



Agenda

Kensington Police Protection and Community Services District

Board of Directors Special & Regular Meetings (**Hybrid**)

Thursday, July 11, 2024
5:30 p.m. Special Meeting
7:00 p.m. Regular Meeting
Kensington Community Center
59 Arlington Avenue, Kensington, CA

www.kppcsd.org/2024-07-11-kppcsd-board-special_regular-meeting

The page at the URL above will have instructions on how to join the online meetings.

Virtual Access:

<https://us02web.zoom.us/j/87946691852?pwd=4rOjU8J7cYymxeDIPOBuZ0lARV4ZLM.1>

Webinar ID: 879 4669 1852

Passcode: 168346

The Board may hold hybrid meetings, where most or all of the Directors attend in person but the District offers the public the option of attending by Zoom or other teleconferencing methods. Please be advised that those participating in such meetings remotely do so at their own risk. The Board meeting will not be cancelled if any technical problems occur during the meeting.

Special Meeting – 5:30 p.m.

Call to Order

Roll Call

Special Meeting Agenda Item Public Comments

*Individuals wishing to address the Board of Directors concerning the Special Meeting agenda are invited to make oral comments of up to 3 minutes. **For Zoom attendees:** Please raise your hand via Zoom. When you are called on by the Board President, you will be unmuted and you can address the Board of Directors. Please state your name clearly for the audio recording. You are requested to address your comments to the Board of Directors and not to staff and/or the audience. By state law, the Board is not permitted to undertake any action or discussion on any item not appearing on the posted agenda. If you have any documentation that you would like distributed to the Board, please mail or email it to the Clerk of the Board at 10940 San Pablo Ave., Bldg. B, El Cerrito, CA 94530 or llewis@kppcsd.org. For other concerns or needs contact David Aranda at (510) 960-0716.*

1. Discussion and direction regarding Strategic Plan priorities and cost estimates based on the post workshop memorandum from Ridgeline.

Regular Meeting - 7:00 p.m.

1. **Call to Order**

2. **Roll Call**

3. **President's Comments**

4. **Public Comment**

*Individuals wishing to address the Board of Directors concerning any items not on the agenda may make oral comments of up to three minutes. **For Zoom attendees:** Please raise your hand via Zoom. When you are called on by the Board President, you will be unmuted and you can address the Board of Directors. Please state your name clearly for the audio recording. You are requested to address your comments to the President and Board of Directors and not to staff and/or the audience. By state law, the Board is not permitted to undertake any action or discussion on any item not appearing on the posted agenda. If you have any documentation that you would like distributed to the Board, please mail or email it to the Clerk of the Board at 10940 San Pablo Ave., El Cerrito, CA 94530 or llewis@kppcsd.org. For other concerns or needs contact David Aranda at (510) 960-0716.*

Consent Calendar

5. Meeting Minutes for the Special Joint Meeting of June 5 and the Special & Regular Meeting of June 13, 2024.
6. Ratify the June 2024 Bills Paid (the June financial statements of 2024 will be presented in August).

Comments & Reports

7. Police Chief's Monthly Report, June 2024.
8. General Manager's Report for June 6, 2024, Through July 3, 2024
 - Monthly Report
 - Parks Report June 2024
 - Recreation Report July 2024
9. Director Comments.

Discussion and Action

10. Approval of the Fiscal Year 2025 CalPERS Pay Scale.
11. Discussion and direction in regard to utilizing the \$75,000, CalRecycle SB 1383 State Grant Funding for the community.

12. Discussion and approval in moving forward with developing a Request for Proposal regarding the performance of a solid waste study that includes justification for the franchise fee revenue and cost of services for solid waste.

Adjournment

The next regular meeting is scheduled for Thursday, August 8, 2023.

General Information

- All proceedings of the Open Session will be audio and video recorded if possible.
- Upon request, the Kensington Police Protection and Community Services District will provide written agenda materials in appropriate alternative formats or disability-related modification of disabilities to participate in public meeting. Please send written request, including your name, mailing address, phone number, and a brief description of the requested materials and preferred alternative format or auxiliary aid or service at least two days before the meeting. Requests should be sent to Kensington Police Protection & Community Service District at *10940 San Pablo Ave., Building B, El Cerrito, CA 94530*.
- To be added to the Board Agenda Mailing List, complete and submit the form at <https://www.kppcsd.org/agenda-mailing-list> or by notifying the Clerk of the Board at llewis@kppcsd.org.

Posted Agenda

Kensington Police Department – Colusa Food Market – Arlington Kiosk and at www.kppcsd.org
Complete agenda packets are available at the Public Safety Building at *10940 San Pablo Ave., El Cerrito, CA 94530*.

All public records that relate to an open session item of a meeting of the Kensington Police Protection & Community Service District that are distributed to a majority of the Board less than 72 hours before the meeting, excluding records that are exempt from disclosure pursuant to the California Public Records Act, will be available for inspection at the District offices at *10940 San Pablo Ave., El Cerrito, CA 94530* at the same time that those records are distributed or made available to a majority of the Board.



Date: July 11, 2024
To: Board of Directors
From: David Aranda, Interim General Manager
Subject: Discussion and Direction Regarding Strategic Plan Priorities and Cost Estimates Based on the Post Workshop Memorandum from Ridgeline

Recommendation

Discussion and direction regarding Strategic Plan priorities and cost estimates based on the post workshop memorandum from Ridgeline.

Background

The Board of Directors met on Thursday May 9, 2024 and worked with Ridgeline in developing a list of items that were of importance to them. This special meeting today is to continue to work through this list and develop some time lines for each of the items along with estimated costs. You will note in this document that estimated costs have been left with xxx's. The IGM is still working on the costs for some of the items and feels it best to have a discussion about the costs with the entire board before determining what all of us feel the costs will be. Ridgeline will need some sort of estimated costs to complete their fiscal analysis.

The following information below is your IGM's recommendations and best estimates he has available. Hopefully this will allow each board member to give some thought in advance of our special meeting so we might have a productive and successful meeting on July 11th. The order this appears is in conjunction with the worksheet Ridgeline developed and is not to be understood to be in priority order. The priority will be determined by the fiscal years the board wishes to address these items.

COMMUNITY SURVEY: The current fiscal year (FY25) either have an agenda item for the entire Board to work on developing a survey for the community or appoint an ad hoc committee to develop a survey. Cost is estimated to be at under \$xxxx.

PUBLIC OUTREACH: The current fiscal year (FY25) develop a plan in which hard copy newsletter will be sent to residents on a quarterly basis, e-mail addresses will be solicited from residents for information updates, social media platforms will be developed for the district to utilize and the districts website will be looked at by professionals and revised and regularly updated. Cost is estimated to be at \$xxxx and this was not budgeted for the current fiscal year but money is available.

Discussion and Direction Regarding Strategic Plan Priorities

July 11, 2024

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ORDINANCE UPDATE: The IGM recommends addressing this in Fiscal Year 26. Writing and approving ordinances is not a large project and there is minimal costs involved with legal and publications notices. What will be costly and a bit time consuming is developing an administrative citation code that provides the legal means in which the District can enforce the ordinances that are in place or are to be in place. Cost is estimated to be \$xxxx which involves legal work and possibly some additional consulting to codify the ordinances into a document that is easy to reference, use and apply.

USABLE ANNEX BUILDING: The IGM recommends that this item not be addressed until Fiscal Year 28. There are a number of reasons for waiting a few years. First, the priority for the Board and community is determining the feasibility, cost and likelihood of a new police building. Second, money involved in addressing the Annex building necessary improvements from a geotechnical and aesthetic standpoint will not be available over the next few years. Third, it gives the District time to look for FEMA grants to possibly finance the annex building improvements, and fourth a Park Master Plan may determine the exact use for the Annex Building. Cost estimates are in the \$xxxx range.

KPPCSD BUILDING OPTION 1. Build a new building south of the county library on Arlington. Move in date projects to be Fiscal Year 2029. Cost estimate is \$xxxx.

KPPCSD BUILDING OPTION 2. Provide the necessary infrastructure and move the modular to the area south of the library on Arlington. Move in date projects to be Fiscal Year 2028. Cost estimate is \$xxxx.

KPPCSD BUILDING OPTION 3. Continue to utilize the existing agreement with Mobile Modular and the City of El Cerrito and stay put for the next five years. There would be no capital costs for this option. The Board would review the various options in fiscal year 2029.

ADDITIONAL FUNDING. The recommendation from the IGM is to plan on some sort of assessment vote for November 2026. The details of the dollar amount, the type of assessment and the marketing would need to be worked out when the Board determines the direction it wants to go regarding the new building. FY27 funding estimated costs would be \$xxxx.

PARK MASTER PLAN. The recommendation would be for a Park Master Plan to be developed in Fiscal Year 2026 at a cost of \$xxxx. A Park Master Plan would assist in determining additional funding needs and other potential capital needs for the park facility.

SOLID WASTE RATE AND FRANCHISE FEE STUDIES. This study is budgeted for fiscal year 2025. The estimated cost is \$xxxx.

EMERGENCY PREPAREDNESS PLAN. This is very important but it seems that there are always things that jump ahead of getting this done. I am hopeful that in fiscal year 2026 the District will work with the Fire District in obtaining professional help to develop an emergency plan and put the plan into practice. Estimated cost for an outside consultant is \$xxxx.

DETERMINATION OF REORGANIZATION FEASIBILITY. The IGM is hopeful that the study will be completed by Ridgeline so that a discussion on the financial reports will determine if both agencies

Discussion and Direction Regarding Strategic Plan Priorities

July 11, 2024

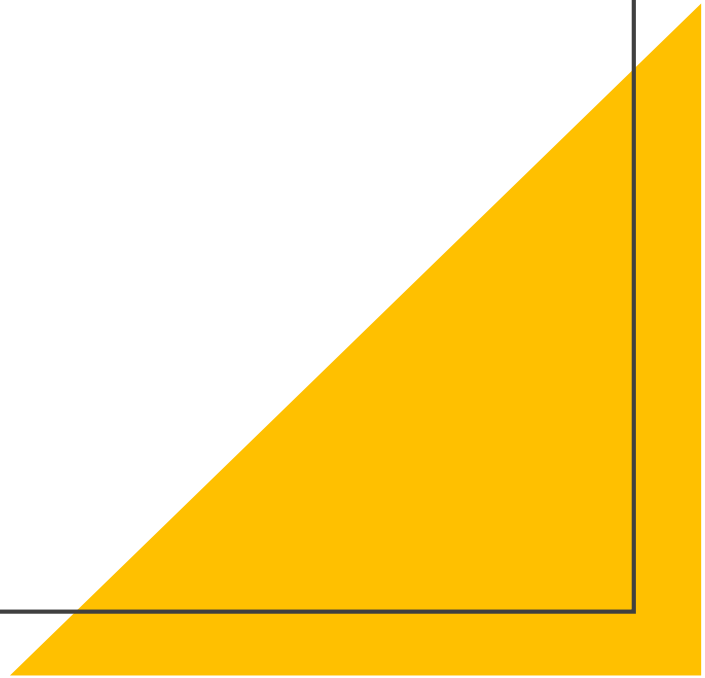
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are going to move forward with reorganization by January 2025. So the feasibility study should be completed in the fiscal year 2025 and there is some money budgeted to complete this process. Should the report be positive in recommending reorganization from a financial standpoint and both boards wish to move forward with reorganization the IGM is suggesting that an additional \$xxxx per agency may be needed to fully accomplish this. While that money is not budgeted for fiscal year 2025 the District has the necessary funds to accomplish this project in the current fiscal year.



Special Meeting on District Priorities (Short-Long Term)

July 11, 2024





Agenda

Today's Road Map:

- Recap where we ended the 1st Strategic Planning Session with Ridgeline
- Work since May on understanding priorities
- Refining our short-term, mid-term & long-term priorities



Recap of 1st Strategic Planning Session

- KPPCSD Board of Directors met on May 9, 2024 with Dmitry Semenov of Ridgeline Municipal Strategies
- Reviewed:
 - Prior strategic planning efforts
 - KPPCSD mission
 - Vision
 - SWOT analysis of KPPCSD departments, services
 - Community Perception
- Initial brainstorm on short-term, mid-term & long-term priorities
- Discussion on possible funding sources for district priorities



Work on District Planning Since May

- Interim GM Aranda has continued momentum on strategic planning
 - Summarized findings from 1st session
 - 1:1 meetings with directors
 - Ongoing discussion with Dmitry Semenov
 - Research possible costs related to priorities
 - Ongoing research, brainstorming with KFPD GM, Mary Morris-Mayorga on possible org. structure of combined districts



Refining Our Priorities – Short-Term (2024-2025)

1. Improve district tech capacity (in particular for public meetings)
 2. Improve district comms tools/capacity for public outreach (website, social media, email)
 3. Ongoing research on viability of long-term home for KPD, KPPCSD admin on southside of library
 4. Community survey
 5. Solid waste fee study
 6. Ordinance Update
 7. Additional funding research, planning
-



Refining Our Priorities – Mid-Term (2025-2027)

1. Park master plan
2. Evaluate KPD, KPCSD Admin building location
3. Emergency preparedness plan
4. Determination of reorganization feasibility (KPPCSD with KFPD)
5. Additional funding secured (grants, possible assessment vote)



Refining Our Priorities – Long-Term (2027-2030 & beyond)

1. Long-term home of KPD, KPPCSD admin secured
2. Construction underway for new home
3. Improved and regular meeting capacities in place
4. Improved and regular community engagement tools in place
5. New funding sources secured for long-term needs, capital needs



Immediate Next Steps

- Board approves these priorities
- IGM Aranda continues necessary research on related costs, funding sources
- IGM identifies necessary support (consultants, volunteers, board support) for executing this research and other agreed upon short-term priorities
- IGM Aranda continues to oversee feasibility of southside of library as permanent location for KPD, KPPCSD admin offices

KENSINGTON POLICE PROTECTION AND COMMUNITY SERVICES DISTRICT

BOARD OF DIRECTORS MEETING MINUTES

Thursday, June 13 2024

Special & Regular Meetings

Special Meeting – Closed Session 5:30 p.m

Call to Order

President Spath called to order the special meeting at 5:31 p.m.

Roll Call

Directors Aquino-Fike, Gough, Hacaj and Spath were present at roll call. President Spath announced that Director Duggan requested to participate remotely with the Board's approval. The Board voted unanimously (4-0) to allow Director Duggan participate in the special meeting remotely.

Special Meeting Agenda Item Public Comments

None.

Convene Special Meeting

The Board convened to closed session to discuss one item related to conference with labor negotiators (government code sec. 54957.6).

Report(s) from Closed Session (if any) [\[TS 59:57\]](#)

President Spath announced that the Board gave direction to the General Manager on the closed session item.

Special Meeting - Public Hearings – 6:30 p.m.

Call to Order [\[TS 1:00:07\]](#)

President Spath called the special meeting to order at 6:31 p.m.

Roll Call [\[TS 1:00:11\]](#)

Directors Aquino-Fike, Gough, Hacaj and Spath were present at roll call. President Spath announced that Director Duggan requested to participate remotely with the Board's approval. The Board voted unanimously (4-0) to allow Director Duggan participate in the special meeting remotely.

Special Meeting Agenda Item Public Comments [\[TS 1:01:12\]](#)

- Addressing the Board was Sylvia Elsbury who commented on the small amount budgeted for legal services and suggested increasing the line item.

SM 1. Conduct a Public Hearing for the Fiscal Year Budget 2024-2025 (July 1, 2024-June 30, 2025). [\[TS 1:04:55\]](#)

President Spath opened the public hearing at 6:38 p.m. Interim General Manager Aranda reviewed and addressed the email comments received from members of the community. He noted that a line item for interest was omitted from the draft budget but an adjustment would be made for \$30,000, and an adjustment for medical, dental, and vision benefits (line items 521a and 521r) would be placed under salaries and benefits as opposed to operational entries in the police budget. He also noted a comment regarding the accrual for solid waste revenue.

There were no public comments. President Spath closed the public hearing at 6:51 p.m.

Board members asked questions about and commented on various line items (i.e., highlighted items, solid waste revenue line item, budgeted legal expenses for special projects, and recruiting costs for the permanent General Manager position).

SM 2. Conduct a Public Hearing for the Annual Report of the Kensington Park Assessment District Levy for Fiscal Year 2025 (July 1, 2024-June 30, 2025). [\[TS 1:21:10\]](#)

President Spath opened the public hearing at 6:52 p.m. Interim General Manager Aranda announced that no written comments were received on this item.

There were no public comments. President Spath closed the public hearing at 6:54 p.m.

Board members commented that the park assessment continues to fall behind and is not adequate as the general fund must support activities.

Regular Meeting - 7:00 p.m.

1. Call to Order [\[TS 1:29:40\]](#)

President Spath called the regular meeting to order at 7:00 p.m.

2. Roll Call [\[TS 1:30:00\]](#)

Directors Aquino-Fike, Gough, Hacaj and Spath were present at roll call.

President Spath announced that Director Duggan requested to participate remotely with the Board's approval. The Board voted unanimously (4-0) to allow Director Duggan participate in the regular meeting remotely.

3. **President's Comments** [[TS 1:30:57](#)]

President Spath announced that the mailer "Evacuation is Your Responsibility" had been mailed to Kensington residents. The mailer, which was a collaborative effort by both Kensington Fire Protection District and KPPCSD provides information on evacuation during a wildfire and urges citizens to understand their responsibilities and develop a personal evacuation plan. He also announced that on June 26, 2024 the California Department of Insurance will hold a virtual workshop on the draft regulations on the proposed state plan to provide insurance in high wildfire risk areas. Information on this will be placed on the District website.

4. **Public Comment** [[TS 1:34:21](#)]

- Addressing the Board was Emilia Giovenco, a student representing Kensington Hilltop School, who expressed safety concerns around the cliff area at Kensington Par and offered suggestions on improvements for the area to make it safe.

The Board thanked Emilia for bringing this matter to its attention, and Interim General Manager Aranda said he had met with someone to provide a temporary fix for this area.

Consent Calendar [[TS 1:38:05](#)]

- Motion by Director Hacaj, seconded by Vice-President Aquino-Fike, to adopt the Consent Calendar, carried (5-0) by unanimous voice vote.

