**REGULAR MEETING OF THE CITY OF ALVARADO CITY COUNCIL**
**104 W. COLLEGE**
**December 13, 2021**
6:30 P.M.

AGENDA

The City Council of the City of Alvarado will meet in a Regular Called Session on Monday, December 13, 2021 at 6:30 p.m. in the Council Chambers at City Hall for the following agenda items.

CALL TO ORDER- Roll Call

INVOCATION

PLEDGE OF ALLEGIANCE

**CITIZEN PARTICIPATION AND PUBLIC INPUT:**

This is an opportunity for citizens to address the City Council on any matter. The presiding officer may ask for the citizen to hold his or her comment on an agenda item until that agenda item is reached. The City Council has no obligation to respond in any matter to comments or questions from the public. Any response from a member of the City Council to comments related to items not on the agenda is limited to a statement of specific factual information, a recitation of existing policy, or direction to staff to place the subject on the agenda for future City Council meeting.

## SWEARING IN OF NEW COUNCIL MEMBER.

## CITY MANAGER'S REPORT:

## CONSENT AGENDA:

A. Minutes from the regular council meeting held on November 15, 2021.
B Introduction of new Employees.

## NEW BUSINESS

1. Presentation from Reach Council and Reach Across Johnson County, regarding programs and initiatives they offer to the citizens of Alvarado in a multitude of areas in support of youth and family services.

2. Consideration and action regarding a resolution of the City of Alvarado, Texas, approving the method for making written requests for public information.

3. Consideration and action regarding a Utility Rates contract.

4. Consideration and action regarding a Salary Compensation Study contract.

5. Consideration and action regarding a Grants proposal (Blaise)

6. Consideration and action regarding Chamber of Commerce lease of Fort Worth Surveying Building.

7. Consideration and action Public Improvement District consulting.

8. Consideration and action to approve a resolution of the City Council of the City of Alvarado, Texas, determining the construction manager at risk (CMAR) delivery method to provide the best value to the city for the wastewater treatment plant expansion project and stating the award of the CMAR contract will be based on best value; and providing an effective date.

9. Discussion regarding Sunflower Lane.

## EXECUTIVE SESSION

Pursuant to the Texas Open Meetings Act, Chapter 551 of the Texas Government Code executive session may be held under one or more of Sections 551.071, 551.073, 551.074, 551-.76, 551.087, 413.183(f) and 418.106(d) & (e), either at the end of The Regular Session or at any time during the meeting on any item on the agenda if a need rises for the City Council to seek advice from the City Attorney or otherwise convene in closed session as permitted by such sections of the Open Meetings Act. The City Council may take action on any agenda item listed for executive session consideration upon reconvening in open session. Please refer to agenda for the items posted.

a. §551.071 Consultation with Attorney. The City Council may convene in Executive Session to conduct a private consultation with its Attorney on any legally posted agenda item, when the City Council seeks the advice of its Attorney about pending or contemplated litigation, a settlement offer, or on a matter in which the duty of the Attorney to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with the provision of Chapter 551, including the following items:

1. Any posted item on the agenda

b. § Pursuant to Section 551.074 of the Open Meetings Act to deliberate the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee, or to hear a complaint or charge against an officer or employee:

a. Fire Chief

10. Consideration and action regarding items discussed in Executive Session.

11. Consideration and action regarding authorizing the City Manager to negotiate and execute a search agreement for a Fire Chief.

## COUNCIL COMMENTS

Pursuant to LGC Section 551.0415, City Council Members may make a report about items of Community interest during a meeting of the governing body without having given notice of the report. Items of community interest include:

* Expressions of thanks, congratulations, or condolence;
* Information regarding holiday schedules;
* An honorary or salutary recognition of a public official, public employee, or other citizen, except that a discussion regarding a change in the status of the person's public office of public employment is not an honorary or salutary recognition for purposes of this subdivision;
* A reminder about an upcoming event organized or sponsored by the governing body;

Information regarding a social, ceremonial, or community event organized or sponsored by an entity other than the governing body that was attended or is scheduled to be attended by a member of the governing body or an official or employee of the municipality; and announcements involving an imminent threat to the public health and safety of people in the municipality that has arisen after the posting of the agenda.

12 Adjourn.

## ACCESSIBILITY STATEMENT

The Alvarado City Hall and Council Chamber are wheelchair accessible. The exit and parking ramps are located in the front of the building. Persons with disabilities who plan to attend this meeting and who may need auxiliary aids or services such as interpreters for persons who are deaf or hearing impaired, readers, or large print, are requested to contact the City Secretary's Office at 817-790-3351, FAX: 817-783-7925, e-mail:. Please call at least two (2) working days prior to the meeting so that appropriate arrangements can be made.

## NON-DISCRIMINATION STATEMENT

The City of Alvarado does not discriminate on the basis of race, color, national origin, sex, religion, or disability in the employment or the provision of services. I, the undersigned authority do hereby certify that the above Agenda was posted on the bulletin board in the City Hall of the City of Alvarado, Texas, a place convenient and readily accessible to the general public at all times and said Agenda was posted on December 10, 2021 at 4:30 p.m. and remained so posted continuously for at least 72 hours preceding the scheduled time of said meeting.

Debbie Thomas

Debbie Thomas, TRMC
City Secretary

**CITY OF ALVARADO, TEXAS**

**RESOLUTION NO. ___**

**A RESOLUTION OF THE CITY OF ALVARADO, TEXAS, APPROVING THE METHOD FOR MAKING WRITTEN REQUESTS FOR PUBLIC INFORMATION.**

**WHEREAS,** the City of Alvarado, Texas is a Type A general-law municipality located in Tarrant County, created in accordance with the provisions of Chapter 6 of the Local Government Code and operating pursuant to the enabling legislation of the State of Texas; and; and

**WHEREAS,** SB 944, which added Section 552.234 to Chapter 522 of the Government Code, became law effective September 1, 2019 and allows governmental bodies to adopt methods by which requests for public information shall be made; and

**WHEREAS,** the City desires to designate approved methods for submitting public information requests to the City.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ALVARADO, TEXAS, THAT:**

**SECTION 1**

The City Council designates the following methods by which requests for Public Information can be made:

General and Police Records:

1. By mail or in person to: City of Alvarado, Attn: City Secretary, 104 W. College St., Alvarado, Texas 76009

2. By electronic mail to: openrecords@cityofalvarado.org

**SECTION 2**

This Resolution shall become effective from and after its passage.

**SECTION 3**

The City website and the Open Records Poster displayed in the City Secretary's Office will be updated to reflect these designated methods in accordance to Government Code Sections 552.205 and 522.234(d).

**DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF ALVARADO, TEXAS, BY A VOTE OF ___ TO ___, ON THIS ___TH DAY OF DECEMBER, 2021.**

APPROVED:

Jacob Wheat, MAYOR

ATTEST:

Debbie Thomas, CITY SECRETARY

November 11 2021

Mr. Paul DeBuff
City Manager
City of Alvarado
104 W. College St.
Alvarado, Texas 76009

***Re: Letter Agreement to Provide Water/Wastewater Rate Study***

Dear Mr. DeBuff:

Willdan Financial Services ("Willdan") is pleased to present the following scope of services and budget to assist the City of Alvarado in providing aa water and wastewater rate study and long-term financial plan. We are an economic and financial consulting firm, with offices in Plano, Texas and throughout the United States. Our principal clients are national, state and local governments. Our firm contains professionals with decades of experience in water and wastewater utility operations and economic/financial management.

As Vice President of Willdan, I will manage and have primary responsibility for preparing this study for the City. I will be assisted by Mr. Dan Lanning and Mr. Nicolas Douthit.

# Scope of Services

We want to ensure that our scope of services is responsive to the City's needs. We will work with the City to tailor our proposed scope based on input prior to approval of this letter agreement, and as needed during the course of the project.

## Task 1: Rate Comparison

***Description:*** We will provide a detailed analysis and comparison of the City's current and proposed rates to the state average as well as to other surrounding communities.

## Task 2: Acquire and Analyze Data for Analysis

***Description:*** The project team will work with City staff to acquire the data required for the study. This will include customer and volume data, budgets, operating expenses, capital improvement plans and debt service schedules. We will thoroughly analyze all acquired data to ensure that it meets the requirements for our study and will follow up with City staff as necessary.

### Task 3: Prepare Rate Model

***Description:*** The project team will use acquired current budget, volume and CIP data to prepare a comprehensive ten-year water and wastewater cost of service forecast model. The model will identify current and forecast operating expenses, capital outlays and debt service for the period FY 2022 – FY 2031. The model adheres to AWWA ratemaking standards to ensure that the cost of service for each customer class is just, reasonable and accurate. The project team will also install a dashboard onto the model for ease of use by the project team and the client.

The model will contain modules that will allow for the calculation of overall cost of service for the water and wastewater utilities and the cost of service by designated customer class.

### Task 4: Prepare Alternative Rate Plans, Report and PowerPoint Summary

***Description:*** Based on the findings and results from prior tasks, the project team will prepare several alternative water and wastewater proposed rate structures for the City Council to consider. Each alternative will enable the City to recover sufficient revenues to fund operating and capital costs. The project team will prepare additional scenarios should the staff or council so choose in determining which is the most just and reasonable. The City will summarize its findings into a written report and a PowerPoint presentation.

### Task 5: Meetings

***Description:*** The project team will conduct the following meetings:

*a)* ***One meeting with City staff to review preliminary results***

*b)* ***One workshop with the City Council to discuss our findings and recommendations***

*c)* ***One final Council meeting at which the preferred rate plan is to be decided upon by the Council***.

## Budget

Willdan will perform the tasks described in the Scope of Services section for the ***lump sum fee of $25,000.***

**Note:**

- Telephone conference calls are not considered meetings and are not limited by our proposal.
- Additional services, including attending additional meetings, may be authorized by the City and will require an additional fee.
- We will bill the City monthly based on percent of the task completion.

## Additional Services

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

| Willdan Financial Services | |
|---|---|
| **Hourly Rate Schedule** | |
| Group Manager | $250 |
| Vice President | $220 |
| Principal Consultant | $210 |
| Senior Project Manager | $185 |
| Project Manager | $165 |
| Senior Project Analyst | $135 |
| Senior Analyst | $125 |
| Analyst | $110 |
| Analyst Assistant | $100 |

## Authorization

If the terms of this engagement are acceptable, please sign where indicated and email this letter back to me and to our contracts supervisor:

Ms. Joanie Reynolds
Willdan Financial Services
27368 Via Industria, Suite 200
Temecula, California 92590
Ph. (800) 755-6864; fax (951) 587-3510
E-mail: jreynolds@willdan.com

We appreciate this opportunity to serve the City of Alvarado. If you have any questions regarding the proposed services, please contact me directly at (972) 378-6588 or via email at djackson@willdan.com.

Sincerely,

### Willdan Financial Services

Dan V Jackson

Dan V. Jackson, Vice President

November 11 2021
Date

### City of Alvarado

Signature

Date

Print Name

**ATTACHMENT 1 TO LETTER AGREEMENT**

## TERMS AND CONDITIONS

The Letter Agreement between the City of Alvarado (“Client”) and Willdan Financial Services (“WFS”) is subject to these Terms and Conditions (collectively, this “Agreement”).

1. Additional Services. Additional services shall be performed by WFS only upon Client’s request evidenced by a written addendum executed by both parties.

2. Compensation. WFS shall submit monthly statements for services. Payments shall be due and payable within 30 days of invoice and if not timely paid shall bear interest at the rate of 1.5% per month.

3. Termination. Either party may terminate this Agreement at any time upon 30 days’ written notice. In the event of early termination, WFS shall be paid for services performed prior to the effective date of termination.

4. Data Provided by Client. WFS shall rely upon data provided by Client without independent verification of accuracy. WFS shall not be responsible for any errors resulting from its use of inaccurate data provided by Client.

5. Indemnification. Each Party shall indemnify the other from claims resulting from their respective negligence or other wrongful conduct or the negligence or other wrongful conduct of their respective officers, agents or employees.

6. Insurance. WFS shall maintain the following insurance:

a. Workers' Compensation and Employer's Liability Insurance as prescribed by applicable law.

b. Commercial General Liability Insurance, with limits not be less than $1,000,000 per occurrence and general aggregate.

c. Commercial Automobile Liability with limits not less than $1,000,000 per occurrence.

d. Professional Liability with limits not be less than $1,000,000 per claim and annual aggregate.

e. All policies except Professional Liability and Workers Compensation shall include Client as an additional insured and be primary with respect to any insurance carried by WFS. All policies shall include a waiver of subrogation in favor of Client.

f. WFS shall provide Client with certificates of insurance evidencing compliance with the above insurance requirements prior to commencing it services.

7. **Miscellaneous.**

a. Titles used in this Agreement are for general reference and are not a part of the Agreement.

b. This Agreement shall be interpreted as though prepared by both parties.

c. Any provision of this Agreement held to violate any law shall be deemed void, and all remaining provisions shall continue in full force and effect.

d. This Agreement shall be interpreted under the laws of the State of Texas.

e. This Agreement comprises a final and complete repository of the understandings between the parties and supersedes all prior or contemporary communications, representations or agreements, whether oral or written, relating to the subject matter of this Agreement.

f. Any notices given pursuant to this agreement shall be effective on the third business day after posting by first class mail, postage prepaid, to the address appearing immediately after the signatures below.

g. WFS shall not be liable for damages resulting from the actions or inactions of governmental agencies including, but not limited to, permit processing or environmental impact reports.

h. WFS’s waiver of any term, condition, or covenant, or breach of any term, condition, or covenant, shall not constitute the waiver of any subsequent breach of any other term, condition or covenant.

i. WFS shall not responsible for the performance of services by third parties not retained by WFS.

# Dan V. Jackson. M.B.A.

## Vice President and Principal in Charge

**Education**

*Master of Business Administration, University of Chicago, 1984; Specialization in Finance/Accounting*

*Bachelor of Arts, University of Chicago, 1982; Major in Social Sciences*
*Dean's Honor List*

**Areas of Expertise**

*Rate Design*
*Cost of Service*
*Financial Forecasting*
*Valuation Analysis*
*Acquisition Analysis*
*Privatization Analysis*
*Economic Impact Analysis*
*Expert Witness Testimony*

**Affiliations**

*Member, American Water Works Association*

*National Association for Business Economics*

**Other**

*The Forgotten Men (fiction) – Mediaguruz*

*Rainbow Bridge – Fiction – Mirador Publishing*

**36 Years' Experience**

Mr. Jackson has 35 years of experience as an international financial expert, having completed more than 400 water, wastewater, electric, gas, solid waste and stormwater rate/cost of service studies and long-term financial plans for clients in the USA and the Pacific region. He also has served as an expert witness in state court, federal court and before several public utility commissions. Mr. Jackson's prior experience includes positions with Deloitte and Touche, Reed-Stowe & Company and Arthur Andersen. In 1997, Mr. Jackson co-founded Economists.com LLC, an international consulting firm with offices in Dallas and Portland, Oregon. Willdan acquired Economists.com in 2015, and Mr. Jackson now serves as Vice President and Managing Principal. Mr. Jackson has given dozens of lectures and presentations before professional associations. He is also an accomplished author; his award-winning novel **Rainbow Bridge** is now available in bookstores and on Amazon.com and bn.com.

His experience is summarized below.

### Water/Wastewater – Rate Studies and Long-Term Financial Plans for which Mr. Jackson served as Project Manager

**Texas – Dallas/Fort Worth**

| | |
|---|---|
| ▪ Allen, TX | 2007, 2009, 2012,2016 |
| ▪ Balch Springs, TX | 2017,2021 |
| ▪ Cedar Hill, TX | 2016, 2018 |
| ▪ Celina, TX | 2014, 2018, 2019,2020,2021 |
| ▪ Coppell, TX | 2017,2020,2021 |
| ▪ Denton County FWSD 1A, TX | 2017 |
| ▪ Denton County FWSD 8C, TX | 2018 |
| ▪ DeSoto, TX | 2005 -- 2019 |
| ▪ Duncanville, TX | 2002, 2003, 2007, 2013, 2014, 2018 |
| ▪ Fairview, TX | 2016, 2018 |
| ▪ Ferris, TX | 2020 |
| ▪ Frisco, TX | 2017 |
| ▪ Garland, TX | 2009 –2012 |
| ▪ Grand Prairie, TX | 2019,2020 |
| ▪ Hackberry, TX | 2006 |
| ▪ Heath, TX | 2020 |
| ▪ Hutchins, TX | 2017,2019 |
| ▪ Kaufman, TX | 1994 |
| ▪ Little Elm, TX | 2001, 2004,2008-2016 |
| ▪ McKinney, TX | 2010, 2016, 2019 |
| ▪ Mesquite, TX | 2018 |
| ▪ Midlothian, TX | 2000, 2003, 2006, 2010 2016,2021 |
| ▪ Oak Point, TX | 2006, 2011 |
| ▪ Parker, TX | 2016 |
| ▪ Plano, TX | 2017,2020 |
| ▪ Princeton, TX | 2012 |
| ▪ Prosper, TX | 2005, 2016, 2018 |
| ▪ Richardson, TX | 2016 |
| ▪ Rowlett, TX | 2009, 2017, 2019,2021 |

| | |
|---|---|
| ▪ Royse City, TX | 2007, 2011,2018 |
| ▪ Rockwall, TX | 2018 |
| ▪ Sachse, TX | 2014 |
| ▪ Sherman, TX | 2021 |
| ▪ Venus, TX | 2005, 2012 |
| ▪ Waxahachie, TX | 2012 |

**Texas -- Statewide**

| | |
|---|---|
| ▪ Alamo Heights, TX | 2018 |
| ▪ Amarillo, TX | 2017 |
| ▪ Aqua Water Supply Corporation, TX | 2003 |
| ▪ Brownsville PUB, TX | 2020,2021 |
| ▪ Brady, TX | 2016 |
| ▪ Castroville, TX | 2016,2018 |
| ▪ Cibolo Creek Municipal Authority | 2012, 2015 |
| ▪ Combes, TX | 2021 |
| ▪ Crystal Clear SUD, TX | 2021 |
| ▪ Del Rio, TX | 2020,2021 |
| ▪ Donna, TX | 2007, 2011, 2012, 2013,2015-2020 |
| ▪ El Paso County WCID #4, TX | 2005, 2007, 2010, 2011, 2015,2019 |
| ▪ El Paso County Tornillo WCID, TX | 2006, 2010 |
| ▪ Galveston, TX | 2020 |
| ▪ Groesbeck, TX | 2001, 2004 |
| ▪ Harker Heights, TX | 2006 |
| ▪ Hewitt, TX | 2009 – 2015, 2021 |
| ▪ Hondo, TX | 2019 |
| ▪ Jonah Special Utility District, TX | 2006 |
| ▪ Kempner WSC, TX | 2014-2015 |
| ▪ Laredo, TX | 2018,2019 |
| ▪ Laguna Madre Water District, TX | 1991-1999, 2005, 2014, 2018,2020 |
| ▪ La Villa, TX | 2007 |
| ▪ Leander, TX | 2017-2018, 2020,2021 |
| ▪ League City, TX | 2019 |
| ▪ Liberty Hill, TX | 2018,2019 |
| ▪ Los Fresnos, TX | 2007,2017 |
| ▪ Marble Falls, TX | 2020 |
| ▪ McLendon-Chisholm, TX | 2019 |
| ▪ Mercedes, TX | 2001, 2003 |
| ▪ New Braunfels, TX | 2019 |
| ▪ North Fort Bend Water Authority, TX | 2011, 2016,2020 |
| ▪ Paris, TX | 1995 |
| ▪ Port Arthur, TX | 2020 |
| ▪ Port of Houston Authority, TX | 2001 |
| ▪ Primera, TX | 2021 |
| ▪ Raymondville, TX | 2001 |
| ▪ Robinson, TX | 2012, 2014, 2015 |
| ▪ Robstown, TX | 2014, 2015 |
| ▪ San Juan, TX | 2019 |
| ▪ Schertz, TX | 2012 – 2019 |
| ▪ Seguin, TX | 2015 -- 2020 |
| ▪ Selma, TX | 2018 |
| ▪ Schertz-Seguin Local Govt Corporation, TX | 2009 – 2021 |

| | | |
|---|---|---|
| ▪ | Sherman, TX | 2021 |
| ▪ | Sonora, TX | 2012 |
| ▪ | Southmost Regional Water Authority, TX | 2001 |
| ▪ | Tomball, TX | 2018 |
| ▪ | Troup, TX | 2006 |
| ▪ | Venus, TX | 2005, 2012 |
| ▪ | West Harris County Regional Water Auth, TX | 2003, 2006, 2010, 2011,2016 |
| ▪ | Webb County, TX | 2011 |
| ▪ | Whitehouse, TX | 2008 |
| ▪ | Winona, TX | 2009 |
| ▪ | Yancey Water Supply Corporation, TX | 2005 |

**Arizona**

| | | |
|---|---|---|
| ▪ | Bisbee, AZ | 2000 – 2005, 2018 |
| ▪ | Buckeye, AZ | 2013, 2015, 2016 |
| ▪ | Camp Verde Sanitary District, AZ | 2006, 2008 |
| ▪ | Carefree, AZ | 2018 |
| ▪ | Casa Grande, AZ | 2009 |
| ▪ | Chino Valley, AZ | 2010-2018 |
| ▪ | Chloride Domestic Water Imp District, AZ | 2003 |
| ▪ | Clarkdale, AZ | 2005 |
| ▪ | Clifton, AZ | 2018 |
| ▪ | Cottonwood, AZ | 2004, 2007, 2009 |
| ▪ | Douglas, AZ | 2009, 2011 |
| ▪ | Eagar, AZ | 2006, 2011, 2012 |
| ▪ | Eloy, AZ | 2007, 2011-2013 |
| ▪ | Florence, AZ | 2008, 2012 |
| ▪ | Flowing Wells Improvement District, AZ | 2008 |
| ▪ | Goodyear, AZ | 2014, 2015,2019-2020 |
| ▪ | Holbrook, AZ | 2004 |
| ▪ | Jerome, AZ | 2019 |
| ▪ | Marana, AZ | 2008 – 2013, 2016 |
| ▪ | Miami, AZ | 2010 – 2012, 2015 |
| ▪ | Nogales, AZ | 2011, 2015-2016, 2018 |
| ▪ | Patagonia, AZ | 1999, 2002 |
| ▪ | Payson, AZ | 2006, 2010, 2012-2014,2019,2020 |
| ▪ | Prescott, AZ | 2008 |
| ▪ | Quartzsite, AZ | 2004, 2009, 2011, 2012, 2018 |
| ▪ | Queen Creek, AZ | 2004, 2007, 2015, 2016 |
| ▪ | Safford, AZ | 2006 |
| ▪ | San Luis, AZ | 2002, 2012, 2013, 2017, 2018,2021 |
| ▪ | Show Low, AZ | 2011, 2014 |
| ▪ | Somerton, AZ | 1999, 2002, 2005-2010,2018 |
| ▪ | Tombstone, AZ | 2001 |
| ▪ | Tonto Village DWID, AZ | 2018 |
| ▪ | Wellton, AZ | 2003 |
| ▪ | Willcox, AZ | 2002 |
| ▪ | Winslow, AZ | 2016, 2018 |
| ▪ | Yuma, AZ | 2007, 2014, 2015, 2018 |

**Arkansas**

| | |
|---|---|
| ▪ Bryant, AR | 2021 |
| ▪ Hot Springs, AR | 2005, 2009-2021 |
| ▪ North Little Rock Wastewater Utility, AR | 1999, 2003, 2006, 2011-2015,2021 |
| ▪ Russellville, AR | 2013,2014,2015,2019 |
| ▪ Hot Springs Village, AR | 2015, 2019 |

**Oklahoma**

| | |
|---|---|
| ▪ Ada, OK | 2014, 2015,2018 |
| ▪ Altus, OK | 2020 |
| ▪ Chickasha, OK | 2016 |
| ▪ Edmond, OK | 2010, 2015,2017,2018 |
| ▪ Miami, OK | 2009, 2014,2017 |
| ▪ Pryor, OK | 2016 |

**USA**

| | |
|---|---|
| ▪ North Chicago, IL | 2001,2005 |
| ▪ Sarpy County, NE | 2018 |
| ▪ South Adams County WSD, CO | 2013 |

**International Regulated Utilities – Pacific and Caribbean**

| | |
|---|---|
| ▪ Water Authority of Fiji | 2016,2019 |
| ▪ Palau Public Utilities Corporation | 2018 |
| ▪ Kiribati Public Utilities Board | 2019,2020 |
| ▪ EPC, Independent State of Samoa | 2013 |
| ▪ Commonwealth Utilities Corporation Saipan | 2005-2021 |
| ▪ American Samoa Power Authority | 2009,2014,2016 |
| ▪ Guam Power Authority | 2011 |
| ▪ Virgin Islands Telephone Company | 1990-1991 |

**Solid Waste and Stormwater – Rate Studies and Long-Term Financial Plans**

**Stormwater**

| | |
|---|---|
| ▪ Hot Springs, AR | 2011, 2012, 2013, 2016 |
| ▪ Bryant, AR | 2021 |
| ▪ Balch Springs, TX | 2021 |
| ▪ Coppell, TX | 2020 |
| ▪ San Marcos, TX | 2018 |
| ▪ Celina, TX | 2021 |
| ▪ DeSoto, TX | 2021 |

**Solid Waste**

| | |
|---|---|
| ▪ Duncanville, TX | 2007 |
| ▪ Frisco, TX | 2017 |

| | |
|---|---|
| ▪ Hewitt, TX | 2010 |
| ▪ Mercedes, TX | 1999 |
| ▪ San Luis, AZ | 2003, 2013 |
| ▪ Somerton, AZ | 2006 |
| ▪ Goodyear, AZ | 2020 |
| ▪ Altus, OK | 2021 |
| ▪ Miami, OK | 2009 |

**Water/Wastewater –CCN/ System Valuations and Acquisitions**

| | |
|---|---|
| ▪ Avondale, AZ | 2006 |
| ▪ Bullhead City, AZ | 2020 |
| ▪ Buckeye, AZ | 2013-2015 |
| ▪ Casa Grande, AZ (private) | 2015 |
| ▪ Chino Valley, AZ | 2006, 2016,2018 |
| ▪ Cottonwood, AZ | 2009, 2012 |
| ▪ Clarksdale, AZ | 2009 |
| ▪ Florence, AZ | 2007, 2014 |
| ▪ Marana, AZ | 2009, 2010 |
| ▪ Pine Strawberry Water Imp District, AZ | 2009 |
| ▪ Prescott, AZ | 2006 |
| ▪ Prescott Valley, AZ | 1998 |
| ▪ Queen Creek, AZ | 2008, 2011 |
| ▪ Show Low, AZ | 2010, 2011 |
| ▪ Aubrey, TX | 2015 |
| ▪ Arlington, TX | 1999, 2001 |
| ▪ Celina, TX | 2006, 2015 |
| ▪ Forney Lake WSC, TX | 2016 |
| ▪ Gunter, TX | 2006 |
| ▪ Kempner WSC, TX | 2016 |
| ▪ FCS Lancaster,TX | 2021 |
| ▪ Taylor, TX | 1999 |
| ▪ Whitehouse, TX | 2006 |
| ▪ Van Alstyne, TX | 2019 |
| ▪ Rockwall, TX | 2005 |
| ▪ Trinity Water Reserve, TX | 2000 |
| ▪ North Chicago, IL | 2001 |
| ▪ North Little Rock WWU, AR | 2015 |

**Water/Wastewater – Impact Fee Studies**

| | |
|---|---|
| ▪ East Medina County Special Utility District, TX | 2000 |
| ▪ Cibolo Creek Municipal Authority, TX | 2015 |
| ▪ Crystal Clear SUD, TX | 2021 |
| ▪ Harlingen, TX | 2005 |
| ▪ Laguna Madre Water District, TX | 1993, 1996, 2000, 2003 |
| ▪ Liberty Hill, TX | 2019 |
| ▪ Los Fresnos, TX | 2006 |
| ▪ Mesquite, TX | 1996 |
| ▪ Seguin, TX | 2015,2020 |
| ▪ San Luis, AZ | 2002 |
| ▪ Marana, AZ | 2011- 2014 |

| | |
|---|---|
| ▪ Wellton, AZ | 2003 |
| ▪ Prescott, AZ | 2007 |
| ▪ Yuma, AZ | 2004, 2007, 2016 |
| ▪ Hot Springs, AR | 2005, 2009, 2016 |



### Expert Witness Testimony

**City of Arlington, TX –** Seven separate cost of service analyses and testimony in wholesale contract rate proceedings before TNRCC. Largest ongoing wastewater rate dispute in Texas history, 1990-1994.

**Cameron County Fresh Water Supply District No. 1 vs. Town of South Padre Island** (TNRCC Docket 30346-W) – Expert testimony on reasonableness of rate structure, 1992.

**Cameron County Fresh Water Supply District No. 1 vs. Sheraton Hotel/Outdoor Resorts** (TNRCC Docket 95-0432-UCR) – Expert testimony on reasonableness of rate structure, 1993.

**Laguna Madre Water District** (PUC Docket 49154) – Expert testimony on the reasonableness of the District's raw water rate -- 2019.

**City of Celina, TX** (SOAH Docket 2003-0762-DIS) – Expert testimony on the proposed creation of a Municipal Utility District, 2004.

**City of Celina, TX** (PUC Docket No. 49225) – Expert testimony on the reasonableness of outside city limit rates – 2020.

**East Medina County Special Utility District** (SOAH Docket 582-02-1255) – Expert testimony on CCN application, 2003.

**East Medina County Special Utility District** (SOAH Docket 582-04-1012) – Expert testimony on CCN application, 2004.

**City of Karnes City, TX –** Expert testimony on valuation of CCN before the Texas Commission on Environmental Quality, 2009.

**City of Princeton, TX** (SOAH Docket 582-06-1641 and TCEQ Docket 2006-0044-UCR) – Expert testimony on ability to serve proposed service territory, 2007.

**Town of Little Elm, TX** (SOAH Docket 582-01-1618) – Expert testimony on reasonableness of rate structure, 2001.

**Schertz Seguin Local Government Corporation –** Expert testimony addressing application of San Antonio Water System for groundwater permits for Gonzalez County UWCD, 2009.

**City of Ruidoso, NM –** Expert testimony on reasonableness of Wastewater Rates, 2010.

**City of Hot Springs, AR – E**xpert witness testimony on Reasonableness of Stormwater Rates, 2010.

**Dallas County Water Control and Improvement District No. 6** (TNRCC Docket 95-0295-MWD) – Hearing on the merits for proposed wastewater treatment plant permit, 1995.

**Commonwealth Utilities Corporation Saipan -- E**xpert testimony before Commonwealth Public Utilities Commission on reasonableness of rate structure, 2010-2015.

**City of Mesquite, Texas vs. Southwestern Bell Telephone Company (No. 3-89-0115-T, U.S. Federal Court Northern Texas)** -- 18 year estimate of revenues excluded from municipal franchise fees by SWB. Expert testimony on SWB accounting and franchise policies and Discovery disputes, 1991-1995.

**City of Port Arthur, et. al., vs. Southwestern Bell Telephone Company (No. D-142,176, 136th Judicial District Court of Beaumont, Texas)** -- 20 year estimate of revenues excluded from municipal franchise fees by SWB. Expert testimony on SWB accounting and franchise policies. 1993-1995.

**Southwestern Bell Telephone Company vs. City of Arlington, Texas (No. 3:98-CV-0844-X, U.S. Federal Court Northern Texas)** -- 15 year estimate of access revenues excluded from municipal franchise fees by SWB. Expert testimony on SWB accounting and franchise policies, 1996.

**Metro-Link Telecom vs. Southwestern Bell Telephone Company (No. 89-CV-0240, 56th Judicial District Court Galveston County Texas)** -- 20 year pro forma model calculating lost revenue from the cancellation of a trunk line leasing contract.

**Complaint of the City of Denton against GTE Southwest, Inc. (PUC Docket 14152)**, 1994.

**GTE vs. City of Denton (No. 95-50259-367, 367th Judicial District Court of Denton County, Texas)** -- 10 year estimate of revenues excluded from municipal franchise fees by GTE, 1994-1996.

**MAS vs. City of Denton, Texas (No. 99-50263-367, Judicial District Court of Denton County, Texas)** – Testimony on reasonableness of franchise fee payment calculations.

### Water/Wastewater – Other Studies

**City of Paris, TX –** Campbell's Soup Co. wholesale contract review/negotiations.

**City of Conroe, TX –** Evaluation of proposed long-term wholesale contract.

**Cities of Bellmead, Woodway and Hewitt, TX –** Least cost alternative analysis and assistance with wholesale contract negotiations with City of Waco.

**City of Lubbock, TX –** Analysis of reasonableness of rates for Franklin Water System, January 2002.

**City of Rockwall, TX –** Wholesale contract review, 2005.

**City of Miami, OK –** Non-rate revenue study, 2010.

**Town of Payson, AZ –** Financial feasibility and economic impact study of C.C. Cragin Reservoir, 2011.

**City of Duncanville, TX –** Water and wastewater cost allocation study, 2002.

**City of Whitehouse, TX –** Economic analysis of potential acquisition of a water supply corporation, 2006.

**City of Midlothian, TX –** Drought management plans, 2001.

**City of Midlothian, TX –** Assistance with wholesale contract negotiations, 2000-2001.

**City of Arlington, TX –** Cost of service study for non water/sewer revenues, 1997.

**City of Arlington, TX –** Lease vs. purchase analysis of city fixed assets, 1998.

**City of Donna, TX –** Water and wastewater affordability analysis, 2005.

**Southmost Regional Water Authority –** Economic and financial impact of proposed desalination treatment plant, 2001.

**Texas Water Development Board Region M –** Financial feasibility analysis of water resource alternatives, 2006.

**Laguna Madre Water District –** Lost/unaccounted for water study, 1992.

**Schertz Seguin Local Government Corporation –** Assistance in contract negotiations with SAWS, 2010.

**California-American Water Company –** Reasonableness of rate structure for City of Thousand Oaks, 2003.

**California-American Water Company –** Reasonableness of rate structure for City of Felton, 2004.

**Forsyth County, GA** – Business plan with extensive recommendations for managing unprecedented growth in volume and customer connections. Ten-year projection of operating income, 1998.

**City of Lakeland, FL –** Valuation of wastewater reuse alternatives over 20-year timeframe.

**Border Environment Cooperation Commission and City of Bisbee, AZ –** Wastewater system improvements plan, 2003.

**Water Infrastructure Finance Authority of Arizona –** Evaluation of 40-year wastewater construction financing plan for Lake Havasu City, 2002.

**Water Infrastructure Finance Authority of Arizona –** Comprehensive residential water and wastewater rate survey for the state of Arizona, 2004-2008.

**City of Plano, TX –** evaluation of long-term contract with North Texas Municipal Water District, 2015-2020.

**Regulated Utilities – USA**

**City of Miami, OK –** Electric, water and wastewater and electric rate study, 2006.

**Bonneville Power Administration ---**Participation in Average System Cost (ASC) program, including proposed changes in ASC methodology, 1988-1990.

**Houston Lighting & Power --** Feasibility/Prudence analysis of South Texas Nuclear Project vs. alternate forms of energy. Analysis formed the basis of partner's expert testimony before the Public Utility Commission of Texas, 1988.

**Kansas Power & Light –** Analysis of proposed merger with two separate companies, 1988.

**Greenville Electric Utility System-** Development of short-term cash investment policy in accordance with state law, 1989.

