.
- **Fairness and Equity –** based on cost responsibility as reflected in cost-of-service allocations, in accordance with industry standards.
- **Technically Defensible –** apply industry proven standards and methodologies to help shield the City from potential legal challenges associated with the proposed utility rates.
- **Resource Conservation –** under conditions of scarcity, the pricing of water as a commodity should promote voluntary conservation, discourage unnecessary service use and extend the availability of supply.
- **Administrative Efficiency –** rates should be understandable to customers and efficiently administered by staff.
- **Customer Acceptance –** customers understand the rates, view them as fair, and consider them to be reasonable compared to other costs and other utilities.
- **Public Health and Welfare –** rates are structured so that essential service usage is encouraged through affordability.

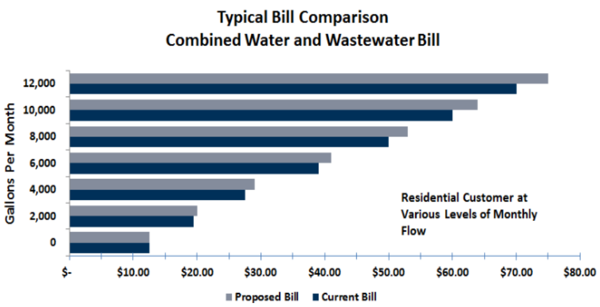
Task 2.4.2 – Rate Structure Alternatives. The rate model will be developed in a dynamic manner such that the Willdan Team and City Staff will be able to analyze "what if" scenarios detailing the financial impacts under each scenario utilizing an iterative dashboard view. Baseline rate structures will be recommended as required to fund the utility systems and consider annual inflationary indexed adjustments to rates as needed to maintain each utility. We will coordinate with City Staff to ensure suggested rate structures are compatible with the City's utility billing software.



Task 2.4.3 – Projected Operating Results Based on Proposed Rates. The proposed user rates and/or rate structures will be applied to the projected customers and flows in order to estimate the revenues to be generated from the proposed rates for the Test Year and the subsequent years of the projection period. The projected revenues will consider possible elasticity effects associated with changes in usage characteristics that may occur from revising the rate structure. In addition, similar to the process described in Task 2.1, the five-year forecast will identify annual adjustments in utility system revenues necessary to meet existing bond covenant requirements, prudent management practices, and/or sound capital financing considerations.

Task 2.4.4 – Typical Bill Comparison. Comparisons of typical utility bills under the existing and proposed rates will be developed for each customer class under various levels of usage. The selected customer class usage levels will reflect the results of the billing analysis to better demonstrate rate impacts on typical customer accounts in each class.

Task 2.4.5 – Neighboring Utility Comparison. A comparison will be prepared to assess the difference between existing and proposed rates of the City with those of other comparable municipal utility systems.



Solid Waste Rate Study

The following section outlines the work tasks exclusive to the solid waste rate study.

Task 3.1 – Development of the Revenue Requirements

The first task in conducting the solid waste cost of service analysis will be the development of the annual revenue requirements. This represents the total revenue that the Solid Waste Enterprise Fund will need to recover during the year in order to fund expenses associated with the provision of services. Willdan will work with City staff to select a one-year period that reflects typical operations.

We will then review all financial data and work with City staff to make any adjustments to costs in order to be representative of a typical year. Willdan will work with staff to project changes in costs due to inflation, salary increases, new equipment, new customers, etc. The result will be a ten-year revenue requirement forecast.

Task 3.2 – Allocation of Costs to Service Categories

Following the development of the revenue requirements, Willdan will assign and allocate costs to various service categories. The service categories represent the primary services provided by the Solid Waste Enterprise Fund.

Task 3.3 – Allocation of Costs to Customer Classes

Once the allocation of costs has been identified by overall service categories, Willdan will group the service categories based upon the customer classes that will recover each category's costs.

Task 3.4 – Determination of Billing Units

Willdan will identify the appropriate billing units for each customer class, incorporating existing policies and formulas as appropriate, to ensure the updated rates provide sufficient cost recovery and follow the cost-of-service principles of Proposition 218.

Task 3.5 – Rate Design

Willdan will identify adjustments to the current rates for the recovery of solid waste system revenue requirements that reflect the goals and objectives of the City. Rate design alternatives may be generated on cost-based rates as developed in the previous task, as well as on the City's existing rate structure or other methodologies that meet the specific requirements of the City.