5. **Minutes for Special Meeting Workshop and the Special & Regular Meeting of May 9, 2024.**

Approved.

6. **Receive and file the May 2024 bills paid and the April and May financial statements of 2024.**

Received and filed the bills paid and the financial statements.

Discussion and Action

7. **Approve and adopt Resolution No. 2024-05 – A Resolution Of The Board Of Directors Of The Kensington Police Protection And Community Services District ordering the even year Board of Directors election, consolidation of elections, and specifications of the election order.** [[TS 1:45:14](#)]

Interim General Manager Aranda reported that the terms of office for KPPCSD Directors Sylvia Hacaj and David Spath expire December 6, 2024, and the District must order and call a general election for these positions. The election will be consolidated with the Statewide General Election in Contra Costa County.

- Motion by Director Gough, seconded by Vice-President Aquino-Fike, to adopt the resolution ordering the even-year Board of Directors election, consolidation of elections, and specifications of the election order, carried (5-0) by the following roll call vote: AYES (Aquino-Fike, Duggan, Gough, Hacaj, and Spath); NOES (None); ABSTAINED (None); and ABSENT (None).

Resolution No. 2024-05 – A Resolution Of The Board Of Directors Of The Kensington Police Protection And Community Services District Ordering The Even Year Board Of Directors Election, Consolidation Of Elections, And Specifications Of The Election Order.

8. **Approve and adopt Resolution No. 2024-06 of the Board of Directors of the Kensington Police Protection and Community Services District authorizing the assessment and ordering the levy for the Kensington Park Assessment District (the “District”) for Fiscal Year 2024-25 pursuant to the Landscaping and Lighting Act of 1972. [TS 1:48:09]**

Interim General Manager Aranda announced that with the public hearing complete and the intention resolutions approved in May, the last part of the process for placing the Kensington Park Assessment District fee on each person in Kensington’s property tax bill is to approve the resolution confirming the assessment and ordering the levy to be placed on the tax rolls.

- Motion by Director Hacaj, seconded by Director Duggan, to approve the resolution confirming the assessment and ordering the levy for the Kensington Park Assessment District for Fiscal Year 2024/2025 and direct that the signed copy of the resolution be sent to NBS, carried (5-0) by the following roll call vote: AYES (Aquino-Fike, Duggan, Gough, Hacaj, and Spath); NOES (None); ABSTAINED (None); and ABSENT (None).

Resolution No. 2024-06, A Resolution of the Board of Directors of the Kensington Police Protection and Community Services District, Confirming the Assessment and Ordering the Levy for the Kensington Park Assessment District for Fiscal Year 2024/2025 and direct that the signed copy of the resolution be sent to NBS.

9. **Approve and adopt Resolution No. 2024-07 of the Board of Directors of the Kensington Police Protection and Community Services District Affirming the Establishment of the Appropriations Limit for Fiscal Year 2024-25. [TS 1:50:16]**

Interim General Manager Aranda reported that appropriation limits are imposed on public agencies within the revenue and taxation code as a result of Proposition 4 in 1979. Its

purpose is to limit property tax revenue collected in excess of actual operation costs and to limit the accumulation of certain revenues. For the fiscal year 2024/2025 the appropriate limit was \$5,591,161.

- Motion by Vice-President Aquino-Fike, seconded by Director Duggan, to approve and adopt the resolution affirming the establishment of the of the appropriations limit for Fiscal Year 2025, carried (5-0) by the following roll call vote: AYES (Aquino-Fike, Duggan, Gough, Hacaj, and Spath); NOES (None); ABSTAINED (None); and ABSENT (None).

Resolution No. 2024-07 – Resolution No. 2024-06 – A Resolution Of The Board Of Directors Of The Kensington Police Protection And Community Services District Authorizing the Assessment and Ordering the Levy for the Kensington Park Assessment District (the “District”) for Fiscal Year 2024-25 Pursuant to the Landscaping and Lighting Act of 1972.

10. **Approve and adopt Resolution No. 2024-08 of the Board of Directors of the Kensington Police Protection and Community Services District Authorizing the adoption of the budget for Fiscal Year 2025.** [[TS 1:53:31](#)]

Interim General Manager Aranda summarized the recommendation for the budget and modifications based on the public hearing held earlier this evening. It included the addition of a \$30,000 line item for interest in the general fund and other housekeeping items.

- Motion by Director Hacaj, seconded by Director Gough, that the Board approve and adopt the resolution authorizing the adoption of the budget for Fiscal Year 2025 with the changes presented by the General Manager based on our hearing which include the addition of \$30,000 of interest in the revenue line other items that were noted, carried (5-0) by the following roll call vote: AYES (Aquino-Fike, Duggan, Gough, Hacaj, and Spath); NOES (None); ABSTAINED (None); and ABSENT (None).

Resolution No. 2024-08 – A Resolution of the Board of Directors of the Kensington Police Protection and Community Services District Authorizing the Adoption of the Budget for Fiscal Year 2025 (July 1, 2024-June 30 2025).

11. **Approve Resolution No. 2024-09, A Resolution of the Board of Directors of the Kensington Police Protection and Community Services District Establishing the Annual Supplemental Special Tax for Police Protection and direct that a signed copy of the Resolution be sent to NBS for the placement of the Supplemental Special Tax to be placed on the tax rolls.** [[TS 1:55:44](#)]

Interim General Manager Aranda presented the background information and the recommended action for establishing the annual Supplemental Special Tax For Police Protection and direct that a signed copy of the resolution be sent to NBS for the placement of the supplemental special tax on the tax rolls.

- Motion by Director Gough, seconded by Director Duggan, to approve and adopt the resolution establishing the annual Supplemental Special Tax For Police Protection and direct that a signed copy of the resolution be sent to NBS for the placement of the supplemental special tax to be placed on the tax rolls, carried (5-0) by the following roll call vote: AYES (Aquino-Fike, Duggan, Gough, Hacaj, and Spath); NOES (None); ABSTAINED (None); and ABSENT (None).

Resolution No. 2024-09, A Resolution of the Board of Directors of the Kensington Police Protection and Community Services District Establishing the Annual Supplemental Special Tax For Police Protection and direct that a signed copy of the Resolution be sent to NBS for the placement of the Supplemental Special Tax to be placed on the tax rolls.

Comments & Reports

12. **Police Chief Report.** [[TS 1:38:38](#)]

Police Chief Mike Gancasz provided highlights from the monthly report including data from safety cameras, progress of police radio encryption, officer training, community service activities, volunteer hours, and the signing of the Memorandum of Understanding Law Enforcement Disclosure of Brady information. He responded to questions from the Board.

13. **General Manager's Report.** [[TS 1:58:26](#)]

Interim General Manager Aranda announced that at the regular meeting in July discussions are planned regarding a solid waste study, state grant funds for recycling, and follow up on the strategic plan priorities workshop.

14. **Director Comments.** [[TS 2:01:53](#)]

- Vice-President Aquino-Fike thanked KPPCSD and the KFPD colleagues for the collaborative joint meeting last month, and said she looked forward to the research and analyses that will be produced. She reported participation in the meeting with Mr. Kropp and expressed excitement about the upcoming geotechnical work.
- Director Gough thanked the KPPCSD and the KFPD directors along with staff for their work at the joint meeting.
- President Spath commented that the joint meeting was very productive and complimented Ridgeline Municipal Strategies Dmitry Semenov's work on the presentation.
- Director Duggan congratulated the KPPCSD and the KFPD boards on their participation at the joint meeting.

Adjournment [\[TS 2:05:47\]](#)

President Spath announced that the meeting was adjourned at 7:36 p.m. The next regular meeting is scheduled for July 11, 2024.

SUBMITTED BY:

Lynelle M. Lewis, District Clerk of the Board

APPROVED: July 11, 2024

David Aranda, Interim General Manager

David Spath, President of the Board

KENSINGTON POLICE PROTECTION AND COMMUNITY SERVICES DISTRICT

BOARD OF DIRECTORS MEETING MINUTES Wednesday, June 5, 2024 Special Joint Meeting with KFPD (Hybrid)

Special Meeting – 6:30 p.m.

Call to Order [\[TS 16:56\]](#)

Kensington Fire Protection District (KFPD) President Andrew Levine called the special joint meeting to order at 6:37 p.m.

Roll Call [\[TS 17:30\]](#)

KPPCSD Board members: Vice-President Aquino-Fike, Director Duggan, Director Gough, Director Hacaj, and President Spath.

KFPD Board members: Director Artis, President Levine, Director Madugo, Director Stein, and Director Watt.

Staff present: KPPCSD Interim General Manager David Aranda, Consultant Mary Morris-Mayorga, KPPCSD Clerk of the Board Lynelle M. Lewis, and Executive Assistant/Board Clerk Rina Ly.

Public Comments [\[TS 18:07\]](#)

None.

Discussion Only [\[TS 19:26\]](#)

1. Discuss an Administrative Structure in A Hypothetical Combined District.

KFPD President Levin provided an overview of the meeting's purpose. Next, KFPD Consultant Mary Morris-Mayorga presented background on the development of the Draft KFPD & KPPCSD Administrative Structure in a Hypothetical Combined District. She reviewed the current and hypothetical organization charts and functions for both agencies. She noted that this information is needed for Ridgeline Municipal Strategies to consider in its fiscal analysis. KPPCSD Interim General Manager David Aranda pointed out that this information was put together based on their respective experience.

Board members asked questions about the proposed staff, roles and reporting responsibilities, budget impacts, costs for CalPERS, technical support, and the need for redundancy.

* Note: Attached to these minutes are a copy of the presentation entitled: Draft KFPD & KPPCSD Administrative Structure in a Hypothetical Combined District.

Public Comment [\[TS 1:23:45\]](#)

- Addressing the Board were the following persons: 1) Rob Firmin, representing the Kensington Property Owners Association, presented a perspective on the staffing challenges for the combined districts; 2) Gail Feldman commented that she would like to see an “apples to apples” comparison on the benefits of the staffing proposal for a combined district and have the fiscal analysis look at salary and benefits; 3) Paul Dorroh asked about the talent pool for recruitment of a full-time General Manager and thanked the boards for this effort; 4) David Fike commented that staff is best able to be efficient when they have clear priorities that consolidation can bring about; 5) Dmitry Semenov, Ridgeline Municipal Strategies, thanked the boards and staff in putting the effort into what the combined district would look like in the future; and 6) Linda Lipscomb commented on the philosophy and benefits of a consolidated district to the Kensington community.

Director Comments

- KFPD Director Artis commented that the fiscal analysis should leverage the community volunteer effort to provide resilience to the combined district.
- KFPD President Levine commented on his support of forwarding the proposed structure to Ridgeline Municipal Strategies.
- KPPCSD Director Duggan commented that she agrees with the new proposed structure.
- KFPD Director Stein pointed out that KPPCSD general managers are subject to CalPERS hours limitations while KFPD is not part of CalPERS. This should be considered as part of the Ridgeline costing analysis.
- KPPCSD Director Aquino-Fike thanked everyone for this conversation which brings optimism about creating a more resilient Kensington with a combined District.
- KPPCSD Spath thanked staff for putting this meeting together and for the boards coming together. He supported providing the proposed structure to Ridgeline for fiscal analysis.

Adjournment [\[TS 1:59:52\]](#)

KFPD President Levine announced that the meeting was adjourned at 8:29 p.m. The next KPPCSD regular meeting is scheduled for June 13, 2024.

SUBMITTED BY:

Lynelle M. Lewis, District Clerk of the Board

Special Joint Meeting with KFPD

June 5, 2024

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APPROVED: July 11, 2024

David Aranda, Interim General Manager

David Spath, President of the Board

DRAFT

KFPD & KPPCSD

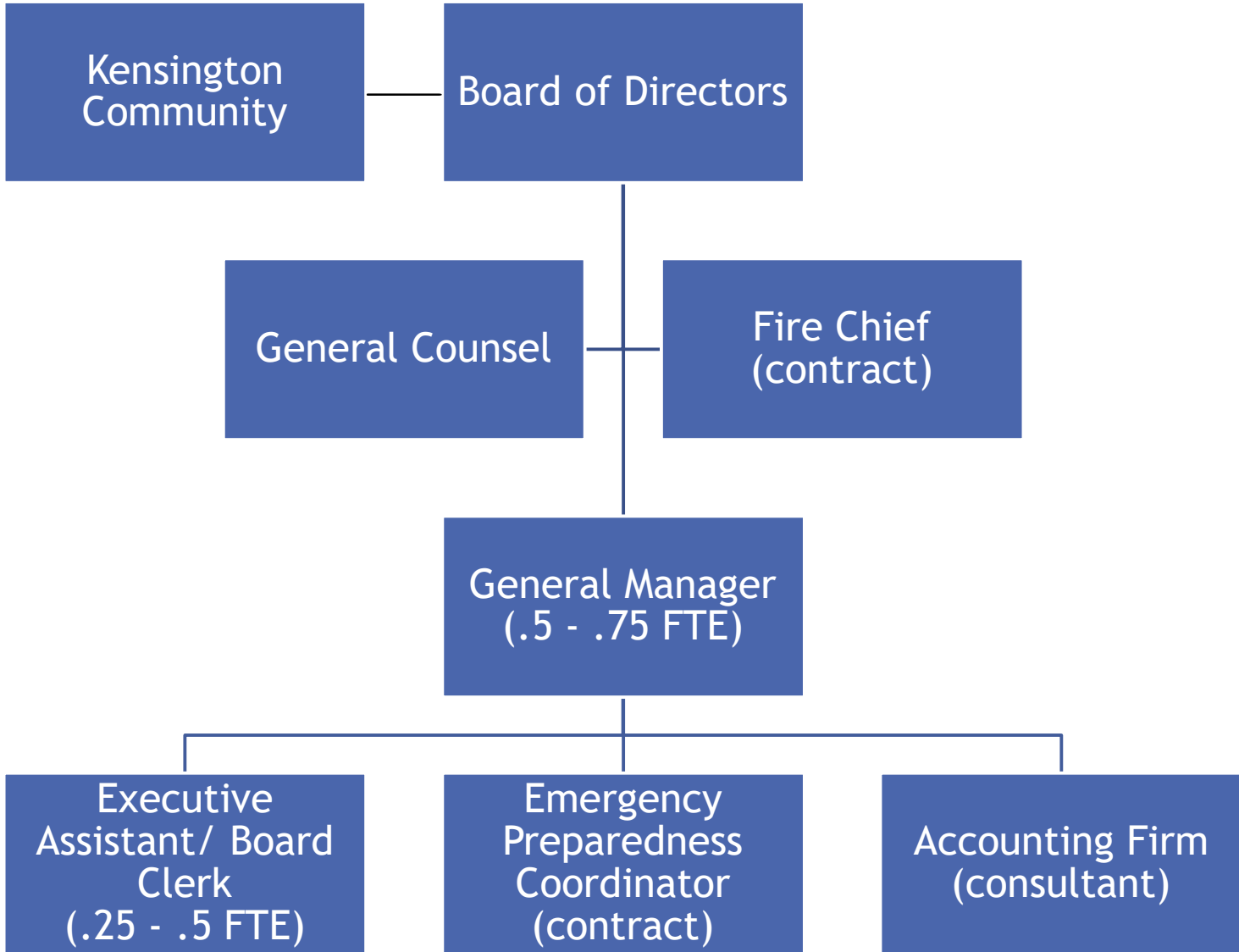
Administrative Structure in a Hypothetical Combined District

Purpose of Presentation

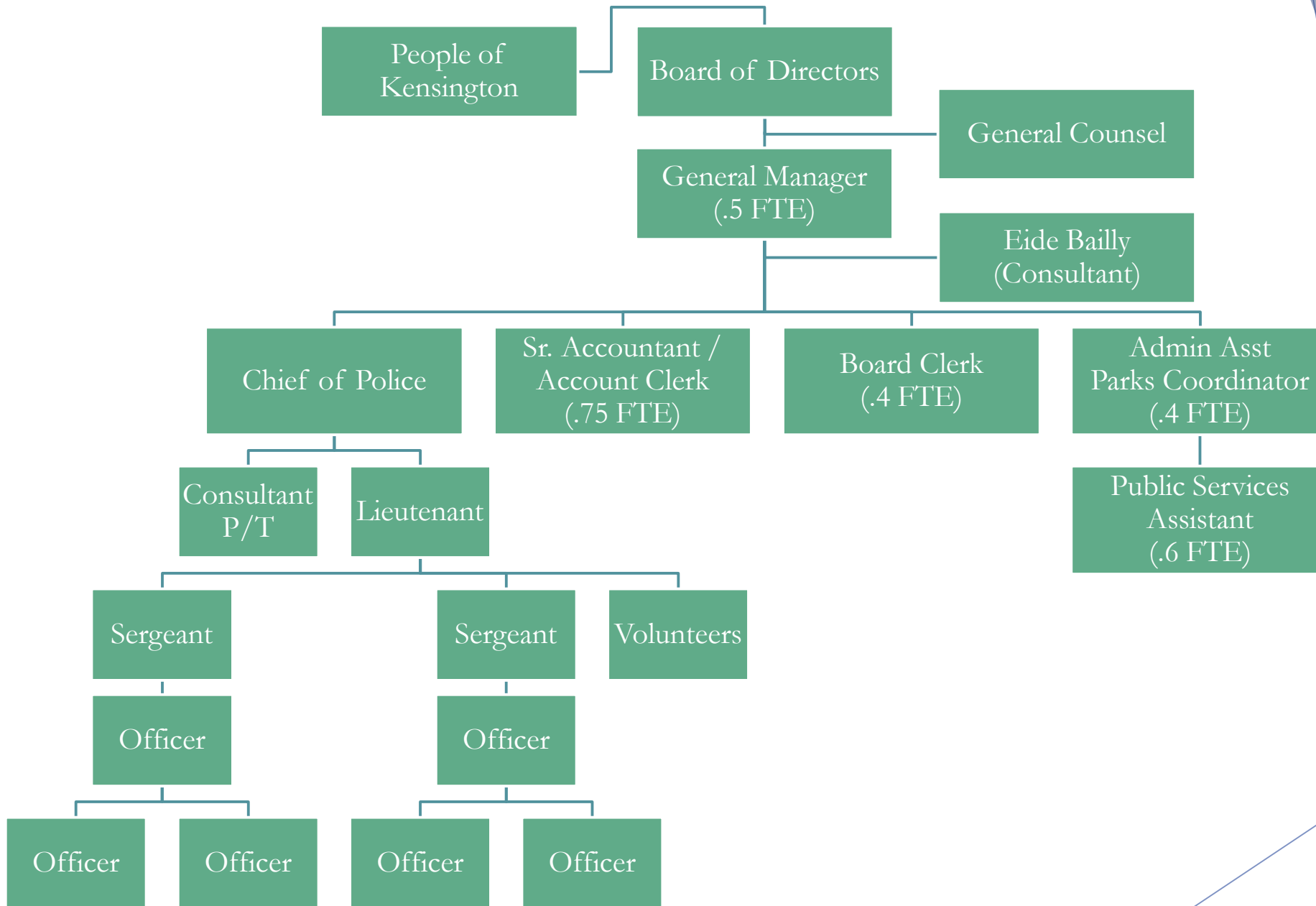
- ▶ KFPD & KPPCSD are currently in progress on a fiscal analysis to determine the impact of combining to form one organization
- ▶ For purposes of the fiscal analysis, the staffing requirements are needed to assess the financial impact
- ▶ The general managers for each organization identified administrative staffing needs to arrive at a combined administrative staffing structure
- ▶ This administrative staffing structure is being presented in order to gain feedback prior to providing Ridgeline with the information that is needed for the fiscal analysis

Process - What Steps Did We Take?

