

CITY OF CHICO - PROFESSIONAL SERVICES AGREEMENT

MATRIX CONSULTING GROUP, LTD.

Architect/Consultant/Engineer

DEVELOPMENT SERVICES USER FEE STUDY UPDATE 2023

Project Title

MAJNC/50257-000-4800

Budget Account Number

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THIS PROFESSIONAL SERVICES AGREEMENT (Agreement) is entered into on March 2, 2023, between the City of Chico, a municipal corporation under the laws of the State of California, (City) and Matrix Consulting Group, Ltd., a California corporation, (Consultant).

SECTION 1 - DESCRIPTION OF PROJECT

City desires to undertake that certain project (Project) described in EXHIBIT A, entitled “DESCRIPTION OF PROJECT,” and to engage Consultant to provide the required professional services relating to the Project.

SECTION 2 - SCOPE OF PROFESSIONAL SERVICES - BASIC; COMPLETION SCHEDULE

Consultant shall perform those basic professional services in connection with the Project as are set forth more particularly in EXHIBIT B, entitled “SCOPE OF PROFESSIONAL SERVICES - BASIC; COMPLETION SCHEDULE,” and shall complete said professional services in accordance with the completion schedule for professional services as incorporated in EXHIBIT B.

SECTION 3 - SCOPE OF PROFESSIONAL SERVICES - ADDITIONAL; COMPLETION SCHEDULE

City and Consultant agree that it may be necessary, in connection with the Project, for Consultant to perform or secure the performance of professional services other than those set forth in EXHIBIT B. In each such instance, Consultant shall advise City, in advance and in writing, of the need for such additional professional services, their cost and the estimated time, if

appropriate, required to perform them. Consultant shall not proceed to perform any such required additional professional service until City has determined that such professional service is beyond the scope of the basic professional service to be provided, is required, and has given its written authorization to perform or obtain it. Each additional professional service so authorized shall constitute an amendment to this Agreement, shall be identified and sequentially numbered as "Amendment No. 1" and so forth, shall be subject to all of the provisions of this Agreement, and shall be incorporated into EXHIBIT B accordingly.

SECTION 4 - COMPENSATION

Consultant shall be compensated for professional services rendered to City pursuant to this Agreement periodically in the amounts, manner and in accordance with the payment schedule as set forth in EXHIBIT C, entitled "COMPENSATION." Amounts due to Consultant from City for professional service rendered shall be evidenced by the submission to City by Consultant of an invoice, prepared in a form satisfactory to City, setting forth the amount of compensation due for the period covered by it. Each such invoice shall be forwarded to City so as to reach it on or before the 15th day of the month next following the month or months, or other applicable period, for which the professional service invoiced were provided. All such invoices shall be in full accord with any and all applicable provisions of this Agreement. City will make payment on each such invoice within 30 days of receipt of it. However, if Consultant submits an invoice which is incorrect, incomplete, or not in accord with the provisions of this Agreement, then City shall not be obligated to process any payment to Consultant until a correct and complying invoice has been submitted.

SECTION 5 - RESPONSIBILITY OF CONSULTANT

By executing this Agreement, Consultant warrants to City that Consultant possesses, or will arrange to secure from others, all of the necessary professional capabilities, experience, resources and facilities necessary to provide to City the professional services under this Agreement. In procuring the professional services of others to assist Consultant in performing the professional services set forth at EXHIBIT B or additional professional services under SECTION 3 of this Agreement, Consultant shall not employ or otherwise obtain the professional services of any person or entity known to Consultant or City to have, or be likely to develop during the term of this Agreement, an interest that is personally, or professionally, or financially adverse to any interest of City. Consultant will follow the best current, generally accepted professional practices in performing tests and procedures, making findings, rendering opinions, preparing factual presentations and providing professional advice and recommendations regarding professional services rendered under this Agreement.

SECTION 6 - RESPONSIBILITY OF CITY

To the extent appropriate to the Project contemplated by this Agreement, City shall:

6.1 Assist Consultant by placing at Consultant's disposal all available information pertinent to the Project, including previous reports and any other data relative to design and construction of the Project.

6.2 Guarantee access to and make all provisions for Consultant to enter upon public and

private property as required for Consultant to perform Consultant's professional services.

6.3 Examine all studies, reports, sketches, drawings, specifications, proposals, and other documents prepared and presented by Consultant, and render verbally or in writing as may be appropriate, decisions pertaining thereto within a reasonable time so as not to delay the progress of the services by Consultant.

6.4 Designate in writing a person to act as City's representative with respect to the services to be performed under this Agreement. Such person shall have complete authority to transmit instructions, receive information, interpret and define City's policies and decisions with respect to materials, equipment, elements and systems pertinent to Consultant's professional services.

