

Council Meeting of
January 26, 2010

Honorable Mayor and Members
of the City Council
City Hall
Torrance, California

Members of the Council:

**SUBJECT: Community Services – Approve a Financial Services
Consulting Agreement**

Expenditure: \$19,308

RECOMMENDATION

Recommendation of the Community Services Director that City Council:

1. Approve a consulting services agreement with Willdan Financial Services for the completion of a Market Rate Comparison Fee Study and Analysis for the period of January 27, 2010, through June 30, 2010.
2. Appropriate \$19,308 from the Program Contingency Reserve.

Funding

Funds are available in the Program Contingency Reserve.

BACKGROUND/ANALYSIS

During the budget process in early 2009 the Community Services Department was asked to review the fees associated with the programs and classes that were funded through the Department's Parks and Recreation Enterprise Fund. While certain fees were raised at that time, the Department committed to the Council to complete a Market Rate Fee Study that would help staff identify areas where fees could be increased, as well as to highlight program areas that were already at or near the top of the market.

On December 2, 2009, the Community Services Department released a Request for Qualifications (RFQ) for a Market Rate Comparison Fee Study and Analysis with a proposal deadline of December 21, 2009. Copies of the RFQ were sent to eight (8) different Consultants/Organizations for their review. Two (2) proposals were received, one from Willdan Financial Services and one from the Matrix Consulting Group.

Management staff reviewed both of the proposals and interviewed representatives from both groups. Staff scored each proposal and interview based on qualifications, the elements of the proposed plan, cost, and the merit of the proposed agreement. The average score for Willdan was 89.25 and the

score for Matrix was 84.5. While both vendors were very qualified and had completed comprehensive financial analyses for a variety of municipal organizations, staff felt that the experience and expertise of Willdan more closely matched the goals of the Community Services Department.

Prior to releasing the RFQ, Community Services Department staff requested that the Finance Department review the scope of services to ensure that the information requested would assist not only the Community Services Department but the Finance Department in assisting the City with meeting its financial goals and objectives. With the Finance Department's approval of the RFQ, and with their continued support during the fee study and review, Community Services staff hope to return to City Council with a report that will provide not only short-term solutions, but long-term goals and objectives for the Parks and Recreation Enterprise Fund.

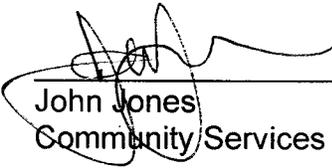
The Community Service Director recommends that your honorable body approve the Consultant Services Agreement with Willdan Financial Services for an amount not to exceed \$19,308. It is the goal of Community Services staff to return to your body with a summary report during the budget review process to be held in March 2010.

Respectfully Submitted,

JOHN JONES
COMMUNITY SERVICES DIRECTOR

By: 
Jason Minter
Senior Business Manager

CONCUR:


John Jones
Community Services Director


LeRoy Jackson
City Manager

Attachment: A) Contract Agreement

CONSULTING SERVICES AGREEMENT**ATTACHMENT A**

This CONSULTING SERVICES AGREEMENT (“Agreement”) is made and entered into as of January 27, 2010 (the “Effective Date”), by and between the CITY OF TORRANCE, a municipal corporation (“CITY”), and Willdan Financial Services (“CONSULTANT”).

RECITALS:

- A. The CITY wishes to retain the services of an experienced and qualified CONSULTANT to perform a Community Services Department Market Rate Comparison Fee Study and Analysis.
- B. In order to obtain the desired services, the CITY has circulated its Request for Proposal for Market Rate Comparison Fee Study.
- C. CONSULTANT has submitted a Proposal (the “Proposal”) in response to the RFP. In its Proposal CONSULTANT represents that it is qualified to perform those services requested in the RFP. Based upon its review of all proposals submitted in response to the RFP, the CITY is willing to award the contract to CONSULTANT.

AGREEMENT:**1. SERVICES TO BE PERFORMED BY CONSULTANT**

CONSULTANT will provide the services and install those materials listed in CONSULTANT’s Proposal submitted in response to the RFP. A copy of the RFP is attached as Exhibit A. A copy of the Proposal is attached as Exhibit B.

2. TERM

Unless earlier terminated in accordance with Paragraph 4 below, this Agreement will continue in full force and effect from the Effective Date through June 30, 2010.

3. COMPENSATION

- A. CONSULTANT’s Fee.

For services rendered pursuant to this Agreement, CONSULTANT will be paid in accordance with the compensation schedule set forth in the Proposal; provided, however, that in no event will the total amount of money paid the CONSULTANT, for services initially contemplated by this Agreement, exceed the sum of \$19,308 (“Agreement Sum”), unless otherwise first approved in writing by the CITY.

- B. Schedule of Payment.

Provided that the CONSULTANT is not in default under the terms of this Agreement, upon presentation of an invoice, CONSULTANT will be paid monthly, within 30 days after the date of the monthly invoice.

4. **TERMINATION OF AGREEMENT**

A. Termination by CITY for Convenience.

1. CITY may, at any time, terminate the Agreement for CITY's convenience and without cause.
2. Upon receipt of written notice from CITY of such termination for CITY's convenience, CONSULTANT will:
 - a. cease operations as directed by CITY in the notice;
 - b. take actions necessary, or that CITY may direct, for the protection and preservation of the work; and
 - c. except for work directed to be performed prior to the effective date of termination stated in the notice, terminate all existing subcontracts and purchase orders and enter into no further subcontracts and purchase orders.
3. In case of such termination for CITY's convenience, CONSULTANT will be entitled to receive payment for work executed; and costs incurred by reason of such termination, along with reasonable overhead and profit on the work not executed.

