

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

The Sixth Amendment to Agreement is by and between the CITY OF MORENO VALLEY, a municipal corporation, hereinafter referred to as "City," and Willdan Financial Services, a California corporation, hereinafter referred to as "Consultant." This Sixth Amendment to Agreement is made and entered into effective on the date the City signs this Amendment.

RECITALS:

Whereas, the City and Consultant entered into an Agreement entitled "AGREEMENT FOR PROFESSIONAL CONSULTANT SERVICES PROJECT NO. SPECIAL DISTRICTS 2014-15 LEVY CFD/LLD/LMD FORMATIONS," hereinafter referred to as "Agreement," dated February 10, 2014.

Whereas, the Consultant is providing Assessment Engineering and Special Tax Consulting Services; and,

Whereas, the Agreement was first amended on July 24, 2014 to modify the scope of work to: 1) amend the rate and method of apportionment (RMA) for Community Facilities District (CFD) No. 2014-01 (Maintenance Services), which separated the public landscaping maintenance and operation of the street lighting program tax rate areas and 2) removed the remainder of the services for the formation of a CFD for channel maintenance for Tract 32515; and,

Whereas, the Agreement was amended a second time on November 19, 2014 to further modify the scope of work to amend the RMA for CFD No. 2014-01 (Maintenance Services) to include tax rate areas for public landscape maintenance and operation of street lighting for

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commercial, industrial, and multi-family developments, and expanded the public landscape maintenance tax rate areas for residential developments, as well as preparation of its future annexation area boundary map; and,

Whereas, the Agreement was amended a third time on March 26, 2015 to further modify the scope of work to include preparation of: 1) the Assessment Engineer's Reports for Lighting Maintenance District (LMD) No. 2014-01 and Landscape Maintenance District (LMD) No. 2014-02 for the fiscal year (FY) 2015/16 levy; 2) the Assessment Engineer's Report to annex Tract 27251 into LMD No. 2014-02 as Zone 09; and 3) boundary maps for special financing districts and consultation on special district engineering services; and,

Whereas, the Agreement was amended a fourth time through City Council action on February 16, 2016 to further modify the scope of work to include preparation of: 1) the Assessment Engineer's Report for LMD No. 2014-01 and LMD No. 2014-02 for the FY 2016/17 levy; and 2) an Assessment Engineer's Report to increase the annual assessment for Zone 04 of LMD No. 2014-02; and

Whereas, the Agreement was amended a fifth time through City Council action on March 1, 2016 to further modify the scope of work to 1) amend the RMA for CFD No. 2014-01 (Maintenance Services) to include tax rate areas for repayment of construction costs for installation of landscaping in the public right-of-way in connection with the proposed landscape beautification program; 2) amend the RMA for CFD No. 1 (Park Maintenance) to include tax rate areas for new development of commercial and industrial parcels; 3) establish a new CFD or amend the RMA for CFD No. 2014-01 (Maintenance Services) to include a tax rate area to fund National Pollutant Discharge Elimination System (NPDES) expenses for new development in the City; and 4) amend the RMA and provide special tax consulting services related to the sale of bonds for Improvement Area 1 of CFD No. 7; and,

Whereas, it is desirable to amend the Agreement a sixth time to expand the scope of the work to be performed by the Consultant as is more particularly described in Section 1 of this Sixth Amendment; and,

Whereas, the Consultant has submitted a Proposal dated January 26, 2017 for expansion of the scope of work to be performed. A copy of said Proposal is attached as "Exhibit A-Sixth Amendment" and is incorporated herein by this reference.

SECTION 1 SIXTH AMENDMENT TO AGREEMENT AS AMENDED:

1.1 The Agreement termination date of this Agreement is not extended by this Amendment.

1.2 Exhibit "A" to the Agreement is hereby amended by adding to the scope of work section described in "Exhibit A – Sixth Amendment," entitled "FY 2017/18 and FY 2018/19 Annual Engineer's Reports."

1.3 Exhibit "C" to the Agreement is hereby further amended by adding to the cost proposal section thereof described in "Exhibit A – Sixth Amendment," entitled "FY 2017/18 and FY 2018/19 Annual Engineer's Reports" and to increase professional services for boundary maps for special financing districts and consultation on special district engineering services as described in the Third Amendment by twelve thousand dollars and 00/100 (\$12,000).

