

Wednesday December 26, 2018

**BOARD OF DIRECTORS
AMADOR FIRE PROTECTION DISTRICT
COUNTY ADMINISTRATION CENTER**

810 Court Street
Jackson, California 95642

SPECIAL AGENDA

-- 1:00p.m. --

Please Note: All Board of Directors meetings are recorded.

In compliance with the Americans with Disabilities Act, if you are a disabled person and you need a disability-related modification or accommodation to participate in this meeting, please contact the Clerk of the Board staff, at (209) 223-6391 or (209) 223-6646(fax). Requests must be made as early as possible and at least one-full business day before the start of the meeting. Assisted hearing devices are available in the Board Chambers for public use during all public meetings.

Pursuant to Government Code 54957.5, all materials relating to an agenda item for an open session of a regular meeting of the Board of Directors which are provided to a majority or all of the members of the Board by Board members, staff or the public within 72 hours of but prior to the meeting will be available for public inspection, at and after the time of such distribution, in the office of the Clerk of the Board of Directors, 810 Court Street, Jackson, California 95642, Monday through Friday, between the hours of 8:00 a.m. and 5:00 p.m., except for County holidays. Materials distributed to a majority or all of the members of the Board at the meeting will be available for public inspection at the public meeting if prepared by the members of the Board or District staff and after the public meeting if prepared by some other person. Availability of materials related to agenda items for public inspection does not include materials that are exempt from public disclosure under Government Code sections 6253.5, 6254, 6254.3, 6254.7, 6254.15, 6254.16, or 6254.2.

PLEDGE OF ALLEGIANCE

AGENDA: Off-agenda items must be approved by the Board pursuant to Section 54954.2 of the Government Code.

PUBLIC MATTERS NOT ON THE AGENDA: Discussion items only; no action will be taken. Any person may address the Board at this time upon any subject within the jurisdiction of the AFPD Board of Directors; however, any matter that requires action may be referred to staff and/or Committee for a report and recommendation for possible action at a subsequent Board meeting. **Please note - there is a five (5) minute limit per topic.**

CLOSED SESSION may be called for labor negotiations (pursuant to Government Code §54957.6), personnel matters (pursuant to Government Code §54957), real estate negotiations/acquisitions (pursuant to Government Code §54956.8), and/or pending or potential litigation (pursuant to Government Code §54956.9).

- (1) CONFERENCE WITH LABOR NEGOTIATORS:** Discussion and possible action relative to labor negotiations: pursuant to Government Code 54957.6: District Negotiator, Walter White, Fire Chief. Employee Organization: Unrepresented Administrative Assistant and SEIU Local 1021 Administrative Technician.
- (2) PUBLIC EMPLOYMENT:** Discussion and possible action relative to public employment, Administrative Assistant pursuant to Government Code 54957.
- (3) CONFERENCE WITH LABOR NEGOTIATORS:** Discussion and possible action relative to labor negotiations: pursuant to Government Code 54957.6: District Negotiator, Walter White, Fire Chief. Employee Organization: Amador County Processional Firefighters Union Local 5181.

ADMINISTRATIVE MATTERS

- (4) AGREEMENT WITH MATRIX CONSULTING GROUP:** Discussion and possible action relative to subject agreement.

MISCELLANEOUS MATTERS None

ADJOURNMENT

AGENDA TRANSMITTAL FORM

To: Amador Fire Protection Board of Directors

Date: 12/26/18

From: Walter White Phone Ext. x391
(Department Head - please type)

Department Head Signature Walter White

☒ Regular Agenda
☐ Consent Agenda
☐ Blue Slip
☐ Closed Session
Meeting Date Requested:

12/26/2018

Agenda Title: Agreement with Matrix Consulting Group

Summary: (Provide detailed summary of the purpose of this item; attach additional page if necessary)

Discussion and possible action relative to attached agreement with Matrix Consulting Group to provide a nexus study for our Fire Prevention Fee Schedule and a Cost Recovery Fee for EMS Response which would be used for future proposals.

Recommendation/Requested Action:

Approve resolution authorizing President to sign subject agreement.

Fiscal Impacts (attach budget transfer form if appropriate)

Staffing Impacts

Is a 4/5ths vote required?

Yes ☐

No ☒

Committee Review?

N/A ☒

Name

Committee Recommendation:

Contract Attached:

Yes ☒

No ☐

N/A ☐

Resolution Attached:

Yes ☒

No ☐

N/A ☐

Ordinance Attached

Yes ☐

No ☐

N/A ☒

Comments:

Request Reviewed by:

Chairman _____ Counsel _____

Auditor _____ GSA Director _____

CAO _____ Risk Management _____

Distribution Instructions:

FOR CLERK USE ONLY

Meeting Date

Time

Item #

Board Action: Approved Yes ___ No ___ Unanimous Vote: Yes ___ No ___

Ayes: _____ Resolution _____ Ordinance _____ Other: _____

Noes _____ Resolution _____ Ordinance _____

Absent: _____ Comments: _____

Distributed on

A new ATF is required from

Department

Completed by

For meeting

of

I hereby certify this is a true and correct copy of action(s) taken and entered into the official records of the Amador Fire Protection District.