6.5 Give prompt written notice to Consultant whenever City observes or otherwise becomes aware of any defect in the Project.

6.6 Furnish approvals and permits from all governmental authorities having jurisdiction over the Project and such approvals and consents from others as may be necessary for completion of the Project.

SECTION 7 - INDEMNIFICATION

To the fullest extent permitted by law, Consultant shall defend (with counsel of City's choosing), indemnify and hold City, its officials, officers, employees, volunteers and agents free and harmless from any and all claims, demands, causes of action, costs, expenses, liability, loss, damage or injury of any kind, in law or equity, to property or persons, including wrongful death, in any manner arising out of, pertaining to, related to, or incident to any alleged acts, errors or omissions, or willful misconduct of Consultant, its officials, officers, employees, subcontractors, consultants or agents in connection with the services provided under this Agreement, including without limitation the payment of all consequential damages, expert witness fees and attorneys' fees and other related costs and expenses. Consultant shall reimburse City and its officials, officers, employees, agents, and/or volunteers, for any and all legal expenses and costs incurred by each of them in connection therewith or in enforcing the indemnity herein provided.

Consultant's responsibility for such defense and indemnity obligations shall survive the termination or completion of this Agreement for the full period of time allowed by law. The defense and indemnification obligations of this Agreement are undertaken in addition to, and shall not in any way be limited by, the insurance obligations contained in this Agreement. Consultant's obligation to indemnify shall not be restricted to insurance proceeds, if any, received by City, its directors, officials, officers, employees, agents, or volunteers. Consultant's obligation to indemnify, defend and hold harmless the City, its officers, employees and agents for claims involving "Professional Liability" claims involving acts, errors or omissions in the rendering of professional services (as defined in Civil Code section 2782.8(2), specifically, architects (Business & Professions Code section 5500), landscape architects (Business & Professions Code section 5615), professional engineers (Business & Professions Code section 6701), and professional land

surveyors (Business & Professions Code section 8701)), shall be limited to the extent caused by Consultant's negligent acts, errors or omissions.

SECTION 8 - INSURANCE

Any requirements by City that Consultant carry general liability, errors and omissions, or any other type of insurance in connection with the services to be performed and/or professional services to be rendered by Consultant pursuant to this Agreement shall be as set forth in EXHIBIT D, entitled "INSURANCE PROVISIONS."

SECTION 9 - GENERAL PROVISIONS

9.1 Access to Records

Consultant shall maintain all books, records, documents, accounting ledgers, and similar materials relating to services performed for City under this Agreement on file for at least four years following the date of final payment to Consultant by City. Any duly authorized representative(s) of City shall have access to such records for the purpose of inspection, audit and copying at reasonable times, during Consultant's usual and customary business hours. Consultant shall provide proper facilities to City's representative(s) for access and inspection. Consultant shall be entitled to reasonable compensation for time and expenses related to such access and inspection activities, which shall be considered to be an additional professional service to City, falling under the provisions of SECTION 3 of this Agreement.

9.2 Assignment

This Agreement is binding on the heirs, successors, and assigns of the parties hereto and shall not be assigned by either City or Consultant without the prior written consent of the other.

9.3 Changes to Scope of Services - Basic Professional Services

City may at any time, upon a minimum of 10 days written notice, modify the scope of basic professional services to be provided under this Agreement. Consultant shall, upon receipt of said notice, determine the impact on both time and compensation of such change in scope and notify City in writing. Upon agreement between City and Consultant as to the extent of said impacts to time and compensation, an amendment to this Agreement shall be prepared describing such changes. Execution of the amendment by City and Consultant shall constitute the Consultant's notice to proceed with the changed scope.

9.4 Compliance with Laws, Rules, Regulations

All professional services performed by Consultant pursuant to this Agreement shall be performed in accordance and full compliance with all applicable Federal, State, or City statutes, and any rules or regulations promulgated thereunder.

9.5 Conflict of Interest Code Applicability

If City's City Manager has determined that one or several of Consultant's Principal(s) or Project Manager(s) are subject to the provisions of Section 2R.04.180 of the Chico Municipal Code (the City's Conflict of Interest Code), then each such person will be required to comply with the provisions of said Code in connection with the professional services they render to the

City under this Agreement. In such event, City's requirements are set forth in EXHIBIT E, entitled "CONFLICT OF INTEREST PROVISIONS," to this Agreement.

9.6 Exhibits Incorporated

All Exhibits attached to and referred to in this Agreement are hereby incorporated by this reference.

9.7 Independent Contractor

City and Consultant agree that the relationship between them created by this Agreement is that of an employer-independent contractor. Consultant shall be solely responsible for the conduct and control of the services performed under this Agreement. Consultant shall be free to render professional consulting services to others during the term of this Agreement, so long as such activities do not interfere with or diminish Consultant's ability to fulfill the obligations established herein to City.