**Horizon Communications**– Business plan development, 2000.

**City of Mercedes, TX** – Economic Impact of New City Projects, 2000.

**Telecommunications**

**City of Dallas, TX –** Forecast of economic and financial construction and non-construction damages resulting from franchise's failure to fulfill terms of agreement, 2004

**City of Dallas, TX ---**Financial evaluation and forecast of alternative wireless services contracts, 2005.

**City of Dallas, TX --E**valuation and advice concerning VOIP contract with SBC, 2003

**Voice Web Corporation--** Financial forecast and strategic plan for CLEC development, 2001

**United Telephone of Ohio --** Pro forma forecast model forecasting the impact on financial statements of proposed changes in state telecommunications regulatory structures. Model was used as the basis for privatization bids for Argentine and Puerto Rican Telephone Companies, 1988.

**D. Jackson**
*Resume Continued*

**Bonneville Power Administration** – Evaluation and financial forecast of long-term fiber optic leasing operation, 1999.

**Bonneville Power Administration** – Economics of Fiber Analysis, 1999.

**City of Portland, Oregon** –Municipal Franchise Fee Review, 2000.

**US West, Inc**. – Valuation study and financial forecast of headquarters operation. Used as basis for Partner's allocated cost testimony before the Public Utility Commission in Washington and Utah.

**Star-Tel** -- Estimate of revenues lost due to rival's unfair business practices, 1995.

**Cities of Denton and Carrollton, Texas** -- Review of municipal franchise fee payments by GTE, 1994-1996.

**Winstar Gateway Network** -- forecast of average lifespan per ANI for specific customer classes.

**Advisory Commission on State Emergency Communications** -- Review of E911 Equalization

Surcharge Payments by AT&T, ATC Satelco, and Lake Dallas Telephone Company.

**Northern Telecom** -- Projection of potential revenue generated from the long-term lease of DMS-100 switching units to Pacific Bell.



### Publications/Presentations/Seminars

- ***Rainbow Bridge (fiction) –*** Mirador Publishing, 2020. Winner, 2021 Feathered Quill Silver Award for Animal-based literature; 2021 National Indie Excellence Award Finalist
- ***The Forgotten Men (fiction)*** – Mediaguruz Publishing, 2012.

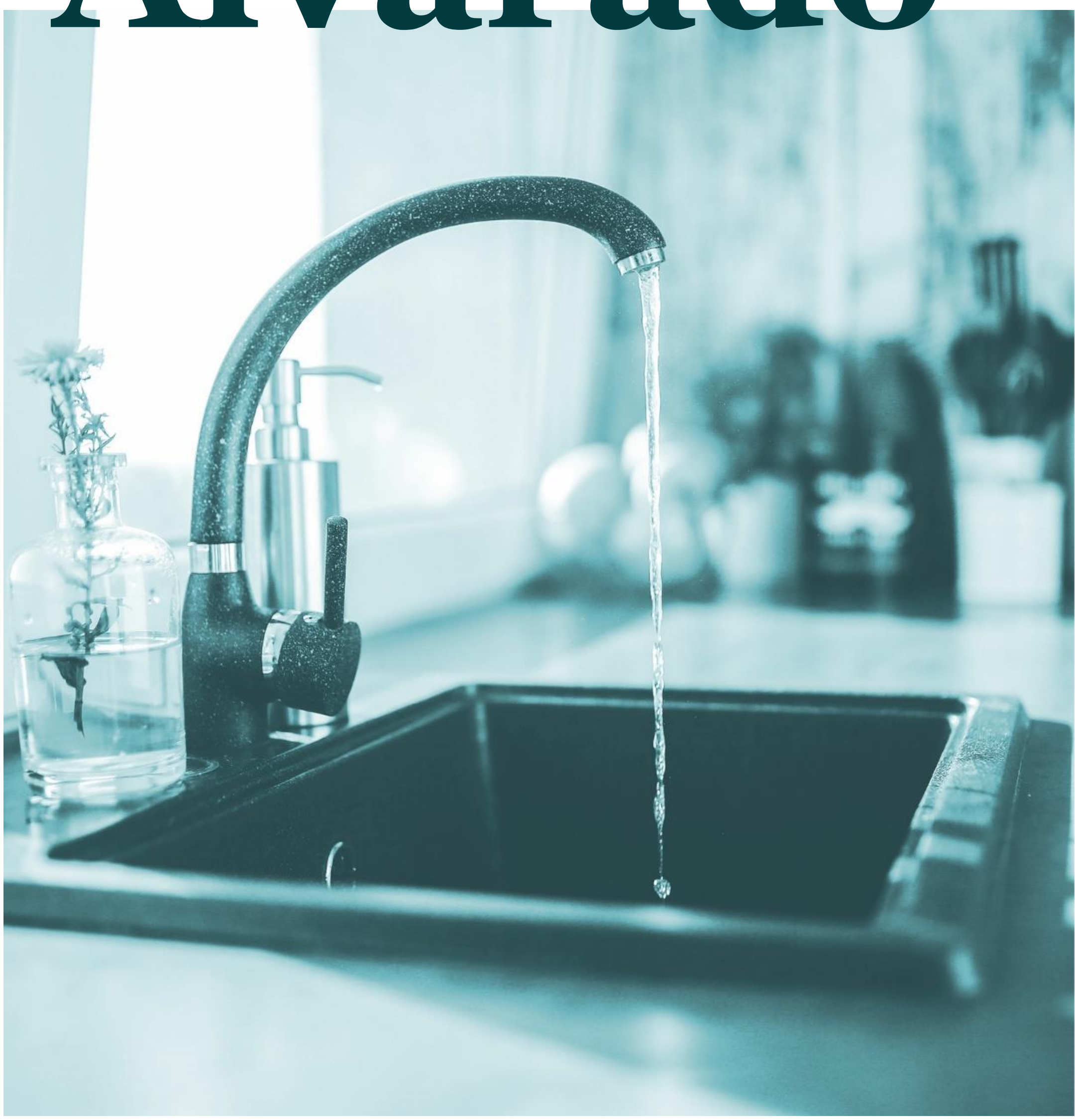
- *Raising Water and Wastewater Rates – How to Maximize Revenues and Minimize Headaches – Arizona Small Utilities Association, August 2002; Texas Section AWWA, April 2003*
  *Wholesale Providers and the Duty to Serve: A Case Study* – Water Environment Federation, September 1996.
- *Lease vs. Purchase – A Guideline for the Public Sector* – Texas Town and City, March 1998•.
- *An Introduction to Lease vs. Purchase* – Texas City Managers Association – May 1998.
- *Technische Universiteit Delft* – Delft Netherlands -- Annual Infrastructure Conference – May 2000, 2001.
- *The US Water Industry – A Study in the Limits of Privatization* -- Technische Universiteit Delft – Delft Netherlands – March 2007.
- *The New Information Economy: Opportunity or Threat to the Rio Grande Valley?* – Rio Grande Valley Economic Summit -- Oct 2000.
- *The Financial Benefits of Regionalization – A Case Study* – Texas Water Development Symposium – September 2010.
- *Developing Conservation Water Rates Without Sacrificing Revenue* – TWCA Conference, San Antonio Texas, October 2012.
- *Water Rates – Challenges for Pacific Utilities – Pacific Water and Wastes Conference, American Samoa, September 2014.*

RAFTELIS

**Rate Study**

PROPOSAL DECEMBER 6, 2021

# City of Alvarado



December 6, 2021

Mr. Paul DeBuff
City Manager
City of Alvarado
Via email: debuffp@cityofalvarado.org

**Subject: Proposal for Water and Sewer Utility Rate Study**

Dear Mr. DeBuff:

Raftelis is pleased to submit this proposal to assist the City of Alvarado (City) with a water and sewer utility rate study. We appreciate the opportunity to submit this proposal, which details our project approach to meet the City's objectives as well as our qualifications and experience within the water and wastewater utility industry.

Raftelis was established in 1993 to provide financial, rate, and management consulting services of the highest quality to water and wastewater utilities. Since that time, Raftelis has grown to have the largest water and wastewater utility rate and financial consulting practice in the country, with 120 consultants. Our staff has provided rate and/or financial planning assistance to over 1,000 utilities across the United States and have conducted thousands of studies. Our mission has always been focused on assisting our clients in meeting their goals of financial viability.

Raftelis understands that the City would like to complete a water and wastewater rate study that considers the City's latest 5-year Capital Improvement Plan and Operations and Maintenance Budget. It is important that the study consider and provide a plan for financing the City's $90 million water treatment plant expansion. In today's world where investments in our infrastructure is eminent and transparency is required, a utility should have a financial plan for ensuring that revenue will be sufficient to recover future costs and that customers are informed about the investment and the cost.

We strongly believe our team would successfully complete the study and provide significant value to the City of Alvarado for several reasons, including:

- **Breadth of experience** – We have conducted thousands of financial projects for more than 1,000 utilities across the country, many of them like this study.
- **Knowledge of your water and sewer systems** – Our team has worked with many utilities in Texas and is knowledgeable of the challenges facing utilities in Texas. Our Project Director has been in the utility industry in Texas for over 25 years, including working in a utility for 12 years. Our Project Manager has also worked at a utility and has worked with many clients with significant capital needs.
- **Proximity** – Our team members are located nearby in Austin and are intimately aware of the concerns facing Texas utilities.
- **Depth of resources** – No firm that specializes in management consulting for the water and wastewater industry has the staff resources we have.
- **Drive to succeed** – Our project team will be focused on not only meeting, but exceeding, the City's expectations.

To assist the City with this project, we have assembled a team with extensive experience and a reputation for quality service. I will serve as Project Director of the study, ensuring the City's objectives are fully met. I will work closely with the Project

Manager, Justin Rasor, who will manage the day-to-day aspects of the project ensuring it is within budget and on schedule and who will serve as the City's main point of contact for the study. Justin will also lead the consulting staff in conducting analyses and preparing deliverables for the project. Raftelis Consultant, Lundyn Harrelson, will be the Staff Consultant for this project.

Sincerely,

Angie Flores

**Angie Flores**
*Senior Manager*

## Diversity and inclusion are an integral part of Raftelis' core values.

We are committed to doing our part to fight prejudice, racism, and discrimination by becoming more informed, disengaging with business partners that do not share this commitment, and encouraging our employees to use their skills to work toward a more just society that has no barriers to opportunity.

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REGISTERED MUNICIPAL ADVISOR

## Raftelis is registered with the U.S. Securities and Exchange Commission (SEC) and the Municipal Securities Rulemaking Board (MSRB) as a Municipal Advisor.

Registration as a Municipal Advisor is a requirement under the Dodd-Frank Wall Street Reform and Consumer Protection Act. All firms that provide financial forecasts that include assumptions about the size, timing, and terms for possible future debt issues, as well as debt issuance support services for specific proposed bond issues, including bond feasibility studies and coverage forecasts, must be registered with the SEC and MSRB to legally provide financial opinions and advice. Raftelis' registration as a Municipal Advisor means our clients can be confident that Raftelis is fully qualified and capable of providing financial advice related to all aspects of financial planning in compliance with the applicable regulations of the SEC and the MSRB.

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*Photo on cover courtesy of *UPDATE (Flickr)*

# WHO IS Raftelis

## HELPING LOCAL GOVERNMENTS AND UTILITIES THRIVE

+ VISIT **RAFTELIS.COM** TO LEARN MORE

Local government and utility leaders partner with Raftelis to transform their organizations by enhancing performance, planning for the future, identifying top talent, improving their financial condition, and telling their story. We've helped more than 600 organizations in the last year alone. We provide trusted advice and our experts include former municipal and utility leaders with decades of hands-on experience running successful organizations. People who lead local governments and utilities are innovators—constantly seeking ways to provide better service to the communities that rely on them. Raftelis provides management consulting expertise and insights that help bring about the change that our clients seek.

ALVARADO & RAFTELIS

# The Right Fit

## We believe that Raftelis is the right fit for this project. We provide several key factors that will benefit the City and help to make this project a success.

### RESOURCES & EXPERTISE

**This project will require the resources necessary to effectively staff the project and the skillsets to complete all of the required components.**

With more than 120 consultants, Raftelis has the largest water-industry financial and management consulting practice in the nation. Our depth of resources will allow us to provide the City of Alvarado with the technical expertise necessary to meet your objectives. In addition to having many of the industry's leading rate consultants, we also have experts in key related areas, like stakeholder engagement and data analytics, to provide additional insights as needed.

### DEFENSIBLE RECOMMENDATIONS

**When your elected officials and customers are considering the validity and merit of recommended changes, they want to be confident that they were developed by experts using the latest industry standard methodology.**

Our senior staff are involved in shaping industry standards by chairing various committees within the American Water Works Association (AWWA) and the Water Environment Federation (WEF). Raftelis' staff members have also co-authored many industry-standard books regarding utility finance and rate setting. Being so actively involved in the industry will allow us to keep the City informed of emerging trends and issues and to be confident that our recommendations are insightful and founded on sound industry principles. In addition, with Raftelis' registration as a Municipal Advisor, you can be confident that we are fully qualified and capable of providing financial advice related to all aspects of utility financial planning in compliance with federal regulations.

## HISTORY OF SIMILAR SUCCESSES

**An extensive track record of past similar work will help to avoid potential pitfalls on this project and provide the know-how to bring it across the finish line.**

Raftelis staff has assisted 1,000+ utilities throughout the U.S. with financial and rate consulting services with wide-ranging needs and objectives. Our extensive experience will allow us to provide innovative and insightful recommendations to City and will provide validation for our proposed methodology ensuring that industry best practices are incorporated.

## USER-FRIENDLY MODELING

**A modeling tool that your staff can use for scenario analysis and financial planning now and into the future will be key for the City going forward.**

Raftelis has developed some of the most sophisticated yet user-friendly financial/rate models available in the industry. Our models are tools that allow us to examine different policy options and cost allocations and their financial/customer impacts in real time. Our models are non-proprietary and are developed with the expectation that they will be used by the client as a financial planning tool long after the project is complete. Although the City has indicated that they will not use the model, Raftelis will leave this option open.

## RATES THAT ARE ADOPTED

**For the study to be a success, rates must be successfully approved and implemented.**

Even the most comprehensive rate study is of little use if the recommendations are not approved and implemented. Raftelis has assisted numerous agencies with getting proposed rates successfully adopted. We develop a message regarding the changes that is politically acceptable and convey that message in an easy-to-understand manner. We focus on effectively communicating with elected officials about the financial consequences and rationale behind recommendations to ensure stakeholder buy-in and successful rate adoption.

# How we stack up

**28** years serving the public sector

OUR TEAM INCLUDES

**120+** consultants focused on finance/management/communication/technology for the public sector

**5** chairs & **20** members of AWWA and WEF utility finance and management committees and subcommittees

**&** the Immediate Past-President of AWWA

RAFTELIS HAS PROVIDED ASSISTANCE FOR

**1,200+** public agencies and utilities

that serve more than

**25%** of the U.S. population

including the agencies serving

**38** of the nation's 50 largest cities

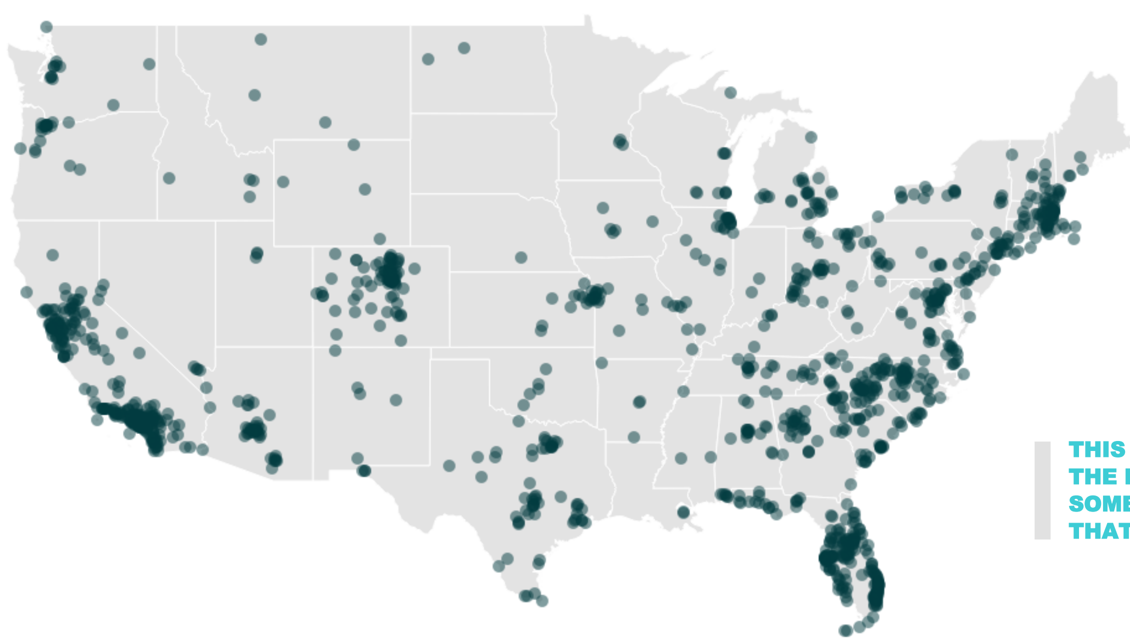
In the past year alone, we worked on

**900+** projects for **600+** agencies in **44** states

# Experience

## RAFTELIS HAS THE MOST EXPERIENCED UTILITY FINANCIAL AND MANAGEMENT CONSULTING PRACTICE IN THE NATION.

Our staff has assisted more than 1,200 public agencies and utilities across the U.S., including some of the largest and most complex agencies in the nation. In the past year alone, Raftelis worked on more than 900 financial/organizational/technology consulting projects for over 600 agencies in 44 states, the District of Columbia, and Canada.



**THIS MAP AND THE MATRIX ON THE FOLLOWING PAGES SHOW SOME OF THE UTILITY CLIENTS THAT WE HAVE ASSISTED.**

**Raftelis has provided financial/organizational/technology assistance to utilities serving more than**

**25% of the U.S. population**

Below, we have provided descriptions of projects that we have worked on that are similar in scope to the City's project. We have included references for each of these clients and urge you to contact them to better understand our capabilities and the quality of service that we provide.

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## Town of Addison

### TEXAS

**Reference:**
Steven Glickman, CPA, CGFO,
Chief Financial Officer
5350 Belt Line Road
Addison, TX 75001
P: 972.450.7050
E: sglickman@addisontx.gov

The Town of Addison (Town) has approximately 3,689 water and wastewater utility accounts that service approximately 15,530 in-town customers. While the Town's residential population is rather low, the daytime influx of office tenants, restaurant employees and customers, and manufacturing makes projecting and managing the utility system rather challenging. The Town's source of potable water is from Dallas Water Utilities (DWU), and wastewater service is provided by both DWU and Trinity River Authority.

The Town engaged Raftelis in 2017 for a cost-of-service rate study. Raftelis assisted the Town in developing a financial plan that would continue to promote financial sustainability for the utilities. The Town had not completed a rate study in several years, so this provided the City with a plan for ensuring that costs would be recovered through rates for a 3-year period. In addition, Raftelis provided a plan for the Town that will allow it to eventually perform a cost of service for each of its customer classes.

In 2018, Raftelis worked with Town to forecast revenues for Fiscal Year 2018. In early 2018, the Town experienced greater than typical rain, which was impacting water revenues. Raftelis worked with the Town to develop a low, medium, and high revenue forecast for the year, so that the Town could prepare for any potential shortfalls. This analysis was incorporated in the Town's financial planning model.

Currently, Raftelis is once again completing a rate study for the Town. This study will provide rates for the next 3 years and ensure that the Town is able to pay for the most recent 5-year Capital Improvement Plan.

## Jersey Village

**TEXAS**

**Reference:**
Austin Bleess
City Manager
16327 Lakeview Dr.
Jersey Village, TX 77040
P: 713-466-2109
E: ableess@jerseyvillagetx.com

The City of Jersey Village (City) is a city of around 8,000 people northwest of Houston. The City serves roughly 3,300 water customers and roughly 2,400 wastewater customers, inside and outside the city limits. While the City must have enough well capacity for guaranteed supply for the existing system, the City intends to operate on nearly 100% surface water from the City of Houston. The City is part of the North Harris County Regional Water Authority's (Water Authority) Groundwater Reduction Plan and therefore is required to pay a fee for every 1,000 gallons of groundwater pumped. Based on these operations, the City contractually has enough surface water to meet the average day flows but would be using more than the maximum contractual amount for any usage above average day flows.

In 2020, the City retained Raftelis to complete a water and wastewater financial plan and rate study. In addition, the City also requested a customized rate model for their use in annual updates. The tasks included developing a 10-year water and wastewater financial plan to ensure that the City maintains the health of its utilities and providing recommendations on changes to their existing rate structures. The key outcomes of the study included recommending rate increases in the 5-year period to provide for cash-funding capital, limiting increases to the Outside-City Limit customers; recommending that impact fees be used to fund capital projects and setting rates sufficient to meet operating reserve targets.

# Project Approach

We have developed the following proposed services based on our extensive experience in completing comprehensive water and wastewater rate studies for other utilities while considering the issues identified by the City of Alvarado during our recent discussion. The approach has been tailored to address the specific objectives and concerns mentioned in our discussion. Any items that are not required by the City can easily be modified. If additional tasks are required, Raftelis can discuss those changes with the City. We have used a similar project approach on many of our rate study projects for utilities throughout Texas, the Southwest, and the U.S.

## Task 1: Project Initiation and Management

We believe that the execution of a productive kick-off meeting is the most effective way to begin a project of this nature. The goals for this meeting include:

- Providing a forum to finalize the scope of the project, work plan, and schedule with City staff
- Discussing the City's preliminary pricing objectives
- Ensuring that we understand the overall goals of the study
- Providing an opportunity for City staff to meet and become comfortable with the project staff from Raftelis
- Reviewing the data needs for the project

Accomplishing these objectives will help to ensure that the project progresses as smoothly as possible.

Prior to the kick-off meeting, we will prepare a detailed data request list that will identify the information needed to complete the various analyses. Information that is typically required to perform a comprehensive cost-of-service study includes recent Comprehensive Annual Financial Reports, recent and current utility budgets, a description of service areas, current and historical billing data, utility plant in service records, debt service schedules, water and wastewater master plans, and a long-term capital improvement plan. Some of this information will be readily available, whereas other components may require more detailed analyses of operational data, customer billing information, and costs.

### Data Collection and Review

As part of this task, we will conduct interviews with City staff to obtain a thorough understanding of the financial, operational, regulatory, master planning, and political environments. Existing rate policies and ordinances will be reviewed for consistency with current and possible future fees. Key issues, areas of concern, and pricing objectives will be reviewed and discussed. Historical information will be reviewed related to costs, customers, usage, demand patterns, capital spending, plant in service, and revenues generated to provide a better understanding of recent changes in operating characteristics and to develop appropriate trends and growth factors for creating financial forecasts. Other information reviewed will include regulatory requirements, bond covenants, contractual requirements, and capital plans for each utility. During the data collection and review, we will begin to identify assumptions used to allocate the costs that will be integrated into our model. As these assumptions are identified, City staff will have an opportunity to review our findings to ensure that the assumptions make sense regarding each of the City's utility systems.

### Project Management

To successfully complete the project, Raftelis will be in constant communication with City staff regarding data requests, data validation, data decisions, and reviewing preliminary and final results. Much of this can be accomplished through conference calls, emails, and demonstrations using tools such as Microsoft Teams or GoToMeeting. These efforts provide for consistent and competent project management to ensure that all deadlines and objectives are met in a timely and efficient manner. We believe in a no-surprises approach so that the City is always aware of the project status.

## Task 2: Consumption and Current Revenue Analysis

Projecting future demand and developing realistic per capita consumption estimates can be challenging due to several unforeseeable factors that can affect consumption. A particularly rainy or dry season, unforeseen population growth or decline, and commercial customers moving in and out of City's service area can and will have a dramatic effect on consumption. However, projecting consumption is also one of the most important tasks that a utility faces. These projections directly affect user rates, which, in turn, determine how much cash a utility will collect. If a utility overestimates consumption, then rates will be too low leading to revenue under recovery, a deficit, and decreasing fund balances. Yet, if a utility underestimates consumption, then revenue over recovery occurs and this can be met with public scrutiny because of unjustly high rates.

Comprehensive operation and customer billing information will be collected to classify customers and project user demand over the planning period. We will study available historical consumption of the City's different customer types to arrive at a corresponding usage and growth rate for each type. As a result of these analyses, Raftelis will determine the best consumption forecast for the City. Raftelis will also examine the City's current customer classifications and identify any changes that may be necessary to make them more consistent with current industry practices and standards. Raftelis will then calculate the revenues under current rates at projected consumption levels to understand the potential revenues realizable. We will then compare these revenues to the revenue requirements forecast in the financial plan developed in Task 3 to understand the magnitude of the potential shortfall under the current rates.

## Task 3: Development of Financial Plans

An important element in conducting a comprehensive rate study is to establish comprehensive short- and long-term financial plans for the City's utilities. In preparing these plans, we will analyze the City's current policies and practices for funding its operations, capital facilities plan, and debt service requirements. As appropriate, and as discussed with City staff, we will consider various financing options, or a combination of options, such as operating revenue, new debt issuances, and miscellaneous fees.

We will assist the City in achieving a suitable balance among the financing options when developing the proposed financial plans, which will accomplish the following:

- Ensure financial sufficiency to meet operating and capital costs as well as prudent reserves
- Meet the City's service policies and objectives
- Fairly distribute financing responsibility to appropriate users

Completing a detailed financial plan and rate study will ensure that City's utilities are operating in a revenue self-sufficient manner and meet debt covenant requirements. We will develop separate financial plans for the water and wastewater utilities to understand if any of the utilities may be subsidized by the others.

The financial plans for each utility will include a capital improvement financing component that ensures each utility can fully finance the City's proposed capital improvement program while minimizing impacts to existing ratepayers and complying with existing revenue bond covenants.

### Review and Evaluate Current Financial Information and Recommend Financial Policies and Programs

As part of this task, Raftelis will evaluate the City's operating and capital reserve requirements as well as financial and rate policies and recommend appropriate changes to the existing policies that will allow the utilities to meet their financial goals most effectively. These financial policy requirements will include identifying appropriate target reserve levels for the operating and capital programs; when these reserves can be used; infrastructure replacement funding from operations; debt funding of Capital Improvement Program (CIP), if needed; review of the level of transfers to the general fund; and debt service coverage designed to allow the City to meet its financial objectives and goals while achieving improved rate stability and revenue sufficiency. Raftelis will also provide recommendations on how the City may wish to fund operating and maintenance (O&M) expenses that do not occur annually, such as tank painting and meter replacement.

**The cash flow worksheet incorporates revenues generated from different sources, expenses needed to maintain the utility systems, any transfers in and out of the enterprise funds, as well as the coverage needed to meet current and proposed debt service requirements.**

### Develop Revenue Requirements

This task will include the projection of budget items, such as annual costs related to labor, power, materials, capital expenditures, plant investment, O&M expenses, transfers, reserve contributions, and debt service coverage using assumptions based on different economic factors and growth trends. Raftelis will analyze the City's general fund transfer amount and development in this task. It is common for utilities to include shared expenses from the general fund in the utility budget.

We will develop forecasts of revenue requirements over the multi-year planning period. Revenue requirements will be projected over the rate-setting period based on historical results, the current budget, capital improvement plans, master planning studies, existing debt service, other obligations, and current economic trends. We will examine the effect of variations in factors that impact the utility's revenue requirements and provide comparisons of potential revenue requirement scenarios for review with the City to identify the most appropriate revenue requirements for proposed rates. Projecting revenue adjustments over a multi-year planning horizon can illustrate future rate impacts and potential challenges to the City's financial situation. This will allow the City to adjust its expenses, transfers, and reserve balances or schedule capital projects to smooth rate impacts and maintain financial stability.

### Develop Multi-year Cash Flow Analysis and Recommend Reserve Balances

We will develop a multi-year cash flow analysis to determine the revenue adjustments needed to meet projected revenue requirements for the multi-year planning period while minimizing sharp rate fluctuations. The cash flow worksheet incorporates revenues generated from different sources, expenses needed to maintain the utility systems, any transfers in and out of the enterprise funds, as well as the coverage needed to meet current and proposed debt service requirements. The level of the transfers will be considered and compared to industry standards as well as considered based on regulatory guidelines. We will also review the reserve policies to recommend appropriate reserve balances consistent with industry standards and the City's desire to appropriately address risk associated with various factors, including emergency expenditures or revenue shortfalls.

## Task 4: Cost-of-service Analysis and Rate Calculation

Although we take care to tailor a utility's cost-of-service analysis to meet the needs of the individual utility, we always make sure to follow the basic premise of cost-of-service allocations set forth by state and local laws, the American Water Works Association's (AWWA) *Manual M1, Principles of Water Rates, Fees, and Charges*, the Water Environment Federation's (WEF) *Manual of Practice No. 27, Financing and Charges for Wastewater Systems*, and other authoritative bodies.

The first step of a cost-of-service analysis is to complete a cost functionalization to allocate costs to the various functions within the utility. For example, in the water utility, these categories may include source of supply, treatment plant, transmission, and distribution. The next step is the classification of costs based on cost-causative parameters. In water, these parameters would be average day demand, maximum day demand, maximum hour demand, meters, and customer service. Finally, the cost of serving each customer class will be determined based on each class' usage characteristics. Raftelis will discuss with the City whether this task and allocation analysis is necessary for each utility.

### Rate Calculation

After the revenue requirements have been functionalized, classified, and allocated, we will use the consumption analysis performed in Task 2 and combine it with the new revenue requirements to calculate user rates reflecting the City's specific rate goals and objectives. In identifying these goals and objectives, Raftelis will evaluate the City's current rate structures and discuss how they compare to industry standards. At this point, we will discuss and evaluate the need for new customer classes, such as senior citizen or irrigation/sprinkler rates. Raftelis has worked with many customers to evaluate existing and new customer classes. This evaluation will be based on existing data and the needs of the City.

We will project these rates for the forecast period to ensure that all covenant requirements are met and to ensure that customer impacts of rate increases do not lead to rate shock. At the end of this task, we will conduct a meeting with City staff. At this meeting, Raftelis will review the entire cost-of-service and rate-setting process and present preliminary rates. Prior to the meeting, City staff will be provided with the draft rate model and preliminary rates so that they will be able to review our methodology and suggest changes. We will discuss all suggested changes and then work with the City to come up with our final rate recommendations to incorporate into the City's rate ordinances.

### Comparison of Costs by Customer Class

Based on the rate structures identified in this task, we will develop a comparison of the cost of service to rate recovery under the new rates as well as existing rates. This will allow the City to understand any inequities in the existing rate structure as well as how any proposed changes to the rate structure addresses those inequities.

## Task 5: Reports and Presentations

### Rate Comparison

Raftelis will prepare a comparative analysis of the City's current and proposed water and wastewater rates to comparable peer utilities. This comparison will be used in the reports and presentations of the findings of the study to provide a frame of reference for stakeholders and decision makers.

### Draft Report Memo

The draft report memo will document the rate development process, describe any recommended changes to the existing rate structures and the reason for such changes, and present the results of the cost-of-service and rate study. An electronic copy of the draft report will be presented to City staff for their review and comment.

### Final Report Memo

Raftelis will incorporate the City staff's comments of the draft report memo into a final report memo. Upon finalization of the report, the City will be provided an electronic copy of the report.

### Presentations

We will prepare a PowerPoint presentation summarizing the rate study process, findings, and recommendations in a clear and concise manner. We will provide a draft of this presentation to City staff for their review and comment prior to delivering the final version.

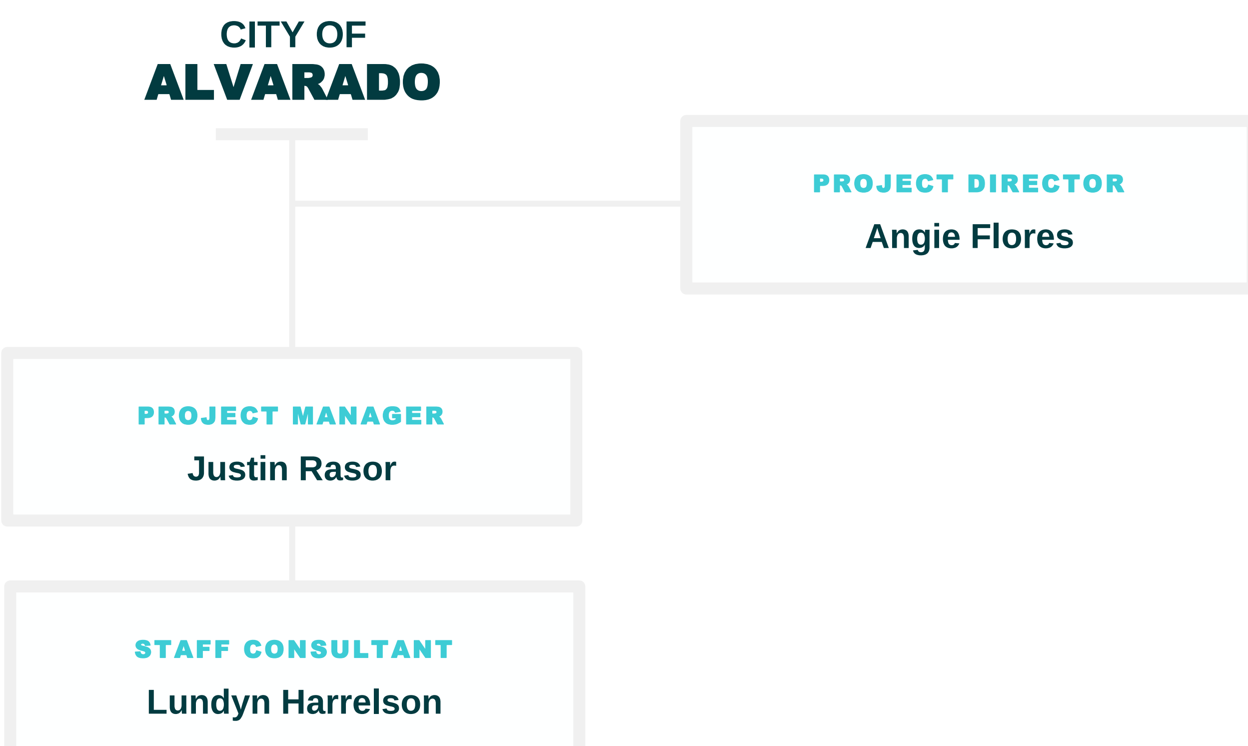
Raftelis will also present our findings using this presentation and other outreach materials at a public hearing as well as at another meeting at the City's direction.

# Project Team

## WE HAVE DEVELOPED A TEAM OF CONSULTANTS WHO SPECIALIZE IN THE SPECIFIC ELEMENTS THAT WILL BE CRITICAL TO THE SUCCESS OF THE CITY'S PROJECT.