B. Termination for Cause.

1. If either party fails to perform any term, covenant or condition in this Agreement and that failure continues for 15 calendar days after the nondefaulting party gives the defaulting party notice of the failure to perform, this Agreement may be terminated for cause; provided, however, that if during the notice period the defaulting party has promptly commenced and continues diligent efforts to remedy the default, the defaulting party will have such additional time as is reasonably necessary to remedy the default.
2. In the event this Agreement is terminated for cause by the default of the CONSULTANT, the CITY may, at the expense of the CONSULTANT and its surety, complete this Agreement or cause it to be completed. Any check or bond delivered to the CITY in connection with this Agreement, and the money payable thereon, will be forfeited to and remain the property of the CITY. All moneys due the CONSULTANT under the terms of this Agreement will be retained by the CITY, but the retention will not release the CONSULTANT and its surety from liability for the default. Under these circumstances, however, the CONSULTANT and its surety will be credited with the amount of money retained, toward any amount by which the cost of completion exceeds the Agreement Sum and any amount authorized for extra services.
3. Termination for cause will not affect or terminate any of the rights of the CITY as against the CONSULTANT or its surety then existing, or which may thereafter accrue because of the default; this provision is in addition to all other rights and remedies available to the CITY under law.

C. Termination for Breach of Law.

In the event the CONSULTANT or any of its officers, directors, shareholders, employees, agents, subsidiaries or affiliates is convicted (i) of a criminal offense as an incident to obtaining or attempting to obtain a public or private contract or subcontract, or in the performance of a contract or subcontract; (ii) under state or federal statutes of embezzlement, theft, forgery, bribery, falsification or destruction of records, receiving stolen property, or any other offense indicating a lack of business integrity or business honesty which currently, seriously, and directly affects responsibility as a public consultant or contractor; (iii) under state or federal antitrust statutes arising out of the submission of bids or proposals; or (iv) of violation of Paragraph 19 of this Agreement; or for any other cause the City determines to be so serious and compelling as to affect CONSULTANT's responsibility as a public consultant or contractor, including but not limited to, debarment by another governmental agency, then the CITY reserves the unilateral right to terminate this Agreement or to impose such other sanctions (which may include financial sanctions, temporary suspensions or any other condition deemed appropriate short of termination) as it deems proper. The CITY will not take action until CONSULTANT has been given notice and an opportunity to present evidence in mitigation.

5. **FORCE MAJEURE**

If any party fails to perform its obligations because of strikes, lockouts, labor disputes, embargoes, acts of God, inability to obtain labor or materials or reasonable substitutes for labor or materials, governmental restrictions, governmental regulations, governmental controls, judicial orders, enemy or hostile governmental action, civil commotion, fire or other casualty, or other causes beyond the reasonable control of the party obligated to perform, then that party's performance shall be excused for a period equal to the period of such cause for failure to perform.

6. **RETENTION OF FUNDS**

CONSULTANT authorizes the CITY to deduct from any amount payable to CONSULTANT (whether or not arising out of this Agreement) any amounts the payment of which may be in dispute or that are necessary to compensate the CITY for any losses, costs, liabilities, or damages suffered by the CITY, and all amounts for which the CITY may be liable to third parties, by reason of CONSULTANT's acts or omissions in performing or failing to perform CONSULTANT's obligations under this Agreement. In the event that any claim is made by a third party, the amount or validity of which is disputed by CONSULTANT, or any indebtedness exists that appears to be the basis for a claim of lien, the CITY may withhold from any payment due, without liability for interest because of the withholding, an amount sufficient to cover the claim. The failure of the CITY to exercise the right to deduct or to withhold will not, however, affect the obligations of CONSULTANT to insure, indemnify, and protect the CITY as elsewhere provided in this Agreement.

7. **THE CITY'S REPRESENTATIVE**

Jason Minter, Senior Business Manager, is designated as the "City Representative," authorized to act in its behalf with respect to the work and services specified in this Agreement and to make all decisions in connection with this Agreement. Whenever approval, directions, or other actions are required by the CITY under this Agreement, those actions will be taken by the City Representative, unless otherwise stated. The City Manager has the right to designate another City Representative at any time, by providing notice to CONSULTANT.

8. **CONSULTANT REPRESENTATIVE(S)**

The following principal(s) of CONSULTANT are designated as being the principal(s) and representative(s) of CONSULTANT authorized to act in its behalf with respect to the work specified in this Agreement and make all decisions in connection with this Agreement:

Katie Wilson

9. **INDEPENDENT CONTRACTOR**

The CONSULTANT is, and at all times will remain as to the CITY, a wholly independent contractor. Neither the CITY nor any of its agents will have control over the conduct of the CONSULTANT or any of the CONSULTANT's employees, except as otherwise set forth in this Agreement. The CONSULTANT may not, at any time or in any manner, represent that it or any of its agents or employees are in any manner agents or employees of the CITY.

10. **BUSINESS LICENSE**

The CONSULTANT must obtain a City business license prior to the start of work under this Agreement, unless CONSULTANT is qualified for an exemption.