ATTEST: _____

AFPD Board Clerk

AMADOR FIRE PROTECTION DISTRICT

810 Court Street, Jackson California 95642-2132 (209) 223-6391



MEMORANDUM

To : Honorable Board of Directors

From : Walter White, Fire Chief

Date : December 26, 2018

SUBJECT : Agreement with Matrix Consulting Group to Provide Nexus Study

The District is seeking to improve District cost recovery for Fire Prevention Services and Emergency Medical Service (EMS) response. Therefore, we are seeking the approval of the Board to contract for services with Matrix Consulting Group to conduct a nexus study to identify costs associated with services delivery.

A review of the general budget shows that it can accommodate the cost of the proposed study.

The District has sought out quotes from the below vendors, and due to cost and responsiveness we believe the best suited proposal is with Matrix Consulting Group and we request to move forward with their proposal.

Matrix Consulting Group \$16,500

NBS Financial Consulting Group \$24,740

Goodwin Consulting Group \$24,500

REQUESTED ACTION

Approve as Presented.

BEFORE THE BOARD OF DIRECTORS OF THE
AMADOR FIRE PROTECTION DISTRICT
COUNTY OF AMADOR, STATE OF CALIFORNIA

IN THE MATTER OF:

RESOLUTION APPROVING
AGREEMENT WITH MATRIX
CONSULTING GROUP.

RESOLUTION NO. AFPD 18-

BE IT RESOLVED by the Board of Directors of the Amador Fire Protection District, that said Board does hereby approve the agreement by and between the Amador Fire Protection District and Matrix Consulting Group, on the terms and conditions contained therein as it relates to providing professional consulting services.

BE IT FURTHER RESOLVED that the President of said Board be and hereby is authorized to sign and execute said agreement on behalf of the Amador Fire Protection District.

The foregoing resolution was duly passed and adopted by the Board of Directors of the Amador Fire Protection District at a special meeting thereof, held on the 26th day of December 2018 by the following vote:

AYES:

NOES:

ABSENT:

President, Board of Directors

ATTEST:
LINDSEY CLARK, Clerk of the
Amador Fire Protection District,
Amador County, California

Agreement to Provide Professional Consulting Services to the Amador Fire Protection District

Matrix Consulting Group

THIS AGREEMENT, entered into this ____ day of December, 2018 and effective immediately by and between Matrix Consulting Group (hereinafter called the "CONSULTANT" and the AMADOR FIRE PROTECTION DISTRICT, CALIFORNIA (hereinafter called "DISTRICT"), WITNESSETH THAT,

WHEREAS, DISTRICT desires to engage the CONSULTANT to Conduct a Fire Prevention Fee Study.

NOW, THEREFORE, the parties hereto mutually agree as follows:

- 1 **Employment of Consultant.** DISTRICT agrees to engage the CONSULTANT and the CONSULTANT hereby agrees to perform the services described in the CONSULTANT'S Proposal dated November 30, 2018, and incorporated into this Agreement as Attachment A.
- 2 **Time of Performance.** All services to be performed hereunder by the CONSULTANT shall be completed within 120 days of the project start date, unless this Agreement is terminated earlier as provided for herein.
- 3 **Compensation.** The DISTRICT agrees to pay the CONSULTANT a sum not to exceed **\$16,500**. CONSULTANT agrees to complete the project and all services provided herein for said sum.

Should the DISTRICT wish to engage the CONSULTANT in the optional scope of providing an Excel-based User Fee model, this service would be provided for a one-time fee of **\$2,000**.
- 4 **Method of Payment.** The CONSULTANT shall bill monthly for hours completed to date as described in CONSULTANT'S Price Proposal. Total payments shall not exceed the amount shown in (3), above. DISTRICT shall pay invoices within thirty (30) days of receipt.
- 5 **Changes.** DISTRICT may, from time to time require changes in the scope of services of the CONSULTANT to be performed hereunder. Such changes, which are mutually agreed upon by and between DISTRICT and the CONSULTANT, shall be incorporated in written amendment to this Agreement.
- 6 **Services and Materials to be Furnished by DISTRICT.** DISTRICT shall furnish the CONSULTANT with all available necessary information, data, and material pertinent to the execution of this Agreement. DISTRICT shall cooperate with the

CONSULTANT in carrying out the work herein and shall provide adequate staff for liaison with the CONSULTANT.

- 7 **Termination of Agreement.** If, for any cause, the CONSULTANT shall fail to fulfill in timely and proper manner his obligation under this agreement, DISTRICT shall thereupon have the right to terminate this Agreement by giving written notice to the CONSULTANT of such termination and specifying the effective date thereof, at least five (5) days before the effective date of such termination.
- 8 **Information of Reports.** The CONSULTANT shall, at such time and in form as DISTRICT may require, furnish such periodic reports concerning the status of the project, such statements, and copies of proposed and executed plans and other information relative to project as may be requested by DISTRICT. The CONSULTANT shall furnish DISTRICT, upon request, with copies of all documents and other material prepared or developed in relation with or as part of project.
- 9 **Records and Inspections.** CONSULTANT shall maintain full and accurate records with respect to all matters covered under this Agreement for a period of three years after the completion of the project, or for a longer time as may be required by law. DISTRICT shall have free access at all proper times to such records, and the right to examine and audit the same and to make transcripts there from, and to inspect all program data, documents, proceedings, and activities. All records, documents and information obtained by CONSULTANT shall be kept confidential by CONSULTANT and only released upon approval of the DISTRICT.
- 10 **Completeness of Contract.** This contract and any additional or supplementary document or documents incorporated herein by specific reference contain all the terms and conditions agreed upon by the parties hereto, and no other agreements, oral or otherwise, regarding the subject matter of this contract or any part thereof shall have any validity or bind any of the parties hereto.
- 11 **DISTRICT Not Obligated to Third Parties.** DISTRICT shall not be obligated or liable hereunder to any party other than the CONSULTANT.
- 12 **When Rights and Remedies Not Waived.** In no event shall the making by DISTRICT of any payment to the CONSULTANT constitute or be construed as a waiver by DISTRICT of any breach of covenant, or any default which may exist on the part of the CONSULTANT and the making of any such payment by DISTRICT while any such breach or default shall exist in no way impairs or prejudices any right or remedy available to DISTRICT in respect to such breach or default.
- 13 **Hold Harmless.** Each party shall be responsible for its own acts and will be responsible for all damages, costs, fees and expenses which arise out of the performance of this Agreement and which are due to that party's own negligence,

