

TO: James L. App, City Manager
FROM: Doug Monn, Public Works Director
SUBJECT: Landscape and Lighting District Engineering Services
DATE: November 6, 2007

NEEDS: For the City Council to consider awarding a two year contract (with ability to extend up to 10 years subject to approval by both parties) to MuniFinancial for ongoing Landscape and Lighting (L&L) District Engineering Services.

- FACTS:**
1. A Request for Proposal (RFP) was issued L&L Engineering Services.
 2. The RFP included requests for preparation of the annual engineer's report, new development review and monitoring support and annexation/formation services.
 3. Proposals were received from MuniFinancial, David Taussig & Associates, Inc. and NBS.
 4. Results of the RFP's are as follows:

Bidder	Annual Engineer's Report	Development Review	Annexation
MuniFinancial	\$12,500	\$600 each	\$6,800 - \$10,000 each
Taussig	Time & materials less than \$55,000	Time & materials less than \$7,500	Time & materials less than \$25,000
NBS	10% of Levies or \$135,890	\$2,500 each	\$15,000 each

5. Analysis of the proposals is complete and staff recommends extending the contract of MuniFinancial as it would be in the best interest of the City and its citizen's at this time.

ANALYSIS &

CONCLUSION: All of the submitting firms appear to be of high quality and able to supply the required technical assistant to staff. The area that separates the three companies is cost. MuniFinancial offers a package that is substantially less than the two competitors.

MuniFinancial appears to offer the best value and continuing their services will enable staff to keep the District administrative overhead to approximately 10% of the total budget or \$129,800 (admin expenses) of the \$1,357,890 total district budget.

Taussig fees would raise the administrative overhead 35% from \$127,800 to \$172,300.

NBS fees would double administrative overhead from \$127,800 to \$253,390.

The Paso Robles Landscape and Lighting district suffers from lack of adequate funds in many of the sub areas. Future increases for water, electrical and landscaping services will add to the fiscal challenge. Continuing to use the services of MuniFinancial will impact the Landscape and Lighting District by reducing the Administrative Overhead during this contract period.

POLICY

REFERENCE: Landscape and Lighting Act of 1972.

FISCAL

IMPACT: The approved Landscape and Lighting budget contains sufficient funding to accommodate this request.

OPTIONS:

- a. Approve Resolution No. 07-xx awarding a two year contract extension (with the option up to 10 years), in the amount of \$12,500, to MuniFinancial for preparation of the annual engineer's report and compensation as approved (per proposal) for new development review and monitoring support and annexation/formation services.

- b. Amend, modify, or reject the above option.

Prepared by: Dennis Fansler, Maintenance Services Superintendent

Attachments (2)

- 1) Resolution
- 2) MuniFinancial Proposal

RESOLUTION NO. 07-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PASO ROBLES
AWARDING A TWO YEAR CONTRACT (WITH THE OPTION TO EXTEND UP TO 10
YEARS) FOR ONGOING LANDSCAPE AND LIGHTING (L&L) DISTRICT
ENGINEERING SERVICES TO MUNIFINANCIAL OF TEMECULA, CALIFORNIA

WHEREAS, staff issued a Request for Proposal (RFP) to obtain L&L Engineering Services for three major activities; and

WHEREAS, those activities include preparation of the annual engineer's report, new development review & monitoring support and annexation/formation services; and

WHEREAS, three RFP were received ranging from \$12,500 to \$135,890; and

WHEREAS, staff reviewed the proposals and the analysis is complete with staff recommending extending the contract of MuniFinancial of Temecula, California in the amount of \$12,500; and

WHEREAS, the approved Landscape & Lighting budget contains sufficient funding to accommodate this request.

NOW, THEREFORE, BE IT RESOLVED, AS FOLLOWS:

SECTION 1. The City Council does hereby authorize the City Manager to enter into a contract with MuniFinancial in the amount of \$12,500 for preparation of the annual engineers report and compensation for new development review & monitoring support and annexation/formation services.

PASSED AND ADOPTED by the City Council of the City of Paso Robles this 6th day of November 2007 by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

ATTEST:

Frank R. Mecham, Mayor

Deborah D. Robinson, Deputy City Clerk

*Proposal to Provide
Consulting Services for Landscape
& Lighting Maintenance
District No. 1 for the
City of Paso Robles*



27368 Via Industria, Suite 110, Temecula, California 92590

October 10, 2007

Mr. Dennis Fansler
Maintenance Services Superintendent
City of Paso Robles
1000 Spring Street
Paso Robles, California 93446

Re: *Proposal to Provide Consulting Services for Landscape and Lighting Maintenance District No. 1 for the City of Paso Robles*

Dear Mr. Fansler:

In response to the City of Paso Robles's Request for Proposal dated September 10, 2007, we have prepared the following proposal for Special District administration and formation services. This proposal for the City's Landscaping and Lighting Maintenance District, which covers a five (5)-year period, includes an overview of our experience, a breakdown of the specific requested services, along with their associated fees. All services will be performed out of our Temecula office. Moreover, as specified in your Request for Proposal, we acknowledge that our proposal will remain firm for a period of *ninety (90)-days* commencing from the stipulated submission date of October 11, 2007.

As our staff has been providing Special District administration, plus budget and assessment development, balloting, as well as public outreach support services for the City's *Landscaping and Lighting Maintenance District No. 1* and *Community Facilities District 2005-1* (administration only) for approximately 15 years, we feel that our firm is uniquely qualified and well-suited to serve the City with their future growth and district administration needs.

Our *familiarity and rapport* with City staff, pre-established accessibility to necessary data, and full understanding of the diverse and complex challenges the City faces each year, will augment our ability to aide the City in effectively serving the residents and property owners of Paso Robles. Over the years, while administering your districts, we have come to understand and appreciate the specific challenges faced by your City. We have always pledged and will continue to provide a level of required *personal and quality service*. Consequently, we are confident that we have the resources and know-how to continue this trend.

The team we have assembled for your project will include Ms. **Adina Vazquez** as senior project manager in charge of administration and Mr. **Jim McGuire** as senior project manager in charge of consulting services. I will serve you as division manager and principal-in-charge of our District Administration Services group while Mr. **Chris Fisher** will be the principal-in-charge for any consulting services relating to formations or annexations to the City's existing Landscaping and Lighting Maintenance District. Supporting Ms. Vazquez will be Analyst **Alan Stutler** and Senior Analyst **Camille Mahant** will provide support to Mr. McGuire. Finally, serving as assessment engineer will be Mr. **Dick Kopecky**, P.E., while Mr. **Bob Quaid**, CPA, will act as our quality control advisor. Collectively, this team will provide the requisite experience and technical knowledge necessary to successfully complete the projects, while simultaneously serving as the City's *expert resource*.

In addition to having overseen projects for your City, MuniFinancial also serves the cities of **Thousand Oaks, Atascadero, Fillmore, and Palm Desert**; plus the **Conejo Recreation and Park District**, our 34-member district administrative staff, and 25-member financial consulting staff, possess a reputation for quality and personal service that is recognized throughout the state. Consequently, we encourage you to contact any of the provided references.

We look forward to continuing our relationship with the City of Paso Robles. If you have any questions, please contact me at (800) 755-MUNI (6864), or via email at markr@muni.com. Based on the attached scope of work and fee schedule, I have the authority to bind the firm.

Sincerely,
MuniFinancial

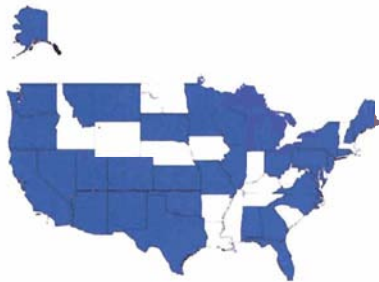


Mark Risco, Vice President and Division Manager
District Administration Services

TABLE OF CONTENTS

1. INTRODUCTION	1
Major Focus	2
Ownership Structure	3
Financial Resources/Stability	3
Business Length of Time	4
Project Understanding	4
Requested Services	5
Primary Contacts	19
2. QUALIFICATIONS	20
Demonstrated Administrative Knowledge	20
Demonstrated Formation / Balloting Knowledge	25
3. STAFFING	32
Project Management	32
Résumés	34
Alternative Individuals	44
Subconsultants	44
4. FEE PROPOSAL	45
Landscaping and Lighting District Administration	45
Development Review and Monitoring Support, and Annexation / Formation Services	46
Reimbursable Expenses	47
Hourly Rates	48
5. CONTRACT TERMS	49
9. Performance Standards (Page 4)	49
13. Ownership of Documents (page 5)	49
Exhibit D: Insurance Requirements To Professional Services Agreement	49
6. REFERENCES	51
7. DISCLOSURES	52

1. INTRODUCTION



MuniFinancial, Willdan, Arroyo Geotechnical, and American Homeland Solutions are the four (4)-company public service team that has grown from the 1964 establishment of Willdan Engineering, known today as *Willdan Group, Inc.* This group of companies provides financial and economic consulting, civil and structural engineering, planning, geology and geotechnical engineering, and security consulting services for public sector clients throughout California and across the nation.



MuniFinancial provides financial and economic consulting for growth planning, revenue generation, debt administration, and municipal services, with specialties, such as ongoing Municipal Disclosure and Arbitrage Rebate compliance. Established in 1988, MuniFinancial has worked with over 800 public agencies throughout the United States.



Willdan is a full-service, multi-disciplinary California corporation that specializes in consulting, engineering and **planning** services for governmental agencies. Willdan has expanded in size, locations, and service capabilities; thus becoming an industry leader in public works design, planning, and financing. Its staff of over 441 professional and technical experts includes specialists in highways and roadways, drainage and flood control, bridges, traffic and transportation, municipal landscape architecture, environmental planning; construction management, building and safety services, urban and regional planning; water resources, structural engineering, computer-aided analysis and design; and other technical fields.



Arroyo Geotechnical offers a full complement of geology/geotechnical engineering capabilities, including soils engineering, earthquake and seismic hazard studies, geology and hydrogeology engineering. Arroyo Geotechnical also maintains a full-service geotechnical laboratory.



American Homeland Solutions (AHS) is the most recently formed subsidiary of Willdan Group, Inc. AHS is dedicated to helping clients enhance their preparedness and responsiveness to domestic security. Some of the areas of opportunity include homeland security needs assessments, school security planning, public education outreach, and emergency response training.

MAJOR FOCUS

MuniFinancial has the largest Special District formation and administration practice in the nation. We are also known as the pre-eminent Municipal Disclosure firm and a major provider of Arbitrage Rebate services. Our clients include cities, counties, state agencies, port authorities, housing agencies, Special Districts and school districts. Our staff of **over 80 professionals** acts as an extension of agency staff, providing such services as:

MuniFinancial provides the following primary services:

- ✓ *District Administration Services*
- ✓ *Financial Consulting Services*
- ✓ *Federal Compliance Services*

- Administration of Special Taxes, assessments, standby charges and utility rates;
- Arbitrage Rebate calculations;
- Municipal Disclosure reports preparation and dissemination;
- Economic studies, such as fiscal analyses of new development, LAFCO studies and development impact fees;

- Financial studies to identify funding sources or determine optimal utility rates, standby charges and cost of services; and
- District formation services for capital project Assessment/Local Improvement Districts, Community Facilities Districts, Landscaping and Lighting Districts and Special Taxes.

In addition, we are dedicated to the improvement of our technology. Our Information Technology staff has created MuniFinancial's **Municipal Administration Government Information Coordinator (MuniMagic™)**, a custom software program to address the specific requirements related to administering taxes, assessments, standby charges and fees. The latest advance in the program allows clients to access parcel information through the Internet with a menu-driven format.

From our Temecula headquarters (with branch offices throughout California, Arizona, Florida, Tennessee, and Washington), we augment existing personnel by providing specialized expertise. In support of this, MuniFinancial staff members regularly write articles and conduct presentations for local, state and national organizations. We hold client workshops and conduct onsite training throughout the year to assist clients in keeping abreast of the latest developments, while helping new agency staff understand our services. The following lists the location of our principal offices:

Corporate Office:

27368 Via Industria, Suite 110
Temecula, CA 92590
Tel: (951) 587-3500
Tel: (800) 755-MUNI (6864)
Fax: (951) 587-3510

Office Locations:

Anaheim, CA	Memphis, TN
Lancaster, CA	Phoenix, AZ
Los Angeles Regional Office	Sacramento, CA
Oakland, CA	Seattle, WA
Orlando, FL	

MuniFinancial focuses on the following client base:

- ✓ *State Agencies*
- ✓ *Counties*
- ✓ *Cities*
- ✓ *School Districts*

- ✓ *Special Districts*
 - **Community Services Districts**
 - **Recreation and Park Districts**
 - **Water Districts**
 - **Vector Control Districts**

OWNERSHIP STRUCTURE

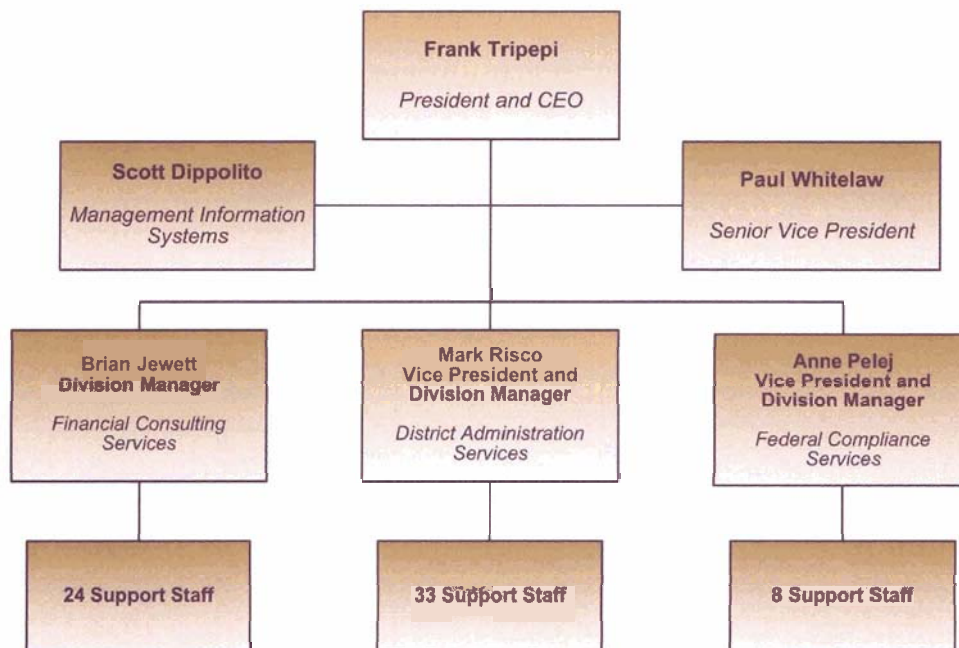


MuniFinancial's mission is to provide our clients services as rapidly and as economically as possible. Our approach to all projects involves assembling a core team of key staff to be responsive to our clients' needs.

Our strategy is to integrate the MuniFinancial Team with client staff and other design team members as much as is practical to form a cohesive and flexible unit capable of responding to the required scope of services and any unforeseen situations which may arise. **MuniFinancial's** strong professionals have extensive hands-on experience in all aspects of Financial Consulting Services.

Periodically, throughout the course of a project and at the end of each submittal, the project manager and/or principal-in-charge will contact the client to get feedback on the MuniFinancial Team's performance to ensure the client is satisfied.

