



June 12, 2017

Mr. Kyle Johnson
Finance Manager
City of Rialto
150 South Palm Avenue
Rialto, California 92376

Re: Proposal for the Formation of Community Facilities District No. 2017-1

Dear Kyle:

Willdan Financial Services (“Willdan”) is proud to present the following proposal to the City of Rialto (“City”) for the formation of Community Facilities District (CFD) No. 2017-1, specific to the El Rancho Verde project (Lytle Development), including bond issuance support. The proposed CFD will ensure a dedicated source of revenue to support tax-exempt bonds that will fund infrastructure for this project.

For the following reasons, we are confident that you will find our proposal fully responsive to the City’s objectives:

Familiarity with the City of Rialto and City Financing Team — Since 2004, Willdan has served the City on a wide range of financial consulting and engineering assignments. We have provided consulting services for assessment and special tax formations, reassessment and balloting projects, and we currently provide annual administration services for the City’s CFDs and 1972 Act Districts, as well as arbitrage rebate services. We have also worked extensively with the financing team members who will work with the City on this project. Willdan’s proven record of experience and success with the City and its team provides assurance of the professionalism and capability we will bring to this engagement.

Depth of Experience — Willdan has more than 28 years of experience in the formation and administration of CFDs, Assessment Districts (ADs) and special taxes/assessments for agencies throughout California. In fact, we have prepared Engineer’s Reports and Special Tax Reports for over 800 separate California special districts, including Business Improvement Districts (BIDs), Landscaping and Lighting Districts (LLDs), CFDs and ADs formed to finance infrastructure improvements and/or services and maintenance. Willdan possesses extensive experience developing budgets and forming ADs and CFDs for a variety of purposes.

Consideration of Practical and Administrative Matters in Special District Formations — We also understand the complexities involved in developing a special tax methodology that is tailored to address the specific objectives of the project and balancing that with the desire to simplify the future administration of the CFD. The tax formula should be able to accommodate multiple land uses and multiple funding purposes, and possibly account for potential future development and annexations to the CFD, while also being straightforward to apply. Our district formation experience coupled with more than 28 years of providing administration services for special taxes and assessments is unmatched, allowing us to approach this formation in a holistic manner.

Provisions and features can be incorporated into the CFD methodology that ensure the proposed district balances the funding needs of the project, while clarifying and simplifying future management and administrative tasks and processes. We will create the documentation and applicable methodology in an understandable and practical manner that may be easily interpreted for ongoing administration of the district. We will also ensure that the special tax methodology is based on data that is readily attainable and that deadlines specified for certain tasks or triggers make sense and can be reasonably met.

We appreciate this opportunity to continue to serve the City of Rialto. If you wish to discuss any aspect of this proposal, please contact me directly at (951) 587-3528 or via email at cfisher@willdan.com.

Sincerely,
WILLDAN FINANCIAL SERVICES

A handwritten signature in blue ink, appearing to read 'Chris Fisher', is written over a light blue horizontal line.

Chris Fisher
Vice President and Group Manager



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Qualifications

Firm Profile

Willdan Financial Services is one of four operating divisions within Willdan Group, Inc. (WGI), which was founded over 50 years ago, in 1964, as an engineering firm working with local governments. Today, WGI is a publicly owned company (NASDAQ ticker: WLDN). WGI, through its subsidiaries, provides technical and consulting services that ensure the quality, value, and security of our nation's infrastructure, systems, facilities, and environment. The firm has been a consistent industry leader in providing all aspects of municipal and infrastructure engineering, public works contracting, public financing, planning, building and safety, construction management, homeland security, and energy efficiency and sustainability services. Today, WGI has over 800 employees operating from offices in Arkansas, Arizona, California, Colorado, District of Columbia, Florida, Illinois, Kansas, Nevada, New Jersey, New York, Ohio, Oregon, Texas, and Washington.



Founded over 28 years ago, Willdan Financial Services ("Willdan") is a wholly-owned subsidiary of WGI and is one of the largest public sector financial consulting firms in the United States. Since that time, we have helped over 800 public agencies successfully address a broad range of financial challenges, such as financing the costs of growth and generating revenues to fund desired services.