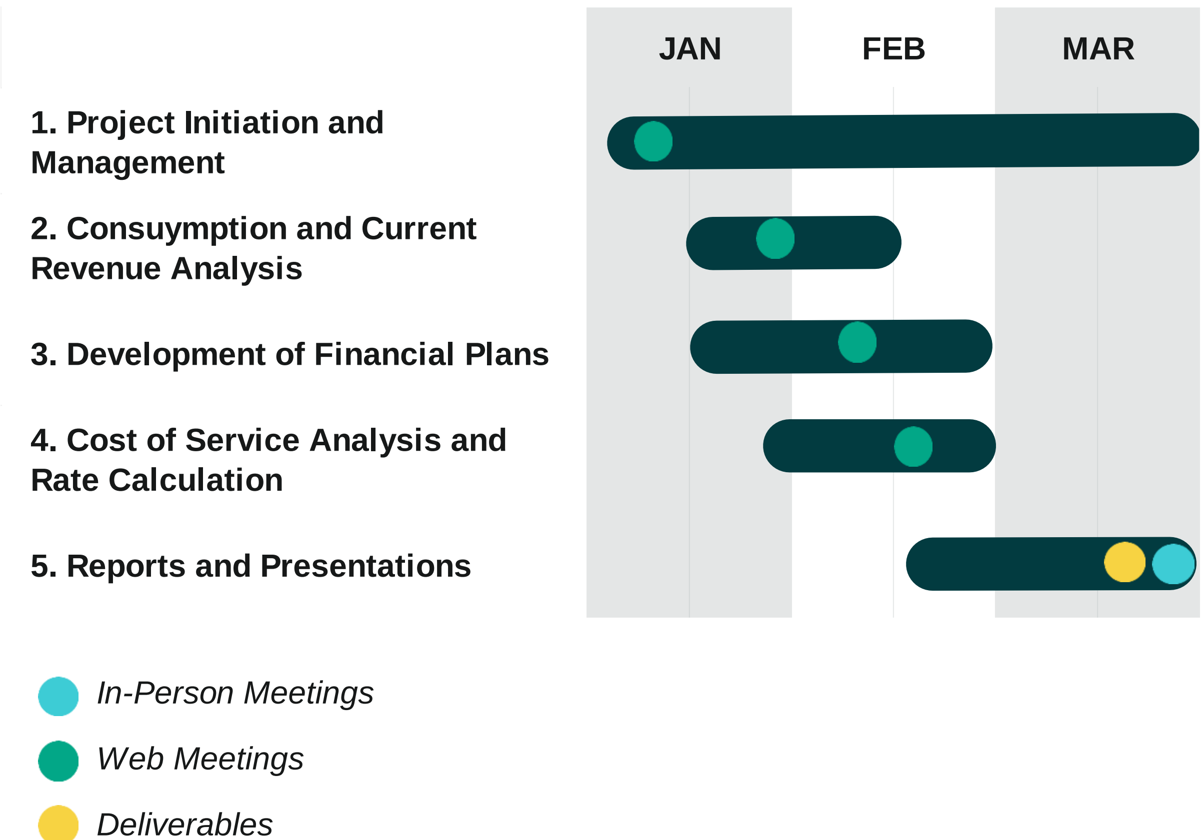
Our team includes senior-level professionals to provide experienced project leadership with support from talented consultant staff. This close-knit group has frequently collaborated on similar successful projects, providing *client with confidence in our capabilities.

Here, we have included an organizational chart showing the structure of our project team. On the following pages, we have included resumes for each of our team members as well as a description of their role on the project.



# Schedule

Raftelis will complete the scope of services within the timeframe shown in the schedule below. To meet this timeline, the receipt of data will be required at the beginning of the project. The timeline will also be dependent on how quickly Raftelis can meet with City staff and present to the City Council at the end of the study. We have set the completion timeline as March 2022.



# Cost

The following table provides a breakdown of our proposed fee for this project. This table includes the estimated level of effort required for completing each task and the hourly billing rates for our project team members. Expenses include costs associated with travel and a $10 per hour technology charge covering computers, networks, telephones, postage, etc.

| Tasks | Web Meetings | In-person Meetings | Hours | | | | Total Fees & Expenses |
|---|---|---|---|---|---|---|---|
| | | | AF | JR | LH | Total | |
| 1. Project Initiation and Management | 1 | | 2 | 8 | 2 | 12 | $3,010 |
| 2. Consuymption and Current Revenue Analysis | 1 | | | 8 | 16 | 24 | $4,800 |
| 3. Development of Financial Plans | 1 | | 2 | 8 | 16 | 26 | $5,390 |
| 4. Cost of Service Analysis and Rate Calculation | 1 | | 2 | 8 | 16 | 26 | $5,390 |
| 5. Reports and Presentations | 1 | 1 | 2 | 8 | 16 | 26 | $6,012 |
| Total Meetings / Hours | 5 | 1 | 8 | 40 | 66 | 114 | |
| Hourly Billing Rate | | | $285 | $250 | $160 | | |
| Total Professional Fees | | | $2,280 | $10,000 | $10,560 | $22,840 | |
| | | | Total Fees | | | | $22,840 |
| | | | Total Expenses | | | | $1,762 |
| | | | Total Fees & Expenses | | | | $24,602 |

*AF - Angie Flores*
*JR - Justin Rasor*
*LH - Lundyn Harrelson*

Final Best offer: $21,500

# Hourly Billing Rates

Project team hours and expenses will be billed on the same invoice. Expenses such as postage, duplicating/printing and travel will be billed at cost. Additional services outside the agreed upon scope of work will be billed on a time and materials basis. Raftelis' billing rates can be found below.

| POSITION | HOURLY BILLING RATE** |
|---|---|
| Chair | $450 |
| Chief Executive Officer/President | $400 |
| Executive Vice President | $340 |
| Vice President/Principal Consultant | $310 |
| Director of Governmental Services | $310 |
| Senior Manager | $275 |
| Director of Florida Operations | $225 |
| Manager | $245 |
| Senior Consultant | $215 |
| Consultant | $185 |
| Creative Director | $175 |
| Associate | $155 |
| Graphic Designer | $125 |
| Analyst | $110 |
| Administration | $80 |
| Technology Charge* | $10 |

**Technology/Communications Charge: This is an hourly fee charged monthly for each hour worked on the project to recover telephone, facsimile, computer, postage/overnight delivery, conference calls, electronic/computer webinars, photocopies, etc.*

***For services related to the preparation for and participation in deposition and trials/hearings, the standard billing rates listed above will be increased by an amount up to 50 percent.*

APPENDIX:

# Resumes

# Angie Flores

## PROJECT DIRECTOR

Senior Manager

### PROFILE

Angie has worked in the water and wastewater utility industry for more than 25 years. Over this time, she has completed various cost of service and rate studies, financial planning models, and impact fee studies for cities such as Round Rock, Denton, Arlington, San Antonio Water System, Abilene, San Angelo, and Georgetown. Prior to beginning her work as a consultant in 2013, Angie worked for the Lower Colorado River Authority (LCRA) for 12 years where she was responsible for developing rate studies and financial planning models and participating in the business plan process for 32 water and wastewater utilities. LCRA is responsible for managing the Highland Lakes system in Central Texas and a major wholesale electric provider. Before LCRA, Angie worked at the Texas Water Development Board as a financial analyst. The Texas Water Development Board is a financial resource for political subdivisions of the State of Texas.

### KEY PROJECT EXPERIENCE

**City of Arlington (TX)**
Raftelis was engaged by the City of Arlington (City) to complete a cost-of-service study that will consider water and wastewater rates. The study will include cost of service allocations to the City's customer classes. With the diversity of the City's commercial class, Raftelis will consider the usage patterns of the classes and make recommendations for the class. This study was delayed due to Covid-19 and will be completed in 2021.

**City of Denton (TX)**
Raftelis was engaged by the City of Denton (City) to complete a cost-of-service study that will consider retail and wholesale rates. The study will include cost of service allocations to the City's customer classes. As part of the study, Raftelis will be completing a pricing objectives workshop that will allow the City to identify the goals of the Public Utility Board and City Council. Rate recommendations were made to City management in March 2021. The project was delayed due to Covid-19.

**Town of Addison (TX)**
In 2016, Angie is worked with the Town of Addison (Town) to develop a financial planning model and rate study. With the need for future capital investment, the Town needed a tool to determine what rate increases may be required in the next 10 years. As part of the study, Raftelis reviewed the Town's current financial policies and made recommendations for rate changes. Raftelis has assisted in Town in the past two years to revise the model to help the Town more closely estimate certain costs and future demands as more information becomes available. Raftelis is currently updating the Town's financial planning model. This will include updating consumption data, budget, and Capital Improvement Plan.

**Specialties**
- Financial planning modeling
- Utility cost-of-service & rate studies
- Acquisition analysis
- Conservation pricing
- Cost analysis & cost allocation
- System development/impact fee studies
- Affordability analysis
- Rate case experience

**Professional History**
- Raftelis: Senior Manager (2020-present); Manager (2018-2019); Senior Consultant (2016-2017)
- HDR Engineering, Inc.: Rates & Finance Lead (2013-2016)
- Lower Colorado River Authority: Senior Financial Analyst & Rates Supervisor (2001-2013)
- Texas Water Development Board: Senior Financial Analyst (1992-2001)

**Education**
- Bachelor of Arts in Government - The University of Texas, Austin (1991)

**Professional Memberships**
- AWWA
- Government Finance Officers Association of Texas

### City of Round Rock (TX)

Angie updated the City of Round Rock's (City) water and wastewater impact fee study in 2015. The impact fee study is completed in coordination with the City's master plan process for water and wastewater. This includes coordination with the Impact Fee Advisory Committee (Planning & Zoning Committee) and presenting reports and findings to the City Council. In 2019, Raftelis was retained to complete an update to the impact fee study in conjunction with the next master plan update.

Raftelis has conducted rate studies for the City since 2014. Since joining Raftelis, in 2016, Angie has been on the team for Raftelis and most recently managing the studies. In 2015, Raftelis provided an analysis that established the cost of service between retail and wholesale customers. The City has been increasing retail rates at a nominal level to achieve revenue sufficiency for water and wastewater service, but wholesale service rates had not been updated in some time. Raftelis determined cost of service and calculated wholesale rates according to the utility approach and developed a three-year phase-in of rates for 2016-2018.

Raftelis was engaged again to conduct an update to the cost-of-service study and develop a three-year rate forecast for retail and wholesale customers. Raftelis also developed alternative rate structures for the residential, commercial, and irrigation customer classes. Rate structures and rates for retail and wholesale customers were approved and adopted by City Council.

In 2019, the wholesale customers of Round Rock appealed the rates of the City. The case has been filed through the Public Utilities Commission of Texas. To date, the appeal has progressed to Discovery. Angie has been managing this process.

Also, currently, Raftelis is updating the City's rate study and providing rate calculations for two new wholesale customers of the City, as well as updating the City's FY 2022 Water and Wastewater Rate Study. The study includes a comprehensive cost of service study that will provide the city with retail and wholesale rates.

### San Antonio Water System (TX)

Raftelis has been engaged by the San Antonio Water System (SAWS) to complete a cost-of-service study. SAWS updates the cost-of-service study every five years. As project manager, Angie led the effort of the cost-of-service model as well as developing the presentations to the Rate Advisory Committee (RAC) in coordination with SAWS staff. The RAC met several times to provide comments on the cost-of-service process and results. Raftelis completed a Rate Advisory Committee Report and suspended the study due to Covid-19.

### City of Midland (TX)

Raftelis was engaged by the City of Midland (City) to complete a rate study and financial planning model. The City is undergoing significant capital improvements and was facing the need for rate increases. The study considers a 5-year time and looks at the City's water and wastewater rates. The initial rate study was completed in March 2020. In 2020, Raftelis also developed a raw water rate for a potential wholesale customer. In 2021, Raftelis updated the City's Rate Study to reflect the "new normal" after Covid-19.

### City of College Station (TX)

Raftelis was engaged by the City of College Station (City) to complete a cost-of-service study that will consider water and wastewater rates. The study will include the development of a financial planning model and rate design alternatives. The City is unique in that they have many multifamily connections with unique metering issues. Raftelis is providing the City with alternatives for the rates for these customers.

### City of Richmond (TX)

As a subconsultant to KIT Professionals, Inc., Raftelis completed a water and wastewater rate study and impact fee study for the City of Richmond (City) as part of a master plan update. The water/wastewater rate study considered rates for the City's retail and wholesale system, which included a Groundwater Reduction Program (GRP). The City provides water service through a groundwater system as well as a surface water treatment plant that is part of the GRP. As part of the study, Raftelis developed a financial planning model that allowed the City to consider various timelines for the capital projects identified in the master plan. The timing variation considered the impact to rates. Finally, Raftelis completed an impact fee update for the City. The City Commission approved both the rate recommendation and impact fee recommendation from the study.

### City of Pearland (TX)

Raftelis has worked with the City of Pearland (City) for the past three years. Initially, Raftelis completed a rate study and financial planning model for the City for water and wastewater rates. Over the past several years, Raftelis has helped the City during its annual update of the model. Through this assistance, Raftelis has developed additional features to the financial planning model developed three years ago. These features provide further assistance to the City by helping them meet their needs.

### City of San Angelo (TX)

Angie has completed two water and wastewater rate updates for the City of San Angelo (City). Raftelis was engaged by the Water Utilities Department in 2015 to complete a financial planning and cost-of-service study. Raftelis conducted a review of the City's financial policies and developed a comprehensive long-term financial plan to ensure sufficient funding of operations, capital improvements, and debt service costs. Annual revenue was determined that satisfied debt service ratios and bond covenant requirements. Also, a phase-in of rate revenue adjustments for both the water and water reclamation services were determined that resulted in each service operating on a self-sustaining basis. Raftelis conducted a cost-of-service study that identified the cost to the Utility for serving the distinct customer classes and worked with City staff to evaluate alternative rate structures that more accurately addressed current utility objectives. Raftelis developed a recommended rate structure and set of rates that was approved by City Council. Raftelis has updated this study and reviewed the rate plan annually through 2019.

### San Jacinto River Authority (TX)

In 2013, Angie participated in the development of a financial planning model that allows for a 10-year forecast given various "what-if" assumptions with a focus on the capital program and San Jacinto River Authority's (SJRA) Groundwater Reduction Plan (GRP) program. Differentiated rates for surface water and groundwater customers of the system were calculated. This study also considered the development of financial reserve policies for the GRP. The recommended policies were based on a benchmarking study completed by Angie.

In 2018, Angie completed a raw water rate study for SJRA. This study considered rates for the Raw Water Enterprise. A financial planning model was developed that would allow SJRA to see the impact to rates for a 10-year period and allows for the consideration of various capital projects. The model also provides for the calculation of the City of Houston costs as required by contract.

In 2019, Angie completed an update for the GRP program. This included developing a new model that considers capital plans, growth, as well as considers shortfalls caused by non-paying customers. This study included completing a risk assessment for revenues and consumption and provided recommendations to mitigate revenue risk on the system.

### City of Abilene (TX)

Angie has worked with the City of Abilene (City) since joining Raftelis. The first study was to develop a raw water rate for a potential new customer of the City. The second study was a water and wastewater financial planning model and cost-of-service study. The study, which is the first for the City in many years, will provide the City information for setting rates in the future as capital investment becomes necessary. In 2020, Raftelis completed another study to determine the cost of providing wholesale treated water from the City of Abilene. The City will use the results of this study to negotiate with future wholesale customers.

### Brownsville Public Utilities Board (TX)

At the successful conclusion of its 2013-2018 strategic plan, the Brownsville Public Utility Board (BPUB) retained Raftelis to assist with the development of an updated five-year strategic plan. BPUD is a large publicly owned electric, water, and wastewater service provider to more than 180,000 customers in south Texas. Angie is serving as the project's financial subject matter expert, as well as a co-facilitator for internal and external stakeholder engagement exercises, including employee focus groups and external stakeholder interviews. Raftelis is also tasked with developing and delivering an online strategy management system that will allow the organization to continuously measure, monitor, and report organizational progress and performance as it implements its new strategic plan.

### City of Roscoe (TX)

Raftelis was engaged by the City of Roscoe (City) to complete a rate study for the water and wastewater system. As part of the study, Raftelis is considering rate design changes for its commercial water and wastewater customers. Rate recommendations will be presented to the City Council.

### Porter Municipal Utility District (TX)

Raftelis was engaged by the Porter Municipal Utility District (MUD) to complete a rate study. This is the first rate study completed in some time and will consider the adoption of residential and non-residential rates. Rate recommendations will be presented to the MUD Board.

### City of Pharr (TX)

While with a previous employer, Angie was engaged by Javier Garcia to complete a water and wastewater rate study for the City of Pharr (Pharr). The City had not completed a rate study in several years and had some capital improvements that would be required in coming years. Angie worked with Javier to develop a financial plan that considered the revenue requirements of the City as well as the upcoming capital improvements. Angie coordinated with the City's financial advisor and finance director to ensure that all coverage requirements were being met as new bonds would be required to fund capital improvements.

Angie provided the results to City management for use in determining which rate increases to present to Council. Currently, Angie is managing a water and wastewater rate study update.

In 2019, Angie once again completed a rate and cost-of-service study for the City. Due to a significant capital program, the City was facing the need for rate increases. Raftelis developed a financial planning model that will allow the City to forecast capital expenditures and see what the future impact to rates will be. Angie presented a rate recommendation to the City Council in July 2019.

### City of Three Rivers (TX)

Angie participated as a Rate Expert for the City of Three Rivers (City) in a rate appeal against the City. This included reviewing the cost-of-service study originally prepared by the City's consultant, attending hearings at the State Office of Administrative Hearings, and coordination with staff at the Public Utility Commission. Angie also participated in the successful negotiation of a settlement with the appellants. Most recently, Angie developed a rate study and financial planning model for the City's water and wastewater utility. This included coordination with City staff, Council, and other consultants.

### City of Copperas Cove (TX)
Angie worked with the City of Copperas Cove (City) to develop a financial planning model and cost-of-service study. The City will be able to utilize the financial planning model for planning in the future. The cost-of-service study provided the city with rate alternatives for their various customer classes.

### City of Manor (TX)
Angie worked with the City of Manor (City) to develop a financial planning model and cost-of-service study. The City has grown significantly in recent years and will begin requiring capital improvements. This study will provide the City with the information it will need to fund future capital investment.

### City of Wichita Falls (TX)
For the past four years, Angie has worked with the City of Wichita Falls (City) to complete its wholesale rate study. The study is completed on an annual basis and follows a prescribed process developed through negotiations with the wholesale customers of the City. At the completion of the study, results are presented to the wholesale customers.
In 2019, a couple of the City's wholesale customers initiated discussions about the current rate study process. Angie worked with the customers' consultants to discuss their issues. In particular, the customers were concerned with the fluctuation in rates from year to year caused by fluctuations in consumption patterns of the wholesale and retail customers. Angie and the Raftelis team successfully negotiated a solution with the customers so that the City could revise the contracts for the wholesale customers.

### City of San Marcos (TX)
Over the course of five years, Angie has completed the annual update for the City of San Marcos' (City) rate study and financial planning model for the water, wastewater, and electric utility. She works closely with City staff to complete the update and participates in meetings with the City Utility Advisory Board and City Council.

### City of Georgetown (TX)
Angie updated the City of Georgetown's (City) water and wastewater impact fee study in 2015 and 2018. This includes coordination with the Impact Fee Advisory Committee (Planning & Zoning Committee) and presenting reports and findings to the City Council.

### City of Granbury (TX)
Angie managed the completion of a Water and Wastewater Impact Fee study for the City of Granbury (City). The study required coordination with the City's engineer, Enprotec/Hibbs & Todd, Inc., City Staff, and the Capital Improvement Advisory Committee. The final impact fee recommendation was presented to City Council.

### El Paso Water Utilities (TX)
Angie worked with the El Paso Water Utilities (EPWU) to develop a Customer Assistance Program. Angie developed the policies adopted by the EPWU for the Customer Assistance Program, where EPWU will coordinate with a local agency to disburse funds to low-income residents.

### City of Universal City (TX)
Angie developed an update of water and wastewater capital recovery fees for the City of Universal City (City). This included coordination with the Impact Fee Advisory Committee (Planning & Zoning Committee) and presentation of the report and findings to the City Council.

### City of Corpus Christi (TX)

During her tenure at HDR, Angie completed the annual update to the City of Corpus Christi's (City) rate study and financial planning model. This included coordination with City staff and management. The study calculates rates for water (including raw water, treated water and retail rates), wastewater and gas utilities.

### Liberty Utilities (TX)

In 2018, Angie participated in the Silverleaf Resorts, Inc., case against Liberty Utilities. While Angie was not the rate expert, she provided support to Bill Stannard of Raftelis in helping write testimony and do research. The issues raised by Bill included the proposed capital structure and return on equity, the proposed rate design, and the appropriateness of a phase in of the significant increase requested. The Public Utilities Commission of Texas recently ruled favorably for Silverleaf.

## RELEVANT PROFESSIONAL EXPERIENCE

### Lower Colorado River Authority: Senior Financial Analyst and Rates Supervisor (2001-2013)

#### Hill Country Region

While at Lower Colorado River Authority (LCRA), Angie participated in the acquisition of 18 water and wastewater systems in the Hill Country Region of the LCRA service area. After acquisition of the systems, Angie developed a regional rate model for 16 of the water systems. She participated in cross-functional team that considered the impacts of adopting a regional rate, including proactive discussions with Texas Commission on Environmental Quality (TCEQ) staff, who was the regulatory agency with appellate jurisdiction in Texas at the time. During her time at LCRA, Angie was responsible for the development of business plan forecasts and rates for the water and wastewater systems, including developing operating budgets and estimating future debt service based on the system's 10-year Capital Improvement Plan. When rate increases were implemented, Angie was responsible for the customer communication plan and responsible for presentations made to the LCRA Board of Directors. The rate communication process took place over a 3-month period where LCRA held open houses, townhalls and one-on-one meetings with the leaders of the communities.

#### West Travis County Regional Water and Wastewater System

While at LCRA, Angie was responsible for developing rates for the West Travis County Regional Water and Wastewater System, which served a population of over 20,000 people. In 2012, the customers of the West Travis County System appealed the rates adopted by the LCRA. Angie participated as the expert witness for rate design in the appeal of retail rates. Although Angie was only the expert witness on rate design, she testified in the State Office of Administrative Hearings for two days about various topics, including the revenue requirement and the cost-of-service study.

#### Liberty Hill Regional Wastewater System

While at LCRA, Angie participated on a team responsible for developing the Liberty Hill wastewater system. Her responsibilities included the financial forecast for the system, calculating the appropriate rates for the customers of the system and contract negotiations with developers. On a biannual basis, Angie reviewed and updated the rate study and provided updates to the customers of the system.

#### Wholesale Contract Systems

While at LCRA, Angie was responsible for developing and communicating annual budgets to the 4 wholesale customers of various LCRA water and wastewater systems. This included preparing annual reports about the system and developing operating budgets in accordance with the contractual requirements. These annual reports and budgets were presented to management of the wholesale systems and oftentimes included negotiating rates with the customers.

## PROJECT LIST

- San Antonio Water System (TX) – Water and Wastewater Cost of Service and Rate Design Study

- City of Midland (TX) – Water and Wastewater Cost of Service and Rate Design Study
- City of Denton (TX) – Water and Wastewater Cost of Service and Rate Design Study
- City of Arlington (TX) – Water and Wastewater Cost of Service and Rate Study
- City of Richmond (TX) – Water and Wastewater Rate Study
- City of Pearland (TX) – Water and Wastewater Rate Study
- City of San Angelo (TX) – Water and Wastewater Rate Study
- Brownsville Public Utilities Board (TX) – Strategic Plan
- City of Roscoe (TX) – Water and Wastewater Rate Study
- Porter Municipal Utility District (TX) – Water and Wastewater Rate Study
- Town of Addison (TX) – Water and Wastewater Rate Study
- City of Pharr (TX) – Water and Wastewater Rate Study
- City of Abilene (TX) – Water and Wastewater Rate Study
- City of Copperas Cove (TX) – Water and Wastewater Rate Study
- City of Manor (TX) – Water and Wastewater Rate Study
- City of San Marcos (TX) – Water and Wastewater Rate Study
- City of Georgetown (TX) – Water and Wastewater Impact Fee Study
- City of Granbury (TX) – Water and Wastewater Impact Fee Study
- El Paso Water Utilities (TX) – Customer Assistance Program
- City of Universal City (TX) – Water and Wastewater Impact Fee Study
- City of Corpus Christi (TX) – Water and Wastewater Rate Study
- City of Missoula (MT) – Acquisition Analysis
- City of Corpus Christi (TX) – EPA Financial Capability Analysis
- City of Pueblo (CO) – EPA Financial Capability Analysis
- City of Liberty Hill (TX) – Water and Wastewater Rate Study (Retail and Wholesale)
- City of San Marcos (TX) – Economic Development Analysis
- City of Midland (TX) – Reclaimed Water Rate Study
- Lower Colorado River Authority, West Travis County Regional Water/Wastewater System (TX) – Impact Fee Study

## PRESENTATIONS

- "Sharing Our Resources – How Abilene Priced Its Newest Service," Texas Water 2018

## DEPOSITIONS/TESTIMONY

- SOAH Docket No. 582-08-2863, TCEQ Docket No. 2008-0093-UCR, "Appeal of Retail Water and Wastewater Rates of the Lower Colorado River Authority

# Justin Rasor

## PROJECT MANAGER
Senior Consultant

### PROFILE

Justin has assisted in conducting a variety of engagements for water, wastewater, electric, and gas utilities. He supports cost-of-service and rate design studies, financial planning, financial valuations and analyses, feasibility studies, and depreciation analyses for public and private sector utility clients. Before joining Raftelis in 2019, he served as a Senior Analyst for Austin Water's rates and charges division. In this role, Justin developed the Financial Planning and Forecasting Model for the water, wastewater, and reclaimed utilities. He also maintained the cost-of-service models and assisted in the submission to the Public Utility Commission involving a wholesale rate case. Prior to joining Austin Water, Justin worked as a consultant at NewGen Strategies and Solutions, LLC, where he conducted numerous costs of service and rate design studies, financial valuations, and provided litigation support. Before joining the firm, he began his career as a Project Engineer responsible for managing and estimating schedules and construction costs for healthcare projects. After leaving the construction industry, he managed short-term investments using equities and options.

**Specialties**
- Financial Planning & Feasibility Studies
- Budgeting & Forecasting
- Cost-of-service & Rate Design
- Utility Appraisals & Valuations
- Litigation & Regulatory Support

**Professional History**
- Raftelis: Senior Consultant (2019-present)
- Austin Water Utility: Senior Financial Analyst (2017-2019)
- NewGen Strategies & Solutions: Consultant (2012-2017)
- Kershner Trading Group: Trader /Analyst (2010-2012)
- Edward Jones: Financial Advisor (2010-2012)
- Bulley & Andrews: Project Engineer (2008-2009)

**Education**
- Bachelor of Science in Industrial Technology, Minor Business Administration - Illinois State University (2008)

**Professional Registrations**
- WEF: Water Environment Association of Texas
- Leadership in Energy & Environmental Design, LEEP AP

### KEY PROJECT EXPERIENCE

#### Austin Water (TX)
While at Austin Water, Justin developed the financial planning and forecasting model used by the executive team to monitor key performance indicators, affordability, and other assumptions for effective utility management. The model combined the water, wastewater, and reclaimed utilities and allowed for multiple what-if scenarios (using VBA and visual dashboards) providing insight into the timing and types of financing, capital improvement projects, rate increases, and defeasance. He incorporated Austin Water's strategic water resource plan (Water Forward) balancing reductions in consumption and revenue with long term sustainability of the utility. Justin continues to assist the City by update their financial planning model adding features to help the utility plan.

#### City of Arlington (TX)
Raftelis was engaged by the City of Arlington (City) to complete a cost-of-service study that will consider water and wastewater rates. The study will include cost of service allocations to the City's customer classes. With the diversity of the City's commercial class, Raftelis will consider the usage patterns of the classes and make recommendations for the class. This study is ongoing with expected completion in 2021.

#### City of Denton (TX)
Raftelis has been engaged by the City of Denton (City) to complete a cost-of-service study that will consider retail and wholesale rates. The study will include cost of service allocations to the City's customer classes. The City provides water and wastewater wholesale service to several entities. The City desires a wastewater cost of service that looks at the strength charges but lacks some of the data. Raftelis is working with the City to identify the data required so that the City

can gather the data. Once the data is available, Raftelis will complete the wastewater cost of service. Rate recommendation will be made to the Council in the November or December timeframe.

### San Antonio Water System (TX)
Raftelis has been engaged by the San Antonio Water System (SAWS) to complete a cost-of-service study. Justin is serving as the lead consultant and subject matter expert for the model development and water and wastewater cost allocations. SAWS has added significant capital costs to increase and diversify its water supply protecting the City from drought and reliance on the Edwards Aquifer. Raftelis is currently working with SAWS staff and the Rate Advisory Committee (RAC) to design rate structures that align with cost-of-service principals while meeting the pricing objective of the RAC.

### City of Midland (TX)
Raftelis was engaged by the City of Midland (City) to complete a rate study and financial planning model. The City has been undergoing significant capital improvements to keep up with the growth in the area. Raftelis analyzed water user characteristics to design a rate structure that would help the City recover costs without significant rate increases to the average user. The study considers a five-year time and looks at the City's revenue requirement challenges and rate increases need to recover costs. Rate recommendations will be made to the Council in the March 2020 timeframe.

### City of Lubbock (TX)
In 2016, the City of Lubbock (City) conducted a water and wastewater cost-of-service and rate structure study. The project included three primary objectives: a five-year financial plan and revenue requirement, a cost-of-service analysis, and rate structure evaluation and design. The City's current rate design consisted of a tiered, inclining rate structure with dynamic rate blocks based on a customer's average winter consumption. This rate design was found to be overly complicated and difficult to administer and challenging for customers to understand. Therefore, the major challenges were to identify and evaluate the appropriateness of any subsidies in customer classes based on the cost-of-service results and smoothly transition to a preferred rate design. The City then moved to a class-level, static inclining block-rate structure to create a more consistent revenue stream, while also employing a phase-in approach to reduce rate shock.

Lubbock has three major supply sources and three water treatment plants. Therefore, all six were listed as different functional cost categories for the water utility to ensure customers were only assigned costs based on their use of these resources and to reflect specific wholesale customer contractual allocations. Discussions with City staff, water supply contracts, and customer data all helped to identify the associated revenue requirement with providing supply and treatment service.

### City of Seagoville (TX)
Justin assisted the City of Seagoville (City) in a retail water and wastewater rate study and calculated wholesale transmission or "wheeling" rates for Combine Water Supply Corporation.

Facing continuing increases in the cost of wholesale water service provided by Dallas Water Utilities and wholesale wastewater treatment service provided by North Texas Municipal Water District, as well as the need to complete over $7 million in capital water and wastewater projects, the City determined it was necessary to make a significant adjustment to the City's rates.

We developed a plan to phase-in needed rate increases over a period of five years which would allow the City to pay off debt, allowing for additional debt to be issued without an additional financial impact on the City's customers. The project team also calculated a cost-of-service-based rate for transmission service to Combine Water Supply Corporation and assisted the City in meeting with and communicating the planned rate changes to WSC representatives.

**Trophy Club Municipal Utility District No. 1 (TX)**
Justin assisted Trophy Club Municipal Utility District No. 1 (TCMUD) in performing a water and wastewater cost-of-service and rate design study. TCMUD needed a rate increase to help fund significant capital improvement programs (CIP) and a new waste treatment plant. In addition to updating the rates to reflect the current cost of providing service, several structural changes were recommended to align the rates with industry best practices. The study also included an analysis of an offer from the City of Westlake to purchase a portion of the TCMUD's service area known as Solana Area.

## FINANCIAL VALUATIONS - WATER AND WASTEWATER

Justin has conducted fair market value appraisals as well as income approach analyses on utility assets. He conducts financial analyses to evaluate the relative capital and operational costs under various delivery options. His reviews and analyses provide an indication of value for the acquisition of a service area, help determine fair market value for a prospective acquisition, and identify any additional revenues due to a city/municipality. He has also performed service area valuations to determine compensation for decertification of areas covered by certificates of convenience and necessity (CCN). His clients include:

- City of Heath (TX)
- Town of Lakeside (TX)
- Onondaga County Resource Recovery Agency (OCCRA) (NY)
- Trophy Club Municipal Utility District No. 1 (TX)
- City of Tyler (TX)
- Citizens Water and Wastewater of Westfield, LLC (IN)
- Windmill Farms, Temple (TX)

## FEASIBILITY STUDIES - SOLID WASTE AND RECYCLING

Justin assisted the City of New Braunfels (City), TX in a recycling feasibility study to help the City better understand the operational and financial impacts of implementing such a program. Justin offered two scenarios for potential recycled paper and cardboard tonnage and preliminary customer rates and fees for providing such services, in addition to providing the City with potential losses from commercial solid waste customers switching to recycling and other barriers to consider with implementing a recycling program.

## RESIDENTIAL RATE IMPACT ANALYSIS - ENERGY

Justin assisted with a customer rate elasticity analysis and impact study for Austin Energy (AE). He analyzed four years of data to determine the impact of a 2012 conservation rate pricing signal on residential energy consumption and the change in residential customer consumption since 2012 by using regression analysis.

## FINANCIAL PLANNING, CAPACITY FEES, COST-OF-SERVICE, AND RATE DESIGN EXPERIENCE

Justin has performed cost-of-service and rate design studies for wholesale and retail water, reclaimed water, wastewater, and drainage utilities to assist clients in understanding the financial and operational impacts of their service offerings. Rates developed as a result of these studies are intended to fully recover operational costs. Below is a list of those clients:

- City of Addison (TX)
- City of Arlington (TX)
- City of Aspen (CO)
- City of Athens (TX)
- City of Austin (TX)
- City of Brenham (TX)
- Buena Vista-Bethel SUD (TX)
- Canyon Regional Water Authority (TX)
- City of College Station (TX)

- City of Denton (TX)
- Double Diamond Utilities (TX)
- City of Garland (TX)
- City of Greeley (CO)
- City of Hutto (TX)
- City of Killeen (TX)
- Lake Cities Municipal Utility Authority (TX)
- Lake Fork Water Supply, Yantis (TX)
- City of Liberty Hill (TX)
- City of Lubbock (TX)
- City of Lubbock (TX)
- Manville Water Supply Corporation (TX)
- City of Midland (TX)
- City of Oklahoma City (OK)
- City of Paris (TX)
- Porter SUD (TX)
- City of Pueblo (CO)
- City of Pharr (TX)
- City of Roscoe (TX)
- City of Round Rock (TX)
- San Antonio Water System
- City of San Diego (CA)
- City of Seagoville (TX)
- Sharyland Water Supply, Alton (TX)
- City of Terrell (TX)
- Trinity River Authority (TX)
- Triunfo Water Sanitation District (CA)
- Trophy Club Municipal Utility District No. 1 (TX)
- City of Waco (TX)
- City of Wichita Falls (TX)
- City of Vallecitos (CA)
- Walker SUD (TX)

## LITIGATION EXPERIENCE

Justin has provided litigation and regulatory support for cost-of-service, rate design, and ratemaking issues before state and local regulatory bodies and courts. He has assisted with rate filings with the Public Utility Commission (PUC) related to the establishment of or changes to water and sewer rates, or the decertification of water and sewer CCNs. Justin's experience includes:

- Austin Water Utility, PUC Docket No 49189
- Double Diamond Utilities Company, Texas; SOAH Docket Nos. 582-08-0698; 582-09-4288, 582-09- 6112, 473-15-037
- Trophy Club Municipal Utility District No. 1; PUC Docket No. 45231; SOAH Docket No. 473-16- 1836.WS

## PUBLICATIONS

"Financing and Charges for Wastewater Systems, Chapter 8: Development and Design of a Schedule of Rates and Charges," WEF Manual of Practice No. 27, Fourth

# Lundyn Harrelson

## STAFF CONSULTANT

**Associate Consultant**

### PROFILE

Lundyn is an Associate Consultant in the Austin branch. She is aiding and learning from the other members of the team.

Prior to her role at Raftelis, Lundyn was a consultant through her master's program at Louisiana State University and gained experience working with clients, data, and deadlines.

With a bachelor's degree in actuarial science and a master's degree in Analytics, she is looking forward to gaining subject matter expertise in this industry and using her previous skills to become a trusted advisor and deliver lasting solutions.

### KEY PROJECT EXPERIENCE

**Fair Oaks Ranch (TX) (2021)**
Raftelis was engaged by City of Fair Oaks to conduct a water and wastewater cost-of-service. Lundyn supported financial planning, cost-of-service, and rate design for the project, as well as analyzing the data given by the city.