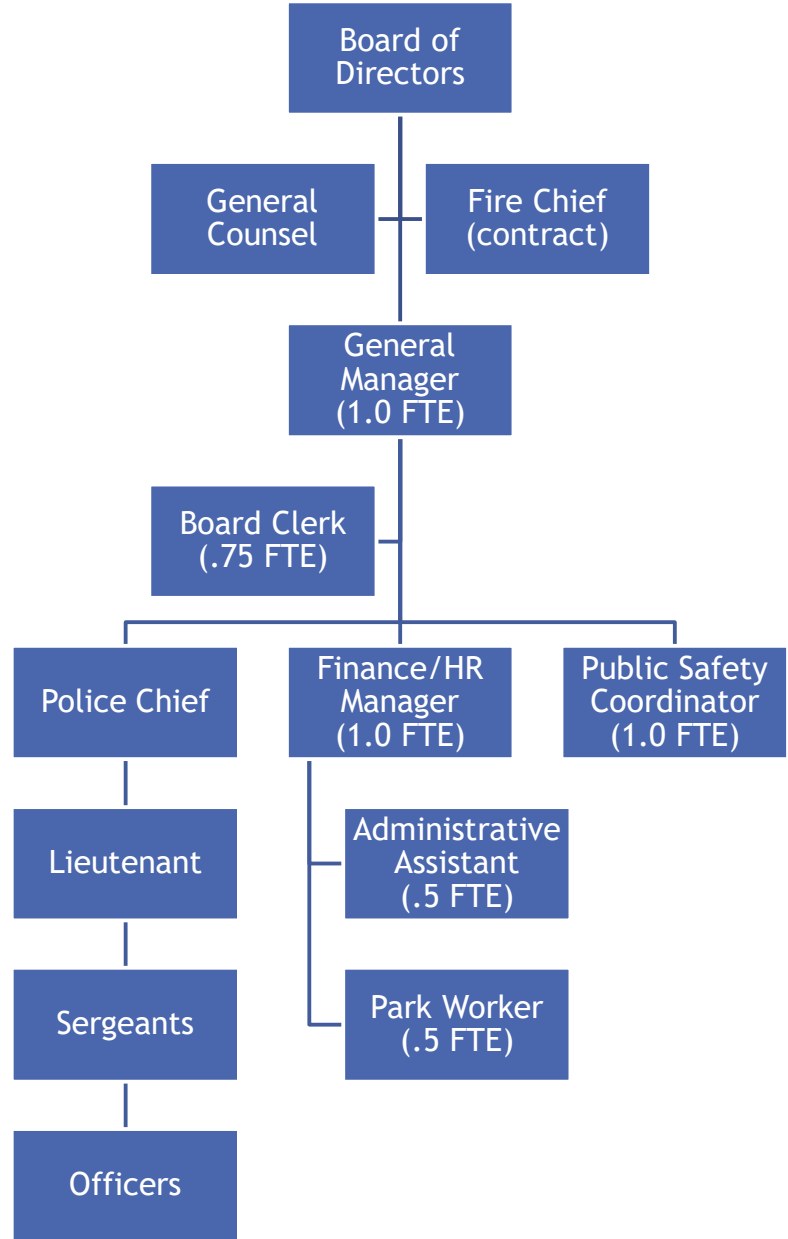
- ▶ January - Board Presidents and General Managers from Districts met to review the fiscal analysis project for timing (data, report, Board Meetings)
- ▶ General Managers reviewed ideas on the administrative structure that would be needed for staffing requirements (other areas are easier to define - utilities, supplies, etc.)
- ▶ Board Presidents provided initial feedback and General Managers continued work on over the next few months
- ▶ A hypothetical administrative structure has been drafted in the form of an organizational chart



Organization Chart - KFPD



Organization Chart - KPPCSD



Organization Chart (hypothetical)
KFPD & KPPCSD Combined Agency

Administrative Structure Functions

- ▶ Board of Directors - combined, reduces in conjunction with terms
- ▶ General Counsel - combined, no significant impact on needs
- ▶ Administration - changes to staffing and consulting needs
- ▶ Fire (contract) - no change
- ▶ Police - no change

Administration - Staffing

- ▶ General Manager
 - ▶ 1.0 FTE - some workload shifted to Finance/HR Manager
- ▶ Board Clerk
 - ▶ .75 FTE - some workload shifted to Administrative Assistant
- ▶ Finance/HR Manager
 - ▶ 1.0 FTE - eliminates consulting services, workload from GM
- ▶ Administrative Assistant
 - ▶ .50 FTE - workload from Board Clerk
- ▶ Park Worker
 - ▶ .50 FTE - building/grounds janitorial, converts from contract to allow flexibility cleaning up after events
- ▶ Public Safety Coordinator
 - ▶ 1.0 FTE - converts from consulting, manages grants, assists GM

Deposit Summary

6/19/2024 11:47 AM

Kensington Police Protection & Community Services District

Summary of Deposits to 101 · Five Star Checking on 06/19/2024

Chk No.	PmtMethod	Rcd From	Memo	Amount
2458	Check	Bay View Refuse A/R	Franchise fee for April 2024	6,027.61
2475	Check	Bay View Refuse A/R	Franchise fee for May 2024	28,988.27
160034	Check	Contra Costa County Auditor - Contr...	Police fines	229.09
168219	Check	Contra Costa County Auditor - Contr...	Police fines	179.05
7879841	Check	Kensington Community Council	KCC Facility fee June 2024	14,500.00
2536918921	Check	Lexis Nexis	Police report	20.00
2548862211	Check	Lexis Nexis	Police report	20.00
14124	Check	Renne Public Law Group	Per agreement 23/24	13,000.00
67313397	Check	State of California	Peace Officer Standards & Trng	863.91
7093234	Check	US Bank CCard	USbank Corp Card NASPO Contract ...	329.74
944	Check	Community Center Rental	CC rental fee on June 7th from Emily ...	300.00
2499	Check	Community Center Rental	KCC rental fee on June 6th from Mich...	509.00
1105	Check	Community Center Rental	Main hall rental on June 15 from Red ...	1,402.00
883	Check	Community Center Rental	Main hall rental on June 1st from Kens...	300.00

Less Cash Back:

Deposit Total:

66,668.67

Deposit Summary

Kensington Police Protection & Community Services District
Summary of Deposits to 101 · Five Star Checking on 06/20/2024

Chk No.	PmtMethod	Red From	Memo	Amount
0000995366	Check	KFPD	Modular sublet - May-June 2024	4,877.10
Less Cash Back:				
Deposit Total:				4,877.10

Kensington Police Protection & Community Services District
Transaction List by Date
June 20, 2024

Type	Date	Num	Adj	Name	Memo	Account	Class	Clr	Split	Debit	Credit
Jun 20, 24	Bill Pmt -Check	06/20/2024	30677	Alert-All Corp.	KEN0382711	101 · Five Star Checking			210 · Accounts Payable		187.43
	Bill Pmt -Check	06/20/2024	30678	Amazon	A1297SCF5R73DC (for May 2024 bil	101 · Five Star Checking			210 · Accounts Payable		1,490.25
	Bill Pmt -Check	06/20/2024	30679	AT&T CalNET 3	BAN 9391062077 Stmt 05/03/2024 -	101 · Five Star Checking			210 · Accounts Payable		897.66
	Bill Pmt -Check	06/20/2024	30680	Bay Area News Group	2010129 Billing period 5/1/2024 - 5/3	101 · Five Star Checking			210 · Accounts Payable		476.27
	Bill Pmt -Check	06/20/2024	30681	Best Best & Krieger LLP	Professional services rendered throu	101 · Five Star Checking			210 · Accounts Payable		551.00
	Bill Pmt -Check	06/20/2024	30682	C & J Cleaning Services	May 2024	101 · Five Star Checking			210 · Accounts Payable		1,150.00
	Bill Pmt -Check	06/20/2024	30683	C. L. E. A.	June 2024 Billing	101 · Five Star Checking			210 · Accounts Payable		256.00
	Bill Pmt -Check	06/20/2024	30684	CC County Conservation & Developm	May 2024	101 · Five Star Checking			210 · Accounts Payable		12,423.55
	Bill Pmt -Check	06/20/2024	30685	CCC - Sheriff - Forensic Services	INV# KPD-2404	101 · Five Star Checking			210 · Accounts Payable		1,915.00
	Bill Pmt -Check	06/20/2024	30686	City of El Cerrito	INV# 215340 License fees for Januar	101 · Five Star Checking			210 · Accounts Payable		5,571.00
	Bill Pmt -Check	06/20/2024	30687	Comcast	8155 40 044 0278610	101 · Five Star Checking			210 · Accounts Payable		326.28
	Bill Pmt -Check	06/20/2024	30688	Department of Justice	155717	101 · Five Star Checking			210 · Accounts Payable		66.00
	Bill Pmt -Check	06/20/2024	30689	EBMUD		101 · Five Star Checking			210 · Accounts Payable		600.49
	Bill Pmt -Check	06/20/2024	30690	Eide Bailly LLP	Client # 263645 & 266131	101 · Five Star Checking			210 · Accounts Payable		6,662.66
	Bill Pmt -Check	06/20/2024	30691	Fernando Herrera	Services rendered in June 2024	101 · Five Star Checking			210 · Accounts Payable		12,615.00
	Bill Pmt -Check	06/20/2024	30692	Ford Motor Credit Company LLC	Acct# 6110501 Ford vehicle 2023	101 · Five Star Checking			210 · Accounts Payable		904.82
	Bill Pmt -Check	06/20/2024	30693	Galls Incorporated	3524376	101 · Five Star Checking			210 · Accounts Payable		750.98
	Bill Pmt -Check	06/20/2024	30694	Great America Financial Services	015-1439943-000	101 · Five Star Checking			210 · Accounts Payable		221.57
	Bill Pmt -Check	06/20/2024	30695	Greg Harman	Coverage Period July 2024	101 · Five Star Checking			210 · Accounts Payable		349.40
	Bill Pmt -Check	06/20/2024	30696	Kanchana Borisuthiratana	Travel reimbursement from 05/19/24	101 · Five Star Checking			210 · Accounts Payable		2,518.32
	Bill Pmt -Check	06/20/2024	30697	LEHR	INV# SI103502	101 · Five Star Checking			210 · Accounts Payable		283.46
	Bill Pmt -Check	06/20/2024	30698	Major Alarm	150046003	101 · Five Star Checking			210 · Accounts Payable		69.00
	Bill Pmt -Check	06/20/2024	30699	Michael Gancasz	CPCA ATS 2024 on 5/18/24 -5/21/24	101 · Five Star Checking			210 · Accounts Payable		444.82
	Bill Pmt -Check	06/20/2024	30700	Mobile Modular	R1031374	101 · Five Star Checking			210 · Accounts Payable		5,651.20
	Bill Pmt -Check	06/20/2024	30701	Motorola Solutions, Inc.	Customer Acct# 1012641561	101 · Five Star Checking			210 · Accounts Payable		7,772.61
	Bill Pmt -Check	06/20/2024	30702	Nextiva, Inc.	AC# 3994083 Contract# 2751865	101 · Five Star Checking			210 · Accounts Payable		744.78
	Bill Pmt -Check	06/20/2024	30703	Nippon Life Insurance Company of Ar	GJ9600	101 · Five Star Checking			210 · Accounts Payable		104.00
	Bill Pmt -Check	06/20/2024	30704	PG&E	1525420294-6 Billing from 04/22/202	101 · Five Star Checking			210 · Accounts Payable		1,141.85
	Bill Pmt -Check	06/20/2024	30705	Principal Life Insurance	1129864-10001, for July	101 · Five Star Checking			210 · Accounts Payable		150.40
	Bill Pmt -Check	06/20/2024	30706	RecDesk LLC	RecDesk Subscription 7/1/2024 - 06/	101 · Five Star Checking			210 · Accounts Payable		2,950.00
	Bill Pmt -Check	06/20/2024	30707	Richard Meure	INV# KPD0004	101 · Five Star Checking			210 · Accounts Payable		600.00
	Bill Pmt -Check	06/20/2024	30708	Ridgeline Municipal Strategies, LLC	Fiscal analysis services from 02/01/2	101 · Five Star Checking			210 · Accounts Payable		12,995.00
	Bill Pmt -Check	06/20/2024	30709	Rosa Ruiz	May 2024 reimbursement	101 · Five Star Checking			210 · Accounts Payable		47.31
	Bill Pmt -Check	06/20/2024	30710	Rubiconn LLC	June 2024 Billing	101 · Five Star Checking			210 · Accounts Payable		4,547.00
	Bill Pmt -Check	06/20/2024	30711	Smile Business Products, Inc.	KP01 INV# 1199980	101 · Five Star Checking			210 · Accounts Payable		103.20
	Bill Pmt -Check	06/20/2024	30712	Streamline	INV# 4E33FC18-0043	101 · Five Star Checking			210 · Accounts Payable		249.00
	Bill Pmt -Check	06/20/2024	30713	TransUnion	813540	101 · Five Star Checking			210 · Accounts Payable		75.00
	Bill Pmt -Check	06/20/2024	30714	UBS	27250	101 · Five Star Checking			210 · Accounts Payable		340.99
	Bill Pmt -Check	06/20/2024	30715	US Bank CCard	4866 9145 5552 5747	101 · Five Star Checking			210 · Accounts Payable		4,700.02
	Bill Pmt -Check	06/20/2024	30716	USbancorp	Cust# 1783852	101 · Five Star Checking			210 · Accounts Payable		4,609.59
	Bill Pmt -Check	06/20/2024	30717	Verizon Wireless	772287401-00001	101 · Five Star Checking			210 · Accounts Payable		783.55
	Bill Pmt -Check	06/20/2024	30718	Westamerica Bank	Note # 526 000 1105-66-0319	101 · Five Star Checking			210 · Accounts Payable		30,516.62
	Bill Pmt -Check	06/20/2024	30719	Wex Bank - Exxon	369-677-649-5	101 · Five Star Checking			210 · Accounts Payable		2,613.25
	Bill Pmt -Check	06/20/2024	30720	Advanced Towing	INV# 1123	101 · Five Star Checking			210 · Accounts Payable		135.00
	Bill Pmt -Check	06/20/2024	30721	Fremont Ford	RO# 435331	101 · Five Star Checking			210 · Accounts Payable		1,609.09
Jun 20, 24	Bill Pmt -Check	06/20/2024	30723	City of El Cerrito	INV# 215353 License fee for April-June 2023	101 · Five Star Checking			210 · Accounts Payable		5,571.00
Total Paid Amount:-										138,741.42	

Note:- Check 30722 was issued but will be paid to SDRMA on July 1st, 2024.