The following organization chart outlines the basic **MuniFinancial** structure:



FINANCIAL RESOURCES/STABILITY

MuniFinancial has a history of stability. Since incorporation in 1988, the firm has experienced steady growth and stable profitability. Currently, the firm's **client base exceeds 800 agencies** across the nation. Furthermore, the services the firm provides are diverse in nature and integral to the work of public agencies. Much of the work performed is highly specialized and detailed, and involves compliance with local laws and federal requirements. MuniFinancial employs over 80 professionals dedicated to providing quality service to clients and the municipal profession.

MuniFinancial's financial stability and growth, coupled with its structure as part of *Willdan Group, Inc.*, contributes to the company's ability to invest in technology. Over the last 5 years MuniFinancial, by itself, has invested over \$1.5 Million in technology, such as fixed asset purchases and development of *MuniMagic* – MuniFinancial's proprietary software system. Innovation is one of MuniFinancial's founding values and the company has and will continue to invest in technology to remain state-of-the-art and to continually improve and expand the service we offer our clients.

As MuniFinancial is a wholly-owned subsidiary of Willdan Group, Inc. (WGI), a publicly-traded company on the NASDAQ (ticker: WLDN), further financial information for WGI can be found on its Website at www.willdangroup.com. Due to a strong, dependable reputation in the financial consulting industry, MuniFinancial has sustained a healthy financial performance and has consistently maintained a large client base enhanced by repeat customers and referral businesses. Moreover, as a consequence of our financial stability, no bankruptcy, litigations, planned office closures, or mergers are pending that would impede our ability to complete the City's project.

Upon request from the City of Paso Robles, MuniFinancial will provide specified confidential financial information for review.

BUSINESS LENGTH OF TIME

Since our inception and incorporation on **June 24, 1988**, MuniFinancial's center of operations has been the City of Temecula, California. Committed to our successful corporate philosophy of *personal service* for **over 19 years**, we provide support throughout the year — *and for years after*. Clients can be assured that should any questions or issues arise, we can be reached.

PROJECT UNDERSTANDING



MuniFinancial understands that the City of Paso Robles wishes to retain a consulting firm to provide the annual administration services for the City's following 1972 Landscaping and Lighting Act District:

- *Landscape and Lighting Maintenance ("LLMD") District No. 1*

In addition, the City wishes to retain a Consultant with expertise in processing new development into the LLMD No. 1 and the associated Proposition 218 proceedings, along with any necessary modifications to the District structure or Method of Apportionment.

As we are actively involved in the administration and formation of Landscaping and Lighting Districts, Community Facilities Districts, Local Improvement Districts and Special Parcel Taxes throughout the State of California, we understand the complexities and challenges faced by local agencies as the formation and day-to-day administration of these Special Districts is completed; and we are attuned to the additional attention to detail warranted by the passage of Propositions 218 and 13. As a result, we have selected a project team to address the need for experienced personnel in the area of comprehensive district administration and formation.

More importantly, as our firm have been the administrator of the district for the last 15 years, we have intimate working knowledge of the City's LLMD No. 1. The historical information that our firm maintains, and our unique familiarity with the District, will allow us to continue to assist the City with it's many challenges as the City continues to develop and grow.

REQUESTED SERVICES

Landscaping and Lighting District Administration

As part of this proposal, MuniFinancial offers to perform the following administration services for the City's *Landscape and Lighting Maintenance District No. 1*.

MuniFinancial will:

1. Schedule an annual kick-off meeting with City staff to review the existing district information; and identify and discuss possible changes to the district for the upcoming fiscal year, including budget issues, annexations, modification, or expansion of district improvements, as well as legislative changes that may impact the district.
2. Prepare an annual levy timeline identifying key dates and timeframes for pertinent tasks throughout the levy process. This timeline will be reviewed and discussed with City staff. As needed, the timeline will also be adjusted to address the City's scheduling requirements or proposed district changes.
3. Review district budgets provided by the City and/or developed through the annexation/formation process, and coordinate with City staff to assist with accurate cost-recovery accounting. MuniFinancial will assist City staff to prepare and review the annual district budgets; thus ensuring the appropriate incorporation of maintenance contract costs, administrative expenses, material costs, capital costs, and other incidental costs into the district's budget to achieve maximum cost-to-benefit equity. MuniFinancial can help to see that adequate and appropriate fund balances are identified. In addition, MuniFinancial will use the district's updated parcel database to provide estimates of the assessment revenue for the upcoming fiscal year. These revenue estimates will be incorporated into the fiscal year budgets for the district, which will be analyzed to determine required changes in the level of assessment or funding from other sources. If necessary, MuniFinancial can meet with City staff to discuss aspects of the annual budget.
4. Maintain and update a parcel levy database by using the parcel information from various sources. As new data becomes available each fiscal year from the County, we will update and enhance the levy data through parcel research utilizing secured roll information, 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 district assessments.

Based upon their assigned benefit, our MuniMagic software will be used to calculate the annual assessments for the parcels within the district. This software is capable of handling complex assessment methodologies and formulas, calculating the annual assessments, and producing files in the required format for submittal to the County Auditor/Controller's Office.

This same data can then be used to reproduce a database of assessed parcels in hardcopy, CD-ROM, or other electronic formats. The County secured roll, Assessor's parcel maps, or any other necessary or required data sources for the calculation of the annual assessments will then be purchased by MuniFinancial; and the cost will be passed onto the City.

5. Draft necessary resolutions to be adopted in conjunction with the annual levy of assessments by utilizing resolutions previously adopted by the City for the annual levy process. If requested, assist City staff in the preparation of staff reports. By applying current legislation, MuniFinancial will identify and discuss recommended changes to the resolutions with the City. The City acknowledges that the City Attorney will review all resolutions for form and content.
6. Attend, in addition to the annual kick-off meeting, up to two (2) City meetings, public hearings and/or staff meetings. MuniFinancial will also be available to answer any questions requested by staff. MuniFinancial staff time for these meetings is included in our fee proposal, while travel expenses will be billed separately from actual costs incurred. Please see "Fee Proposal" section for further details.
7. Prepare, in accordance with the Landscaping and Lighting Act of 1972, and the provisions of California Constitution Article XIID (Proposition 218), the district's annual Engineer's Report. This report will include the following required items:
 - A general description of the district, which may include key historical facts, zone designations, and discussion of district benefits;
 - A description of the plans and improvement specifications (this may apply 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 (provided by the City);
 - An assessment of the estimated cost to each parcel; andAn affidavit stating that a professional engineer has prepared the report.
8. Provide the City with two (2) bound copies of the full Engineer's Report, including the collection roll (one [1] for the City Clerk, and one [1] for City staff), and one (1) unbound copy of the Engineer's Report for staff to reproduce, as needed.
9. Provide assessment amounts for each parcel by Assessor's Parcel Number to the County Auditor/Controller's Office in the media, format, and configuration required by the County for placement on the annual property tax roll.
10. Provide resolutions ordering the levy, collection of assessments, and any other necessary information to the County Auditor/Controller's Office.
11. Research the exceptions upon receipt of a parcel exceptions list from the County; and update parcel number changes, as well as report the revised parcels and updated levy amounts to the County. As necessary, MuniFinancial will prepare for City staff additional County-required correspondences relating to the submittal, correction, or removal of assessments to the County tax roll.
12. Provide the City with a levy summary report comparing budget amounts to the actual applied levy. This levy summary will include a description of the reasons for any significant variances between the amounts budgeted, and the amounts actually applied to the County tax roll.
13. Act as primary contact (at the discretion of the City) to answer property owner questions regarding the district and assessments. MuniFinancial typically provides the County our toll-free telephone number for inclusion on the tax bills for property owners to call with questions.

14. **(Optional):** Prepare and mail invoices (handbills) to all property owners whose proposed annual assessment for their parcel could not be applied to the County tax roll (parcels for which the County does not generate a tax bill). These invoices would be provided in two (2) installments, similar to the County tax bills, and would be payable directly to the City.

Client Responsibilities

As required by law, the City of Paso Robles is responsible for publishing the public hearing notices in the local newspaper, as well as posting these notices.

MuniFinancial will rely on being able to obtain the following information from the City:

- Annual budget information, including estimated fund balances.
- Changes, modifications, or updates to the improvements and services provided, as described in the previous year's Engineer's Report.
- Certified copies of the resolution(s) or other documentation required by the County for submittal of the annual levy.
- Complete list of improvements provided and maintained in each specific zone, and identified in the current Engineer's Report as being on file in the engineering department.
- Obtaining pertinent development information and annexations, as needed.
- Updated boundary diagrams, as required.

The City acknowledges that the scope of services for annual administration described herein, including the preparation of the annual Engineer's Report, does not include the preparation or update of any boundary diagrams and/or assessment diagrams (maps). The City shall be responsible for preparing, updating, and providing MuniFinancial with such maps for inclusion in the annual reports. However, if requested, MuniFinancial can prepare and update said maps, **as an optional service and for an additional fee**, provided that the City can supply MuniFinancial with the necessary electronic base maps.

Development Review and Monitoring Support Services

In order to identify appropriate Special District funding needs for new developments within the City of Paso Robles related to landscaping and lighting maintenance, MuniFinancial will work with City staff to track and review the various new development projects within the City, as needed.

Upon receipt of a development documentation package from the City regarding a potential new development that may create new landscaping and/or lighting improvements that will be maintained by the City and/or a may be affiliated with (benefit from) existing improvements currently funded by district assessments, MuniFinancial will perform the following services to assist the City in providing development-monitoring support:

1. Provide the City confirmation of receipt of pertinent documents (e-mail confirmation).
2. Review the documents provided by the City and identify whether the development requires the establishment of landscaping and lighting assessments and, if so, whether the development should be:
 - Annexed into an existing Zone or Sub-area within District No. 1;
 - Established as a new Zone or Sub-area within District no.1; or
 - Formed as a new, separate district.

During this review process, MuniFinancial may contact the City planner or other City staff for additional documents or clarification that is necessary to complete the review. Generally, our review and recommendations for further action will be completed within four (4) weeks of the initial documentation receipt confirmation unless additional information is required to complete the analysis

3. To ensure that all new developments submitted by the City for review are processed in a timely manner, we will maintain a master-tracking file of all projects provided for review and processing.
4. Upon completion of our initial review for each new development, MuniFinancial will provide the City with a Summary Memorandum (e-mail) that will:
 - Identify recommended district formation or annexation actions to be taken (if applicable).
 - List additional documents and information that will most likely be needed from the City or developer/property owner to establish appropriate assessments.
 - Present an estimate of MuniFinancial fees for processing the annexation/formation that should be collected from the property-owner/developer. Generally, the fee estimate will be based on the standard fee ranges outlined in the “Fee Proposal” section, however these standard fees may not be applicable in all cases. If our estimated fee is more or less than our standard fee range, the reasons for such modifications will be outlined in the summary memorandum.
 - Present a general estimate of when the public hearing for the related annexations/formations will most likely be scheduled for the particular project.
5. After submitting the Summary Memorandum to the City for review, we will be available via telephone conference call to discuss our findings and recommendations with City staff. (At the City’s discretion, this conference call may include the developer/property owner).

If annexation/formation proceedings are warranted based on the Summary Memorandum, the City must provide written authorization (letter or e-mail) that directs MuniFinancial to proceed with specified Special District Annexation/Formation Services for the development.

Client Responsibilities

To ensure that each new development project can be properly addressed and reviewed, the City needs to provide MuniFinancial with adequate documentation and information regarding the development and anticipated improvements that will be associated with that development. For each new development the City should provided a single comprehensive packet of documentation that includes sufficient information to identify:

1. The proposed land use and type of property development (type and number of residential units, type of non-residential development that may be within the development, anticipated phasing, and/or absorption rates, etc);
2. The location of the project, and the parcels (Assessor’s Parcel Numbers) that currently comprise the development;
3. The location and extent of any public improvements that will be constructed as part of the development that will ultimately be maintained by the City; and
4. Related information regarding any deed restrictions, or improvements within or adjacent to the development that may be funded or maintained by an association or other funding source.

Generally, the applicable documentation needed for review is obtained during the City's plan check process for new developments and these documents may include, but are not limited to:

1. Copies of the planning permit applications and forms;
2. Copies of the overall development plan (tentative tract map, tentative parcel map, specific plan, etc) that have been submitted to the City for approval;
3. Improvement plans (diagrams of any proposed Landscaping and Lighting improvements proposed for the project);
4. Descriptions of public improvements (location, size, quantities, etc);
5. Point of contact at the City (assigned planner's contact information); and
6. Points of contact for the property-owner/developer.

Although additional information regarding improvement specifics may be requested during the actual annexation/formation process to develop appropriate assessments, the initial packet of information provided by the City should be as complete and comprehensive as possible.

District Annexation / Formation Services

MuniFinancial will perform 1972 Act District annexation/formation services, as authorized by the City of Paso Robles.

In order to streamline the annexation/formation process for the City, we anticipated that each fiscal year, the annexation/formation proceedings for most new developments can be grouped together so that the Public Hearing and balloting can be scheduled and conducted simultaneously at one of two preset Council meeting dates during the year (rather than processing each new development separately on different timelines). Generally these preset Public Hearing dates would be scheduled once during the fall months, between October and December, and again during the spring months, between May and June. (The spring Public Hearing may be scheduled to occur simultaneously, or in conjunction, with the annual Public Hearing for District No. 1.)

Utilizing this approach, the City Council will be able to take action on multiple developments (annexation/formation projects) at one time rather than numerous times throughout the year and therefore, every effort will be made to schedule various projects together. Generally, the preset Public Hearing dates each year will be scheduled based on the overall timeline of events that best addresses the needs of the majority of the new development projects the City has authorized for annexation/formation proceedings. These dates will be discussed and confirmed with the City each year based on the pending annexation/formation projects that need to be processed. However, if a particular development needs to be fast-tracked or requires an expanded timeline due to the complexity of the development or associated improvements, the Public Hearing and balloting for that particular project can be scheduled on a separate timeline (as-needed basis).

For each district annexation/formation project authorized by the City, the following services will be performed.

Initiation of Annexation / Formation Projects

1. Following the receipt of the City's authorization to proceed, we will participate in a project kick-off telephone conference call with City staff to discuss the annexation/formation process and identify additional documents or information that may be needed. At the City's discretion, this conference call may include the developer/landowner and/or their representative(s).

2. After the project kick-off telephone conference call, we will prepare and submit a proposed timeline of events to the City, identifying key dates and the targeted Public Hearing date. Along with this timeline, MuniFinancial will submit a written request for any additional data or project-specific information that was not previously requested or provided. If requested by the City, a copy of the proposed timeline and request for additional information will be sent directly to the developer/landowner. Requested information may, include:
 - Specific development maps, diagrams, or expanded descriptions of the proposed improvements (e.g., size, quantities, construction materials, etc.);
 - Copies of any Grant Deeds or other documentation related to ownership or development restrictions;
 - Absorption schedule for the project, product mix, and/or specifics regarding the type and size of proposed residential units, and/or commercial development (typically needed for large developments only); and
 - Name, title, and mailing information of the person authorized to vote or sign on behalf of the developer/property owner.

Assessment Analysis

Utilizing documentation and project-specific data previously provided by the City and/or the property-owner/developer, MuniFinancial will evaluate the overall extent of the improvements and maintenance requirements associated with the development. Based on standard service levels and average costs per unit that is typically applied by the City, we will assist the City with developing the estimated budget for the ongoing maintenance and servicing of the various improvements and develop an appropriate cost allocation that reflects the proportional special benefit for properties within the development. This proportional cost allocation will be addressed through a “weighted” Method of Apportionment, which utilizes proposed land use and other property-specific variables for the development and may include the proportional benefit these properties receive from existing improvements that are associated with a related Zone or Sub-area within District No. 1.