**Addison (TX) (2021)**
Raftelis was engaged by Addison to conduct a financial planning study to provide the Town with proposed water and sewer rate based on the forecasted 7-year period (FY 2022-2028). The analysis evaluates the validity of the previous forecast, and adds additional features to the model to allow the Town to consider timing options for projects.

**National Insurance Call Center (2020)**
Lundyn served as a consultant to assist client in determining internal variances in their call metrics (i.e frequency and duration) following the Stay-At-Home order in response to COVID-19 pandemic. Specifically, as a consultant she used her skills to statistically compare a baseline of 2.5 years of historical call data to the first six months data of work-from-home inbound, outbound, and internal (extension to extension) call data to find descriptive differences in terms of call frequency and duration. Using the pre- and post-Stay-at-Home order metrics, as well as calculating the fixed and variable costs of the Cost Centers, the consultants were able to conclude visuals for change in Cost Center frequency, duration, and cost as well as the efficiency of the fixed cost of a cost center in relation to the variable cost.

**Statewide Community College Association (2020)**
Consulted the clients in identifying areas of improvement for the course scheduling process (i.e classroom efficiency, course times, course retention, course success rate,

**Specialties**
- Data Analysis
- Forecasting
- Time Series Analysis

**Professional History**
- National Insurance Company- Consultant (2020)
- Statewide Community College Association- Consultant (2020)

**Education**
- Bachelor of Science in Actuarial Science- Louisiana State University (2020)
- Master of Science in Analytics- Louisiana State University (2021)

**Professional Memberships**
- AWWA: Texas Section

advising. etc) for students. The analysis aims to increase overall efficiency of the college and success of students.

December 9, 2021

Paul DeBuff
City Manager
City of Alvarado
104 W. College Ave
Alvarado, Texas 76009

Dear Paul,

We are pleased to submit this proposal for providing professional services to the City of Alvarado (the "**CLIENT**") for the development of the City of Alvarado Water and Sewer Rates.

**PROJECT UNDERSTANDING/SCOPE OF SERVICES**

This section provides a detailed description of the scope of work anticipated to meet the project objectives in accordance with Freese and Nichols ("FNI") understanding of the needs and objectives of the City of Alvarado (the "**City**"). The proposed project approach is intended to provide a review and evaluation of the sufficiency and appropriateness of existing user rates and charges associated with the City's water and sewer systems. The understanding of and approach proposed for this project is detailed in the following discussions.

## Task A. Comprehensive Water and Sewer Rate Study and Model Development

### A.1 Initial Meetings and Data Collection

This task will involve collecting and reviewing basic data to be provided by the utilities, including reports by others, historical and current financial information, and operating and capital budgets. Where possible, financial data will be collected in electronic form to avoid duplication of effort with regard to data entry and to ensure data accuracy. Specific activities will include:

**Data Request.** FNI will furnish City representatives with a list of basic data needed to conduct the study. The list may include: inside/outside city customer information, financial and operating data, historical customer account and billing records, reports by others, audits, projected operating and capital budgets, detailed fixed asset records, bond prospectuses, state revolving fund (SRF) loan arrangements, debt service schedules, and relevant ordinances.

**Project Planning.** During the project kick-off meeting, a discussion of current operations, maintenance, capital planning, financing, cost allocation, and rate making policies, goals, and scheduling will be conducted to provide reasonable assurance that work efforts and recommendations recognize and are consistent with established short and long-term utility objectives. Potential problem areas, vital issues of concern to the City, data summary efforts by available City staff, and other relevant matters will also be discussed.

**Review and Evaluation of Basic Data.** FNI will review all data received to confirm its completeness and our understanding of historical water and sewer utility operations and requirements reflected therein.

**Supplemental Data Requests.** As the study progresses and after initial data are evaluated, FNI will submit requests for additional data and clarifications of initial data received, as necessary.

## A.2 Projection of Revenues under Existing Rates

This task will include, as needed, a detailed analysis of historical billable water and sewer volumes and customers served by class and development of projections of billable volumes and number of customers for a future 5-year study period. The results of this analysis will provide the foundation for estimating future revenue levels under existing and proposed rates and provide a basis for estimating certain operating expenses such as power and chemicals that vary with billed volumes. Specific activities will include:

**Historical Bill Distribution Analysis.** We will provide instructions for development of a historical bill tabulation by the utility. The bill tabulation should summarize water and sewer utility accounts and volumes by customer class, meter size and usage ranges for a recent twelve month period for which audited revenues exist. ***The bill tabulation provides an important basis for analysis that will be used to accurately forecast revenues under existing and proposed rates. The review also provides critical data for an in-depth analysis of defensible customer class service requirements and analysis of the impacts of alternative rate structures on specific customers.*** In conjunction with this task, current billing procedures will be evaluated to determine whether rates and charges are being applied in accordance with the development and intent of the existing rate structures.

**Customer Account and Volume Projections.** FNI will project the number of water and sewer utility customers and billable volumes for a 5-year study period by considering historical population and customer growth trends, climatological patterns, local economic conditions, changes in customer class usage patterns over time, and other knowledge provided by utility staff. The analysis will examine five years of historical data, as available. Volume projections will recognize the projected number of utility customers by customer class and a billable volume per account analysis to normalize the historic effects of weather, account growth spurts and increased or decreased usage by existing customers.

**Projection of Revenues under Existing Rates.** Projections of utility revenue under existing rates will be developed, recognizing projected accounts, billed volumes, and other billable units applied to the existing rate structure.

**Project Other Income.** Interest income and revenue from other water and sewer utility sources will be reviewed and projections made.

## A.3 Development of Revenue Requirements and Cash Flow Analyses

The development of revenue requirements for both utilities will be based on an examination of historical financial reports, current operating budgets, and the proposed capital improvement and replacement program. By combining the revenue and revenue requirement projections, cash flow analyses of water and sewer utility operating and capital financing needs will be developed. Detailed utility analyses will provide an indication of the magnitude of overall adjustments in respective annual revenue levels needed to meet the projected revenue requirements of each utility.

**Project Operation and Maintenance Expense.** FNI will project operation and maintenance expenses based on a review of historical financial records and trends, and available utility budget estimates of future operation and maintenance expenses. Projections will recognize estimated increases in the number of customers served and billable volumes, as well as the potential effects of continued inflation in cost levels, the addition of new system facilities, anticipated changes in operation and staffing, and other factors which may influence future expense levels.

**Routine Capital Expenditures.** Based on analyses of historical and budget data, available utility assessments of future needs, and discussions with utility staff, FNI will forecast the requirements for capital outlays which tend to recur on an annual basis. Such expenditures consist of expenditures for the normal and ongoing replacement of worn out or obsolete equipment. Current year requirements are typically financed directly from utility operating revenues.

**Debt Service Expense.** Projections of principal and interest payments on outstanding debt obligations and any projected future bonds or state revolving fund loans for major capital improvements will be developed for the forecast study period. The debt service on future bonds and bond sizing will consider the amount of bond proceeds required for construction, issuance costs, and compliance with any reserve requirements of the authorizing resolution.

**Reserve Funding.** Existing reserve fund requirements and balances will be reviewed for adequacy. Applicable bond ordinance requirements will be reviewed along with any relevant utility policies. FNI will recommend adequate reserve levels based on our review of both reserve funding requirements and industry standards.

**Projected Revenue Adjustment Needs.** FNI will prepare cash flow analyses summarizing the above projections of revenues and revenue requirements for each utility to determine the adequacy of revenues under existing rate levels to meet operating and capital needs for the study period. Forecasted revenues will include revenue under existing rates for utility service, funds generated from miscellaneous fees, other operating income, and interest income. Revenue requirements will include operation and maintenance expense, routine capital expenditures, the revenue financed portion of major capital improvements, debt service on currently outstanding and any required additional bonds or SRF loans, revenue bond covenant coverage and reserve funding requirements, and any other anticipated obligations, as applicable.

## A.4 Design of Rates and Charges

The existing water and sewer rate structures will be evaluated for their effectiveness in equitably recovering total revenues from customers served. Revisions to the existing rate structures to recover total revenues by utility will be reviewed and evaluated for use by the utilities in meeting water and sewer service policies, pricing objectives and practical limitations. Specific activities will include:

**Proposed Rates.** Based on the evaluation of existing water and sewer rate structures and discussions with utility staff, FNI will develop and propose schedules of water and sewer rates that recognize the following:

- Recovery of total revenues needed for utility enterprise operations.
- Water and sewer utilities service policies.
- Equitable recovery of costs for each utility.
- Practical considerations and needs.

Specific consideration will be given to establishing charges that meet the utilities' policies and practical objectives regarding utility service.

**Proposed Rate Revenue Adequacy.** FNI will compare revenues expected from each customer under proposed water and sewer rates to examine the adequacy of cost recovery by the water and sewer systems in general.

**Typical Bill Comparison.** FNI will prepare comparisons of typical bills under existing and proposed rates for each customer class under various levels of water usage and billed sewer volumes and meter sizes against up to 10 comparison utilities, as determined by the City staff.

## A.5 Meetings & Presentations

**Meeting 1: Initial Meeting.** An initial kick-off meeting will be scheduled with City representatives during a mutually convenient time to discuss the goals and objectives of the project, data requirements, and a prosecution schedule. The meeting is part of the Task 1 activities and will help to establish a mutually agreed upon project direction.

**Meeting 2: Existing Rate Revenue Sufficiency.** A second meeting will be held between the Project Team and City staff to discuss the findings made in accordance with Task 3. The primary goals of this meeting are to gain concurrence with regard to the level of revenue requirements forecast for the projection period, discuss the plausibility of resulting necessary revenue increases, and discuss observations made by the Project Team.

**Meeting 3: Projected Rates and Revenue Sufficiency.** A third meeting will be held between the Project Team and City staff to discuss findings and conclusions made in accordance with Task 4. The primary goals of this Task are to demonstrate the impact of proposed rate structure modifications and associated adjustments on customers of the water and sewer systems and to solicit feedback from staff relative to administrative compatibility and anticipated public acceptance.

**Meeting 4: Council Workshop Meeting.** A meeting will be scheduled to present and discuss the findings, conclusions, and recommendations of the study with the City Council. The purpose of the meeting will be to 1) provide Council members with a better understanding of the analyses and assumptions applied in developing the proposed rates, and 2) obtain personal feedback and comments from the Council members.

**Meeting 5: Final Public Presentation to Council.** The results of the analyses will be formally presented to the Alvarado City Council during a public meeting. The presentation will be provided to offer the supporting rationale for proposed revisions and to address any questions and/or concerns raised by Council prior to action being taken on the rates.

## Additional Services

Upon request, FNI may provide additional services related to the water and sewer consulting activities described herein. Such services may include, but are not limited to, additional meetings or analyses, review of financial and operating policies, assistance with debt issuances, or other related services. Such services will be provided based on terms and fees as mutually agreed upon by the parties.

**TIME OF COMPLETION**

FNI is authorized to commence work on the Project upon issuance of a Notice to Proceed or Purchase Order and agrees to complete services by April 30, 2022, if project is started by January 1, 2022.

If FNI's services are delayed through no fault of FNI, FNI shall be entitled to adjust contract schedule consistent with the number of days of delay. These delays may include but are not limited to delays in Client or regulatory reviews, delays on the flow of information to be provided to FNI, governmental approvals, etc. These delays may result in an adjustment to compensation as outlined on the face of this Agreement.

**RESPONSIBILITIES OF CLIENT**

Client shall perform the following in a timely manner so as not to delay the services of FNI:

A. Designate in writing a person to act as Client's representative with respect to the services to be rendered under this Agreement. Such person shall have contract authority to transmit instructions, receive information, interpret and define Client's policies and decisions with respect to FNI's services for the Project.

B. Provide all criteria and full information as to Client's requirements for the Project.

C. Assist FNI by placing at FNI's disposal all available information pertinent to the Project including previous reports and any other data relative to the Project.

D. Arrange for access to and make all provisions for FNI to enter upon public and private property as required for FNI to perform services under this Agreement.

E. Examine all studies, reports, sketches, drawings, specifications, proposals and other documents presented by FNI, obtain advice of an attorney, insurance counselor and other consultants as Client deems appropriate for such examination and render in writing decisions pertaining thereto within a reasonable time so as not to delay the services of FNI.

F. Provide such accounting, independent cost estimating and insurance counseling services as may be required for the Project, such legal services as Client may require or FNI may reasonably request with regard to legal issues pertaining to the Project.

**DESIGNATED REPRESENTATIVES**

FNI and CLIENT designate the following representatives:

| | |
|---|---|
| CLIENT's Primary Contact | Name: Paul DeBuff<br>Address: 104 W. College Ave<br>Alvarado, TX 76009<br>Phone: 817-790-3351<br>Email: debuffp@cityofalvarado.org |
| CLIENT's Accounting Contact | Name: Paul DeBuff<br>Address: 104 W. College Ave<br>Alvarado, TX 76009<br>Phone: 817-790-3351<br>Email: debuffp@cityofalvarado.org |
| FNI's Primary Contact | Name: Richard Campbell<br>Address: 101 S. Locust St, Suite 202<br>Denton, Texas 76201<br>Phone: 407-913-4430<br>Email: Richard.Campbell@freese.com |
| FNI's Accounting Contact | Name: Jana Collier<br>Address: 801 Cherry Street, Suite 2800<br>Fort Worth, Texas 76102<br>Phone: 817-735-7535<br>Email: JVC@freese.com |

**COMPENSATION**

FNI proposes to furnish services as described herein in accordance with Attachment CO for the lump sum fee of Forty Thousand Three Hundred Seventy-five Dollars ($40,375.00). If FNI sees the Scope of Services changing so that additional services are needed, FNI will notify the CLIENT before proceeding. Additional services shall be based on the rates in Attachment CO.

Payment of the services shall be due and payable upon submission of a statement for services. Statements for services shall not be submitted more frequently than monthly.

**TERMS AND CONDITIONS OF AGREEMENT**

We propose to furnish our services as described herein in accordance with Attachment TC, "Terms and Conditions of Agreement".

We appreciate this opportunity to submit this statement of qualifications, which is good for 60 days. If additional information or clarification is desired, please do not hesitate to contact us.

If you are in agreement with the services described herein and wish for FNI to proceed with this assignment, please sign below and return one copy of the agreement for our files. If you wish to authorize our services by a Purchase Order, please refer to this letter as an attachment on the face of the Purchase Order.

Yours very truly,

**FREESE AND NICHOLS, INC.**

Project Manager

Principal/Vice President

Approved:

**CITY OF ALVARADO**

By:______________________________

______________________________

Print Name

Title: ___________________________

Date:____________________________

# Proposal

City of Alvarado

For a

SALARY AND COMPENSATION STUDY

Submitted by

Chief G. M. Cox (Ret.), Ph.D.
Sole Proprietorship

November 15, 2021

Table of Contents

## Proposal

- **Compensation Compliance Review**: The study will provide a review of current compensation policies and practices to ensure compliance with federal, state and local laws
- **Job Descriptions**: The study will provide a review of the current job descriptions for all positions within the City's current organizational positions and provide updated job descriptions as needed
- **Salary Study**: The study will include an evaluation of the current salary scheme at all positions within the city
- **Comparable Cities**: The study will include an analysis of comparable cities related to compensation and benefits
- **Classification System**: The study will evaluate current position classification system and provide an up-to-date classification system that is scalable and flexible
- **Step Plan**: The study will include a recommended step plan for each compensation classification
- **Compensation Philosophy**: The study will assist in the development of a compensation philosophy in collaboration with city management and leadership

**Description and Scope of Work**

- Review all Job Descriptions for all classified or otherwise assigned positions in the city organization (not including any elected positions)
    - Job descriptions evaluated for proper Skills, Knowledge, and Abilities (SKA) associated with the various classified positions and assignments
    - Update as necessary
    - Develop if needed
    - Estimated work time to complete: 40 hours
- Salary Survey and Analysis
    - Determine Comparable Cities to be utilized in the survey
    - Analyze employee pool and job market factors that impact salary and benefit
    - Estimated work time to complete: 60 hours
- Compliance Audit
    - Current compensation policies and practices will be evaluated to ensure compliance with federal, state and local (ordinances) laws
    - Estimated work time to complete: 20

- Develop a Classification System for all City positions that are scalable and flexible
  - Based upon analysis of SKAs and actual positions currently filled and future needs considered as well
  - Evaluate and address internal and external equity issues
  - Estimated work time to complete: 80
- Develop a Step Plan for All Classifications
  - Based on compensation philosophy of the city
  - Based on the needs, current and future, as indicated by City Management, the number of steps within each classification
  - Estimated work time to complete: 80
- Preparation of Final Report and other deliverables as described

**Principals**

Primary Consultant: Chief G.M. Cox (Ret.), Ph.D., has over 43 years' experience as a police officer with just over 34 years as a chief of police, in four Texas cities. Further, he is a graduate of the FBI National Academy (165th Session ---1991), the Texas Law Enforcement Management Institute (LEMIT), Leadership Command College, 21st Session (1996) and the FBI's Rural Law Enforcement Executive Development Program out of the University of Arkansas-Littlerock (1996). In addition to his police leadership experience and training, Chief Cox has a Bachelor's (1979) and Master's (1987) degree from Sam Houston State University and a doctoral degree from the University of Texas – Arlington (2011). Dr. Cox has performed city administrator and city manager functions during his tenure in the cities of Oak Ridge North and Murphy. Additionally, he has participated in several compensation and step plan studies during his tenure as chief of police in several cities.

Chief Michael Brodnax (Ret.), MS, has over 44 years' experience as a police officer with 25 years as a chief of police. Further, he is a graduate of the FBI National Academy (212th Session). In addition to his police leadership experience and training, Chief Brodnax has a BS (1994) and Masters Organizational Management (1996) from Dallas Baptist University. Chief Brodnax has a long legacy of subordinates who have gone on to achieve the rank of chief of police – seven. Chief Brodnax has experience in developing compensation and step plans in several cities in his role as chief of police.

**Program Cost Estimate and Budget**

Consultant Hourly Rates:

Consultant(s)------$125 per hour (100% of work)

Per Diem Costs: Reasonable costs reimbursed (see estimates)

Mileage: Reasonable costs reimbursed/GSA Recommended Rate (see estimates)

Estimated number of hours to complete the study and prepare plans: 280 hours

Hours: 280 hours billed at $125 per hour: $35,000

Estimated reimbursement for travel: 10 trips x avg. mileage = 382 miles x 10 R/T @ .56 per mile = $213.92 x 10 = $2,139 (estimated)

Per Diem Reimbursement: 10 days @ $65 per day = $650 (estimated)

Hotel: 10 stays @ $120 per night = $1,200 (estimated)

**Total Proposal Costs: $38,989.00****

**** Terms and Conditions: If proposal is approved, the project will start upon receipt of partial payment of 10% of the total project costs (not including reimbursement costs) = $3,500**

**Thereafter, reimbursement as per presentation of appropriate costs and time expended per month, net 15 from the date of the receipt of the statement.**

**The project totals will be payable prior to release of the final deliverables.**

**Contingency Costs:** $3,500 (Only billed if and as needed and approved)

Time Line

| | Start December 2021 (TBD) | | | | | | Program Completion March 2022 (Depending Upon Start Date) |
|---|---|---|---|---|---|---|---|
| | Hours | Start | Finish or Continued | | | Complete by | |
| Initial Review* | 8 | 12/01/21 | | | | 12/31/21 | |
| Meetings | Within Each Program | 12/15/21 | As needed | | | 03/31/22 | |
| Meetings with Employees/ Groups | Within the project | 12/15/21 | As needed | | | 02/15/22 | |
| Salary Survey | 60 | 12/15/21 | Receive F/B 01/15/22 | Draft Salary Survey 02/01/22 | Final Salary Plan 03/01/22 | 03/01/22 | |
| Job Descriptions | 40 | Start Evaluation 01/02/22 | Draft Job Description Models 01/15/22 | | Job Descriptions 01/30/22 | 02/15/22 | |
| Compliance Audit | 20 | 01/15/22 | Finish: 02/01/22 | | | | |
| Classification | 72 | 01/02/22 | 1st Draft | 2nd Draft | Final Draft | 03/25/22 | |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| System* | | | 02/01/2022 | 03/01/2022 | 03/15/22 | | |
| Step Plan | 80 | 02/02/22 | 1st Draft 02/01/22 | 2nd Draft 03/01/22 | Final Draft 03/15/22 | 03/25/22 | |
| Meeting with City Manager and Leadership Team | Initial 12/01/21 | 2nd Mtng 01/22 | 3rd Mtng 02/2022 | Draft Final Rpt 02/2022 | Final Mtng 03/2022 | 03/31/22 | |
| Meeting with City Manager: Post Evaluation | If desired: 2 hours (Not included above; additional costs) | | | | | 03/25/22 | |
| Meeting with City Council: Post Evaluation | If desired: 2 hours (additional at $125 per hour, per diem, mileage, etc. extra) | | | | | | |
| Total Hours of Project | 280 | | | | | | |

Note: All times include travel and preparation time by Consultant(s)

Some processes and research will take more or less time depending upon the phase(s) of the program.

## ATTACHMENT CO

### COMPENSATION

Compensation to FNI for Basic Services in Attachment SC shall be the lump sum of Fifty-Eight Thousand Fifty-Five Dollars ($58,055.00).

If FNI sees the Scope of Services changing so that Additional Services are needed, including but not limited to those services described as Additional Services in Attachment SC, FNI will notify OWNER for OWNER's approval before proceeding. Additional Services shall be computed based on the following Schedule of Charges.

| Position | Hourly Rate |
|---|---|
| Professional 1 | $113 |
| Professional 2 | $137 |
| Professional 3 | $156 |
| Professional 4 | $178 |
| Professional 5 | $209 |
| Professional 6 | $240 |
| Construction Manager 1 | $103 |
| Construction Manager 2 | $128 |
| Construction Manager 3 | $138 |
| Construction Manager 4 | $173 |
| Construction Manager 5 | $209 |
| Construction Manager 6 | $240 |
| Construction Representative 1 | $92 |
| Construction Representative 2 | $103 |
| Construction Representative 3 | $128 |
| Construction Representative 4 | $138 |
| CAD Technician/Designer 1 | $96 |
| CAD Technician/Designer 2 | $126 |
| CAD Technician/Designer 3 | $153 |
| Corporate Project Support 1 | $92 |
| Corporate Project Support 2 | $111 |
| Corporate Project Support 3 | $148 |
| Intern/ Coop | $57 |
| Senior Advisor | $175 |

**RATES FOR IN-HOUSE SERVICES AND EQUIPMENT:**

**Mileage**

Standard IRS Rates

**Technology Charge**

$8.50 per hour

**Bulk Printing and Reproduction**

| | B&W | Color |
|---|---|---|
| Small Format (per copy) | $0.10 | $0.25 |
| Large Format (per sq. ft.) | | |
| Bond | $0.25 | $0.75 |
| Glossy / Mylar | $0.75 | $1.25 |
| Vinyl / Adhesive | $1.50 | $2.00 |
| Mounting (per sq. ft.) | $2.00 | |
| Binding (per binding) | $0.25 | |

**Equipment**

| | | |
|---|---|---|
| Valve Crew Vehicle (hour) | | $75 |
| Pressure Data Logger (each) | | $100 |
| Water Quality Meter (per day) | | $100 |
| Microscope (each) | | $150 |
| Pressure Recorder (per day) | | $200 |
| Ultrasonic Thickness Guage (per day) | | $275 |
| Coating Inspection Kit (per day) | | $275 |
| Flushing / Cfactor (each) | | $500 |
| Backpack Electrofisher (each) | | $1,000 |
| | Survey Grade | Standard |
| Drone (per day) | $200 | $100 |
| GPS (per day) | $150 | $50 |

**OTHER DIRECT EXPENSES**:

Other direct expenses are reimbursed at actual cost times a multiplier of 1.15. They include outside printing and reproduction expense, communication expense, travel, transportation and subsistence away from the FNI office. For other miscellaneous expenses directly related to the work, including costs of laboratory analysis, test, and other work required to be done by independent persons other than staff members, these services will be billed at a cost times a multipler of 1.15. For Resident Representative services performed by non-FNI employees and CAD services performed In-house by non-FNI employees where FNI provides workspace and equipment to perform such services, these services will be billed at cost times a multiplier of 2.0. This markup approximates the cost to FNI if an FNI employee was performing the same or similar services.

***These rates will be adjusted annually in February.***

2022015



FNI______
CLIENT_______

## TERMS AND CONDITIONS OF AGREEMENT

1. **DEFINITIONS:** The term City as used herein refers to the________City of Alvarado________________. The term FNI as used herein refers to Freese and Nichols, Inc., its employees and agents, and its subcontractors and their employees and agents. As used herein, Services refers to the professional services performed by FNI pursuant to the Agreement.

2. **CHANGES:** City, without invalidating the Agreement, may order changes within the general scope of the work required by the Agreement by altering, adding to and/or deducting from the work to be performed. If any change under this clause causes an increase or decrease in FNI's cost of, or the time required for, the performance of any part of the Services, an equitable adjustment will be made by mutual agreement and the Agreement modified in writing accordingly.

3. **TERMINATION:** The obligation to provide Services under this Agreement may be terminated by either party upon 10 days' written notice. In the event of termination, FNI will be paid for all Services rendered and reimbursable expenses incurred to the date of termination and, in addition, all reimbursable expenses directly attributable to termination.

4. **CONSEQUENTIAL DAMAGES:** In no event shall FNI or its subcontractors be liable in contract, tort, strict liability, warranty, or otherwise for any special, indirect, incidental or consequential damages, such as loss of product, loss of use of the equipment or system, loss of anticipated profits or revenue, non-operation or increased expense of operation or other equipment or systems.

5. **INFORMATION FURNISHED BY CITY:** City will assist FNI by placing at FNI's disposal all available information pertinent to the Project including previous reports and any other data relative to design or construction of the Project. FNI shall have no liability for defects or negligence in the Services attributable to FNI's reliance upon or use of data, design criteria, drawings, specifications or other information furnished by City and City agrees to indemnify and hold FNI harmless from any and all claims and judgments, and all losses, costs and expenses arising therefrom. FNI shall disclose to City, prior to use thereof, defects or omissions in the data, design criteria, drawings, specifications or other information furnished by City to FNI that FNI may reasonably discover in its review and inspection thereof.

6. **INSURANCE:** FNI shall provide City with certificates of insurance with the following minimum coverage:

| | | |
|---|---|---|
| **Commercial General Liability** | | **Workers' Compensation** |
| General Aggregate | $2,000,000 | As required by Statute |
| **Automobile Liability (Any Auto)** | | **Professional Liability** |
| CSL | $1,000,000 | $3,000,000 Annual Aggregate |

7. **SUBCONTRACTS:** If, for any reason and at any time during the progress of providing Services, City determines that any subcontractor for FNI is incompetent or undesirable, City will notify FNI accordingly and FNI shall take immediate steps for cancellation of such subcontract. Subletting by subcontractors shall be subject to the same regulations. Nothing contained in the Agreement shall create any contractual relation between any subcontractor and City.

8. **OWNERSHIP OF DOCUMENTS:** All drawings, reports, data and other project information developed in the execution of the Services provided under this Agreement shall be the property of City upon payment of FNI's fees for Services. FNI may retain copies for record purposes. City agrees such documents are not intended or represented to be suitable for reuse by City or others. Any reuse by City or by those who obtained said documents from City without written verification or adaptation by FNI, will be at City's sole risk and without liability or legal exposure to FNI, or to FNI's independent associates or consultants, and City shall indemnify and hold harmless FNI and FNI's independent associates and consultants from all claims, damages, losses and expenses including attorneys' fees arising out of or resulting therefrom. Any such verification or adaptation will entitle FNI to further reasonable compensation. FNI may reuse all drawings, report data and other project information in the execution of the Services provided under this Agreement in FNI's other activities. Any reuse by FNI will be at FNI's sole risk and without liability or legal exposure to City, and FNI shall indemnify and hold harmless City from all claims, damages, losses and expenses including attorneys' fees arising out of or resulting therefrom.

9. **POLLUTANTS AND HAZARDOUS WASTES:** It is understood and agreed that FNI has neither created nor contributed to the creation or existence of any hazardous, radioactive, toxic, irritant, pollutant, or otherwise dangerous substance or condition at the site, if any, and its compensation hereunder is in no way commensurate with the potential risk of injury or loss that may be caused by exposures to such substances or conditions. The parties agree that in performing the Services required by this Agreement, FNI does not take possession or control of the subject site, but acts as an invitee in performing the Services, and is not therefore responsible for the existence of any pollutant present on or migrating from the site. Further, FNI shall have no responsibility for any pollutant during clean-up, transportation, storage or disposal



FNI __________
CITY __________

activities.

10. **OPINION OF PROBABLE COSTS:** FNI will furnish an opinion of probable project development cost based on present day cost, but does not guarantee the accuracy of such estimates. Opinions of probable cost, financial evaluations, feasibility studies, economic analyses of alternate solutions and utilitarian considerations of operations and maintenance costs prepared by FNI hereunder will be made on the basis of FNI's experience and qualifications and represent FNI's judgment as an experienced and qualified design professional. It is recognized, however, that FNI does not have control over the cost of labor, material, equipment or services furnished by others or over market conditions or contractors' methods of determining their prices.

11. **CONSTRUCTION REPRESENTATION:** If required by the Agreement, FNI will furnish construction representation according to the defined scope for these services. FNI will observe the progress and the quality of work to determine in general if the work is proceeding in accordance with the Contract Documents. In performing these services, FNI will report any observed deficiencies to City, however, it is understood that FNI does not guarantee the Contractor's performance, nor is FNI responsible for the supervision of the Contractor's operation and employees. FNI shall not be responsible for the means, methods, techniques, sequences or procedures of construction selected by the Contractor, or the safety precautions and programs incident to the work of the Contractor. FNI shall not be responsible for the acts or omissions of any person (except its own employees or agents) at the Project site or otherwise performing any of the work of the Project. If City designates a Resident Project Representative that is not an employee or agent of FNI, the duties, responsibilities and limitations of authority of such Resident Project Representative will be set forth in writing and made a part of this Agreement before the Construction Phase of the Project begins.

12. **GENERAL CONDITIONS OF THE CONSTRUCTION CONTRACT:** City agrees to include provisions in the General Conditions of the Construction Contract that require Contractor to include FNI: (1) as an additional insured and in any waiver of subrogation rights with respect to such liability insurance purchased and maintained by Contractor for the Project (except workers' compensation and professional liability policies); and (2) as an indemnified party in the Contractor's indemnification provisions where the Owner is named as an indemnified party.

13. **PAYMENT:** Progress payments may be requested by FNI based on the amount of Services completed. Payment for the Services of FNI shall be due and payable upon submission of a statement for Services to CITY and in acceptance of the Services as satisfactory by the City. Statements for Services shall not be submitted more frequently than monthly. Any applicable new taxes imposed upon Services, expenses and charges by any governmental body after the execution of this Agreement will be added to FNI's compensation.

    If City fails to make any payment due FNI for services and expenses within 30 days after receipt of FNI's statement for services therefore, the amounts due FNI will be increased at the rate of 1 percent per month from said 30th day, and, in addition, FNI may, after giving 7 days' written notice to City, suspend services under this Agreement until FNI has been paid in full, all amounts due for services, expenses and charges.

14. **ARBITRATION:** No arbitration, arising out of or relating to this Agreement, involving one party to this Agreement may include the other party to this Agreement without their approval.

15. **SUCCESSORS AND ASSIGNMENTS:** City and FNI each are hereby bound and the partners, successors, executors, administrators and legal representatives of City and FNI are hereby bound to the other party to this Agreement and to the partners, successors, executors, administrators and legal representatives (and said assigns) of such other party, in respect of all covenants, agreements and obligations of this Agreement.

    Neither City nor FNI shall assign, sublet or transfer any rights under or interest in (including, but without limitation, moneys that may become due or moneys that are due) this Agreement without the written consent of the other, except to the extent that any assignment, subletting or transfer is mandated by law or the effect of this limitation may be restricted by law. Unless specifically stated to the contrary in any written consent to an assignment, no assignment will release or discharge the assignor from any duty or responsibility under this Agreement. Nothing contained in this paragraph shall prevent FNI from employing such independent associates and consultants as FNI may deem appropriate to assist in the performance of Services hereunder.

16. **PURCHASE ORDERS:** If a Purchase Order is used to authorize FNI's Services, only the terms, conditions/instructions typed on the face of the Purchase Order shall apply to this Agreement. Should there be any conflict between the Purchase Order and the terms of this Agreement, then this Agreement shall prevail and shall be determinative of the conflict.



FNI __________
CITY __________

Addendum to the RFP for a Compensation Study for the City of Alvarado

**3. Submission Requirements** To achieve a uniform review process, the City requests that responses be organized in the manner specified below.

1. Provide the name(s) of the person(s) authorized to make representations for your firm, their titles, address, telephone numbers and email addresses.

Answer: Dr. G.M. Cox, (Chief, Retired)
Sole Proprietorship
57 Lakeside
Trinity, Texas 75862
(903) 875-4411
gmcox1100@yahoo.com

2. Provide previous performance / experience, including the names of the project team and a statement of their qualifications including education and experience.

Answer:

In progress – in association with Chief Mike Brodnax (Retired), in association with Sierra Delta, LLC, "Program Evaluation and Staff/CID Study for the City of Richland Hills" – Contact Chief Kim Sylvester, Richland Hills PD, 6700 Baker Blvd., Richland Hills, Texas 76118, (816) 616-3780, ksylvester@richlandhills.com

"Operations Study: Richland Hills PD" – City of Richland Hills – 2018. Contact Person: Chief Kim Sylvester, 6700 Baker Blvd., Richland Hills, Texas 76118, (816) 616-3780, ksylvester@richlandhills.com

See Report attached in email.

3. Methodology and Approach to be used by Respondent.

Answers:
On-site visits
Review of current classification system to include salary
Review of competitive employment/market area to include salary comparisons, considering salary compression as well as internal and external equity issues
Review of Bureau of Labor Statistics (BLS) related to comparable job titles and salaries reported for each pay grade, classification and step – region and nationally
Evaluation of a list of comparable cities – mutually agreed upon
When and where necessary a statistical analysis of those issues

4. Cost Proposal – include a cost proposal to provide described services.

Answer: Included with the initial Proposal

5. References – Attachment A

Answer: See attachment A

6. Any other supporting materials and work portfolio which demonstrates the Respondent's work quality.

Answer: See CV attached

7. Responses shall also include responses to the following:

1. Is the Respondent currently for sale or involved in any transaction to expand or to become acquired by another business entity? If yes, Respondent will explain the expected impact, both in organizational and directional terms.

Answer: No

2. An estimate of the earliest starting date for services following execution of the Agreement.

Answer: Included in original Proposal – immediately upon payment of 10% of the approved project (not including reimbursement estimates)

3. A work plan with key dates and milestones. The work plan should include:
7.1.1.3.1.1. Identification of tasks to be performed;
7.1.1.3.1.2. Time frames to perform the identified tasks;
7.1.1.3.1.3. Project management methodology;
7.1.1.3.1.4. Project roles and responsibilities;
7.1.1.3.1.5. Project change control procedure; and
7.1.1.3.1.6. Implementation strategy.

Answer: Included within the initial Proposal.

4. Describe the types of reports or other written documents that the Respondent will provide (if any) and the frequency of reporting, if more frequent than required in the RFP.

Answer: Provided in the original Proposal.

Respondent will include samples of reports and documents if appropriate.

Answer: No prior similar reports accomplished.

