

AMENDMENT NO. 1

CITY OF CHICO - PROFESSIONAL SERVICES AGREEMENT

AGREEMENT DATED MAY 28, 2015

BETWEEN CITY OF CHICO

AND

CHAD WOHLFORD DBA WOHLFORD CONSULTING
Consultant

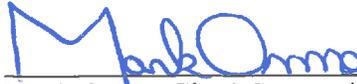
DEVELOPMENT SERVICES COST OF SERVICE STUDY MINOR UPDATE
Project Title

001-510-6108, 862-520-5400 & MAJGNC/50160-300-4110
Budget Account Nos.

THIS PROFESSIONAL SERVICES AGREEMENT AMENDMENT (Amendment) is entered into on _____, 2015, between the City of Chico, a municipal corporation under the laws of the State of California (City), and Chad Wohlford, an individual, DBA Wohlford Consulting, (Consultant). On May 28, 2015, City and Consultant entered into "City of Chico - Professional Services Agreement" (Agreement). The provisions of the Agreement are hereby amended as follows:

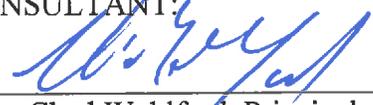
1. Exhibit B is hereby superseded and replaced by revised Pages B-1R1 through B-5R1 attached hereto.
2. Exhibit C is hereby superseded and replaced by revised Pages C-1R1 through C-2R1 attached hereto.
3. All other provisions of the Agreement shall remain in full force and effect.

CITY:



Mark Orme, City Manager*

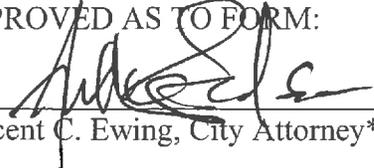
CONSULTANT:



By: Chad Wohlford, Principal

*Authorized pursuant to Section 3.08.060 of the Chico Municipal Code.

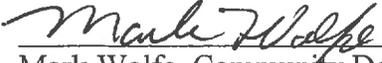
APPROVED AS TO FORM:



Vincent C. Ewing, City Attorney*

*Approved pursuant to The Charter of the
City of Chico § 906(D)

APPROVED AS TO CONTENT:



Mark Wolfe, Community Development
Director

REVIEWED AS TO CONTENT:



Frank Fields, Administrative Services Director*

*Reviewed by Risk Management, Human
Resources, Finance and Information Systems.

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CHAD WOHLFORD DBA WOHLFORD CONSULTING

Architect/Consultant/Engineer

DEVELOPMENT SERVICES COST OF SERVICE STUDY MINOR UPDATE

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AMENDED

EXHIBIT B

SCOPE OF PROFESSIONAL SERVICES - BASIC; COMPLETION SCHEDULE

Scope of Professional Services - Basic

Background

Since the City's most recent Cost of Service Study (Study), City departments have undergone minor changes to operational practices and staffing, as well as basic budgetary cost inputs. The Consultant shall perform a Study Update to reflect the updated costs, focusing on the data that have changed since then, including:

- Budgeted expenditures
- Employees in positions.
- Staff salaries and benefits.
- Time estimates related to on-line processing.
- Current fee levels.

Service Areas Included in the Study Update

The Study Update shall include all of the fees and programs evaluated in the most recent prior Study, including those for Building, Planning, and Engineering.

Specific Project Deliverables

The Consultant shall complete and deliver the following items and information to the City:

1. Study Update

The Consultant shall gather relevant updated data and use proprietary analytical models to calculate the full unit cost of user fee services included in the Study.

In addition to the update of basic cost data, such as salaries, benefits, service and supply expenditures, the Study Update shall include:

- Time estimate updates for fees affected by on-line permitting,
- The division of addressing fees (Planning) into two categories and update of the associated time estimates,
- Development of a new fee category for Use Fees for temporary events (Planning), and
- The addition of new Full Cost Hourly Rates for selected staff positions included in the Study, but excluded from the roster of hourly rates in the previous Study.