11. **OTHER LICENSES AND PERMITS**

CONSULTANT warrants that it has all professional, contracting and other permits and licenses required to undertake the work contemplated by this Agreement.

12. **FAMILIARITY WITH WORK**

By executing this Agreement, CONSULTANT warrants that CONSULTANT (a) has thoroughly investigated and considered the scope of services to be performed, (b) has carefully considered how the services should be performed, and (c) fully understands the facilities, difficulties and restrictions attending performance of the services under this Agreement. If the services involve work upon any site, CONSULTANT warrants that CONSULTANT has or will investigate the site and is or will be fully acquainted with the conditions there existing, prior to commencement of services set forth in this Agreement. Should CONSULTANT discover any latent or unknown conditions that will materially affect the performance of the services set forth in this Agreement, CONSULTANT must immediately inform the CITY of that fact and may not proceed except at CONSULTANT's risk until written instructions are received from the CITY.

13. **CARE OF WORK**

CONSULTANT must adopt reasonable methods during the term of the Agreement to furnish continuous protection to the work, and the equipment, materials, papers, documents, plans, studies and other components to prevent losses or damages, and will be responsible for all damages, to persons or property, until acceptance of the work by the CITY, except those losses or damages as may be caused by the CITY's own negligence.

14. **CONSULTANT'S ACCOUNTING RECORDS; OTHER PROJECT RECORDS**

Records of the CONSULTANT's time pertaining to the project, and records of accounts between the CITY and the CONSULTANT, will be kept on a generally recognized accounting basis. CONSULTANT will also maintain all other records, including without limitation specifications, drawings, progress reports and the like, relating to the project. All records will be available to the CITY during normal working hours. CONSULTANT will maintain these records for three years after final payment.

15. **INDEMNIFICATION**

CONSULTANT will indemnify, defend, and hold harmless CITY, the Redevelopment Agency of the City of Torrance, the City Council, each member thereof, present and future, members of boards and commissions, its officers, agents, employees and volunteers from and against any and all liability, expenses, including defense costs and legal fees, and claims for damages whatsoever, including, but not limited to, those arising from breach of contract, bodily injury, death, personal injury, property damage, loss of use, or property loss however the same may be caused and regardless of the responsibility for negligence. The obligation to indemnify, defend and hold harmless includes, but is not limited to, any liability or expense, including defense costs and legal fees, arising from the negligent acts or omissions, or willful misconduct of CONSULTANT, its officers, employees, agents, subcontractors or vendors. It is further agreed, CONSULTANT's obligations to indemnify, defend and hold harmless will apply even in the event of concurrent negligence on the part of CITY, the City Council, each member thereof, present and future, or its officers, agents and employees, except for liability resulting solely from the negligence or willful misconduct of CITY, its officers, employees or agents. Payment by CITY is not a condition precedent to enforcement of this indemnity. In the event of any dispute between CONSULTANT and CITY, as to whether liability arises from the sole negligence of the CITY or its officers, employees, agents, subcontractors or vendors, CONSULTANT will be obligated to pay for CITY's defense until such time as a final judgment has been entered adjudicating the CITY as solely negligent. CONSULTANT will not be entitled in the event of such a determination to any reimbursement of defense costs including but not limited to attorney's fees, expert fees and costs of litigation.

16. **NON-LIABILITY OF THE CITY'S OFFICERS AND EMPLOYEES**

No officer or employee of the CITY will be personally liable to CONSULTANT, in the event of any default or breach by the CITY or for any amount that may become due to CONSULTANT.

17. **INSURANCE**

A. CONSULTANT must maintain at its sole expense the following insurance, which will be full coverage not subject to self insurance provisions:

- (1) Automobile Liability, including owned, non-owned and hired vehicles, with at least the following limits of liability:
 - (a) Primary Bodily Injury with limits of at least \$500,000 per person, \$1,000,000 per occurrence; and
 - (b) Primary Property Damage of at least \$250,000 per occurrence; or
 - (c) Combined single limits of \$1,000,000 per occurrence.
- (2) General Liability including coverage for premises, products and completed operations, independent contractors/vendors, personal injury and contractual obligations with combined single limits of coverage of at least \$1,000,000 per occurrence.
- (3) Professional liability insurance with limits of at least \$1,000,000 per occurrence.

- (4) Workers' Compensation with limits as required by the State of California and Employers Liability with limits of at least \$1,000,000.
- B. The insurance provided by CONSULTANT will be primary and non-contributory.
- C. CITY ("City of Torrance"), the Redevelopment Agency of the City of Torrance, the City Council and each member thereof, members of boards and commissions, every officer, agent, official, employee and volunteer must be named as additional insured under the automobile and general liability policies.
- D. CONSULTANT must provide certificates of insurance and/or endorsements to the City Clerk of the City of Torrance before the commencement of work.
- E. Each insurance policy required by this Paragraph must contain a provision that no termination, cancellation or change of coverage can be made without thirty days notice to CITY.