9.8 Integration; Amendment

This Agreement represents the entire understanding of City and Consultant as to those matters contained herein. No prior oral or written understanding shall be of any force or effect with respect to those matters covered in it. This Agreement may not be modified or altered except by amendment in writing signed by both parties.

9.9 Jurisdiction

This Agreement shall be administered and interpreted under the laws of the State of California. Jurisdiction of litigation arising from this Agreement shall be in that state. If any part of this Agreement is found to be in conflict with applicable laws, such part shall be inoperative, null, and void insofar as it is in conflict with said laws, but the remainder of the Agreement shall continue to be in full force and effect.

9.10 Notice to Proceed; Progress; Completion

Upon execution of this Agreement by the parties, City shall give Consultant written notice to proceed with the services. Such notice may authorize Consultant to render all of the professional services contemplated herein, or such portions or phases as may be mutually agreed upon. In the latter event, City shall, in its sole discretion, issue subsequent notices from time to time regarding further portions or phases of the services. Upon receipt of such notices, Consultant shall diligently proceed with the services authorized and complete it within the agreed time period.

9.11 Ownership of Documents

Title to all documents, designs, drawings, specifications, and the like with respect to services performed under this Agreement shall vest with City at such time as City has compensated Consultant, as provided herein, for the professional services rendered by Consultant in connection with which they were prepared.

9.12 Subcontracts

Consultant shall be entitled, to the extent determined appropriate by Consultant, to subcontract any portion of the services to be performed under this Agreement. Consultant shall be responsible to City for the actions of persons and firms performing subcontract services. The subcontracting of services by Consultant shall not relieve Consultant, in any manner, of the obligations and requirements imposed upon Consultant by this Agreement.

9.13 Term; Termination

The term of this Agreement shall commence upon City's issuance to Consultant of a notice to proceed for all or a portion of the services, as hereinabove provided, and shall end upon City's acceptance and payment for all or such portion of the services as was authorized by such notice, including any and all retentions. Notwithstanding the foregoing, City may, in its sole discretion, terminate this Agreement at any time and for any reason whatsoever by giving at least 10 days prior written notice of such termination to Consultant. In this latter event, Consultant shall be entitled to compensation for all professional service rendered and services performed for City to the date of such termination.

9.14 Notice

Any notices required to be given pursuant to this Agreement shall be deemed to have been given by their deposit, postage prepaid, in the United States Postal Service or, alternatively, by personal delivery or overnight courier service addressed to the parties as follows:

To City:	City Manager City of Chico P. O. Box 3420 Chico, CA 95927-3420	or	City Manager City of Chico 411 Main Street Chico, CA 95928
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To Consultant: Matrix Consulting Group, Ltd.
1650 Amphlett Blvd, #213
San Mateo, CA 94402

SECTION 10 - SPECIAL PROVISIONS

This Agreement shall include all special provisions, if any, as are set forth on EXHIBIT F, entitled "SPECIAL PROVISIONS."

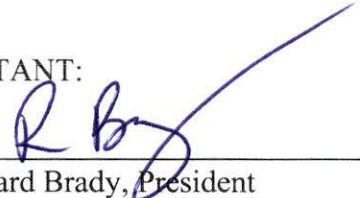
IN WITNESS WHEREOF, the parties hereto have executed this Agreement the date first set forth above.

CITY:



Mark Sorensen, City Manager

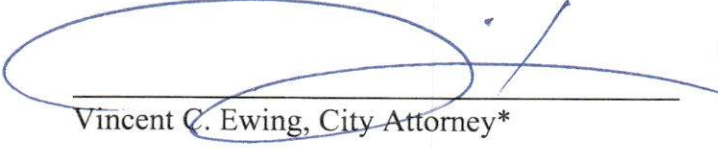
CONSULTANT:



By: Richard Brady, President

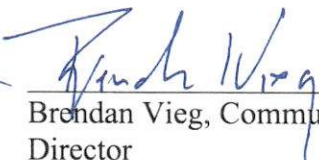
*Authorized pursuant to Section 3.08.060 of the Chico Municipal Code

APPROVED AS TO FORM:



Vincent C. Ewing, City Attorney*

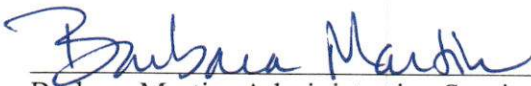
APPROVED AS TO CONTENT:



Brendan Vieg, Community Development Director

*Pursuant to The Charter of the City of Chico, Section 906(D)

REVIEWED AS TO CONTENT:



Barbara Martin, Administrative Services Director*

*Reviewed by Finance and Information Systems

CITY OF CHICO - PROFESSIONAL SERVICES AGREEMENT

MATRIX CONSULTING GROUP, LTD.