Preparation of Reports and Proposition 218 Notices

Task 4.1 – Reports and Deliverables

Task 4.1.1 – Preliminary Draft Report. A draft report will be developed to address study findings and proposed recommendations. Contents will also include assumptions relied upon for the projection of customers and usage characteristics, revenue requirements, revenues, operating results, the cost recovery profile for each class, the results of the fully allocated cost of service analyses and any proposed adjustments to the utility rates. Upon completion, an electronic PDF copy and ten copies of the draft report will be provided to staff for review. The report and presentations will also include a comparison of the City's current and proposed water and sewer rates with five other public agencies.

Task 4.1.2 – Final Report. Based on comments received from staff and other participants during the presentation of the Preliminary Draft Report, the Final Report will be revised to incorporate the agreed upon changes. Upon completion, an electronic PDF copy and two (2) copies of the Final Rate Study Report, as well as the dashboard model spreadsheet will be provided to the City.

Task 4.2 – Proposition 218 Notice Preparation and Mailing

Task 4.2.1 – Proposition 218 Notices. Based on our over 25-year history with Proposition 218 compliance, we will assist with the drafting of the notices that will explain:

- The purpose of the rates;
- The reason for the increases;
- How the rates are structured;
- The date, time, and place of the public hearing; and
- Details on what constitutes the existence of a majority protest, as it relates to the implementation of a new/increased utility rate structure.

Task 4.2.2 – Proposition 218 Notice Processing. We will develop the materials, create a parcel database of properties subject to the new proposed rates, and coordinate the printing and mailing of the materials in conjunction with a mailing house that we typically work with on these types of projects. The additional cost for these services is estimated at $.75 per parcel and includes direct costs associated with the mailing. ***Our cost proposal does not include these direct costs. They will be billed directly to the City at the time of the mailing once the actual costs are known.***

Optional Street Sweeping Cost-of-Service Study Work Plan

Phase I: Street Sweeping Fee Analysis

The following section outlines the tasks exclusive to the optional street sweeping fee study. As mentioned in the project understanding, this type of fee is defined and treated differently under Proposition 218 than sewer, water, and solid waste. A street sweeping fee would ***not be exempt*** from the voting/balloting provisions applicable to property-based fees as sewer, water and solid waste are, and would require either a balloting of property owners or a vote of registered voters, depending which approach is adopted – either is allowed under Prop 218. As such, this scope is included here to fully represent the tasks required for the development and implementation of an optional street sweeping fee.

Task 5.1 - Project Kick-off Meeting, Data Gathering, and Study Preparation

Willdan will conduct a kick-off meeting or conference call with stakeholder considerations and project objectives outlined. We will review and identify the following:

1) Review of the objectives for a proposed fee structure;
2) Gather and review necessary documents and data from the City including budgets, financial reports, property owner data, capital plans, bond, and loan documents (if applicable), and other data as available and necessary;
3) Components to incorporate into the revenue requirements, such as, operating and maintenance budgets, deferred maintenance projects, capital projects, debt repayment (if applicable), reserves, annual repair and replacement, etc.;
4) Strategy and level of effort for outreach and education;
5) Conduct a detailed review of the data used in the baseline financial forecast;
6) The timeline for the study and ballot/election process; and
7) Review and resolve (or develop a plan for resolving) data issues and questions.

For further efficiency and collaboration, the kick-off meeting will include a financial policy discussion. This will serve to address and document the City's financial policies for the street sweeping utility.

Topics of discussion may include:

- Fee design alternatives;
- City financial policies;
- Capital Improvement Plan (CIP) financing options;
- Reserve options and target levels (operating, rate stabilization, repair and replacement);
- Cost of service factors; and
- Proposition 218.

In addition, we will request and begin acquiring data necessary to conduct the analyses. We will provide the City with a detailed list of data requirements pertaining to the subsequent financial analysis. As this type of study is data intensive, and in order to remain on schedule, it is imperative that all data be provided in a timely manner and be delivered in an electronic format.

Task 5.2 - Establish a Parcel Database

Willdan will create a parcel database of the properties that will be subject to the proposed fee and analyze the data collected to complete analysis and develop the street sweeping fee.

- ***Parcel Database.*** The established parcel database will be utilized to categorize properties based on type, and demand placed on the City's street sweeping system. We will classify properties based on the service or maintenance being funded to optimally capture and charge properties in relation to their impact. Through this process, we will keep in mind the current property classifications for the existing rate structure to minimize reclassification, wherever appropriate.
- ***GIS Data incorporation.*** We will obtain appropriate GIS layer data to incorporate into the comprehensive property database. This data will be used to analyze impervious surface or other factors as necessary and assist in developing the fee methodology. Perform a cross reference of the final parcel database with the County's parcel database, in order to develop a technically defensible and equitable methodology for the street sweeping fee.
- ***Evaluate CIP.*** Review capital improvement documents as necessary, to determine improvement projects, as well as maintenance, operations and regulatory activities that will be incorporated and funded through the street sweeping fee. In addition, through discussions with the City we will incorporate an appropriate replacement schedule that will include factors such as age of improvements, condition of infrastructure, and asset management priorities.