City of Alvarado
Attachment A: References

Chief Darrell Fant, Managing Partner, Sierra Delta, LLC
Security and Investigations
5706 East Mockingbird Lane
Suite 115-373
Dallas, Texas 75206
darrell@sierradelta.us
(214) 616-2326 (Cell)

Chief Kim Sylvester
Richland Hills PD
6700 Baker Blvd.
Richland Hills, Texas 76118
(816) 616-3780

# PROPOSAL TO CONDUCT A CLASSIFICATION AND COMPENSATION STUDY

FOR THE

# CITY OF ALVARADO

DECEMBER 2021

***PREPARED BY***

Matthew Weatherly, President
(888) 522-7772 / matt@pspc.us



PUBLIC SECTOR
PERSONNEL CONSULTANTS

PUBLIC SECTOR
PERSONNEL CONSULTANTS

November 30, 2021

Human Resources Department
City of Alvarado
104 W. College
Alvarado, TX 76009

Dear Selection Team,

Pursuant to your request, we are pleased to provide you with an updated quote and work outline to assist the City with a classification and compensation study. We specialize in these services and have implemented classification and compensation plans for more than 1,100 public employers nationwide, including more than 325 municipal employers and more than 50 Texas public employers.

Current and recently completed projects include the Cities of Ennis, Weatherford, Mansfield, Frisco, Plano, Allen, Irving, Dallas, Fort Worth, Addison, Carrollton, Highland Park, University Park, Denton, Bedford, Watauga, Saginaw, Victoria, Nacogdoches, Longview, Live Oak, Cedar Park, Pflugerville, Killeen, Waco, Galveston, Sugar Land, and Woodlands Township.

We believe our firm is uniquely qualified to perform this study. We will utilize only full-time members of our staff, who have a combined 120+ years of conducting and implementing classification and compensation studies.

Thank you for your interest in our firm's services. If we can provide any additional information, or if you would like to visit further about the City's project needs, please contact me at any time.

Sincerely,

Matthew Weatherly

Matthew Weatherly, President
(888) 522-7772
matt@pspc.us

CC: Sam Heinz, ***PSPC*** – Austin/Dallas Office

## HISTORY AND FACTS ABOUT OUR FIRM

- ***HISTORY OF OUR FIRM***

  ***Public Sector Personnel Consultants (PSPC)*** originated in 1972 with the Public Sector Group of the international human resources consulting firm of Hay Associates. *PSPC* was established as an independent firm in 1982. We are a single-owner, debt-free subchapter-S corporation.

- ***REGIONAL STAFF***

  We have regional offices or affiliates in Austin, TX, Dallas, TX, Santa Fe, NM, Chicago, IL, Denver, CO, Los Angeles, CA, Sacramento, CA, St. Paul, MN, San Diego, CA, Seattle, WA, and Phoenix (Mesa), AZ.

- ***SPECIALIZED IN COMPENSATION SERVICES***

  We are “super-specialists" in compensation, providing services in job analysis, position classification, job content evaluation, compensation, and directly related services. ***Over 98% of our classification and compensation studies have been successfully implemented by our clients.***

- ***SPECIALIZED IN PUBLIC SECTOR CLIENTS***

  We provide services exclusively to public sector employers including municipalities, counties, utility districts, library districts, special districts, state governments, housing and redevelopment agencies, airport authorities, school districts, higher education, and tribal governments.

- ***SPECIALIZED COMPENSATION STAFF***

  Our staff is comprised of eight (8) full time and an additional five (5) part time senior human resources professionals with very extensive experience as compensation managers and consultants for public employers. Our staff has more than 100 years of combined experience working for and consulting to public sector employers.

- ***OVER 1,100 PUBLIC EMPLOYERS SERVED***

  Our staff members have provided compensation, human resources, training and related consulting services to more than 1,100 public and 200 private employers throughout the U.S.

- ***AMERICAN COMPENSATION ASSOCIATION PARTICIPATION (ACA) (NOW WORLDATWORK)***

  Our consultants are active members of ACA, including serving as instructors for the ACA certification courses.

- ***SPECIALIZED COMPENSATION AND RELATED RESOURCES***

  We utilize our ***EZ COMP™*** salary survey and plan program, modified ***FES*** point-factor job evaluation system, ***AEP™*** performance evaluation plan, and ***SNAP™*** staffing needs analysis program.

- ***FIRST YEAR IMPLEMENTATION WARRANTY***

  We provide our clients with extensive implementation support during the first year, and we will analyze, evaluate, classify, and provide a salary range recommendation for any new or changed position or entire job class, at no additional cost.

**PUBLIC SECTOR PERSONNEL CONSULTANTS**

## RECENT TEXAS EMPLOYERS SERVED BY MEMBERS OF OUR STAFF

Addison, Town of *
Allen, City of
Alvin, City of
Azle, City of
Bastrop, City of
Bedford, City of
Carrollton, City of
Cedar Park, City of
Dallas, City of
El Paso County
Ennis, City of
Fort Worth, City of
Frisco, City of *
Galveston, City of
Grand Prairie, City of
Grapevine, City of *
Highland Park, Town of *
Humble, City of
Irving, City of *
Kerrville, City of
Killeen, City of
Live Oak, City of
Longview, City of *
Mansfield, City of
Nacogdoches, City of
Nederland, City of *
Pflugerville, City of
Port Neches, City of *
Prosper, Town of *
Rockwall County
Sugar Land, City of
Tomball, City of *
University Park, City of
Waco, City of *
Washington County
Watauga, City of
Weatherford, City of
Woodlands Township *

**Active 2021: Cities of Dallas, Ennis, Forney, Irving, Mansfield, Pflugerville**

## MATTHEW E. WEATHERLY, PRESIDENT

Mr. Weatherly has over 20 years of experience as a human resources management professional and consultant, specializing in position classification, compensation, recruitment and selection. He has served as a Human Resources Manager with Employee Solutions, Inc. and Staffing Consultant with Initial Staffing Services.

He has completed projects in staff development, recruitment, selection, job descriptions, salary survey, and salary plan development. Among his current and recently completed consulting projects are those for:

| | | |
|---|---|---|
| *Addison, Town of, TX* | *Haltom City, City of, TX* | *Rockwall, City of, TX* |
| *Carrollton, City of, TX* | *Highland Park, Town of, TX* | *San Angelo, City of, TX* |
| *Frisco, City of, TX* | *Midland, City of, TX* | *Seabrook, City of, TX* |
| *Grapevine, City of, TX* | *Odessa, City of, TX* | *Woodlands Township, TX* |

Mr. Weatherly holds a BS degree in Human Resources Management from Arizona State University. He has been a featured speaker at TMHRA and regional City Manager and HR Regional meetings in Texas.

## ELIZABETH J. LOCURTO, CCP, VICE PRESIDENT

Ms. LoCurto has over 30 years of experience as a compensation manager and consultant for public and private employers, specializing in job analysis, salary surveys, and salary plan development. She has served as Compensation Research Associate for Hayes/Hill, Inc., Senior Compensation Analyst for AON Corporation, Compensation Manager for Loyola University, and Project Manager for the American Compensation Association.

She has conducted projects in job audits, job descriptions, salary surveys, compensation database management, compensation plan development, compensation training course development, and compensation trend research. Among her consulting projects are:

| | | |
|---|---|---|
| *Apache County, AZ* | *El Segundo, City of, CA* | *OKC Zoological Park* |
| *Austin Community College, TX* | *Huntington Beach, City of, CA* | *State Bar of Texas* |
| *CA Family Health Council* | *Los Alamos County, NM* | *Sugar Land, City of* |
| *El Paso, City of, TX* | *Norman, City of, OK* | *Texas Office of Attorney General* |

Ms. LoCurto holds a BS degree in Business Administration from Arizona State University. She holds the Certified Compensation Professional (CCP) designation from the American Compensation Association.

## KATHERINE TILZER, SPHR

Ms. Tilzer has more than 25 years of experience as a human resources manager and consultant, specializing in employee relations, compensation, and recruitment. She has served as Personnel Manager for Laboratory Corporation of America, Director of Human Resources for Plaza Healthcare, Inc., and Director of Human Resources for American Baptist Homes.

| | | |
|---|---|---|
| *Aleutian Housing Authority, AK* | *El Paso County, TX* | *Rowlett, City of, TX* |
| *Boone County, MO* | *Humble, City of, TX* | *San Marcos, City of, TX* |
| *Cochise College, AZ* | *Lake Tahoe College, CA* | *Tomball, City of, TX* |
| *Colleyville, City of, TX* | *Plano, City of, TX* | *Victoria, City of, TX* |

She holds a BS degree in Management from the University of Phoenix, and certification as Senior Professional in Human Resources from the Society for Human Resources Management.

## BOB LONGMIRE, PMP

Mr. Longmire has more than 10 years of project management experience and consulting for public employers, specializing in employee development, classification, and compensation. He has served as National Sales Director for Connexion Technologies and Brand Marketing Manager for Plink.

He has completed projects in job analysis, position classification, compensation surveys and plan development. Among his consulting projects are those for:

| | | |
|---|---|---|
| *Dallas, City of, TX* | *Galveston Port District, TX* | *Northern AZ Council of Gov'ts* |
| *Fort Worth, City of, TX* | *Greater Orlando Airport, FL* | *Pitkin County, CO* |
| *Galveston, City of, TX* | *King County Library Systems, WA* | *Sacramento City School District, CA* |
| *Galveston Park Board* | *Monterey, City of, CA* | *Tacoma Metro Parks, WA* |

Mr. Longmire holds a BS degree in Administration from Colorado Christian University and designation as Project Management Professional from the Project Management Institute.

## WAYNE BREDE

Mr. Brede has over 30 years of experience working for the Minnesota Department of Transportation as a Workforce Planning Manager and Staffing Services Manager and has served as a succession planning and career ladder consultant for nearly 50 public and private employers.

He has conducted projects in workforce development, succession planning, job analysis, position classification, job evaluation, compensation surveys, compensation plan development, employee relations, and recruitment. Among his recent client projects are those for:

| | | |
|---|---|---|
| *El Paso County, TX* | *Hamilton County, TN* | *Red Lake Indian Reserv., MN* |
| *Fresno, City of, CA* | *Las Cruces, City of, NM* | *Rialto, City of, CA* |
| *Grand Forks, City of, ND* | *Minot, City of, ND* | *San Angelo, City of, TX* |
| *Great Falls, City of, MT* | *Northwest Tech College, MN* | *San Jose, City of, CA* |

Mr. Brede holds a BA degree in Mass Communications from the University of Minnesota and holds certificates in Public Sector Personnel Management and Industrial Relations.

## SAMUEL HEINZ, MPA, PHR

Mr. Heinz has conducted projects in job analysis, position classification, job evaluation, compensation surveys, and compensation plan development. Among his recent client projects are those for:

| | | |
|---|---|---|
| *Addison, Town of, TX* | *DeSoto, City of, TX* | *Manor, City of, TX* |
| *Apache Junction, City of, AZ* | *Galveston, City of, TX* | *Prosper, Town of, TX* |
| *Bismarck, City of, ND* | *Kerrville, City of, TX* | *The Colony, City of, TX* |
| *Carrollton, City of, TX* | *Kerr County, TX* | *University Park, City of, TX* |

Mr. Heinz holds a MA degree in Public Administration from Texas Tech.

***PUBLIC SECTOR PERSONNEL CONSULTANTS*** proposes to utilize only full-time members of our firm to complete all of the project tasks and objectives. In order to maintain complete control of the project tasks and deadlines, we will not utilize subcontractors for the completion of any projects.

# REPRESENTATIVE PROJECT REFERENCES

Following is a listing of agencies which are representative of more than 1,100 employers, for whom members of our firm have services similar to those requested by the City.

***DALLAS, CITY OF, TX***
Ms. Carmel Fritz, Deputy Director
1500 Marilla Street
Dallas, TX 75201
(214) 670-7391
carmel.fritz@dallascityhall.com

FY 2020-2021 Class and Compensation Study

***IRVING, CITY OF, TX***
Ms. Jill McAdams, HR Director
825 W. Irving Boulevard
Irving, TX 75060
(972) 721-6952
jmcadams@cityofirving.org

FY 2021 Classification and Compensation Study

***ADDISON, CITY OF, TX***
Ms. Passion Hayes, HR Director
5300 Belt Line Road
Addison, TX 75254
(972) 450-2817
phayes@addisontx.gov

FY 22, 20, 18, 2016 Compensation Studies

***UNIVERSITY PARK, CITY OF, TX***
Ms. Lea Dunn, Assistant City Manager
3800 University Blvd.
University Park, TX 75205
(214) 987-5389
ldunn@uptexas.org

FY 2020 Class and Compensation Study

***GRAPEVINE, CITY OF, TX***
Mr. Bruno Rumbelow, City Manager
200 S. Main Street
Grapevine, TX 76051
(817) 410-3104
Brumbelow@grapevinetexas.gov

FY 2018, 2016, 2012 Compensation Studies
FY 2011 Staffing Study

***KILLEEN, CITY OF, TX***
Ms. Eva Bark, Executive HR Director
101 N. College Street
Killeen, TX 76541
(254) 501-7834
EBark@killeentexas.gov

FY 2020 Pay Plan Re-Design Support
FY 2017 Survey Sampling and Planning
FY 2015 Survey and Compensation Plan

# AVAILABLE SUMMARY OF SERVICES FOR THE CITY

***PUBLIC SECTOR PERSONNEL CONSULTANTS (PSPC)*** proposes the following program of consulting services and implementation support to conduct a compensation survey.

**Project Planning and Communication**

1. Telephone planning meeting with the City Manager and project designee(s) *
2. As-needed policy input and project direction meeting with Council and designee(s) *
3. Kick-off introductory meetings for employees to learn about the study, explain job questionnaire

**Classification Project Tasks**

4. Occupational familiarization by review of City's current class specifications and compensation plans
5. Organizational familiarization by review of City organization charts, budgets, and annual reports
6. Position Description Questionnaires (PDQ) for collection of job information from employees
7. Determination of job classification and FLSA Exempt / Non-Exempt designation for each position
8. Recommended title modifications and reclassifications for consideration by department heads
9. Review of position classification recommendations with City's project staff and respective departments*
10. Preparation of updated job descriptions / class specifications for each City job classification

**Compensation Surveys and Analysis**

11. Occupational familiarization by review of City's current job descriptions and compensation plans
12. Organizational familiarization by review of City organization charts, budgets, and annual reports
13. Identification of survey comparator agencies for us in external data collection and job comparison
14. Identification of survey benchmark job classifications to develop custom survey database (target ~30+)
15. Solicitation and collection of public sector pay plan data, organization charts, budget documents for survey
16. Collection of "total compensation" items for comparison to City's current plans and offerings
17. Application of published private sector data and weighting of public and private market data as desired
18. Consolidation of data from all sources and calculation of prevailing rates for benchmark jobs
19. Computation of extent City's compensation offerings vary from external prevailing rates and practices
20. Review of competitiveness analysis with Human Resources, City Officials and City's project designees

**Application of Data: Compensation Plan Development**

21. Development of pay range and pay table structures for review and approval by the City
22. Assignment of job classes to salary ranges by internal equity and external competitiveness
23. Linkage of survey data to non-benchmark jobs for "whole plan" creation of pay range placements
24. Assessment of payroll including compression, range penetration, and modeling of alternatives
25. Fiscal impact estimates at various levels of external prevailing rates competitiveness policies
26. Review and critique of draft salary and implementation plans with Human Resources, project leaders

**Communication of Results and Implementation Strategies**

27. Preparation and presentation of a final project report for the City Council, staff, and City Officials
28. Development of a plan for the implementation of City's compensation plan
29. Uploading of ***EZ COMP™*** program files on a City computer, staff training
30. Development and provision of process for ongoing plan maintenance and subsequent plan updates
31. Assistance with communicating the proposed plans for all City officials and employees
32. One year compensation plan maintenance assistance ***at no cost to the City***

*** many tasks can be completed remotely; on-site meetings can be performed pending Covid-19 restrictions**

# PROJECT APPROACH AND METHODOLOGY

Following is our overall work plan and approach to achieving the City's objectives for the conduct of a compensation study.

### *A. OBJECTIVES OF THE PROJECT*

The recommended plans, programs, systems and administrative procedures will meet these ten most important criteria.

| | |
|---|---|
| - Internally equitable | - Financially responsible |
| - Externally competitive | - Efficiently administered |
| - Readily understood | - Inclusive of employee input |
| - Easily updated & maintained | - Reflective of City's values |
| - Legally compliant & defensible | - Reflective of prevailing "best practices" |

### *B. SCOPE OF THE PROJECT*

The project could include: a management and employee communication plan; partnership with the City's Human Resources staff, City Manager, Council, and project designee(s); occupational, organizational, and operational familiarization; as-needed Position Description Questionnaire (PDQ) and job analysis for all classifications; position classification and job title recommendations for all employees and classifications; FLSA designations; updated job descriptions; ***EZ COMP™****;* internal equity and external competitiveness evaluation; salary and benefits survey and competitiveness analysis; salary range recommendations; fiscal impact estimates and multiple implementation scenarios; updated classification and compensation plan and one year of classification and compensation plan implementation support for all included employees in all job classifications.

### *C. POSITION CLASSIFICATION ANALYSIS*

#### *1. Review of Essential Tasks – Position Description Questionnaire*

We will review and analyze the current essential tasks, duties and responsibilities, and minimum qualifications of each included position through the Position Description Questionnaire (PDQ) recently completed by each employee (or group of employees with identical jobs. If the information on the PDQ does not clearly delineate the position's scope of responsibilities, we may return the PDQ to the position's incumbent for additional information or seek additional information from departments.

#### *2. FLSA Status Determination*

We will review the essential tasks and minimum qualifications of each of the City's job classifications and subject them to the Fair Labor Standards Act tests to determine their exempt or non-exempt status.

### 3. ***Position Classification***

Each of the City's positions will be analyzed and evaluated to determine their primary characteristics, including:

- Is there a current City occupational job group comprised of job classes with essential functions similar to the subject position; if so:

- To which of the group's job classes, and at what level, are the subject position's essential functions similar to the subject position, and if so:

- Are they sufficiently comparable (+/- 20% guideline) to be allocated to that job class, utilize the same job title, require the same minimum qualifications, and be assigned to the same salary range.

- If the City does not currently have a sufficiently comparable job class, what should be the subject position's occupational job class and title, and:

- What should the recommended occupational classification action be, No Change (N), Title Change (T), Merge With Other Job Class (M), New Job Class (J).

- We may find that a job class is overly broad and encompasses several job activities which are regarded with significant salary difference in the marketplace. In such an instance, we will recommend "splitting" the job class into the current job class and a new job class which encompasses the different job activities.

### 4. ***Updated Job Descriptions***

We can prepare an updated job description in the City's standard or other selected format for each occupational job class. Focus will be on the Essential Functions and Minimum Qualifications. The descriptions may include (not limited to) the following components:

| | | |
|---|---|---|
| Job Title – Definition | Education, Training and Experience | Physical Requirements |
| Distinguishing Characteristics | Licenses and Certifications | Non-Essential Functions |
| Essential Functions | FLSA Exempt/Non-Exempt Status | Mental Requirements |
| Desired Knowledge and Skills | Supervision Exercise/Received | Working Conditions |

### 5. ***Draft Classification Plan Review with Department Heads***

We will conduct a review of our initial position classification recommendations and draft job descriptions with the City's Project Team and respective department heads to identify possible errors, obtain feedback, and solicit suggestions for clarification.

## *C. COMPREHENSIVE AND SUSTAINABLE COMPENSATION PLAN*

### *1. __City Involvement in Compensation Plan Development__*

We will obtain policy direction from the City Council, Human Resources staff, and/or City Officials on the following key components of the salary plan development process:

- Comparator Employer Selection
- Benchmark Job Class Selection
- Compensation Competitiveness Policy
- Salary Structure Selection
- Job Evaluation Method-Salary Plan Linkage
- Draft Compensation Plan Review / Critique
- Compensation Points for Analysis
- Project Implementation Plan

### *2. __Comprehensive Compensation Surveys__*

We will collect the complete pay plans from each of the City's comparators and build a custom survey database to ensure accuracy and completeness, unique to the City's job classifications.

***a.*** ***Data Collection Protocol*** will be developed in consultation with the City's project leaders to determine which salary data elements to include, such as:

***Example Salary and Benefits Data***

- Salary range structure Minimum, Midpoint, and Maximum
- Structure design s/a open range, grade step, number of steps
- City-supported benefits and allowances such as pension and health insurance
- Paid time off and holiday practices, add pay, certification pay
- Other elements of total compensation to be finalized with the City

***b.*** ***Benchmark Job Selection*** will be made by identifying City job classes common to its employment-competitive public and private employers in the immediate area and throughout the region or State, clearly identifiable, and representative of standard occupational job groups.

***c.*** ***Comparator Employers Identification*** will be made in consultation with the City's Project Manager(s) or City Council. Criteria include their degree of competition to the City in obtaining and retaining high quality staff, their location in the City's traditional recruitment areas, and their organizational size and complexity.

***d.*** ***Compensation Data Collection*** will be made by one or more of the following methods.

- Pre-survey contact with the selected comparator employers to solicit participation in the City's compensation survey(s)

- Extraction from the pay plans of designated public employers.

- Customized salary survey requests for local governments and other public employers, distributed by mail, fax, and e-mail.

***e.*** ***Data Quality Control*** includes editing data for accuracy and proper matching to the City's survey benchmark jobs, and phone/fax/E-mail follow-ups for data clarification and to obtain comparators' benchmark job descriptions.

### *3. __Prevailing Rates Calculation__*

We will consolidate the compensation data from all sources, enter the information into the ***EZ COMP™*** program, and compute the prevailing rates, inclusive of cost-of-living differentials, as the statistical mean of the survey data for each benchmark job class. Data will be projected forward from the date of collection to a common date relating to the City's salary plan year by the annual Prevailing Rate Increase Factor (PRI) applicable at that time.

### 4. ***Compensation Competitiveness Comparison***

We will provide the City with charts comparing its current salary structures to those of the selected public and private comparator employers. We will calculate the extent that the City's offerings vary from the prevailing rates and practices of other relevant employers.

### 5. ***Compensation Competitiveness Policy***

We will assist the City to select a compensation competitiveness policy which best fits its compensation strategy and financial resources, by providing fiscal impact estimates at various percentage relationships to the prevailing rates.

### 6. ***Salary Plan Structure Development***

We will prepare alternative salary range structures and schedules for the City to select the best fit for its competitiveness strategy, with these optional criteria:

- Method of administration, i.e.: measured job performance, longevity, or skill
- Width of the salary ranges, grades, or broad bands, from Minimum to Maximum
- If steps within the salary ranges, number of steps, percentage separation
- Number of salary ranges, grades, or broad bands in the salary schedule

### 7. ***Salary Range Assignment Development***

We will assign each job classification to a salary range in the City's selected salary structure on the basis of a combination of factors, including:

- the prevailing rates for the benchmark job classes
- its current relationship to similar or occupationally related job classes
- the 15% guideline for salary range separation between sequential job classes
- the 25% guideline for salary separation of a department head job class

### 8. ***Implementation Plan Development***

We will consult with the City's Project Team on a plan for transition to the recommended plan, including a timetable for the principal activities, employee communication, multi-year strategies as needed, and estimates of required financial resources.

## D. *FINAL REPORTS AND PRESENTATIONS*

### 1. ***Draft and Final Report Preparation***

We will provide the City's project leader(s) with a draft of our report for review and critique, including market data, salary comparison tables, fiscal estimates, salary range listings, and implementation procedures. We will incorporate their critique into the development of a final report summarizing the project's findings, recommendations, and detailed description of the City's proposed compensation plans.

### 2. ***Final Report Presentations***

We can conduct a workshop or formal presentation of our final report and recommendations for City Officials.

# COST PROPOSAL

### *A. PROJECT COST ESTIMATE*

We estimate that the project's total cost, including all fees for professional services and reimbursement for out-of-pocket expenses, ***will not exceed the indicated amounts:***

| | | |
|---|---|---|
| - PDQ Briefing Meetings, Position Classification and Titling Review | | ***$ 2,000*** |
| - Updated Job Descriptions (max cost for 35) | | ***$ 3,500*** |
| - Salary and Benefits Compensation Survey (target est. 30+ benchmarks) | | ***$ 10,000*** |
| - Pay Plan Development, Salary Range Placements, Costing Estimates | | ***$ 2,500*** |
| - Final Reports and Presentations of Findings and Recommendations | | ***$ 2,000*** |
| | ***Total:*** | ***$ 20,000*** |

***Optional – Job Information Interviews / Desk Audits $1,500 per 15***

### *B. FLEXIBLE WORK PLAN, NEGOTIABLE TOTAL COST, TERMS*

Our work plan is flexible and total project cost negotiable, and we will discuss, modify, add or delete, any work task to increase the project's responsiveness to the City's needs and financial resources. We will provide the City with monthly invoices for the professional services provided and out-of-pocket expenses incurred during the month. We request that the City pay the invoices within thirty (30) days of their receipt.

### *C. PROJECT TIME ESTIMATE*

We estimate a classification and compensation study could be completed within 90-120 days from initial project kick off meetings. Job descriptions typically require an additional 120 days to complete at this time.

# CITY OF ALVARADO

**Request for Proposal**
**RFP 2021 Classification and Compensation Study**

**December 6, 2021**

**Submitted by:**

Cheryl Lopez, Senior Vice President
WhitneySmith Company
301 Commerce Street, Suite 1950
Fort Worth, Texas 76102
817-877-3836
cjlopez@whitneysmithco.com
www.whitneysmithco.com

## General Statements Regarding Proposal

WhitneySmith Company (WSC) would be very interested in assisting the City of Alvarado (the City) with the Classification and Compensation Study. The responses to the requested information as outlined in the Request for Proposal, and information WSC deems important to the understanding of the project are presented in this proposal.

## Description of the Firm

WhitneySmith Company (WSC) was established in Fort Worth, Texas in 1989 as a human resources consulting firm and was incorporated in 1991 as an S Corp. The firm has 10 employees comprised of 8 exempt professionals and 2 nonexempt support staff.

For over 30 years, WhitneySmith Company clients call upon the consultants with our firm for assistance with their human resources issues including, but not limited to audits, employee relations advice, outplacement, safety, compensation, benefits, and training support. Additionally, our recruiters have conducted numerous local, regional, and national searches within the for-profit, nonprofit, and municipal sectors. WhitneySmith Company provides professional assistance in various human resources disciplines including:

- Affirmative Action Plan Development
- Background Searches
- Benefits Policies
- Coaching
- Compensation Plan Development
- Compensation and Benefits Surveys
- EEOC Charge and Mediation Assistance
- Employee Relations Advice and Counsel
- Employee Handbook Development
- Employee Opinion Surveys
- Executive Search and Recruiting
- HR Audits
- I-9 Administration
- Job Description Development
- Litigation Support
- OFCCP Audits
- Performance Management Systems
- Policy Development
- Regulatory Compliance
- Skills and Personality Assessments
- Termination Assistance
- Training
- Unemployment Claims Assistance
- Wage & Hour Classification Analysis
- Workplace Investigations
- Workplace Safety
- Workplace Surveys

Since 1989, we have been partnering with clients to provide strategic and tactical solutions to Human Resources needs. As a trusted advisor, we work for the success of our client companies by providing HR expertise and support. Through either a one-time project or a long-term collaborative partnership, our firm is dedicated to helping clients establish practices and policies, manage human resources issues, and mitigate risk through cost effective and thoughtful solutions. Our commitment to client satisfaction has established our reputation as a leading provider of human resources consulting services.

Additionally, we are licensed as a private investigation firm by the Private Security Bureau through the Texas Department of Public Safety. As a private investigation firm, we offer a unique opportunity to our clients who engage our firm on search assignments to conduct extremely thorough background investigations, including criminal history, while complying with all of the third-party reporting provisions of the Fair Credit Reporting Act.

WhitneySmith Company and our employees have an outstanding history and record for supporting municipal and civic organizations across Tarrant County and beyond both professionally and personally. Some of our municipal and civic support includes:

- WhitneySmith Company was awarded the City Manager search in 2014 and placed the current City Manager through a comprehensive executive search process with the City of Fort Worth.
- WhitneySmith has conducted other municipal executive and management searches.
- Cheryl Lopez served three consecutive (3) year terms on the City of Fort Worth's Disciplinary Appeals Board.

WhitneySmith Company understands some of the unique challenges involved in providing services in a municipal government environment. A few municipal and civic organizations to which we have provided various human resources services include:

- City of Addison
- City of Azle
- City of Fort Worth
- City of Kennedale
- City of Lake Worth
- City of Ovilla
- City of Southlake
- Fort Worth Chamber of Commerce
- Fort Worth Convention & Visitors Bureau
- Ft. Worth Hispanic Chamber of Commerce
- Midland County
- Parker County Appraisal District
- Tarrant Appraisal District
- Tarrant County

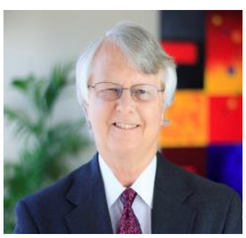
Further, we have a complete line of employment-related forms and products designed to meet an organization's documentation needs and ensure compliance with all federal regulations and state laws. Our website, www.whitneysmithco.com, provides additional information regarding our firm's consultation services, surveys, and products.

One major area that sets us apart from our competitors is that our consultants are recognized as experts in the areas of compensation consulting and wage and hour analysis and compliance. Also, our firm is already established with the City of Alvarado through a retainer relationship that began in July 2021.

## Proposed Consultants for The Project

We have five full-time consultants who provide HR services for our clients. All consultants maintain offices in our downtown Fort Worth location and perform work for clients throughout Texas and the United States. We anticipate that two consultants will be working on the different phases of this project with the WSC President serving in an advisory role. Cheryl J. Lopez, CCP, PHR, SHRM-CP & Senior Vice President and Whit Smith, President, will serve as the primary contacts for City of Alvarado. Melissa Mealer, Senior Compensation Consultant, will also provide services and participate in various phases of this project.

***Cheryl Lopez, CCP, PHR, SHRM-CP*** is Senior Vice President and possesses extensive and comprehensive human resources knowledge, with primary emphasis in compensation and wage and hour compliance. Her experience also includes concentration in the areas of employee relations, training, expert witness testimony, HR legal and regulatory compliance, equal employment opportunity, investigations, and performance management systems. She has been with WhitneySmith Company since March 1990 and previously served as Vice President and Manager of Compensation for a major Texas bank holding company. She is a graduate of Texas Wesleyan University with a B.B.A. in Banking and Finance. Cheryl is licensed as a private investigator by the Private Security Bureau through the Texas Department of Public Safety and has numerous training hours in conflict resolution, negotiation, mediation, and arbitration. She has served as adjunct professor at Texas Wesleyan University teaching Human Resources Management, at Texas Christian University teaching Compensation Management, and has also taught human resources courses at Tarrant County College. Cheryl served (3) three-year terms on the City of Fort Worth Disciplinary Appeals Board.



***Whit Smith*** will be involved in the project in an advisory role. Mr. Smith is Founder and President of WhitneySmith Company and has extensive experience in human resources consulting, employment-related activities, and litigation support. Mr. Smith graduated from the University of Texas with a B.A. in Management and is also a graduate of the Southwestern School of Banking at SMU. Whit serves as an expert witness and consulting expert in matters relating to Title VII discrimination, age, disability, sexual harassment, mitigation (employability and job search effort), recruitment practices, policy issues, and tort claims involving negligent hiring, negligent retention, and wrongful termination. He is licensed as a private investigator by the Private Security Bureau through the Texas Department of Public Safety and a professional safety source to the Texas Department of Insurance. He currently serves on the boards of the Fort Worth Chamber of Commerce, the YMCA of Metropolitan Fort Worth, the Fort Worth Opera, All Saints Health Foundation, The Cliburn, Baylor All Saints Medical Center, Amphibian Productions, Inc., a Wish with Wings, Botanical Research Institute of Texas, and All Saints Episcopal School.

***Melissa Mealer, MBA*** is a Senior Consultant and has over 20 years of experience providing human resources services for industries including banking, information technology, defense/federal contracting, wholesale distribution, nonprofit and healthcare. Melissa's primary focus has been in the compensation field to include base pay program development/administration, incentive compensation and performance management program development and litigation support. She has also performed work in the areas of equal employment opportunity/affirmative action, employee suggestion programs, and human resources auditing. Melissa holds a Bachelor's Degree in Marketing from the University of Texas at Austin and an MBA from Texas Christian University.

## Person Submitting This Proposal

Cheryl Lopez, Senior Vice President
WhitneySmith Company
301 Commerce Street, Suite 1950
Fort Worth, Texas 76102
817-877-3836 Direct
cjlopez@whitneysmithco.com

## Municipality/County/Government References of Similar Work

**Midland County**
**Judge Michael R. Bradford (Retired)**
500 North Loraine Street, Ste. 1100
Midland, Texas 79701
(432) 688-4988

Midland County is a county located in the state of Texas. As of 2017, the population is approximately 163,000. The county seat is Midland. The county is so named as the county is halfway (midway) between Fort Worth and El Paso on the Texas and Pacific Railway. **Beginning in 2016, WSC completed a comprehensive wage and hour audit under the Fair Labor Standards Act and in the first quarter of 2017, WSC completed a compensation study on benchmark jobs for the County including jobs similar to the jobs in this study such as Fire Rescue, Law Enforcement, Code Enforcement, Public Works, Emergency Management, Maintenance, etc.**

**Tarrant Regional Water District**
**Lisa Cabrera, Administrative & Support Services Director**
800 E. Northside Drive
Fort Worth, Texas 76102
(817) 720-4356 (office) (817) 994-8829 (cell)

TRWD has its own elected Board of Directors. TRWD's mission is to ensure residents and businesses have a safe, reliable water supply that meets their needs today and for decades to come. Their primary wholesale customers include the cities of Arlington, Fort Worth and Mansfield and the Trinity River Authority. Their system encompasses Lake Bridgeport, Eagle Mountain

Lake and 27 miles of floodway levees built by the U.S. Army Corps of Engineers. These structures work together to provide vital protection flood protection to area residents and businesses and protect billions of dollars of property behind the levee system. TRWD supports education as a means to develop and support a well-informed community for watershed and resource protection. They are actively engaged in preserving the use of our water supply, promoting the health of lakes and rivers in our community, and even building and maintaining habitats for important native species. TRWD uses their existing facilities like the Trinity River Floodway, Eagle Mountain Lake, Marine Creek Lake, Bridgeport, Cedar Creek and Richland-Chambers to offer unique experiences that improve the quality of life in Tarrant County and surrounding areas. **In 2021, WSC as contractor, conducted a comprehensive compensation market study and developed a compensation structure for all jobs (executives, directors, exempt and nonexempt) at TRWD. Also, in 2021, WSC completed a succession planning project for TRWD.**

**<u>MedStar Mobile Healthcare</u>**
**Mr. Leila Peeples, Human Resources Director**
2900 Alta Mere Drive
Fort Worth, Texas 76116
(817) 632-0517

The Area Metropolitan Ambulance Authority, known as MedStar is a governmental administrative agency established through the adoption of a uniform EMS ordinance and interlocal cooperative agreement between municipalities under Texas Health and Safety Code and the Texas Government Code which provides that combinations of governmental units may contract for the provision of governmental services. MedStar is the exclusive emergency and non-emergency ambulance service provider to 15 Tarrant County cities and provides advanced life support ambulance service to residents in Tarrant County and responds to emergency calls with a fleet of ambulances. **MedStar has utilized our services for many years for a wide variety of compensation-related projects including annual compensation studies, compensation and benefits surveys, wage and hour reviews, and pay equity studies. The compensation studies include analysis of jobs related to this study such as Firefighter, Paramedic, Emergency Medical Technician, Dispatch, etc. Researching and analyzing surrounding municipalities' Firefighter pay schedules is an important part of this compensation analysis.**

**<u>North Alamo Water Supply Corporation</u>**
**Ms. Robyn Rodriguez, Director of Human Resources**
420 S. Doolittle Road
Edinburg, TX 78542
(956) 383-1618 X17

North Alamo Water Supply Corporation is a member-owned non-profit corporation incorporated in 1966. The North Alamo Water Supply Corporation is a legally chartered corporation operating under the laws of the State of Texas for the purpose of furnishing a portable water and wastewater utility service for rural residents of eastern Hidalgo County, Willacy County, and northwestern Cameron County. North Alamo operates four wastewater treatment plants and eight sewer collection systems, including 23 lift stations. The 3,261 connections provide wastewater services for households, numerous businesses, and 13 schools. **In 2018 and 2021, WSC conducted a**

**comprehensive compensation market study and developed a compensation grade structure for all jobs at North Alamo Water Supply Corp. including Wastewater Management, Maintenance, Technical, Administrative, and Management jobs.**

**Benbrook Water Authority**
**Tim Chovanec, Attorney for BWA**
4770 Bryant Irvin Ct., Suite 100
Fort Worth, TX 76107
(817) 737-8600 (office) (817) 737-8607 (cell)

Benbrook Water Authority has its own elected Board of Directors. BWA is an independent water district. Texas legislature created it in 1955 as a water conservation and reclamation district to provide the people of Benbrook with water and sanitary sewer service. BWA provides water supply, treatment and distribution, as well as wastewater collection services to more than 20,000 residents of Benbrook. It collects wastewater from residential and commercial customers in south Benbrook, Westpark and portions of Trinity Ranch. **In 2020, WSC completed a comprehensive compensation market study and developed a compensation structure for all jobs (exempt and nonexempt) at BWA.**

**Parker County Appraisal District**
**Mr. Rick Armstrong, Chief Appraiser**
1112 Santa Fe Drive
Weatherford, TX 76086
(817) 596-0077

The Parker County Appraisal District appraises property values, sets tax rates, sends out property tax bills and collects property taxes for all of the taxing entities in Parker County. **Projects we have completed for Parker County Appraisal District include comprehensive compensation market studies (for all District jobs) including market analysis and development of a compensation structure, development and updates of an employee handbook, and implementation and administration of a drug testing program.**

**Tarrant County**
**Mr. G. K. Maenius, County Administrator**
**100 E. Weatherford, Suite 404**
**Fort Worth, TX 76196**
**(817) 884-1733**

The Administrator and his staff oversee and implement the directives of the Commissions Court. **WSC was retained in 2012-2013 to conduct the sexual harassment investigation of the Criminal District Attorney.**

Because of our compensation knowledge and experience and our survey and data sources, WSC will be in a great position to provide compensation consulting services that will best meet the needs of the City and RFP requirements. WSC has extensive background and experience with developing job descriptions, conducting job analysis, conducting market analyses, and developing compensation structures and pay systems.