Upon completion of our analysis, we will provide a recommended district structure and assessment scenario in a summary memorandum to City staff for review and discussion via telephone conference call. As such, MuniFinancial will perform the following “Phase 2” tasks.

MuniFinancial will:

1. Review the provided parcel maps, development plans, improvement plans, and improvement specifications to develop an appropriate allocation of costs associated with each improvement, and establish a Method of Apportionment that provides a reasonable and defensible special benefit nexus to assessed properties. Utilizing this information, we will establish the boundaries of the proposed district or annexation territory; and incorporate any zones of benefit deemed to be appropriate.
2. Develop a district assessment database that contains all benefiting properties within the development. This database will incorporate proposed development and property (parcel)-specific information that is necessary to calculate the proportional special benefit and assessment obligation for each property in accordance with an established Method of Apportionment and proposed development plans. This data may include, but is not limited to:
 - Current and planned land use designations,
 - Acreage,

- Number of proposed residential units,
- Property dimensions,
- Potential Zone and/or Sub-area designations,
- Development restrictions, and
- Current ownership information.

The property information incorporated in the database will be based on parcel information obtained from the County Assessor's Office, as well as on information provided by the City and developer. This database will be utilized to calculate the proportional maximum assessment amount to be balloted and ultimately the amount to be levied on each property.

3. Prepare the district budget for the maintenance and servicing of the improvements at build-out based on the detailed description of the proposed improvements and facilities provided by the City and developer, as well as on the standard costs per unit historically utilized by the City for calculating the costs associated with similar improvements. This budget will usually incorporate:
 - The development's proportional share of any improvements that the development may have in common with an existing Zone or Sub-area within District No. 1; and
 - An estimate of the annual and periodic maintenance costs; long-term repair and rehabilitation costs; proportional administration expenses; and any other funding deemed appropriate to provide the improvements specifically associated with the development.

The budget will be structured to achieve maximum cost-to-benefit equity for the properties within the development, as well as ensure the long-term financial stability of District No. 1.

4. Prepare a recommended district structure (benefit zones), the Method of Apportionment, and assessment evaluation for discussion with City staff (including any identified general benefit, cost sharing considerations, or other revenue contributions) based on variations in benefit within the proposed development, as well as on any associated Zone or Sub-area. We will prepare and present a summary review of our recommended approach and resulting assessment rate(s) to the City's designated point of contact for review and discussion.

This document will include:

- The proposed district budget and maximum assessment(s);
 - Identification of any proposed zones;
 - A summary of the method of spread (if different than the methodology currently used in District No. 1); and
 - Any pertinent tables and diagrams required for support of the proposed structure and assessments.
5. Initiate a conference call with the City to discuss and finalize the proposed budget, assessments, and district structure. At the City's discretion, this conference call may include the primary property-owner/developer contact to address and discuss any issues or concerns the property-owner/developer may have.

Notations:

We anticipate that for most developments, the transmittal of information and communications for our Assessment Analysis scope of work can generally be handled through conferences calls, e-mails, faxes, or by regular mail services. However, at the City's request, MuniFinancial will be available to

meet with City staff and the property-owner/developer at city hall (schedules permitting) to discuss the project, as needed. Because such meetings will not be necessary for most projects, they are considered “optional” services and will require an additional fee.

Assessment Documentation and Balloting

In conjunction with the City’s review of our Assessment Analysis, MuniFinancial will prepare the documents necessary for the annexation/formation proceedings, including the Engineer’s Report, City Council resolutions, and property owner notices and ballots.

MuniFinancial will:

1. Prepare the required Engineer’s Report in support of the assessments related to the proposed district formation or annexation according to the Landscaping and Lighting Act of 1972 and the California Constitution. The Engineer’s Report will include the following items:
 - **Plans and specifications** that describe the district, zones, and improvements.
 - **Method of Apportionment** that outlines the special benefit conferred on properties within the district from the improvements, as well as calculations used to establish each parcel’s proportional special benefit assessment; plus a description of the assessment range formula that establishes the maximum assessment rate in subsequent fiscal years.
 - **Budget** that outlines the costs and expenses to install, service, and maintain the improvements, including incidental expenses authorized by the Landscaping and Lighting Act to operate the district.
 - **Assessment diagram** that identifies the boundaries of the district.
 - **Assessment roll** containing each of the Assessor Parcel Numbers that comprise the district and the proportional maximum assessment.
 - **Affidavit** stating that a professional engineer has prepared the report.

Whenever possible, we will prepare a single report addressing multiple developments (annexations) rather than preparing a separate Engineer’s Report for each development. Because it is anticipated that most annexations for new developments will be successfully processed and ultimately incorporated into the annual Engineer’s Report for Landscape and Lighting Maintenance District No. 1, the Engineer’s Report that is prepared for most annexations will generally be more concise than the annual report and will focus primarily on the required elements for an Engineer’s Report, with limited discussion of background and procedure. For those annexations processed in the spring months, the annexation documentation and proceedings may be incorporated into the annual Engineer’s Report and levy process for District No. 1 (rather than preparing a separate report and documentation).

Although it may be desirable to consolidate most annexation/formation proceedings and the Engineer’s Report, this may not always be possible. If and when a combined Engineer’s Report is deemed appropriate, any cost savings will be passed on to the City.

2. Prepare resolutions for the Intent Meeting and Public Hearing. We will forward all resolutions to the City for review at least one (1) week prior to the City Council meeting agenda deadline. We anticipate that most formations/annexations will require a total of five (5) resolutions:

- **Intent Meeting** (two [2] resolutions):
 - ✓ **Resolution Initiating Proceeding**, and
 - ✓ **Resolution of Intention** (preliminarily approves the proposed assessments outlined in the Engineer's Report, sets the Public Hearing date, and calls for mailed ballots).
- **Public Hearing** (three [3] resolutions):
 - ✓ **Resolution Declaring Results of the Balloting**;
 - ✓ **Resolution Approving the Engineer's Report**; and
 - ✓ **Resolution Forming a New District or Annexing the Territory to District No. 1, and Ordering the Levy and Collection of Assessments.**

Generally, most annexation/formation proceedings will require a separate set of resolutions for each new development; but when multiple developments are being simultaneously addressed, some resolutions can be combined to encompass all processed developments (e.g., **Resolution Initiating Proceedings**).

3. Review related staff reports for the Intent Meeting and Public Hearing upon the City's request.
4. Update (if necessary) the Engineer's Report to reflect material modifications ordered by the City Council prior to the Public Hearing that are based on actions taken by the City Council at the Intent Meeting for the formation/annexation.
5. Prepare and mail notices and ballots in accordance with the requirements of the California Constitution. MuniFinancial will use the latest property owner information from the County Assessor's Office secured roll or as warranted, incorporate updated ownership and mailing information provided by the City or property-owner/developer. The notices and ballots prepared by MuniFinancial will characteristically be similar in format and content to the notices and ballots previously approved by the City. However, if substantial changes are deemed necessary, samples of these documents will be provided to the City for review and comment at least one (1) week prior to mailing.
6. Attend the Public Hearing regarding the district formation/annexation. We anticipate that Public Hearings will typically occur during one of two semi-annual Public Hearing dates that will be scheduled in advance to address multiple new developments. If requested by the City, we will also attend (as "optional" services) additional Council meetings regarding these matters, including the Intent Meeting and/or additional Public Hearings scheduled for dates other than the preset (spring and fall) hearing dates.
7. Tabulate the assessment ballots (in cooperation with the City Clerk) after the close of the Public Hearing. It is anticipated that most Landscaping and Lighting District annexation/formation proceedings for new developments will typically involve one or two property owners, and the ballots can be counted and recorded manually. Whenever possible, a single ballot for each property owner will be utilized that combines the total assessment amount of all the properties within the development that is owned by that property owner, thereby reducing the number of ballots to be tabulated. However, if a significant number of ballots need to be tabulated at the Public Hearing, MuniFinancial has developed software that uses barcode scanning and is capable

of tabulating approximately 300 to 500 ballots per hour. Once tabulation is completed, MuniFinancial will provide the balloting results to the City Clerk.

8. Be available by telephone to answer questions from City staff and property owners regarding the annexation/formation process during the course of the district formation.

Client Responsibilities

If necessary, the City will prepare, provide, or coordinate the following information/materials with the property-owner/developer:

- Information regarding current zoning, existing land uses, and proposed property development (as required).
- Detailed listing and description of the improvements to be included in the district, including a breakdown of existing improvements and proposed improvements, as well as any related installation plans or phasing of improvements.
- Various maps or diagrams (either electronically or in hardcopy) of the new development, improvements, or surrounding properties, as needed. These maps and diagrams may include development boundary maps, General Plan maps, improvement plans, zoning maps, Assessor parcel maps, subdivision maps, or related development diagrams.
- Provide (as needed) pertinent budget information, including estimated construction and installation costs, replacement costs, other capital expenditures, City overhead, and available funding from other sources that can be used to offset costs.
- Assist (as needed) with obtaining pertinent development information from the property-owner/developer.
- Prepare all internal memos, staff reports, and other supporting documents necessary for City Council agendas.
- Arrange for any required publication notices of Council meetings or Public Hearings in the local newspaper.
- Review the draft reports and resolutions before the final documents are prepared for the Council packets. This review is usually performed by department staff, but may include the City Attorney. Requested changes shall be submitted to MuniFinancial in writing.

Legal Opinions

In preparing the resolutions, notices and ballots, MuniFinancial will provide our professional expertise. Since we do not practice law, we ask that your City Attorney (or other designated counsel) review the documents. We will assist your attorney in identifying any pertinent legal issues.

The City of Paso Robles acknowledges that MuniFinancial shall be relying upon the accuracy of the information provided by the City, County and developer; and agrees that MuniFinancial shall not be liable for any inaccuracies contained therein.

Consulting Services for New or Increased Assessments

MuniFinancial will perform the following Assessment Engineering Services to assist the City of Paso Robles with potential new or increased assessments for existing developments within District No. 1, as needed.

Finalize Budget Assessments

1. Consult with City staff to determine project timeline, lists of improvements and maintenance modifications and budget information associated with the Zones or Sub-Areas being targeted for a proposed assessment increase.
2. Develop a district assessment database that contains all benefiting properties within the Zone(s) or Sub-Area(s) being targeted. MuniFinancial will use the base electronic assessment data that was used for the prior fiscal year levy of assessments and updated with the latest property owner information from the County Assessor's Office secured roll to establish the proposed assessment roll and a mailing database for the project. As warranted, we will incorporate updated ownership and mailing information provided by the City. When finalized, this parcel specific data will be used to generate both the assessment roll for the Engineer's Report and the notice and ballots for the proposed assessment increase to be mailed to each affected property owner. If requested, we will provide the City with a copy of this database.
3. Assist City staff with developing and preparing the proposed new budget(s) to ensure the budget(s) reflect accurate cost recovery to achieve maximum cost-to-benefit equity and long-term financial stability. The budget developed for the targeted Zone(s) or Sub-area(s) should be tailored to address adequate funding for annual maintenance costs; anticipated facility rehabilitation and replacement costs; and incidental expenses related to the administration and operation of the proposed improvements. To the extent possible, the budget and proposed assessments should also include the collection of funds over a short term to repay any loans or advances to address improvement deficiencies or capital projects such as irrigation repairs, plant replacements and renovations. MuniFinancial can help with preparing unit cost figures for most district operations and maintenance, if necessary.

While MuniFinancial will prepare a draft budget for the proposed assessment increase based on cost information provided by the City and appropriate calculations that are applied throughout the district for determining administration and rehabilitation/renovation programs allocations, it is ultimately the City's responsibility to confirm that the draft budget and estimated expenses are appropriate for the affected Zone(s) or Sub-area(s).

4. Based on the documents and information provided by the City, we will review the improvements and properties within the targeted Zone(s) or Sub-Area(s) to ensure that the current method of apportionment and allocation of the net costs provide a reasonable special benefit nexus to all properties within the affected Zone(s) or Sub-Area(s). If warranted, we will identify and discuss with City staff any recommended changes to the district structure or cost allocation including, but not limited to the establishment of new sub-zones, possible detachment of certain properties and improvement costs that should be considered general benefit or shared by other Zones or Sub-Areas (costs not assessed). When finalized with City staff, the proposed budget(s), and possible changes to the District structure or method of apportionment (if applicable), resulting in a proposed new maximum assessment rate, will be incorporated into an Engineer's Report for the proposed new or increased assessments.

Public Outreach

Public outreach programs can involve a variety of mechanisms and aspects including but not limited to mailers, workshops, newspaper articles, and property owner advocacy groups. Since the Engineer's Report and subsequent ballots must identify the proposed assessment that must be approved by the property owners, we anticipate that it will be necessary for the City to conduct property owner workshops to discuss the proposed changes to the improvements and assessments, even for those changes that are prompted by a petition of the property owners.

MuniFinancial does have proven experience with preparing selected outreach materials, including the development of Frequently Asked Question (FAQ) guides for mailing to property owners, as well as facilitating discussions at public workshops. MuniFinancial will perform the following Public Outreach tasks as needed and as approved by the City.

1. Assist City staff with preparing an appropriate outline and exhibits for the City to utilize in their presentation (PowerPoint) at the property owner workshop(s)
2. Attend the scheduled public workshop(s) and assist the City with presenting the proposed improvement changes, the associated budget and components of the proposed assessments, as well as any possible assessment options and the assessment balloting process, as required.
3. MuniFinancial will prepare and mail to all property owners of record, an invitation to the scheduled workshop(s). This document may be in the form of a simple postcard, or if the City prefers an invitation, may be designed as a simple single-page, double-sided informational piece that provides general background information on the proposed project and stresses the importance of the property owner's participation in the assessment process.
4. For new or increased assessments, in addition to the workshop invitation, MuniFinancial can prepare and mail a Frequently Asked Questions (FAQ) Guides to property owner as part of an overall education effort for the assessment. Many of the questions and answers we use in this document are typical issues raised by property owners. While the FAQ Guide may be prepared and mailed in conjunction with the property owner workshop postcard/invitation, the use of a separate FAQ Guide is often an effective tool as a follow-up to property owner workshops. Generally, an FAQ guide is mailed as a separate informational piece prior to the actual ballot mailing; however, if the City prefers, the guide can be issued in conjunction with the actual assessment notice and ballot mailing.

Preparation of the Engineer's Report and Noticing and Balloting

1. An Engineer's Report is a requirement for any proposed new or increased assessment. While the proposed assessment changes are often addressed during the District's annual renewal process and incorporated into the Annual Engineer's Report, as an alternative, MuniFinancial will prepare a separate Supplemental Engineer's Report that addresses only the affected Zone(s) or Sub-Area(s), with the balloting and approval process being scheduled at a time prior to the annual levy process. In either case, MuniFinancial will prepare the Engineer's Report for the proposed new or increased assessments that will be presented to the City Council, in accordance with the provisions of the Landscaping and Lighting Act of 1972 and the California Constitutions, Article XIIID (Proposition 218), including the following items:
 - Plans and specifications that describe the improvements to be maintained including significant changes in the maintenance service level(s).
 - Method of apportionment that outlines the special benefit conferred on properties within the Zone or Sub-Area from the maintenance and the calculations used to establish each parcel's proportional special benefit assessment, as well as a description of the assessment range formula that establishes the maximum assessment rate in subsequent fiscal years.
 - The budget that outlines the costs and expenses to provide maintenance, including incidental expenses authorized by the 1972 Act.
 - A map that identifies the boundaries of the zone.
 - An assessment roll containing each of the Assessor Parcel Numbers that comprise the zone and the proportional maximum assessment.
 - An affidavit stating the report has been prepared by a professional engineer.