Task 5.3 - Financial Planning and Revenue Requirements Analysis

Willdan will develop a 10-year financial analysis of projected street sweeping operations. This analysis will include the development of annual revenue requirements taking into consideration the following factors:

- Historical and audited financial data and current budgets;
- Operating, maintenance, central service, and administrative expenses;
- Routine repair and replacement capital expenditures;
- Major and minor capital expenditures);
- Current and anticipated funding of appropriate reserves;
- Expected operational needs and/or inflation; and
- Existing or proposed debt service.

Develop future cash flow scenarios for operations showing application of revenue under existing and proposed fee schedules.

Task 5.4 - Cost of Service Analysis

Allocate costs in a proportionate manner based upon demand placed on the street sweeping utility. Based on the preceding tasks, we will allocate costs and develop unit costs for each defined customer class/property type.

- ***Method of Apportionment.*** Describe the proportionate demand placed by each property category and the amount that should be charged for the activities being funded. Correlate these findings to establish a benchmark, such as an Equivalent Residential Unit (ERU) and assign ERUs to different property categories. Apportion costs within each land use category that fairly and equitable charges properties.
- ***Exemptions/Special Cases.*** Determine property types that may require special considerations due to unique characteristics, such as, golf courses or parks that typically build in their own retention basins through swales and basins.

Task 5.5 - Fee Design and Comparative Analyses

Develop fee schedules based on strict cost-of-service and proportionality principles, as outlined within Proposition 218, to ensure equitable and understandable street sweeping fees, as well as revenue sufficiency for the street sweeping utility.

The revenue requirement will be recovered through a fee structure designed to stand alone as a separate revenue source. The methodology will be equitable and only utilize data that can be supported and easily obtained and updated. This type of analysis will address the following criteria:

- ***Financial Sustainability.*** The proposed rate structure needs to generate adequate revenues to fully recover current and future costs of operating and maintaining the street sweeping system, including capital replacement.
- ***Equity.*** The fee structure needs to be fair and equitable and must comply with the requirements of Proposition 218.
- ***Administrative Ease.*** In updating the model, we will ensure — through discussion with City staff — that essential features and components are incorporated into the new model to facilitate a seamless transition.

Phase II: Ballot/Election Proceedings

Task 5.6 - Coordinate the Ballot Process

We will discuss the options for gaining approval of the new fee with City staff and the City's legal counsel. Proposition 218 provides some flexibility in this process. A ballot proceeding can be conducted based on weighted ballots, similar to an assessment, or a majority vote of the property owners subject to the fee (i.e. one-property, one-vote). We will discuss the pros and cons of each approach, then work with staff to develop a timeline and task outline for the selected approach.

Since a Public Hearing will be required in either approach, Willdan will prepare the required notice for the Public Hearing. Depending on whether a ballot of election process is undertaken, we will coordinate the preparation of assessment ballot or election documents in compliance with Proposition 218, and if applicable, the Elections Code. Draft copies will be sent to City staff and the City Attorney for review and comment prior to finalization of the documents. The notice and ballot materials will be tailored so as to specifically address the fees per individual proposed parcel.

Upon adoption of the resolutions during the Intent Meeting, assuming a mailed ballot proceeding, Willdan will coordinate the printing and assembling of the notice and ballot for mailing. The notice and ballot will be double sided, to save on printing and postage costs. A return #9 envelope will be included for the property owner to mail back the assessment ballot to the City Clerk. Return postage will not be included.

The notice and ballot will be delivered via first class mail. The ballot will contain instructions to return directly to the City Clerk and to not be opened until the close of the Public Hearing. Mailing of the notice and ballot will be done a minimum of 45 days prior to the Public Hearing date as set in the resolution.

If it is decided to undertake an election, Willdan will discuss options with the City for conducting the election in a mail-in process, or through the County Registrar, develop a timeline, and coordinate the development of election materials.

Task 5.7 - Public Hearing and Ballot Tabulation *(assuming mailed ballot proceeding)*

Willdan team members will attend the Public Hearing to be available to answer questions and to assist the City Clerk with an independent tabulation of the returned ballots.

Upon the close of the Public Hearing, the City Clerk will be directed to open the ballots received, and upon completion of the tally, announce the results either at the same Council session or the next regularly scheduled session (depending on the number of ballots to be tabulated).