tortious acts and other unlawful conduct and the negligence, tortious action and other unlawful conduct of its respective agents, officers and employees.

- 14 **Insurance.** Consultant agrees to maintain insurance during the term of this Agreement: for comprehensive general liability in the amount of \$2,000,000 per occurrence and \$4,000,000 in aggregate; automobile liability insurance in the amount of \$1,000,000; workers' compensation insurance in the amount of \$1,000,000 and professional liability in the amount of \$1,000,000 per occurrence and \$3,000,000 in aggregate. CONSULTANT shall provide DISTRICT with an insurance certificate which names the DISTRICT as an additionally insured.
- 15 **Personnel.** The CONSULTANT has all personnel required in performing the services under this Agreement. All of the services required hereunder will be performed by the CONSULTANT or under CONSULTANT'S supervision, and all personnel engaged in the work shall be qualified to perform such services.
- 16 **Assignability.** The parties hereby agree that Consultant may not assign, convey or transfer its interest, rights and duties in this Agreement without the prior written consent of DISTRICT.
- 17 **Notices.** Any notices, bills, invoices, or reports required by this Agreement shall be sufficient if sent by the parties in the United States mail, postage paid, to the addresses noted below:

Name, Title
Amador Fire Protection District
810 Court Street
Jackson, CA 95642

Richard P. Brady, President
Matrix Consulting Group
201 San Antonio Circle, Suite 148
Mountain View, California 94040

IN WITNESS WHEREOF, DISTRICT and the CONSULTANT have executed this agreement as of the date first written above.

AMADOR FIRE PROTECTION DISTRICT

By: _____

Date:

MATRIX CONSULTING GROUP

By: _____

Richard P. Brady, President

Date:

Proposal to Conduct a Fire Prevention Fee Study

AMADOR FIRE PROTECTION DISTRICT,
CALIFORNIA

matrix 
consulting group

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November 30, 2018

Richard Essaff
Fire Captain
Amador Fire Protection District
810 Court Street
Jackson, CA 95642

Dear Mr. Essaff:

The Matrix Consulting Group is pleased to have this opportunity to submit a proposal to Conduct a Fire Prevention Fee Study for the Amador Fire Protection District. This proposal will not only demonstrate our exceptional skills and experience required to meet the District's needs for this study, but also establish the value of choosing the Matrix Consulting Group.

Our firm is uniquely qualified to understand the staffing and processes behind cost of services, and how different fee, rate, and funding approaches can impact not only a jurisdiction, but also its residents. The Matrix Consulting Group stands apart from other firms for the following reasons:

- **Experience in Cost of Service studies:** Our firm and consulting team have extensive experience conducting cost of service studies, with recent Fire Protection District clients including Southern Marin, Novato, and Central Fire Protection District. Along with our work with City and County Fire departments, this experience provides us with a unique understanding of the services and provided by and issues facing Fire Prevention units.
- **On-site presence and accessibility:** The Matrix Consulting Group will help the District reach its goals because we understand its issues and needs, and are committed to serving our clients through a hands-on approach.
- **Qualified Project Team:** The members of our proposed project team have experience conducting financial and management studies as it relates to fee studies, which ensures that as part of our cost of services analysis we review and analyze all aspects of the process. Additionally, it enables us to vet time estimate information based upon our experience with other jurisdictions and industry standards.

For questions about this proposal or for contract negotiation please contact me, the firm's President, at rbrady@matrixcg.net, or at the letterhead contact points.

Richard P. Brady
Matrix Consulting Group

Richard Brady
President

1 Firm Background and Qualifications

The following sections provide insight into the background and qualifications of the Matrix Consulting Group.

1 Firm Overview

The Matrix Consulting Group specializes in providing analytical services to local governments to assist them in providing highly responsive, efficient, and effective services to their residents. Our firm's history and composition are summarized below:

- We were founded in 2002, and incorporated in California.
- Our founders have worked together in this and other consulting organizations as one team for 10 to over 30 years.
- Our headquarters are based in Mountain View, California with a nearby Southern California office in Irvine. Additional office locations include: Oregon, Illinois, North Carolina, Texas, and Massachusetts.