Willdan assists local public agencies by providing the following services:

- District formation services for assessment/local improvement districts, Community Facilities Districts (CFDs), Landscaping and Lighting Districts, and special taxes;
- Administration of special taxes, assessments, standby charges, and utility rates;
- Arbitrage rebate calculations;
- Continuing disclosure reports preparation and dissemination;
- Staff augmentation support; and
- Tax increment finance district formation and amendment.

Willdan's success is based on a corporate philosophy of personal service and we provide continuous support throughout the year. We can always be reached should any questions or issues arise.

Project Approach

Since our inception in 1988, Willdan has provided public agencies the benefit of a comprehensive approach to special district consulting by including District Formation and Administration; Delinquency Management; Continuing Disclosure; and Arbitrage Rebate in our service offerings. This multi-service approach provides us with the opportunity to facilitate the flow of information between the different service areas, which creates less of a draw on City staff time, and reduces costs for these services. It also ensures that solutions and approaches provided in one area of work are consistent with overall policies and objectives. For instance, we form special districts with specific features, such as simplified apportionment steps or prepayment provisions, to allow for ease of administration. Finally, methodologies are created in a manner that allows for consistent application of agency policies, such as cost recovery objectives, from project to project. We understand the complexities and challenges faced by agencies within the local area, given the pace of development, for example, the need to be responsive to time-sensitive development agreement provisions. In view of our experience, Willdan is committed to:

- Having highly qualified core staff actively involved in day-to-day operations;
- Providing comprehensive, proactive and friendly customer service;

- Interfacing in an informative and positive manner with governing bodies, staff, community organizations, and the public in general;
- Keeping up to date on the latest technology that allows specific data to be made available via the Internet to public agency staff, investors, and property owners at no additional charge;
- Staying current on legislation impacting the formation and administration of CFDs, such as SB 165, AB 2851 (annual reporting requirements), and AB 373 (recent modifications to Mello-Roos law); and
- Closely following legislation and legal proceedings involving assessments and other types of special districts, particularly issues related to Proposition 218.

Having spent decades providing and developing innovative approaches to special district formation and administration services in California, our methods and approaches will continue to support the practical requirements of the City of Rialto's special tax implementation and administration efforts.

Scope of Services

Project Understanding

Willdan understands that the City of Rialto (“City”) wishes to potentially pursue the formation of a Community Facilities District (CFD) specific to the El Rancho Verde (Lytle Development) project. The purpose of the proposed CFD is to fund infrastructure necessary to serve new development, and potentially provide a funding mechanism for ongoing public services. Furthermore, it is anticipated that the infrastructure component will be funded through the issuance of CFD bonds.

The formation process will be driven by a special tax analysis that will consider the types of property proposed for inclusion in the CFD and an analysis of the level of special tax burden they can bear. As needed, we will gather necessary data for this analysis directly from the City, the financing team and/or the property owners/developers directly. By modeling the proposed buildout of the project and identifying the level to which properties can be fairly and equitably taxed, we can construct a special tax model that will accurately forecast the aggregate special tax revenue to be generated, and address the financing objectives of the City and the property owner/developer.

The special tax analysis will be presented to and discussed with the financing team, and feedback will be incorporated into the final document as required. Once the analysis is finalized, we will use this as the foundation for the development of the special tax methodology and ultimately the Rate and Method of Apportionment of Special Tax (RMA).

Work Plan

The following outlines the steps associated with the formation of the district for the funding of infrastructure and anticipated issuance of bonds.

Task 1: Conduct Background Research

Following receipt of an authorization to proceed, we will discuss the process with the City and identify additional documents or information that may be needed. At the City’s discretion, this discussion may include developers/landowners and/or their representatives. As needed throughout the project, we will coordinate with City staff and directly with the developer(s), their consultants and other outside agencies involved in the project to gather required information for the proceedings.

Specifically, the kick-off discussion will include the following:

- Confirmation of the objectives of the CFD formation;
- Confirmation of the facilities and services to be funded by the CFD;
- Identification of properties proposed for inclusion in the CFD formation, and of future annexation area (if any);
- Discussion of necessary data, its sources and availability;
- Outline the process and steps necessary for the formation;
- Development of a draft timeline of events and milestones;
- Identification of key participants and areas of responsibility; and
- A general discussion of potential challenges or obstacles, whether practical (lack of data), political, public (perception or acceptance) or other.