18. SUFFICIENCY OF INSURERS

Insurance required by this Agreement will be satisfactory only if issued by companies admitted to do business in California, rated "B+" or better in the most recent edition of Best's Key Rating Guide, and only if they are of a financial category Class VII or better, unless these requirements are waived by the Risk Manager of the CITY ("Risk Manager") due to unique circumstances. In the event the Risk Manager determines that the work or services to be performed under this Agreement creates an increased or decreased risk of loss to the CITY, the CONSULTANT agrees that the minimum limits of any insurance policies and/or performance bond required by this Agreement may be changed accordingly upon receipt of written notice from the Risk Manager; provided that CONSULTANT will have the right to appeal a determination of increased coverage by the Risk Manager to the City Council of the CITY within 10 days of receipt of notice from the Risk Manager.

19. CONFLICT OF INTEREST

- A. No officer or employee of the CITY may have any financial interest, direct or indirect, in this Agreement, nor may any officer or employee participate in any decision relating to the Agreement that effects the officer or employee's financial interest or the financial interest of any corporation, partnership or association in which the officer or employee is, directly or indirectly interested, in violation of any law, rule or regulation.
- B. No person may offer, give, or agree to give any officer or employee or former officer or employee, nor may any officer or employee solicit, demand, accept, or agree to accept from another person, a gratuity or an offer of employment in connection with any decision, approval, disapproval, recommendation, preparation or any part of a program requirement or a purchase request, influencing the content of any specification or procurement standard, rendering of advice, investigation, auditing, or in any other advisory capacity in any way pertaining to any program requirement, contract or subcontract, or to any solicitation or proposal.

20. **NOTICE**

A. All notices, requests, demands, or other communications under this Agreement will be in writing. Notice will be sufficiently given for all purposes as follows:

- (1) Personal delivery. When personally delivered to the recipient: notice is effective on delivery.
- (2) First Class mail. When mailed first class to the last address of the recipient known to the party giving notice: notice is effective three mail delivery days after deposit in an United States Postal Service office or mailbox.
- (3) Certified mail. When mailed certified mail, return receipt requested: notice is effective on receipt, if delivery is confirmed by a return receipt.
- (4) Overnight delivery. When delivered by an overnight delivery service, charges prepaid or charged to the sender's account: notice is effective on delivery, if delivery is confirmed by the delivery service.
- (5) Facsimile transmission. When sent by fax to the last fax number of the recipient known to the party giving notice: notice is effective on receipt. Any notice given by fax will be deemed received on the next business day if it is received after 5:00 p.m. (recipient's time) or on a non-business day.

Addresses for purpose of giving notice are as follows:

CONSULTANT: Willdan Financial Services
27368 Via Industria, Suite 110
Temecula, CA 92590

Fax: 951.587.3510

CITY: City Clerk
City of Torrance
3031 Torrance Boulevard
Torrance, CA 90509-2970
Fax: (310) 618-2931

B. Any correctly addressed notice that is refused, unclaimed, or undeliverable because of an act or omission of the party to be notified, will be deemed effective as of the first date the notice was refused, unclaimed or deemed undeliverable by the postal authorities, messenger or overnight delivery service.

C. Either party may change its address or fax number by giving the other party notice of the change in any manner permitted by this Agreement.

21. **PROHIBITION AGAINST ASSIGNMENT AND SUBCONTRACTING**

This Agreement and all exhibits are binding on the heirs, successors, and assigns of the parties. The Agreement may not be assigned or subcontracted by either the CITY or CONSULTANT without the prior written consent of the other.

22. **INTEGRATION; AMENDMENT**

This Agreement represents the entire understanding of the CITY and CONSULTANT as to those matters contained in it. No prior oral or written understanding will be of any force or effect with respect to the terms of this Agreement. The Agreement may not be modified or altered except in writing signed by both parties.

23. **INTERPRETATION**

The terms of this Agreement should be construed in accordance with the meaning of the language used and should not be construed for or against either party by reason of the authorship of this Agreement or any other rule of construction that might otherwise apply.

24. **SEVERABILITY**

If any part of this Agreement is found to be in conflict with applicable laws, that part will be inoperative, null and void insofar as it is in conflict with any applicable laws, but the remainder of the Agreement will remain in full force and effect.

25. **TIME OF ESSENCE**

Time is of the essence in the performance of this Agreement.

26. **GOVERNING LAW; JURISDICTION**

This Agreement will be administered and interpreted under the laws of the State of California. Jurisdiction of any litigation arising from the Agreement will be in Los Angeles County, California.

27. **COMPLIANCE WITH STATUTES AND REGULATIONS**

CONSULTANT will be knowledgeable of and will comply with all applicable federal, state, county and city statutes, rules, regulations, ordinances and orders.

28. **WAIVER OF BREACH**

No delay or omission in the exercise of any right or remedy by a nondefaulting party on any default will impair the right or remedy or be construed as a waiver. A party's consent or approval of any act by the other party requiring the party's consent or approval will not be deemed to waive or render unnecessary the other party's consent to or approval of any subsequent act. Any waiver by either party of any default must be in writing and will not be a waiver of any other default concerning the same or any other provision of this Agreement.

29. **ATTORNEY'S FEES**

Except as set forth in Paragraph 15, in any dispute, litigation, arbitration, or other proceeding by which one party either seeks to enforce its rights under this Agreement (whether in contract, tort or both) or seeks a declaration of any rights or obligations under this Agreement, the prevailing party will be awarded reasonable attorney's fees, together with any costs and expenses, to resolve the dispute and to enforce any judgment.

30. **EXHIBITS**

All exhibits identified in this Agreement are incorporated into the Agreement by this reference.