KENSINGTON POLICE DEPARTMENT

10940 San Pablo Avenue ▪ El Cerrito ▪ CA ▪ 94530

(510) 526-4141

www.kppcsd.org

DATE: June 30th, 2024

TO: David Aranda: General Manager

FROM: M. Gancasz, Chief of Police

RE: Police Chief’s Monthly Report, June 2024

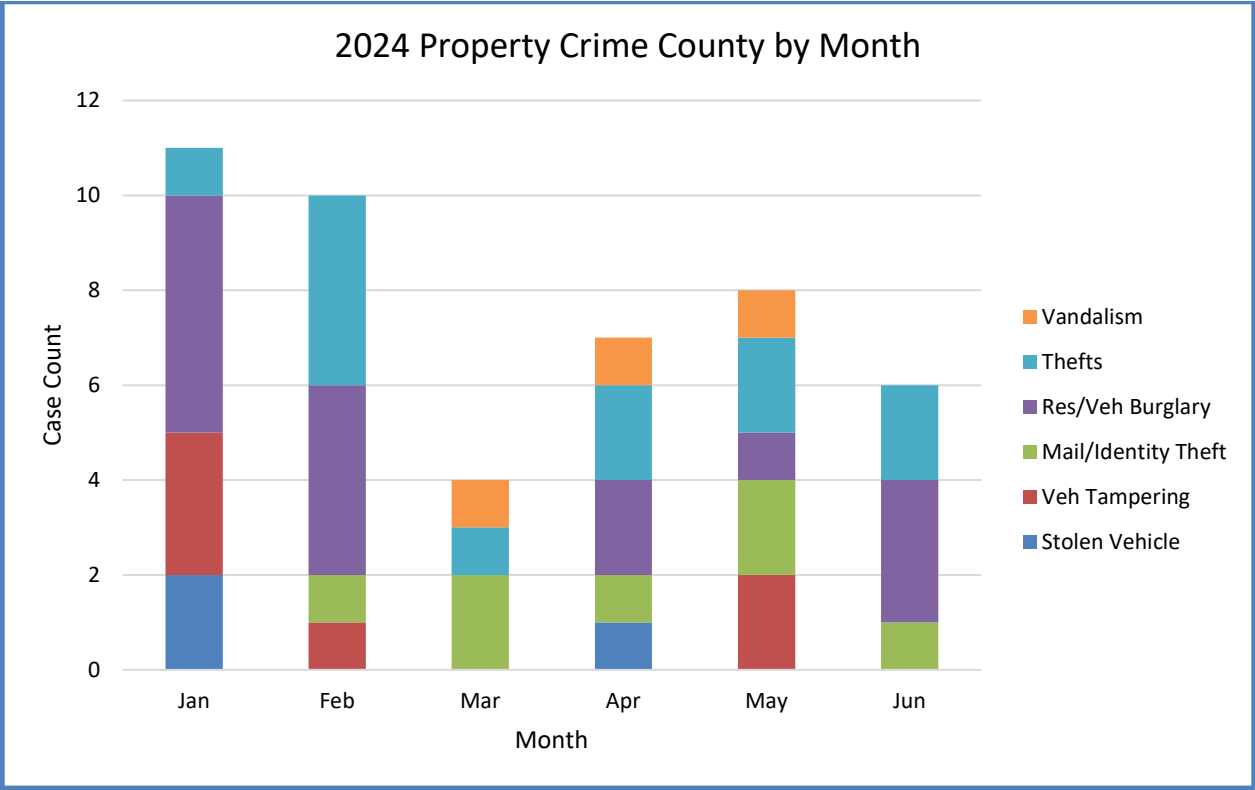
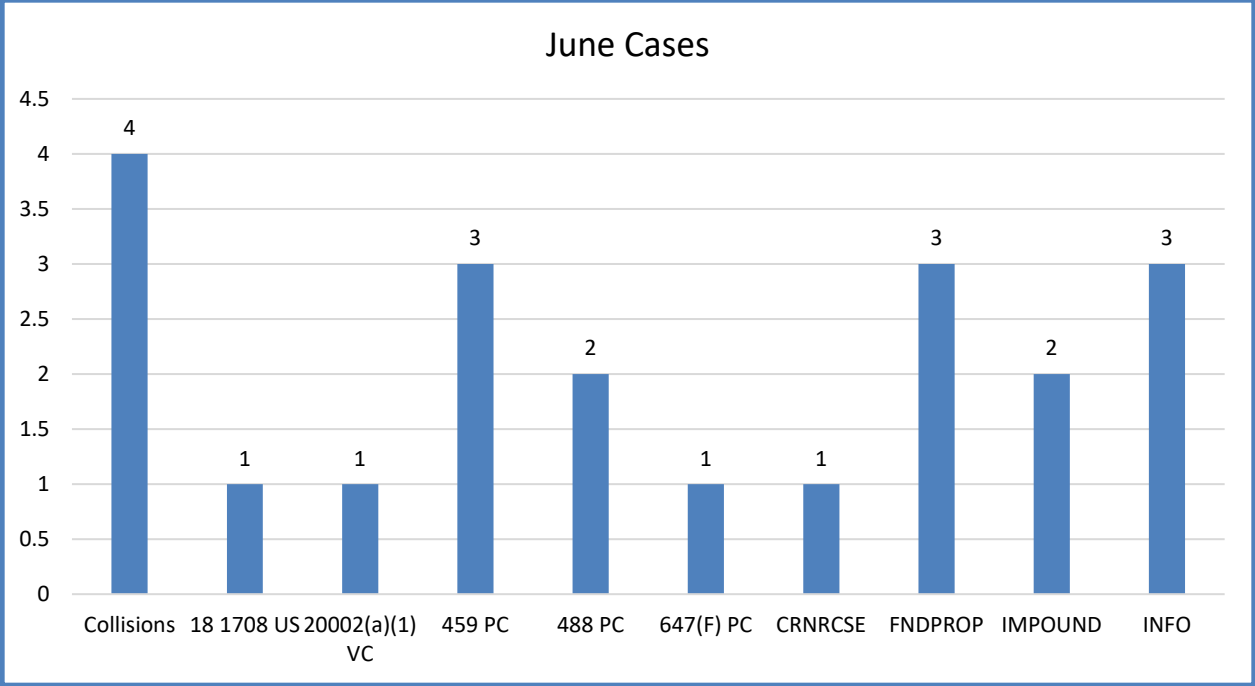
Patrol Operations

In June, the Kensington Police Department responded to 1,262 incidents, a slight increase from the previous month's 1,226 incidents. Of these, officers initiated 923 actions, including 125 traffic enforcement stops, which led to 72 citations. This reflects a rise in stops and a decrease in citations compared to the prior month. Additionally, officers responded to 339 dispatched calls for service, up from 320 in May, and completed 26 reports, compared to 25 previously. One misdemeanor arrest was made during this period.

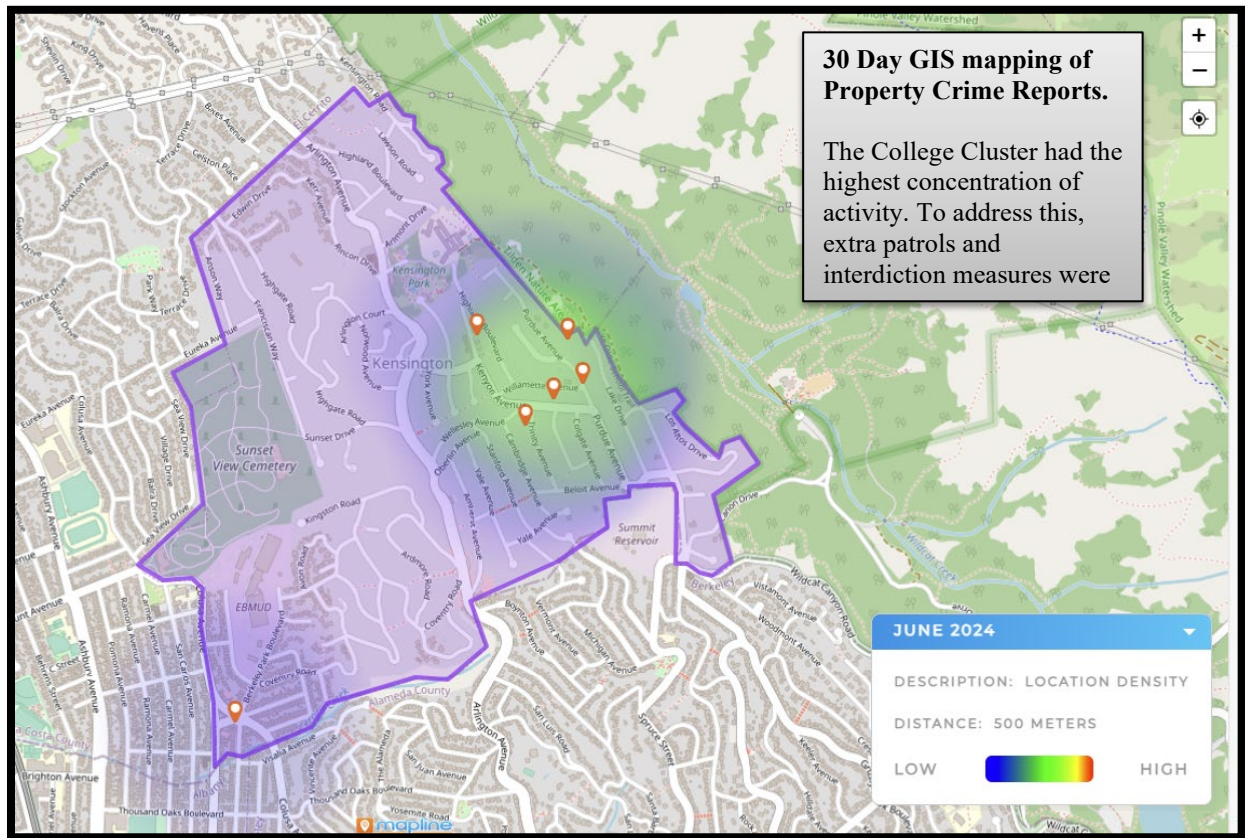
The department investigated a range of incidents, including two residential burglaries, an auto burglary, theft of auto parts, grand theft, a death investigation, public intoxication, and two incidents of mail theft. Furthermore, the average response time of officers improved from 5.1 minutes to 4.1 minutes.

Table 1. Date and Time Heatmap

Day of the Week	0000-0600	0600-1200	1200-1800	1800-2400	Grand Total
MO	1	3	2	0	6
TU	1	0	1	1	3
WE	1	0	0	1	2
TH	0	0	1	1	2
FR	0	0	2	0	2
SA	0	0	1	1	2
SU	0	1	3	0	4
Grand Total	3	4	10	4	21



Crime Trend Mapping June 1-30, 2024



Activity Log

June 1st: Officers conducted a traffic enforcement stop at Colusa Circle for a stop sign violation. The driver yielded at Colusa Avenue and Fairmount Avenue. Following an evaluation, the driver was cited for the infraction.

June 3rd: Officers responded to a request for outside assistance from Albany PD regarding a theft. The suspect, who became violent with Albany PD officers, was apprehended with the assistance of Kensington officers. There were no reported injuries.

June 6th: Officers responded to a report of license plate theft on Trinity Avenue. An investigation is currently underway.

June 8th: Officers responded to a rollover collision with injuries on Arlington Avenue. A report was taken.

June 10th: Officers received a report of a missing person near Colusa Circle. After gathering information and entering the individual into the missing persons' database, officers conducted a search and successfully located them several hours later.

June 12th: Officers responded to a hit-and-run collision on Arlington Avenue. A report was filed.

June 17th: Officers conducted directed traffic enforcement on Arlington Avenue from Amherst Avenue to Lam Court. Multiple citations were issued, and two vehicles were impounded due to expired registrations: one expired over a year ago, and the other over five years ago.

June 17th (same day): Officers responded to a non-injury traffic collision at Arlington Avenue and Westminster Avenue. A report was completed.

June 22nd: Officers responded to Arlington Avenue for an intoxicated person. The suspect was arrested and released with a citation. The case has been referred to the Contra Costa District Attorney's Office.

June 23rd: Officers investigated a mail theft report and collaborated with citizens who provided suspect information and vehicle details. Officers confirmed the vehicle's license plate using witness video and our **Flock community safety cameras**. The investigation, in conjunction with another agency in Contra Costa County, remains ongoing.

June 24th: Officers responded to a non-injury traffic collision involving an oversized vehicle while training with Kensington/El Cerrito Fire near Grizzly Peak Boulevard and Beloit Avenue. An investigation and traffic collision report were conducted.

June 24th (same day): Officers responded to a non-injury collision in the 200 block of Kenyon Avenue and authored a traffic collision report.

June 25th: Officers responded to a deceased person in a residence. A Coroner's report was filed, and the investigation concluded.

June 25th (same day): Officers responded to reports of multiple auto burglaries on Kenyon Avenue and Westminster Avenue. Using **Flock community safety cameras**, officers identified the suspect vehicle and its license plate. Information has been shared with allied agencies to address similar crimes in their jurisdictions. The investigation is ongoing.

June 27th: Officers responded to a burglary at an accessory dwelling unit on Purdue Avenue. The investigation is ongoing.

June 30th: Officers responded to a report of a domestic disturbance. Following the investigation, one individual was arrested, a report was filed, and the case has been referred to the Contra Costa District Attorney's Office.



Community Safety Cameras In June, we installed two more community safety cameras, bringing our total to five. Our supervisors diligently review the captured data for functionality, frequency, and accuracy before integrating the program fully into patrols. This ensures we use the best tools to keep our community safe and secure.

May Data Captured – five (5) cameras		
Type	Stolen Plates	Stolen Vehicle
Count	160	1

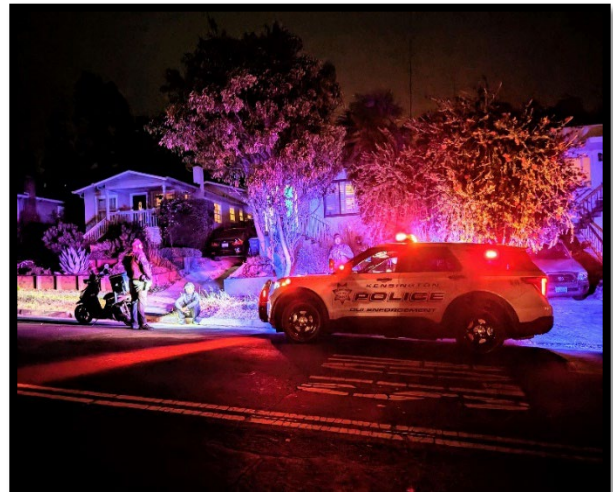
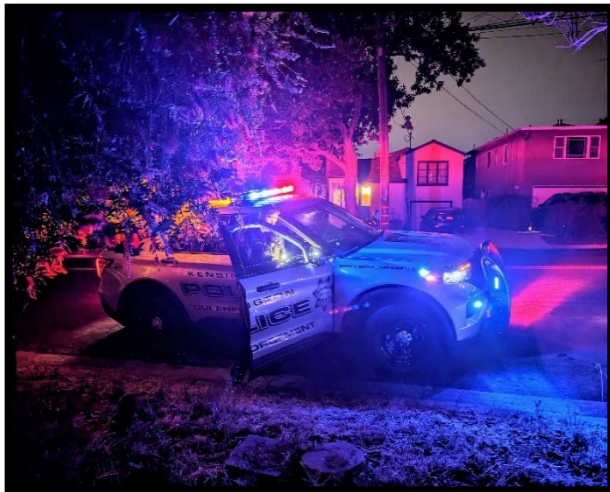
Training

The police department continued to prioritize de-escalation training and crisis intervention strategies. Sergeant Lande and Officer Payne attended training sessions conducted by CORE (Contra Costa County Homeless Services) and A3 (Contra Costa County Crisis Response Team) at ECPD. In addition, officers received training from Deputy Yen of the Contra Costa County Mental Health Evaluation Team at KPD. Sergeant Lande also completed Legal Updates Training for 2024 and participated in courses on Ethical Decision Making in Policing, Introduction to Non-Confrontational Investigative Interviewing, and CA POST's Training Officer Skills.

Furthermore, Officer De Santiago and Sergeant Nath participated in K9 building search training with ECPD. At the same time, Sergeant Lande provided additional training to Officers Payne and Thota in building entry and room-clearing techniques.

Traffic Safety

This month, our team investigated one misdemeanor hit-and-run, one injury collision, and three non-injury collisions. Three of these incidents occurred on Arlington Ave, a key area of concern for our community's safety. On June 7th, Kensington officers conducted a DUI operation supported by the Office of Traffic Safety to increase awareness and remove dangerous drivers from the roads.



Chief of Police

We're thrilled to welcome Sergeant Jose Riveria from the Contra Costa County Sheriff's Office, who accepted our offer on June 20. He will officially join our team on July 16 and begin our orientation program under the guidance of Sergeant B. Lande and Lieutenant A. Nath. Additionally, we're pleased to announce a three-year extension to our dispatch contract with the Albany Police Department. Chief John Geissberger and I are delighted with our agencies' ongoing collaboration. I'm particularly grateful for the outstanding dispatch services they consistently provide.

Community



On June 12th at 11:00 a.m., we had a wonderful time joining the community at Pizza with Police, generously hosted by Benchmark Pizzeria. Attendees enjoyed delicious, fresh, authentic pizza and engaged in lively conversations with officers and volunteers. This second community gathering sets the stage for our third event, Coffee with a Cop at Raxakoul Coffee & Cheese, in July. We eagerly anticipate another opportunity to connect with our community over great coffee and meaningful dialogue. For more information about our upcoming events, please visit KPPCSD.org or our Facebook page. We hope to see you there!





Date: July 11, 2024

To: Board of Directors

Submitted by: David Aranda, Interim General Manager

Subject: General Manager's Report for June 6, 2024, Through July 3, 2024

The following items were addressed by the IGM:

- Finalized the 2025 Fiscal Year Budget.
- Completed the employee evaluation with the Chief of Police and finalized an extension to his contract.
- Continued working with Ridgeline on completing the fiscal analysis project.
- Continued communication with Mr. Kropp regarding the geotechnical work. See attached e-mail.
- Continued discussions with the County in attempt to finalize the money they are holding that belongs to the District.
- Finalized a contract extension with the City of Albany regarding dispatch service. The contract is attached.
- Continued communication in finalizing an extension with the City of El Cerrito regarding the licensing agreement that allows the modular building to remain on the City property.
- Met with Park maintenance contractor and reviewed various items that have been accomplished.
- Discussions with our solid waste contractor regarding the upcoming grant program, and other items involving solid waste. This includes determining that the solid waste clean-up week for 2024 will be the week of September 16, 2024. I have contacted Outlook regarding when information will be needed to properly notify the residents of this important event.
- Met with Mary of the Kensington Fire Protection District and addressed various items of interest for both entities.

Attachments:

- A. Kropp Email

From: Alan Kropp <akropp@akropp.com>
Sent: Friday, June 28, 2024 5:58 PM
To: David Aranda <DAranda@kppcsd.org>
Cc: patrick <patrick@earthfocusgeology.com>
Subject: RE: timeline?

David-

This is our anticipated schedule:

- Thursday, July 11 and Friday, July 12- Excavate trench
- Saturday, July 13 and Sunday, July 14- Trench logging
- Monday, July 15- Backfill trench and drill borings

At the start of our work, we will install a temporary fence around our work area; the fence will be removed at the completion of the work.

Let me know if you have any questions.

Alan Kropp, G.E.

President, Principal Engineer
Alan Kropp & Associates
2140 Shattuck Avenue, Suite 910
Berkeley, CA 94704
(510) 841-5095 (office)
(510) 841-8357 (fax)
www.akropp.com

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From: David Aranda <DAranda@kppcsd.org>
Sent: Thursday, June 20, 2024 7:58 AM
To: Alan Kropp <akropp@akropp.com>
Subject: RE: timeline?

Ok, thanks for getting back to me. David.

David Aranda
Interim General Manager

Kensington Police Protection & Community Services District

510-526-4141 | Main
510-960-0716 | Cell
510-440-5410 | Fax

Email: DAranda@kppcsd.org

10940 San Pablo Avenue | El Cerrito, CA. 94530





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From: Alan Kropp <akropp@akropp.com>
Sent: Wednesday, June 19, 2024 5:50 PM
To: David Aranda <DAranda@kppcsd.org>
Subject: RE: timeline?