The ballots may be opened and tallied by the City Clerk with the assistance of an outside consultant but must be opened and tabulated in a public venue. Ballot results will be tallied in a database that identifies the "yes" votes, "no" votes, and any ballots deemed invalid. These results will be provided to the City in a hard copy format.

Task 5.8 - Communicating the Results – Presentation & Meetings

Willdan believes in proactive stakeholder outreach, feedback, and understanding during the entire process, not only at the time the results are proposed. Throughout the course of the study, in addition to the project kick-off, Willdan will conduct discussions with key City staff, and City Council to walk-through the model, discuss the preliminary findings, and to discuss the draft results and study findings.

In addition to the project kick-off, we anticipate up to two (2) in-person working meetings with City staff during the course of this project. Additionally, we have increasingly been utilizing WebEx to conduct online meetings and discussions.

This allows for the project to move forward in full compliance with whatever public health guidelines may be in place due to the COVID-19 outbreak. This often proves more beneficial than conference calls, and does not count as a formal meeting, which can add unnecessary additional costs to the project.

Beyond working project meetings, we will also conduct presentations of the combined findings and reports to the City Council and Stakeholders and attend necessary City Council Meetings and Public Hearings. The final presentation will include easy-to-follow handouts/graphics as needed to illustrate study assumptions, methodologies, findings and conclusions, and will include a discussion period for questions and answers.

We may utilize the model during the presentation of study results, including demonstration of scenarios, evaluation of policy assumptions, and effects of different fee alternatives.

In total, we will attend up to six (6) public meetings, including City Council meetings.

Task 5.9 - Prepare and Document Fee Recommendations

Willdan will document the results of the study in a report consistent with the tasks identified throughout this work plan, and consistent with the requirements of Proposition 218. The documentation will include an executive summary, methodology, background assumptions, findings, recommendations, and conclusions, along with the required diagrams.

We will provide City staff with a digital copy, and ten (10) hard copies of the preliminary draft report for review and comment. Based upon the comments received, prepare the same number of final printed and digital copies of the report. The City will also retain a copy of the fee/assessment model for future reference.

Phase III: Public Outreach

Community outreach and education efforts can involve a variety of mechanisms and tools. Depending on the extent of the proposed street sweeping fees the City may wish to implement, a more concentrated outreach effort that could include social media, newspaper releases or enhanced graphic designs for property owner mailings. Depending on the level of effort, it may be advisable for the City to retain the services of a public relations firm. If the City chooses not to retain additional public relations assistance, Willdan can, at the City's request, assist with coordinating and scheduling of basic public outreach efforts that do not require a public relations firm.

This phase of the project will be initiated with a conference call to discuss the various public outreach elements necessary to garner support for the proposed new/increased street sweeping fees. This discussion will also include the development of an overall outreach strategy and course of action. Outlined below are services that Willdan can provide for this particular engagement.

Task A - Property Owner Outreach Workshops

As needed, attend public/property owner outreach meeting/workshops, acting as technical support to City staff to answer questions and prepare and provide information related to the calculation of the proposed fee and the improvements and activities it would fund; as well as to describe the notice and balloting process. The purpose of the workshops is to provide property owners with background information to assist them in making informed decisions about the proposed fee.

Communicating Results - Presentations & Meetings

Task 6.1 – Meetings and Presentations

Task 6.1.1 – Project Kick-Off. As detailed in Task 1.2, a kick-off conference call will be scheduled with City Staff at the start of the project to discuss project requirements, finalize project scheduling/milestones and reporting requirements, and receive overall project direction. This discussion will provide the opportunity to review current utility rates, fees, charges, issues, and deficiencies with staff.

Task 6.1.2 – Project Progress Web Conferences. During the project, and prior to meetings with the City Council, team web conferences will be scheduled to present the progression of the analysis to staff in order to obtain input and feedback associated with any rate adjustments that may be presented. These web meetings will assist in the completion of rate design for the utility systems and guide the development of the draft report.

Task 6.1.3 – Rate Workshops/Community Outreach. As requested in the RFP, Willdan will conduct a minimum of three (3) rate workshops with the City Council and City Staff, and three (3) to five (5) community outreach meetings.

Task 6.1.4 – Public Meetings. As necessary, we will work with City Staff to develop a public outreach strategy, should communications beyond the Proposition 218 notice be required. If requested, we will attend two (2) public meetings to educate the public about proposed rate changes prior to the Prop 218 Public Hearing.

Task 6.1.5 – Draft Financial Plan Meeting. The results of the Preliminary Financial Plan and Revenue Requirements will be presented to staff for comment, feedback, and direction.