Deliverables shall consist of a package of documents/files in PDF format that show the cost components for each fee calculation, the unit costs, and overall results. The Consultant shall submit to the City an electronic version (e.g. Excel worksheets) only of the final fee results summaries (not the entire analytical models) to facilitate future analysis and distribution. These summary worksheets shall display the ultimate results of the analysis but not the formulas or calculation factors that produce these results. The Consultant need not provide any other documentation of components of the Study in Excel, including, but not limited to, the entire working model or any of the worksheets contained within the model. Delivery of any other worksheets, print-outs, or other documentation shall be at the discretion of the Consultant, and the City will not receive any license or ownership to the Consultant's proprietary analytical models or their component worksheets.

2. On-Site Meetings

Most of the work between the Consultant and the City shall be conducted through Web meetings, e-mail, phone, fax, mail, and other media. As necessary to achieve progress, the Consultant shall conduct up to three on-site meetings with City staff.

During Web-based, phone, or on-site meetings, City staff and the Consultant shall discuss expectations and City issues, assign data collection tasks, review work in progress, revise data and update the analytical models, examine results, plan strategy for analysis and implementation, and address other issues and tasks as necessary.

3. External Review Assistance

The Consultant shall assist the City with analysis, advice, responses to queries and challenges, and one initial meeting with local construction industry representatives and their legal counsel during the Study Update. Additional meetings and services

beyond the estimated 55 hours allotted for this task in this scope of services shall be authorized, if required, by an Amendment to this Agreement.

4. Presentations and Meetings

The Consultant shall participate in up to two meetings with the City Council and/or subcommittees. Such participation may consist of formal presentations by the Consultant or attendance to respond to questions or information requests, at the direction of the City. The Consultant shall work with City staff to determine the most appropriate audiences, timing, and material/topics to best accomplish the City's objectives. The two most likely options are:

- a. A presentation at or near the end of the Study Update to department and/or City management to explain the Study methodology and processes, review the results, introduce potential implementation approaches, and address other relevant issues affecting the Study. The principal purpose of this presentation would be to help managers understand how the numbers are derived so they can accept the results themselves and explain the process to others. This dynamic will establish internal confidence in the Study and enhance the related communication with colleagues and customers/fee payers.
- b. A presentation to provide information in a public form to the City Council or City Council subcommittees. A common purpose of this kind of meeting/presentation is to help the public, fee payers, councilors, or other interested parties understand how the numbers are derived and to build confidence and acceptance of the results. In addition, this presentation can be used to educate councilors and the public regarding user fee issues and methodologies, reveal the Study results, solicit feedback from Council regarding cost-recovery or implementation objectives, and/or facilitate other related goals of the City. The Consultant shall work with City staff to determine the most appropriate timing, format, approach, and audience for this presentation.

Optional Additional Services

Should any of these services be requested by the City, the delivery of such services and the associated costs will require negotiation between the City and the Consultant and shall be authorized by the City through an Amendment to this Agreement.

Summary Report

The basic scope of services outlined above includes provisions of the Study Update results through delivery of worksheets and PDF documents. If requested by the City, the Consultant shall prepare a Summary Report to address the results and findings as well as any new or unresolved issues, with delivery to the City in PDF format. If desired, the Summary Report could be expanded to include the Consultant's general approach, methodologies, fee-related issues, implementation strategies, and update approaches.

External Presentation (e.g. Construction Industry Group)

If requested by the City, the Consultant shall prepare a presentation to the local construction industry group and its legal counsel to explain and demonstrate the prior Study methodology and approach, as well as to show the cost inputs and calculations. This presentation would clarify the Study details that concern the group and its counsel, as well as eliminate some of their misconceptions about the Study and its results.

Assistance with Litigation or Legal Challenges

If requested by the City, the Consultant shall provide technical advice and information regarding fee analysis, as well as respond to requests for information from the City or on the behalf of the City at the City's direction.

Services to be Provided by City

The City will provide the following information and assistance, as requested by the Consultant:

- Budget and other cost data and details.
- Staff structures and cost details.
- Time data and/or estimates to complete work tasks.
- Current fee levels.
- Review of draft results and other documentation.

The City will provide all necessary data in a timely fashion and in a format that is reasonably accessible and usable by the Consultant. The City will provide requested data in electronic and paper format whenever available.