David-

Sorry for the delay. Our geologist is still working out the details with our excavation subcontractor. I hope it will be worked out soon, and I will let you know when it does.

Alan Kropp, G.E.
President, Principal Engineer
Alan Kropp & Associates
2140 Shattuck Avenue, Suite 910
Berkeley, CA 94704
(510) 841-5095 (office)
(510) 841-8357 (fax)
www.akropp.com

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From: David Aranda <DAranda@kppcsd.org>
Sent: Tuesday, June 18, 2024 11:24 AM
To: Alan Kropp <akropp@akropp.com>
Subject: timeline?

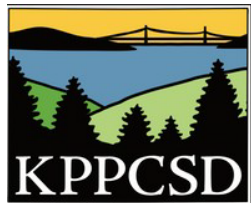
Alan. Have you been able to develop a timeline for the work you are going to do on Arlington? I have directors asking me. David.

David Aranda
Interim General Manager

Kensington Police Protection & Community Services District

510-526-4141 | Main
510-960-0716 | Cell
510-440-5410 | Fax
Email: DAranda@kppcsd.org
10940 San Pablo Avenue | El Cerrito, CA. 94530





Kensington Police Protection & Community Services District

Date: July 11, 2024

To: Board of Directors

From: Rosa Ruiz

Subject: Parks Report

The District Office was closed on Thursday, July 04, 2024, in observance of Independence Day.

Community Center:

Private events at the center are slower than usual this month, but a successful June was in full effect, which also applies to the reservations at the picnic site. Hopefully, it will pick up.

1. Last year, Smart Windows Cleaning provided services at the rec building and CC. This type of service usually happens in August since there are about two to three weeks between summer camp and the start of fall classes. The following areas are to be serviced:
 - Deep cleaning of the floors.
 - Window washing, inside and outside.
 - Power or pressure washing the outside of buildings and concrete floors that lead to the building.
2. A Master lock chain and a key were purchased for the BBQ grill alongside the community center. There have been multiple incidents of children playing with the grill plates and lever, using the lever as a toy, pulling it up and down, and causing it to break off. Fernando has replaced this part many, many times throughout this year only. Summer campers use this grill every Friday. The lock for this lever shares the same key as the annex building, too avid more keys. Hopefully, this solves this recurring issue.

Recreation Office Report prepared by Jenny Parks Kensington Community Council July 1, 2024

KCC Summer Camp:

KCC offered 10 weeks of Summer Camp. Beginning June 10th and running through August 16th.

We have 550 campers enrolled over the summer.

We hired 17 counselors for camp, 11 new counselors and 6 past CIT or new hires.

We have 18 CITs (counselors in training)

12 Summer Camp partial scholarships were awarded

KASEP:

The last Spring KASEP class was May 30th, 2024

Fall brochure of class will be available August 15th - We are going to make Wednesday schedule same as other days -2:30-5:00.

Fall Registration is set for August 27th, 2024- Classes begin week of Sept. 9th.

We will offer 2 weeks of afterschool camp. Week of August 26th and the week of Sept. 3rd 2:30-5:00pm prior to the start of KASEP classes.

Adult Classes - Summer Schedule

Tai Chi with Nobuo Nishi remains on Wednesdays & Fridays 9:30-11am -Community Center - * No classes week of July 22nd

Strength & Balance Yoga Tuesdays 8:30am - Canceled Thursday Class.

Cardio Dance Class moved to Thursday 10am-11am Community Center -No class 7/4

Cooking with April Summer Series Tuesdays 6-8pm in the Community Center

June 18th - Pickling vegies & fruit

July 9th - How to use up all of your summer fruit

July 23rd - Basic fermentation & pickles

KCC & Other:

- Meeting scheduled with Good Guest Kensington to see how we can work together.
- A maintenance request to District to repair the front door that had the hinges come lose and it was repaired the next day.
- 5/21 - someone pulled on the hose too hard and broke the connections, the water to the building was turned off temporarily. I notified Fernando and he came and repaired it and turned the water back on.
- The new fencing and signage has been good at keeping kids off the hillside by the BB court.
- KCC Fall Movie Night is scheduled for September 21st, 2024
- KCC Fall Picnic is scheduled for October 20th, 2024



Date: July 8, 2024
To: Board of Directors
Submitted by: David Aranda, Interim General Manager
Subject: Fiscal Year 2025 CalPERS Pay Scale

Recommendation

Approve the attached pay scale.

Background

Each year the District is required to provide an updated pay scale of all employees working for the District. It is understood that administrative employees are NOT enrolled in the CalPERS program but CalPERS still wants to see the pay scale for everyone.

Exhibit(s)

- KPPCSD Salary Schedule – Effective July 1, 2024

KPPCSD Salary Schedule - Effective July 1, 2024

Item #10a

	Hourly Rate	Range-Annual	Full/Part Time	Positions	Benefits	Department
Position	Hourly	Full-time Monthly	Status	Authorized	Status	PD/Dist
Chief of Police	\$94.03 – \$106.63/hr.	\$16,300.00 – \$18,484.00	FT	1	Y	PD
Police Lieutenant	\$65.80 – \$76.98/hr.	\$11,407.00 – 13,344.00	FT	1	Y	PD
Police Sergeant	\$56.10 – \$65.18/hr.	\$9,725.48 – \$11,299.32	FT	2	Y	PD
Police Officer	\$44.09 – \$54.67/hr.	\$7,643.08 – \$9,476.52	FT	5	Y	PD
Non-Sworn (evidence/background/admin)	\$53.52- \$57.26/hr.	\$4,281.60 – \$4,580.80	PT	0	N	PD
Executive Assistant to the Chief (recommended)	\$30.60- \$39.05/hr.	\$5,305.00 – \$6,770.00	FT	0	N	PD
General Manager	\$125.40 – \$142.20/hr.	\$21,736.00 – \$24,648.00	PT	1	N	DIST
Accounting Clerk	\$36 – \$56/hr.	\$6,240.00 – \$9,706.67	PT	1	N	DIST
Clerk of the Board	\$30 – \$50/hr.	\$5,200.00 – \$8,666.67	PT	1	N	DIST
Community Center Coordinator (Parks & Rec)	\$25 – \$40/hr.	\$4,333.33 – \$6,933.33	FT	1	N	DIST
Maintenance (General Contractor)			PT/contractor	1	N	DIST
Janitor (Community Center & Parks)	\$20 – \$30/hr.	\$3,466.67 – \$5,200.00	PT	1	N	DIST

Approved by Board of Directors 07/8/2024

David Spath, President, Board of Directors



Date: July 11, 2024
To: Board of Directors
From: David Aranda, Interim General Manager
Subject: Discussion and Direction In Regard to Utilizing the \$75,000, CalRecycle SB 1383 Local Assistance Grant Funding Money for the Community

Background

The Board of Directors approved the District submitting an application for grant money from the California's Department of Resources Recycling and Recovery (CalRecycle) in conjunction with SB1383 Local Assistance "Organic Waste Recycling 4 Grant Payment Program". The grant funds will be used to assist in complying with regulations adopted by CalRecycle to implement SB 1383.

Alex Soulard of R3 Consulting Group has been the key person assisting the District in accomplishing all the paperwork and interacting with the State of California, specifically CalRecycle. I and Greg and Kim Christie have had a few zoom conversations so that Alex could present options of how the \$75,000 in grant funds could be spent. Alex submitted that information in coordination with the District and Bay View Refuse and CalRecycle approved the current budget.

Please note that R3 Consulting Group will receive \$30,000 for their efforts in seeing this grant program for beginning to completion. The District will receive \$7,000 in indirect administrative costs for the work your IGM is doing on this program and the remaining \$38,000 is broken down as follows:

1. \$5,000 for outreach/education information.
2. \$15,000 for collection bins in public areas for eligible organics and recycling collection.
3. \$18,000 for distribution of dehydration units made by a company called Mill.

The three-dollar amounts may be adjusted with approval of the CalRecycle Grant Manager to better meet the needs of the community.

An outline of the use of the three programs would be as follows:

1. Outreach/education. Possibly hold a festive event that focuses on helping the community understand more about organics and recycling. Provide flyers and other informational tools that assist in allowing the residents to keep focused about the organic and recycling process.

CalRecycle SB 1383 Local Assistance Grant Funding

Money for the Community

July 11, 2024

Page 2 of 2

2. The District would purchase larger bins to place in the park so that all landscaping items, i.e. grass, leaves, etc. would be collected and placed in the bin instead of being hauled off to the dump. The district would also purchase new smaller bins for organics and recycling to provide in the community center and other key areas in the park and in other public areas.

3. The Mill product (information attached) would be made available to small businesses in Kensington and made available on a first come first serve basis for residents. There would be a small fee associated with the equipment. For example, the District would purchase 30 of the units at \$625.00 and allow resident first come first serve to purchase a unit at a reduced price of \$100. This would still make residents accountable to some degree and allow a few more people to take advantage of the program. The District and R3 will work with the Mill and the CalRecycle Grant Manager to streamline the funding mechanism to develop an incentive system that is eligible as a grant expense and minimizes any additional administrative demands on the District.

The information regarding the Mill product is attached. There is a unit at the District office in the kitchen that can be viewed.

Exhibits

- SB 1383 Grant-Related Services – R3 Proposal (Updated July 2, 2024)
- Kensington CSD: 2024 Pilot Pricing Proposal
- KPPCSD – Food Recycling Appliance Program Concept
- Mill Overview – 7.3.24
- Email from the Christie's with photos

June 26, 2024

Mr. David Aranda
Interim General Manager
10940 San Pablo Avenue
El Cerrito, CA 94530
submitted via email: daranda@kppcsd.org

SUBJECT: SB 1383 Grant-Related Services – R3 Proposal *(Updated July 2, 2024)*

Dear Mr. Aranda,

R3 Consulting Group, Inc. (R3) is pleased to submit the attached proposal to Kensington Police Protection and Community Services District (KPPCSD) for SB 1383 Grant-Related Services.

Introduction

R3 is at the forefront of SB 1383 compliance planning and implementation - we have been working with dozens of jurisdictions to fund and implement the regulations and participated in the SB 1383 rule-making process through its finalization. SB 1383 has complex requirements, which affect many aspects of solid waste collection and post-collection systems.

R3 is prepared to assist KPPCSD in implementing the SB 1383 Local Assistance Grant (OWR4). The proposed scope of work is structured to start with an initial analysis of the level of SB 1383 implementation that KPPCSD has undertaken thus far. R3 will solicit information about current SB1383 programs and determine the status of compliance with the law. Once a status is known, R3 will then identify where improvements can be made to meet the requirements of the regulations and implement programs to improve organics diversion and enhance organics collection within KPPCSD.

Our team will assist KPPCSD with program implementation, enhancement of organics collection, and assistance with SB1383 program coordination.

Project Team

Alex Soulard, Managing Consultant, will serve as Project Lead and primary point of contact for this engagement. Alex will be supported by **Kate Scholz**, Managing Consultant, **Carrie Baxter**, Principal as well as other qualified R3 staff as necessary.

We appreciate the opportunity to submit our proposal to KPPCSD. Should you have any questions regarding our proposal or need any additional information, please don't hesitate to reach out directly.

Sincerely,



Alex Soulard | *Managing Consultant*
R3 Consulting Group, Inc.
707.888.8693 | asoulard@r3cgi.com



Carrie Baxter | *Principal*
R3 Consulting Group, Inc.
916.878.7413 | cbaxter@r3cgi.com

1. SCOPE OF WORK

Task 1 SB 1383 Gap Analysis and Implementation Plan

Task 1.1 SB 1383 Gap Analysis and Status Update

R3 follows SB 1383 regulations closely on behalf of many jurisdictions and has conducted research and analysis regarding the programmatic needs of SB 1383 to local jurisdictions under CalRecycle requirements.

Our team will develop a comprehensive survey of the current SB1383 programs operated by the Special District, their franchised solid waste hauler, in addition to services provided by regional agencies to establish the current level of compliance with SB1383. R3 staff will also set up a kickoff meeting with KPPCSD to ask any follow-up questions on the survey responses and to ask additional questions to determine additional needs KPPCSD may have.

SB 1383 touches upon numerous aspects of solid waste management, many of which are currently the responsibility of KPPCSD or their hauler via agreement. As a part of this task, R3 will conduct interviews as needed with KPPCSD staff, hauler staff, and potential third parties such as food banks. R3 will also use the institutional knowledge gained from past work with other East Bay jurisdictions and facilities.

The survey results, meetings, and research will be used to develop an implementation strategy and suite of options for KPPCSD. R3 and KPPCSD will use the assessment to develop and roll out enhanced SB1383 compliance programs.

Task 1.2 SB 1383 Program Implementation and Coordination

R3 will provide program implementation support for organics collection system, and edible food recovery through the full SB1383 Local Assistance (OWR4) grant term. Through regular meetings with KPPCSD R3 will implement programs as needed for KPPCSD.

R3 will work with KPPCSD staff to develop any internal policies or procedures to ensure that regular reporting is occurring from the hauler and KPPCSD to CalRecycle and that SB 1383 criteria are being met. R3 will balance the implementation needs of KPPCSD to ensure that grant funding is used as efficiently and in a balanced timely manner to last the majority of the grant term.

This task will require R3 staff time upfront to establish standard program methodologies and to effectively reorganize any programs to meet the requirements of SB 1383. Over the course of the grant term, the program will need slight adjustments to ensure that they are compliant demonstrate they are working effectively.

Once effective compliance programs have been put into place and have reportable results they will become standard District practices. By the end of the grant term, program implementation should only require periodic check ins and minor adjustments.

Task 1.3 Coordination of Collection System Development

R3 will prepare the solicited survey feedback into a list of District needs specific to collection bin types. KPPCSD will be able to request collection systems that will work best for their customers or specific sites within the community. These will be focused on enhancing organics collection and can include innovative collection types that are eligible expenses within the SB1383 Local Assistance Grant Program.

R3 will work with KPPCSD to solicit bids and develop a budget for grant implementation and container procurement. All grantees' needs will be considered, and bin types will be selected based on cost and anticipated impact of each collection site.

Task 1 Deliverables

- Remotely hosted kick off meeting with KPPCSD.
- Up to eight (8) Quarterly Zoom Meetings with KPPCSD.
- Survey Development and Data Collection.
- Recycled Content Paper Procurement Methodology.
- Request for quotes and review of responses for collection containers and installation costs, if necessary.
- Budget of planned container purchases.
- Reporting of findings and implementation/coordination activities undertaken.

Task 2 District Program Development

Task 2.1 SB 1383 Program Development

R3 will assist KPPCSD in the development of internal programs to become effective and compliant with SB1383. R3 will assess KPPCSD's current level of program implementation and will engage with staff responsible for SB1383 program implementation.

R3 will coordinate the collection of data from KPPCSD. Depending on the level of current records and program data available R3 may provide a set of folders for program data tracking. Based on the initial records provided, R3 will develop a list of additional program needs for each District and will develop a methodology to ensure KPPCSD is implementing the programs effectively and has a regular process for program maintenance and management. R3 will develop a schedule to keep programs regularly updated during the grant term and will establish a process for ongoing maintenance beyond this grant cycle.

Task 2.2 Compliance Reviews and Enforcement Coordination

R3 will solicit information from the Special District and hauler regarding their compliance, route reviews and process for enforcement. Our team will work with the hauler to collect route review data. R3 will also determine how enforcement actions are addressed, and if they are properly documented.

Utilizing the survey identified in task 1 of this proposal, R3 will review records of each KPPCSD's reports of route reviews and/or waste characterization studies performed as part of their SB1383 compliance programs.

Task 2 Deliverables

- Coordination of Program Implementation.
- Coordination of Ongoing Program maintenance plan.
- Recycled Content Paper Purchasing Coordination.
- Route Review Training and Coordination with Hauler.

2. PROJECT SCHEDULE

R3's proposed schedule, below, incorporates tentative dates.

TASK	START	COMPLETION
1. SB 1383 Gap Analysis and Implementation Plan	July 2024	January 2025
2. District Program Development	July 2024	March 2026

3. PROJECT BUDGET

R3 proposes to complete the project for a total cost of **\$30,000**. **Table 1**, below, shows the total cost breakdown by task. Additional consulting services beyond those proposed will be charged at the standard rates shown in **Table 2**, below. Fees for work completed will be billed monthly at the first of each month, for the preceding month, and are due within 30 days of the invoice date.

Table 1: Cost Breakdown

TASK	COST
1. SB 1383 Gap Analysis and Implementation Plan	\$ 10,000
2. District Program Development	\$ 20,000
TOTAL	\$ 30,000

Table 2: Standard Rates

CLASSIFICATION	RATE
Principal	\$ 300 per hour
Sr. Director	\$ 300 per hour
Director	\$ 255 per hour
Sr. Managing Consultant	\$ 235 per hour
Managing Consultant	\$ 210 per hour
Sr. Consultant	\$ 200 per hour
Consultant	\$ 180 per hour
Associate Consultant	\$ 165 per hour
Expert Witness	1.5x Rates Listed Above
REIMBURSABLE COSTS	
Consultants/Subcontractors	Cost plus 10%
Lodging and meals	Direct cost
Travel - <i>Private or company car</i>	At Current Federal Rate
Travel - <i>Other</i>	Direct cost
Delivery and other expenses	Direct cost

KPPCSD Food Recycling Appliance Program Concept

Kensington Police Protection and Community Services District (KPPCSD) is looking to implement and study a food scrap composting program for its small businesses and residents (Program). KPPCSD would like to have ~30 participants test a Food Recycling Appliance (Appliance), and have the output composted via Bay View Refuse, the local franchised hauler.