2. Prior to the scheduled Intent Meeting, MuniFinancial will provide the City with an electronic copy of the Engineer's Report for City staff review and comment. When finalized with City staff, a final electronic version of the Report will be provided to the City, that the City Clerk may incorporate into the City Council's agenda package. The proposed assessment roll that is typically incorporated into each Engineer's Report may be provided to the City as a separate document or electronic file.
3. Prepare resolutions for the Intent Meeting and Public Hearing.
 - Intent Meeting Resolutions – Resolution Initiating Proceeding; Resolution of Intention (that sets the Public Hearing and calls for mailed ballots).
 - Public Hearing Resolutions – Resolution Declaring Results of the Balloting; Resolution Approving the Engineer's Report and Assessment Diagram; and Resolution Confirming the Levy and Collection of Assessments.

MuniFinancial will provide the draft resolutions to City staff prior to the City Council agenda deadline for City review and comment. All draft resolutions should be reviewed by the City Attorney for form and content prior to finalizing these documents for City Council action.

4. At the City's request, MuniFinancial will review and comment on the staff reports prepared by the City in connection with the proposed assessment increase proceedings (Intent Meeting and Public Hearing staff reports).
5. After the initial presentation to the City Council (Intent Meeting), if necessary, update the Engineer's Report to reflect changes ordered by the City Council prior to the Public Hearing.
6. MuniFinancial will prepare and mail notices and ballots in accordance with the requirements of the California Constitution Article XIID. The language of the notices and ballots will comply with the requirements of Proposition 218. MuniFinancial will use the latest property owner information from the County Assessor's Office secured roll and, as warranted, incorporate updated ownership and mailing information provided by the City. Prior to mailing, we will forward samples of the notices and ballots to the City for review and comment. Notices and ballots shall be mailed to property owners of record at least 45 days prior to the Public Hearing.

MuniFinancial will be responsible for preparing and coordinating the mail merge, printing and first-class mailing of the notice and ballots. The printed piece will be in black and white format and will consist of a single page (double-sided) for the notice and a single page (double-sided) for the ballot. We will rely on the latest property owner information from the County Assessor's Office for mailing information and will not be responsible for tracking or updating addresses or re-mailing any undeliverable notices and ballots. However at the City's request we will research and re-mail such documents on a time and material basis.

7. MuniFinancial will attend the Public Hearing before the City Council regarding the proposed new or increased assessments and under the authority of the City Clerk assist with the tabulation of the assessment ballots.
8. We will be available by telephone to answer questions from City staff during the course of this project.

Client Responsibilities

The City of Paso Robles will prepare or provide the following, if necessary:

- ◆ Detailed descriptions of the improvements to be maintained within the targeted Zone(s) or Sub-area(s), including a breakdown of any proposed improvement modifications or changes in service that have or may facilitate changes to the assessments.
- ◆ As needed, provide pertinent documentation associated with the improvements, facilities and budget information including, but not limited to, estimated renovation and installation costs, projected annual maintenance expenses, possible capital expenditures to be funded by the assessments, City overhead, available funding from other sources that may be used to offset costs, as well as any legal options or comments associated with this project.
- ◆ Prepare all internal memos, staff reports and other supporting documents necessary for City Council agendas.
- ◆ Arrange for any required publications notice of Council meetings or Public Hearings in the local newspaper.
- ◆ Review the draft report and resolutions before the final documents are prepared for the Council packets. This review is typically performed by Department staff but may include the City Attorney. Requested changes shall be submitted to MuniFinancial in writing.

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

Legal Opinions. In preparing the resolutions, notices and ballots, MuniFinancial will provide our professional expertise. Since we do not practice law, we ask that your City Attorney, or other designated counsel, review the documents. We will assist your attorney in identifying any pertinent legal issues.

PRIMARY CONTACTS

Pursuant to the City's RFP, the following provides general contact information for the persons the City may contact for further information or to schedule interviews:

District Administration Services

Mark Risco, Vice President and Division Manager

27368 Via Industria, Suite 110
Temecula, California 92590
Phone: (951) 587-3542
Toll Free: (800) 755-MUNI (6864)
Fax: (951) 587-3510
Email: markr@muni.com

Annexation / Formation and Balloting

Chris Fisher, Principal Consultant

27368 Via Industria, Suite 110
Temecula, California 92590
Phone: (951) 587-3528
Toll Free: (800) 755-MUNI (6864)
Fax: (951) 587-3510
Email: chrisf@muni.com

or ***Jim McGuire, Senior Project Manager***

27368 Via Industria, Suite 110
Temecula, California 92590
Phone: (951) 587-3536
Toll Free: (800) 755-MUNI (6864)
Fax: (951) 587-3510
Email: jimm@muni.com

2. QUALIFICATIONS

DEMONSTRATED ADMINISTRATIVE KNOWLEDGE

As the largest Special District formation and administration practice in the nation, MuniFinancial provides administration, financial, and consulting services in five (5) states — *Arizona, California, Florida, Tennessee, and Washington*. Together with our affiliate engineering company, *Willdan*, MuniFinancial offers a truly unique range of services to local government. With hundreds of ongoing client relationships for finance, engineering, and other services, we have been consistently called upon to assist public agencies with a wide range of special projects. We bring to the **City of Paso Robles** the experience and knowledge of seasoned municipal finance consultants and engineering experts under one (1) roof!

MuniFinancial's district administration services address the ongoing day-to-day activities associated with the long-term collection of bonded and pay-as-you-go Special Taxes, assessments, fees, utility rates and standby charges. These types of services demand accurate, timely and knowledgeable treatment of many details. Subsequently, MuniFinancial focuses on quality control and brings the advantage of current technology and knowledge of recent legislation to our clients.

Unique Qualifications

MuniFinancial has several attributes that set us apart from our competitors:

- Our company was formed to specifically offer annual district administration as a specialty service. Our organizational structure and systems have been designed to meet the needs of this niche market;
- Our staff has more than 19 consecutive years of providing engineering and consulting services related to Special Districts;
- A focus on customer service, expressly on acting as an extension of agency staff;
- *MuniMagic* — specifically designed for district administration. This is the database tool we use to process levies, automate delinquency management, and to serve as a central source to address property owner and interested parties' inquiries. New functionality allows reporting on phone call activity;
- Financial consulting services that include cost-of-service studies, rate analysis, district formation, fiscal impact studies, and economic analysis. All of these available services enhance our ability to serve public agencies;
- A dedicated staff committed to meeting deadlines, being responsive to clients and working hard to stay on top of legislative and industry developments;
- Internet access (optional): Web access to parcel data is available to clients for whom MuniFinancial administers district data. Details on this exceptional service are available upon request.

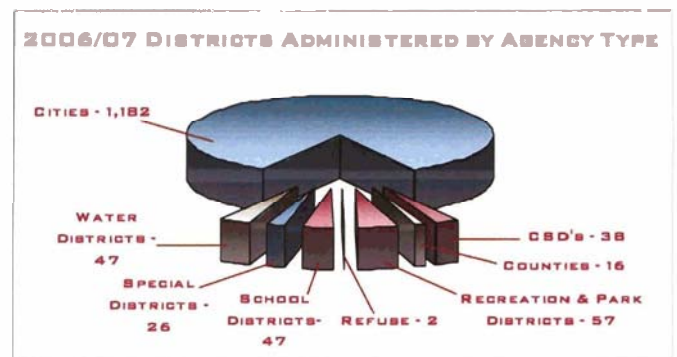
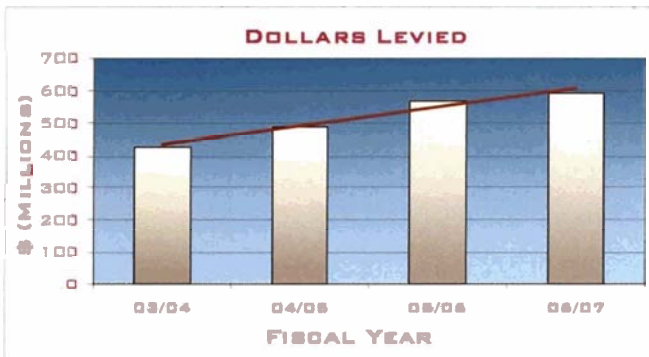
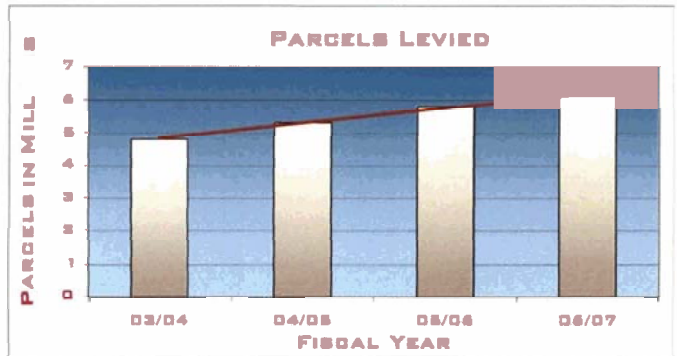
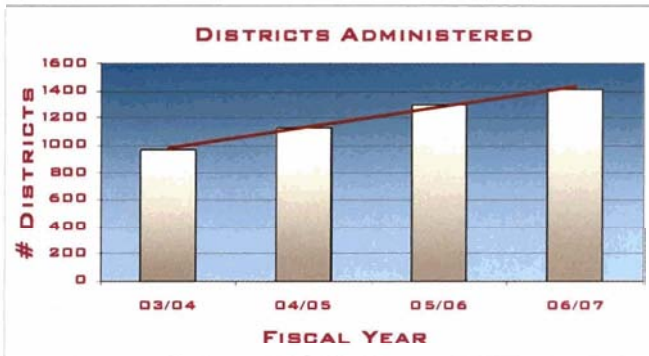
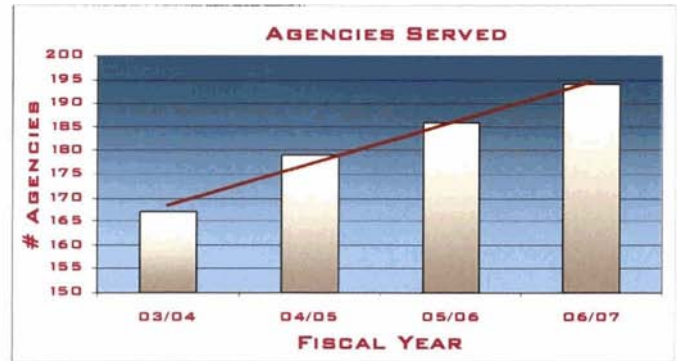
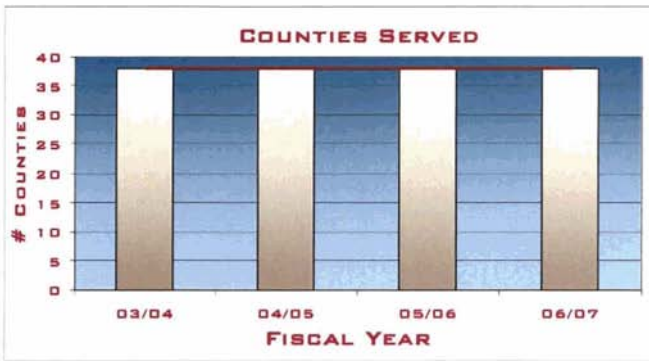
- ✓ *MuniMagic*
- ✓ *Function as an extension of staff*
- ✓ *Database setup, review and reconciliation*
- ✓ *Preparation of annual Engineer's Report, budget and resolutions*
- ✓ *Bill charges directly though county tax roll*
- ✓ *Comprehensive reporting*
- ✓ *Financial analysis, modeling, and budget forecasting*
- ✓ *Toll-free line*
- ✓ *Reporting on phone call activity*
- ✓ *Reporting on collections and payment status*
- ✓ *Calculation of prepayment quotes*

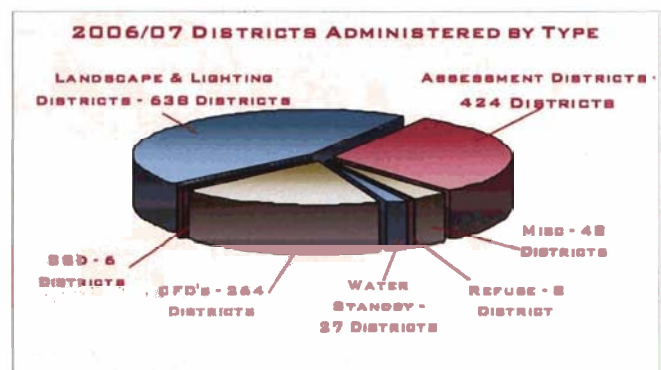
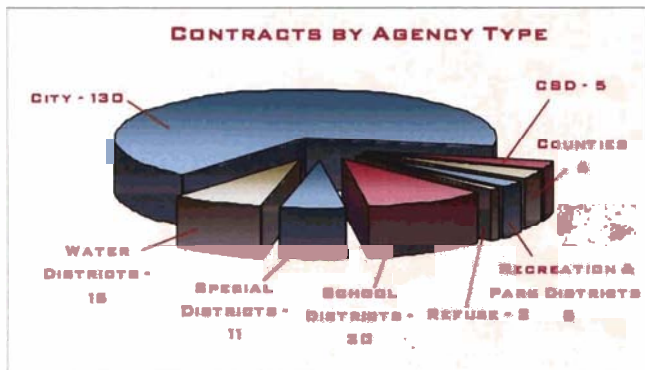
- In-house licensed engineers to generate Engineer's Reports and related documents; and
- In-house capability to produce County of San Luis Obispo-compatible formats (printed and electronic) for all necessary formation documents, including exhibits and appendices for Engineer's Reports.

Capabilities / Experience

District Administration Services Historical Statistics

The following are charts of the numbers and type of districts that we are contracted to annually administer. On behalf of our clients, we are now responsible for levying *over half a billion dollars each year!*





Experience with the Annual Levy Process

Three (3) major steps define the typical annual levy process:

- Step 1:** Establishing the proposed assessment and Special Tax for each parcel from an annual budget and a defined Method of Apportionment;
- Step 2:** Preparing and approving the proposed assessments in an Engineer's Report and Special Taxes; as well as
- Step 3:** Submitting the approved levy amounts to the County Auditor/Controller.

However, the key to a successful levy process is more than these three (3) steps. The process involves attention to details and follow-up. By simply calculating an assessment, applying it to Assessor Parcel Numbers (APNs) identified as valid parcels, then submitting those assessments to the County, lost revenue owing to parcel rejects will likely result. Prior to submitting the approved levy to the County, MuniFinancial's standard administration practice includes updating the levy data with the most recent County secured roll information. All parcel changes and potential rejects are researched and reconciled, new APNs are identified, and the proposed assessment amounts are recalculated. After the updated levy has been submitted, the County provides a list of rejects, which may include additional parcel changes or non-taxable properties. These parcels are then reconciled and resubmitted to the County.

Experience with the San Luis Obispo County Auditor / Controller

Our staff has long-time experience working with the San Luis Obispo County Auditor/Controller's Office, the Assessor's Office and Tax Collector. Our project team has more than 24 years' experience working with these offices and is extremely familiar with their procedures and practices. In addition, because MuniFinancial submits numerous assessments to the County, we have developed a strong working relationship that has benefited the County and our clients.