1.4 The City agrees to pay the Consultant and the Consultant agrees to receive a "Not-to-Exceed" fee of \$39,000 which includes \$27,000, as set forth in the above-referenced Cost Summary, and \$12,000 for professional services as described in the Third Amendment in

consideration of the Consultant's performance of the work set forth in "Exhibit A – Sixth Amendment" and additional professional services.

1.5 The total "Not-to-Exceed" fee for this contract is \$232,795 (\$193,795 for the original Agreement as amended plus \$39,000 for the Third Amendment to Agreement).

SECTION 2

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

SIGNATURE PAGE TO FOLLOW

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

City of Moreno Valley

Willdan Financial Services

By: _____

By: _____

City Manager

Title: _____

Date: _____

(President or Vice President)

Date: _____

INTERNAL USE ONLY

APPROVED AS TO FORM:

By: _____

City Attorney

Title: _____

(Corporate Secretary)

Date

Date: _____

RECOMMENDED FOR APPROVAL:

Department Head

Date

Attachments: Exhibit A – Sixth Amendment

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EXHIBIT A – SIXTH AMENDMENT
FY 2017/18 AND FY 2018/19 ANNUAL ENGINEER'S REPORTS

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January 26, 2017

Ms. Candace Cassel
Special Districts Division Manager
City of Moreno Valley
14331 Frederick Street
Moreno Valley, California 92553

Via Email
candacec@moval.org

Re: *Proposal to Provide Annual Landscaping and Lighting District Administration Services to the Moreno Valley Community Services District*

Dear Ms. Cassel:

Per your request, the following outlines Willdan Financial Services' (Willdan) scope of services and fee to provide Annual Landscaping and Lighting Maintenance Assessment District Administration Services for Lighting Maintenance District No. 2014-01 and Landscaping Maintenance District No. 2014-02.

We appreciate this opportunity to continue to serve the City of Moreno Valley and Moreno Valley Community Services District, and look forward to hearing from you. Please feel free to contact me directly at (951) 587-3536, or via email at jmcguire@willdan.com if you have any questions regarding the attached information.

Very truly yours,

WILLDAN FINANCIAL SERVICES

A handwritten signature in black ink that reads 'Jim McGuire'.

Jim McGuire, Principal Consultant
District Administration Services

Scope of Services

Landscaping and Lighting Assessment District Administration

Willdan Financial Services ("Willdan") proposes to perform the following tasks in order to update the Engineer's Reports and facilitate the assessment process for the City of Moreno Valley's ("City") Landscaping and Lighting Assessment Districts (Lighting Maintenance District No. 2014-01 and Landscaping Maintenance District No. 2014-02).

1. Schedule an annual kick-off meeting with City staff to review the existing districts. Also identify and discuss changes to the districts for the upcoming fiscal year, including budget issues, possible annexations, modifications to the district improvements or service levels, as well as any legislative changes that may impact the districts.
2. Coordinate with City staff to establish the planned annual levy timeline, identifying key dates and timeframes for pertinent tasks throughout the levy process. This timeline may be adjusted (as needed) to address the City's scheduling requirements or proposed changes.
3. Review the district budgets provided by the City, and coordinate with City staff to assist with accurate cost-recovery accounting. Willdan will assist City staff in the preparation of the annual budget, and review the district budget to ensure the appropriate incorporation of maintenance contract costs, administrative expenses, material costs, capital costs, and other incidental costs. By this means, achieving maximum cost-to-benefit equity.
4. Maintain and update a parcel levy database by using parcel information from various sources. As new data becomes available, Willdan will continue to update the database and enhance data through parcel research using updated County secured roll information, the County parcel change database, County Assessor maps, various third-party resources, and specific information provided by the City (e.g., up-to-date map approval status, building permits, or certificate of occupancy data). Updates to the database will include those necessitated by the addition and/or removal of parcels, land subdivisions and merges, ownership and mailing address changes, and adjusted benefit unit information. This database will then become the source for the calculation of the annual assessments for the districts.
5. Utilize our MuniMagicSM software to calculate annual assessments (based upon assigned benefit) for parcels within the districts. This software is capable of handling complex assessment methodologies and formulas and calculating the annual assessments. The assessment information generated in MuniMagic can be easily exported to Microsoft Excel for the City and can also produce assessment files in the required format for submittal to the County Auditor/Controller's office.
6. Upon completion of the annual parcel and budget updates and review, provide the City with an electronic copy (Excel file) of the assessment roll to be incorporated into the Engineer's Reports for the City's review.
7. Prepare the Annual Engineer's Reports in accordance with the Landscaping and Lighting Act of 1972 and the provisions of California Constitution Article XIID (Proposition 218). These reports will include the following required items:
 - A general description of the district that may include key historical facts, zone designations, and discussion of district benefits.
 - A description of the plans and specification for the improvements (this may include a reference to documents on file at the City).
 - An estimate of the costs of the improvements (budget).
 - A description of the Method of Apportionment (assessment calculation).
 - A diagram of the district.