Task 6.1.6 – Draft Study/Final Report Meetings/Public Hearing. The draft report will be reviewed with City Staff to discuss findings and recommendations, gather feedback and address questions, then presented to the City Council.

The results of the Final Report will be presented to the City Council during one (1) public City Council meeting, and then again at one (1) Public Hearing required by Proposition 218. Willdan's project manager will be present to address any questions or concerns raised during the public hearings. Please note, meetings may need to be conducted remotely using video collaboration software and/or conference calls depending on the public health mandates in effect due to COVID-19.

City Staff Support / Responsibilities

Willdan recommends that the City of McFarland assign a key individual as a project manager. As our analysis is developed, the City's appointed project manager will:

- Coordinate responses to informational requests;
- Coordinate as necessary with the City Attorney's office;
- Coordinate review of work products; and
- Identify appropriate staff members for participation in meetings and facilitate scheduling.

We will ask for responses to initial information, follow-up requests and comments on reports within five business days or otherwise agreed upon timetable. If there are delays, the project manager will follow up with the parties involved to establish an estimated date for the delivery of information and/or feedback.

To ensure continued progression, the project manager will reconvene with the rest of the team to identify tasks that can be started while waiting for requested data.

Project Disclaimer

The City of McFarland further represents, acknowledges, and agrees that:

(i) The City uses the services of one or more municipal advisors registered with the U.S. Securities and Exchange Commission ("SEC") to advise it in connection with municipal financial products and the issuance of municipal securities;

(ii) The City is not looking to Willdan to provide, and City shall not otherwise request or require Willdan to provide, any advice or recommendations with respect to municipal financial products or the issuance of municipal securities (including any advice or recommendations with respect to the structure, timing, terms, and other similar matters concerning such financial products or issues);

(iii) The provisions of this proposal and the services to be provided hereunder as outlined in the scope of services are not intended (and shall not be construed) to constitute or include any municipal advisory services within the meaning of Section 15B of the U.S. Securities Exchange Act of 1934, as amended (the "Exchange Act"), and the rules and regulations adopted thereunder;

(iv) For the avoidance of doubt and without limiting the foregoing, in connection with any revenue projections, cash-flow analyses, feasibility studies and/or other analyses Willdan may provide the City with respect to financial, economic or other matters relating to a prospective, new or existing issuance of municipal securities of the City, (A) any such projections, studies and analyses shall be based upon assumptions, opinions or views (including, without limitation, any assumptions related to revenue growth) established by the City, in conjunction with such of its municipal, financial, legal and other advisers as it deems appropriate; and (B) under no circumstances shall Willdan be asked to provide, nor shall it provide, any advice or recommendations or subjective assumptions, opinions or views with respect to the actual or proposed structure, terms, timing, pricing or other similar matters with respect to any municipal financial products or municipal securities issuances, including any revisions or amendments thereto; and

(v) Notwithstanding all of the foregoing, the City recognizes that interpretive guidance regarding municipal advisory activities is currently quite limited and is likely to evolve and develop during the term of the potential engagement and, to that end, the City will work with Willdan throughout the term of the potential Agreement to ensure that the Agreement and the services to be provided by Willdan hereunder, is interpreted by the parties, and if necessary amended, in a manner intended to ensure that the City is not asking Willdan to provide, and Willdan is not in fact providing or required to provide, any municipal advisory services.

Project Management and Quality Assurance/Control Approach

Project Management Approach

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

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

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.

Project Management				
Define the Project	Plan the Project	Manage the Project	Review the Project	Communicate the Project
▪ Identify the project scope, set objectives, list potential constraints, document assumptions. ▪ Define a course of action and develop an effective communication plan. ▪ Provide a forum for applying the team's collective expertise to solving difficult analytical issues that arise in complex projects.	▪ Collaborate with the project team and client staff and agree upon timeline to meet the estimated project timeline. ▪ Assign workload functions to appropriately qualified staff to ensure milestones are met, on time. ▪ Pre-schedule quality control meetings with project team to maintain the progressive motion of the project.	▪ Manage the execution of the project. ▪ Direct existing and upcoming project tasks. ▪ Control and monitor work in progress. ▪ Provide feedback to client and project team. ▪ Identify and resolve deviances from project timeline.	▪ Review all work product and deliverables. ▪ Utilize structured quality assurance process involving up to three levels of review at the peer level, project manager level. ▪ Procure executive officer level review.	▪ Communicate with the client regarding work status and progress. ▪ Ensure client is in receipt of regular status updates. ▪ Schedule regular conference calls to touch base. ▪ Inform client of roadblocks, work outside of projected scope.