The market and service focus of the Matrix Consulting Group has always been financial, management, staffing and operations analysis of local government. The core services provided by our firm include both financial assessments as well as fire service management and staffing assessments:

Law Enforcement	Community Development
Fire and EMS	Administrative
Emergency Communications	Public Works and Utilities
Corrections and Justice	Fleet Management
Financial Services	Parks, Recreation, and Libraries

We are one of the leading firms in the state evaluating the fire service for staffing and operational issues with over 350 successful studies in our experience. Recently, we have worked with Butte County, Merced County, Tuolumne County and we are currently working with Placer County on fire service issues.

No other firm has a better understanding of how public organizations operate, or how to help them thrive.

2 Fire Prevention Fee Study Qualifications

The Matrix Consulting Group has experience conducting a variety of cost of services analysis. The primary focus of a user fee study is to determine the full cost associated

with providing those services to the community.

The Matrix Consulting Group is unique in that it has both the operational and financial expertise as it relates to User Fees. The following points highlight some of our key qualifications as it relates to User Fee Studies:

- **User Fee Technical Expertise:** The proposed project team has received training from Government Finance Officers Association (GFOA) as it relates to Best Management Practices for User Fees. Additionally, the project team has conducted both Fire specific and Citywide Comprehensive Fee studies to ensure compliance with local regulations.
- **Fire and Development Services Technical Expertise:** The proposed project team has worked on Fire and Development Services Operational Management studies, which makes us uniquely qualified to understand the processes behind the inspections and services being provided by the District. This includes familiarity with the Fire Code, discussing options for charging plan check and inspection fees, operational permits, and other miscellaneous fire services.
- **Policy Development:** The project team has worked with clients to develop specific policies as it relates to Fire Prevention Fees including the option to annually update the fees utilizing different cost factors (Cost of Living or Consumer Price Index).

As the points above highlight, the Matrix Consulting Group is very familiar with public sector and local government user fee programs. Our familiarity ranges from conducting the cost analysis to developing and evaluating the policies and procedures behind the fee programs. This makes us uniquely qualified to provide the best fee product to the District.

The following table provides a list of jurisdictions for whom we have conducted user fee studies in the last three years.

Asheville (NC)	Montebello (CA)	San Mateo (CA)
Austin (TX)	Novato Fire Protection District (CA)	Sonoma (CA)
Central Fire Protection District (CA)	Orange (CA)	South El Monte (CA)
Champaign (IL)	Pacific Grove (CA)	South Gate (CA)
Cupertino (CA)	Perris (CA)	Stanislaus County (CA)
Downey (CA)	Redlands (CA)	Suisun (CA)
Livermore (CA)	Redwood City (CA)	Vacaville (CA)
Manhattan Beach (CA)	San Bernardino County (CA)	Winters (CA)

Projects that have been bolded are those jurisdictions where Fire Prevention services were a focus of the cost of services study. As the table above demonstrates we have significant experience conducting cost of service studies that are not just limited to the State of California but also across the Country. This wide variety of experience enables us to apply and utilize best practices that are most relevant to the jurisdiction based upon its specific services.

2 Proposed Project Team

This section of the proposal provides a description of our proposed project team members. The following table provides abbreviated biographical summaries for the proposed project team.

Courtney Ramos Vice President, Project Manager	Since joining the firm in 2004, Ms. Ramos has managed and assisted with numerous cost allocation plan, user fee, management, operations, and staffing analyses for our California and national clients. Most recently, Ms. Ramos managed cost of service studies for the following jurisdictions: Redwood City, Montebello, Downey, , Livermore, Stanislaus County, and Sonoma, as well as Ft. Lauderdale, Kissimmee, and Cape Coral (FL); and Asheville, (NC). In addition to her analytical work, Ms. Ramos developed the Technical Models used by the Matrix Consulting Group. All of the references included have Ms. Ramos as the Proposed Project Manager. <i>Ms. Ramos is a Government Finance Officers Association (GFOA) Member and has received certification in trainings related to Cost of Service (User Fee Studies).</i>
Khushboo Hussain Manager, Lead Project Analyst	Ms. Hussain has been a part of the Matrix Consulting Group for over five years. While the primary focus of her tenure has been Financial studies including Cost Allocation Plans and User Fee Studies, she is also knowledgeable with Management Consulting, specializing in Development Services processes and policies. Most recently, Ms. Hussain has lead or assisted with studies for the following jurisdictions: Orange, Montebello, Livermore, Vacaville, Fairfield, Long Beach, San Bernardino County, and Winters (CA) as well as Asheville, (NC) Austin and Dallas (TX). <i>Ms. Hussain is a CSMFO member and has received certification in courses from GFOA related to User Fees and Charges.</i>
Jessica Mizenko Consultant, Data Analyst	A Consultant who has recently joined the firm and supported senior staff with cost allocation and user fee studies in Hercules (CA), Pacific Grove (CA), Montebello (CA), Orange (CA), Redwood City (CA), and San Bernardino County (CA). She is assigned to support our senior staff in all service areas with a focus on Financial and Development services. Prior to joining the Matrix Consulting Group, Mrs. Mizenko worked in Data Analytics for various Silicon Valley firms, which makes her qualified for reviewing, condensing, and synthesizing revenue and cost data.

Ms. Ramos, our proposed project manager was in charge of overseeing all three of our recent Fire Protection District cost of services studies. Ms. Hussain, our proposed Project Manager, is our leading expert in GEMT and EMS cost of service analysis.