Willdan will work with City staff to identify and develop a full listing of facilities and services to be funded by the CFD. Based upon the nature of the areas and activities, it may be advantageous to develop multiple improvement areas and/or tax zones to address differences in the benefit one area receives over another, or costs associated with specific activities.

A cost estimate of the improvement and service items, incidentals, and issuance costs related to the CFD will be prepared, and the bond issuance costs will be discussed with the finance team to ensure that appropriate costs have been included correctly, such as:

- Capitalized interest;
- Official Statement printing;
- Reserve fund level;
- Any required bond security; and
- The costs for the various professionals involved in the financing.

Task 2: Preliminary Tax Spread Analysis

A preliminary pro forma of the CFD's revenues and estimated expenses (based upon preliminary estimates, as available) will be presented to the financing team for evaluation and discussion. We will construct a special tax analysis that will be designed to identify the special tax revenue that can be generated from the various land use types proposed for the CFD. To the extent possible, we will utilize assessed value, pricing and/or market data to determine estimated tax burdens, with and without the CFD in place. The analysis will be based on available product mix data, market research, tax bills, title reports, and discussions with property owners, developers, and the City.

Once we complete the development of budgets and special tax revenue projection, we will use this to create the special tax methodology to be included in the Rate and Method of Apportionment (RMA). The proposed maximum special taxes will be designed to generate sufficient revenue to meet CFD objectives and tax properties consistent with established development requirements and policies.

Based on gathered information, Willdan will begin to prepare a preliminary special tax evaluation to accompany the pro forma. This study may include an overlapping tax analysis and maximum special tax coverage computations. If required, the analysis will incorporate multiple improvement areas. As necessary, we will prepare calculations from our database, including:

- Special tax runs identifying maximum expected special tax coverage and comparing special tax revenues to projected services costs, and costs for the financing of the public improvements. If appropriate, this will include scenarios for both level and escalating special taxes.
- Value-to-lien computations for each parcel, each property owner, and (if necessary) differentiating between developed and undeveloped property by using appraiser data.
- An overlapping debt table indicating property value, as compared to new district debt, as well as other Assessment District or CFD outstanding parcel debt.
- Effective tax rate schedules denoting the projected total property tax burden including the new special tax.

Willdan will develop special tax categories for property types within the CFD. Special considerations will be identified for discussion with the financing team, such as prepayment provisions.

The special tax structure for the RMA will be developed based on CFD boundaries and Improvement Areas (and/or "zones"), facilities/improvements and services to be funded, proposed development, and effective tax rate limitations. An analysis will be required to determine an equitable spread of the overall burden, while considering the nature of public facilities to be constructed and services to be provided, as well as the area they will serve. The method will be discussed with the City to ensure that considerations have been addressed, and then included in both the Resolution of Intention and the Community Facilities District Public Report.

The method will consider practical annual administration implications; the "trigger" event used to reclassify undeveloped property to developed property; the developer's methodology acceptance; possible exemptions; and the effect, both financial and political, on the secondary property owner.

Task 3: Rate and Method of Apportionment of Special Tax (RMA)

Based upon the work completed in the preceding steps, an RMA of Special Tax for the Resolution of Intention will be prepared. Establishing Improvement Areas and/or tax zones may be the preferred/utilized approach to equitably apportion facilities' cost to properties within the CFD, and increase security of any issued bonds. Considering possible phased approaches to construction and, therefore, bonding; this approach may be necessary to allow for the generation of sufficient project value, as development progresses. Establishing Improvement Areas provides flexibility in the following manner:

1. Provides the ability to group similar developments together in terms of schedule and product type. In so doing, the special tax structure will be more equitable and reasonable to the individual property owners and will relate to the likely financing schedule and needs.

2. Structure the special tax to accommodate potential phasing of multiple bond issuances, brought about by development schedules. This will provide the City with the ability to bond against phases of development (Improvement Areas) that are ready to pull building permits, without impacting (or having to wait on) the rest of the proposed development.
3. Provides the financing team with the ability to monitor the current real estate market, and re-evaluate each established Improvement Area (in that context), prior to the issuance of any additional series of bonds. One phase of the development may not have the appropriate value-to-lien ratio or taxing capacity to issue bonds or maximize bond issuance. Through the establishment of Improvement Areas, such a phase would not impact the rest of the CFD; and the City could still issue bonds for other Improvement Areas. Also, a slowing market may cause the developer(s) to change their proposed plan of development. If so, the establishment of Improvement Areas will capture any such changes.