Quality Assurance / Quality Control Process

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

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

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

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

Quality Assurance Goals		
Goal	**Lead**	**Task**
Quality Assurance / Control Process	Chris Fisher	▪ Establish a set of planned and systematic actions for maintaining a high level of quality in the professional services performed; Emphasize quality in every phase of work; ▪ Ensure efficient use of resources; ▪ Establish a consistent and uniform approach to the services performed; and ▪ Implement appropriate quality control measures for each work task of the project.
Quality Control Plan	Chris Fisher, Jeff McGarvey& Robert Quaid	▪ Contract deliverables; ▪ Specific quality control procedures; ▪ Special quality control emphasis; ▪ Budget and manpower requirements; ▪ Overall project schedule and budget; and ▪ Project documentation requirements;

Fee Proposal

Cost Allocation Plan

Willdan Financial Services ("Willdan") proposes a ***not-to-exceed fixed fee of $10,905*** for the Cost Allocation Plan phase. The table below provide a breakdown of the fee to complete each study by task and project team member.

City of McFarland Cost Allocation Plan Fee Proposal		C. Fisher Principal-in-Charge	T. Thrasher Project Manager	P. Patel Analytical Support	R. Quaid QA/Tech Advisor	Total	
		$ 250	$ 210	$ 135	$ 210	Hours	Cost
Cost Allocation Plan							
Task 1:	Initial Document Request	-	1.0	1.0	-	2.0	$ 345
Task 2:	Kick-off /Refine Scope	-	1.0	1.0	-	2.0	345
Task 3:	Gather Staffing Information & Develop CAP Model	1.0	6.0	16.0	1.0	24.0	3,880
Task 4:	Test and Review Cost Allocation Methodology	-	3.0	8.0	1.0	12.0	1,920
Task 5:	Prepare and Present Draft Report	1.0	2.0	8.0	1.0	12.0	1,960
Task 6:	Discuss and Revise Report	1.0	2.0	5.0	-	8.0	1,345
Task 7:	Prepare and Present Final Report/Instruct Staff on Model	-	4.0	2.0	-	6.0	1,110
Total – Cost Allocation Plan		**3.0**	**19.0**	**41.0**	**3.0**	**66.0**	**$ 10,905**

Water, Sewer, and Solid Waste Utility Rate Study

Based on our work plan provided in the scope of services, we propose a ***not-to-exceed fixed fee of $71,690***. The table below provides a breakdown of this fee by task and project team member.

City of McFarland Water, Sewer, and Solid Waste Utility Rate Study Fee Proposal	C. Fisher Principal-in-Charge	J. McGarvey Tech Advisor & QA/QC	K. Burnett Technical Advisor	M. Cronan Analytical Support	Total	
	$250	**$240**	**$185**	**$125**	Hours	Cost
Scope of Work						
Project Initiation						
Task 1.1 - Data Collection & Review	1.0	3.0	2.0	16.0	22.0	$ 3,340
Task 1.2 - Kick-off Meeting & Planning Discussion	1.0	1.0	-	1.0	3.0	615
Water and Wastewater Rate Study						
Task 2.1 - Financial Plan, Requirements & Determinants	16.0	3.0	16.0	60.0	95.0	15,180
Task 2.2 - Capital Plan Analysis	5.0	3.0	2.0	16.0	26.0	4,340
Task 2.3 - Cost-of-Service Allocations	4.0	1.0	4.0	12.0	21.0	3,480
Task 2.4 - Rate Analysis & Design	6.0	1.0	10.0	24.0	41.0	6,590
Solid Waste Study Rate Study						
Task 3.1 Development of the Revenue Requirements	2.0	6.0	-	18.0	26.0	4,190
Task 3.2 Allocation of Costs to Service Categories	2.0	4.0	-	8.0	14.0	2,460
Task 3.3 Allocation of Costs to Customer Classes	2.0	4.0	-	12.0	18.0	2,960
Task 3.4 Determination of Billing Units	1.0	3.0	-	8.0	12.0	1,970
Task 3.5 Rate Design	1.0	3.0	-	10.0	14.0	2,220
Preparation of Reports and Proposition 218 Notices						
Task 4.1 - Reports & Deliverables	8.0	4.0	6.0	36.0	54.0	8,570
Task 4.2 - Proposition 218 Notice Preparation & Mailing	12.0	1.0	1.0	12.0	26.0	4,925
Communicating Results - Presentations & Meetings						
Task 6.1 Meetings & Presentations	26.0	2.0	2.0	28.0	58.0	10,850
Total - Utility Rate Study	**87.0**	**39.0**	**43.0**	**261.0**	**430.0**	**$ 71,690**

Proposition 218 Fees

The fixed fee does not include direct costs associated with the printing, processing, and mailing of Proposition 218 notices. We will bill the City for these at our cost plus 10 percent (10%), based on actual quotes provided by our mailing house. These costs are estimated at ¢.75 per mailed piece.