Architect/Consultant/Engineer

DEVELOPMENT SERVICES USER FEE STUDY UPDATE 2023

Project Title

MAJNC/50257-000-4800

Budget Account Number

EXHIBIT A

DESCRIPTION OF PROJECT

The Consultant shall prepare a Development Services User Fee Study Update 2023 (Project). The Project shall encompass the Building, Planning, Engineering, Code Enforcement and Fire Development Services Divisions and shall include a User Fee Study Update to the previously completed user fee study update in 2013. The Project shall include a review of current fees and service levels, determine time estimates for cost recoverable department services, develop fee recommendations in the form of a readily understandable fee table, provide jurisdictional comparisons with other similar California communities, generate a summary report, and include on-site and virtual meetings/training, public outreach, and presentations. The completed Project shall provide the City with an accurate set of rates and fees that are fair, legally defensible, and designed to recover all appropriate costs.

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EXHIBIT B

SCOPE OF PROFESSIONAL SERVICES - BASIC; COMPLETION SCHEDULE

Scope of Professional Services - Basic

The Consultant shall provide professional services as follows:

Task 1: Data Collection

Prior to any initial meetings, the Consultant shall provide the City with a list of initial data requirements for the study. Consultant shall review this information thoroughly in preparation for initial discussions with staff. A common list of data collection items include:

- Budget and actual expenditures on a fund, department, and line-item basis
- Copies of prior studies
- Chico's Cost Allocation Plan
- List of all budgeted personnel by fund, department, and division
- Most recent completed Fiscal Year revenue reports
- List of all current fees being charged to be included in the analysis
- List of any proposed new fees to be included in the analysis
- List of comparative jurisdictions to be included in the analysis

Additional information may be requested. The provision of these items shall allow the Consultant to familiarize themselves with the City's Development Services structure and its current financial practices.

Deliverable: Data Collection List
Project Timeline: Weeks 1-2

Task 2: Study Objectives and Project Schedule

The primary objective of the proposed fee study is review of the current processes and methods the City utilizes to track and recover fees for the services provided by the Department and to propose and develop a more comprehensive, streamlined, and user friendly fee schedule which accurately recovers fees for services in alignment with the City's current business practices. Once the data has been collected, the Consultant shall meet with City staff to discuss any issues identified by the Consultant and clarify any concerns regarding the current cost allocation and fee study methodology. Discussions shall include, but not be limited to:

- Review of the City's specific needs and critical issues surrounding development and implementation of the fee study and use of the City's existing cost allocation plan
- Identify opportunities to improve and restructure the method presently utilized by the City to assess fees and adequately recover costs for services provided
- Review and discuss the existing cost allocation methodologies and fee study calculations
- Discussion of concerns or issues that should be addressed during the development of the study
- Discussions regarding current fee structure and proposed changes
- Review and identify existing cost recovery policies or established subsidies
- Legal issues or concerns with implementation of new or proposed fees

At the culmination of the meeting, the Consultant and City staff shall leave with a greater understanding of the overall approach and methodology that shall be taken by the Consultant to conduct the User Fee Study.

Deliverable: Study Objectives/Project Schedule
Meetings: In-Person Kickoff
Project Timeline: Weeks 2-4

Task 3: Develop Schedule of Current and Potential Fees for Service

Current as well as potential fees and charges shall be identified and documented based on the Departments current workflow processes and procedures. The Consultant shall work with City staff to go through the current fee schedules line-item by line-item. This meeting is critical in ensuring that City staff have input as to incorporation of updates or changes to the fee study based upon Code, regulation, project type, staffing, process, and technological changes. The focus of this meeting shall be the following:

- Renaming fees: Rewording or renaming fees to identify services more clearly
- Eliminating fees: Removing any outdated services or fees
- Adding new fees: Capturing any new services or breaking out existing fee categories to identify all the services being provided by the City more clearly, as well as identifying potential fees for service that the City would like or is required to provide
- Recategorization of fees: Collapsing or expanding multiple fee ranges to better capture the services being provided. For example, eliminating lot ranges or acreages if those do not impact review times, but adding in categories based upon approval body (i.e., Commission vs. Director level)
- Building permit fee basis: Discussing options for charging building fees based upon

project valuation, project sq. ft. based on occupancy and construction type, flat fee and / or different types of fees for different types of projects