In most CFDs that are formed to finance facilities, Willdan typically proposes that special taxes not only be levied for debt service; but also, finance the acquisition of authorized improvements, and the construction of authorized future facilities. This will provide the ability to levy the full amount of special tax on property, regardless of whether bonds have been issued.

Willdan endeavors to provide a simple and practical means of prepaying special taxes. A description of various alternatives for structuring the special tax will be provided to the City and financing team; and then based on received comments, incorporated into the RMA.

Willdan will also develop and submit for review the Boundary Map for the CFD. These maps will be included with the documents adopted as part of the formation process, and will be recorded once finalized, in compliance with the Mello-Roos Act.

Task 4: Community Facilities District Report

Willdan will prepare a preliminary CFD Report that includes a description of the facilities and services (if included) to be funded, cost estimates, incidental expenses, the RMA, boundary map, and other information. If requested, Willdan will present the CFD Report to Council and field questions received at the Public Hearing. The CFD Report will include the following components:

- A description of the proposed facilities and services to be funded;
- Budget and cost estimates;
- Estimates of other incidental costs;
- Estimates of bond issuance and other incidental costs;
- Projected bonded indebtedness and anticipated issuance dates; and
- A projection and explanation of annual special tax rates (by special tax classification) for each year bonds are outstanding or services funded.

Task 5: Registered Voters

Willdan will research property ownership and/or development plans. We will contact the County Registrar's Office to confirm that the number of registered voters within the proposed district boundaries is less than twelve (12), which will allow for a landowner election.

Task 6: Document Review and Preparation

Willdan will prepare drafts of the required petition, Consent and Waiver documents, and notices/ballots for review and comment. As we do not practice law, we ask that designated legal counsel review the documents. We will however assist legal counsel in identifying pertinent legal issues and modifications necessary before the documents are implemented.

After successful formation of the CFD, Willdan will coordinate the recordation of the "Notice of Special Tax Lien."

Task 7: Project Meeting Attendance

Willdan will attend up to three meetings to complete the previously identified tasks: one project meeting and two Council meetings for the Intent Meeting and Public Hearing.

Optional Task: Bond Issuance Support

We will participate in the creation and review of financing documents. Typically, as the Community Facilities District Public Report is being finalized to include the best available project costs, the financing team begins preparing the Preliminary Official Statement (POS). Willdan will provide their necessary expertise on POS and OS development for the issuance of CFD bonds. Willdan will provide the necessary data analysis, support and documentation to support each of proposed bond issuance(s). It is not currently known when the bonds may be issued. Therefore, the Willdan Team will provide a more detailed work plan for these efforts once the potential of a bond issuance is realized.

Client Responsibilities

The City will be responsible for providing the following items:

- Proposed project development information, including (as applicable):
 - Detailed development plans;
 - Data on proposed product mix (e.g., residential types, commercial types [retail, office, etc.]);
 - Estimated construction and absorption schedules; and
 - Maps and/or diagrams of the proposed project area.
- Pertinent budget information, including estimated/projected construction costs, service costs and City overhead and/or CFD administration;
- Publication of Council meetings/Public Hearings notices in the local newspaper;
- Developer/owner contact information for noticing and balloting purposes;
- Review of draft reports and resolutions prior to the preparation of final documents (this may also include review by City staff and designated legal counsel); and
- Opinions (as requested) from legal counsel.

Willdan will rely on the validity and accuracy of the City's data and documentation to complete the services described herein. We will rely on the data as being accurate without performing an independent verification of accuracy, and we will not be responsible for any errors that result from inaccurate data provided by the client or a third party.

The City shall reimburse Willdan for any costs Willdan incurs, including without limitation, copying costs, digitizing costs, travel expenses, employee time and attorneys' fees, to respond to the legal process of any governmental agency relating to the project. Reimbursement shall be at Willdan 's rates in effect at the time of such response.

Client References

Willdan has consistently been at the forefront of innovative special district formation and administration approaches in California. We pioneered many practices that are now considered industry standards by our competitors. In utilizing our amassed broad range of experience in supervising the formation of special districts over the years, our proposed methods and approaches provide insight into the practical requirements of special tax implementation efforts, relevant legislation, and case law.