Optional Street Sweeping Cost of Service Study

Based on our work plan provided in the scope of services, we propose a ***not-to-exceed fixed fee of $46,925***. The table below provides a breakdown of this fee by task and project team member.

City of McFarland Optional Street Sweeping Cost of Service Study Fee Proposal		C. Fisher Principal-in-Charge	J. McGarvey Tech Advisor & QA/QC	M. Cronan Analytical Support	Totals	
		$250	$240	$125	Hours	Cost
Scope of Work						
Street Sweeping Fee Analysis						
Task 5.1:	Kick-off Meeting, Data Gathering & Study Prep	3.0	1.0	6.0	10.0	$ 1,740
Task 5.2:	Establish a Parcel Database/GIS Analysis	12.0	2.0	36.0	50.0	$ 7,980
Task 5.3:	Financial Planning & Revenue Requirements	10.0	2.0	24.0	36.0	$ 5,980
Task 5.4:	Cost of Service Analysis	8.0	3.0	16.0	27.0	$ 4,720
Task 5.5:	Fee Design & Comparative Analysis	8.0	4.0	24.0	36.0	$ 5,960
	Stormwater and Drainage Fee Analysis Sub-total	41.0	12.0	106.0	159.0	26,380
Ballot/Election Proceedings						
Task 5.6:	Coordinate the Ballot Process	20.0	2.0	12.0	34.0	$ 6,980
Task 5.7:	Public Hearing & Ballot Tabulation	6.0	-	6.0	12.0	$ 2,250
Task 5.8:	Communicating the Results - Presentations & Meetings	6.0	2.0	4.0	12.0	$ 2,480
Task 5.9:	Prepare & Document Fee Recommendations	12.0	2.0	24.0	38.0	$ 6,480
	Ballot/Election Proceedings Sub-total	44.0	6.0	46.0	96.0	$ 18,190
Public Outreach						
Task A:	Property Owner Workshops	5.0	2.0	5.0	12.0	$ 2,355
	Public Outreach Services	5.0	2.0	5.0	12.0	$ 2,355
Total Street Cleaning Cost-of-Service Study		**90.0**	**20.0**	**157.0**	**267.0**	**$ 46,925**

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 or meetings may be authorized by the City and will be billed at our then-current hourly overhead consulting rates.
- City shall reimburse Willdan for any costs Willdan incurs, including without limitation, copying costs, digitizing costs, travel expenses, employee time and attorneys' fees, to respond to the legal process of any governmental agency relating to City or relating to the project. Reimbursement shall be at Willdan's rates in effect at the time of such response.
- Willdan will rely on the validity and accuracy of the City's data and documentation to complete the analyses. Willdan will rely on the data as being accurate without performing an independent verification of accuracy and will not be responsible for any errors that result from inaccurate data provided by the client or a third party.

Hourly Fee Schedule

Our current hourly rates are listed below.

Willdan Hourly Rate Schedule		
Position	Team Member	Hourly Rate
Vice President	Chris Fisher	$250
Managing Principal	Jeffrey McGarvey	$240
Principal Consultant	Tony Thrasher Bob Quaid	$210
Senior Project Manager	Kevin Burnett	$185
Project Manager		$165
Senior Project Analyst	Priti Patel	$135
Senior Analyst	Michael Cronan	$125
Analyst II		$110
Analyst I		$100