31. **CONSULTANT'S AUTHORITY TO EXECUTE**

The person(s) executing this Agreement on behalf of the CONSULTANT warrant that (i) the CONSULTANT is duly organized and existing; (ii) they are duly authorized to execute this Agreement on behalf of the CONSULTANT; (iii) by so executing this Agreement, the CONSULTANT is formally bound to the provisions of this Agreement; and (iv) the entering into this Agreement does not violate any provision of any other Agreement to which the CONSULTANT is bound.

CITY OF TORRANCE,
a Municipal Corporation

Willdan Financial Services

John Jones, Community Services Director

By: _____
Katie Wilson, Principal Consultant

LeRoy J. Jackson, City Manager

APPROVED AS TO FORM:

JOHN L. FELLOWS III
City Attorney

By: *Jana Stroder*

Attachments: Exhibit A: RFP
 Exhibit B: Proposal

Revised: 10/29/2008

EXHIBIT A
REQUEST FOR PROPOSALS

[To be attached]



Request for Qualifications (RFQ) Market Rate Comparison Fee Study and Analysis December 2, 2009

The City of Torrance is seeking an experienced professional to provide services in the following areas:

- 1) Market Rate Comparison Fee Study
- 2) Methodology Analysis for Determining Fees

It is the goal of the Torrance Community Services Department to better understand the Market Rate for Program and Class Fees and Charges offered by the Cultural and Recreation Divisions. To do so, the Department is requesting the completion of a Market Rate Program Fee Comparison between Torrance and other local municipalities and private agencies. This market rate comparison analysis will be performed for selected Torrance fees in relation to the market rate of neighboring agencies and/or benchmark cities in Southern California.

Upon completion of the Market Rate Program Fee Comparison, the Department is requesting a comparison between these municipalities as to how fees/charges are determined. Included in this comparison should be the definition of such terms as "direct costs", "overhead/indirect costs", and "subsidy", as well as the methods used for identifying the terms. If any organization included in the comparison has a Policy on program subsidy, specifically for youth and/or senior programs, include a copy in the report.

Scope of Services

1. Meet with staff to identify the project scope, including the selection of 10 agencies for the Market Rate Comparison (of which 8 will be municipal and 2 private), and the selection of Core programs with which to focus the Survey (see attached Programs for Review)
2. The Department will provide copies of all survey information gathered from the class and program fee surveys completed by staff. This information is from a variety of municipalities that may or may not be included in the Market Rate Comparison. Additional data to be compiled by the consultant
3. Develop the Market Rate Comparison and provide staff with a draft report for review
4. Meet with and present the Draft Market Rate Comparison and Report with staff
5. Determine the process agencies use in setting program and class fees. Identify terms for each and request any Subsidy Policies
6. Provide staff with a draft report on Fee and Subsidy Policies
7. Prepare and present a Final Reports (2)

➤ **Submission Requirements**

- 1) Contact name with telephone number, address and email address.
- 2) Overview of organization.
- 3) Description of experience with the municipal government organizations.
- 4) Examples of services provided to other municipalities.
- 5) Costs associated with the Market Rate Fee Study and Analysis.
- 6) List of current clients and past clients of similar nature.
- 7) Three references with name, title, telephone number and email address.

*****Limit Qualifications to 5 pages*****

One (1) original proposal and four (4) copies must be received at the Community Services Office no later than 5:00 p.m. on Monday, December 21, 2009.

Qualifications can be sent via U.S. Postal Service, commercial carrier or hand delivered to:

**City of Torrance
Community Services Department
Attention: John Jones
3031 Torrance Blvd.
Torrance, CA 90503
(310) 618-2930**

Evaluation Criteria

- | | |
|--|------------|
| 1) Qualifications of the organization and overall experience | 20% |
| 2) Summary of Proposed Plan | 30% |
| 3) Cost associated with Proposed Plan (retainer or hourly fee) | 30% |
| 4) Quality and clarity of proposal | 20% |

Timeline

RFQ Released	December 2, 2009
RFQ Deadline	December 21, 2009
Consultant Interviews	January 4-7, 2010
Selection and Notification of Consultant.....	January 8, 2010
Prepare Consultant Agreement.....	January 11-13, 2010
Council for approval	January 19, 2010
Effective date of Agreement.....	January 27, 2010

**City of Torrance
Community Services Department
Programs for Review**

Recreation Division

1. **Farmers Market** - Vendor fees
2. **Community Gardens** – Plot Fees
3. **Teen Programs** – Misc.
4. **Therapeutic/Special Needs**
 - o Youth & Adult
5. **Senior Programs** – Misc.
6. **Special Events**
 - o Halloween
 - o Holiday (Christmas)
 - o Spring (Easter)
 - o 5 K Run
7. **Day Camps** - Weekly
8. **Contract Instructional Classes**
 - o Miscellaneous Programs
 - o Youth and Adult
9. **Environmental (Madrona Marsh) & Nature Center**
 - o Programs
 - o Entrance Fees
10. **Afterschool & Summer (Drop-in) Park, etc. Youth Programs**
 - o School-age youth
11. **Afterschool (Custodial) Youth Programs**
 - o School-age youth
12. **Adult Sports**
 - o Softball, Basketball, Hockey
 - o Drop-in Gym programs
13. **Youth Sports**
 - o Flag Football, Basketball, Roller Hockey
 - o Cheerleading –Basic, Advanced
14. **Tennis**
 - o Lessons (Youth and Adult)
 - o Court reservations
15. **Golf**
 - o Lessons (Youth and Adult)
 - o Greens Fees (Sea Aire)
16. **Aquatics (The Plunge)**
 - o Lessons (Youth and Adult)
 - o Miscellaneous Program fees
 - o Open Swim/Rec Swim
17. **Skate Park**
 - o Youth lessons
 - o Annual membership fees
 - o Fee Per Use/Entrance fees
18. **Batting Cages**
 - o Fee Per Use/Entrance fees
 - o Miscellaneous Programs

