


SECOND AMENDMENT TO THE AGREEMENT FOR CONSULTANT SERVICES
CFD/LLD/LMD FORMATIONS
PROJECT NO. SPECIAL DISTRICTS 2014-15 LEVY

This Second Amendment to the Agreement by and between the City of Moreno Valley, a municipal corporation, hereinafter referred to as "City," and Willdan Financial Services, Inc., a California corporation, hereinafter referred to as "Consultant" is made and entered into effective on the date signed by the City. 

RECITALS:

Whereas, the City and Consultant entered into an Agreement entitled "AGREEMENT FOR PROFESSIONAL CONSULTANT SERVICES FOR CFD/LLD/LMD FORMATIONS," hereinafter referred to as "Agreement," dated February 10, 2014 for the purposes of providing Assessment Engineering and Special Tax Consulting Services.

Whereas, a First Amendment to the Agreement was executed on July 24, 2014, to establish future annexation boundaries and amend the Rate and Method of Apportionment for Community Facilities District No. 2014-01 (Maintenance Services).

Whereas, it is desirable to amend the Agreement to expand the Scope of the Work to amend the RMA to include adding additional tax rate areas (for arterial street lights and extensive landscape maintenance), and as an option if directed by the City, preparation of the annexation map, and update to the boundary map, as more fully described in Consultant's Proposal, attached hereto as Exhibit "A".

Whereas, it is desirable to increase the not to exceed compensation amount by \$8,200, which includes \$5,500 to amend the RMA to add a tax rate area, \$2,000 for an additional tax rate area, and at the option and direction of the City, \$450 for preparation of the first page of the annexation map and \$250 for the boundary map.

SECTION 1

1.1 Scope of Work. Amend the Scope of Work to include an amendment to the Rate and Method of Apportionment for CFD No. 2014-01 (Maintenance Services) as more fully described in Exhibit "A".

1.2 Terms of Payment. Amend the Terms of Payment to increase the not to exceed compensation from \$68,795 to \$76,995, an increase of \$8,200.

SECTION 2

2.1 Except as otherwise specifically provided in this Second Amendment, all other terms and conditions of the Agreement shall remain in full force and effect.

SIGNATURE PAGE TO FOLLOW

SECOND AMENDMENT TO THE AGREEMENT
ASSESSMENT ENGINEERING AND SPECIAL TAX CONSULTING
PROJECT NO. SPECIAL DISTRICTS 2014-15 LEVY

IN WITNESS HEREOF, the parties have each caused their authorized representative to execute this Agreement.

City of Moreno Valley

By: _____

City Manager

Date: _____

11.19.14

Willdan Financial Services

By: _____

Mark J. Risco

Title: President and CEO

Date: November 5, 2014

INTERNAL USE ONLY

APPROVED AS TO FORM:

City Attorney

11-18-14

Date

By: _____

Kate Nguyen

Title: Secretary

(Corporate Secretary)

Date: November 5, 2014

RECOMMENDED FOR APPROVAL:

Department Head

11/18/14

Date

EXHIBIT "A"

Willdan's Proposal, dated October 27, 2014

October 27, 2014

Ms. Candace Cassel
Special Districts Division Manager
City of Moreno Valley
14325 Frederick Street, Suite 9
Moreno Valley, California 92552

Via Email:
candacec@moval.org

RE: Letter Proposal to the City of Moreno Valley to Perform RMA Amendment and CFD Annexation Services for CFD 2014-01

Dear Ms. Cassel:

Willdan Financial Services ("Willdan") is pleased to present this letter proposal to amend the Rate and Method of Apportionment (RMA) and provide Community Facilities District (CFD) annexation services for CFD 2014-01. The following contains Willdan's proposed scope of services and budget.

Scope of Services

Outlined below are the steps necessary to amend the RMA for the CFD and to annex property into the CFD. Willdan understands that the City's legal counsel will create the applicable legal documents associated with this amendment. We further understand that the City will request the RMA to be amended from time to time, as needed. These documents include resolutions, public hearing notice and election materials.