3 Proposed Project Work Plan

This section of the proposal provides our overall project approach, project management and quality control techniques, and detailed work plan for the requested scope of services.

1 Project Approach

The Matrix Consulting Group works with a wide variety of clients ranging from small towns to major metropolitan cities in over 41 states across the U.S. Every project is unique, and is managed according to the following essential project approaches:

- **Familiarity with State cost of service regulations:** All proposed project team members are familiar with California Propositions 218 and 26 that govern User Fees and are versed in the Best Management Practices associated with User Fees.
- **Cross-trained project team:** Our project team's background in both financial and management analysis especially as it relates to fire prevention services provides them with a unique understanding of the work processes and service level assumptions behind cost and fees for service.
- **Client communication:** At the onset of the project, a detailed schedule will be developed outlining key deadlines and deliverables, and regular progress reports will be provided. We are known for being available to clients and for providing prompt responses to questions or issues.
- **Client staff support:** The Matrix Consulting Group is mindful of our client's current workload and our approach is to work with our clients' staff to minimize project impacts through strong project management, clear expectations of our roles versus staff roles, and careful as well as realistic scheduling.
- **Workshop data gathering approach:** The facilitation of data gathering workshops allows the project team to obtain more accurate time and service level data. It also provides staff with the knowledge needed to explain how results were derived and the assumptions behind the analysis.
- **Excel-based analytical models:** Our technical models are based in Microsoft Excel, which provides our clients with the ability to adapt and update them from year to year as their organization changes.

These approaches have led to high rates of implementation for all of our project results.

2 Quality Control

We believe very strongly in the science of our craft, especially as it relates to cost allocation and cost of service studies. As such, our firm utilizes quality control techniques to ensure the accuracy of numerical results. Financial analyses are used to develop budgets and projections, and often are subject to public oversight and review. For this reason, our firm ensures data determined quality control through the following:

- Expenditure and staffing data entered into cost models are tied to published budget or audit reports, unless specifically outlined otherwise.
- Revenue projections developed using permit / workload information must be within 10% of actual revenue received.
- Staff allocations must correlate to duty assignments, and not exceed time availability.

The project manager designs and personally reviews all interim and final products before they are delivered to the client. These quality control approaches have resulted in all of our projects being delivered at a high level of quality, on time and on budget.

3 Proposed Project Plan

The Amador Fire Protection District is interested in reviewing the fees it assesses for Plan Review, Inspections, and provision of reports. The District's current fees were adopted in 2015.

The purpose of this study is to evaluate current fees to determine the current level of cost recovery, as well as ensure compliance with local and state laws for fire prevention-based fees. The focus of this study will be the following:

- **Review current fees and service levels:** The project team will work with District staff to understand the services currently being provided, and modify the fee schedule and structure to best reflect those services. Additionally, the project team will help outline service level assumptions (i.e. number of plan reviews or inspections).
- **Determine time estimates:** The project team will work with District staff to revise or develop new time assumptions associated with current and proposed permits or fees.
- **Develop fee recommendations:** Based on data collected, and after discussions with district staff, the project team will make recommendations on deposit / actual

cost fees, including recommendations for moving current permits to flat fees, or transitioning flat fees to deposit based fees to help achieve cost recovery.

- **Jurisdictional comparisons:** The project team will conduct a comparative survey to help the District understand where its current and proposed fees are within the market. In addition to this survey, the project team will also benchmark the District against other jurisdictions relating to cost recovery.
- **Policy development:** The project team will work with District staff to develop or enhance policies that regulate cost recovery, to ensure that current assumptions are documented. These policies will help guide the District in fee-setting, and ensure that goals and objectives are clearly laid-out and when they have been achieved.

The following tasks include a narrative and associated activities for completing this Fire Prevention Fee study.

Task 1 | Determine and Review Initial Documentation

The project team will provide the District with a written “Data Collection List” outlining documents and information needed prior to our first onsite visit. This data request typically includes the following items:

- Current Fiscal Year adopted Budget.
- Most recent completed Fiscal Year revenue reports.
- List of all budgeted personnel.
- List of all current fees being charged by the District to be included in the analysis.
- Copy of all policies / procedures related to the fees included in the study.
- List of comparative jurisdictions for the fee study.

Before our first on-site visit, we will review this information to familiarize ourselves with strengths, weaknesses and opportunities for improvement related to the District’s existing fee structure. In addition, we will familiarize ourselves with the budgetary and staffing structures relevant to fees for service.

Task 2 | Project Initiation – Establish Study Goals and Objectives

To effectively analyze and present the full cost of providing Fire Prevention services, it is important that the project team develops an understanding of key issues which impact and shape service delivery and cost recovery policies. To develop this perspective and customize the structure of the project, we plan to do the following:

- Conduct an initial meeting with management staff to solidify the exact parameters of the Study.
- Develop a project management plan with timelines and associated deliverables.
- Conduct discussions on the current fee structure and any potential changes.
- Review and identify existing fee resolutions, cost recovery policies, current development or economic incentives, or established subsidies.

Based upon this meeting, the project team will provide the project management plan and schedule and begin meeting with District staff to conduct the fee study.