## Scope of Work and Approach to the Project

### Development//Analysis of Job Descriptions

WSC understands that well-written job descriptions are vital to a successful human resources function, and absolutely necessary for making wage and hour classification and salary range determinations. Based on the RFP, there are approximately 60 employees at the City of Alvarado. Based on information provided by the City and for purposes of preparing this proposal, we will base our bid on 37 unique job descriptions to be included in this study.

WhitneySmith Company consultants are skilled and experienced in the development and analysis of job descriptions. In this phase, WSC will review any existing City job descriptions/summaries, work with City staff to determine development/update needs, work with assigned personnel to gather needed job description information through interviews and/or completion of job description questionnaires, and gather all data needed for ensuring accurate job descriptions are attained for use in the compensation study. WSC will develop templates/drafts of each job description and designated City staff can review and revise each to achieve final job descriptions.

### Compliance Review/Wage and Hour Analysis

As previously stated, WSC consultants are recognized as experts in the areas of wage and hour analysis and compliance. Our consultants make wage and hour determinations and recommendations on a regular basis for clients. WSC has assisted client companies during wage and hour audits and related investigations by serving as the company's representative and by preparing supporting documentation to fight or mitigate applicable claims. WSC also provides training programs to human resources professionals related to the Fair Labor Standards Act, including the exemption tests, hours worked, and overtime analysis.

Wage and hour (exempt or nonexempt) classifications will be reviewed for all jobs based on the information as documented in the job descriptions, completed job analysis questionnaires, and/or collected job information. WSC consultants will utilize the Department of Labor's Wage and Hour regulations for making the appropriate classifications. Separate from the City's job descriptions, WSC consultants will identify and record wage and hour classification recommendations per the executive, administrative, professional, outside sales, computer, highly compensated, public sector, or other special exemption tests. A separate wage and hour analysis job listing, with the applicable classification test determinations and supporting notes, will be provided to City.

### Conduct Comprehensive Market Analysis & Develop Compensation Structure

WSC consultants have advanced knowledge and highly proficient in market analysis techniques and the pricing of jobs against the wages and salaries of relevant public sector and private sector pay practices. In doing this, our consultants utilize a variety of reliable published compensation surveys and other entity pay structures to analyze market pay practices for each client's designated labor market(s). Our firm annually purchases high quality and highly reliable compensation surveys including Willis Towers Watson, Economic Research Institute, CompAnalyst, National Association of College Employers, and other industry surveys that would cover some City jobs. Additional survey sources will be utilized including municipality salary schedules, online sources, and other WSC custom surveys. All listed surveys will be the most up-to-date (i.e., 2021 - 2022).

Our consultants will conduct an extensive market analysis for the City's 37 unique jobs. Market data from compensation surveys and surrounding/relevant municipality pay schedules for benchmark jobs will be analyzed, and all survey data will be aged to an appropriate point in time for establishing the market values for the City's jobs. The aging process will be based on the age of the survey data used, the expected merit/COLA increase percentage for the year, and the desired effective date of the salary structure. Ultimately, each job will be placed in a salary schedule/structure based upon its assessed market value (i.e., each job will be assigned to the appropriate salary schedule/structure with a midpoint value that most closely approximates the job's assessed market value).

WSC will develop a compensation structure customized for the City with the ultimate goal of ensuring internal equity and external competitiveness. Our consultants make determinations as to the appropriate number of grades, steps, or classifications, the salary range or grade spreads between minimum and maximum values, and the percentage differences between the salary grades based on the job structure and job levels included in the study. Compensation structures are always customized to fit the organization's needs and preferences.

**Develop Summary Reports**

A report that summarizes all steps of the study will be developed. The summary report will include an overview of all components of the study, an explanation of the market analysis, surveys used, etc., an explanation of how salary schedules/structures, etc. were developed. WSC will assist with implementing proposed changes related to the compensation study, including any needed changes related to compensation practices and other compensation policies and strategies.

Cost analysis/financial impact analysis reports can be developed reflecting the impact of implementing the proposed changes. These spreadsheet reports can include analysis of current employee pay against the proposed structure, including incumbent names, job titles, salary ranges, compa-ratios, etc. These reports can be used identify pay compression and pay equity issues and to make recommendations for individual pay adjustments needed to ensure internal equity and external competitiveness.

## Proposed Schedule/Timeframe for Project

A suggested plan and schedule for all components of the compensation study is outlined below. WSC is amenable to modifying the proposed schedule to meet the needs of the City's FY 22-23 budget development process.

| Project Components/Phases | Proposed Schedule & Duration of Components (overlapping time) | Proposed Resources Assigned | Project Tasks/Milestones |
|---|---|---|---|
| **Development/Analysis of Job Descriptions** | January 2022 – February 2022 | Lopez Mealer | Gather job information through completion of job analysis questionnaires, conduct in-person and/or phone interviews, and conduct job description research of municipalities with similar jobs |
| **Compliance Review/Wage and Hour Analysis** | February 2022 – March 2022 | Lopez Mealer | Conduct wage and hour analysis and prepare listing of exempt/nonexempt classifications with regulatory explanation and overview |
| **Market Analysis and Development of Compensation Structure** | February 2022 – April 2022 | Lopez Mealer | Conduct market analysis; determine market pay practices and values for all jobs; develop pay schedule/ structure |
| **Develop Summary Reports** | April 2022 | Lopez Mealer | Develop detailed summary and spreadsheet reports as applicable |
| | | | |

The project team is available to perform all tasks associated with this project beginning January 2022 and continuing until project completion during April 2022.

On an ongoing basis, WSC will interact and communicate with the City to ensure their understanding of our activities and progress. WSC consultants will consult with City staff when information or documents are needed for clarification of current practices and programs. WSC welcomes the City's input throughout the project. WSC produces work with the highest of quality and ethics, and we will ensure that the City is provided with a work product consistent with these standards.

## Costs Related to this Project

WSC presents an overview of the processes involved in the study along with the proposed total costs associated with the delivery of all of the services. As a current client of WSC, this project cost is based upon the City's current retainer rate of $300 per hour. The estimated pricing of all services as outlined in the Request for Proposal for the "**Classification and Compensation Study**" is provided below.

**Development/Analysis of Job Descriptions**

*The estimated time involved in this component is approximately 55 to 65 hours resulting in an estimated total cost for the completion of this project phase of $16,500 to $19,500.*

**Compliance Review/Wage and Hour Analysis**

*The estimated time involved in this component is approximately 18 to 20 hours resulting in an estimated total cost for the completion of this project phase of $5,400 to $6,000.*

**Conduct Comprehensive Market Analysis and Development of Salary Structure**

*The estimated time involved in this component is approximately 75 to 85 hours resulting in an estimated total cost for the completion of this project phase of $22,500 to $25,500.*

**Develop Summary Reports**

*The estimated time involved in these activities is 5 to 10 hours resulting in an estimated total cost for the completion of this project phase of $1,500 to $3,000.*

**Total Cost of Project**

Again, all services described in this proposal are based on the City's current retainer hourly rate.

*Based upon the total project as outlined in the Request for Proposal for the "**Classification and Compensation Study**," the total estimated cost for the delivery of all the services is $45,900 to $54,000.*

## Closing Summary

WhitneySmith Company will be pleased to answer any questions regarding this proposal or provide additional information if requested. Questions should be directed to Cheryl Lopez at (817) 877-3836 (direct) or cjlopez@whitneysmithco.com. Thank you for your consideration.

Cheryl J. Lopez

Cheryl J. Lopez, CCP, PHR, SHRM-CP
Senior Vice President
WhitneySmith Company
301 Commerce Street, Suite 1950
Fort Worth, Texas 76102
(817) 877-3836

B&A Professional Grant Consulting

2807 Allen Street
Suite 2050
Dallas, TX 75204
P (949) 589-6338
www.blaisassoc.com

October 29, 2021

Mr. Paul DeBuff
City Manager
City of Alvarado
104 W. College St.
Alvarado, TX 76009

Subject: B&A Proposal for Provision of Grant Services to the City of Alvarado

Dear Mr. DeBuff:

Blais & Associates, LLC (B&A) is appreciative to learn that the City of Alvarado is interested in engaging our professional grant services. It would be our privilege to serve and support you. Attached is a summary letter proposal for the provision of grant services. B&A provides services on a fixed fee not-to-exceed and customized basis, tailored to specifically meet the needs of our clients. This means the City of Alvarado will only pay for desired services as requested and as work is performed.

B&A proposes to provide the following services to the City of Alvarado:

- Grant Funding Needs Assessment.

B&A will work together to schedule a one-time Grant Funding Needs Assessment to identify and align our grant strategy and activities to support the overarching strategy and goals of the City. Please see below examples of grants that we preliminary recommend the City explore pursuing:

| | |
|---|---|
| **Grant No. 1** | |
| Grant Name | **Economic Development Administration Economic Adjustment Assistance Grant** |

| | |
|---|---|
| Potential Project | Public Infrastructure to Support Business Growth (Wastewater, roads, drainage – must benefit two separate businesses, e.g., in an industrial or business park) |
| Maximum Grant Request/Match | No maximum. Grants generally range from $1 million to $3 million<br>Match: 20% |
| Deadline | The ARPA program is open now with a January 2022 deadline. There is also an ongoing program with no set deadline. |
| **Grant No. 2** | |
| Grant Name | **Criminal Justice Grant/North Central Texas Council of Governments** |
| Potential Project | Police: Community Services Officer or Other Investigator |
| Maximum Grant Request/Match | $100,000<br>Match: No match |
| Deadline | Generally due on or near February 14 annually |
| **Grant No. 3** | |
| Grant Name | **Texas Parks & Wildlife Department Outdoor Recreation Program** |
| Potential Project | Parks Project (Splash pads, athletic fields, dog parks, trails, playgrounds) |
| Maximum Grant Request/Match | $750,000<br>Match: 1:1 or 50% of total project cost |
| Deadline | October 1 annually |

We see many grant opportunities that might be a fit for Alvarado, including RAISE (transportation), CDBG's Community Development Grant (sewer, road, water infrastructure). FEMA's BRIC Grant Program (hazard mitigation infrastructure), the Bureau of Reclamation's WaterSMART programs for water conservation and efficiency (AMR, SCADA, storage, etc.), and multiple others, but need more information to identify eligible projects.

B&A | Professional Grant Consulting

Please also find below three (3) client references of ours that you may contact to learn more about their experience working with B&A.

**Reference No. 1:** **Town of Little Elm, TX**
Contact: Wesley Brandon, Town Engineer
Telephone: 214-975-0489
Email: wbrandon@littleelm.org
B&A Services: Grant Monitoring/Intelligence (Fact Sheets), Monthly GAR/On-Call Grant Research (go/no-go consultation), Grant Writing, and Grant Management

**Reference No. 2:** **City of Celina, TX**
Contact: Kimberly Brawner, Executive Director of Public Services
Telephone: 972-382-7659
Email: kbrawner@celina-tx.gov
B&A Services: Grant Monitoring/Intelligence (Fact Sheets), Monthly GAR/On-Call Grant Research (go/no-go consultation), Grant Writing, and Grant Management

**Reference No. 3:** **Town of Prosper, TX**
Contact: Kent Bauer, Emergency Management Coordinator
Telephone: 469-207-4731
Email: kbauer@prospertx.gov
B&A Services: On-Call Grant Research (go/no-go consultation), Grant Writing, and Grant Management

We look forward to the opportunity to serve and support the City of Alvarado. Our mission is to assist you to bring funding to key projects – to be your most efficient and effective option as a team. Should you have any questions about the proposal, please contact me at (949) 589-6338.

Respectfully yours,

Jordan P. Carter
Chief Executive Officer

## Proposal for Professional Grant Services

- ***Grant Funding Needs Assessment (One-Time).*** B&A recommends one-time development of a Grant Funding Needs Assessment, which will guide the strategy for all grant research and grant application development activities, in alignment with your objectives. B&A proposes to conduct the Needs Assessment virtually. Prior to meetings with staff, B&A will review your key documents, strategic plans, and other items. The purpose of the meetings will be to learn about key needs, gain insight into programmatic needs, and observe project site areas, if applicable. B&A will develop a comprehensive report that highlights the projects, goals, and objectives aligned with known grant programs. Included in the Needs Assessment will be a grants forecast/schedule, identifying general time frames within which key agencies are expected to issue solicitations. The Grant Funding Needs Assessment will enable you to budget potential match funding with the schedule of grant programs.

**Optional Services (not included in this Proposal / Budget Estimate):**

- ***Base Grant Research and Support Services (Ongoing):***
  - ***Grant Monitoring/Intelligence/Fact Sheet Distribution (Ongoing).*** B&A will provide grant intelligence and monitoring services for all applicable federal, state, regional, and non-profit (project specific) grant funding opportunities and we will alert staff when an announcement is released. This effort includes notification of open grant solicitations utilizing our proprietary Fact Sheets. Historically, the research effort takes approximately 10 hours per month as part of a shared research group.
  - ***Monthly Grant Activity Report and On-Call Grant Research Requests (Ongoing).*** B&A will provide key decision-making guidance regarding the “go” or “no-go” determinations on specific grant programs, as well as respond to various questions from staff. B&A will maintain a Grant Activity Report (GAR) and organize monthly grant coordination conference calls (see attached sample GAR report for reference). The GAR ensures that all are aware of the specifics of each prospective grant program. Historically across our client base, the monthly GAR and on-call research effort has taken approximately 8 hours per month, comprised of on-call consultation, coordination, and staff support activities. Direct consultation time with the B&A supports your ability to achieve a high return on investment for grant program efforts.

- ***Grant Application Development (Performed as Requested).*** Grant application development activity levels are based on the availability of applicable grant programs, status, and availability of competitive projects for those programs, and independent determination of the grant agencies. The following budget estimate is based on our overall experience and understanding of your needs. B&A will submit grant applications in a timely manner and in accordance with all program guidelines.

- ***Grant Reporting and Management (Quoted as Requested).*** B&A has a dedicated and experienced grant management team standing ready to administer all the requirements and deadlines for any grants that you have been awarded. A scope of work is defined, and an estimate is provided and reviewed before receiving authorization to proceed. B&A reviews the draft grant contract/agreement to ensure it aligns with the grant application (no major deviations in scope of work, schedule, and budget) and helps identify rules and regulations that may warrant increased attention and focus. B&A team members have a deep background of experience drafting resolutions that may be required as a condition of receiving an award and can also assist to develop the accompanying staff reports or Board Agenda document. B&A proactively ensures the grant agreement is successfully executed on-time, that you can successfully administer and utilize a grant (given the conditions and requirements of the award), and the agreement correctly articulates the scope of work, budget, and schedule. *B&A will only charge as grant management projects are requested and approved to proceed.*

- ***BGAPS Grant and Project Management Software (Quoted as Requested).*** B&A developed a proprietary grant and project management software system to significantly improve and make more efficient the entire project management, coordination, reporting, and administration process from beginning-to-closeout of managing the full life of a grant award. Please see www.bgapstech.com or **request a demo to discuss your needs and how BGAPS can help**.

# Professional Grant Services – One-Time Budget Estimate

### Grant Funding Needs Assessment

| Activity | Estimated Hours | Estimated Expenses | Estimated Budget |
|---|---|---|---|
| Grant Funding Needs Assessment | 45 hours (one-time) | Included; MS Teams Meetings | $5,175 |
| **Total One-Time Costs – Needs Assessment (45 hours)** | | | **$5,175** |

## Standard Fee Schedule – Calendar Year 2021

| Description | Fee |
| --- | --- |
| All Staffing (15-minute increments) | $115/hour |
| Mileage (prevailing IRS rate) | $0.56/mile (subject to change) |
| Travel (tolls, airfare, hotel, cab) | Cost – no markup |
| Copies/Reprographics | Cost – no markup |
| Courier, Postage, or Express Mail | Cost – no markup |
| Conference calls and MS Teams | Included |

B&A reserves the right to adjust rates annually to align with the cost of doing business. All out-of-pocket direct expenses are billed exclusively at cost (no markup). B&A provides monthly itemized invoices and can provide, upon request, receipts for all out-of-pocket expenses.

B&A works on a fixed fee basis, providing services as-needed according to approved contract budgets or project quotes. Any requests for services outside of the scope of those approved project quotes will be billed at a single blended rate of $115 per hour. This streamlined rate approach empowers clients with 100 percent availability to all B&A resources. Our proposed rates shall remain firm for a period of 180 calendar days from the date of submission of this proposal. Invoices are provided monthly, payable 30 days after receipt.

B&A actively and consistently implements "cost saving" best practices, including the following procedures:

- All out-of-pocket expenses are billed at cost, without markup.
- For bulk printing, B&A utilizes commercially available services for printing and copying (typically Staples) and is a member of their company discount programs, which significantly reduces the cost for reproduction.
- B&A utilizes commercially available delivery services (FedEx, UPS, or the USPS), as needed, for delivery of hard copy materials.
- B&A provides monthly itemized invoices and can, at your request, provide receipts for reimbursable expenses.

B&A Professional Grant Consulting

## B&A OVERVIEW – METHODOLOGY AND APPROACH


**Figure 1: B&A Complete Grant Program Lifecycle**

Figure 1 represents the B&A Complete Grant Program Lifecycle, specifically identifying the phases, specific needs, and how B&A's services enable our Clients to optimize and maximize their grant program success over the long term. B&A's capabilities grew organically from the natural needs of our select clients. Since our founding in 2000, we have maintained steadfast commitment to transparent operations – providing high quality services in an efficient manner on behalf of our clients and carefully quoting each individual project to take into account the potential return on investment for our client.

## GRANT FUNDING NEEDS ASSESSMENT

B&A recommends the one-time (non-recurring) development of a Grant Needs Assessment/Grant Strategy master document, which will guide all future grant research and development activities. Typically, B&A conducts the grant needs assessment/grant strategy on site. However, due to COVID-19 restrictions, B&A proposes to conduct the Needs Assessment virtually. Prior to meetings (or calls) with City staff, B&A will review key documents including the Client's Capital Improvement Program (CIP), strategic plans, current fiscal year budget, and other relevant items. The purpose of the meeting(s) will be to learn about key needs from staff, gain insight into new programmatic needs, and tour project site areas, if applicable. B&A will develop a comprehensive document/report that highlights the projects, goals, and objectives aligned with cyclical and other known grant programs. Included in the Needs Assessment will be a grants forecast/schedule noting general time frames in which key granting agencies issue solicitations. The Needs Assessment will enable the Client to budget potential match funding with the schedule of grant programs. This Needs Assessment document provides critical context in support of on-call grant research requests, which enables effective and targeted grant applications for Clients.

## GRANT RESEARCH – GRANT MONITORING/INTELLIGENCE

***Actively Identify Grant Resources.*** B&A researches, tracks, and identifies grant opportunities utilizing a systematic, daily process to find grant solicitations at the federal, state, regional, and local level. The research team in turn develops a **Fact Sheet** and attends workshops or webinars. The Fact Sheet routinely provides the name of the funding agency, level of funding available, historic average awards for the program, due dates, eligible and ineligible projects or activities, program summary, and other critical details. In addition, our membership in the League of California Cities provides us with up-to-date knowledge regarding issues facing local and regional government agencies. B&A monitors propositions and legislative activities to understand the potential impact on our clients and grant programs. Our two primary research team members have each been with B&A for over 12 years and have honed the research Client's system to be efficient and thorough. B&A uses the following methods to keep informed on current opportunities and to search for specific grants: ***Grant Calendar.*** One of B&A's strengths is our understanding of federal, state, and regional grant programs and their funding cycles. Most grant programs are cyclical. At a glance, we can match your needs with the grant calendar to ensure we take advantage of the more common annual programs. ***Federal Funding.*** B&A monitors the federal government's web portal daily for grant announcements. The portal lists every grant announcement issued by federal agencies. ***State Funding.*** B&A maintains a comprehensive list of all state agencies and their grant portals. Daily, the sites are monitored for new grant notices. B&A also stays current on bond measures or propositions that are passed through the general election process. The funding provided by bond measures are summarized and will be communicated so projects can be identified and positioned as early as possible. ***Foundation Funding.*** B&A receives the "RFP Bulletin" weekly via electronic mail from the Foundation Center, which is the recognized portal for all foundation and not-for-profit funding nationwide. ***Local Funding.*** There are several regional agencies and planning organizations that have funding programs. These opportunities are tracked as well.

***Pro-Rata Share for Grant Research, Monitoring, and Intelligence.*** B&A provides proactive grant notifications as part of our pro-rata Grant Research, Monitoring, and Intelligence service. Should the Client utilize our grant research services, the Client will receive the benefit of early notification of open solicitations that meet the Client's needs. This is a tangible advantage compared to agencies that are doing the research on their own. Another key benefit of B&A's approach is that the Client will share the cost of research with all other full-service B&A clients. This means that the Client will only pay for a small percentage of total research time.

## GRANT RESEARCH – MONTHLY GRANT ACTIVITY REPORT (GAR)

B&A recommends a regular (typically monthly) Grant Activity Report (GAR) conference call with key Client staff. This standing conference call (no more than 30 minutes) allows your Lead Associate to discuss open and active grant opportunities and potential projects. The GAR will identify all grants in the development process, those that have been submitted, grant awards, denied grants, and any special services provided.

***Annual Roll-up Report with Return on Investment (ROI):*** B&A provides an executive level annual Grant Roll-up Report designed to give Client staff updates about the grant program accomplishments and Return on Investment (ROI).

## GRANT RESEARCH – ON-CALL GRANT RESEARCH

At any time during our contract, the Client can request the Grant Research team to perform on-call research to investigate a specific grant program by contacting the Lead Associate and submitting a request. Internally, we coordinate to ensure that the research is conducted in a responsive, thorough, and timely fashion. This research may include contact with the funding agency to develop intelligence on the goals and objectives of the program or measure the agency's interest in funding the project as contemplated or proposed by the Client. This is particularly valuable to the Client to evaluate a proposed project that does not initially appear to be eligible or competitive for the program. Our extensive list of contacts within grant funding agencies enables the B&A research team to gather useful information and actionable guidance for the team.

## GRANT APPLICATION DEVELOPMENT

Our track record of clients winning between 60 to 80 percent of grant applications submitted in any given year proves our uniqueness within the field of professional grant writing over the long term. Our knowledge and experience with grant programs, daily research activities, and assistance with the "go" or "no go" decision-making process ensures that we are aware and knowledgeable of the programs and projects that granting agencies seek to fund. Our services are designed to ensure the Client maintains situational awareness of potential grants that support their specific needs, provide programs and services that utilize grant funds, and ensure proper grant administration, reporting and close-out administration for awarded grants. All B&A-written applications are custom developed, with detailed and tailored narrative sections, graphics, photos, and artwork. Unlike competitors' processes, we do not employ cut-and-paste procedures, look-alike templates, or factory-style application approaches. The following summarizes B&A's systematic grant writing process:

- Once the client has decided to pursue a grant, B&A carefully reviews the guidelines and develops a not-to-exceed (NTE) quote proposal outlining the estimated costs for B&A to assist the Client. This activity typically takes between one and three days to provide the Client with a detailed quote. Upon Client approval, B&A schedules all meetings, assembles stakeholders, and obtains relevant information from multiple stakeholders (via emails, phone calls, or virtual meetings) to develop targeted, effective grant proposal submissions. Throughout the grant proposal development process, B&A ensures that all required components of a proposal are included in the application for submission, ensuring adherence to grant evaluation criteria.

- Based on the due date and proposal requirements, B&A develops an overall grant outline, called a Timeline and Checklist (T&C), which identifies a list of tasks to be accomplished, milestone dates to be met, and who will be responsible. B&A works with Client staff and team to determine writing assignments, including an estimate of how much Client staff time will be needed at the beginning of each project. This includes identifying who is responsible for completing the tasks and the dates tasks are to be completed. B&A strives to complete as much of the application independently as possible. B&A provides the leadership for the coordination of any necessary meetings, conference calls, or discussions.

- B&A develops an application outline that includes the narrative questions from the grant that need answering. B&A's associates are skilled in developing narrative with compelling arguments, in active voice, and within any character limitations. Using this outline, B&A conducts a kick-off conference call discussing the grant program, the T&C, and application.

- Beginning with long-lead tasks, the B&A team researches necessary information, meets with appropriate staff, stakeholders, and consultants, and develops proposal language, including the scope of work, budget, timeline, justification, cost-benefit analysis, transmittal cover letter, and completes all necessary federal, state, and local forms, certifications, and assurances. B&A interviews key staff and/or other consultants to capture as much information about the project as possible. As needed, B&A can also develop Staff Reports and Resolutions for Board or Council authorization regarding the submission of the grant proposal and/or local match funding commitment, etc.

- B&A provides budget guidance and justifications in alignment with Client policies and personnel guidelines and in conformance with grant solicitation requirements.

- Concurrently, B&A determines the role of any stakeholders and identifies those stakeholders in coordination with staff and consultants. B&A will work with staff to identify stakeholders for Letters of Support (LOS) and will develop the LOS for distribution. Except for elected officials, B&A will distribute the LOS for signature and will track letters to ensure they are returned. Due to the sensitivity of the political environment, it is best that LOS for elected officials be distributed by Client staff. B&A will assist to the maximum extent practical.

- B&A attends any pre-proposal conferences, etc. hosted by the grant making agency. B&A collects data and photographs as independently as possible from existing resources such as General Plans, California Communities Environmental Health Screening Tool (CalEnviroScreen), Google Earth, and Virtual Earth. All B&A team members are trained in the use of these tools; no outside consultants are required.

- B&A determines if any special graphics, artwork, maps, etc. are needed and incorporates those figures into the proposal as soon as possible. B&A generally develops the graphics, maps, and artwork in-house. If specialized GIS maps are required, B&A has a standing relationship with GIS specialists to perform these tasks; however, most grant applications do not require highly detailed graphics and we have been very successful with our internal map development.

- B&A conducts any greenhouse gas reduction, water savings, energy savings and other calculations, as necessary. B&A staff are trained in the calculation tools accepted by most grant funding agencies including the California Air Resources Board emission reduction and greenhouse gas reduction tools. B&A maintains relationships with specific technical or engineering firms that can provide access to other modeling tools.

- B&A manages and incorporates all edits to grant proposals to ensure consistency of messaging, integration of grant requirements and succinctness prior to final Client review and submittal to the funding authority. B&A provides draft copies of grant proposals (80 percent and 100 percent) to the Client with an adequate amount of time to allow for feedback and final editing. The policy is to provide at least 72 hours for review time (longer if possible). B&A then reviews and incorporates the edits or discusses any edits that might impact the scoring of the project or exceed proposal limitations. The 80 percent draft is intended to ensure the technical aspects of the proposal are accurate and consistent with the goals of the Client, including the budget. The final (100 percent) draft ensures the Client and B&A are comfortable with the final application and there is an opportunity to interject any of the Client's final adjustments, signatures, and approval to submit.

- If hard copy applications are required for submission, B&A makes all required copies and ensures proper delivery by the due date. Associates have full authority to ensure delivery through any means necessary. If submitting electronic applications via the internet, B&A coordinates any password or authorization requirements as early as necessary to ensure the timely submission of e-grants. **B&A has never missed a grant deadline**.

- B&A maintains a comprehensive project file – containing all facts, data, statistics, and narrative collected and written as part of assigned projects – throughout the development process, which is provided to Client staff for future use once the grant application is submitted and/or approved. Documents are provided to the client, complete with all research materials and work products. NOTE: B&A does not retain any ownership rights for any work products developed under a contract with a government agency. All original work products are provided to the client via link to our B&A system, Egnyte. All electronic files are in Microsoft Word, Excel, PowerPoint, or other appropriate software.

- In the case that a grant proposal is denied, B&A will coordinate with staff and the granting agency to request a debriefing. Debriefings are extremely valuable because the team can determine why the grant was denied and receive recommendations to strengthen the proposal for the next grant cycle.

While the application is undergoing development, B&A will continually assess and score the project and application against the program requirements to ensure that it remains highly competitive. As a project, grant writing is unique because there is a hard deadline that must be met. B&A controls the schedule because it is crucial that the application be submitted on time. Our staff is cognizant of the need to deliver the 80 and 100 percent complete drafts on schedule and are given full latitude to ensure delivery of the application. We have had occasions where extreme measures were taken due to failures with FedEx – and the application was still delivered on time.

## GRANT REPORTING AND MANAGEMENT SERVICES

B&A stands ready to successfully secure and manage grant funding for the Client. Grant management requests are processed identically to grant writing requests – a scope of work is defined, and an estimate is provided and reviewed before receiving authorization to proceed. The following examples are typical grant reporting and management services for B&A clients:

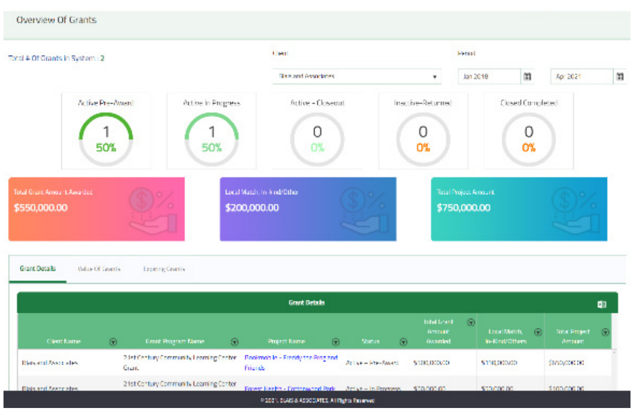
***Grant Compliance and Administration Services.*** B&A has provided post-award grant management assistance for approximately 80 funding agreements dating back to 2007. These funding agreements range in size from $40,000 to plant trees along a trail to over $72 million to construct a wastewater facility. Our experience with compliance and reporting requirements is also significantly varied and includes a myriad of topics including environmental law (including NEPA), human subject protection, prevailing wage, Buy America, American Iron and Steel, and many others. Each assignment is approached with the same level of enthusiasm and attention because we know your ability to receive future grant awards is dependent on successfully managing and closing out current grant awards with no audit findings.

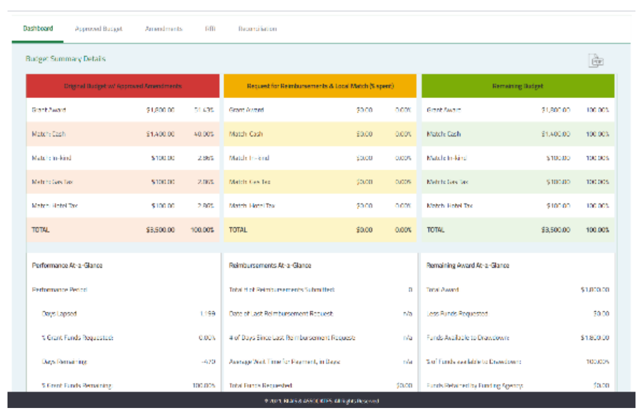
For new grant awards, B&A reviews the draft grant contract/agreement to ensure it aligns with the grant application (no major deviations in scope of work, schedule, and budget) and helps identify rules and regulations that may be of concern. B&A will work with Client staff and others to liaison with the funding agency (if desired) to negotiate or clarify any ambiguities. B&A staff are experienced in drafting Resolutions that may be required as a condition of receiving an award and can also assist in developing the accompanying staff reports or Board agenda document. The objective is to ensure that a grant agreement is successfully executed on time, that the Client can successfully administer the grant given the conditions of award, and the agreement articulates the scope of work, budget, and schedule correctly.

## GRANT REPORTING AND MANAGEMENT SOFTWARE

### *Blais Grant and Project Management Solutions ™ (BGAPS).*

B&A developed a proprietary and patent-pending grant and project management software system called BGAPS which improves the crucial link between a Program Manager's efforts and the regulatory requirements, reporting, metrics tracking, document control, reimbursement process, and auditing. The software system streamlines the entire grant management and project/program management process. It was developed specifically to meet the needs of program managers, finance, auditing, compliance, and executives. Auditors can also be provided temporary and limited access to all documents needed and available for their review. B&A's proposed team uses BGAPS extensively to develop and manage the program's schedule, compliance requirements, metrics, budget, requests for reimbursements, and document storage/retention, and other items as identified throughout the performance period of the assignment. The BGAPS software-as-a-service (SaaS) system is Cloud-based and built on .Net MVC technology with Azure SQL as the backend and hosted on Microsoft Azure – some of the most trusted tools and names in the software development industry. Documents are protected and stored using Microsoft Azure blob storage. The entire system is built with three levels of redundancy and meets HIPAA security standards.