Scope of Work for Developing an Amended RMA for Existing Services

From time to time, the proposed annexation of new territory and developments to the CFD may warrant an amendment to the RMA to properly address the Special Tax Rate and/or method of apportionment for existing services that will be provided for new developments. As necessary, based on the existing improvement areas, funded services and maintenance, and proposed development(s), Willdan will perform the following tasks related to amending the RMA for existing services within CFD 2014-01 resulting from new or anticipated development and annexations.

a. Research

- 1) Gather and research development specific information that may facilitate an amended RMA for the existing CFD services and improvements being funded (including the type of developed property, its proposed uses, services and improvement to be provided, and the boundaries of the affected parcels).
- 2) Work with City staff to develop and identify the anticipated full cost recovery budget and revenues that will be needed to fund the improvement and services being addressed by the amended RMA.
- 3) Create a database of parcels within the boundaries of the affected parcels, with appropriate land use and property ownership fields.

- 4) Develop a modified CFD special tax methodology and rate (RMA model) that addresses the specific improvements, property types and revenue needs associated with the proposed developments (annexation territory) that is not covered or adequately addressed in the current CFD structure and RMA.

b. Prepare an Amended Rate and Method of Apportionment of Special Tax

Willdan will prepare an amended RMA of Special Tax for the Resolution of Consideration.

Based on the preceding research, the affected parcel(s), improvement areas and services to be funded, and funding needs (revenues to be generated), Willdan will prepare the amended RMA of Special Tax for the Resolution of Consideration. To ensure that all considerations have been addressed, the proposed amended RMA will be discussed with the City.

c. Intent Meeting/Public Hearing/Meeting Attendance

Willdan will attend the Intent Meeting and Public Hearing, in order to be available to answer questions associated with the annexation process. We will also attend up to one additional meeting.

Scope of Work for Developing an Amended RMA for New Services

If the proposed annexation of new territory and developments to the CFD warrant an amendment to the RMA to address new improvement types and/or services, or the City desires to expand the type of improvements and services currently addressed by the CFD Special Tax and method of apportionment, Willdan will perform the following tasks related to amending the RMA to incorporate those new improvements and/or services into CFD 2014-01.

a. Research

- 1) Gather and research development and improvement specific information that will be needed to prepare and facilitate an amended RMA for the new CFD services and improvements to be funded (including the type of developed property, its proposed uses, services and improvement to be provided, and the boundaries of the affected parcels).
- 2) Work with City staff to develop and identify the anticipated full cost recovery budget and revenues that will be needed to fund the improvement and services being addressed by the amended RMA.
- 3) Create a database of parcels within the boundaries of the affected parcels, with appropriate land use and property ownership fields.
- 4) Develop a modified CFD special tax methodology and rate (RMA model) that addresses the specific improvements, property types and revenue needs associated with the proposed developments (annexation territory) that will trigger the CFD structure and RMA modification.

b. Prepare an Amended Rate and Method of Apportionment of Special Tax

Willdan will prepare an amended RMA of Special Tax for the Resolution of Consideration.

Based on the preceding research, the affected parcel(s), the proposed improvements and services to be funded, and the anticipated funding needs (revenues to be generated), Willdan will prepare the amended



RMA of Special Tax for the Resolution of Consideration. To ensure that all considerations have been addressed, the proposed amended RMA will be discussed with the City.

c. Intent Meeting/Public Hearing/Meeting Attendance

Willdan will attend the Intent Meeting and Public Hearing, in order to be available to answer questions associated with the annexation process. We will also attend up to one additional meeting.

Scope of Work for Annexation Services Utilizing Existing RMA

Willdan will perform the following tasks to annex parcels into the City's CFD using the existing RMA.

a. Project Kick Off to Resolution of Intention

1) Project Kick-off

Following receipt of the City's authorization to proceed, we will discuss the annexation process and timeline with City staff, and identify any additional documents or information that may be needed. At the City's discretion, this discussion may include the developer/landowner and/or their representatives. As needed throughout the project, we will coordinate with City staff and as needed, with the developer(s), their consultant(s) and other outside agencies that may be directly involved in the project, to gather required information for the annexation proceedings.