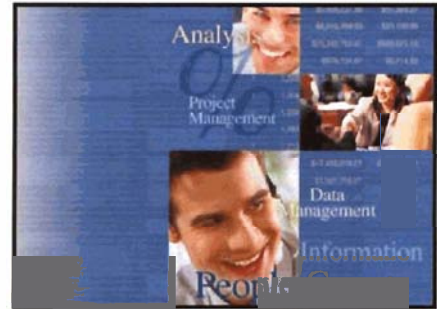
Quality Assurance

A key to our success is a designated senior project manager responsible for implementing quality control measures. Robert Quaid, a Certified Public Accountant, is instrumental in preparing quality control checklists and sign-off mechanisms for all of our administration services. These quality control measures are embedded in the latest evolution of our administration software, and are a required element of the day-to-day analyst and project management activities within the division.

Technical Innovations

MuniMagic

The most recent addition to our services is the development of an Internet interface to **MuniFinancial's** database management program known as *MuniMagic*. MuniMagic maintains parcel data, calculates Special Taxes, assessments, fees and charges, manages delinquency information and maintains bond related information. Clients can access data and reports online through a menu-driven system providing information at the touch of a button.



MuniMagic is the powerhouse used by **MuniFinancial's** experienced staff in fiscal year 2006-2007 to generate **\$592 million in levies and billings**, on more than **6.12 million parcels!** A staff of 34 people is dedicated full-time to calculations, levies, Delinquency Management, ongoing Disclosure, report writing, and property owner inquiries.

Property Owner Service Representatives

MuniFinancial's four (4) full-time property owner services representatives spend their days accepting phone calls related to assessments, charges and taxes. They have been trained to respond to questions relating to fees, charges, assessments, and Special Taxes; moreover, our representatives are fluent in English and Spanish. They use MuniFinancial's proprietary computer system to readily access the owner's name, the Assessor's Parcel Number, the existing taxes or assessments and more, enabling expedient service.

The property owner services representatives are available to respond to phone calls from eight in the morning until five in the evening, Monday through Friday, excluding major holidays when the MuniFinancial offices are closed.

To allow consistent answers for common questions, we have established scripts for other clients, such as what the charge funds are, how long the charge will be levied, can it be paid off, will it increase, what is the difference between this charge and other tax bill water fees, etc. We will meet with your staff to discuss appropriate answers to these and other pertinent questions; likewise, we will provide our property owner service representatives with an authorized script.

In addition, our property owner service representatives will keep a phone call log. A screenshot of MuniMagic's call log interface is shown to the right. Utilizing MuniMagic's reporting capabilities, the sample phone call log report (below) is generated from information inputted into MuniMagic's call log interface (shown above):

SAMPLE Assessment District 1 Phone Call History

Call ID	Time	Call Handler	APN	Caller Name	Reason for Call	Call Resolution	Comments
1053	3/15/04 10:47	Raj Chander	21229030	Michelle	Realtor	Multiple Queries (See Comment)	Provided Verbal Response/Explanation
2167	4/27/04 9:16	Laura Castro	21415025	Sandra	Property Owner	Other (See Comment)	Referred Caller to County
2080	4/21/04 14:47	Raj Chander	23351001	Vito	Property Owner	Charge Methodology Explanation	Provided Verbal Response/Explanation
367	2/17/04 9:37	Julie Grucella	23410033	Chima	Property Owner	Final Maturity Date of Bond/District	Provided Verbal Response/Explanation
80	2/3/04 13:37	Julie Grucella	23413027	Joan	Realtor	Final Maturity Date of Bond/District	Provided Verbal Response/Explanation
220	2/8/04 16:36	Julie Grucella	23414045	Dave	Property Owner	Improvements Description	Other (See Comment)
2111	4/23/04 8:50	Raj Chander	23420030	Jim	Prospective Owner	Charge Methodology Explanation	Provided Verbal Response/Explanation

Related Project Experience

The following project descriptions are relevant samples of similar projects where MuniFinancial provides Landscaping and Lighting District Administration Services:

City of Thousand Oaks

MuniFinancial performs the annual administration of the City of Thousand Oaks' Special Districts. The work involved in this project includes database maintenance, researching parcel changes, and preparing and providing the annual levy of Special Taxes and assessments. MuniFinancial administers on behalf of the City three (3) Community Facilities Districts (CFDs 1988-1R, 1994-1, and 1997-1), one (1) Business Improvement District (Thousand Oaks BID), and one Landscaping and Lighting District (LL79-2) consisting of 49 Zones with more than 35,500 active parcels.

City of Fillmore

MuniFinancial performs the annual administration of the City of Fillmore's five (5) Community Facilities Districts (CFDs 1R, 2R, 3, 4 and 5), two (2) Landscaping and Lighting Districts (LL No. 2 and Heritage Valley LLD), six (6) Service Districts (SDs 1, 3-7), and two (2) Special Tax Districts. The work involved in this project includes database maintenance, while researching parcel changes, and preparing and providing the annual Engineer's Reports. Additionally, staff calculates and apportions the Special Taxes, prepares draft staff reports, provides Special Tax levies, researches parcel exceptions, fields inquiries, monitors delinquencies, attends meetings, and prepares an annual Special Tax Report.

City of Atascadero

MuniFinancial performs the annual administration of the City of Atascadero's Community Facilities District, three (3) Landscaping and Lighting Districts, three (3) Benefit Assessment Districts, and five (5) Local Improvement Districts. The work involved in this project includes database maintenance, while researching parcel changes, and preparing and providing the annual Engineer's Reports. Additionally, staff calculates and apportions the Special Taxes and Assessments, provides Special Tax/Assessment levies, researches parcel exceptions, fields inquiries, monitors delinquencies, attends meetings, and prepares an annual Special Tax/Assessment Report.

City of Tracy

MuniFinancial currently provides administration services for the City's 1972 Act Landscaping and Lighting District to ensure accurate placement of the assessments on the San Joaquin County Secured Property Tax Roll. The work involved in this project includes gathering and ensuring accurate data, while researching parcel changes, and preparing the annual Engineer's Report. Additionally, MuniFinancial has conducted training sessions for members of the City's staff and Council workshops regarding the legal and administrative requirements of Landscaping and Lighting Districts, including Proposition 218 requirements.

City of Palm Desert

MuniFinancial currently provides ongoing annual district administration, Arbitrage Rebate, and Disclosure services for the City of Palm Desert's seven (7) Assessment Districts (ADs 01-01, 94-1AR, 94-2R, 94-3R, 98-1R, 2004-01 and 2004-02), as well as two (2) Community Facilities Districts (No. 91-1R, and 2005-1) Including a Consolidated Landscape and Lighting Districts with 33 Zones/Sub-Zones, 3 PBIDs and a BAD, 26 special districts comprising nearly 80,000 parcels are administered each year. The City's administration needs for each type of District vary. MuniFinancial coordinates with multiple City departments and personnel to collect budget information, fund

balances, development status, and attend Council Meetings. MuniFinancial also provides the City of Palm Desert with District formation/annexation, bond issue and refunding and balloting services, as needed.

City of Murrieta

MuniFinancial provides a wide variety of district administration services to the City of Murrieta's Landscaping and Lighting District No's 1-12. These districts comprise an aggregate of nearly 5,000 parcels. Duties entail organizing the annual kick-off meeting with City staff to review the existing districts, and identify/discuss possible changes to each district; preparing the annual levy timeline identifying key dates and timeframes for pertinent tasks throughout the levy process; Maintaining/updating the parcel levy database(s) for the districts for the upcoming fiscal year; providing the City with an update of the estimated benefit units identified in each district's levy database(s) for the City's consideration in preparing the preliminary district budgets; reviewing the preliminary district budget(s), and providing specific recommendations or budget alternatives; drafting resolutions to be adopted, in conjunction with the annual levy process; preparing the annual Engineer's Report(s); filing the electronic collection file with the County; attending meetings and public hearings; researching exceptions; updating parcel number changes; providing the City with a levy summary report; and answering property owner questions.

City of Rancho Mirage

MuniFinancial provides full annual administration services for the City of Rancho Mirage's Assessment District No's 22-85R, 22-85RR, 23-86R, 24-87, 25-90, 25-90R, 27-92, 29-96, 30-02, RR13-80; as well as for the City's L&L Districts No. 87-01 (Median Zone), and No. 87-01 (Zone A). All in all, these districts comprise over 14,000 parcels. Staff maintains and periodically updates an electronic database, annually calculates and apportions the Special Taxes, prepares a draft staff report, provides Special Tax levies, researches parcel exceptions, fields inquiries, monitors delinquencies, attends meetings, and prepares both an annual Special Tax Report and the Notice of Special Tax.

Los Angeles County Department of Parks and Recreation

MuniFinancial provides administration and engineering services to the Los Angeles County Department of Parks and Recreation, and maintains the parcel databases for forty-five Landscaping and Lighting Districts associated with several residential and commercial developments throughout the County. Moreover, our firm reviews the existing districts and administers the annual levy of assessments for over 32,000 parcels, plus we assist in the formation or annexation of new developments, while assuring compliance of Proposition 218.

DEMONSTRATED FORMATION / BALLOTING KNOWLEDGE

Unique Qualifications

MuniFinancial's Financial Consulting Services (FCS) group is a team of seasoned and experienced **financial professionals and economists**. Their experience and expertise is dedicated to maximizing revenue and helping build a sustainable financial future for your public agency. We offer a variety of financial, economic, and strategic planning services to our clients.

Agencies have long been faced with meeting the needs of both existing residents, as well as new developments. MuniFinancial is there with its **comprehensive approach, and clear and concise recommendations and presentations** to your staff, community, and legislative body. We have been consistently called upon to assist client staff with their financial and organizational challenges.

Our project managers understand that each agency is unique, and realize that once we join your team, we must work hard to guide you within the context of your local issues — political, financial, and economic. Furthermore, our consultants continuously educate themselves on all the **latest legal and economic factors affecting your financial future** by making presentations, teaching courses, and actively participating in a broad range of industry associations.

The table below offers an overview of the *unique* core services that our Financial Consulting Services group provides:

FEES AND RATE STUDIES	
User Fee Analysis	Utility Rate Modeling
Cost Allocation Studies	Budget Planning
DEVELOPMENT INFRASTRUCTURE FINANCING	
Development Impact and Utility Connection Fees for Capital Facilities	Infrastructure and Public Facilities Financing Plans
Real Estate Market Analysis and Development Forecasts	Capital Improvement Plans
SPECIAL DISTRICT FORMATION ASSISTANCE	
Community Facilities District and Special Tax Analysis	Proposition 218 Benefit Analysis
1972 Landscaping and Lighting Act	Fire Suppression Districts
Benefit Assessment Act of 1982	Bridge and Thoroughfare Districts
1913/1915 Bonded Assessment Districts Act	Refunding Bond Analysis and Reporting
Construction Acquisition Services	Notice, Ballot Preparation, and Mailing
ECONOMIC AND FISCAL POLICY ANALYSIS	
LAFCO Annexation, Consolidation, or New Governmental Agency Formation Studies	Financial Modeling, Budget Analysis, and Feasibility Studies
Fiscal Impact Analysis of Projects, Plans, and Policies	Economic Development and Economic Impact Studies

Capabilities / Experience

Determination of Assessment Benefit

With the passage of Proposition 218 in November of 1996, greater focus has been placed on assessment methodologies, determination of benefit and the corresponding assessments.

- MuniFinancial staff, along with Willdan’s engineers, **has prepared hundreds of levy reports**, giving the company the most comprehensive set of assessment methodologies in the industry.
- The requirement of a “special” benefit finding, distinct from a “general” benefit identified in Proposition 218, was not a radical departure from the pre-existing practice and case law.

However, since many assessment formulas might not withstand the heightened scrutiny likely to result from Proposition 218, the identification of special and general benefits during the review of assessment methodologies is very important. The clarity and documentation of the benefit findings in the Engineer's Report is a critical factor for supporting annual assessments, and MuniFinancial works closely with our clients *each year* to enhance this documentation.

1972 Act Special District Formation Services

If awarded, Mr. Jim McGuire will lead the potential formation of any new 1972 Act Assessment Districts for the City of Paso Robles or potential expansion and annexations to the existing district.

MuniFinancial and Willdan assessment engineers have **prepared hundreds of Engineer's Reports over two decades**. This has given MuniFinancial the most comprehensive set of assessment methodologies in the industry. Our methods withstand the heightened scrutiny resulting from Proposition 218. The scope of services we propose includes review of the improvements to identify general and special benefit.

Public Workshops and Communication

Effective communication with property owners is essential to a positive outcome of any public hearing and assessment process. Good listening skills as well as verbal and printed communication are key. In workshops, MuniFinancial seeks input from the public as to what they would like to see from the district. In the event we can incorporate suggestions, public support is strengthened.

Protest Ballot Experience

Since the enactment of Proposition 218 in November 1996, MuniFinancial **has prepared Engineer's Reports for over 100 separate** 1972 Act Assessment Districts for California local governments.

Our clients have discovered the benefits to the entire process of engaging a firm that brings a financial management and planning perspective to the creation of these districts. Our ability to consider the needs of all stakeholders in a maintenance district provides our clients with not only a successful formation, but with satisfied constituents and policymakers over time. During the dozens of public meetings and hearings in which we were involved over the past year, we were largely responsible for educating the public on the benefits of the financing mechanism. Our finance-oriented approach successfully met the public's demand for straight answers. The core of our successful approach to the annual hearings is the knowledge that the *taxpayer is also our customer* — not just the agency.

Proposition 218 Ballot Form Development

MuniFinancial adheres strictly to legislative policy during the course of the balloting development process. Consequently, when an agency proposes to levy an assessment for the capital cost of public improvements, or for maintenance and operation expenses of public improvements, or for the cost of provided property-related services, MuniFinancial identifies all parcels which would have a special benefit from the aforementioned improvements. Each owner of identified parcels is then given written notice by mail of the proposed assessment stipulating: (1) The total amount chargeable to the entire district; (2) The amount chargeable to the owner's particular parcel; (3) The duration of such payment; (4) The purpose of such assessment; and (5) The basis upon which the amount of the proposed assessment was calculated, together with the date, time, and location of public hearing. Included with each notice is a ballot, accompanied by the procedures applicable to the completion, return and tabulation of these ballots.

Our notices and ballots serve a dual purpose of communicating the legal requirements, as well as providing information to the property owner in an understandable format. After the public hearing (scheduled not less than 45 days after the mailing of notices and ballots), MuniFinancial weights all protests against the proposed assessment; and assists the City Clerk in tabulating the ballots by using a bar-coded scanning method.

Assessment Ballot Weighting

The ballots are weighted according to the proportional financial obligation of the affected property. Due to this ballot weighting, the proportionate special benefit for each identified parcel is determined, and each parcel is assigned a related number of benefit units. Once the total assessment is calculated and finalized, the assessment is broken down by an assessment amount per benefit unit. The number of benefit units assigned to each parcel is determined by the methodology formulated, and then the total assessment is apportioned by the number of benefit units for each parcel (which, in affect, would be each parcel's financial obligation to the district). The notices and ballots are then drafted and mailed to each owner of all identified parcels. At the public hearing, the district passes if the sum of the assessments, in favor, exceeds the sum of the assessments, opposing.