## B&A BEST PRACTICES – QUALITY ASSURANCE STANDARDS

B&A takes pride in being able to say that **we have never missed a deadline** across all grant writing and grant management assignments for over 20 years. We are often asked to provide 3–4-week quick turnarounds on grant writing applications, and we do so by employing our B&A best practices. Our internal tools are required to be used by all associates regardless of how small or large an assignment. In addition, associates are required to host internal check-in meetings with the team leader and identify obstacles that could impact a schedule or budget. If needed, we will augment the team with additional B&A staff to successfully complete an assignment; however, most of the time, that is unnecessary, as we adhere to our B&A quality control policies as follows:

***Completion of Projects On-Time and On-Budget.*** Because B&A provides fixed fee not-to-exceed quotes for all assignments, staying within the allocated budget is rarely cause for concern for a client. To remain on time and on budget, B&A uses an internal system that allows associates to input their time (in 15-minute increments) by client and by project. When a new project is assigned to B&A, the project and time allocated is entered into Replicon. As associates work and bill their time as expended toward the project's budget, reports are generated at certain intervals that allow team leaders to view the time remaining on a project. B&A also mandates the use of a Cloud-based file sharing system (Egnyte) to maintain client documents. This creates significant synergy and efficiency internally between B&A associates and externally with our clients. Egnyte can also serve as an FTP site allowing files to be uploaded or downloaded and used as a central filing system during an active assignment.

***Managing Schedules, Milestones, and Timelines.*** All assignments use the B&A Timeline and Checklist (Grant Writing) or BGAPS Project Schedule (Grant Management) structured templates to manage an assigned project. Theses templates are presented at kick-off meetings and are a standing agenda item for check-in calls. These tools include a schedule of milestones and items required from the client to be successful. All assignments include interim check-in calls (both internal and external) as needed from project inception through to final due date or close-out date.

***Internal Review Procedures to Ensure Quality.*** All written materials undergo at least one level of internal/peer review by a senior associate or higher -- ideally with expertise in the subject matter. This includes a thorough review of 80 percent draft and 100 percent final documents using B&A's check-off list.

- Drafts shall be provided to client allowing at least 48-hours for review (longer if possible). All reviews must be performed with hard copies and math computations must be double-checked using a calculator (not Excel). On-screen reviews are not allowed.

- All information obtained from a third party must be sourced as a footnote within any document prepared by B&A. Sources may be removed at the discretion of the client; however, during the 80 percent and 100 percent review process, sources must remain.

- Long lead items should receive priority to ensure smooth delivery of documents, requests for reimbursement, quarterly reports, etc. This includes any document that requires Client Council approval, such as Resolutions.

- All online submissions must have portal logins and registrations confirmed at least three weeks prior to due dates, if possible.

- All files should be maintained in Egnyte (no off-line file saving) and follow regimented naming and filing protocols established within the B&A architecture.

- Conference calls, including MS Teams meetings, shall be initiated 5-10 minutes prior to the start time to ensure B&A associate(s) are waiting and ready for the call and to attend to any technical difficulties. MS Outlook invitations must be sent to all attendees with clear instructions on how to participate.

- Agendas and meeting notes are required for all formal conference calls. Meeting notes must follow the established B&A format and action items must be communicated to applicable team members (both internal and external) within 24 hours of said call/meeting.

- The quality of the final product (including the use of professional graphic artists) must be balanced with the project type, funding agency perception, and available budget.

- B&A staff are authorized to go to any length within the client's authorization to ensure on-time delivery, to include reprints, using third-party sources at the location of the funding agency, and courier by air travel.

**AGREEMENT FOR**
**ADMINISTRATIVE SERVICES**

THIS AGREEMENT is made and entered into as of ___________, 2021, by and between the **City of Alvarado, Texas** hereinafter called "City" and **MuniCap, Inc**., hereinafter called "Administrator," for administrative services related to the City's project. The City and Administrator, in consideration of the mutual promises and conditions herein contained, agree as follows.

WHEREAS, the City has created and/or is planning to create various Public Improvement Districts (the "PIDs") and will require specialized services related to the preparation of a service and assessment plans for the PIDs and issuance of bonds for the PIDs; and

WHEREAS, the City anticipates the issuance of bonds and/or various debt obligations for the PIDs created by the City; and

WHEREAS, upon issuance and sale of the bonds, the City will require specialized services related to the administration of the PIDs, as more fully set forth in this Agreement; and

WHEREAS, Administrator has expertise to provide those specialized services; and

NOW, THEREFORE, in consideration of the mutual promises and covenants contained in this Agreement, and for good and valuable consideration, the Administrator and the City agree as follows:

1. Following signatures by both parties, this Agreement shall become effective. Capitalized terms not otherwise defined herein shall have the meaning given thereto in the Service and Assessment Plan, Indentures, or the applicable documents for debt or financing instrument(s).

2. In regards to the work and services to be performed,

A. Administrator shall provide financial and administrative services to the City related to the administration of the PIDs as described in Exhibit A, "Administrator's Scope of Services" which is attached and incorporated by reference.

B. Administrator shall supply all tools and means necessary to perform those services and produce those work products described in Exhibit A.

C. As part of the work and services to be performed, Administrator shall furnish intermediate reports to the City from time to time, when requested, in such form and number as may be required by the City, and shall make such final reports as may be required by the City concerning the work and services performed.

D. Should any errors caused by Administrator be found in any services or work products, Administrator will correct those errors, and if the errors are in final services or products, make such corrections at no additional charge, by revising the services and work products as necessary to eliminate the errors.

E. The work and services shall be performed personally by Administrator, and no other person or corporation shall be engaged for the work or services by Administrator, except upon the written approval of the City, provided, however, that this provision shall not apply to arbitrage rebate calculations, secretarial, clerical, and similar incidental services needed by Administrator.

3. Administrator's compensation for these services shall be as provided for in Exhibit B attached and incorporated by reference. Compensation due to Administrator will be paid upon the submission to City of an invoice providing for compensation as provided for in Exhibit B. Compensation for additional services not included in Exhibit A shall require the approval of City.

4. The City shall provide access to all documents reasonably necessary to the performance of Administrator's duties under this Agreement. All such documents shall remain the property of the City. Except as may be necessary for performance of this Agreement, and to the extent not generally known as available to the public, the Administrator shall not use or disclose information concerning the City without prior written consent of the City.

5. Administrator may not disclose information relating to the work and services performed under this Agreement to any person not entitled to receive it. Notwithstanding the foregoing, City shall have full access to all information relating to work and services performed by Administrator under this Agreement.

6. In performance of work and services under this Agreement, Administrator shall act solely as an independent contractor, and nothing contained or implied in this Agreement shall at any time be construed as to create the relationship of employer and employee, partnership, principal and agent, or joint venturers as between the City and Administrator.

7. This Agreement relates to the PIDs identified in Exhibit D and shall terminate on full repayment of the bonds and/or other debt obligations for each PID, or as otherwise provided herein. The City shall notify the Administrator whenever a new PID is created by the City and Exhibit D shall be updated from time to time accordingly. This Agreement may be terminated with or without cause effective on 60 days written notice. Administrator shall be compensated for services rendered up through the effective date of the termination and payment shall be rendered on a pro rata monthly basis based upon the annual payment due under Exhibit B.

8. Any notices to be given hereunder by either party to the other may be affected either by personal delivery in writing or by mail and shall be effective upon confirmation of receipt. Mailed notices shall be addressed to the parties at the addresses appearing below, or such other address as given by written notice from one party to the other.

To Administrator:

Abdi Yassin
MuniCap, Inc.
600 E. John Carpenter Freeway
Suite 333
Irving, Texas 75062

With a Copy to:

Keenan Rice
MuniCap, Inc.
8965 Guilford Road
Suite 210
Columbia, Maryland 21046

To City:

City of Alvarado
104 W. College St.
Alvarado Texas 76009
Attn: City Manager

With a Copy to:

City of Alvarado
104 W. College St.
Alvarado Texas 76009
Attn: City Attorney

9. This Agreement, including the Exhibits, supersedes any other agreements, either oral or written, between the parties, and contains all of the covenants and agreements between the parties with respect to the rendering of such services. Each party to this Agreement acknowledges that no representations, inducements, promises, or agreements, orally or otherwise, have been made by any party, or anyone acting on behalf of any party, which are not embodied in this Agreement, and that no other agreement, statement, or promise not contained in this Agreement shall be valid or binding. Any modification of this Agreement (including any modification to an Exhibit) will be effective if it is in writing and signed by the parties to this Agreement.

10. Administrator is registered as a "municipal advisor" under Section 15B of the Securities Exchange Act of 1934 and rules and regulations adopted by the Securities Exchange Commission (the "SEC") and the Municipal Securities Rulemaking Board (the "MSRB"). Pursuant to MSRB Rule G-10, Administrator (MuniCap, Inc.) is required to provide City with the following information:

A. Administrator has determined, after exercising reasonable diligence, that it has no known material conflicts of interest that would impair its ability to provide advice to City in accordance with its fiduciary duty to municipal-entity clients and the standard of care required by MSRB Rule G-42(a)(i) concerning obligated person clients. To the extent any material conflicts of interest arise after the date of this Agreement, Administrator will provide information concerning any material conflicts of interest in the form of a written supplement to this Agreement.

B. As part of this registration, Administrator is required to disclose any legal or disciplinary event that is material to the City's evaluation of the Administrator or the integrity of its management or advisory personnel. The Administrator has determined that no such event exists.

C. Copies of Administrator filings with the SEC are available via the SEC's EDGAR system by searching "Company Filings," which is available via the Internet at: https://www.sec.gov/edgar/searchedgar/companysearch.html. Search for "MuniCap" or for Administrator's CIK number, which is 0001614774.

D. The MSRB has made available on its website (www.msrb.org) a municipal advisory client brochure that describes the protections that may be provided by MSRB rules and how to file a complaint with the appropriate regulatory authority.

11. Failure of either party to enforce any provision of this Agreement shall not constitute a waiver of that or any other provision of this Agreement.

12. If any provision in this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions will nevertheless continue in full force without being impaired or invalidated in any way. Exclusive venue shall lie in Johnson County, Texas (the "County").

13. The law of the State of Texas governs the interpretation of this Agreement and its attachments. Venue for any litigation regarding this Agreement or its attachments must be filed in the state district or federal district courts located in the County.

14. This Agreement is for services and is governed by Subchapter I, Chapter 271 of the Local Government Code.

IN WITNESS WHEREOF this Agreement has been executed as of the date and year first above written.

**MuniCap, Inc.**
a Maryland corporation

BY:____________________________
Keenan S. Rice
President

IN WITNESS WHEREOF this Agreement has been executed as of the date and year first above written

**City of Alvarado**
a General Law Type A Municipality

BY: ________________________
Name: Paul DeBuff
Its: City Manager

**<u>Exhibit A</u>**
***Administrator's Scope of Services for PIDs***

Administrator shall provide services to the PIDs in accordance with this scope of services. There are eight sections to this scope of services relating to eight general types of consulting and administrative services provided. These eight sections are as follows: (i) consulting services related to service and assessment plan and bond issuance, (ii) administrative support services related to the special assessments, (iii) delinquency management, (iv) prepayment of special assessments, (v) arbitrage rebate, (vi) continuing disclosure, (vii) IRS compliance monitoring, and (viii) accounting services. The specific services to be provided by Administrator are as follows:

## I. CONSULTING SERVICES RELATED TO SERVICE AND ASSESSMENT PLAN AND BOND ISSUANCE

Consulting services are those services associated with assistance with development agreement and preparation of the Service and Assessment Plan ("SAP") with related assessment roll(s) for financing the public improvements of the development with the issuance of public improvement district bonds. The following services are typically provided by the Administrator on similar financings, but all services are provided on an as requested basis.

(a) Administrator shall ensure compliance with the PID policy for each PID, if applicable. Administrator shall assist the City with PID related sections of a development agreement, as applicable.

(b) Administrator shall prepare the SAP for the PID. The SAP shall include among others the assessment methodology and the assessment roll for the PID. In conjunction with the preparation of the service plan, Administrator shall help estimate the assessments on various types of properties and revenues available to apply to the assessment and prepare projections for the issuance of bonds secured by the assessments.

(c) Administrator shall also review descriptions of the service plan and assessment methodology included in bond documents, including the offering statement, to help confirm these documents and the service plan are consistent.

(d) Administrator shall provide the certification required for the issuance of the bonds as reasonably approved by Administrator.

(e) Administrator shall provide services to assist with the issuance of bonds on an as requested basis, including attending meetings, participating in conference call, reviewing documents, providing advice, and preparing projections of revenues to repay the bonds.

## II. ADMINISTRATIVE SUPPORT SERVICES RELATED TO THE SPECIAL ASSESSMENTS

Administrative and management support services are those services associated with the annual determination of the special assessments to be collected from the property subject thereto, updating the Service and Assessment Plan and the special assessment roll, management of Assessment funds and accounts, and providing public information.

## A. Calculate and Allocate the Annual Installment

This task entails determining the Annual Installment to be collected from each parcel and includes the following sub-tasks:

### 1. Background Research

This task involves gathering and organizing the information required to form a database necessary to calculate and to allocate the Annual Installment and includes the following:

a. **Subdivision Research:** Identify parcel subdivisions and any other information relevant to collection of the Annual Installments.

b. **Assessor's Parcel Research:** Upon publication of property tax roll, review assessor parcel maps to compile a list of the assessor's parcels that will be valid for the collection of the Annual Installments and determine the assessed value of each parcel.

c. **Ownership/Exempt Property Research:** Research changes in ownership, dedication, and offers of dedication of property to public agencies and other exempt uses. Identify date property conveyed or offered to exempt entities.

d. **Database Management:** Prepare database to include all relevant property characteristics for the parcels in each PID.

### 2. Calculate the Annual Installment to be Collected

This task involves calculating the Annual Installment to be collected and includes the following sub-tasks:

a. **Preparation of Budget:** Prepare a budget for each PID for the subsequent fiscal year on the basis of the SAPs, as updated each year.

b. **Calculate Other Funds Available:** Calculate other funds available, such as TIRZ credits, capitalized interest and reserve fund income to be applied to the budget, as applicable.

c. **Allocate Annual Assessment to the Assessed Lots:** Allocate the Annual Installment to be collected to the Assessed Lots in each PID on the basis of the SAPs as updated each year.

### 3. Determine Amendments to the Annual Assessment Roll

This task involves determining the amendments to the Annual Assessment Roll and making those amendments pursuant to the SAP.

### 4. Revise Service and Assessment Plan

This task involves updating the service and assessment plan to explain the research, methodology, and assumptions utilized in the preparation of the budget, the Annual Installments to be collected, the allocation of the Annual Installment to be collected from the Assessed Lots, and the amendments to the Annual Assessment Roll. In conjunction with the revised service and assessment plan, the Administrator shall monitor and report on opportunities to refund the bonds to reduce the costs of debt service.

### 5. Support Services Related to Billing of Annual Installments

a. **Present Findings to the City:** The updated service and assessment plan prepared by the Administrator will be provided to the City for its approval.

b. **Provide Assessment Roll to County:** The Administrator shall assist the City with its required notification to the County of the amount of the Annual Installments to be collected each year.

c. **Supplemental Billing:** The Administrator shall assist the County or City with any supplemental billing that shall be necessary.

## B. Administration of Assessment Funds

This task involves the review and reconciliation of the account statements for funds and accounts maintained by the Trustee. The accounts and transactions are checked for accuracy and consistency with the Indenture. This task includes evaluation and coordination of investment funds, including a review of qualified investment options pursuant to the Indenture.

## C. Public Information

### 1. General Public Assistance

This task involves responding to telephone calls from property owners and other interested parties who have questions regarding the special assessments. These calls may be related to a tax bill or an inquiry related to the purchase or sale of property subject to the special assessments. The Administrator shall provide a toll-free phone number for property owners to call with questions. Additionally, this number may be given to people who call the City or County to obtain information about the special assessments.

### 2. Homebuyer Disclosure

The Administrator shall monitor notice provided to prospective homebuyers by the developer and builders in accordance with the home buyer disclosure program, including without limitation, the following notices:

- **a.** Notice of the special taxing district recorded in the appropriate land records for the property;
- **b.** Notice of the special taxing district provided by builders in addendum to contracts or closing documents on brightly colored paper;
- **c.** Collection of a copy of the addendum signed by each buyer from builders with such copy being provided to the City;
- **d.** Signage indicating that the property for sale is located in a PID located in conspicuous places in all model homes;
- **e.** An overview of each PID provided to builders to be included in sales packets;
- **f.** Estimates of monthly ownership costs including special assessments;
- **g.** Notification to settlement companies through the builders to include special assessments on HUD 1 forms and inclusion in total estimated assessments for the purpose of setting up tax escrows;
- **h.** Notice of each PID in the homeowner association documents and provide assessment related information and copies on Administrator's website;
- **i.** Announcements of each PID on the City's web site and community channel.

## D. Administrative Review

At the request of the City, the Administrator shall review any notice from a property owner alleging an error in the calculation of any matters related to the Annual Assessment Roll, and if necessary, meet with the property owner, consider oral and written evidence regarding the alleged error and decide whether, in fact, such a calculation error occurred, and take other corrective action as required to correct the error.

# III. Delinquency Management

These services are provided only if special assessments are levied and there are delinquencies in the payment of special assessments.

### A. Delinquent Special Assessment Report

After the end of the collection period, the Administrator will prepare a report which lists each parcel delinquent in the payment of the Annual Installment and the corresponding amount of delinquency, plus penalties.

### B. Delinquency Follow-Up

The Administrator will keep Trustee and City informed of special circumstances that come to the attention of the Administrator, such as bankruptcies and foreclosures.

## IV. PREPAYMENT OF SPECIAL ASSESSMENTS

Administrator shall coordinate the prepayment of special assessments with the City, Trustee, property owners, and title companies. This coordination shall include calculation of the amount due to prepay the special assessment and transmittal of a letter with the prepayment amount, prepayment instructions, and the recordable form of the special assessment lien release to the title company or other such steps as required by the Indenture and related documents.

## V. ARBITRAGE REBATE SERVICES

Arbitrage rebate services encompass those activities associated with computing the rebate liability (if any) related to the series of bonds issued for each PID. The computations will be prepared as described in Section 148(f)(2) of the Internal Revenue Code of 1986, as amended. Administrator shall coordinate the arbitrage rebate requirements of the bonds, including the following:

### A. Background Research

This task involves the review of documents, including the Indenture, non-arbitrage certificate, IRS form 8038-G, trustee fund/account statements, and prior rebate reports, and consultations with bond counsel or special counsel, as needed. The funds subject to arbitrage rebate and any available exceptions will be identified. The flow of funds in the accounts with the Trustee will be identified as necessary to perform the arbitrage rebate calculations.

### B. Calculation of Bond Yield

This task involves preparation of a debt service table and an independent calculation of the yield on the bonds. The resulting yields will be verified with those stated on the non-arbitrage certificate.

### C. Calculation of Rebate Liability

This task involves computation of the allowable arbitrage earnings and comparison of the results to the actual investment earnings for each issue.

## D. Preparation of Rebate Report

This task involves the preparation of a written report containing the findings of the financial analysis and an explanation of the underlying methodology followed to compute the rebate liability for each issue. In addition to identifying any arbitrage liability, each report contains a separate investment yield comparison and analysis for each fund. Standard features also include the following items as defined by U.S. Treasury Regulations:

- Explanation of calculation methodology
- Overview of applicable rebate requirements and treasury regulations
- Summary of all pertinent dates
- Identification of major assumptions
- Review of sources and uses of funds
- Bond yield calculation
- Investment yield by fund with comparison to bond yield
- Rebate liability by fund
- Aggregate liability for the issue

## E. Rebate Liability Discharge

This task involves coordination of the filing of IRS Form 8030-T and providing instructions for installment payments as necessary.

## F. Assistance with IRS Inquiries

This task involves providing assistance in the event of an IRS inquiry related to any PID bond issue and includes providing supporting documentation used to prepare the calculations and explanation of the calculations in a meeting with the IRS, if necessary. These services are provided on a time and material basis and are not included in the base fee.

# VI. CONTINUING DISCLOSURE SERVICES

## Continuing Disclosure/Annual Report Preparation

### 1. Annual Report Preparation

The Administrator will prepare an annual report as required by the continuing disclosure agreements, as needed.

### 2. Developer Quarterly Reports

The Administrator will request from the Developer the reports pursuant to the continuing disclosure agreement.

### 3. Significant Event Notices

Upon notification by any responsible party or if Administrator independently becomes aware of such knowledge, Administrator will prepare notices of material events covering the events enumerated in the disclosure agreements. The Administrator will provide the information to the dissemination agent engaged at the time of any bond issuance.

### 4. Dissemination

The Administrator will work directly with the dissemination agent or be engaged directly as the dissemination agent at the time of any bond issuance as designated by the City. If the Administrator is engaged as the dissemination agent, the Administrator will disseminate the annual reports, quarterly reports from the Developer, and notices of significant events to the MSRB and the appropriate state information repository (SID) in a timely manner as set forth in the continuing disclosure agreement. The Administrator shall also disseminate information to bond holders requesting information as provided for in the continuing disclosure agreements.

## VII. IRS COMPLIANCE MONITORING

### A. Compliance Monitoring

This task involves maintenance of an audit file and preparation of a report confirming compliance with applicable requirements of the tax certificate for the bonds. This task includes the following subtasks:

#### 1. Ownership and Transfer of Public Improvements

Confirm that all public improvements have been transferred to a public entity, once appropriate, as required by the applicable agreement with the developer.

#### 2. No Post-Closing Agreements

Confirm with any relevant parties to confirm that there are no post-closing agreements that give any private business user a special legal entitlement to any public improvement, except for those agreements reviewed by bond counsel.

#### 3. No Disposition of the Public Improvements

Confirm that there have been no sales leases, or other dispositions of any public improvements, except for dispositions reviewed by bond counsel.

#### 4. No Modifications

Confirm that there have been no modifications to any public improvement, except for those which are in compliance with agreement with the developer providing for the construction of the public improvements or as otherwise approved by bond counsel.

### 5. Maintenance of Audit File

Maintain an audit file with documentation to verify information related to compliance with the tax certificate.

### 6. Preparation of Report

Prepare a report to the City each year explaining the efforts of Administrator to verify confirmation of compliance with the tax certificate, documentation in the audit file, and identifying any missing information or requirements of the tax certificate not confirmed.

## B. Tax Reporting

Administrator will request and compile all information related to IRS-required tax reporting (i.e. W-9's) from all vendors, as needed (including at the time of debt issuance) and report this information annually to all vendors and the IRS in accordance with IRS regulations.

# VIII. ACCOUNTING SERVICES

This task includes the following subtasks:

## A. Review and Track Invoices

Administrator shall enter any payment certifications received from each PID into the accounts receivable journal, check the invoice against approved contracts or purchase orders, prepare certificates for the payment of the invoice by the Trustees, and forward the invoice with the Administrator's and Trustee's certificate to an officer of the City authorized to approve the disbursement of funds by each PID.

## B. Maintain General Ledger

Administrator shall enter transactions in a general ledger for each PID to maintain accounting records to be used for the preparation of financial statements, as needed.

## C. Financial Statement Preparation

Administrator shall record financial transactions for each PID in the appropriate ledgers of each PID and prepare annual financial statements for each PID, as needed.

## D. Annual Audit Coordination

The Administrator shall coordinate with the auditor the preparation of an audit of the financial records of each PID. Administrator shall incorporate internal controls as recommended by the auditor.

### E. Requisition Review

The Administrator shall review all requisition documentation, as needed, and verify confirmation of compliance of compliance with the Development, Acquisition and Financing Agreement or any other applicable agreement, confirm proper documentation in the audit file, and identify any missing information or requirements not confirmed, as needed.

## VIII. OTHER SERVICES

The Administrator will conduct an initial assessment of special district operational experience of City staff and create a detailed administrative task matrix and timeline for services provided herein. The Administrator will also provide and/or facilitate educational sessions and workshops to City Council and staff, as needed, as part of an ongoing special district awareness and capacity building.

The Administrator may provide other services requested by the City for which the Administrator has expertise, such as evaluating options to refund the bonds at a lower interest rate. Such services shall be provided only if confirmed in writing (including by email) and shall be billed on a time and material basis as provided for in Exhibit B. Upon request and as additional services billed on an hourly basis, Administrator shall provide additional services to assist with matters related to any PID. The services provided herein do not include conducting due diligence on information provided to or used by Administrator. The Administrator will not rely on information it does not believe to be reasonable and valid, but it will not investigate the validity of information unless requested to so as additional work. Administrator's services do not include any services not specified herein or specified at the time additional services are requested, including review of legal, engineering, and land use issues.

**Exhibit B**

***Consulting and Administration Services Fee Schedule for PIDs***

## I. CONSULTING SERVICES RELATED TO THE SERVICE AND ASSESSMENT PLAN AND BOND ISSUANCE

Administrator shall provide services as described in Section I of Exhibit A for a fee not to exceed $40,000 for each separate assessment levy and/or bond issuance plus out of pocket expenses as described below, dependent upon the size and scope of each PID. Such amount shall be paid to the Administrator from bond proceeds and/or developer funds. The Administrator shall also provide services as described in Section I of Exhibit A for a fee not to exceed $25,000 for each subsequent phase of development requiring levy of assessments and/or bond issuance and an amount not to exceed $25,000 for services related to refunding bonds. The estimated amount for each subsequent phase of development and refunding will be established upon receipt of additional information related to the PID. **Administrator's invoices shall be paid solely from available funds of the PID or from developer deposit with the City.**

## II. ADMINISTRATIVE SERVICES RELATED TO THE SPECIAL ASSESSMENTS

Administrative services, as set forth in Section II of Exhibit A, shall be provided on a time and material basis with total annual estimated costs of $30,000 per each phase of a PID with a separate assessment levy and/or bond issuance, plus an amount not to exceed of $4,000 for one-time initial set up costs, dependent upon the size and scope of each PID. Administrative services, as set forth in Section II of Exhibit A, shall be provided on a time and material basis with total annual estimated cost not to exceed $20,000 per subsequent phase of each PID requiring separate levy of assessments. These costs should decrease once additional phases are built and/or the development is complete. These amounts include preparation of and attendance at an annual meeting of the City to review the update of the annual service and assessment plan. Fees shall be billed based on the number of hours worked at Administrator's prevailing hourly rates, which are currently shown in the fee schedule below for "Additional Work", as agreed by City and Administrator. **Administrator's invoices shall be paid solely from available funds of the PID or from developer deposit with the City.**

## III. DELINQUENCY MANAGEMENT

Services related to delinquency management, as set forth in Section III of Exhibit A, are provided on a time and material basis and are included in the total annual estimates described above in Section II of this Exhibit "B."

## IV. PREPAYMENTS OF SPECIAL ASSESSMENTS

Services related to prepayment of special assessments, as set forth in Section IV of Exhibit A, are billed directly to the party requesting the prepayment and paid from prepayment proceeds.

## V. ARBITRAGE REBATE SERVICES

Annual arbitrage rebate is provided for a cost of $1,250 per bond series plus an initial setup fee of $500 per bond series. Calculations provided each five (5) years in lieu of annual calculations are provided for a cost of $4,000 per bond series plus an initial setup fee of $500 per bond series.

## VI. CONTINUING DISCLOSURE SERVICES

The costs of preparing the annual report and dissemination are provided on a time and material basis and are included in the total annual estimates described in Section II of this Exhibit "B."

## VII. IRS COMPLIANCE MONITORING

Services related to IRS compliance monitoring are estimated to cost $1,500 a year per PID with one-time set costs of $1,500 per PID.

## VIII. ACCOUNTING SERVICES

The costs of accounting services are provided on a time and material basis and are included in the total annual estimates described above in Section II of this Exhibit "B."

## REIMBURSABLE EXPENSES

Out of pocket expenses are billed at actual costs without any mark up. Administrator shall receive written approval from the City before incurring any expenses in excess of one-hundred dollars ($100).

The fees provided for herein may be increased from time to time to reflect increased costs of labor and services; provided however, that in no event shall such increase be made more than one time per year and such increase shall not exceed 10% of the fee charged immediately prior to the increase. Administrator shall provide City with one-hundred and twenty (120) days advance written notice of each such increase.

## ADDITIONAL WORK

Services or meetings not included in the scope of work set forth in Exhibit "A" to this Agreement are identified as additional work and shall be billed at Administrator's prevailing hourly rates, which currently are as follows:

| Title | Hourly Rate |
|---|---:|
| President | $275 |
| Senior Vice President | 250 |
| Vice President | 225 |
| Manager | 200 |
| Senior Associate | 175 |
| Associate | 150 |

Administrator's hourly rates may be adjusted from time to time to reflect increased costs of labor and services.

Administrator shall not provide additional work without City's prior written (including email) authorization.

Administrator shall send an invoice to City each month showing the work performed, the person performing the work, the date the work was performed, the amount of the time worked, and the hourly rates for the work. The invoice shall be accompanied by a certificate to the trustee, if applicable, to be signed by the City instructing the trustee to pay the invoice. Within thirty days of receiving the invoice, the City shall forward each correctly billed invoice to the trustee with a signed certificate instructing the trustee to pay the invoice.

Administrator specifically acknowledges that it shall have no recourse against City for payment of any fees associated with this Agreement.

**<u>Exhibit C</u>**
***Timelines***

## I. CONSULTING SERVICES RELATED TO THE SERVICE AND ASSESSMENT PLAN AND BOND ISSUANCE

Administrator shall deliver work products described in Section I of Exhibit A based on the document delivery timeline to be set by the City and the Administrator on a case by case basis.

## II. ADMINISTRATIVE SERVICES RELATED TO THE SPECIAL ASSESSMENTS

Administrator shall submit draft SAP updates for initial City staff review by _________________ of each year.

Administrator shall submit draft annual continuing disclosure reports to the City 30 days prior to the due date for such disclosure reports.

**<u>Exhibit D</u>**

***List of PIDs – to be updated with each new PID***

1. ______________ Public Improvement District

**RESOLUTION NO. _______**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ALVARADO, STATING THAT THE CITY COUNCIL HAS DETERMINED THE CONSTRUCTION MANAGER AT RISK DELIVERY METHOD TO PROVIDE THE BEST VALUE TO THE CITY AND THAT THE AWARD OF THE CONSTRUCTION MANAGER AT RISK CONTRACT WILL BE AWARDED BASED ON BEST VALUE TO THE CITY, AND PROVIDING AN EFFECTIVE DATE.**

**WHEREAS,** the City Council of the City of Alvarado finds that recent and forthcoming development in the City necessitates expansion the City's wastewater capacity; and

**WHEREAS,** the City Council has determined that its wastewater treatment plant should be expanded to provide needed capacity (the "Wastewater Treatment Plant Expansion Project" or the "Project"); and

**WHEREAS,** the City Council understands the Construction Manager at Risk (CMAR) method of delivery generally brings overall value and time savings to construction projects similar to the City's Project; and

**WHEREAS,** the CMAR is an Owner advocate and will manage the Project with the Owner's best interest in mind at all times; and

**WHEREAS,** constructability and value to the Owner are afforded by the Value Engineering expertise brought to the process by the CMAR; and

**WHEREAS,** CMAR services are professional services like architectural, engineering, surveying etc. and the CMAR's purpose is not only to construct the project, but to manage the coordination and construction of the project. This management focus adds much value to the Project; and

**WHEREAS,** the Wastewater Treatment Plant Expansion Project will benefit from these management services.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ALVARADO, TEXAS:**

**Section 1:** The City of Alvarado City Council has determined the construction manager at risk delivery method to provide the best value to the City of Alvarado for the Wastewater Treatment Plant Expansion Project and will award the construction manager at risk contract based on best value provided to the City after review of qualifications-based proposals from prospective firms.

**Section 2:** That this Resolution shall take effect immediately upon its passage, and it is so resolved.

**DULY RESOLVED AND ADOPTED** by the City Council of the City of Alvarado this 13th Day of December 2021.

**APPROVED:**

__________________________________
Jacob Wheat, Mayor

**ATTEST:**

______________________________
Debbie Thomas, City Secretary

**Agreement for Component Executive Recruitment Services**
**for Fire Chief**
between

Strategic Government Resources, Inc. ("SGR")
and
City of Alvarado, Texas ("Organization")

**Scope of Services.** SGR offers individually priced executive search components to deliver only the specific services you need. All services are rendered remotely. Onsite visits, if desired, are considered a separate component and subject to additional professional fees and travel expenses. Each of the individual components, and the pricing for each, is included below.

- **Marketing and Application Management / $8,450**
  - *Position Profile Brochure.* Organization will provide digital profile brochure to SGR for review and addition of contact information and application links.
  - *Marketing*. The marketing spans over thirty (30) days to a maximum of forty-five (45) days, as specified by Organization. Within this specified time period, SGR agrees to:
    - custom-made graphic for email and social media marketing
    - announcement in SGR's 10 in 10 e-newsletter on Servant Leadership;
    - featured position on SGR website;
    - featured ad on SGR's Job Board;
    - email blast to SGR's category-specific, opt-in network of subscribers
    - promotion on SGR's social media pages (Facebook, Twitter, LinkedIn & Instagram)
    - evaluation and recommendation for ad placements based on type of position and location; and
    - placements of ads (pass-through cost of ad placements not included).
  - *Application Management*. SGR will receive resumes and cover letters on behalf of Organization through SGR's applicant tracking system, communicate with applicants throughout the application submittal period, evaluate resumes after the position closes, conduct a virtual briefing with Organization after position closes, send emails to retain or release applicants after the briefing with the Organization, and provide application materials of retained applicants to the Organization.
  - ***Organization agrees to refer all prospective applicants to SGR and not to accept applications independently during the recruitment process.***
  - ***Organization shall specify how long SGR will accept applications for the position, up to a maximum of 45 days.***
  - Within seven (7) business days of application close date, SGR will conduct a virtual briefing with Organization and present candidate evaluations.
  - ***Organization agrees to provide SGR with a list of any candidates to be released within two (2) weeks following the briefing with SGR.*** At that time, SGR will release any candidates that will not continue in the process and email the remaining candidates that the Organization will be the primary contact from that point forward. If the Organization does not provide a list of

candidates to be released, SGR will email all candidates and notify them that the Organization will be the primary contact from that point forward. SGR will then consider services fulfilled.

  - If the Organization is not satisfied with the applicant pool, SGR must be notified within three (3) weeks of triage briefing date, and SGR will then coordinate with Organization to reopen position, for a maximum of 45 days, at no additional charge to Organization (with the exception of reimbursable expenses). After the second posting of position, each additional opening will be charged as a new position for the full amount of $9,950.

- **<u>Stakeholder Survey / $1,000</u>**
  - SGR will provide recommended survey questions within three (3) business days of project initiation. SGR will set up an online survey within one (1) day after Organization has reviewed and approved the survey questions. Stakeholders can be directed to a web page or invited to take the survey by email. SGR and Organization will agree to the open survey time period, typically ten (10) to thirty (30) days.
  - ***Organization shall be responsible for marketing and promoting the survey to stakeholders.***
  - A written summary of results is provided to Organization within three (3) business days of survey close date. *Survey is not validated statistically.*
- **<u>Questionnaire / $225 per candidate</u>**
  - SGR develops a written exercise customized to the position. SGR distributes questionnaire to candidates, evaluates questionnaires, and holds a virtual briefing with Organization after questionnaires are received.
  - SGR will provide a draft questionnaire to Organization within three (3) business days of request. SGR will send questionnaires to candidates within two (2) business days of Organization's approval of questionnaire. Candidates are typically given one (1) week to complete the questionnaire. SGR will be prepared to hold briefing with Organization within three (3) business days after receiving completed questionnaires from candidates.
- **<u>Online Interviews / $225 per candidate</u>**
  - SGR provides recommended position-specific questions for Organization approval, prompts candidates to complete online interviews, and emails a link to Organization to view the recorded interviews.
  - Candidates are typically given five (5) to seven (7) days to complete the interviews. SGR will provide a link with the candidate interviews within two (2) business days after candidates complete the recorded interviews.
- **<u>Comprehensive Media Reports / $500 per candidate</u>**
  - SGR uses a proprietary media search process to go far beyond automated Google/LexisNexis searches. SGR's process is customized to provide a comprehensive media search on each candidate.
  - SGR will provide media report via email within two (2) weeks of receiving completed release form from candidate.
- **<u>Management Style Analysis / $175 per candidate</u>**
  - SGR uses the DiSC Management psychometric assessment to provide detailed insights regarding how a candidate would lead and manage an organization. SGR will also provide a DiSC Management Comparison Report, which presents a side-by-side view of each candidate's preferred management style.