Task 3 | Develop a Schedule of Current and Potential Fees for Service

The scope of this effort will be all of the fees charged by Fire Prevention, including the review or development of EMS rates. Current, as well as potential fees and charges will be identified and documented. The project team will work with staff to go through their current fee schedules in line-item by line-item detail. Options will be discussed regarding renaming of fees, elimination of fees, or addition of new or expanded categories to better reflect the services being provided.

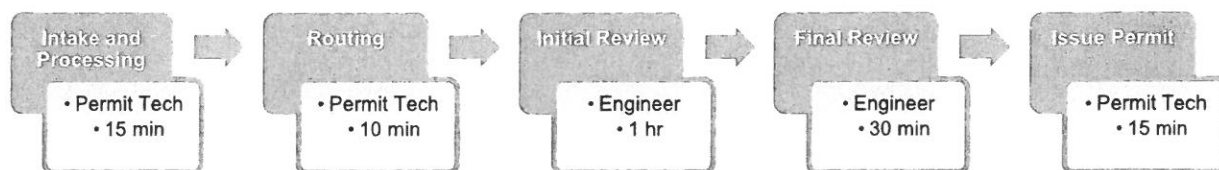
Meetings with staff will identify the areas of greatest potential cost recovery, and structure and expand the existing fee schedule for both optimum cost recovery and fairness and equitability to the applicant for services.

The project team will request volume statistics to be used for cost/revenue comparisons.

Task 4 | Conduct Time and Activity Data Gathering Workshops

The project team will conduct workshops to gather time and activity estimates for each service included in the study, interviewing key personnel and analyzing the various activities being performed within it that are both revenue and non-revenue generating.

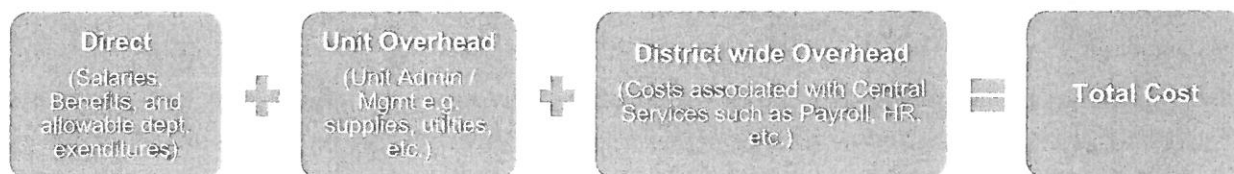
The flowchart below shows an example of the steps involved in processing a permit and the staff and time associated with each step.



As the flowchart above shows, basic process steps in application / permit processing will be identified to help assist staff with developing time estimates.

Task 5 | Perform Total Cost Analysis

The Matrix Consulting Group's costing model is built based on the District's operations, budget detail and intended uses for the results. This method is a customized approach, specific to each jurisdiction, for cost analysis of user fee services. 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 team uses its fee and rate software to apply applicable City costs to the calculation of the full cost of providing each service. The following chart describes the typical costs considered as applicable to fees.



Resulting costs are presented on a unit and annual level and are compared to the existing fee schedule and revenue reports. The following graphic shows a sample presentation of results on a per unit and annual level:

Per Unit				
Fee Title	Current Fee	Total Cost Per Unit	Surplus / (Deficit) Per Unit	Cost Recovery %
Tenant Improvement	\$900	\$1,557	(\$657)	58%
Above Ground Tank	\$40	\$325	(\$285)	12%
AVERAGE COST RECOVERY PER UNIT				35%
Annual				
Fee Title	Workload	Revenue at Current Fee	Revenue at Full Cost	Annual Surplus / (Deficit)
Tenant Improvement	4	\$3600	\$6,228	(\$2,628)
Above Ground Tank	60	\$2400	\$19,500	(\$17,100)
TOTAL		\$6,000	\$25,728	\$19,728

As the example in the graphic above indicates, the per unit subsidy for the Tenant Improvement at \$657 is more than double the per unit subsidy for the Above Ground Tank. However, the annual results help provide management with some additional context, as due to the volume of activity, the larger impact to the District is felt by the smaller subsidy for the Above Ground Tank.

The District will obtain detailed information similar to that presented in the previous graphic 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.

Task 6 | Analysis of Recoverable Revenue

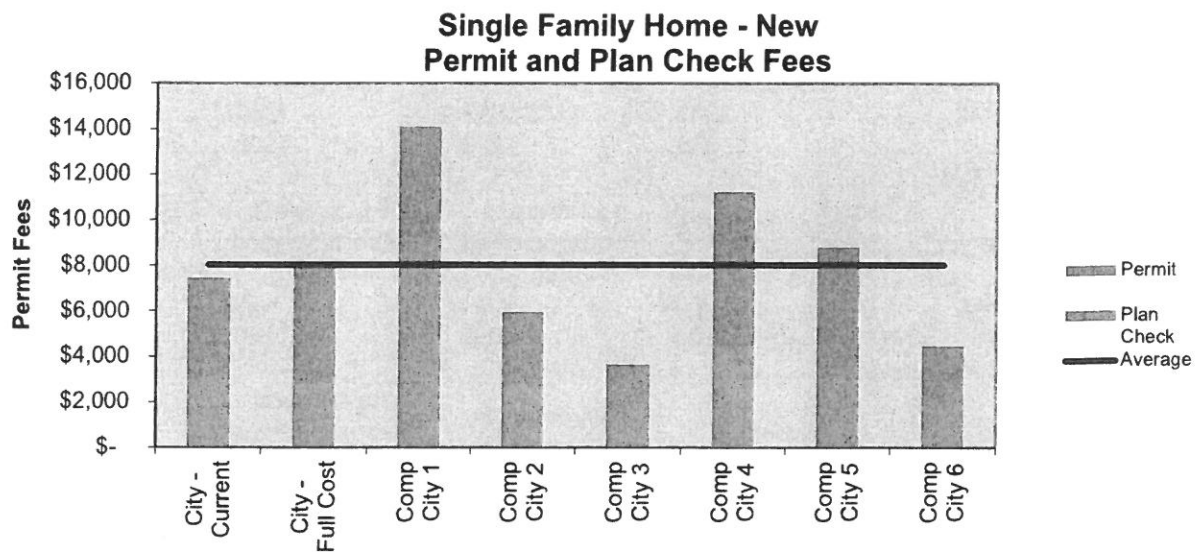
Utilizing billing statistics, receivables, and workload data, the project team will analyze potential and actual recoverable revenue. This will help the District understand how workload volume impacts revenue and cost subsidies. While potential revenue can be identified, recoverable revenue is dependent upon the following factors:

- Current policies and legal restrictions, which limit the Unit and / or District's ability to increase fees and thereby revenue recovery.
- Economic and revenue impacts of proposed and recommended fee levels and methodologies, including compliance with policies and fee affordability for small projects and applications.

These factors influence the actual recoverable revenue and directly influence the self-sustainability. District staff can use this information to shape or alter current or future policies on cost recovery.

Task 7 | Conduct a Market Rate Survey to Other Agencies

The project team will work with the District to identify comparable agencies both locally and state-wide for the fee comparison survey. We will also develop the survey tools and select the most appropriate fee items for benchmarks. Then, we will administer the survey, collect comparative data, conduct the comparison, and document the results. The following graph provides an example of how comparative survey results for Building Fees would be presented:



Market surveys do not provide adequate or objective information about the relationship of a jurisdiction's costs to its fees, therefore, it is recommended that information contained in the market comparison of fees be used as a secondary decision-making tool, rather than as a tool for establishing price points for services.

Task 8 Review / Revise the Fee Study Results with District Management

Because the analysis of fees for service is based on estimates and information provided by District staff, it is extremely important that all participants are comfortable with our methodology and with the data they have provided. Once the district agrees that the analysis reflects the reasonable costs of providing services, City management will have an opportunity to review the results.

At this point in the process, the project team will provide the District with Recommended Fee Workbooks. The Recommended Fee Workbooks will provide the District with results of the fee study in an excel based format. The following table shows an example of the Recommended Fee Workbook:

Current - Per Unit Results

Fee Title	Current Fee	Total Cost	Surplus / (Deficit) Per Unit	Cost Recovery %
Tenant Improvement	\$900	\$1,557	(\$657)	58%
Above Ground Tank	\$40	\$325	(\$285)	12%
Recommended Fee				
Fee Title	Recommended Fee	\$ Change to Recommended Fee	% Change to Recommended Fee	Recommend ed Fee Cost Recovery %
Tenant Improvement	\$1,200	\$300	33%	77%
Above Ground Tank	\$100	\$60	150%	31%
Recommended Fee Annual				
Fee Title	Workload	Revenue at Current Fee	Revenue at Recommended Fee	Potential Change in Revenue
Tenant Improvement	4	\$3,600	\$4,800	\$1,200
Above Ground Tank	60	\$2,400	\$6,000	\$3,600
TOTAL		\$6,000	\$10,800	\$4,800

As the table indicates, the recommended fee workbook allows the District to input information into the Recommended Fee column and then see its impacts such as the true dollar increase, percentage increase, and what percentage of their current costs they are going to recover. Additionally, the workbook allows the District to calculate potential increases or declines to revenue as a result of the recommended fees.

In conjunction with the recommended fee workbook(s), the project team will address implementation strategies that consider both policy issues and goals for optimum cost recovery. While it is generally desirable to eliminate any subsidies, discussions regarding the feasibility of raising fees based on political climate, legal restrictions, and social and economic consequences must occur.

Task 9 | Prepare a Final User Fee Study

Upon conclusion of the fee study, we will prepare a detailed report that summarizes the results of each of the previous work tasks described above. This report will include:

- A succinct executive summary for the study, the methodology, and the results.
- A narrative describing the services included in the study, including any revenue enhancement and operational recommendations specific to your organization and based on our extensive experience with hundreds of jurisdictions, as well as key decision-making points to be considered.
- A section on proposed modifications to the current fee schedule, as well as per unit and annual impacts to changes to fees.

The report will be reviewed, revised and finalized with District management. At this point, if the District would like assistance in developing a user fee schedule, the project team would work with staff to develop a formatted fee schedule.

Task 10 | Present the Final Report to Key Stakeholders

The presentation of results to District officials and/or stakeholders is critical to the success of the overall engagement. Because the product from the study is often controversial, the objective of this final step is to present a succinct summary that provides decision makers with key information. The Matrix Consulting Group will attend and present the Study at up to two (2) stakeholder and Board / Subcommittee Meetings. Additional meetings can be arranged at cost.