Cultural Division

1. **Youth Classes - Art**
 - o Beginning Throwing
 - o Introduction to Clay
 - o Introduction to Drawing & Painting
 - o Introduction to Mixed Media
 - o Introduction to Art
 - o Beginning Cartooning
2. **Youth Classes – Dance, Movement and Music**
 - o Basic Ballet
 - o Creative Movement (w/ parent)
 - o Beginning Tap Dance
 - o Introduction to break dancing
 - o Beginning/Intermediate Gymnastics
 - o Basic Acting
 - o Youth Theatre Production and Performance
 - o Beginning Guitar
 - o Beginning Piano
 - o Singing, Music and Movement
3. **Adult Classes – Art (18+)**
 - o Beginning Ceramics
 - o Open Ceramics Studio & Workshop
 - o Fundamental Drawing
 - o Beginning Painting
4. **Adult Classes – Dance, Movement and Music (18+)**
 - o Ballroom Dance
 - o Beginning Bellydancing
 - o Tap Dance
 - o Introduction to Pilates
 - o Beginning Yoga
 - o Step and Sculpt
 - o Piano for Seniors (50+)
 - o Voice Class for Adults (15+)
5. **Early Childhood Education**
 - o Lollipop Tree (ages 3 – 4)
 - o Kinder Klass (ages 4 – 5)
6. **Civic Chorale** - Class fees
7. **Torrance Theatre Company**
 - o Season Subscriptions
 - o Friends of and /or Membership
8. **Torrance Art Museum**
 - o Annual memberships
 - o Friends ofMembership levels
 - o Facility rental fees

EXHIBIT B

PROPOSAL

[To be attached]

EXHIBIT B



December 18, 2009

Mr. John Jones, Community Services Director
 City of Torrance
 Community Services Department
 3031 Torrance Blvd
 Torrance, California 90503

Re: Statement of Qualifications for a Market Rate Comparison Fee Study and Analysis

Dear Mr. Jones:

Willdan Financial Services ("Willdan") understands the City of Torrance ("City") seeks an independent consultant to prepare a Market Rate Comparison Fee Study and Analysis. You will find the enclosed Statement of Qualifications (SOQ) fully responsive to the overall needs of the City based on our previous discussions.

- **Unique Combination of Services and Expertise** — Willdan has a unique background in cost allocation plans and user fee studies, and a long history of providing contract staff support to public agencies, functioning as an extension of city staff for the delivery of services in many operational departments. With this distinct "insider's" perspective, we understand how cities are organized and function, and how to communicate ideas and strategies to city staff. This knowledge gives us superior insight when developing comparison analyses that accurately reflect the level of services provided by the City to the community.
- **Experience with Similar Studies** — One of our core areas of business is the completion of comprehensive user fee studies for municipalities. We always include all indirect and direct overhead costs when determining the full cost of programs and services to the agency in order to identify "subsidies" that may be unintended and a potential revenue enhancement opportunities. In today's unfortunate economy, understanding the full cost of services and programs is critical for policy makers when determining the most appropriate use of increasingly limited resources. We are currently in the process of completing similar fee analysis and comparisons that include community service, sports/recreation, and cultural programs in the Cities of Montebello, Walnut Creek and Ukiah.
- **User-friendly Models** — Our fee calculation and comparison models are created in Microsoft Excel and are designed to be user-friendly. Features include color coding, password protected formulas, and step-by-step instructions on each worksheet. In the future, when City staff desires to update the information these convenient features make our models easy to learn and simple to follow.
- **Project Management Responsiveness / Timeliness / Compliance** — I will supervise the project with an eye toward responsiveness, while ensuring that stakeholders in the process are "on board" with the project's direction and final results. A former City Manager and Department Director in Los Angeles and Orange Counties, I will use my understanding of municipal finance and operations to ensure that the programs and services for which fees are to be compared are clearly defined and identified such that the resulting comparisons are accurate and reflect an apples-to-apples analysis. I will make sure that project updates are provided to City staff, conference calls are scheduled, and in-person meetings conducted, as required. I will be responsible for ensuring that Willdan will be accessible and fully engaged with City management and staff throughout the project's lifecycle.

Willdan is excited about this opportunity to use our familiarity and understanding of cities, our research skills and our analytical expertise to assist the City of Torrance. Please feel free to contact me to discuss any aspect of the attached SOQ. I can be reached at (951) 587-3500 or via email at kwilson@willdan.com.

Sincerely,

WILLDAN FINANCIAL SERVICES

Katie Wilson, Principal Consultant
 Financial Consulting Services Group

Enclosure



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Firm Contact

Ms. Katie Wilson, a Principal Consultant in our Temecula office, will serve as the City's primary contact person for this SOQ. Her contact information is below.