- Candidates are typically given two (2) to three (3) business days to complete the assessments. The assessment reports will be provided to Organization within two (2) business days of assessment completion by candidates.

- **Background Checks / $400 per candidate**
  - Through SGR's partnership with a licensed private investigations firm, we are able to provide detailed comprehensive background reports.
  - Background check reports include: SSN trace and address verification; credit and financial summaries and credit bureau report (if desired); personal information, address, and employment comparisons; county criminal and civil records search (for last three counties of residence); state criminal records search (for last three states of residence); county wants and warrants; Federal criminal records search; InstaCriminal national search; Global homeland security search; sex offender records search; driving/motor vehicle records; education verification for highest degree obtained; employment verification (if desired); and military verification (if desired).
- **Reference Checks / $225 per candidate**
  - SGR provides the organization a specific list of contacts to request from the candidate, based on the type of position. SGR provides a written (anonymous) summary of reference checks.
- **Supplemental Services / $250 per hour**
  - If the Organization desires any supplemental services not mentioned in this section, an estimate of the cost and hours to be committed will be provided at that time, and no work shall be done without approval. Supplemental services will be billed out at $250 per hour.

**Reimbursable Expenses.**

- **Ad Placement and Social Media Marketing Fees.** Ad placements and social media marketing are billed at actual cost. No ad placement or marketing costs will be incurred without prior approval of Organization.
- **Reproduction Costs.** Reproduction costs are not anticipated or taken into consideration in component search pricing.
- **Shipping.** Shipping charges are billed at actual cost.
- **Travel.** Travel is not anticipated or taken into consideration in component search pricing. If the Recruiter and Organization agree that Recruiter travel is beneficial for the component search, travel time for the recruiter will be paid at a rate of $250 per hour, plus $1,000 per day for each day the recruiter is working onsite, regardless of number of hours worked. Travel expenses will be reimbursed in accordance with SGR's travel policy rates. **Travel will be dependent on COVID restrictions in place at the time and take into consideration and health and safety of team members of both Parties.**

**Terms and Conditions.**

- **Obligation. This contract provides enabling authority only, and no work will be initiated without the advance authorization of Organization. There is no obligation under this agreement for the Organization to utilize any of these services or any minimum volume of these services.**
- **Termination.** The Organization reserves the right to terminate this agreement at any time upon giving SGR seven days advanced written notice to SGR, Attn: Melissa Valentine, PO Box 1642, Keller, TX 76244 or by email to MelissaValentine@GovernmentResource.com. In such event, SGR will be

compensated for all work satisfactorily completed up to and through the date of termination. From and after the effective date of termination, neither party shall have any obligation to the other.

- **Equal Opportunity Commitment.** SGR abides by equal employment opportunity. SGR does not discriminate and will not enter into an engagement with an entity or organization that directs, or expects, that bias should or will be demonstrated on any basis other than those factors that have a bearing on the ability of the candidate to do the job. The Organization agrees that Organization is ultimately responsible for candidate selections and that Organization will not discriminate against any candidate on the basis of age, race, creed, color, religion, sex, sexual orientation, national origin, disability, marital status, or any other basis that is prohibited by federal, state, or local law.
- **Fair Credit Reporting Act.** The Organization agrees that if Organization decides not to hire a candidate as a result of their credit history report, Organization agrees to comply with the FCRA with regard to any pre- or post-adverse action notices and requirements.
- **Confidentiality.** The Organization acknowledges that the nature of executive recruitment is such that SGR engages in discussions with prospects who may or may not ultimately become a candidate, and that SGR may utilize its proprietary network of relationships to identify and engage prospective candidates, and that premature release of such proprietary information, including names of applicants and prospective applicants, may be damaging to the prospects and to SGR. Accordingly, the Organization acknowledges and, to the extent provided by law, agrees that all information related to this search is proprietary and remains the property of and under the exclusive control of SGR, regardless of whether such information has been shared with the Organization, including all decisions regarding release of information.
- **Public Information Requests.** The Organization agrees to provide legal opinions to SGR regarding when and if information must be released in accordance with Public Information requests.
- **Payment.** SGR will invoice for each component option immediately upon completion. This may result in multiple invoices for this contract, depending on how many service options are selected by the Organization. Payment terms are thirty (30) days from date of invoice.

**Summary of Pricing. Please <u>mark below</u> to confirm anticipated services.**

| **Service** | **Pricing** ***(excludes reimbursable expenses or add-ons)*** | **Initial for Service** |
|---|---|---|
| Marketing and Application Management | $8,450 | |
| Stakeholder Survey | $1,000 | |
| Questionnaire | $225 per candidate | |
| Online Interviews | $225 per candidate | |
| Comprehensive Media Reports | $500 per candidate | |
| Management Style Analysis | $175 per candidate | |
| Background Checks | $400 per candidate | |
| Reference Checks | $225 per candidate | |

Organization Contact for Invoicing:

Name: ________________________________________________

Position: ______________________________________________

Email: _________________________________________________

Phone: ________________________________________________

Approved and Agreed to, ___________________________________ by and between

______________________________________
Jeri J. Peters, President of Executive Recruitment
Strategic Government Resources

______________________________________
City of Alvarado, Texas

Name: ________________________________

Title: _________________________________

# PROPOSAL FOR EXECUTIVE RECRUITMENT SERVICES

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FIRE CHIEF

CITY OF ALVARADO, TEXAS

December 2021

(This proposal is valid for 60 days)

Strategic Government Resources

P.O. Box 1642, Keller, Texas 76244
Office: 817-337-8581

JJ Peters, President of Executive Recruitment
JJPeters@GovernmentResource.com

December 8, 2021

Paul DeBuff, City Manager
City of Alvarado, Texas

Dear Mr. DeBuff:

Thank you for the opportunity to submit this proposal to assist the City of Alvarado with marketing/outreach, application management, and applicant screening for your upcoming Fire Chief recruitment. SGR has the unique ability to provide a personalized and comprehensive recruitment to meet your needs.

I would like to draw your attention to a few key items that distinguish SGR from other recruitment firms and allow us to reach the most extensive and diverse pool of applicants:

- SGR is a recognized thought leader in local government management and is actively engaged in local government operations, issues, and best management practices.
- SGR's Servant Leadership e-newsletter, where all recruitments conducted by SGR are announced, reaches over 48,000 subscribers in all 50 states.
- SGR will send targeted emails to our opt-in Job Alert subscriber database of over 2,600 fire service professionals.

We are excited about the prospect of partnering with the City of Alvarado on this recruitment, and we are available to visit with you at your convenience.

Respectfully submitted,

Jennifer Fadden, Chief Operating Officer
JenniferFadden@GovernmentResource.com

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## Company Profile

**Background**

Strategic Government Resources, Inc. (SGR) exists to help local governments become more successful by Recruiting, Assessing, and Developing Innovative, Collaborative, and Authentic Leaders. SGR was incorporated in Texas in 2002 with the mission to facilitate innovative leadership in local government. SGR is fully owned by former City Manager Ron Holifield, who spent two high-profile decades in city management and served as a City Manager in several cities.

SGR's business model is truly unique. Although we are a private company, SGR operates like a local government association. Most of SGR's principals are former local government officials, allowing SGR to bring a perspective and depth of local government expertise to every project that no other firm can match.

SGR's Core Values are Customer Service, Integrity, Philanthropy, Continuous Improvement, Agility, Collaboration, Protecting Relationships, and the Golden Rule.

SGR is a **full-service firm**, specializing in executive recruitment, interim placements, online training, onsite training, leadership development, psychometric assessments, strategic visioning retreats, one-on-one employee coaching, and other consulting services designed to promote innovation, team building, collaboration, and continuous improvement in local governments. SGR has approximately 700 local government clients in 47 states for all of our business lines combined. SGR has been, and continues to be, a leader in spurring innovation in local government.

SGR has 24 full-time employees, 2 part-time employees, 17 recruiters, and a number of consultants who function as subject matter experts on a variety of projects.

SGR's corporate headquarters is in the Dallas/Fort Worth Metroplex. SGR also has virtual offices in California, Florida, Minnesota, New York, North Carolina, Ohio, Oklahoma, Oregon, and Pennsylvania.

**SGR Executive Leadership – Recruitment**

- Ron Holifield, Chief Executive Officer
- Jennifer Fadden, Chief Operating Officer
- JJ Peters, President of Executive Recruitment

View all SGR team members and bios at: governmentresource.com/about-us/meet-the-team

## SGR’s Unique Qualifications

**Extensive Network of Prospects**

SGR is intent on being a leader in executive recruitment, and we believe it is imperative to be proactive in our mission to build a workforce that represents the communities we serve. SGR reaches an extensive and diverse pool of prospects by utilizing our unequaled network of prospects.

- SGR’s Servant Leadership e-newsletter, where your position will be announced, reaches over 48,000 subscribers in all 50 states.
- We will send targeted emails to over 2,600 opt-in subscribers to SGR’s Fire Job Alerts.
- Your position will be posted on SGR’s Website, GovernmentResource.com, which has more than 36,000 visitors per month.
- Your position will be posted on SGR’s Job Board, SGRjobs.com, which averages more than 16,000 unique visitors per month and has over 1,600 jobs listed at any given time.
- SGR provides a comprehensive social media marketing campaign that includes custom-made graphics and distribution on Facebook, Twitter, Instagram, and LinkedIn.
- SGR frequently partners with local government associations including League of Women in Government and the Local Government Hispanic Network.
- Approximately 65% of semifinalists selected by our clients learned about the open recruitment through via our website, servant leadership e-newsletter, job board, social media, job alert emails, or personal contact.

**Collective Local Government Experience**

Our recruiters have years of experience in local government and both regional and national networks of relationships. The entire executive recruitment group works as a team to leverage their networks to assist with each recruitment. SGR team members are active on a national basis, in both local government organizations and professional associations. Many SGR team members frequently speak and write on issues of interest to local government executives. SGR can navigate all of the relevant networks as both a peer and insider.

**Equal Opportunity Commitment**

SGR strongly believes in equal employment opportunity. SGR does not discriminate and believes that equal opportunity is an ethical issue. SGR quite simply will not enter into an engagement with an entity or organization that directs, or expects, that bias should or will be demonstrated on any basis other than those factors that have a bearing on the ability of the candidate to do the job. You can anticipate that SGR will make a serious and sincere effort to encourage qualified applicants from underrepresented demographic groups to apply. Although SGR obviously cannot, and would not, guarantee the makeup of the semifinalist or finalist groups, SGR does have relationships and contacts nationwide to encourage the meaningful participation of underrepresented minority groups, and we continue to evaluate and improve our processes by embedding a lens of equity and inclusion into our recruitment practices.

**Listening to Your Unique Needs**
SGR devotes a significant amount of time to actively listening to your organization and helping you define and articulate your needs. We work hard to conduct a comprehensive recruitment that is unique to you. SGR devotes a tremendous amount of energy to understanding your organization's unique culture, environment, and local issues to ensure a great "fit" from values, philosophy, and management style perspectives.

**Trust of Candidates**
SGR has a track record of remarkable confidentiality and providing wise counsel to candidates and next generation leaders; we have earned their trust. As a result, SGR is often able to get exceptional prospects to become candidates, even if they have declined to become involved in other recruitment processes. Candidates trust SGR to assess the situation well, communicate honestly and bluntly, and maintain their confidentiality to the greatest extent possible.

**Accessibility & Communication**
Your executive recruiter is accessible at all times throughout the recruitment process and can be reached by candidates or clients, even at night and on weekends, by cell phone or email. In addition, the recruiter communicates with active applicants on a weekly basis and sends Google alerts articles to keep the applicants informed about the community and opportunity.

**Comprehensive Evaluation and Vetting of Candidates**
SGR offers a candidate screening process that prevents surprises and ensures in-depth understanding. Our vetting process includes:

- Prescreening questions and technical review of resumes
- Cross communication between our recruiters about candidates who have been in previous searches for greater understanding of background and skills
- Comprehensive written questionnaires to gain different insights than typically available on a resume
- Online pre-recorded video interviews that allow search committee members, at their convenience, to view candidates in an interview setting prior to the finalist stage of the recruitment process
- Comprehensive media reports that go far beyond automated Google/LexisNexis searches and are customized to each candidate based on where they have lived and worked
- Comprehensive automated and anonymous reference checks that provide deep insights on candidates' soft skills from a well-rounded group of references
- Psychometric assessments (supplemental cost)
- Comprehensive background checks completed by a licensed private investigation firm
- Advanced exercise, customized to the organization, for finalist candidates

## Project Personnel

**Rudy Jackson, Senior Vice President**

RudyJackson@GovernmentResource.com
Office: 940-257-8888

Rudy Jackson joined SGR in 2021. He began his career in local government with the Fort Worth Fire Department in 1982 and worked his way up the ranks, becoming fire captain in 1994 and battalion chief three years later. He served as chief training officer from 2002 to 2004, fire marshal until 2006 and then was promoted to deputy chief. In 2007, Jackson was promoted to Fire Chief and served the City of Fort Worth in that role until he retired in 2018.

Rudy is a Board Member for Lena Pope Home Incorporated and actively involved with First Greater New Hope Baptist Church.

# MARKETING & APPLICATION MANAGEMENT RECRUITMENT PACKAGE

December 2021 Pricing

## MARKETING & APPLICATION MANAGEMENT RECRUITMENT PACKAGE

## $9,950

Components of this search package include:

- **Development of a Position Profile Brochure** - Utilizing information and photos provided by the organization, SGR's professional graphic designers and copywriters will develop a position profile brochure that is reviewed and revised in partnership with your organization until it accurately describes your community/organization, the position, and your ideal candidate.
- **Marketing** - Approximately 65% of semifinalists selected by our clients learn about the open recruitment via our website, servant leadership e-newsletter, job board, social media, job alert emails, or personal contact. SGR's marketing strategy includes:
    - Marketing period of 30-45 days
    - Custom-made graphics
    - Announcement in SGR's servant leadership e-newsletter, which reaches over 48,000 subscribers in all 50 states
    - Post on SGR's website (GovernmentResource.com), which has more than 36,000 visitors per month
    - Featured Ad on SGR's Job Board (SGRjobs.com), the 2nd largest local government job board in the nation, which averages more than 16,000 unique visitors per month and has over 1,600 jobs listed at any given time
    - Targeted job blast to our profession-specific Job Alert opt-in subscriber database
    - Promotion on SGR's social media networks (Facebook, Twitter, Instagram, LinkedIn)
    - Develop list of ad placement recommendations
    - Write ad language
    - Place ads (pass-through cost of ad placements not included)
- **Application Management & Screening** – SGR's recruiter will:
    - Receive resumes and cover letters on behalf of the organization through SGR's applicant tracking system
    - Communicate with applicants throughout the application submittal period
    - Evaluate resumes
    - Conduct a virtual briefing with the organization after the position closes
    - Send emails to retain or release applicants after the briefing with the organization
    - Provide application materials of retained applicants to the organization
    - Hand off search to the organization

## Fire Recruitments, 2016-Present

### In Progress

- Lansing, MI (pop. 118,000) - Fire Chief
- New Braunfels, TX (pop. 90,000) - Fire Chief
- Pearland, TX (pop. 130,000) - Assistant Fire Chief
- Snohomish County Fire District #5, WA – Assistant Fire Chief

### 2021

- Bridgeport, TX (pop. 6,500) - Fire Chief
- Chickasha, OK (pop. 16,000) - Fire Chief
- Del Rio, TX (pop. 35,000) - Fire Chief
- Flower Mound, TX (pop. 80,000) - Fire Chief *
- Harris County ESD48, TX (pop. 150,000) - Fire Chief
- Manchester, CT (pop. 60,000) - Fire Chief
- Plainview, TX (pop. 22,000) - Fire Chief *
- Richland, WA (pop. 60,000) - Deputy Fire Chief

### 2020

- Belton, TX (pop. 22,000) - Fire Chief
- Boynton Beach, FL (pop. 74,000) - Chief of Fire & EMS
- Killeen, TX (pop. 151,000) - Fire Chief
- Little Elm, TX (pop. 46,000) - Fire Chief
- Shawnee, KS (pop. 66,000) - Fire Chief *
- Waco, TX (pop. 130,000) - Fire Chief *

### 2019

- Cape Girardeau, MO (pop. 38,000) - Fire Chief *
- DeLand, FL (pop. 32,000) - Fire Chief *
- Leander, TX (pop. 20,000) - Fire Chief
- Taylor, TX (pop. 17,000) - Fire Chief

### 2018

- Albany, GA (pop. 75,000) - Fire Chief
- Allen, TX (pop. 100,000) - Fire Chief
- DeLand, FL (pop. 32,000) - Fire Chief *
- Farmington, NM (pop. 45,000) - Fire Chief

- Golden, CO (pop. 21,000) - Fire Chief
- Missouri City, TX (pop. 70,000) - Battalion Chief *
- Mountain View Fire Protection District, CO - Fire Chief
- Plainview, TX (pop. 22,000) - Fire Chief
- Wyandotte County/Kansas City, KS (pop. 161,000) - Fire Chief *

**2017**

- Baytown, TX (pop. 82,000) - Fire Chief
- Midland, TX (pop. 133,000) - Fire Chief *

**2016**

- Addison, TX (pop. 15,000) - Fire Chief
- Bedford, TX (pop. 49,000) - Fire Chief
- Garland, TX (pop. 235,000) - Fire Chief
- Richardson, TX (pop. 110,000) - Fire Chief
- Round Rock, TX (pop. 113,000) - Fire Chief
- Tyler, TX (pop. 109,000) - Fire Chief
- Waco, TX (pop. 124,000) - Fire Chief

** SGR conducted "front-end" of search that included development of position profile brochure, marketing, application management, initial screening of applications, virtual briefing with organization, and release of applicants not continuing in the process. At that point, the search was transitioned to the organization.*

*Population number is approximate population at the time the recruitment took place.*

## SGR Executive Recruitment Clients 2013 to Present Include:

**Alabama**
- Montgomery

**Arizona**
- Avondale
- Chandler
- Mesa
- Wickenburg

**Arkansas**
- Fort Smith
- Hot Springs

**California**
- Encinitas

**Colorado**
- Arvada
- Aurora
- Brighton
- Combined Regional Communications Authority (Fremont County)
- Commerce City
- Craig
- Durango
- Eagle County Paramedic Services
- Englewood
- Erie
- Fort Collins
- Golden
- Gunnison
- Lamar
- Mountain View Fire Protection District
- Northglenn
- Vail
- Wheat Ridge

**Connecticut**
- Clinton
- Fairfield
- Hartford
- Manchester
- South Windsor
- Tolland
- Wethersfield

**Florida**
- Boynton Beach
- Brevard County
- Clermont
- DeLand
- Fernandina Beach
- Fort Lauderdale
- Government Services Group, Inc.
- Green Cove Springs
- Indian River County
- Jupiter
- Lakeland
- Lee County
- Nassau County
- North Port
- Ormond Beach
- Palm Coast
- Plant City
- Port St. Lucie
- River to Sea Transportation Planning Organization
- Sarasota County
- Tamarac
- Winter Haven

**Georgia**
- Albany
- Alpharetta
- Covington
- Johns Creek

**Indiana**

- Clarksville

**Iowa**

- Ames
- Davenport
- Des Moines Water Works

**Kansas**

- Coffeyville
- Hutchinson
- Iola
- Johnson County
- Johnson County Park & Recreation District
- Lawrence
- Lenexa
- Mission Hills
- Olathe
- Overland Park
- Shawnee
- Topeka
- Wyandotte County/Kansas City, Kansas
- Valley Center

**Kentucky**

- Paducah

**Louisiana**

- Shreveport

**Maryland**

- Cecil County Government

**Michigan**

- Ann Arbor
- Kalamazoo County Consolidated Dispatch Authority
- Lansing
- Midland
- Muskegon Heights

**Minnesota**

- Blaine
- Chanhassen

**Mississippi**

- Hancock County Port and Harbor Commission

**Missouri**

- Ballwin
- Cameron
- Cape Girardeau
- Grandview
- Joplin
- Lebanon
- Monett
- Nixa
- Parkville
- Riverside
- Sikeston
- Smithville
- Springfield
- St. Charles

**Montana**

- Bozeman
- Great Falls

**Nevada**

- Clark County
- Las Vegas
- Washoe County

**New Mexico**

- Farmington
- Four Corners Economic Development Corp.
- Lea County
- Los Lunas

**New York**
- Briarcliff Manor
- Port Chester
- Rye

**North Carolina**
- Cary
- Mooresville

**North Dakota**
- Mountrail-Williams Electric Cooperative
- Williston

**Ohio**
- Beavercreek
- Franklin County

**Oklahoma**
- Altus
- Bethany
- Broken Arrow
- Chickasha
- Choctaw
- Glenpool
- Lawton
- Miami
- Miami Office of Economic Development
- Oklahoma Municipal League
- Owasso
- Stillwater

**Oregon**
- Clackamas County
- Eugene
- Hermiston
- Klamath Falls
- Lane Regional Air Protection Agency
- Sandy
- Sherwood
- Springfield
- Tigard

**Pennsylvania**
- Kennett Square

**Tennessee**
- Johnson City
- Murfreesboro

**Texas**
- Abilene
- Addison
- Alamo Heights
- Aledo
- Alice
- Allen
- Alvarado
- Alvin
- Amarillo
- Angleton
- Anna
- Argyle
- Arlington
- Austin
- Azle
- Bastrop
- Bastrop Economic Development Corp.
- Bay City
- Baytown
- BCFS Health & Human Services
- Bedford
- Bell County
- Bellaire
- Belton
- Boerne
- Breckenridge
- Brenham
- Bridgeport
- Brownsville
- Brushy Creek Regional Utility Authority
- Bullard
- Burkburnett
- Burleson

**Texas, continued**

- Canadian
- Canyon
- Canyon Regional Water Authority
- Capital Area of Texas Regional Advisory Council (CATRAC)
- Carrollton
- Castroville
- Cedar Park
- Celina
- Citizens for Progress
- City Center Waco
- Cleburne
- Clute
- Coleman
- College Station
- Colleyville
- Commerce
- Copperas Cove
- Corpus Christi
- Dallas County
- Dallas County Park Cities M.U.D.
- Del Rio
- Denison
- Denison Area Chamber of Commerce
- Denton
- Denton County Fresh Water Supply District No. 1-A
- Denton County Transportation Authority
- DeSoto
- Dickinson
- Duncanville
- Eagle Pass
- Edinburg
- El Paso
- El Paso MPO
- Elgin
- Ennis
- Euless
- Fairview
- Farmers Branch

**Texas, continued**

- Fate
- Ferris
- Flower Mound
- Forney
- Fort Worth
- Freeport
- Frisco
- Fulshear
- Garland
- Georgetown
- Georgetown Chamber of Commerce
- Gonzales Economic Development Corp.
- Granbury
- Grand Prairie
- Grapevine
- Green Valley Special Utility District
- Gun Barrel City
- Harris County ESD No. 48
- Henderson
- Highland Park
- Humble
- Hutto
- Hutto Community Development Corp.
- HJV Associates
- Irving
- Jacksonville
- Jacksonville Economic Development Corp.
- Joshua
- Katy
- Kaufman
- Kilgore
- Killeen
- Kingsville
- Kyle
- Lago Vista
- Lake Dallas
- Lake Worth
- Lakeway
- Lamesa
- Lancaster

**Texas, continued**

- League City
- Leander
- Levelland
- Levelland Economic Development Corp.
- Liberty Hill
- Lindale
- Little Elm
- Live Oak
- Lockhart
- Longview
- Longview Economic Development Corp.
- Lubbock
- Lubbock Power & Light
- Madisonville
- Manor
- Marble Falls
- Marshall
- McKinney
- McKinney Economic Development Corp.
- Memorial Villages Police Department
- Mesquite
- Messer Rockefeller & Fort
- Midland
- Mineral Wells
- Missouri City
- Mont Belvieu
- Montgomery
- Mount Pleasant
- Mount Pleasant Economic Development Corp.
- MPACT CDC
- Nacogdoches
- Nederland
- New Braunfels
- North Central Texas Council of Governments (NCTCOG)
- North Texas Municipal Water District
- North East Texas Regional Mobility Authority

**Texas, continued**

- North Hays County Emergency Services District No. 1
- North Texas Municipal Water District
- North Richland Hills
- North Texas Emergency Communications Center (NTECC)
- Odessa
- Orange
- Palestine
- Paris
- Pearland
- Pflugerville
- Piney Point Village
- Plainview
- Plano
- Port Arthur
- Port Lavaca
- Port Neches
- Portland
- Princeton
- Red Oak
- Reeves County
- Richardson
- Riverbend Water District
- Rockwall Economic Development Corp.
- Round Rock
- Round Rock ISD
- Rowlett
- Royse City Community Development Corporation
- Saginaw
- San Angelo
- San Antonio ISD
- San Jacinto River Authority
- San Marcos
- San Marcos/Hays County EMS
- San Patricio County Economic Development Corp.
- Santa Fe
- Seagoville

**Texas, continued**

- Sealy
- Sherman Economic Development Corp.
- Snyder
- Socorro
- South Grayson Special Utility District
- South Padre Island
- Southlake
- Stephenville
- Sunnyvale
- Sweetwater
- Tarrant County 9-1-1 District
- Taylor
- Temple
- Terrell
- TexAmericas Center
- Texas City
- The Colony
- Trophy Club Municipal Utility District
- Tyler
- Upper Brushy Creek Water Control & Improvement District
- Venus
- Victoria
- Waco
- Waxahachie
- Weatherford
- Webster
- West Lake Hills
- West University Place
- Westworth Village
- Wichita Falls
- Willow Park
- Wills Point
- Wilmer

**Virginia**

- Orange County

**Washington**

- Bainbridge Island
- Bellevue
- Blaine
- Burien
- Des Moines
- Richland
- Shoreline
- Snohomish County Fire District #5
- Snoqualmie
- Spokane
- Spokane Regional Transportation Council
- Spokane Valley
- Whitworth Water District #2

**Wyoming**

- Campbell County
- Casper

**Agreement for Component Executive Recruitment Services**
**for Fire Chief**
between

Strategic Government Resources, Inc. ("SGR")
and
City of Alvarado, Texas ("Organization")

**Scope of Services.** SGR offers individually priced executive search components to deliver only the specific services you need. All services are rendered remotely. Onsite visits, if desired, are considered a separate component and subject to additional professional fees and travel expenses. Each of the individual components, and the pricing for each, is included below.

- **Marketing and Application Management / $8,450**
  - *Position Profile Brochure.* Organization will provide digital profile brochure to SGR for review and addition of contact information and application links.
  - *Marketing*. The marketing spans over thirty (30) days to a maximum of forty-five (45) days, as specified by Organization. Within this specified time period, SGR agrees to:
    - custom-made graphic for email and social media marketing
    - announcement in SGR's 10 in 10 e-newsletter on Servant Leadership;
    - featured position on SGR website;
    - featured ad on SGR's Job Board;
    - email blast to SGR's category-specific, opt-in network of subscribers
    - promotion on SGR's social media pages (Facebook, Twitter, LinkedIn & Instagram)
    - evaluation and recommendation for ad placements based on type of position and location; and
    - placements of ads (pass-through cost of ad placements not included).
  - *Application Management*. SGR will receive resumes and cover letters on behalf of Organization through SGR's applicant tracking system, communicate with applicants throughout the application submittal period, evaluate resumes after the position closes, conduct a virtual briefing with Organization after position closes, send emails to retain or release applicants after the briefing with the Organization, and provide application materials of retained applicants to the Organization.
  - ***Organization agrees to refer all prospective applicants to SGR and not to accept applications independently during the recruitment process.***
  - ***Organization shall specify how long SGR will accept applications for the position, up to a maximum of 45 days.***
  - Within seven (7) business days of application close date, SGR will conduct a virtual briefing with Organization and present candidate evaluations.
  - ***Organization agrees to provide SGR with a list of any candidates to be released within two (2) weeks following the briefing with SGR.*** At that time, SGR will release any candidates that will not continue in the process and email the remaining candidates that the Organization will be the primary contact from that point forward. If the Organization does not provide a list of

candidates to be released, SGR will email all candidates and notify them that the Organization will be the primary contact from that point forward. SGR will then consider services fulfilled.

- If the Organization is not satisfied with the applicant pool, SGR must be notified within three (3) weeks of triage briefing date, and SGR will then coordinate with Organization to reopen position, for a maximum of 45 days, at no additional charge to Organization (with the exception of reimbursable expenses). After the second posting of position, each additional opening will be charged as a new position for the full amount of $9,950.

- **Stakeholder Survey / $1,000**
  - SGR will provide recommended survey questions within three (3) business days of project initiation. SGR will set up an online survey within one (1) day after Organization has reviewed and approved the survey questions. Stakeholders can be directed to a web page or invited to take the survey by email. SGR and Organization will agree to the open survey time period, typically ten (10) to thirty (30) days.
  - ***Organization shall be responsible for marketing and promoting the survey to stakeholders.***
  - A written summary of results is provided to Organization within three (3) business days of survey close date. *Survey is not validated statistically.*
- **Questionnaire / $225 per candidate**
  - SGR develops a written exercise customized to the position. SGR distributes questionnaire to candidates, evaluates questionnaires, and holds a virtual briefing with Organization after questionnaires are received.
  - SGR will provide a draft questionnaire to Organization within three (3) business days of request. SGR will send questionnaires to candidates within two (2) business days of Organization's approval of questionnaire. Candidates are typically given one (1) week to complete the questionnaire. SGR will be prepared to hold briefing with Organization within three (3) business days after receiving completed questionnaires from candidates.
- **Online Interviews / $225 per candidate**
  - SGR provides recommended position-specific questions for Organization approval, prompts candidates to complete online interviews, and emails a link to Organization to view the recorded interviews.
  - Candidates are typically given five (5) to seven (7) days to complete the interviews. SGR will provide a link with the candidate interviews within two (2) business days after candidates complete the recorded interviews.
- **Comprehensive Media Reports / $500 per candidate**
  - SGR uses a proprietary media search process to go far beyond automated Google/LexisNexis searches. SGR's process is customized to provide a comprehensive media search on each candidate.
  - SGR will provide media report via email within two (2) weeks of receiving completed release form from candidate.
- **Management Style Analysis / $175 per candidate**
  - SGR uses the DiSC Management psychometric assessment to provide detailed insights regarding how a candidate would lead and manage an organization. SGR will also provide a DiSC Management Comparison Report, which presents a side-by-side view of each candidate's preferred management style.

- Candidates are typically given two (2) to three (3) business days to complete the assessments. The assessment reports will be provided to Organization within two (2) business days of assessment completion by candidates.

- **<u>Background Checks / $400 per candidate</u>**
  - Through SGR's partnership with a licensed private investigations firm, we are able to provide detailed comprehensive background reports.
  - Background check reports include: SSN trace and address verification; credit and financial summaries and credit bureau report (if desired); personal information, address, and employment comparisons; county criminal and civil records search (for last three counties of residence); state criminal records search (for last three states of residence); county wants and warrants; Federal criminal records search; InstaCriminal national search; Global homeland security search; sex offender records search; driving/motor vehicle records; education verification for highest degree obtained; employment verification (if desired); and military verification (if desired).
- **<u>Reference Checks / $225 per candidate</u>**
  - SGR provides the organization a specific list of contacts to request from the candidate, based on the type of position. SGR provides a written (anonymous) summary of reference checks.
- **<u>Supplemental Services / $250 per hour</u>**
  - If the Organization desires any supplemental services not mentioned in this section, an estimate of the cost and hours to be committed will be provided at that time, and no work shall be done without approval. Supplemental services will be billed out at $250 per hour.

**Reimbursable Expenses.**

- **Ad Placement and Social Media Marketing Fees.** Ad placements and social media marketing are billed at actual cost. No ad placement or marketing costs will be incurred without prior approval of Organization.
- **Reproduction Costs.** Reproduction costs are not anticipated or taken into consideration in component search pricing.
- **Shipping.** Shipping charges are billed at actual cost.
- **Travel.** Travel is not anticipated or taken into consideration in component search pricing. If the Recruiter and Organization agree that Recruiter travel is beneficial for the component search, travel time for the recruiter will be paid at a rate of $250 per hour, plus $1,000 per day for each day the recruiter is working onsite, regardless of number of hours worked. Travel expenses will be reimbursed in accordance with SGR's travel policy rates. **Travel will be dependent on COVID restrictions in place at the time and take into consideration and health and safety of team members of both Parties.**

**Terms and Conditions.**

- **Obligation. This contract provides enabling authority only, and no work will be initiated without the advance authorization of Organization. There is <u>no obligation</u> under this agreement for the Organization to utilize any of these services or any minimum volume of these services.**
- **Termination.** The Organization reserves the right to terminate this agreement at any time upon giving SGR seven days advanced written notice to SGR, Attn: Melissa Valentine, PO Box 1642, Keller, TX 76244 or by email to <u>MelissaValentine@GovernmentResource.com</u>. In such event, SGR will be

compensated for all work satisfactorily completed up to and through the date of termination. From and after the effective date of termination, neither party shall have any obligation to the other.

- **Equal Opportunity Commitment.** SGR abides by equal employment opportunity. SGR does not discriminate and will not enter into an engagement with an entity or organization that directs, or expects, that bias should or will be demonstrated on any basis other than those factors that have a bearing on the ability of the candidate to do the job. The Organization agrees that Organization is ultimately responsible for candidate selections and that Organization will not discriminate against any candidate on the basis of age, race, creed, color, religion, sex, sexual orientation, national origin, disability, marital status, or any other basis that is prohibited by federal, state, or local law.
- **Fair Credit Reporting Act.** The Organization agrees that if Organization decides not to hire a candidate as a result of their credit history report, Organization agrees to comply with the FCRA with regard to any pre- or post-adverse action notices and requirements.
- **Confidentiality.** The Organization acknowledges that the nature of executive recruitment is such that SGR engages in discussions with prospects who may or may not ultimately become a candidate, and that SGR may utilize its proprietary network of relationships to identify and engage prospective candidates, and that premature release of such proprietary information, including names of applicants and prospective applicants, may be damaging to the prospects and to SGR. Accordingly, the Organization acknowledges and, to the extent provided by law, agrees that all information related to this search is proprietary and remains the property of and under the exclusive control of SGR, regardless of whether such information has been shared with the Organization, including all decisions regarding release of information.
- **Public Information Requests.** The Organization agrees to provide legal opinions to SGR regarding when and if information must be released in accordance with Public Information requests.
- **Payment.** SGR will invoice for each component option immediately upon completion. This may result in multiple invoices for this contract, depending on how many service options are selected by the Organization. Payment terms are thirty (30) days from date of invoice.

**Summary of Pricing. Please <u>mark below</u> to confirm anticipated services.**

| **Service** | **Pricing *(excludes reimbursable expenses or add-ons)*** | **Initial for Service** |
|---|---|---|
| Marketing and Application Management | $8,450 | |
| Stakeholder Survey | $1,000 | |
| Questionnaire | $225 per candidate | |
| Online Interviews | $225 per candidate | |
| Comprehensive Media Reports | $500 per candidate | |
| Management Style Analysis | $175 per candidate | |
| Background Checks | $400 per candidate | |
| Reference Checks | $225 per candidate | |

Organization Contact for Invoicing:

Name: ____________________________________________

Position: __________________________________________

Email: _____________________________________________

Phone: ____________________________________________

Approved and Agreed to, _______________________________ by and between

______________________________________
Jeri J. Peters, President of Executive Recruitment
Strategic Government Resources

______________________________________
City of Alvarado, Texas

Name: ______________________________

Title: _______________________________