Technical Innovations

Cutting-edge Software

Budget Development

Our staff members have a solid understanding of computer modeling and accounting, as well as a deep understanding of economics and financial planning. Utilizing this expertise, staff has developed a user-friendly Excel model management tool that plays a critical role in helping us deliver quality support to agencies across the nation in an efficient, responsive, and timely manner. This sophisticated model was developed by MuniFinancial to perform sensitivity analyses for the determination of various budget options; whereby, quantities and types of improvements are keyed in to generate a plan that is both cost effective and flexible. The model will take into account all the associated costs, including operating costs due to system upgrades and expansion, capital costs, and reserve fund requirements. In addition to developing the model, we will work closely with City staff members to ensure that the final rate structure is both useful and reliable to the district. In effect, our Excel financial models define clear and limited objectives, limit inputs (independent variables) to a number that can be retained in memory, keep algorithms simple enough so that the user can understand the relationship between inputs and outputs, and produce results in tables and charts that simply and clearly present results. The benefits of such a tool are clear: more accurate estimates of future revenues. Moreover, whenever Council or City staff considers a decision with financial implications, there is a single source for policy guidance and up-to-date financial analysis. Decisions can be made in accordance with adopted policy and with the long-term financial health of the district in mind.

Once budgets for each Zone or Sub-area is established by the financial models and reflect the various improvements and costs that are identified as shared benefits to some or all Sub-areas within a zone, MuniFinancial staff reviews (with the assistance of City staff) each of the identified improvements and costs to ensure that the overall budgets developed for each zone and/or Sub-area accurately reflect the proportional costs necessary to adequately provide for their improvements. This review establishes the proposed budget and assessments that will properly maintain the improvements and be, ultimately, presented to the property owners in a ballot proceeding.

Ballot Database

Another innovative device developed and used by MuniFinancial is a ballot tally database that counts and records ballot results. In conjunction with this, an optical scanner is applied that records ballot barcodes and votes. This tally database contains identification of each parcel by Assessor's Parcel Number (APN) and its corresponding proposed assessment and current maximum assessment, as well as related property ownership, and mailing information taken from the last County secured roll. Moreover, the database provides several alternative scenarios, models different budget rates and assessment methodologies, and is given to clients upon request.

Related Project Experience

MuniFinancial approaches the formation, public hearing, balloting process and administration of maintenance districts first by creating a successful long-term plan for community support. The core of this approach is the knowledge that the property owner is also a customer alongside the client agency.

MuniFinancial has successfully participated as Special Tax consultant and in the role of assessment engineer in diverse consultant teams for **more than 800 districts**. These projects involve district formations, consolidations, annexations, workouts, refundings, parity bond issues and other special projects.

Since its implementation in November 1996, our firm has also been at the forefront in Proposition 218 compliance. We have gained approval of **more than 100 Special Districts** in the past 6 years alone, all of which were formed in compliance with Proposition 218. These efforts have included preparing and mailing the notices and ballots, providing comprehensive Engineer's Reports, preparing long-range financial evaluations, and assisting with public workshops and tabulation of the assessment ballots. With the passage of Proposition 218, new focus was placed on the assessment methodologies and determination of benefit. This focus, coupled with the new burden of proof provision, placed a greater emphasis on technical competency. Our assessment engineers have prepared hundreds of levy reports — giving MuniFinancial the most comprehensive set of assessment methodologies in the industry.

The table below represents a partial listing of clients for whom MuniFinancial has provided Special District formation or re-engineering services. These services also include Proposition 218 compliance support, such as balloting.

PARTIAL CLIENT LIST FOR DISTRICT FORMATION SERVICES		
City of Adelanto	City of Indian Wells	City of Rancho Mirage
Antelope Valley Mosquito and Vector Control District	City of Indio	City of Rialto
City of Atascadero	City of King City	City of Riverbank
City of Cathedral City	City of Laguna Beach	City of Roseville
City of Ceres	City of Lancaster	County of Sacramento
City of Chino Hills	City of Livingston	City of San Clemente

PARTIAL CLIENT LIST FOR DISTRICT FORMATION SERVICES		
Coachella Valley Recreation and Park District	City of Murrieta	City of San Fernando
City of El Centro	City of Newport Beach	City of Santa Maria
City of Fairfield	County of Los Angeles Dept of Parks and Recreation	City of Solana Beach
City of Fillmore	City of Palm Desert	City of Thousand Oaks
City of Glendale	City of Palm Springs	City of Tracy
City of Greenfield	City of Palmdale	City of Union City
City of Hemet	City of Paso Robles	City of Vallejo
City of Hercules	City of Rancho Cordova	City of Winters

The following are descriptions of a few of the above similar project samples where MuniFinancial provides Annexation/Formation and Proposition 218 Balloting Services:

City of Paso Robles

In 2006, MuniFinancial performed 1972 Act District Formation and Annexation Services, as authorized by the City of Paso Robles. Services included the review of documents provided by the City; the identification of the need for Landscaping and Lighting assessments; the maintenance of a master-tracking file of all projects; the presentation of a “summary memorandum” identifying recommended district formations or annexation actions; preparation of documents and information to establish applicable assessments; initiation of the annexation/formation project; the utilization of documentation and project-specific data to evaluate the overall extent of the Landscaping and Lighting improvements and maintenance requirements associated with a development; and the review of provided parcel maps, development plans, improvement plans, and improvement specifications to develop an appropriate allocation of costs. Moreover, base parcel information was also provided; a district assessment database was developed that contained all benefiting properties within the development; a district budget for the maintenance and servicing of the improvements at build-out was prepared, as well a recommended district structure (benefit zones). Additionally, a Method of Apportionment and assessment evaluation was performed that included any identified general benefit, cost sharing, or other revenue contributions; and documents necessary for the annexation/formation proceedings were prepared, including the Engineer’s Report, resolutions, property owner notices, and ballots.

City of Vallejo

MuniFinancial has assisted the City of Vallejo with the formation of several 1972 Act Landscaping and Lighting Districts, as well as having successfully managed assessment increase projects for many of the City’s maintenance districts. These efforts resulted in the successful development of the districts’ Engineer’s Reports, preparation of the notices and ballots, and management of the assessment ballot proceedings for the projects.

City of Tracy

Proposition 218 balloting services were provided to the City of Tracy. The City sought an increase in assessment rates for their Landscaping and Lighting Districts. MuniFinancial prepared a database of all parcels within the project area, established a formula for equitably spreading the assessment, reviewed the City's proposed budget for the maintenance of improvements associated with the project area, prepared an assessment diagram using existing base maps, prepared the required Engineer's Report, assisted with the necessary adopted resolutions, created the legal notices and ballots, prepared and mailed notices and ballots in accordance with the requirements of Proposition 218, attended the public hearing and answered questions regarding the annexation of the project area, and assisted the City Clerk with the tabulation of the returned ballots.

City of Greenfield

In anticipation of the release of Proposition 218, MuniFinancial staff facilitated a review and recommended modifications to the City's citywide Landscape and Lighting District. Based on these recommendations, and the provisions of Proposition 218, the MuniFinancial team re-engineered the district. MuniFinancial staff continues to oversee the preparation of annual special assessment/tax reports, the calculation of Special Tax rates and apportionments, the tracking of development changes, and the monitoring of delinquencies.

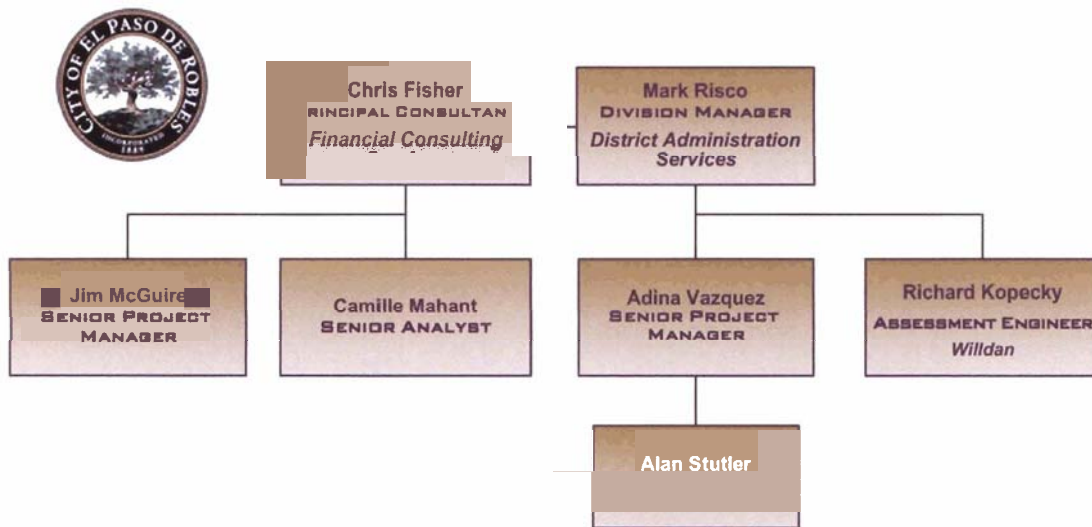
3. STAFFING

PROJECT MANAGEMENT

As a successful consulting firm, we understand the importance of project management and team support. MuniFinancial has successfully guided diverse consultant teams through many projects for the benefit of our clients. These projects include district administration, formations, consolidations, annexations, workouts, refundings, and other special projects.

As consultants who not only perform Arbitrage Rebate calculations and Disclosure services but also facilities financing planning, formation, administration, and delinquency management services, we are able to bring a long-term perspective to the challenges facing local agency financing.

Our staff of consultants — recognized in the state as some of the most knowledgeable and capable professionals in the field of public infrastructure financing — quickly earns respect as leaders of any team they manage. Below presents an organization chart of the MuniFinancial staff to be assigned to the City of Paso Robles:



Responsibilities / Tasks

We have selected seasoned professionals for the City of Paso Robles' project. We are confident that the MuniFinancial team has a depth of experience that will successfully fulfill the City's desired work performance.

District Administration Services

For District Administration Services, **Mark Risco** will serve as the principal-in-charge. Ms. Risco will be the primary contact for the City during the contract period. He will be responsible for monitoring client satisfaction throughout the term of the project. He will provide his technical expertise and is tasked with assuring that sufficient resources are provided for the project team, as well as overseeing the entire annual administration process.

Working beside him as senior project manager in charge of administration will be **Adina Vazquez**. She is tasked with working closely with the analyst on the administration of the program. She will ensure that the project proceeds according to schedule and is managed in line with the City's expectations, as well as ensuring quality and accuracy. She, along with supporting analyst, **Alan Stutler**, will generate the assessment levies, research parcel changes, field taxpayers' inquiries, review the charge-exempted parcels, monitor delinquencies, and review the Engineer's Reports. Once the project is underway, Ms. Vazquez will act as your day-to-day contact for the preparation of the annual assessment roll.

Annexation / Formation and Balloting

For Proposition 218 balloting, annexation/formation services, **Chris Fisher**, in MuniFinancial's Temecula corporate office, will serve as principal consultant. He will oversee the quality of work products and assure timely completion of the project. He will also provide technical oversight to the project. Mr. Fisher is an expert in annexation/formation and administration. His responsibilities will include all aspects of district annexation/formation, including the preparation of calculations associated with developing assessment formulas, and development of Rates and Methods of Apportionment. As project manager, Mr. Fisher will organize and direct all work tasks and review interim work products. He will also be the primary client contact, attend key meetings, and make presentations.

As one of MuniFinancial's lead technical advisors for Proposition 218 re-engineering evaluations, fiscal analyses, cost recovery studies, and long-term strategic planning for maintenance districts, **Jim McGuire** will organize and direct consultant tasks, provide quality control for work products, and ensure that the deliverables are completed on time and within budget.

As needed, **Camille Mahant**, a senior analyst in the Financial Consulting Services group, will assist Mr. Fisher. She will assist with data gathering, model building, and report drafting, as well as coordinate with the City to ensure that data-gathering tasks proceed smoothly to minimize burden on City staff.

Lastly, **Richard Kopecky, P.E.**, will serve as project assessment engineer. He will provide input into the project approach, apply assessment methodology, review project costs, and act as a resource for discussing the practicality of the resulting assessment rates. Mr. Kopecky will also oversee the preparation of the required Engineer's Report.

For further in-depth background /qualifications of key personnel assigned to this project, please see "Résumés," which begin on the following page.

RÉSUMÉS

Résumés of key personnel that will be assigned to this project are presented below. *Please note that due to the large volume of clients, the provided indices of related experiences are only partial listings. Upon request, MuniFinancial will provide a complete listing of related projects for each of the team members.*

For individual project references, please see section 6 entitled, "References."

District Administration Services

8-years' Experience

MARK RISCO
Division Manager

Areas of Expertise

*Administration of
Landscaping and
Lighting Districts,
Community Facilities
Districts, and
Assessment Districts*

Mr. Risco is a division manager in the District Administration Services group and is responsible for the efficient administration of Special Districts by 30 staff members. In this capacity, Mr. Risco oversees 6 project managers and 24 analysts performing all aspects of annual administration, including parcel research, database maintenance, budget analysis, parcel changes related to development, exemption research, lien payoffs, delinquency management, bond calls, and reports.

Project Highlights

*Cities of Vista,
Sacramento, Rocklin,
and Roseville; plus the
Carlsbad Unified
School District*

Mr. Risco has worked in public finance for 8 years. Prior to joining MuniFinancial, he worked in commercial real estate at Spieker Properties, Inc., a Real Estate Investment Trust Company. His experience includes preparing and monitoring budgets and performing cash flow and financial analysis.

Related Experience

- *City of Vista*
- *City of Sacramento*
- *City of Rocklin*
- *City of Roseville*
- *City of Belvedere*
- *Town of Corte Madera*
- *County of Marin*
- *Carlsbad Unified School District*

Education

*Bachelor of Arts
University of California
(Fullerton)*

5-years' Experience

**Areas of
Specialization**
*Administration of Mello-
Roos Community
Facilities Districts, 1972
Act Landscape and
Lighting Districts and
1915 Act Local
Improvement Districts*

Project Highlights
*Cities of Paso Robles,
Thousand Oaks,
Atascadero, Fillmore,
Palm Desert; and
Conejo Recreation and
Park District*

Education
*Bachelor of Science,
DeVry University
Cum Laude*

**Professional
Affiliations**
*California Society of
Municipal Finance
Officers*
*Municipal Management
Association of Southern
California*

ADINA VAZQUEZ Senior Project Manager

Ms. Vazquez is senior project manager of the California Desert region of the District Administration Services group. Adina has been with MuniFinancial for five (5) years and has experience in the maintenance of Special District databases, preparation of annual Special Taxes, calculation of Special Tax prepayments, district analysis for refunding purposes, preparation of bond calls, balloting and noticing, as well as the preparation of annual Engineer's Reports.

She is responsible for overseeing two (2) analysts in administering Mello-Roos Community Facilities Districts, 1972 Act Landscape and Lighting Districts and 1915 Act Local Improvement Districts in Southern California. Adina and her team provide annual levy, bond fund administration, payoff computations, and Delinquency Management for 252 districts involving just over 567,000 parcels.

Related Experience

- *City of Paso Robles*
- *City of Atascadero*
- *City of Thousand Oaks*
- *City of Fillmore*
- *City of Moorpark*
- *Conejo Recreation and Park District*
- *Ventura County*
- *City of Simi Valley*
- *East Niles CSD*
- *City of California City*
- *City of McFarland*
- *City of Tehachapi*
- *City of Palm Desert*
- *City of Cathedral City*
- *City of Rancho Mirage*
- *City of Palm Springs*
- *City of Coachella*
- *Coachella Valley Water District*
- *City of La Quinta*
- *City of Indian Wells*
- *City of Indio*
- *Coachella Valley Recreation and Park District*

2-years' Experience

ALAN STUTLER
Analyst

Areas of Specialization

Administration of Landscaping and Lighting Districts, Community Facilities Districts, Assessment Districts, and Marks-Roos Pools

Mr. Stutler serves as an analyst within the District Administration Services group. Community Facilities Districts, Local Improvement Districts, and Delinquency Management are just some of his areas of expertise.