- 2) Prepare boundary map of the proposed annexation area that meets the requirements of the Community Facilities Act. An electronic copy of the final boundary map will be provided in PDF for the City's review.
- 3) Review the resolution approving the boundary map and resolution of intention.
- 4) Once the map has been approved by City Council, Willdan will provide the amended CFD boundary map for recordation at the County.
- 5) Willdan will provide the City with an updated CFD boundary map showing the entire annexation for the City's records.

b. Review of Annexation Documents

- 1) Review Consent and Waiver forms, property owner ballots, and Public Hearing resolutions.

The required noticed publication of Public Hearing in the local newspaper is the responsibility of the City Clerk.

- 2) Review Notice of Special Tax Lien.

c. Intent Meeting/Public Hearing/Meeting Attendance

- 1) Willdan will attend the Intent Meeting and Public Hearing, in order to be available to answer questions associated with the annexation process. We will also attend up to one additional meeting.

Client Responsibilities

Willdan will rely on being able to obtain the following information from the City or the developer(s):

- Contact information for the developer/property owner, and specific contact person who will execute the petition, consent & waiver, and ballot documents.
- A listing of the properties to be included in the annexation area.



- Information regarding current zoning, existing land uses, and proposed property development, as required.
- Timing of anticipated building permit issuance and home sales.
- Either electronically or in hard copy, various maps or diagrams of the new development, improvements, or surrounding properties as needed.
- As needed, assist with obtaining pertinent development information from the developer.
- Review and approve the draft reports and resolutions before the final documents are prepared for the Council packets. This review is typically performed by the City Attorney. Requested changes shall be submitted to Willdan in writing.

The City acknowledges that Willdan shall be relying upon the accuracy of the information provided by the City, the County and developers and agrees that Willdan shall not be liable for any inaccuracies contained in such information.

Budget

Based on our proposed Scope of Services, we propose the following fee schedule. These fees and rates are subject to an annual increase, which will not exceed the most recent change in the annual Consumer Price Index (CPI) for the "All Urban Consumers" Los Angeles – Anaheim – Riverside – San Bernardino region, as calculated by the United States Bureau of Labor Statistics.

| Scope of Services Fee Schedule | |
|--|---|
| RMA Amendment for Existing Services (Tasks a, b, and c) | \$5,500 plus \$2,000 per RMA amendment scenario |
| RMA Amendment for New Services (Tasks a, b, and c) | \$9,500 plus \$2,000 per RMA amendment scenario |
| Annexation Utilizing Existing RMA (Tasks a and b) | \$7,500 |
| Annexation with RMA Amendment | \$9,500 plus \$2,000 per RMA amendment scenario |
| Additional Meetings (Board, Staff, Committee, etc.) | \$200 per hour, \$600 minimum |
| Preparation of Annexation Map and Update of Boundary Map | \$450 for first page, \$250 per additional page |

Please note:

- Our fee will not be contingent upon the outcome of the annexation process.
- The City will be billed monthly on a percentage of project completion basis.
- Our fees include all direct expenses associated with this service.



Additional Services

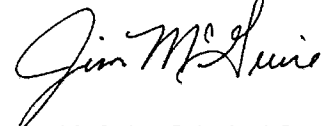
Additional services may be authorized by the City and will be billed at our then current hourly consulting rates. Our current hourly rates are:

| Willdan Financial Services Hourly Rate Schedule | |
|--|-------------|
| Position | Hourly Rate |
| Group Manager | \$210 |
| Principal Consultant | \$200 |
| Senior Project Manager | \$165 |
| Project Manager | \$145 |
| Senior Project Analyst | \$130 |
| Senior Analyst | \$120 |
| Analyst | \$100 |
| Analyst Assistant | \$75 |

We appreciate this opportunity to assist the City of Moreno Valley, and look forward to hearing from you. If you have any questions regarding our proposal, please contact me at (951) 587-3536 or via email at jmcguire@willdan.com.

Very truly yours,

WILLDAN FINANCIAL SERVICES



Jim McGuire, Principal Consultant
District Administration Services