We are proud of our reputation for customer service, and encourage you to contact our past clients regarding our commitment to excellence.

City of Santa Paula, CA | Community Facilities District No. 1 (Harvest)

Willdan recently assisted the City of Santa Paula with the formation of Community Facilities District No. 1 to fund improvements, services and maintenance to serve new development associated with the Harvest at Limoneira project. This was Santa Paula's first CFD, and as part of the formation, we spent additional time walking staff through the processes and the analytical results to help them understand the formation procedures and how the CFD would function upon implementation. This development project was approved for up to 1,500 residential dwelling units and 17.22 acres of commercial use to be constructed on over 490 acres in the eastern part of the incorporated boundaries of the City. Approximately 632 residential units will be constructed in the first phase, with the remaining 868 residential units to be constructed in a second and third phase. Construction of the homes is slated to begin in early 2018. We completed a review and update of the Goals and Policies, completed the special tax analysis, prepared the Rate and Method of Apportionment and the CFD Report, and attended meetings.

Client Contact: Sandra Easley, Finance Director
Tel #: (805) 525-4478

City of Roseville, CA | Special District Formation and Administration, Continuing Disclosure and Arbitrage Rebate

Willdan has enjoyed a long-standing relationship with the City of Roseville providing special district formation and administration services, as well as continuing disclosure and arbitrage rebate services.

Willdan has also assisted the City with the formation of several CFDs, annexed property to existing CFDs and performed analysis and provided support for the restructuring of existing CFDs. Most recently, Willdan formed an overlay CFD (Fiddymont Ranch CFD No. 5) to increase the bonding capacity and revise the special tax structure of a portion of an existing CFD. Facilities needed include streets, bridges, sewer improvements, storm drains, water infrastructure and landscaping.

Willdan provides a wide variety of district administration services to the City of Roseville's 8 Landscaping and Lighting Districts and 39 Community Facilities Districts (CFDs); levied parcels total over 58,000. Administration duties include preparing annual reports, annually calculating and apportioning the special taxes/assessments, maintaining and updating the City's database containing parcel/levy amounts, providing levies to the County Auditor/Controller's Office for placement on the annual property tax roll, fielding property inquiries via our toll-free number, monitoring delinquencies, preparing notices, attending City meetings, and performing required bond call spreads.

Client Contact: Jeannine Thrash, Administrative Analyst
Tel #: (916) 774-5473



County of San Diego, CA | As Needed Special Tax Consultant Services for CFDs and Other Special Financing Districts

Since 2008, Willdan has provided district formation and annual administration services to the County of San Diego, including tax roll calculations and inquiries regarding the Rate and Method of Apportionment (RMA).

Willdan is in the process of forming and/or modifying several CFDs and special districts for unincorporated communities located within the County, including several CFDs that include maintenance and monitoring of flood control and stormwater quality control facilities. ***This engagement began with Willdan working with the County to develop Goals and Policies for CFD formations*** and strategies for funding stormwater programs some years ago. To successfully implement each of these districts, Willdan has been working closely with County staff to develop a sound funding strategy, completing analysis to identify the proportionate share of public improvements and services that can be equitably and reasonably allocated to the subject properties, helping the County develop service and maintenance budgets, and coordinating the formation process. It is expected that the formation of the first of these special districts will be complete in 2017.

In 2013, we worked with the County to complete the formation of the Horse Creek Ridge CFD in an unincorporated area in the northern part of the County, near Fallbrook. The purpose of this district is to create a revenue stream for, among other things, operation and maintenance of storm drain facilities. As part of this effort, Willdan worked with County staff to develop comprehensive maintenance and monitoring budgets for the facilities included in the CFD, and developed the methodology for the apportionment of the special tax. The Willdan Team worked with the County, the County Flood Control Agency, the developer and the developer's consultant to understand the needs of key stakeholders, and create a CFD that addresses each, resulting in a solution agreed upon by all, and ultimately approved.

Client Contact: Orelia DeBraul, Department of Public Works
Tel #: (858) 694-2691

City of Perris, CA | Special Tax Consultant and Administration Services for Community Facilities Districts and Arbitrage Rebate Services

Willdan has worked with the City of Perris for over a decade and possesses an intimate knowledge of the inner workings of their objectives and policies, as well as the history, rationale and modifications that have been incorporated into their CFDs.