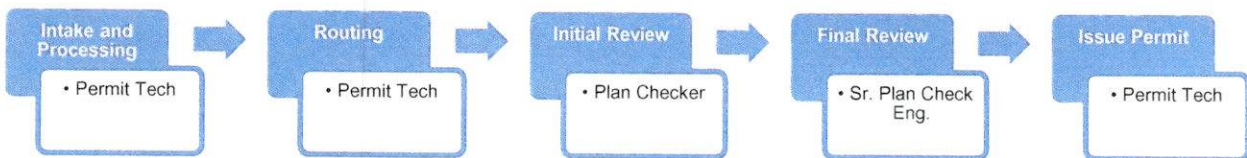
- Granulation of fees associated with accessibility, energy compliance, and Green Code plan review and inspection requirements
- Code enforcement fees: identify fees for inspection, enforcement actions, and other services
- Identify any observed legal issues associated with the current fee schedule

It is important to note that this meeting shall occur first to ensure that any major proposed structural changes are captured prior to collecting time estimate information or developing draft fee results. There will remain opportunities to make adjustments later in the process.

Deliverable: Proposed Fee Structure(s)
Meetings: Virtual Fee Structure Meeting
Project Timeline: Weeks 4-6

Task 4: Conduct Time Data Gathering Workshops

The Consultant shall conduct workshops to gather time estimates for each service included in the study, interviewing key personnel from each department/division, and analyzing the various activities being performed. The flowchart shows an example of the steps involved in permit processing and time associated with each step.



Basic process steps in application/permit processing shall be documented and provided in detail for each department/division represented in the study. The Consultant shall conduct multiple time estimate workshops for each division included in the study, and the results shall be incorporated into an Excel-based workbooks that City staff will review and provide comments.

Deliverable: Time Estimate Workbooks
Meetings: 3 Virtual Time Estimate Workshops
Project Timeline: Weeks 7-12

Task 5: Develop Fully Burdened Hourly Rates

Based on staffing and budget information, as well as the City’s Cost Allocation Plan, the Consultant shall calculate fully burdened hourly rates inclusive of direct and indirect costs. The following factors will be included in fully burdened rates:

- Direct Costs: This component accounts for salary and benefits associated with each employee or position and is reflective of staffing and salary reports

- Indirect Costs - Departmental: This component accounts for administrative and management support provided to line level staff, as well as operational services and supplies which are used in the execution of job duties. This cost component is developed through interviews with staff, as well as an analysis of services and supply budgets.
- Indirect Costs - Citywide: This component accounts for citywide support such as Finance, Human Resources, and City Attorney support provided by other departments including technology update and support costs.

Once the cost components have been documented and developed, the Consultant shall review MOUs, labor agreements, and interview departmental staff to determine appropriate productive hour calculations. This reduction in available hours shall ensure that fully burdened hourly rates account for leave accruals (holiday, vacation, and sick), as well as regular meetings and professional trainings and vehicle costs. The results of this analysis shall be fully burdened hourly rates by position. The Consultant shall utilize the results of this task along with other related information to calculate the full cost of services.

Deliverable: Fully Burdened Hourly Rates
Meetings: Virtual Meeting with Finance
Project Timeline: Weeks 8-13

Task 6: Perform a Total Cost Analysis

The Consultant’s costing model shall be built based on the City’s operations, budget detail and intended uses for the results with the goal of achieving accurate full cost recovery for the services provided by the City’s Departments. This method shall be a customized approach specific to the City of Chico’s cost analysis of user fee services. It is a “bottom-up” approach. The methodology incorporates the time estimate information (Task 4) and fully burdened hourly rate information (Task 5). Below is the full cost calculation process used:

$$\text{Time Estimate} \times \text{Fully Burdened Rate} = \text{Full Cost Fee}$$

This costing method uses time and annual activity level data to establish the cost of providing services on both a unit and annual level. Once the time spent for a fee activity is determined for each individual or position, the Consultant shall use fee and rate software to apply the fully burdened hourly rates calculated in the previous task.

Resulting costs are presented on a unit and annual level and are compared to the City’s existing fee schedule and revenue reports.

The Consultant shall provide detailed information regarding cost recovery surpluses and deficits on both a detailed (per unit) and global (annualized) level, as well as an understanding of cost components for each service.

Deliverable: Per Unit and Annual Fee Study Results
Meetings: 1-2 Virtual Draft Results Meetings
Project Timeline: Weeks 9-14

Task 7: Conduct a Market Rate Survey to Similar Jurisdictions

The Consultant shall coordinate with the City to identify similar jurisdictions in the Sacramento Valley or beyond, for a fee comparison survey. This comparative survey activity shall be conducted utilizing the following steps:

- Developing fee scenarios for each department included in the study to be compared to other jurisdictions (i.e., Single Family Home 2,500 sq. ft. \$325,000)
- Graphing the results of the fee analysis for easy visual comparison purposes
- Collecting contextual information such as population size, budget, staffing, last time fee study was conducted, and last fee schedule update

As market surveys do not necessarily provide adequate or objective information about the relationship of a jurisdiction’s costs to its fees, these steps ensure the Consultant provides the City with the most amount of information as possible.