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City of Moreno Valley

- An assessment of the estimated cost to each parcel.
 - An affidavit stating that a professional engineer has prepared the reports.
8. Upon completion of the draft Engineer's Reports provide to the City an electronic copy of the preliminary reports for review and comments on or before the date agreed upon in Task 2.
 9. After finalization of the reports with City staff, provide the City with an electronic copy of the Annual Engineer's Reports to be presented to the CSD Board of Directors at the scheduled meeting for adoption of the Resolution of Intention.
 10. At the City's request, prepare or review the resolutions to be adopted as part of the annual levy process, including but not limited to the Resolution Initiating Proceedings, the Resolution of Intention and the Resolution Confirming the Assessment Diagram and Ordering the Levy and Collection of Assessments for the fiscal year.
 11. Attend up to three (3) meetings annually (with staff and/or Board of Directors), which generally includes meeting with City staff and/or Board meetings for adoption of the Resolution of Intention and the public hearing.
 12. Prior to the scheduled public hearing, provide the City with two bound copies of each fully executed Engineer's Reports.
 13. Upon CSD Board of Director's adoption of the Annual Assessments, provide the City with an electronic copy (Excel file) of the assessment roll to be submitted to the County for placement on the annual property tax roll.
 14. Assist City staff with researching any assessment exceptions after receiving the County's parcel exceptions list. Update parcel number changes, then report the revised parcels and updated levy amounts to the City to be forwarded to the County. As necessary, Willdan will assist City staff with the preparation of additional County-required correspondences relating to the submittal, correction, or removal of assessments to the County tax roll.

Client Responsibilities

Willdan will rely on obtaining the following information from the City of Moreno Valley:

- Annual budget information, as well as estimated fund balances for landscaping and lighting operation, maintenance, and administration.
- Changes, modifications, or updates to the improvements described in the previous year's Engineer's Report.
- Reports, updated boundary/assessment diagrams and maps, data, or other information pertinent to this project (as needed).
- Publishing the public hearing notices in the local newspaper (as required by law), as well as the posting of these public hearing notices.
- Assist Willdan in obtaining pertinent development information (if needed).

The City of Moreno Valley acknowledges that Willdan shall be relying upon the accuracy of the information provided by the City or their designees and that Willdan shall not be liable for any inaccuracies contained therein.

City shall reimburse Consultant for any costs Consultant 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 Consultant's rates in effect at the time of such response.

Cost Proposal

The not-to-exceed fees below reflect application of the scope of services. They are based on the effort that will be spent on average for fiscal years 2017/2018 and 2018/2019; and assume two (2) districts. As the work progresses, fees are payable on a monthly percentage-completion basis. Additionally, costs associated with the purchase of data and maps from the Riverside County Assessor's Office are included in the fees listed below and will not be charged to the City. The annual administration fee for each succeeding year will be subject to an increase, which will not exceed the change in the annual Consumer Price Index (CPI) for the Los Angeles, Anaheim, Riverside, and San Bernardino areas, as calculated by the United States Department of Labor.

The scope of services previously outlined and the corresponding fees below do not include services or fees related to the annexation of additional parcels or territories to the districts. Such services and fees will be addressed in a separate scope and fee proposal on a case by case basis.

Services	Annual Fee
Lighting Maintenance District No. 2014-01	\$ 6,750
Landscape Maintenance District No. 2014-02	\$ 6,750

Reimbursable Expenses

Charges for meeting and consulting with counsel, the City, or other parties regarding services not listed in the scope of work will be at our then-current hourly rates (see "Hourly Rates" section). In the event that a third party requests any documents, Willdan may charge such third party for providing said documents, in accordance with Willdan's applicable rate schedule.

Hourly Rates

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

Title	Hourly Fee
Group Manager	\$ 210
Principal Consultant / Principal Engineer	200
Senior Project Manager	165
Project Manager	145
Senior Project Analyst	130
Senior Analyst	120
Analyst	100
Assistant Analyst	75
Property Owner Service Representatives	55
Support Staff	50