As a result of issues encountered during the economic downturn, Willdan has been called on to re-evaluate and in some cases, modify, existing CFDs in the City, and review the City's overall policies and procedures for CFD formation. In the case of one CFD, it was necessary to modify the CFD tax rates and documents to account for the decline in property valuations, and the increase in delinquency, foreclosure, and bankruptcy rates. We also worked with the City to incorporate provisions into the City's policies and new formations based on these lessons learned. We drew upon our in-depth understanding of how each CFD was established rather than applying a single, global methodology, which could have resulted in incorrect charged amounts to property owners. In the past two years, we have successfully formed, and supported bond issuance for, Community Facilities District 2014-1 (Avelina), and are currently forming CFD 2017-1 (Green Valley) and one other CFD to fund trail maintenance.

Willdan continues to meet regularly with City staff and other City consultants to review CFD approaches and methodologies utilized, and to ensure current best practices and industry accepted approaches are being employed.

Willdan performs the annual administration of the City of Perris' special districts, which comprise a total of 33 CFDs (16,195 parcels), and which work involves database maintenance, researching parcel changes, and preparing and providing the annual levy of special taxes. The administration of these districts involves the gathering of data related to parcel development and changes, analysis of district funds, as well as arbitrage rebate and continuing disclosure report preparation and dissemination.

Client Contact: Jennifer Erwin, Assistant Finance Director
Tel #: (951) 943-4610, extension 244

Fee for Services

As described in the Scope of Services section, Willdan will provide CFD formation services for the **fixed fee of \$32,850**.

Please Note:

- The fee denoted above will not be contingent upon the outcome of the formation process.
- Additional meetings or tasks outside our proposed scope of work will require an additional fee.
- For the purpose of this proposal, telephone conference calls are not considered “meetings” and are not limited by our scope of services.
- The City will be invoiced on a **monthly** percentage-completion basis.

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 listed in the table below.

Willdan Financial Services Hourly Rate Schedule	
Position	Hourly Rate
Group Manager	\$250
Managing Principal	\$240
Principal Consultant	\$210
Senior Project Manager	\$185
Project Manager	\$165
Senior Project Analyst	\$135
Senior Analyst	\$125
Analyst II	\$110
Analyst I	\$100

Project Team

Our management and supervision philosophy is simple: staff every position with experienced personnel to deliver a superior product and deliver effective results on time and on budget. With that philosophy in mind, we have selected the following individuals for this engagement. We are confident that our team possesses a depth of experience that will successfully fulfill the need for a thorough treatment of a diverse and complex set of issues.

Mr. **Chris Fisher** will serve in the role of **Principal-In-Charge** and is responsible for organizing and directing consultant tasks, providing quality control for work products and ensuring that the deliverables are completed on time and within budget. Mr. Fisher will be the primary contact, and will be present at key meetings.

Mr. Fisher will be assisted by Mr. **Mike Medve** who will serve as **Project Manager**. He will work closely with Mr. Fisher in the establishment of the proposed CFD.

Mr. Fisher and Mr. Medve will be assisted by **Analyst Priti Patel**. She will work closely with Mr. Fisher and Mr. Medve to ensure that the appropriate data is collected, interpreted, and researched. Ms. Patel will also be responsible for coordinating with staff to ensure that data gathering tasks, specific to formations, proceeds smoothly and to minimize burden on staff.

Resumes for each of team member have been provided on the following pages.



Chris Fisher

Principal-in-Charge

Education
*Bachelor of
 Science in Finance,
 San Francisco
 State University*

With more than 18 years of experience at Willdan, Mr. Fisher has managed an array of financial consulting projects for public agencies in California, Arizona, and Florida, coordinating the activities of resources within Willdan, as well as those from other firms working conjointly on projects. He is one of the firm's leading experts for special district financing related to public infrastructure, maintenance, and services including public safety.