The Program is emphasizing three key elements, in addition to diversion from landfill:

1. Convenience for participants enabled through technological interventions
2. Sufficient capacity to be useful in small business settings
3. Detailed data collection regarding usage and participation

Key requirements of Program Service Provider:

Appliance should maximize convenience for participants, including the following preferred elements:

- Hands-free method for opening and depositing scraps
- Operate automatically according to customized start times
- Continuous processing capability with a minimum 5l of capacity
- Dynamic cycle length based on input weight
- Require emptying, on average, no more than once every two weeks

Appliance must be internet-connected with remote data collection capabilities. Preferred data includes the following:

- Aggregated lid opens per day
- Aggregated mass added per day (sensitive to minimum of 20g per mass addition)
- Length of run cycles

Appliance must have an accompanying mobile application to support education, understanding of Appliance, and customer support. Key elements of the app should include:

- Detailed list of what can go in the Appliance
- Push notification ability for targeted messaging
- Ability to make key resources available in Spanish

Furthermore, KPPCSD prefers that Bay Cities Refuse have a pre-existing relationship with the Appliance provider to ensure success of program implementation, including potentially a coordinated approach to billing.

KPPCSD and R3's diligence has shown that Mill Industries is the existing provider capable of addressing the above listed Program parameters. Key specifications of the Mill device and the other two common devices on the market (Lomi and FoodCycler) are listed below.

	Mill	Lomi	FoodCycler
<i>Opening mechanism</i>	Foot pedal to lift lid	Twist-off lid	Twist-off lid
<i>Scheduling</i>	Schedule to run automatically via app	Manual start	Manual start
<i>Capacity</i>	6.5l	3l	5l
<i>Empty frequency</i>	Average 1x/month	After every run cycle	After every run cycle
<i>WiFi connection</i>	Yes	No	No
<i>Mobile application</i>	Yes	Yes	No
<i>Bay View Refuse Relationship</i>	Yes	No	No

Kensington CSD: 2024 Pilot Pricing Proposal

Overview

This document begins to define a pilot program and its associated costs. Should Mill and Kensington proceed with a pilot, a thorough Scope of Work will be developed.

Kensington and Mill are contemplating a pilot program that encourages source separation of food scraps among residents and small kitchenette / office uses in order to increase participation.

Education, Recruitment and Reporting

Kensington and Mill will collaborate to identify communication, education and recruitment pathways, as well as a thorough data collection and reporting framework. At the outset, the primary goal will be to assess increase in separation and diversion of food scraps by participants. In addition to data Mill can provide based on the bin (such as weight of material placed in the bin and number of lid opens), Kensington and Mill may explore opportunities to seek additional feedback from participants, such as reduction in volume and frequency of material self-hauled (and associated reduction in costs).

Draft Timeline

- Pilot development: May - June 2024
- Education and Recruitment: July 2024
- Pilot launch: August 2024
- Midterm check-in: January 2024

Pricing

The following tables illustrate general guardrails around pricing to help build the framework for the pilot program. Mill anticipates additional discussion around pilot parameters that could influence the costs.

- The amount of municipality provided LAGP subsidy may vary based on program goals (*for example, if we want mandatory participation, there will need to be no cost to the customer*).
- The following costs do not contemplate costs of managing output. The concept illustrated here would rely on placing grounds in already available curbside organics carts.

Bin purchase pricing

	<i>Retail purchase price</i>	\$999	<i>Covers 1 year warranty & charcoal filters</i>
	Municipal Pilot purchase price <i>(20 - 1k units)</i>	\$649	Covers 5 years of warranty and charcoal filters
	Minimum municipal subsidy for Municipal pricing eligibility	\$200	<u>Examples:</u> Municipality can cover full \$649 for mandatory deployment Municipality can make bin available at a “rebate” price of \$449 <i>Pilot term would be defined timeline w/ associated data reporting requirements</i>

Bin rental pricing

Retail monthly rental rate \$49.99/mo Warranty & filters included in rental

Municipal monthly rental rate
(minimum 20 units)

\$20.00/mo

Warranty & filters included in rental

End of pilot purchase price: **\$459**
Note: If bin purchases are directed to low income households or public facilities, Mill will bring in philanthropic funding to reduce purchase price to **\$309**

Minimum municipal subsidy for Municipal pricing eligibility

\$10.00/mo

Examples:
Municipality could make service available at no cost.
Municipality could cover \$10 per month, reducing household cost to \$10 per month.



Item #11d

mill

Improved household experience

Emptying food scraps



Emptying pre-processed Mill Food Grounds™



- ✓ Bin takes weeks to fill, minimizing trips to the curb
- ✓ No smells due to state-of-the-art odor filtration
- ✓ No dripping liquid or icky food
- ✓ Reduces prevalence of flies and other pests
- ✓ Provides data to help understand food waste habits (*and then save money on groceries!*)

mill

Proprietary + Confidential

Specifications



Volume	6.5l / 1.7 gal (The bucket can collect Food Grounds for weeks without having to be emptied)
Cord	8.2 ft (2.5 m) with 3-prong adapter
WiFi	802.11b/g/n (2.4GHz)
Mobile App	Minimum OS iOS 14 or later Android 10 or later
Efficiency	Transforms 1lb of food scraps into Food Grounds in 2.5 hours.



Recent Accolades



“Typical home composting can involve a rotten-smelling, dripping container that must be ferried outside multiple times a week. Mill’s deodorizing electronic trash can fixes that, automatically heating food waste overnight—even meat, cheese, and bones, which typically aren’t composted—then grinds the dehydrated scraps to take up less space.”



“Mill, a stylish garbage bin (really!) meant specifically for food scraps, dehydrates and grinds them up into a fine, odorless powder.”

“Mill is a lighter-lift alternative to kitchen composting, which is often challenging for urbanites and notorious for conjuring fruit fly infestations.”



From: Kim Christie <kchristie@baycitiesrefuse.com>

Sent: Saturday, June 29, 2024 2:47 PM

To: David Aranda <DAranda@kppcsd.org>

Cc: Greg Christie <gchristie@baycitiesrefuse.com>

Subject: List of locations for bins

Good afternoon David, we are attaching a list and ideas for locations of public containers and included some rough pricing. Currently, there is a set (one trash and one recycling) outside the old drug store, we have attached a picture for your convenience. At the other locations listed, I would suggest instead of buying new containers, just add a recycling container to the locations that have a trash receptacle. These have better capacity and match the style all ready there. Staying with the existing style would hopefully work if we can explain to Cal Recycle?

If the budget allows, we can add another set at the bus stop at the Colusa Circle.

Thanks Greg and Kim



Exxon



Du Mor

(Kensington) List of locations for public recycling bins

- Colusa Circle: **2 recycling receptacles** added to the 2 existing garbage locations.
- Bus stop outside Ace Hardware (303 Arlington): **1 set**
- In front of Mechanics Bank (279 Arlington Ave) **add one recycling receptacle.**
- End of Grizzly Peak at trailhead (Kenyon Ave): **1 set**
- Bus stop (#7) on corner of Arlington and Coventry: **Retrofit existing or add receptacle.**

The pricing for the additional recycling bins is approx. \$2000 each, plus shipping.

- Two or three plastic (3-cubic-yard) bins, green in color and placed in designated area in the park for landscaping material. Quote: \$1200 each.



Date: July 11, 2024

To: Board of Directors

From: David Aranda, Interim General Manager

Subject: Discussion and Approval in Moving Forward with Developing A Request for Proposal Regarding the Performance of A Solid Waste Study that Includes Justification for the Franchise Fee Revenue and Cost of Services for Solid Waste.

Recommendation

Approve the Interim General Manager (IGM) to develop and submit a Request for Proposal (RFP) for contracting work to determine and justify cost of solid waste service and franchise fee revenue.

Background

There are a number of important needs that exists revolving around the solid waste services provided to Kensington and overseen by the District. A recent court case of franchise fee revenue and subsequent review by Best Best & Kreiger suggest a justification of the revenue received by the District and how it is used.

The need to either renew a contract with the current solid waste hauler or search for another vendor is on the horizon with the current contract expiring in 2025. The need to update and improve the wording of the contract with Bay View and the County regarding solid waste needs revisions and updates.

Historically, in the middle 2010's the District was contracting for a solid waste cost of service study which helped determine if the rate Kensington residents were paying was fair and justified by the cost of the service. The budget for fiscal year 2025 includes consulting costs for these studies and thus the IGM is requesting from the Board approval moving forward with developing an RFP that would be sent to vendors that specialize in this field.

Attached are some historical documents that might give the board members an idea of past work done in this regard. The contract with Bay View and Contra Costa County is on the District Web site.

Exhibit(s)

- 2013 Bay View Rate Review & Setting of the Rate Hearing
- 2019 HF&H Proposal to Assist with Review Bay View Refuse and Recycling Services Increased Services and Rate Application Review Methodology

Memorandum

Kensington Police Department



To: KPPCSD Board of Directors

APPROVED YES NO

From: Gregory E. Harman, General Manager/ Chief of Police

FORWARDED TO:

Date: Thursday, October 10, 2013

Subject: New Business Item #4- 2013 Bay View Rate Review & Setting of the Rate Hearing

Background. Last year, the District and its solid waste collection provider, Bay View Refuse & Recycling Services, Inc. ("Bay View") entered into arbitration over certain demands made by Bay View pursuant to the Franchise Agreement, dated September 11, 1997 ("Agreement"). On April 20, 2013, the parties entered into a settlement agreement, in which (1) the parties dismissed the arbitration, (2) Bay View released all claims against the District, (3) both parties agreed to bear their own attorney's fees and costs, and (4) the District agreed to complete a 2013 rate review, (a) which would be the last rate review through the end of the Agreement term and (b) the only other rate increase would be those determined by increases in CPI ("Settlement Agreement"). The final order dismissing the arbitration with prejudice was issued on July 1, 2013.

Pursuant to the Settlement Agreement, in May 2013 the District engaged HF&H Consultants, LLC ("HF&H") to conduct a detailed review of Bay View's 2014 Rate Application ("Rate Study"). On September 13, 2013, the draft Rate Study was issued and reviewed during the next three weeks by District staff and Bay View representatives. The final Rate Study is attached for your review (Attachment 1).

Summary of Requested Board Action. At the October 16, 2013 District Board meeting, the Board will be tasked with setting the maximum proposed rates, to be effective January 1, 2014, for solid waste collection services and directing the General Manager/ Chief of Police to mail notice of a Rate Hearing to be held in December, preferably during the December 12, 2013 regularly scheduled Board meeting.

Rate Study Results. HF&H analyzed Bay View's expenses and projections by reviewing actual financial statements and work papers, and determining the reasonableness of expenses by comparing them to industry standards and actual financial data gleaned from HF&H's comparison data collected during hundreds of rate reviews. The Rate Study recommends changes to Bay View's initial rate application and identifies a targeted revenue amount of \$1,242,935, which should be sufficient for Bay View to earn net revenue in accordance with the Agreement terms. To reach this

targeted revenue rate, HF&H has provided two options for the District to consider in the setting of the rates. (See page 5 of the Rate Study.)

Option #1 is a uniform 21.8% rate increase in all service categories. This option would increase the mini can rate from \$25.20 to \$30.69 and the 32 gallon rate from \$34.29 to \$41.77 per month.

Option #2 includes a rate structure change and would increase the mini can rate from \$25.20 to \$36.50, a 44.8% increase in the rate. The 32 gallon can would be increased from \$34.29 to \$40.50, a 18.1 % increase.

Staff recommends Option #2. Setting the rates at these levels will:

1. Help mitigate future revenue erosion due to recent and projected customer "downsizing" of cans.
2. Better align rates with costs incurred to insure that mini-can customers are paying their share of the cost of service.
3. Maintain a proper financial incentive to recycle more and reduce waste going to landfills.

Comparison to Other Jurisdictions. Even though HF&H provides a customized, current analysis of Bay View's revenue requirements in 2014, some may wish to compare proposed rates to neighboring jurisdictions. In presenting this comparison, please keep in mind that every jurisdiction has a unique sold waste contract and customer composition and may be in different stages of rate adjustments. In using the Comparable Rates Chart of 27 Jurisdictions, of which 24 agencies are in Contra Costa County and 4 agencies are in Alameda County, the proposed District rates for both Options #1 and #2 are highest in the comparison. (Attachment 2)

However, a fairer comparison of rates may be made by comparing to rates for those communities that offer back door service similar to the District. The Single Family Service - Backyard Service Rate Table, prepared by HF&H, includes 7 comparison agencies. (Attachment 3) The proposed District rates for both Options #1 and #2 would be third highest in comparison, with Orinda and Piedmont having higher rates.

Mini-Can Rate Structure Change. The mini can was introduced in 2000 with the primary goal of incentivizing recycling. Option #2 proposes a rate structure change that would close the differential between the mini can and the 32-gallon can. The rate gap between these two service types has risen from a \$4.16 differential in 2000 to a \$9.09 differential in 2013.

There may be some concern that the rate structure change and relative increase in the mini can rate may trigger a consumer response to not recycle and jeopardize the District's compliance with California Integrated Waste Management Act's 50% diversion mandate. Since 2005, when single stream recycling was implemented, the District has

consistently exceeded this mandate and diverted the following percentages from landfills:

2005	58%	2006	58%	2007	58%
2008	57%	2009	60%	2010	61%
2011	59%	2012	61%		

Even with the rate structure change, it seems unlikely that mini can customers would choose to pay more, migrate up to the larger can size, and choose to reduce their recycling efforts as to create a material decrease in diversion rates.

Staff Recommendation.

Staff recommends that the Board set maximum rates, to be effective January 1, 2014, for solid waste collection services at the Option #2 rates as shown in Figure 4 of the Rate Study and below:

Mini Can	\$36.50
32 Gallon	\$40.50
2- 32 Gallon	\$81.00
3- 32 Gallon	\$121.50
2-45 Gallon Cans	\$86.50
Other	\$63.00

Staff also recommends that the Board direct the General Manager/ Chief of Police to mail notice of a Rate Hearing to be held in December, preferably during the December 12, 2013 regularly scheduled Board meeting, in order to allow for and meet the 45 day notification requirement.

Attachment 1: HF&F Consultants, LLC "Review of Bay View Refuse & Recycling Services, Inc.'s 2014 Rate Application."

Attachment 2: Comparable Rates of 27 Jurisdictions

Attachment 3: Single Family Service- Backyard Service Rate Table



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Marva M. Sheehan, CPA

October 3, 2013

Mr. Greg Harman
General Manager/Chief of Police
Kensington Police Protection and Community Services District
217 Arlington Avenue
Kensington, CA 94707

Reference Number: S3842

Subject: Review of Bay View Refuse & Recycling Services, Inc.'s 2014 Rate Application

Dear Mr. Harman:

This report documents HF&H Consultants, LLC's (HF&H) Final findings and recommendations from our review of Bay View Refuse & Recycling Services Inc.'s (Bay View) application for a 28.5% increase to its refuse and recycling rates, effective January 1, 2014 (Application), that was submitted to the Kensington Police Protection and Community Services District (District).

BACKGROUND

Bay View's compensation for providing refuse and recycling services to Kensington residents and business is described in the District's Franchise Agreement with Bay View dated September 11, 1997 (Franchise Agreement). Services for residential and commercial customers include weekly collection of solid waste and recyclable materials utilizing a split-body truck operating 5 days a week, Monday through Friday, for approximately 2,100 customers. The split-body truck allows Bay View to reduce the number of trips on the District's streets by collecting solid waste and recyclable materials simultaneously. Additionally, Bay View operates a green waste collection route 10 days per month, providing twice monthly service. In addition, Bay View provides collection services to District and County facilities. Currently, residents are required to place their recyclable material and green waste containers at the curbside for collection, while solid waste containers are collected from the customer's back or side yard.

In a letter dated May 23, 2009, Bay View requested a 28.5% rate increase effective January 1, 2014 over the levels currently in place for 2013. The District engaged HF&H to perform a comprehensive review of Bay View's Application to determine the necessary rate adjustment, in accordance with Section 9.4 of the Franchise Agreement.



Mr. Greg Harman
 October 3, 2013
 Page 2 of 16

SUMMARY OF RESULTS

Summary of Recommended Adjustments

As summarized in Figure 1, Bay View projected a 2014 revenue shortfall (at current rates) of \$289,718, requiring a rate increase of 28.5%. Based on our review, in accordance with the scope of work detailed below, HF&H recommends reducing Bay View's 2014 projected revenue shortfall to \$222,443 (a \$67,000 reduction). The HF&H adjusted Application requires a rate increase of 21.8%.

**Figure 1
 HF&H Adjusted Rate Application**

	BAY VIEW 2014 Rate Application	Recommended Adjustments	HF&H 2014 Adjusted Application
Projected Operating Expenses:			
1	Salaries and Benefits	\$ 484,000	\$ 484,000
2	Dump Fees	100,000	100,000
3	Legal	15,000	15,000
4	Accounting	18,000	18,000
5	Debris Box Rental	17,000	18,600
6	Depreciation	4,000	4,000
7	Fuel	41,000	41,000
8	Truck Rental (Green Waste)	107,000	90,445
9	Insurance	48,000	48,000
10	Truck Licenses	3,000	3,000
11	Management Fee (executive compensation)	132,000	132,000
12	General and Administrative	16,000	16,000
13	Parts and Tires	18,000	18,000
14	Rent - Office and Yard	62,000	52,081
15	Repairs and Maintenance	65,000	37,902
16	Total Operating Expenses	\$ 1,130,000	\$ 1,078,028
17	Allowance for Profit @ 12.00%	\$ 135,600	\$ 129,363
18	Total Operating Expenses before Pass-throughs	\$ 1,265,600	\$ 1,207,392
Plus: Pass-through Expenses			
19	County Franchise Fee @ 3.00%	\$ 39,306	\$ 37,288
20	District Franchise Fee @ 2.00%	26,204	24,859
21	County Hazardous Waste Fee	11,000	11,000
22	Audit Fees	18,000	18,000
23	Total Contractor Compensation	\$ 1,360,110	\$ 1,298,538
Less: Recycling and Other Income			
24	Recycling Revenue	\$ (18,000)	\$ (21,000)
25	Debris Box Revenue	(29,000)	(31,703)
26	Other Revenue	(2,900)	(2,900)
27	Net Expenses (A) (to be raised from collection rates)	\$ 1,310,210	\$ 1,242,935
28	Projected 2013 Rate Revenue at Current Rates (B)	\$ 1,020,492	\$ 1,020,492
29	Projected Revenue Surplus/(Shortfall) [B - A]	\$ (289,718)	\$ (222,443)
30	Proposed 2014 Rate Increase/(Decrease)	28.5%	21.8%

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Explanation of Projected Shortfall

As shown in the following figure, since Bay View's last detailed review (for rates effective January 2010), Bay View's Net Expenses has increased \$218,000 (Figure 2, Line 10), which is a 21.3% increase over the four-year period, or an average of 5.3% per year. While Bay View's allowable net expenses have increased 5.3% per year, Bay View's actual revenue has decreased 0.1% per year (Figure 2, Line 11) during that same time period, despite rate increases of 3.9% in 2012 and 2.8% in 2013. Over the same four-year period, the average annual increase in the CPI was 2.2%.