Project Highlights

Cities of Atascadero and Thousand Oaks; plus the Conejo Recreation and Park District

Mr. Stutler assists in the research and analysis required for local government financial issues related to district administration, including document data entry and updating, database management, research and report preparation. He also provides general information on questions pertaining to Assessment Districts and Special Taxes (such as Mello-Roos Pools), as well as the status of property delinquencies. In the course of his day, he regularly speaks with individuals associated with title companies, real estate agencies and appraisal firms, together with cities and counties. Use of MuniFinancial's proprietary computer system allows him to readily access the owner's name, the Assessor's Parcel Number, the existing and future taxes or assessments and more; thereby, enabling expedient service.

Education

Bachelor of Science, Business Administration, Truman State University

Mr. Stutler came to MuniFinancial with 6 years of combined finance and information technology experience. Prior to joining MuniFinancial, Mr. Stutler worked as a financial analyst with the Federal Reserve Bank, where he worked in statistical and regulatory reporting.

Related Experience

- *City of Paso Robles*
- *City of Atascadero*
- *City of Fillmore*
- *City of Simi Valley*
- *Ventura County*
- *City of Pismo Beach*
- *City of Moorpark*
- *Morongo Valley Community Service District*
- *City of Palm Springs*
- *City of Thousand Oaks*
- *Indian Wells Valley Water District*
- *City of California City*
- *East Niles Community Services District*
- *City of Tehachapi*
- *City of McFarland*
- *Conejo Recreation and Park District*

Annexation / Formation and Balloting (Financial Consulting Services)

8-years' Experience

Areas of Expertise

*Special District
Formation Expert
Multi-Disciplinary Team
Management
Business Development
and Client Presentations*

*Project Highlights
Cities of Roseville, Galt
and West Sacramento*

Education

*Bachelor of Science.
Finance, San Francisco
State University*

Professional Affiliations

*California Society of
Municipal Finance
Officers
Municipal Management
Association of Northern
California
California Municipal
Treasurers Association*

CHRIS FISHER Principal Consultant

Mr. Fisher is a principal consultant in the Financial Consulting Services group at MuniFinancial. He is one of MuniFinancial's experts in Community Facilities District (CFD) and Assessment District formation and administration.

Prior to joining the Financial Consulting Services group, Mr. Fisher served as senior project manager for the Northern California region in the District Administration Services group at MuniFinancial. He has specialized expertise in the administration of 1915 Act Assessment Districts, 1972 Act Landscape and Lighting Districts, 1982 Benefit Assessment Districts, and Mello-Roos Community Facilities Districts, including:

- Administration of Marks-Roos and Mello-Roos Pools,
- Delinquency monitoring, and
- Preparation of Continuing Disclosure Reports to bondholders.

Mr. Fisher oversaw the annual administration of all of the aforementioned district types for cities, counties, and Special Districts throughout Northern California. Before taking over his management responsibilities, Mr. Fisher was an analyst responsible for day-to-day district administration. Prior to joining MuniFinancial, he worked as a budget and financial analyst for an airline and an electronics corporation.

Related Experience

Community Facilities Districts

- *City of Rialto:* CFD No. 2006-1 (Elm Park), financing of infrastructure improvements and impact fees.
- *Town of Apple Valley:* CFD No. 2006-1 (Ravenswood), CFD No. 2006-2 (Bell Mountain Estates), CFD No. 2006-3 (Sky Haven Ranch), CFD No. 2006-4 (Vista Del Sol), financing of infrastructure and fees.
- *City of Escondido:* CFD No. 2006-1 (Eureka Ranch), financing of infrastructure improvements and impact fees.
- *City of Galt:* CFD No. 2005-1 (Public Safety Services), and Annexations Nos. 1, 2, 3 and 4.
- *City of Union City:* CFD No. 2005-1 (Public Services).
- *Val Verde Unified School District:* Citation Homes CFD No. 2003-1, John Laing Homes CFD No. 2003-2.
- *City of Palm Desert:* CFD No. 2005-1 (University Park), financing of street, sewer and storm drain improvements, fees and park improvements.
- *City of Chula Vista:* CFD No. 12M, service district to provide for maintenance of habitat areas, parks, Landscaping and Storm Drain Maintenance.

Landscaping and Lighting Districts

- *City of Rancho Cordova:* Landscaping and Lighting District No. 2005-1.
- *City of Chino Hills:* Landscaping and Lighting District No. 1 (Vellano).
- *City of Vallejo:* Downtown-Waterfront Landscaping and Lighting District.
- *City of Atascadero:* Landscaping and Lighting Districts No. 01, 02, and 03.
- *City of Roseville:* Dunmore Junction Landscape and Lighting District annexation.

Assessment Districts

- *City of Cathedral City:* Cove Improvement District No. 2004-2. Bond Issuance - \$33.8 million.
- *City of Palm Desert:* Highlands Utility Undergrounding No. 04-01.
- *City of Palm Desert:* Section 29 Assessment District—improvements include roads, drainage, sewer, water lines, and utility undergrounding.
- *City of Solana Beach:* Barbara-Granados Utility Undergrounding and Pacific West Circle Utility Undergrounding.

Statewide Community Infrastructure Program (SCIP)

- *Statewide Community Infrastructure Program (SCIP):* 2003, 2004, 2005, and 2006. Multiple counties, preparation of Engineer's Reports, diagrams, and assessment spreads, and support for multiple bond issues.

Balloting Processes

- *City of Cathedral City:* Landscaping and Street Lighting Maintenance District No. 1 – Benefit zone 17, 2004, more than 2,400 ballots mailed.

District Administration Services

- *City of Brentwood:* Assessments and Marks-Roos pooled districts.
- *City of West Sacramento:* CFDs and Assessment Districts.
- *City of Elk Grove:* Maintenance and Facilities CFDs.
- *City of Redwood City:* CFDs and Assessment Districts.
- *City of Big Bear Lake:* Assessment Districts.
- *Town of Apple Valley:* Assessment Districts.

14-years' Experience

Areas of Expertise

Special District Formations and Administration, Parcel and Property-Related Revenue Audits, Feasibility Studies

Project Highlights

Cities of Claremont, Fillmore, Thousand Oaks, and Murrieta

Education

Bachelor of Science, University of California, Irvine

JIM MCGUIRE Senior Project Manager

As a senior project manager in the Financial Consulting Service group, Mr. McGuire specializes in parcel and property-related revenue audits, district administration and formations of various Special Districts, such as 1972 Act Landscaping and Lighting Districts, Community Facilities Districts, and Benefit Assessment Districts for streets and storm drain facilities, as well as Property and Business Improvement Districts. He is one of MuniFinancial's lead technical advisors for Proposition 218 re-engineering evaluations, fiscal analyses, cost recovery studies and long-term strategic planning for maintenance districts. Mr. McGuire has over a decade of experience working with the public and local governments on Special Districts. His experience has included study sessions for staff and City Councils, along with facilitation or technical support for advisory committees and property owner workshops.

Related Experience

Mr. McGuire is actively involved in the establishment and administration of numerous Special Districts, including Landscaping and Lighting Districts, Benefit Assessment Districts, Business Improvement Districts, Community Facilities Districts, and other special financing mechanisms to suit client needs. The following is a partial listing of agencies for which Mr. McGuire has re-engineered or formed new districts in the past few years.

- *City of Claremont*
- *Coachella Valley Recreation and Park District*
- *City of Fillmore*
- *City of Indio*
- *City of Murrieta*
- *City of Indian Wells*
- *City of Palm Desert*
- *City of Rancho Mirage*
- *City of Riverbank*
- *City of Thousand Oaks*
- *City of Tracy*
- *City of Vallejo*

4-years' Experience

Areas of Expertise

*Special District
Formation
Public Reports,
Assessment Methodology,
Rate and Method of
Apportionment,
Special Tax Calculation,
and
Balloting*

Project Highlights

*Cities of Chula Vista,
Fairfield, Roseville,
Temecula, and
Cathedral City*

Education

*Masters;
California State
University, Fullerton

Bachelor of Science;
University of Michigan,
Ann Arbor*

CAMILLE MAHANT Senior Analyst

Ms. Mahant is a senior analyst within MuniFinancial's Financial Consulting Services group. In this capacity, she provides support for district formation and annexation projects.

Ms. Mahant's experience includes preparing public reports for the formation of Assessment and Community Facilities Districts, developing assessment methodologies, and Special Tax Rates and Methods of Apportionment, Special Tax analyses and calculations, feasibility studies, financial modeling, balloting processes, database creation, Assessor parcel research, and client and project team consultation.

Ms. Mahant's background is in healthcare planning, reimbursement, and business development. Most recently, she provided financial and utilization statistics at Sharp HealthCare in San Diego; wherein, she prepared strategic planning reports and maps. In addition, Ms. Mahant prepared graph analyses of payer and patient finances, area demographics, and market shares.

Related Experience

Landscaping and Lighting Districts

- *City of Atascadero:* Landscaping and Lighting Districts No. 01, 02 and 03.
- *City of Cathedral City:* Landscaping and Street Lighting Maintenance District No. 1 – Benefit zones 15, 16 and 17.
- *City of Ceres:* Citywide Park Maintenance District balloting.
- *City of Chino Hills:* Los Serranos Lighting Maintenance District.
- *City of El Centro:* Landscaping and Lighting District (Legacy Ranch).
- *City of Fairfield:* Annexations into Landscaping and Lighting Districts No. 10, 13 and 14. Proposition 218 balloting for Landscaping and Lighting District No. 3.
- *City of Fillmore:* Landscaping and Lighting District No. 2007-1 (Heritage Valley).
- *City of Indio:* Landscaping and Lighting Districts No. 45, 46, 47 and 48, annexation into District No. 37.
- *City of Lafayette:* Core Landscaping and Lighting District No. 1979-1 and Residential Street Lighting District No. 1979-2.
- *City of Palm Springs:* Prop 218 balloting of 7 existing landscaping and street lighting maintenance districts, 2006.
- *City of Paso Robles:* Landscaping and Lighting District, consolidation and re-engineering, 2006.
- *City of Roseville:* Dunmore Junction Landscape and Lighting District formation and annexation.

- *City of Riverbank*: Proposition 218 balloting of existing Crossroads Landscaping and Lighting District, 2006.
- *County of Riverside*: Review of Current Policies and Procedures for Existing Landscaping and Lighting Districts; Phase I and Phase II.
- *City of Roseville*: Dunmore Junction Landscape and Lighting District formation and annexation.
- *County of Sacramento*: Prop 218 balloting of existing Landscape Maintenance District, 2007.
- *City of Tracy*: Prop 218 balloting of zones 17 and 30 within existing Consolidated Landscape Maintenance District, 2006.

Assessment Districts

- *City of Atascadero*: Benefit Assessment Districts No. 01, 02 and 03.
- *Big Bear Valley Recreation and Park District*: Assessment District (Aquatic Center) (1913/1915 Act combined with 1972 Act).
- *City of Cathedral City*: 35th Avenue Assessment District No. 2003-01; Dream Homes Assessment District No. 2004-01, 2004.
- *City of Elk Grove*: Street Maintenance District No. 1 annexations.
- *City of Fillmore*: Storm Drain Maintenance District No. 07, 2007
- *County of Madera*: CSA 19, Rolling Hills, Assessment District (Water Improvements), 2007.
- *City of Riverbank*: Storm Drain District No. 2006-01 (Heartlands), 2006.
- *Stanislaus Consolidated Fire Protection District*: 2004.
- *Statewide Community Infrastructure Program (SCIP)*: 2003-2007. Multiple counties, preparation of Engineer's Reports, diagrams and assessment spread.

Stormwater Noticing and Balloting

- *City of Encinitas*: Clean Water Regulatory Fee Notice and Ballot, 2005. More than 22,000 ballots mailed.

Balloting Processes

Preparation of tally database and ballots, notices and resolutions, printing and tabulation of received ballots through scanning include:

- *City of Cathedral City*: Landscaping and Street Lighting Maintenance District No. 1 – Benefit zone 17, 2004.
- *City of Ceres*: Citywide Park Maintenance District balloting.
- *City of Roseville*: North Central Specific Plan Landscaping and Lighting District, Levy for FY 2004/05.
- *Kern River Valley Public Cemetery District*: More than 13,000 ballots mailed in 2006.
- *Stanislaus Consolidated Fire Protection District*: 2004.

Assessment Engineering (Willdan)

37-years' Experience

Areas of Expertise

*Civil Engineer;
Administration; and
Preparation of
Engineering Development,
including Drainage,
Roads, Sewers,
Soils/Geology, and Water.*

Project Highlights

*Counties of Los Angeles,
Lancaster, and San
Bernardino*

Education

*Bachelor of Science, Civil
Engineering,
University of Illinois*

RICHARD L. KOPECKY, P.E. Assessment Engineer

On a full-time and part-time contracted basis, Mr. Richard L. Kopecky, P.E., has and continues to manage engineering, building and safety, and public works departments for several Southern California cities. As a City's designated city engineer, building official and/or public works director, he has directed the full services of these departments, including Assessment Districts, budgets, building and safety plan check and inspection, City engineering, City traffic engineering, community development block grants, construction management and surveying, development and infrastructure review, disaster response and recovery, fee studies and Special District formation, landscape architecture, planning, public works design and water and wastewater design. He also developed and implemented the capital improvement program for these agencies.

Mr. Kopecky has served as the deputy building official for the City of Santa Clarita; plus he was the City Engineer for the City of Lancaster for 11 years; the City of Santa Clarita for three years; the City of California City for two years; the City of Big Bear Lake for two years; and for the last seven years, he has served as City Engineer for the City of Indian Wells.

Mr. Kopecky has extensive experience in developing solutions for the problems and challenges experienced by engineering and building and safety departments.

Related Experience

Acting in the capacity of Assessment Engineer and, in many cases, in tandem as Civil Engineer both in the designing and forming of a multitude of 1913/1915 Act Assessment Districts, Mr. Kopecky's most recent projects include the following agencies:

- **City of Rancho Mirage:** Magnolia Assessment District, Magnesia Falls – Bruce Harry.
- **City of Cathedral City:** Dream Homes, East 35th Avenue and Cove Assessment Districts.
- **City of La Quinta:** Assessment District 2000-2.
- **City of Palm Desert:** Section 29 Improvement District.
- **City of Santa Clarita:** Golden Valley Assessment District, Santa Clarita Mall Community Facilities District, Vermont/Everett Road Improvement District and the Soledad Canyon Road Improvement District.
- **City of Irvine** – Stonegate Assessment District, Orchard Hills Assessment District.