SOQ Contact
Katie Wilson 27368 Via Industria, Suite 110 Temecula, CA 92590 Toll-free #: (800) 755-6864/Direct #: (951) 587-3571 Fax #: (951) 587-3510 E-mail: kwilson@willdan.com

Firm Overview

Willdan

Willdan Group, Inc. is a nationwide firm serving more than 800 public agencies and private sector clients. We provide engineering, management, and financial consultant services that ensure the quality, value, and security of our nation's infrastructure, systems, facilities, and environment. The firm has been a consistent industry leader in providing all aspects of municipal and infrastructure engineering, public works contracting, public financing, planning, building and safety, construction management, homeland security, and energy efficiency and sustainability services.

Comprehensive Solutions. Integrated Approach.

Founded in 1964 and headquartered in Anaheim, California, Willdan was originally established as a civil engineering firm specializing in providing solutions for our public agency clients. Since that time, we have evolved into a professional consulting firm offering a broad array of services that allow us to provide a comprehensive and integrated approach to our clients' planning, engineering, financial, economic, public facility, energy, and public safety challenges. Today, Willdan has **hundreds of employees** operating from offices located throughout **California** as well as in **Arizona, Texas, Florida, Maryland, North Carolina, and New York**.

Municipal Government Experience

Willdan's Financial Services division specializes in providing revenue generation, enhancement, and administration services to public agencies. In business since June of 1988, our financial division has for over 21 years served clients that include cities, counties, state agencies, port authorities, housing agencies, special districts, and school districts in 38 states. We further support our clients by conducting year-round workshops and on-site training to enable our clients' staff to keep abreast of the latest public agency financial developments.

Examples of Services

Enclosed in a separately sealed envelope marked "Sample Reports," are the following final reports: 1) City of Irvine – Comprehensive User Fee and Rate Study; and 2) City of Laguna Hills – Comprehensive Study of Development Processing Fees and Other City Rates, Charges and Fees.

Note: the report prepared for the City of Laguna Hills was completed prior to Willdan Financial Services name change from MuniFinancial.



These reports are provided solely for information purposes in connection with the City of Torrance's Request for Qualifications (RFQ). This information is intended to be held absolutely confidential and not to be disclosed to any person or entity without the prior written consent of Willdan Financial Services.

Costs

Willdan will perform the scope of services described within this SOQ for the **fixed fee of \$19,308**

Notes:

- In response to current economic conditions, our fee reflects a 10 percent discount.
- The fixed fee outlined above reflects the analysis of up to ten (10) comparable agencies (8 municipal and 2 private) to be included in the final market rate comparison study. Inclusion of additional agencies in this study will require a review of the scope and fee, which may result in a modification to the fixed fee.
- The fixed fee quoted above is contingent upon project completion within 10 weeks of the start date. If the City of Torrance's project extends beyond the project schedule stated herein, due to factors not caused by Willdan, the Willdan Team may deem it necessary to re-evaluate the scope and budget and additional budget may be required.
- Our fee includes all direct expenses associated with the project.
- We will invoice the City of Torrance monthly based on percentage of project completed.

Additional Services

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:

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
Analyst	\$100
Analyst Assistant	\$85
Property Owner Services Representative	\$55
Support Staff	\$50

Similar in Nature Experience

Willdan has extensive experience successfully delivering cost of service and market comparison studies to public agencies, as demonstrated in Exhibit 1. While we have completed more than 100 similar engagements, Exhibit 1 identifies relevant project experience.

All of the cost-of-service (also called "User Fee Studies") analyses prepared by Willdan contained a Common Fees Comparison Survey benchmarking our client's common fees by department with those of comparable and/or neighboring jurisdictions. The Market Rate Comparison Fee Study to be prepared for your City is very similar to the comparison surveys routinely prepared during cost-of-service analyses. Hence, our project team knows that published fee schedules are rarely readily comparable from agency to agency due to definitional and operational differences. Thus, we use our in-depth understanding of public agencies to investigate further to ensure that our analyses are completed efficiently and to accurately reflect the true cost of the services.

Exhibit 1

Willdan Financial Services Cost Allocation Plan and User Fee Study Clients	
City of Adelanto, CA	User Fee Study
City of American Canyon, CA	Cost Allocation Plan and User Fee Study
City of Artesia, CA	Citywide User Fee Study
City of Bellflower, CA	Comprehensive User Fee Study
Town of Buckeye, AZ (in progress)	Cost Allocation Plan and Comprehensive User Fee Study
City of Burlingame, CA	Comprehensive User Fee and Development Impact Fee Study
City of Coachella, CA	Cost Allocation Plan and User Fee Study
City of Colton, CA	Comprehensive User Fee Study
City of Compton, CA	Cost Allocation Plan
City of El Monte, CA	User Fee Study for the Public Works and Planning Departments
City of Fontana, CA (in progress)	Comprehensive User Fee Study and Building Department User Fee Study and Cost Allocation Plan
City of Hawthorne, CA	Cost Allocation Plan
City of Hemet, CA	Cost Allocation Plan and Comprehensive User Fee Study
City of Hesperia, CA	Cost Allocation Plan
City of Huntington Park, CA	Cost Allocation Plan, User Fee and Impact Fee Study
City of Indian Wells, CA	Cost Allocation Plan
City of Irvine, CA	Cost Allocation Plan and User Fee Study
City of Irwindale, CA	Cost Allocation Plan, Comprehensive User Fee Study, and Impact Fee Study
City of Kingsburg, CA	Planning Department User Fee Study
City of Laguna Hills, CA	Cost Allocation Plan and Comprehensive User Fee Study
City of Long Beach, CA	Departmental Cost Allocation Plans
City of Los Altos, CA	Cost Allocation Plan
City of Madera, CA	Development Departments User Fee Study
County of Marin, CA	Planning and Environmental Health User Fee Study
County of Mariposa, CA	User Fee Study
City of Modesto, CA	Development Services User Fee Study
City of Montebello, CA (in progress)	Cost Allocation Plan, Comprehensive User Fee Study, and Impact Fee