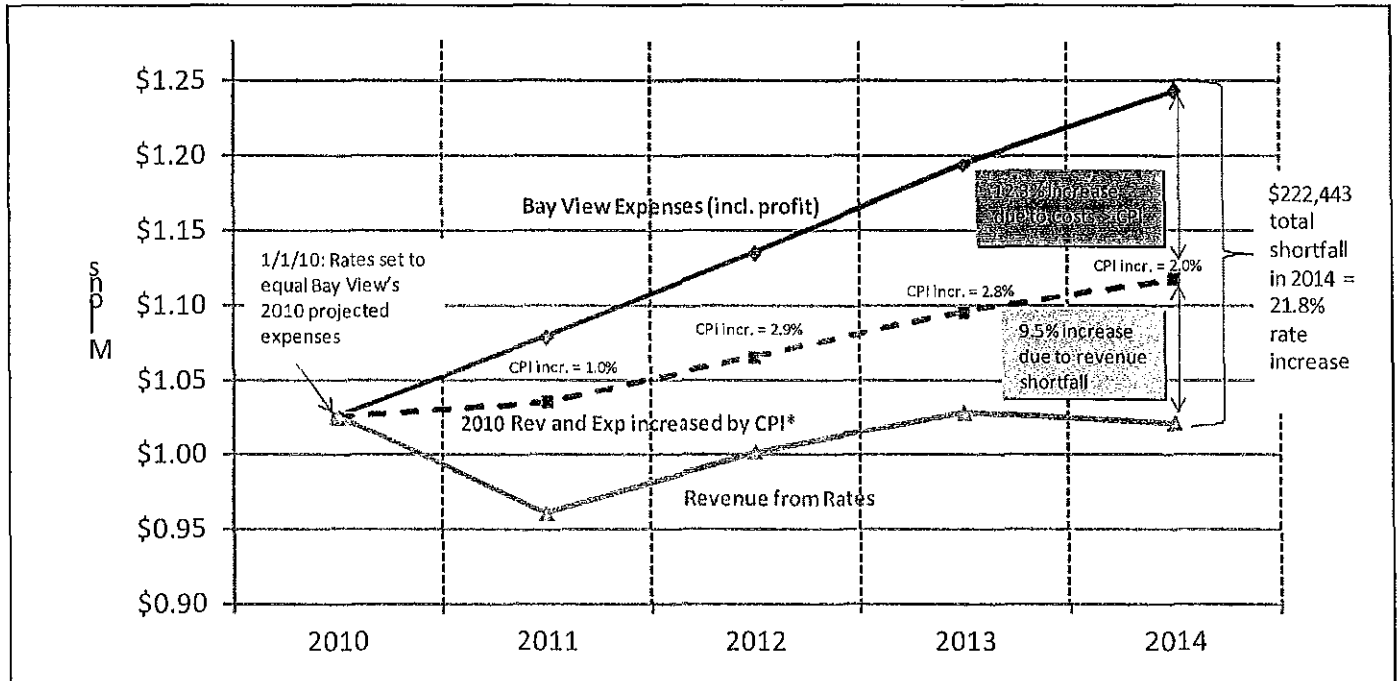
Figure 2
2010 versus 2014 Expense and Revenue Variance

	2010 Detailed Review Results	2014 Detailed Review Results	Variance	Average Annual % Change
Projected Operating Expenses:				
1 Bay View Operating Expenses	\$ 1,027,045	\$ 1,207,392	\$ 180,347	4.4%
Pass-through Expenses				
2 County Franchise Fee @	\$ 32,399	\$ 37,288	\$ 4,890	3.8%
3 District Franchise Fee @	21,599	24,859	3,260	3.8%
4 County Hazardous Waste Fee	11,157	11,000	(157)	-0.4%
5 Audit Fees	15,000	18,000	3,000	5.0%
6 Total Contractor Compensation	\$ 1,107,200	\$ 1,298,538	\$ 191,339	4.3%
Less: Recycling and Other Income				
7 Recycling Revenue	\$ (27,248)	\$ (21,000)	\$ 6,248	-5.7%
8 Debris Box Revenue	(46,252)	(31,703)	14,549	-7.9%
9 Other Revenue	(8,627)	(2,900)	5,727	-16.6%
10 Net Expenses	\$ 1,025,073	\$ 1,242,935	\$ 217,862	5.3%
(to be raised from collection rates)				
11 Collection Rate Revenue	\$ 1,025,073	\$ 1,020,492	\$ (4,581)	-0.1%

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As illustrated in Figure 3, the significant increase is attributable to two main factors: 1) Bay View's costs to provide service (primarily fuel, union wages, health care premiums, and other insurance costs) have exceeded the average annual increase in CPI (5.3% versus 2.2%) and, 2) actual revenue has not kept pace with the CPI rate increases.

Figure 3
2010 – 2014 Revenue and Expense Summary



* This line represents the anticipated revenues and expenses during the intervening years between comprehensive reviews (conducted every four years, 2010 and 2014 in this case). In accordance with the Agreement, rates are increased during these intervening years based on the percentage change in CPI, as it was anticipated that costs would increase similarly to the change in CPI. It should be noted, rates were not adjusted in 2011; therefore, the District approved a 3.9% in 2012 (1.0% for 2011 and 2.9% for 2012).

These cost increases, which have exceeded the 2.2% average annual increase in the CPI, are driven primarily by:

- Union wage and health care cost increases (\$94,000 or a 6.0% average annual increase);
- Driver and general liability insurance cost increases (\$24,000 or a 24.4% average annual increase);
- Management fee increase (\$15,000 or 3.0% average annual increases, per the Franchise Agreement);
- Fuel cost increases (\$14,000 or a 12.6% average annual increase); and,
- Legal cost increases (\$12,000 or a 100% average annual increase), which is the result of necessary union negotiations as the union labor agreement will expire February 2014.



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The decrease in revenues (Figure 2, Line 11), despite two rate increases during the four-year period, is largely due to the migration of customers from larger 32-gallon containers to the 20-gallon mini-can. The 20-gallon mini-can rate is approximately \$9.00 less per month.

Rate Adjustment Alternatives

In past years, the District-approved rates have increased at a uniform percentage for all service levels. As a result, the differential between the 32-gallon rate and the 20-gallon mini-can rate has increased from \$4.16 per month (when the mini-can was introduced in 2000) to a \$9.09 differential in 2013. As customers reduce their container size, less revenue is generated; however, there is not an equal reduction to the costs to drive by and collect the materials. Collection costs are the same regardless of the container size. Without an equal reduction in costs, the decreasing revenues need to be made up by increasing rates. Figure 4 presents two options for adjusting rates: Option #1 reflects a uniform 21.8% increase to all rates; and, Option #2 reflects increasing the mini can rate by a greater percentage than other service levels. Both options are projected to generate the needed \$1,243,000 in rate revenue for 2014.

We recommend Option #2, for the following reasons:

- Help mitigate future revenue erosion due to recent and projected customer "downsizing";
- Better align rates with the costs incurred (to ensure that mini-can customers are paying their share of the cost of service);
- Maintain a proper financial incentive to recycle more and reduce solid waste going into landfills.

Figure 4
 Rate Adjustment Options

Service Type	Projected Customer Count 2014	Current Monthly Rate	Est. 2014 Revenue @ Current Rates	Option #1			Estimated 2014 Rate Revenue	Option #2			Estimated 2014 Rate Revenue
				Monthly Rates (eff. 1/1/14)				Monthly Rates (eff. 1/1/14)			
				\$ Chg	% Chg			\$ Chg	% Chg		
1-20 Gallon Can	479	\$ 25.20	\$ 144,850	\$ 30.69	\$ 5.49	21.8%	\$ 176,427	\$ 36.50	\$ 11.30	44.8%	\$ 209,802
1-32 Gallon Can	1,450	34.29	596,646	41.77	7.48	21.8%	726,715	40.50	6.21	18.1%	704,700
2-32 Gallon Cans	160	68.35	131,232	83.25	14.90	21.8%	159,841	81.00	12.65	18.5%	155,520
3-32 Gallon Cans	11	102.62	13,546	124.99	22.37	21.8%	16,499	121.50	18.88	18.4%	16,038
2-45 Gallon Cans	14	84.19	14,144	102.54	18.35	21.8%	17,227	86.50	2.31	2.7%	14,532
Other	2	61.67	1,480	75.11	13.44	21.8%	1,803	63.00	1.33	2.2%	1,512
Total # of Accounts	2,116		\$ 901,897				\$ 1,098,511				\$ 1,102,104
Apartments/Commercial		\$ 9,883	\$ 118,594			21.8%	144,448			18.8%	140,890
Projected 2014 Rate Revenue (before rate adj)			\$ 1,020,492	Total (after rate adj)			\$ 1,242,959	Total (after rate adj)			\$ 1,242,994
			(Target Revenue = \$1,242,935)								



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SCOPE OF WORK

HF&H determined, through review of: the Franchise Agreement; Bay View's most recently audited financial statements; and, documents provided by Bay View, that Bay View's revenues, expenses and rates were consistent with the benchmarks established in the Franchise Agreement.

To determine the reasonableness of Bay View's expenses, we compared them to industry standards based on recent competitive proposals and our benchmark database that contains actual and proposed operational and financial data collected during our hundreds of rate reviews and contract procurement projects.

The specific items were determined based on an HF&H-prepared variance analysis of expense line items from Bay View's financial statements. The detailed review of specific expense items included, but is not necessarily limited to, the following:

- Wages and Benefits
- Depreciation
- Expenses Paid to Related Parties
- Disposal / Processing Expenses
- General and Administrative Expenses

The review of Bay View's rate revenue was based on then-current rates and current customer subscription level. We calculated the actual revenues that should have been generated within the District in 2013, compared these to the reported revenues, and obtained explanations for any significant variances. We verified the calculation of projected 2014 revenues based on actual customer accounts at the current rates and Bay View's projected migration of customers from larger 32-gallon cans to the 20-gallon mini can. In recent years, residents have been reducing the size of their solid waste container as they have been placing more materials in their recycling containers.

Our review was substantially different in scope than an examination in accordance with Generally Accepted Auditing Standards, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion. However, Cowden Neale, LLP has issued an unqualified opinion of Bay View's 2012 Financial Statements.

Our conclusions are based on the review of Bay View's projections of its financial results of operations for the forthcoming rate year (i.e. January 1, 2014 – December 31, 2014). Actual results of operations will usually differ from projections, because events and circumstances frequently do not occur as expected, and the difference may be significant.



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SUMMARY OF ANALYSES

Salaries & Benefits

Section 9.4 of the Franchise Agreement states "Contractor will recover its reasonable costs for furnishing all labor...necessary to perform all the services required by this Agreement..." HF&H reviewed the basis for Bay Views requested \$484,000 in Salaries and Benefits. The projected 2014 expense includes \$275,000 in wages, vacation pay, holiday pay, sick leave; \$24,000 of payroll taxes; \$54,000 workers compensation expense; \$99,000 health and welfare expense; and \$32,000 in pension expenses.

The current Collective Bargaining Agreement (CBA) between Teamsters Local 315 and Bay View is due to expire February 28, 2014. HF&H noted the driver's wages per the CBA increased 3.4% each year during the period from 2010 through 2013. The Health and Welfare expense increased an average of 9.1% and the Pension expense varied between 0.9% and 3.8%, depending on job classification, each year for the same period. HF&H reviewed current premium invoices and verified Bay View's reported expense.

Because the outcome of a new CBA is unknown at this time Bay View assumed a 4.0% increase for wages and taxes, an additional 7.4% or \$150 per month for Health and Welfare and 2.0% for Pension contributions. HF&H finds these assumptions reasonable based on recent increases experienced by other haulers in other Bay Area jurisdictions.

HF&H noted that Bay View's Workers Compensation expense increased significantly from \$18,171 in 2011 to an estimated expense of \$56,260 in 2013, an increase of approximately 90% each year. Due to accidents incurred from 2011 on involving employees of both Bay View and Bay Cities the modification rate used to calculate Bay Views premiums is high. If no other accidents occur Bay Views premiums should drop in 2014. Therefore, Bay View has assumed a 5% decrease in Workers Compensation expense compared to their actual 2013 expense.

Bay View's projected \$484,000 in Salaries and Benefits is a \$94,000 increase from the District-approved expenses in 2010. This is an average overall average annual increase of 6% which is consistent with the greater than CPI increase in HF&H noted in most of the expenses listed in this category. No adjustment is necessary.

Dump Fees

HF&H reviewed the Agreement for Landfill Services (LF Agreement) entered into March 10, 2003, between Bay View, West Contra Costa Sanitary Landfill (WCCSL) and Potrero Hills Landfill, Inc. (PHL) and noted per Section 14 of the LF Agreement, tip fees are to be adjusted every March 1 by CPI, All Urban Consumers. We further noted per Section 23 of the LF Agreement, the term of the Agreement is 10 years from the date of execution (March 10, 2013) with an option to extend an additional 10 years.



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Bay View's projected dump fees are \$100,000, which is a \$1,460 decrease from the District-approved expenses in 2010. Despite annual increases in the per-ton tip fees, total dump fees have decreased over the four year period between reviews. This is consistent with the trend of customers subscribing to small collection containers (20-gallon mini cans instead of the larger 32-gallon cans). No adjustment is necessary.

Legal

Bay View projected legal costs of \$15,000, which is a \$12,000 increase from the District-approved expenses in 2010, an average annual increase of 100%. This projection was not based on actual expense incurred during 2012 (which amounted to over \$100,000). As noted in the arbitration settlement agreement between the District and Bay View, attorneys' fees and other litigation expenses cannot be passed through to the ratepayers. Therefore, we verified that the projected legal fees were not based on actual costs incurred during 2012 and adjusted for inflation.

The \$15,000 represents approximately 25 hours of legal representation, primarily for negotiations support when the current CBA between Teamsters Local 315 and Bay View expires February 28, 2014.

Accounting

Per Section 8 of the Franchise Agreement, Bay View is required to provide to the District annual financial statements compiled by an independent certified public accountant in accordance with Generally Accepted Accounting Principles. Per a discussion with the Audit firm of Cowden Neale, LLP Certified Public Accountants, currently providing this service to Bay View, approximately one half of their hours billed are for annual audit services. Annual audit services are treated as a pass-through expense in the Application (see Exhibit C of the Agreement). The remaining service is shown in the operation expenses section of the Application. Bay View is invoiced monthly for services provided for annual audits, quarterly reporting to District and ongoing monthly accounting services. The annual cost to Bay View for accounting was \$40,000 in 2012 per the Audited Financial Statement. Per Bay View's Application they are projecting \$18,000 (Figure 1, Line 22) in pass-through expenses and \$18,000 in operating expenses for a total of \$36,000. This is a decrease from 2012 and appears reasonable. No adjustment necessary.

Depreciation

Per Exhibit D of the Franchise Agreement, fixed assets are depreciated using straight line depreciation and a useful life of seven years. Bay View projected 2014 depreciation expenses of \$4,000. HF&H tied Bay View's projected depreciation expense to their independently audited Fixed Asset sub ledger without



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exception. HF&H noted all fixed assets with a remaining useful life were depreciated using straight-line and seven years as their useful life.

Fuel

Bay View projected 2014 fuel costs of \$41,000, which is a \$13,723 increase from District-approved expenses in 2010, an average annual increase of 12.6%. We calculated the average annual change in the CPI for No. 2 Diesel Fuel in 2011, 2012, and YTD 2013. We found the average annual change in the CPI was 12.15% (35.77% in 2011, 3.13% in 2012, and -2.44% in 2013). Therefore, Bay View's projected fuel costs appear to be reasonable, no adjustment necessary.

Insurance

Bay View projected annual insurance costs of \$48,000, which is a \$23,733 increase from the District-approved expenses in 2010, an average annual increase of 24.4%. HF&H requested a copy of the annual invoice for the renewal policy effective 1/1/13. Bay View's actual 2013 insurance expense increased to \$47,000. The 2014 Application cost requested by Bay View represents a minor increase of \$1,000 from the 2013 policy. Bay View's projected insurance expense appears reasonable and no adjustment is recommended.

Truck Licenses

Bay View projected 2014 Truck License expense of \$3,000, a \$1,000 decrease from the District-approved 2010 expenses of \$4,000. HF&H obtained the most recent DMV Registration Renewal Notices from Bay View for the four vehicles indicated on Bay View's Fixed Asset Listing and found Bay View's projected Truck License expenses reasonable, no adjustment necessary.

General and Administrative (includes executive compensation)

Bay View projected 2014 general and administrative costs of \$148,000, including executive compensation in the amount of \$132,000. In accordance with Exhibit D of the Franchise Agreement, Bay View Refuse Inc. and Bay Cities Refuse Services, Inc., companies controlled by the sole stockholder, Louis Figone, provide executive management services to Bay View and charge a management fee in lieu of an executive salary at a rate of \$80,000 per year, commencing September 11, 1997, and adjusted every January 1 by 3.0%. HF&H verified the accuracy of the \$117,000 calculation without exception, as shown in Figure 5 below.