City Engineer, Assessment Engineer, Public Works Director

- *Metropolitan Waster District, Standby Fees – Assessment Engineer:* Willdan assists MuniFinancial annually in administering and placing on the tax roll to over 950,000 parcels MWD's Readiness-To-Serve (RTS) charge for each of its 23 member agencies. Willdan is also responsible for reviewing requests for exemption from the RTS by property owners and preparing a report to MWD on our findings. These exemptions may be because water is not available to the property because of topography, may not be developable or may be served by private wells.
- *City of Palm Desert – Monterey 170 / Section 29 Drainage Benefit Assessment District – 1982 Act*
- *City of Irvine – Portola Springs and Orchard Hills Improvement Districts – 1913/15 Act Subdivision Improvements*
- *Anaheim Convention Center – Mello Roos / 1913/15 Act*
- *Anaheim Resort Maintenance District – 1972 Act – Landscaping and Lighting District*
- *City of Santa Clarita – City Engineer and Deputy Building Official:* Willdan provided complete management and personnel on a contract basis for engineering and building and safety services for this newly-incorporated City. Under the direction of the Public Works Director, Willdan developed the City's public transit system. This included the purchase of busses and the refurbishment of an existing industrial building for bus storage and maintenance. As a newly-incorporated City, traffic congestion was the number one priority identified in a citizen survey. Willdan developed and implemented a number of "quick fix" traffic improvements to ease congestion.
- *City of Santa Clarita – Deputy Building Official – Earthquake Recovery Unit:* The City was within two miles of the Northridge earthquake epicenter and structures and infrastructure suffered severe damage. City hall was hard hit and could not be occupied. City staff was housed in trailers in an adjacent parking lot. Willdan established an "Earthquake Recovery Unit" in two double-wide commercial trailers on an adjacent parcel of land. Willdan processed and finalized 11,000 damage assessments. These were all processed as building permits and included minor repairs to complete demolition and rebuilding of structures. Willdan also coordinated the City/FEMA teams to demolish hazardous block walls and chimneys. Willdan also did the plan review, inspection, and FEMA reimbursement and documentation for the \$3 million dollar retrofit of the earthquake damaged city hall.
- *City of California City, Fire Suppression District – Assessment Engineer:* Willdan prepared the district report, resolution, noticing and mailing for a fire tax to fund on-going fire protection and paramedics' services for the City. Willdan developed a benefit analysis

and corresponding assessment amount to each of 40,000 parcels that would benefit from the services. Willdan tabulated the votes; and since the vote was positive, the tax was placed on the property tax bills.

- *City of Cathedral City – 35th Avenue Assessment District – Assessment Engineer:* Willdan assisted MuniFinancial as the assessment engineer in the \$7 million 1913/1915 Act Assessment District that included a mixture of single-family and multi-family residential and commercial properties. Ninety-five percent of the properties were improved. The improvements consisted of sanitary sewers, curb, gutter and sidewalks, street repaving and the opening of one new fully improved street. Willdan developed the benefit analysis, which was based on the zoning of each parcel and its highest and best use. The benefit was based on traffic projections, the number of possible units for sewer service and the frontage of the parcels for street improvements. These special benefits were translated into assessments for 364 parcels within the one-half square mile district.
- *City of Lancaster/City of Santa Clarita – Various Landscaping and Lighting Districts and Drainage Maintenance Districts – Assessment Engineer:* Willdan developed a program to establish and annex all new subdivisions into a City Landscaping and Lighting District under the 1972 Act. In addition, subdivisions that included retention basins to hold storm water flow on-site or underground drainage system to stabilize buttress fills were formed into Drainage Maintenance Districts under the 1982 Act. The annual cost of maintenance and a capital improvement fund were established for each district and/or annexation. General and special benefits were determined and assessments assigned to each parcel in the district/annexation. Willdan prepared the petitions for annexation, Engineer's Report, resolution, notices and City Council agenda items to process the district formation or annexation prior to approval of the subdivision(s) by the City Council.

ALTERNATIVE INDIVIDUALS

MuniFinancial does not foresee the necessity for the substitution of its assigned team; however, should additional resources be required, our entire MuniFinancial team of **approximately 80 professionals**, located at our Temecula headquarters, will be at the City of Paso Robles' disposal.

SUBCONSULTANTS

For the commitments outlined in this Request For Proposal, MuniFinancial will **not** be using subconsultants. MuniFinancial staff will perform all aforementioned tasks described under the scope of work.

If notices and ballots in excess of 1,500 pieces must be delivered to property owners, we will outsource the printing and mailing of these documents to a subconsultant. MuniFinancial will consult with City staff in the selection of this subconsultant/vendor.

4. FEE PROPOSAL

The following fee schedules are the basis of this proposal. All fees and rates are subject to an annual increase, which shall be reflected by the percentage change in the annual Consumer Price Index (CPI), as reported by the United States Department of Labor and Statistics for “All Urban Consumers” for the San Francisco-Oakland-San Jose area.

Unless a specific fee is agreed upon between the City and MuniFinancial prior to performing services, any optional service fees that are not included in our scope of services, but are authorized by the City in writing (including e-mail authorization), shall be based on our current hourly rates (please refer to the “Hourly Rates” section), plus expenses.

LANDSCAPING AND LIGHTING DISTRICT ADMINISTRATION

The base annual administration fee below is for the City’s existing Landscape and Lighting Maintenance District No. 1. This district is comprised of over 4,000 active parcels, 13 zones (made up of 80 Sub-areas), and 132 standalone Sub-areas. This base fee may be adjusted each fiscal year to reflect additional parcels active in the district.

SERVICE DESCRIPTION	BASE FEE	PER PARCEL FEE ⁽¹⁾
Landscape and Lighting District No. 1 Annual Administration	\$ 12,500	\$ 1.50
Annual Administration Fee for New Districts ⁽²⁾	TBD	\$ 1.50

⁽¹⁾ The Per Parcel fee for Landscape and Lighting District No. 1 shall be applied to additional parcels over the current 4,278 active parcels.

⁽²⁾ Although it is anticipated that most new developments within the City will be annexed to District No. 1, it may be necessary to form one (1) or more separate Assessment Districts to address a particular development. Ultimately, the size and complexity of such districts dictate needed administrative efforts, which MuniFinancial will provide to the City. If and when such districts are formed, a separate fee quote for such services will also be provided.

Please Note:

- Above fees include appropriate staff time to provide the described scope of services, including our attendance at up to three (3) meetings at the City (staff meetings and council meetings) per fiscal year; but **does not include** reimbursable expenses associated with that scope of service.
- Follow-up consultations *after* completion of the annual levy process are **included** in the above-stated fees. Hourly rates will apply, however, for additionally requested services that are not specified in the scope of services.

DEVELOPMENT REVIEW AND MONITORING SUPPORT, AND ANNEXATION / FORMATION SERVICES

Fees for development review and monitoring support, as well as district annexation/formation services, are presented below as estimates or ranges for services that are typically required for most new development projects within a City. The fee for each project will vary depending upon the size and complexity of the development, as well as its relationship to existing developments and improvements within the City. The actual fee for some new development projects may be greater, or less than, the indicated range.

For district annexation/formation services, we will provide specific fee quotes for each project that is applicable to each new development at the completion of the development monitoring support services.

SERVICE DESCRIPTION	FEE
Development Review and Monitoring Support Services ⁽¹⁾	\$600
District Annexations / Formations Services ⁽²⁾	\$6,800 — 10,800
Consulting Services for New or Increased Assessments ⁽³⁾	TBD
Property Owner / City Staff Meetings (per meeting)	\$2,500 — 3,500
Additional Council Meetings (per meeting)	\$2,100

⁽¹⁾ Fee range applies to new development projects wherein MuniFinancial reviews, but no action is taken to process the annexations/formations of the development for the upcoming fiscal year. If the City authorizes proceedings for an annexation/formation, the fee for development review and monitoring support services shall be included in the fee for district annexations/formations services, which the City can recover from the property owner / developer.

⁽²⁾ Fee range *includes* services and tasks associated with development review and monitoring support, and our attendance at one (1) of the two (2) pre-determined Public Hearings. The City should recover these fees from the property owner / developer, as part of their development deposits with the City.

⁽³⁾ Due to the complexity of the District and the level of effort required to perform an assessment increase, it's not feasible to define a fee range for this service. If the City desires to pursue a new or increased assessment, MuniFinancial will consult with City staff regarding the parameters of the project and provide a fee for this particular service for review/approval by the City.

Please Note:

- Our fee ranges *exclude mailing costs (printing, processing and postage) for notices and ballots*. The cost of these mailings are estimated to be approximately \$1.50 to \$2.00 per parcel and will be billed to the City of Paso Robles at our cost, with no overhead mark-up.

- Our fee ranges include attendance at two (2) pre-planned semi-annual (fall and spring) public hearings associated with district annexation and formation proceedings each fiscal year. Travel expenses for attending these meetings are incorporated into the fees shown above. We will participate in any supplementary meetings requested by the City for the “Additional Council Meeting” fee also indicated above (plus travel expenses).
- For travel expenses to attend meetings *other than* the two (2) aforementioned annual pre-planned meetings, the fees shown above **do not include** reimbursable expenses associated with the scope of services. Therefore, MuniFinancial will be reimbursed for out-of-pocket expenses (please refer to the “Reimbursable Expenses” section).

REIMBURSABLE EXPENSES

MuniFinancial will be reimbursed for out-of-pocket expenses. Examples of reimbursable expenses include, but are not limited to: postage, travel expenses, mileage (48.5¢ per mile), maps, electronic data furnished from the County and/or other applicable resources, construction cost periodicals, and copying (currently 6¢ per copy). Any additional expense for reports or from outside services will be billed to the City. Charges for meeting and consulting with counsel, the City, or other parties regarding services not listed in the scope of work above will be at our then-current hourly rates (see below).

In the event that a third party requests any documents, MuniFinancial may, in accordance with MuniFinancial’s applicable rate schedule, charge such third party for providing these documents.

Monthly Estimate

As requested by the City’s RFP, below is an estimate of monthly reimbursable expenses for the duration of the project.

Landscaping and Lighting District Administration Services

On average, for district administration services, reimbursable expenses are estimated to be less than **\$1,500 per year**, or approximately **\$125 per month**.

HOURLY RATES

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

TITLE	HOURLY RATES	
	DISTRICT ADMINISTRATION	ANNEXATION/FORMATION, AND BALLOTING
Division Manager	\$ 180	\$ 200
Principal Consultant	145	190
Principal Engineer	170	170
Senior Project Manager	125	155
Project Manager	105	135
Senior Project Analyst	95	120
Senior Analyst	85	110
Analyst	75	90
Analyst Assistant	65	75
Property Owner Services Representative	50	50
Support Staff	45	45

5. CONTRACT TERMS

The following are comments received from our attorney regarding the City of Paso Robles's sample RFP agreement. Should we be selected, our principal-in-charge and attorney will be available to speak with the City's legal counsel, if necessary.

In view of that, MuniFinancial requests consideration of the following exceptions to the sample agreement provided with the City's RFP dated September 10, 2007:

9. PERFORMANCE STANDARDS (PAGE 4)

A. Compliance with Laws

(1) Consultant shall (and shall cause its agents and contractors), at its sole cost and expense, to comply with all City, County, State, and Federal ordinances, regulations and statutes now in force or which may hereafter be in force with regard to the Project and prior to Consultant's completion of services pursuant this Agreement. Any corrections to consultant's instruments of professional service, which become necessary as a result of the Consultant's failure to comply with these requirements shall be made at the Consultant's expense.

(2) Should the requirements referenced in subparagraph 1 above change after the date of design or drawing preparation, but prior to Consultant's completion of its services, Consultant shall be responsible for notifying City of such change in requirements. Consultant will bring the instruments of professional service into conformance with the newly-issued requirements at the written direction of City.

13. OWNERSHIP OF DOCUMENTS (PAGE 5)

A. The plans, specifications, estimates, programs, reports, models, data, and other material prepared by or on behalf of Consultant under this Agreement, including all drafts and working documents, and including electronic and paper forms (collectively, the "Documents"), shall be and remain the property of the City, whether the Project is completed or not, and to the extent that Consultant has been paid for satisfactorily completed Services. Consultant shall deliver all Documents to City upon (1) The substantial completion date of the Project, (2) The date of termination of this Agreement for any reason, or (3) At any time requested by City, upon five (5) days' written notice. City's reuse of such materials on a project other than the project for which they were originally intended shall be at the City's sole risk.

EXHIBIT D: INSURANCE REQUIREMENTS TO PROFESSIONAL SERVICES AGREEMENT

Page 2, Item 7-h

Certificate(s) are to reflect that the insurer will provide 30 days' notice to City of any cancellation of coverage, 10 days' notice if cancellation is due to nonpayment of premium. Consultant agrees to require its insurer to modify such certificates to delete any exculpatory wording stating that failure of the insurer to mail written notice of cancellation imposes no obligation, or that any party will "endeavor" (as opposed to being required) to comply with the requirements of the certificate.

Page 3, Item k

Consultant agrees not to self-insure or to use any self-insured retentions or deductibles on any portion of the insurance required herein and further agrees that it will not allow any contractor, subcontractor, Architect, Engineer, or other entity or person in any way involved in the performance of work on the project contemplated by this agreement to self-insure its obligations to the City. If Consultant's existing coverage includes a deductible or self-insured retention, **the deductible or self-insured retention must be declared to the City.** At that time, the City shall review options with the Consultant, which may include reduction or elimination of the deductible or self-insured retention, substitution of other coverage, or other solutions.

Please Note:

The certificates of insurance will show the following deductibles:

- ✓ Commercial General Liability — \$25,000
- ✓ Professional Liability — \$250,000

6. REFERENCES

MuniFinancial has an extensive list of clients. Our client relationships are extremely important to us. We encourage you to contact any of our clients regarding our commitment to personalized service and performance. Based on the relevance of similar services, we have selected the following references for your convenience:

AGENCY	CONTACT	TELEPHONE	DISTRICT DESCRIPTION
City of Thousand Oaks	Mr. Jay Spurgin, City Engineer	(805) 449-2444	Citywide Landscaping and Lighting District, with 49 zones; Property and Business Improvement District; and 3 Community Facilities Districts
City of Fillmore	Ms. Barbara Smith, Finance Director	(805) 524-1500	9 Landscaping and Lighting and Benefit Assessment Districts, plus 5 Community Facilities Districts
City of Atascadero	Ms. Jeri Rangel, Deputy Director of Administrative Services	(805) 470-3430	6 Landscaping and Lighting and Benefit Assessment Districts, 1 Community Facilities District, and 5 Local Improvement Districts
City of Palm Desert	Mr. Paul Gibson, Finance Director	(760) 346-0611	Landscaping and Lighting District, with 33 Zones; 3 Property and Business Improvement Districts; 7 Local Improvement Districts; 2 Community Facilities Districts; and a Citywide Special Fire Tax
City of Tracy	Mr. Zane Johnston, Finance Director	(209) 831-6841	Landscaping and Lighting District, with 37 Zones; Property and Business Improvement District; 12 Local Improvement Districts; and 9 Community Facilities Districts
City of Murrieta	Mr. Jim Holsten, Deputy City Manager	(951) 461-6116	Landscaping and Lighting District, with 34 Zones; Citywide Community Services District, with 14 Zones; 2 Local Improvement Districts; 13 Community Facilities Districts; and a Citywide Parks Special Tax
City of Rancho Mirage	Ms. Cathy Mitton, Assistant City Manager	(760) 324-4511	Landscaping and Lighting District, with 6 Zones; 4 Citywide Special Taxes; 2 Community Facilities Districts; and 8 Local Improvement Districts
Los Angeles County Department of Parks and Recreation	Mr. Patrick Malekian, Administrator of Special Districts	(661) 294-3509	45 Landscape and Lighting Districts
Conejo Recreation and Parks Districts	Mr. Jim Friedl, General Manager	(805) 495-6471	2 Landscaping and Lighting Districts

7. DISCLOSURES

MuniFinancial is **not aware** of any existing or past legal actions originating from any defaulted or failed performance of duties resulting in termination of contractual services. Likewise, MuniFinancial has **no active or pending** civil or criminal litigations or investigations that involve our firm directly, which would impede our ability to serve the City of Paso Robles.



27368 Via Industria, Suite 110, Temecula, California 92590