Areas of Expertise
*Multi-disciplinary Team
 Management*

*Special District
 Formations*

Cost of Service Studies

Proposition 218

Utility Rate Studies

Client Presentations

Project Experience

City of Chula Vista, CA – Formation of CFDs 16-I (Millenia), 17-I (Western Chula Vista CFD) and 18-M (Otay Ranch Village 3): Mr. Fisher assisted the City with three recent CFD formations. The first, CFD 17-I, was formed to allow for the financing of impact fees over an extended time period through the payment of a special tax, to facilitate development of non-residential projects in certain areas of the City. This formation was completed in the Spring of 2016. The second project, CFD 16-I, was completed to provide funding for the construction of basic infrastructure associated with the Millenia development project in the City. Formation was completed in September 2016, and bonds will be sold in late 2016/early 2017. CFD 18-M was formed to provide funding for the maintenance of landscaping, trails, walls and storm water facilities in the Otay Ranch Village 3 development project. For each of these projects, Mr. Fisher worked with City staff in multiple departments and a diverse financing team including the financial advisor, legal counsel, developers and property owners, and the developer's consultants.

Affiliations
*California Society of
 Municipal Finance
 Officers*

*Municipal Management
 Association of
 Northern California*

City of Tustin, CA – Formation of Legacy Park Maintenance CFD: Mr. Fisher oversaw the establishment of a CFD to fund the maintenance of parks, open spaces, lighting, roads, and other maintenance for the City's Legacy Park project. He led the preparation of the cash flow and pro-forma analysis to support the funding of services. This analysis involved a study of market prices for various types of products proposed for the project, and the setting of tax rates at a level in line with market factors, and generating sufficient revenue for designated purposes. Mr. Fisher was responsible for ensuring that the special tax amount was within the total effective tax rate limitation, and evaluating the feasibility of financing infrastructure through the issuance of bonds.

*California Municipal
 Treasurers Association*

City of Moreno Valley, CA – CFD No. 7, Storm Drain and Street Improvements: As project manager, Mr. Fisher oversaw the formation of a CFD to finance the construction of storm drain and street infrastructure improvements for an industrial/warehouse project in the City. Recently worked with the City to modify the RMA for the CFD, and support the financing team in the issuance of \$3.625MM in bonds.

18 Years' Experience

County of San Diego, CA – Special Tax Consulting: Mr. Fisher is currently serving as the County's Special Tax Consultant for CFDs formed within unincorporated areas. To meet the demands of continued growth within the County, he assisted with the formation of CFD 2013-1 (Horse Creek Ridge), and is currently involved with the review of the developer application and the initial steps of forming two other separate CFDs that will fund services and improvements ranging from flood control maintenance and fire protection services to necessary capital improvements.

City of Menifee, CA – CFD Formation for the Town Center Project: In the role of principal-in-charge, Mr. Fisher assisted the City of Menifee with the formation of a CFD related to the Regent Properties/Town Center project. This formation will provide funding for maintenance and services related to stormwater control facilities in an area that is viewed as a key component of the City's future downtown area and its economic development strategy. One of the City's project objectives is to ensure that a revenue stream is established that ensures sufficient funding to provide for public facilities, maintenance and services to serve the new area, with minimal or no impact on the general fund. This CFD funds street sweeping, water quality basin maintenance, park improvements and maintenance, street lighting, and traffic signals. It is anticipated that the CFD will include not only the Town Center project, but also possibly future annexation areas beyond the core project boundary.

Mike Medve

Project Manager

Education

Bachelor of Science, Information and Computer Science, Management and Mathematics Minors, Cum Laude, University of California, Irvine

Areas of Expertise

Public Finance

Public Facility Financing

Special District Formation and Administration

Proposition 218

Fiscal Analysis

Grant Writing

12 Years' Experience

Mr. Mike Medve is a project manager within Willdan's Financial Consulting Services group. He brings 12 years of consulting experience with expertise in public finance, including special district formation and administration, fiscal impact analysis, public facilities financing plans, integrated financing districts, Proposition 218, tax credit financing, state and federal grant and loan programs, sales tax revenue bonds, and infrastructure financing districts. He has served as special tax consultant for over 50 CFD formations, annexations and restructurings.

Mr. Medve has been a financing team member for over \$150 million in limited obligation bonds and over \$50 million in grant funds. He has served as the lead public finance consultant for over 30 clients, both public and private, throughout the country. His broad experience in nearly all aspects of public finance allows him to approach complex projects with confidence and ensure that the client has the information necessary to make informed decisions.