For certain data categories, the City will have primary responsibility for the collection and input of the data directly into worksheets provided by the Consultant. These data include the current fees and time estimates.

The City will conduct requested interviews in a timely manner and with a level of rigor sufficient to accomplish the Project goals for accuracy and completeness.

City department managers will be involved in the Project process to ensure timely completion of City tasks and rapid decisions regarding Project direction and policy resolution.

The City will provide a Project coordinator to serve as the Consultant's primary Project contact and to assist with the collection of data, scheduling of meetings and space, marshaling of City resources, and other Project administrative tasks.

Completion Schedule

The Consultant shall complete all services outlined **above** within four months of receipt of the City's Notice to Proceed.

Amendment No. 1 Services

The Consultant shall make one additional on-site presentation to the Finance Committee. The specific additional tasks required include the following:

- **Preparation of the presentation materials and comments.**
- **Travel time and related expense.**
- **On-site presentation to the Finance Committee.**

Completion Schedule

The Consultant shall complete all Amendment No. 1 services within one month of receipt of the City's Notice to Proceed.

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COMPENSATION

Compensation for the services shall be in accordance with the following schedule of hourly rates. Total maximum compensation for the services outlined herein shall not exceed **\$26,985.00**.

Compensation shall be based upon actual invoices received monthly and shall be paid in accordance with the completion of each task as follows:

#	Milestone Description	Invoice Amount
1	Project Kick-off; Set-up of Analytical Models; Data Request Submitted; and Completion of Initial Discussions	\$3,000.00
2	Fee Inventory Updated; Design of Analytical Models; Delivery of Data Collection Sheets	\$3,500.00
3	Initial Construction Industry Group Meeting; Response to Information Requests; Analysis of Documents; Contributions to City Responses	\$4,837.50
4	Monthly Progress Payment #1 of 3	\$600.00
5	Monthly Progress Payment #2 of 3	\$600.00
6	Monthly Progress Payment #3 of 3	\$600.00
7	Initial Review Draft of Fee Study Results Delivered	\$3,000.00
8	Final Review Draft of Fee Study Results Delivered	\$2,000.00
9	Final Fee Study Results Delivered	\$1,000.00

10	Additional External Responses and Associated Analysis (<i>up to 22.75 hours - to be billed monthly or in conjunction with other milestones</i>)	\$3,412.50
11	Presentation/Workshop #1 Developed	\$1,300.00
12	Presentation/Workshop #1 Delivered	\$600.00
13	Final Meeting/Presentation (<i>or City acceptance of Project finalization</i>)	\$535.00
	Amendment No. 1 Services – Presentation to Finance Committee	\$2,000.00
	Total:	\$26,985.00

Should the City request any of the Optional Additional Services outlined in Exhibit B, or other services not included in this Agreement, the City and Consultant can negotiate to establish mutually agreeable fixed fees for specific tasks or use the standard hourly add-on rate of \$150, plus expenses, for general analytical work or consulting assistance. The following table identifies the cost of specific potential add-on services at the City's request:

Fees for Additional Services

Project Component	Fee
Presentations and Meetings (<i>standard</i>):	
On-Site	\$1,900.00/Day + Expenses
Virtual (<i>Web/phone/video conference</i>)	\$150.00/Hour*
New Presentation Development/Preparation	\$150.00/Hour*
Presentations and Meetings (<i>involving external legal counsel</i>):	
On-Site	\$2,900.00/Day + Expenses
Virtual (<i>Web/phone/video conference</i>)	\$250.00/Hour*
New Presentation Development/Preparation	\$150.00/Hour*
Final Text Report	\$2,400.00
Audit or Litigation Support (<i>per hour</i>)**	\$325.00/Hour + Expenses

*Expenses are included in these fees.

**Applies to time for travel, depositions, attorney meetings, investigations, analysis, or other tasks and services related to pending, existing, or threatened legal action.

Billing for an additional report or presentation shall occur as 60% for completion of the first draft version and 40% for delivery of the final version or presentation. For other additional meetings or services, billing shall occur as 100% following completion of the meeting. All other additional services (i.e. at hourly rates) will be billed upon completion of the task or monthly, as the duration of the task warrants.