Deliverable: Comparative Information and Graphs (included in Draft Report)
Meetings: None
Project Timeline: Weeks 6-16

Task 8: Review / Revise Fee Study Results

Because the analysis of fees for service is based on estimates and information provided by various City staff, it is critical City management is comfortable with the data and methodology utilized. Draft Recommended Fee Workbooks that reflect the cost of providing services shall be provided to Development Services Department Heads (i.e., Community Development, Public Works, Fire, etc.) to review and refine the results.

The draft Recommended Fee Workbooks shall provide the results of the fee study in an Excel-based format. The following table shows an example of an excerpted portion of a Recommended Fee Workbook:

Current - Per Unit Results					
Fee Title	Current Fee	Total Cost	Surplus/(Deficit) Per Unit	Cost Recovery %	
Lot Line Adjustment	\$900	\$1,557	(\$657)	58%	
Temporary Use Permit	\$40	\$325	(\$285)	12%	

Recommended Fee					
Fee Title	Recommended Fee	\$ Change to Recommended Fee	% Change to Recommended Fee	Recommended Fee Cost Recovery %	
Lot Line Adjustment	\$1,200	\$300	33%	77%	
Temporary Use Permit	\$100	\$60	150%	31%	

Recommended Fee Annual

Fee Title	Workload	Revenue at Current Fee	Revenue at Recommended Fee	Potential Change in Revenue
Lot Line Adjustment	4	\$3,600	\$4,800	\$1,200
Temporary Use Permit	60	\$2,400	\$6,000	\$3,600
TOTAL		\$6,000	\$10,800	\$4,800

As the table above indicates, the Recommended Fee Workbooks will allow City departments to input information into the Recommended Fee column and see its impacts such as the dollar increase, percentage increase, and what percentage of their current costs they are going to recover. Additionally, the Workbooks allow City departments to calculate potential increases or declines to revenue as a result of the recommended fees.

At this point in the analysis, the Consultant shall work with City staff to facilitate meetings with stakeholders in the development community. These meetings will serve to introduce the study and outline the potential for fee increases, while providing stakeholders the opportunity to comment on fees, including issues or concerns.

Deliverable: Recommended Fee Workbooks
Meetings: 2 Stakeholder Meetings
Project Timeline: Weeks 16-22

Task 9: Prepare a Draft User Fee Study Report

Upon conclusion of the fee study, the Consultant shall prepare a detailed report that summarizes the results of each of the previous work tasks described above. This Draft User Fee Study Report shall include:

- A succinct executive summary discussing the study, methodology, and the results
- A narrative describing the services included in the study
- A section on proposed modifications to the current fee schedule, including removal or addition of new fees for service
- A section on per unit and annual results for each fee included in the analysis and where workload data is available
- A comparative survey section outlining key fees and their comparison to other local jurisdictions, as well as contextual information regarding budget, staffing, and when they last conducted fee studies
- An appendix outlining the recommended fees which clearly identifies any fees adjusted from the present fee schedule and all proposed new fees.

The draft Report shall be provided to Development Services Departments for edits, comments, and revisions.

Upon development of the draft report, as recommended fees are being considered and finalized, the project team will work with City staff to facilitate a meeting with stakeholders to advise them of the fee recommendations being made.

Deliverable: Draft Fee Study Report
Meetings: 1 Stakeholder Meeting
Project Timeline: Weeks 18-25

Task 10: Finalize User Fee Study Report

Any edits or revisions to the draft User Fee Study report shall be incorporated into a final User Fee Study Report. This final User Fee Study Report shall not only include all elements of the draft User Fee Study Report (Task 9), but also include any additional cost recovery considerations and policy considerations for City Council’s review.

Deliverable: Final User Fee Study Report
Meetings: None
Project Timeline: Weeks 24-29

Task 11: Master Fee Schedule

Once the final User Fee Study Report is approved, the Consultant shall develop a master fee schedule, consolidating all fees in a singular location. The master fee schedule shall include a numbering system, the department/division name, the fee title, the unit of application, the applicable fee, the total cost per unit calculated through the study, the surplus / (deficit), the cost recovery, the relevant rule and regulation that applies to the fee type, the staff recommended fee, and the staff recommended cost recovery level.