Optional Scope – User Fee Model and Training

Should the District desire to have the ability to update the final version of the Fee Study, including the ability to add, revise or remove costs or service types, the Matrix Consulting Group can provide a technical model. Our technical models, produced in Microsoft Excel, would provide the ability for the District to adapt and continuously update the studies from year to year as the organization changes. While the model is structured in Excel, the technical model is *proprietary* and for internal use by District staff only.

After the final draft of the user fee study is approved, at the discretion of District staff, the project team will meet with and train designated District employees on use of the Excel models. Staff will be provided with initial training that includes: a step-by-step PowerPoint presentation; a User's Manual which explains key concepts and defines basic terms; and a customized updated checklist of data that needs to be entered.

While staff training typically takes about four hours, the Matrix Consulting Group is committed to supporting District staff well after project completion, including answering questions and providing model support, at no additional costs.

4. Project Schedule

Studies of this nature typically take approximately 10-12 weeks (2-3 months) to complete. The following table outlines our proposed project schedule on a task-by-task basis for conducting a Fire Prevention Fee Study.

Task	Deliverable Week / Date	Deliverable / Task
Initial Documentation	Weeks 1-2	Initial Data Collection List
Project Kick-off	Weeks 1-2	Attendance at kickoff meeting, Proposed Project Schedule
Current & Potential Fees	Weeks 2-4	Attendance at Meetings, Proposed fee structures
Data Workshops	Weeks 4-6	Attendance at Data Workshops, Time Keeping Data
Total Cost Analysis	Weeks 5-8	Draft Per Unit and Annual Cost Analysis Results
Recoverable Revenue	Weeks 6-8	Draft Annual Results, Provision of Cost Recovery Policies
Rate Comparison	Weeks 3-8	Provision of list of comparative jurisdictions, Survey Results
Review / Revise Results	Weeks 6-8	Review of Draft Results, Draft Recommended Fees
Prepare Final Report	Weeks 8-10	Review of Final Report
Present Final Report	Weeks 10-12	Presentation of Final Fee Study Results

All timelines can be adjusted based upon the District's schedule and other commitments in agreement with District staff.

Even though Presentation of Final Report and Model and Training have been included in the proposed schedule, those tasks can occur at any point after completion of the study, based upon District staff needs.

4 Project Experience and References

The following table provides relevant project references for three recent clients, for whom similar services were provided, managed and conducted by our proposed Project Manager and project team.

Client	Contact	Description
Novato Fire Protection District, California	Bill Tyler Fire Marshal (415) 878-2690 btyler@novatofire.org	User Fee Study Development Impact Fee Study FY16-17
San Bernardino County Fire Protection District	Adam Panos Deputy Fire Marshal (909) 386-8412 APanos@sbcfire.org	Fire Prevention Fee Study FY16-17, 17-18, and 18-19
Central Fire Protection District, California	Mike DeMarks Fire Marshal (831) 479-6843 miked@centralfpd.com	Development Fee Study FY15-16

The following points provide further project descriptions for these references:

- **Novato Fire Protection District:** The Matrix Consulting Group conducted a Fee Study and Development Impact Fee Study for the Novato Fire Protection District. The User Fee Study evaluated current and new service areas as it relates to development activity. The project team worked with staff to identify different areas of service, including costing out Fire Education programs to help District staff understand the cost associated with providing those services to the public.
- **San Bernardino County Fire Protection District:** The Matrix Consulting Group has worked with SBCFPD to update its Fire Prevention fees on an annual basis. The District reviews a third of its fee schedule on an annual basis and the project team works with staff to review the specific one-third for that fiscal year. The fees evaluated through this process included New Construction and Tenant Improvement Plan Check and Inspection, Fire Annual and Operational Permits, State Mandated Inspections, CUPA, and Hazardous Materials services. The project team worked with staff to streamline their current operational permit schedule to better outline the services based upon the size of the business and the type of operational permit being requested. The project team is working with staff currently to complete the fee study for FY18-19 fees.
- **Central Fire Protection District:** The project team worked with District staff to review the current User Fee Schedule for District services, especially as it related

to development services. The results of the study included a streamlining of the current fee schedule, including identification of new services, renaming of current services, and eliminating outdated services.

We would be pleased to provide reference information for any other study listed as our experience.

5 Proposed Project Cost

The following chart provides a breakdown of project staff hours and costs for each task area to conduct each of the studies:

	PM	Lead	Analyst	Total Cost
Initial Documentation	0	0	2	\$200
Project Kick-off	2	2	0	\$700
Current & Potential Fees	2	4	6	\$1,600
Data Workshops	4	4	8	\$2,200
Total Cost Analysis	2	6	10	\$2,300
Analysis of Recoverable Revenue	0	2	4	\$700
Rate Comparison	0	0	6	\$600
Review / Revise Results	4	8	10	\$3,000
Prepare Final Report	4	8	8	\$2,800
Total Hours	22	38	54	
Hourly Rate	\$200	\$150	\$100	
Total Professional Fees	\$4,400	\$5,700	\$5,400	\$15,500
Travel				\$1,000

Total Project Cost **\$16,500**

The Matrix Consulting Group proposes to perform the above tasks and services for a fixed-price fee of **\$16,500**. Our typical practice is to bill for hours worked on a monthly basis.

Should the District wish to engage the Matrix Consulting Group in the optional scope of providing an Excel-based User Fee model, this service would be provided for a one-time fee of **\$2,000**.