Willdan Financial Services Cost Allocation Plan and User Fee Study Clients	
City of Norwalk, CA	Cost Allocation Plan and Comprehensive User Fee Study
City of Orange, CA	Comprehensive User Fee Study
City of Palm Springs, CA	Cost Allocation Plan and Comprehensive User Fee Study
City of Pleasant Hill, CA	Comprehensive User Fee Study
City of Portola Valley, CA	Development Services Fee Study
City of Phoenix, AZ	Development Services Special Revenue Fund and Fee Study
City of Richmond, CA	Cost Allocation Plan, User Fee and Impact Fee Study
City of Rocklin, CA	Building Department User Fee Study
City of Rosemead, CA	Comprehensive User Fee Study
County of San Benito, CA	User Fee Study
City of San Carlos, CA	Cost Allocation Plan, User Fee and Impact Fee Study
City of San Marcos, CA	Non-development Services Department Fee Study
City of Shasta Lake, CA	Planning and Building Division Fee Study
City of Sierra Madre, CA	Development Services Fee Study
City of South El Monte, CA	Cost Allocation Plan and User Fee Study
City of Stockton, CA	Cost User Fee Study
City of Surprise, AZ	Cost of Service Fee Study
City of Tehachapi, CA	Building, Planning and Engineering Fee Study
City of Upland, CA	Cost Allocation Plan, User Fee and Impact Fee Study
City of Vallejo, CA	Cost Allocation Plan and User Fee Study and 911 Emergency Communications Fee Study
City of Walnut Creek, CA	Overhead Cost Allocation Plan and Comprehensive User Fee Study
City of Yucca Valley, CA	Comprehensive User Fee Study

References

Willdan is proud of our reputation for customer service and encourage you to contact our past clients regarding our commitment to excellence.

City of Burlingame – Comprehensive User Fee and Development Impact Fee Study

Willdan prepared a Comprehensive User Fee Study for the City of Burlingame. The study analyzed and identified the true cost of services provided by all City departments, in order to develop a user fee program that allowed for full cost recovery.

Willdan completed a Development Impact Fee Study for the City as well, which included a parks impact fee. As part of this project we identified existing development and future growth; calculated facility standards; determined potential facility needs and costs; and identified funding and financing alternatives. Willdan completed a comparison survey of neighboring and similar jurisdictions for both the user fee study and

Contact Information
Contact Information
 Jesus Nava
 Finance Director
 501 Primrose Road
 Burlingame, CA 94010
 Tel #: (650) 558-7222
 E-mail: JNava@burlingame.org



development impact feasibility study. Ms. Katie Wilson presented the findings to the City Council at a special Study Session as well as at the Public Hearing.

City of Laguna Hills – Cost Allocation Plan & Comprehensive User Fee Study

Willdan completed a Cost Allocation Plan and Comprehensive User Fee Study for the City of Laguna Hills in July 2008. Part of this project involved the development of a methodology to convert the Building and Safety valuation based permitting calculation to the equitable and defensible square footage based or deposit based methodologies.

In addition to changing the calculation methodologies, Willdan conducted an in-depth review of the full cost to the City for requested services provided as a part of the Building and Safety function, as well as other City departments, including City Clerk, Administrative Services, Planning, Public Works, and Public Safety. The final report included a comparison survey of neighboring jurisdictions. The results of the study were presented at a Public Hearing before the City Council by Ms. Katie Wilson.

Contact Information
 John Gerardi
 Finance Director
 1515 Sixth St
 Coachella, CA 92236
 Tel #: (760) 398-3502
 E-mail: jgerardi@coachella.org

City of Coachella – Comprehensive User Fee Study & Cost Allocation Plan

In August 2008, Willdan completed a Comprehensive User Fee Study and Cost Allocation Plan for the City of Coachella. The user fee study focused on the following departments: Community Development/Planning, City Clerk, Community Services Department/Parks and Recreation, Public Safety, and Public Works. Willdan staff worked with each department to identify the true cost of services currently provided by the City.

Contact Information
 Vern Jones
 Community Development Director
 24035 El Toro Rd
 Laguna Hills, CA 92653
 T#: (949) 707-2600
 E-mail: vjones@ci.laguna-hills.ca.us

The cost of service analysis specific to the Community Services Department included usage of the park, sports fields, snack bar, tennis/basketball court, swimming pool and rental of the stage, Community Center and Senior Center. A comparison survey of other comparable agencies was conducted as well.

Further, Willdan also recently completed a Water Rate Study for the City.