Project Experience

County of San Diego, CA – Special Tax Consulting: Mr. Medve is currently assisting the County with their special tax consulting projects, specifically CFDs formed within unincorporated areas. He assisted in the formation of the Horse Creek Ridge CFD and is currently involved with the application review and initial steps of forming additional three separate CFDs that will fund services and improvements ranging from flood control maintenance and fire protection services to necessary capital improvements. He also has assisted in analysis for the Harmony Grove CFD, and in the annexation of new territory to that CFD. He is also assisting with the replacement of an existing Permanent Road Division special assessment with a special tax to fund street rehabilitation and maintenance.

City of Roseville, CA – Special Tax Consulting: In 2014, Mr. Medve prepared an Amended Notice of Special Tax Lien for the City's Fiddyment Ranch CFD No. 1 (Facilities) and Fiddyment Ranch CFD No. 2 (Services). The amendment was necessary to reconcile changes in project land use with the special tax revenues that were needed to pay debt service and administration on outstanding infrastructure bonds and fund the annual operations and maintenance of existing facilities. In 2015, Willdan was retained to act as Special Tax Consultant for the formation of an overlay CFD (Fiddyment Ranch CFD No. 5) that will refund a portion of the CFD No. 1 bonds and pay for additional infrastructure projects associated with the development. Facilities needed include streets, bridges, sewer improvements, storm drains, water infrastructure and landscaping. Willdan has also performed the annual administration for the City's CFDs for over a decade.

City of Yucaipa, CA – Tax Increment/Special Tax Consulting: Provides consulting services related to the formation of one of the State's first Enhanced Infrastructure Financing Districts (EIFD). The EIFD is a new type of financing mechanism with the ability to combine CFD special taxes and tax increment financing to assist in funding public facilities and infrastructure with a broad public benefit. Mr. Medve is also assisting the City with its Cost Allocation Plan and User Fee update.

City of Murrieta, CA – Special Tax Consulting: Mr. Medve assisted the City of Murrieta with change proceedings related to the existing CFD No. 2005-5 for the Golden Cities project. The CFD was modified to accommodate new sales prices and a new product mix.

City of Irvine, CA – Great Park Financing Plan: Mr. Medve assisted the City's Orange County Great Park (OCGP) subsidiary with the formation of a CFD and Redevelopment Area for the Great Park project. After the elimination of redevelopment agencies, he assisted OCGP with changing the tax structure to accommodate land use modifications and CFD change proceedings to assure adequate funding.



Priti Patel

Analyst

Education

Ms. Patel is an analyst within the Financial Consulting Services group. She provides support to project managers in conducting user fee studies and cost allocation plans, and establishing Community Facilities Districts.

Bachelor of Business Administration, Information Systems / International Business, University of Cincinnati

Some of Ms. Patel’s duties include conducting special tax modeling, database integration and manipulation, revenue and expenditure analyses, and documentation research and preparation.

Project Experience

City of Chula Vista, CA – CFD Formations: Ms. Patel provides analytical and procedural support to form Community Facilities Districts to fund infrastructure associated with new development. Her duties included performing background research, preparing a preliminary special tax spread analysis, and helping to develop a special tax methodology. She also helped prepare the Rate and Method of Apportionment for the Resolution of Intention and the CFD Report.

Areas of Expertise

*Community Facilities District Formations
Annual Administration
Cost Allocation Plans
User Fee Studies*

City of Rialto, CA – CFD Formation: Ms. Patel is currently assisting the City with the formation of a CFD to fund maintenance and services associated with new development. She is working with the City to confirm the applicable special tax rates, and to prepare the necessary documents and diagrams.

2 Years’ Experience

City of Roseville, CA – CFD Public Facilities Formation: Ms. Patel is currently assisting the City with the formation of a CFD to fund maintenance and services associated with new development. She is working with the City to confirm the applicable special tax rates, and to prepare the necessary documents and diagrams.

County of San Diego, CA – Special Tax Consulting: Ms. Patel is currently assisting the County with the formation of two separate CFDs that will fund services and improvements ranging from flood control maintenance and fire protection services to necessary capital improvements. She is working with the County on preparing the necessary documents and diagrams.

City of Perris, CA – Community Facilities District Annual Administration: Ms. Patel assisted with the day-to-day tasks associated with the annual administration of the City’s special districts. At that time, the City’s 32 CFDs comprised an aggregate of over 15,000 parcels. Many of these districts have Authority / Local Obligation Bond structures and Cashflow Management Accounts. Her responsibilities included updating the parcel database, researching parcel changes, and preparing and submitting the annual levy.