Project Timelines

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

Cost Allocation Plan

City of McFarland

Cost Allocation Plan

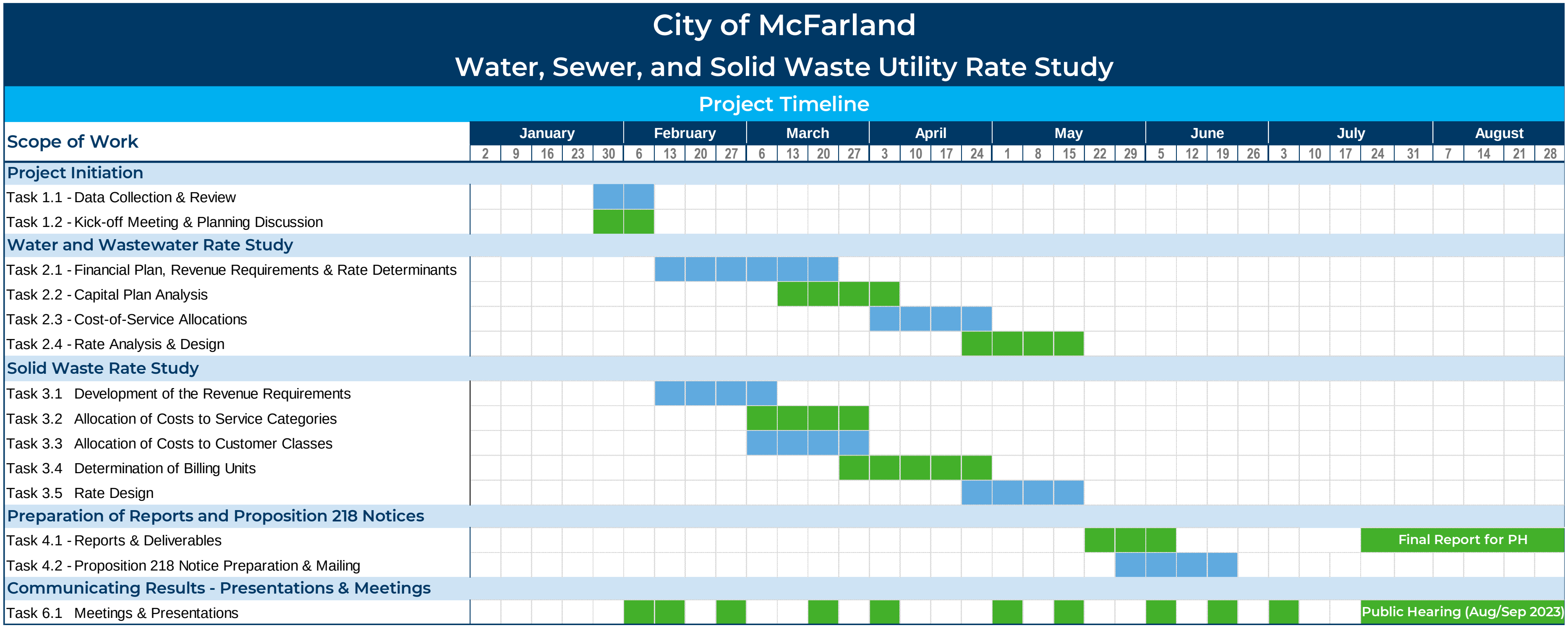
Project Timeline

Scope of Services	February				March				April			
	6	13	20	27	6	13	20	27	3	10	17	24
Task 1: Initial Document Request		⌘1										
Task 2: Kick-off /Refine Scope		⌘2										
Task 3: Gather Staffing Information & Develop CAP Model					⌘3							
Task 4: Test and Review Cost Allocation Methodology							⌘4					
Task 5: Prepare and Present Draft Report									⌘5			
Task 6: Discuss and Revise Report											⌘6	
Task 7: Prepare and Present Final Report/Instruct Staff on Model												⌘7

Deliverables:

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

Water, Sewer, and Solid Waste Utility Rate Study



Optional Street Sweeping Cost of Service Study

City of McFarland
Optional Street Sweeping Cost of Service Study
Project Timeline

Scope of Work	February				March				April				May					June				July					Autum 2023		
	6	13	20	27	6	13	20	27	3	10	17	24	1	8	15	22	29	5	12	19	26	3	10	17	24	31	September	October	November
Task 5.1: Kick-off Meeting, Data Gathering & Study Prep																													
Task 5.2: Establish a Parcel Database																													
Task 5.3: Financial Planning & Revenue Requirements																													
Task 5.4: Cost of Service Analysis																													
Task 5.5: Fee Design & Comparative Analysis																													
Task 5.6: Coordinate the Ballot Process																												(Autumn 2023)	
Task 5.7: Public Hearing & Ballot Tabulation																												(Autumn 2023)	
Task 5.8: Communicating the Results - Presentations & Meetings																												(Autumn 2023)	
Task 5.9: Prepare & Document Fee Recommendations																												(Autumn 2023)	
Task A: Property Owner Workshops																												(Autumn 2023)	

Required Form

ANTI-LOBBYING
CERTIFICATION

The undersigned certifies, to the best of his or her knowledge or belief, that:

a. No Federal appropriated funds have been paid or will be paid, by or on behalf of it, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement;

b. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, it will complete and submit Standard Form-LLL," Disclosure Form to Report Lobbying," in accordance with its instructions.

Signature

01/03/2023
Date

WILLDAN

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