



## City Council Regular Meeting Staff Report

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**Subject:** Special Tax and Assessment District Administration Services Contract

**Date:** January 24, 2023

**Submitted By:** Megan Bressem, Management Analyst  
Daniel Choe, Deputy Director of Administrative Services

**Department:** Administrative Services - Finance

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**Recommendation:**

Adopt a Resolution of the City Council of the City of Rocklin Approving the Agreement with Willdan Financial Services for Special Tax and Assessment District Administration Services and Authorizing the City Manager to Execute the Agreement.

**Background:**

Community Facilities Districts (CFDs) and Lighting & Landscaping Maintenance Districts (LLMDs) provide a funding mechanism for local governments to levy special taxes to finance construction and acquisition of public facilities to support new development, provide public services, and maintain existing facilities pursuant to the Mello-Roos Community Facilities Act of 1982 and the Landscaping and Lighting Act of 1972.

The City of Rocklin (City) currently has seven CFDs, two LLMDs, a Park Maintenance and Development Tax, Successor Agency to the City of Rocklin Redevelopment Agency (RDA) Bonds, and Lease Revenue Bonds.

The CFDs and bonds require assessments, detailed administration, and delinquency management to support the collection of special taxes and fees through the property tax roll. Extensive annual reports are required to maintain federal/state compliance. These are specialized services that should be performed by a qualified firm.

On October 28, 2022, the City released a Request for Proposals for Special Tax and Assessment District Administration Services. On November 18, 2022, the City received two proposals, from Willdan Financial Services and NBS Consultants. The proposals were reviewed by an evaluation team comprised of staff from the Administrative Services Department and the Community Development Department. The proposals were evaluated in the following areas:

- Firm's understanding of the City's special districts, bond administration needs, and reporting requirements;

- Demonstrated experience, resources, and qualifications of the firm and individuals in providing the requested administration and reporting services for Special Tax and Assessment Districts for state/local governments;
- Understanding of the project – Proposed Project Plan;
- Quality and completeness of the sample reports submitted;
- Professional references; and
- Fees.

Willdan Financial Services (Willdan) was the top-ranking firm based on the evaluation criteria . In addition, Willdan has been providing these services for the City and is familiar with the City's special districts and its administration requirements. Willdan will provide the following services:

- Mello-Roos Administration, including assessments and special tax installments for each parcel for placement on the property tax roll;
- Arbitrage rebate services;
- Annual Continuing Disclosure and CDIAC reporting obligations;
- Delinquency management;
- Bond administration; and
- Preparation of the Annual Engineer's Report and Budget

Staff recommends awarding the contract for Special Tax and Assessment District Administration Services to Willdan Financial Services and authorizing the City Manager to execute the contract for a five-year term, in an amount not-to-exceed \$597,000.

#### **Fiscal Impact:**

There is no direct fiscal impact to the General Fund from this staff recommendation. The total contract not-to-exceed amount is \$597,000 for the term of the contract. The first year's fees are estimated at \$97,800, including administration, reporting, delinquency management, and a 15% contingency. The contract cost for the current year is included in the Fiscal Year (FY) 2022/23 Budget. The out-year costs are subject to increase and will be capped at the most recent annual Consumer Price Index, as calculated by the United States Department of Labor. Costs borne by the administration of the special districts are paid for by special taxes levied from each of the applicable districts.

#### **ATTACHMENTS:**

1. [Resolution](#)
2. [Resolution Exhibit A - Contract](#)