Deliverable: Master Fee Schedule
Meetings: None
Project Timeline: Weeks 29-30

Task 12: Present the Final Report to Key Stakeholders

The Consultant shall present the results of the Final Report to City officials and stakeholders. Because the results of the study can be controversial, the objective of this final step shall be to present a succinct summary that provides decision makers and stakeholder with key information. The Consultant shall attend and present the Study at up to three (3) Committee and/or City Council Meetings, including any fee adoption hearings.

Deliverable: Fee Study Presentations
Meetings: Up to 3 in-person City Committee/Commission/Council Meetings
Project Timeline: Weeks 30+

Completion Schedule

The Consultant shall complete all services outlined herein in compliance with the following schedule:

Task	Project Week(s)	Deliverable
Data Collection	Weeks 1 – 2	Data Collection and Project Schedule Memo
Study Objectives	Weeks 2-4	Initial meeting with key City staff
Current & Potential Fees	Weeks 4-6	Provision of proposed fees
Data Workshops	Weeks 7-12	Time Estimate Workbooks
Fully Burdened Hourly Rates	Weeks 8-13	Fully burdened hourly rates by position
Total Cost Analysis	Weeks 9-14	Draft Per Unit and Annual Cost Analysis Results
Comparative Survey	Weeks 6-16	Survey Results
Review/Revise Results	Weeks 16-22	Draft Results Workbooks / Recommended Fees
Draft Fee Study Report	Weeks 18-25	Draft Fee Study Report
Prepare Final Report	Weeks 24-29	Final Fee Study Report
Develop Master Fee Schedule	Weeks 29-30	Consolidated Master Fee Schedule
Presentation of Fee Results	Weeks 30+	Council Presentations

All presentations shall happen after final approval of results, and in accordance with City staff preference and schedules.

CITY OF CHICO - PROFESSIONAL SERVICES AGREEMENT

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Architect/Consultant/Engineer

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EXHIBIT C

COMPENSATION

Total maximum compensation for the services outlined herein shall not exceed \$55,500.00.

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

	Project Executive	Project Manager	Lead Analyst	Total Cost
Initial Documentation	0	4	6	\$1,200
Project Kick-off	2	2	4	\$1,100
Current & Potential Fees	4	10	16	\$3,900
Data Workshops	4	24	40	\$8,400
Fully Burdened Hourly Rates	0	8	18	\$3,000
Total Cost Analysis	8	16	30	\$7,000
Comparative Survey	0	4	20	\$2,600
Review / Revise Results	10	18	32	\$7,900
Prepare Final Report	8	12	16	\$5,000
Present Final Report	8	8	12	\$4,000
Total Hours	44	106	194	
Hourly Rate	\$200	\$150	\$100	
Total Professional Fees	\$8,800	\$15,900	\$19,400	\$44,100
Travel				\$1,400
Contingency				\$10,000
<hr/>				
Total Project Cost				\$55,500

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EXHIBIT D

INSURANCE PROVISIONS

General Liability Insurance

Consultant/Contractor shall obtain commercial general liability insurance (occurrence policy form) from one or more U.S. domiciled insurance companies licensed to do business in the State of California with an A.M. Best Company rating of "B" or better or, in the alternative, an unlicensed U.S. domiciled company or companies with an "A" rating, which provides coverage for bodily injury, personal injury and property damage liability in the amount of at least \$1,000,000 per occurrence, and \$2,000,000 in the aggregate, with a maximum policy deductible of \$5,000, or as approved by the City's Human Resources and Risk Management Office.

It shall be a requirement under this agreement that any available insurance proceeds broader than or in excess of the specific minimum Insurance coverage requirements and/or limits shall be available to the Additional Insured. Furthermore, the requirements for coverage and limits shall be (1) the minimum coverage and limits specified in this Agreement; or (2) the broader coverage and maximum limits of coverage of any Insurance policy or proceeds available to the named Insured, whichever is greater.

The insurance coverage required herein shall be evidenced by a certificate of insurance with policy endorsements and shall be executed by an authorized official of the insurer(s). In addition to the limits of coverage described above, the certificate of insurance shall provide that the insurer shall provide to City at least 30 days prior notice of cancellation or material change in coverage, or 10 days prior notice of cancellation for non-payment.

Consultant/Contractor acknowledges and agrees that City of Chico, its officers, boards and commissions, and members thereof, its employees and agents, are covered as additional insureds with respect to any liability arising out of the activities of Consultant/Contractor as the named insured. Such additional insured status shall be evidenced by a policy endorsement executed by

an authorized official of the insurer(s). A blanket endorsement which provides additional insured status to any person or organization with whom Consultant/Contractor, as named insured, has entered into a written contract, such as this Agreement, shall satisfy this requirement.

The insurance coverage required herein shall be primary and non-contributory insurance with respect to the City of Chico, its officers, officials and employees. Any insurance or self-insurance maintained by the City of Chico, its officers, officials or employees shall be in excess of the insurance afforded to the named insured by the insurance coverage required herein and shall not contribute to any loss. Such primary insurance status shall be evidenced by a policy endorsement issued by an authorized official of the insurer(s), and shall be at least as broad as CG 20 01 04 13. In the alternative, a letter issued by an authorized official of the insurer(s) and copies of the pertinent page(s) of the policy shall satisfy this requirement.

The limits of Insurance required in this agreement may be satisfied by a combination of primary and umbrella or excess Insurance. Any umbrella or excess Insurance shall contain or be endorsed to contain a provision that such coverage shall also apply on a primary and non-contributory basis for the benefit of City of Chico (if agreed to in a written contract or agreement) before City of Chico's self-insurance shall be called upon to protect it as a named insured.

All self-insured retentions (SIR) must be disclosed to the City's Human Resources and Risk Management Office for approval and shall not reduce the limits of liability. Policies containing any (SIR) provision shall provide or be endorsed to provide that the SIR may be satisfied by either the named Insured or City of Chico. City of Chico reserves the right to obtain a full certified copy of any Insurance policy or endorsements. Failure to exercise this right shall not constitute a waiver of right to exercise later.

Automobile Liability Insurance

Consultant/Contractor shall obtain automobile liability insurance from one or more U.S. domiciled insurance companies licensed to do business in the State of California with an A.M. Best Company rating of "B" or better which provides coverage for bodily injury, personal injury, and property damage liability in the amount of at least \$500,000 combined single limit for each occurrence. Evidence of such coverage shall be maintained by Consultant/Contractor and provided to City upon request.

Subconsultant/Subcontractor Insurance

Consultant/Contractor agrees to include with all subconsultants/subcontractors in their subcontract the same requirements and provisions of this agreement including the indemnity and Insurance requirements to the extent they apply to the scope of the subconsultant/subcontractor's work. Subconsultant/Subcontractor agrees to be bound to Consultant/Contractor and City of Chico in the same manner and to the same extent as Consultant/Contractor is bound to City of Chico under the agreement. Subconsultant/Subcontractor further agrees to include the same requirements and provisions of this agreement, including the indemnity and Insurance requirements, with any Sub-subconsultant/Sub-subcontractor to the extent they apply to the

scope of the Sub-subconsultant/Sub-subcontractor's work.

A copy of the City of Chico Insurance Provisions will be furnished to the subconsultant/subcontractor upon request. Evidence of such coverage shall be maintained by Consultant/Contractor and provided to City upon request.

Workers' Compensation Insurance

Consultant/Contractor shall, at Consultant/Contractor's expense, purchase and maintain in full force and effect workers' compensation insurance as required by Federal and State of California law. Consultant/Contractor shall also require all of Consultant's subconsultants/subcontractors to maintain this insurance coverage. Proof of workers' compensation insurance or other documentation acceptable to City evidencing such insurance coverage shall be provided by Consultant/Contractor or Consultant/Contractor's subconsultants/subcontractors to City upon request.

Subrogation

Consultant/Contractor shall agree to waive all rights of subrogation against City for losses arising from Services performed by the Consultant/Contractor or Consultant/Contractor's subconsultants/subcontractors for City under this Agreement.

Indemnity

Consultant/Contractor/Subconsultant/Subcontractor's responsibility for such defense and indemnity obligations shall survive the termination or completion of this agreement for the full period of time allowed by law.

The defense and indemnification obligations of this agreement are undertaken in addition to, and shall not in any way be limited by, the insurance obligations contained in this agreement.

Professional Liability Insurance

Consultant/Contractor shall obtain professional liability (errors and omissions) insurance, with a minimum \$1,000,000 limit, from one or more U.S. domiciled insurance companies licensed to do business in the State of California with an A.M. Best Company rating of "B" or better providing coverage for services rendered to City under this Agreement.

Said insurance coverage shall be evidenced by a certificate of insurance which shall be executed by an authorized official of the insurer(s). In addition to the limits of coverage described above, the certificate of insurance shall provide that the insurer shall provide to City at least 30 days prior notice of cancellation or material change in coverage, or 10 days prior notice of cancellation for non-payment.

For All Required Insurance

In the event such proof of any insurance is not delivered as required, or in the event such insurance is canceled, at any time and no replacement coverage is provided, the City has the right to, but not the duty, to obtain any insurance it deems necessary to protect its interests under this or any other agreement and to pay the premium. Any premium so paid by the City shall be charged to and promptly paid by Consultant or deducted from sums due the City, at the City's option.

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EXHIBIT E

CONFLICT OF INTEREST PROVISIONS

None.

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EXHIBIT F

SPECIAL PROVISIONS

None.