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Figure 5
Executive Compensation

Year	Base/prior yr	CPI Increase %	CPI Increase \$	New Rate
	80,000	3.00%	2,400	82,400
1998	82,400	3.00%	2,472	84,872
1999	84,872	3.00%	2,546	87,418
2000	87,418	3.00%	2,623	90,041
2001	90,041	3.00%	2,701	92,742
2002	92,742	3.00%	2,782	95,524
2003	95,524	3.00%	2,866	98,390
2004	98,390	3.00%	2,952	101,342
2005	101,342	3.00%	3,040	104,382
2006	104,382	3.00%	3,131	107,513
2007	107,513	3.00%	3,225	110,739
2008	110,739	3.00%	3,322	114,061
2009	114,061	3.00%	3,422	117,483
2010	117,483	3.00%	3,524	121,007
2011	121,007	3.00%	3,630	124,637
2012	124,637	3.00%	3,739	128,377
2013	128,377	3.00%	3,851	132,228
2014	\$ 132,228			

Bay View's 2014 projected general and administrative costs (excluding executive compensation discussed above) are \$16,000 (Figure 1, Line 12), which equals the 2010 District-approved general and administrative costs; therefore, Bay's View's projected general and administrative costs are reasonable and no adjustment is necessary.

Parts & Tires

Bay View projected parts & tires expense of \$18,000 in 2014, which is a \$6,000 increase from District-approved expenses in 2010, an average annual increase of 12.5%. Based on discussions with Bay View and the review of recent actual tire prices, the increase is attributable to: 1) significant increase in tire prices; and, 2) the purchase of new tires in 2014 to replace the tires that can no longer be re-capped; therefore, no adjustment is necessary.

Repairs & Maintenance

Bay View projected repairs & maintenance expenses of \$65,000 in 2014, which is a \$53,000 increase, compared to Bay View's District-approved expenses in 2010. Per discussions with Bay View, the



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significant increase in repairs & maintenance expenses for 2014 is due to approximately \$50,000 in capital repairs necessary for their recycling collection vehicle. The recycling collection vehicle is 8 years old and capital repairs of this nature are typical. With only 20 months remaining in the term of the Franchise Agreement, it is less costly to Bay View and the ratepayers to repair the vehicle instead of replacing the vehicle.

Bay View's significantly increased repairs & maintenance expenses are reasonable; however, the cost of the capital repairs should be amortized over the remaining term of the agreement (i.e., 20 months); therefore, we recommend decreasing Bay View's Repairs & Maintenance expenses by \$27,098 (Figure 1, Line 15). If this adjustment is not done, ratepayers would be paying the capital repair costs a second time in 2015 (as rates will be adjusted by the change in CPI on January 1, 2015, in accordance with the Franchise Agreement).

Related-Party Transactions

There are related-party transactions (amounts paid to affiliated entities to Bay View) included in Bay View's 2014 projections at rates that have been discussed and allowed by the District in previous reviews. HF&H notes the following accounts have been classified as related-party transactions because they are amounts that are paid to affiliated entities: Debris Box Rental, Truck Rental (Green Waste), and Rent (Office and Yard). In accordance with Exhibit D of the Franchise Agreement, and data from haulers with similar operations, we reviewed Bay View's related-party transactions projections for reasonableness. Presented below are the results of our analyses.

Debris Box Rental

Due to the relatively small size of the District's service area, Bay View's contracts with Bay City Refuse Services, Inc., Bay View's sister company, to provide the labor and vehicle (on a per pull basis) to collect debris boxes within the District's service area. By doing this, Bay View does not incur the entire cost of purchasing a debris box collection vehicle and employing a full-time driver to provide on average two debris box pulls per week.

Bay View has projected 2014 debris box rental expense of \$17,000, based on 57 pulls at \$304.92 per pull, which equates to \$243.94 per hour (based on the average round-trip time of 1 hour and 15 minutes). To test the reasonableness of Bay View's \$243.94 per hour rate, HF&H compared the cost per hour to proposals received for similar services in a competitive procurement process. HF&H found the competitively proposed per-hour rates ranged from \$236.27 per hour to \$308.61 per hour; therefore, Bay's View's projected debris box rental costs appear reasonable. However, during our review we found debris box activity is increasing in the District. We recommend increasing the projected number of debris box pulls from 57 to 61, which increases Bay View's Debris Box Rental expenses by \$1,600 (Figure 1, Line 5) and increases projected revenue by \$2,703 (Figure 1, Line 25).



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Truck Rental (Green Waste)

Similar to debris box rental, Bay City Refuse Services Inc., Bay View's sister company, provides the green waste collection vehicle that is used 960 hours per year to provide twice monthly green waste collection services. Through out the year Bay View has found it is necessary to utilize a second truck on certain days to accommodate the allowed unlimited green waste collection. HF&H looked at the most recent twelve-month period to determine the number of days an additional truck is needed. The green waste dump statements and tonnage was used to support the estimated twenty one days or 168 hours per year (21 days X 8 hours). Two trucks are needed for the Annual Clean-up which takes place over five days or 80 hours per year. (2 trucks X 5 days X 8 hours). Additionally a different truck is needed approximately 260 hours per year to collect the two yard bins throughout the service area. In total Bay View is requesting \$107,000 compensation for an estimated 1,468 hours for truck rental for 2014. The rental expense of \$72.89 per hour (\$107,000 divided by 1,468 hours) covers depreciation, interest, repairs and maintenance, parts and tires, licenses, and insurance.

HF&H compared this rate to the District-approved hourly rate of \$56.54 during the 2010 review, escalated by the annual increase in the CPI, Figure 6. The calculated rate per this method was \$61.61 per hour or \$90,445 annually when multiplied by the 1,468 estimated truck hours. Therefore, we recommend decreasing Bay View's Green Waste Truck Rental allowable expenses by \$16,555 (Figure 1, Line 8).

Figure 6
Green Waste Truck Rental Hourly Rate Calculation

Year	Hourly Rate in Current Year	CPI Increase % YOY June	CPI Increase \$	Hourly Rate for Following Year
2010 Approved	\$ 56.54	1.07%	\$ 0.61	\$ 57.15
2011	57.15	2.43%	\$ 1.39	58.53
2012	58.53	2.64%	\$ 1.54	60.08
2013	60.08	2.56%	\$ 1.54	61.61
2014	\$ 61.61			

Rent – Office and Yard

HF&H notes the allowable monthly rent at the commencement of the Franchise Agreement in 1998, in accordance with Exhibit D, was \$2,823.56 (made up of \$1,462.55 per month for office and yard space plus \$1,361.01 per month for allocated mechanic salary and benefits expenses based on 8 hours per week). To test the reasonableness of Bay View's 2014 projections we compared their monthly rent expense projection of \$5,167 per month to the allowable expense in accordance with Exhibit D of the Franchise Agreement adjusted annually by the percentage change in the CPI. As shown in Figure 7 below, increasing Bay View's agreed-upon rent expense in 1998 (the commencement date of the current Franchise Agreement) by the annual change in CPI results in a rent expense of \$4,340 in 2014, or \$827

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less than Bay View's projected rent expense; therefore, we recommend decreasing Bay View's allowable related-party rent expense by \$9,919 (\$827 x 12 months; Figure 1, Line 14).

It should be noted that the Franchise Agreement is silent with regard to reasonable related-party rental expense after the first year of operations (which was 1998). Due to the uniqueness of the property (therefore no comparable rental rates are available) and absent specific agreed-upon escalators in the Franchise Agreement for future allowable rental expense, we relied on an inflationary index published by the Bureau of Labor Statistics. Actual market rates may vary. This same analysis was conducted during our review of Bay View's 2010 rate application and Bay View's requested 2010 rental expense of \$4,000 was within \$17/month of the index-based calculation.

Figure 7
Rent – Office Yard

Year	Monthly Rent		CPI Increase % YOY June	CPI Increase \$	Monthly Rent for Following Year
	in Current Year				
1998	\$ 2,824		3.44%	\$ 97	\$ 2,921
1999	2,921		3.81%	111	3,032
2000	3,032		4.25%	129	3,161
2001	3,161		6.59%	208	3,369
2002	3,369		1.20%	41	3,409
2003	3,409		1.60%	55	3,464
2004	3,464		1.38%	48	3,512
2005	3,512		1.11%	39	3,551
2006	3,551		3.93%	139	3,690
2007	3,690		3.36%	124	3,814
2008	3,814		4.19%	160	3,974
2009	3,974		0.23%	9	3,983
2010	3,983		1.07%	43	4,026
2011	4,026		2.43%	98	4,123
2012	4,123		2.64%	109	4,232
2013	4,232		2.56%	108	4,340
2014	\$ 4,340				

Profit

Per Section 9.3 and 9.4 of the Franchise Agreement, Bay View is allowed a benchmark pre-tax profit margin of 12% of Bay View's reasonable reimbursable costs. HF&H recalculated the profit based on the recommended adjustments described above and included in Figure 1, which results in a decrease of \$6,321 (Figure 1, Line 17).



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Pass-Through Fees

Franchise Fees

In accordance with Section 23 of the Franchise Agreement, County franchise fees and District franchise fees are calculated at 3% and 2%, respectively, of Bay View's compensation. As a result of the recommended reductions to Bay View's compensation discussed above and summarized on Figure 1, Bay View's projected franchise fee obligation was overstated.

As a result, HF&H recommends decreasing Bay View's County franchise fee obligation (and therefore their 2014 compensation) by \$2,043 (Figure 1, Line 19) and Bay View's District franchise fee obligation by \$1,362 (Figure 1, Line 20).

County Hazardous Waste Fee

Bay View projected 2014 Hazardous Waste Fees of \$11,000, which is a \$157 decrease from the District-approved expenses for 2010; the last year Bay View's expenses were audited. Bay View's projected Hazardous Waste Fees payable to the County appear to be reasonable; we do not recommend an adjustment.

Revenue

Recycling Revenue

Bay View's 2014 projected revenue (\$18,000) from the sale of recyclable materials collected from the District's residents and businesses was based on the average of actual revenues received in 2010, 2011, and 2012, the same methodology used in prior applications. During our review, additional analysis revealed the average was understated by \$3,000. As a result, HF&H recommends increasing (therefore decreasing net expenses to the District) Bay View's projected revenue from the sale of recyclable materials by \$3,000 (Figure 1, Line 24).

Debris Box Revenue

As discussed above in Debris Box Rental expense, our review found the number of debris box collections have trended higher over the past couple a years and anticipate this trend to continue. Bay View's application did assume some increase in debris box pulls; however, using year-to-date actual for 2013, it appears debris box pulls will increase even greater than Bay View projected. As a result, HF&H



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recommends increasing (therefore decreasing the net expenses to the District) Bay View's projected revenue from debris box pulls by \$2,703 (Figure 1, Line 25).

Other Revenue

Consistent with past rate applications, Bay View projected Other Revenue (i.e., container rental, extra pickups, etc.) based on the average actual revenues received in 2010, 2011, and 2012. No adjustment necessary.

Collection Revenue

Bay View's projected revenue from collection rates was based on customer subscriptions levels as of May 2013 adjusted for assumed migration (during 2014 and 2015) of customers from larger containers (one or multiple 32-gallon cans down to the smaller 20-gallon mini can). Such migration to the smaller mini can has been happening steadily since 2007, as residents are recycling more material and less is being placed in their solid waste container.

**Figure 8
Single-Family Residential Service Levels**

Service Level	Customer Count as of		
	May 2013	Projected 2014 - 2015	Variance # of Accts
1-20 Gallon Mini-Can	432	479	47
1-32 Gallon Can	1490	1450	(40)
2-32 Gallon Cans	165	160	(5)
3-32 Gallon Cans	13	11	(2)
45 Gallon	14	14	-
50 Gallon	2	2	-
Total	2,116	2,116	-

Based on current rates and the residential customer service level assumptions summarized above, Bay View's projected 2014 revenue before a rate increase of \$1,020,492 are reasonable; no adjustment necessary.



Mr. Greg Harman
October 3, 2013
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Figure 9
Collection Rate Revenue Projections

Service Type	Projected Customer Count	Current Monthly Rate	Est. 2014 Revenue @ Current Rates
Residential Single-Family			
1-20 Gallon Can	479	\$ 25.20	\$ 144,850
1-32 Gallon Can	1,450	34.29	596,646
2-32 Gallon Cans	160	68.35	131,232
3-32 Gallon Cans	11	102.62	13,546
1-45 Gallon	14	84.19	14,144
Other	2	61.67	1,480
Total # of Accounts	2,116		\$ 901,897
Apartments/Commercial		\$ 9,883	\$ 118,594
Total Projected 2014 Rate Revenue (before rate adj)			\$ 1,020,492

* * *

We would like to express our appreciation to Bay View management and staff for their assistance. In addition, we express our appreciation to each of you for assistance and guidance during the course of the review. Should you have any questions, please call me at 925-977-6957.

Very truly yours,
HF&H CONSULTANTS, LLC

Richard J. Simonson, CMC
Vice President

cc: Colleen Costine, HF&H Consultants
Louis Figone, Bay View Refuse and Recycling Services

COMPARABLE RATES AS OF JULY 2013

Jurisdiction	20 Gallon	Jurisdiction	32/35 Gallon	Jurisdiction	64 Gallon	Jurisdiction	96 Gallon
Kensington	\$ 36.50	Kensington	\$ 40.50	Kensington	N/A	Kensington	N/A
El Cerrito	\$ 27.09	El Cerrito	\$ 38.10	El Cerrito	\$ 74.57	El Cerrito	N/A
Castro Valley	\$ 23.17	Castro Valley	\$ 35.93	Castro Valley	\$ 62.40	Castro Valley	\$ 88.91
Orinda	\$ 28.20	Orinda	\$ 32.52	Orinda	\$ 62.51	Orinda	\$ 93.50
Pinole	\$ 26.96	Pinole	\$ 31.82	Pinole	\$ 56.58	Pinole	\$ 82.08
Pittsburg	N/A	Pittsburg	\$ 31.05	Pittsburg	\$ 37.95	Pittsburg	\$ 42.55
El Sobrante	\$ 25.50	El Sobrante	\$ 31.01	El Sobrante	\$ 59.42	El Sobrante	\$ 88.50
Pleasanton	N/A	Pleasanton	\$ 30.59	Pleasanton	N/A	Pleasanton	\$ 36.30
Richmond	\$ 24.97	Richmond	\$ 30.51	Richmond	\$ 58.19	Richmond	\$ 86.68
Hercules	\$ 25.08	Hercules	\$ 29.94	Hercules	\$ 52.94	Hercules	\$ 76.69
Oakley	N/A	Oakley	\$ 29.10	Oakley	\$ 40.70	Oakley	\$ 46.15
San Pablo	\$ 23.49	San Pablo	\$ 29.02	San Pablo	\$ 55.23	San Pablo	\$ 82.28
Martinez	\$ 19.35	Martinez	\$ 27.73	Martinez	\$ 30.91	Martinez	\$ 64.95
Livermore	\$ 17.61	Livermore	\$ 27.51	Livermore	\$ 53.34	Livermore	\$ 86.21
Lafayette	\$ 23.40	Lafayette	\$ 26.74	Lafayette	\$ 50.45	Lafayette	\$ 75.68
Concord	N/A	Concord	\$ 26.40	Concord	\$ 35.60	Concord	\$ 43.60
Antioch	\$ 22.47	Antioch	\$ 26.39	Antioch	\$ 42.61	Antioch	\$ 50.04
Benecia	\$ 22.16	Benecia	\$ 26.18	Benecia	\$ 32.73	Benecia	\$ 45.13
San Ramon	\$ 20.94	San Ramon	\$ 25.89	San Ramon	\$ 44.95	San Ramon	\$ 71.82
Clayton	\$ 23.70	Clayton	\$ 25.08	Clayton	\$ 36.44	Clayton	\$ 39.70
Moraga	\$ 21.18	Moraga	\$ 24.46	Moraga	\$ 48.91	Moraga	\$ 73.37
Danville	\$ 21.18	Danville	\$ 23.81	Danville	\$ 40.89	Danville	\$ 60.70
Pleasant Hill	\$ 20.19	Pleasant Hill	\$ 23.36	Pleasant Hill	\$ 31.88	Pleasant Hill	\$ 47.81
Brentwood	N/A	Brentwood	\$ 22.71	Brentwood	\$ 33.76	Brentwood	\$ 40.52
County	\$ 18.98	County	\$ 21.55	County	\$ 41.04	County	\$ 61.56
Dublin	N/A	Dublin	\$ 20.31	Dublin	\$ 37.31	Dublin	\$ 54.30
Walnut Creek	\$ 16.26	Walnut Creek	\$ 19.29	Walnut Creek	\$ 36.87	Walnut Creek	\$ 55.32

Single Family Service - Backyard Service

	<u>County</u>	<u>Danville</u>	<u>Lafayette</u>	<u>Moraga</u>	<u>Orinda</u>	<u>Walnut Creek</u>	<u>Piedmont</u>
20-gal minicart	28.44	30.64	32.86	30.64	37.66	25.72	52.31
32-gal cart	31.01	33.27	36.20	33.92	41.98	28.75	57.58
64-gal cart	50.50	50.35	59.91	58.37	71.97	46.33	not offered - cu
96-gal cart	71.02	70.16	85.14	82.83	102.96	64.78	not offered - cu

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Richard J. Simonson
Marva M. Sheehan, CPA
Robert C. Hilton, CMC

December 5, 2019

Ms. Eileen Nottoli
Kensington Police Protection and Community Services District
217 Arlington Avenue
Kensington, CA 94707

Subject: Proposal to Assist with Review Bay View Refuse and Recycling Service's Increased Services and Rate Application Review Methodology

Dear Eileen:

HF&H Consultants, LLC (HF&H) is pleased to submit this proposal to the Kensington Police Protection and Community Services District (District) to provide technical assistance to the District related to its contract with Bay View Refuse and Recycling Services, Inc. (Bay View).

Background

The District and Bay View have been discussing the potential to extend their current contract through 2033. As part of these discussions, the District has inquired about additional services that may be required under state legislature, most notably SB 1383. Both the District and Bay View have agreed that there is a need for a future rate review to "true up" actual expenses incurred by Bay View and ensure that they are being compensated fairly for these services. As such, the District has requested that HF&H assist with creating a proposed methodology for the future review of these expenses.

Scope of Work

We will perform the scope of work described below for a not to exceed fee of \$4,995 (\$6,835 with Optional Task). We have provided a list of tasks we will complete along with the proposed staff and the required hours to complete each task. If additional effort is required (e.g., more meetings or additional analysis), we will obtain approval prior to proceeding.

SCOPE OF WORK
1. Project Initiation – We will prepare for and meet with District staff and Bay View staff via conference call to discuss the scope of work and review Bay View's Financial Reports.

Ms. Eileen Nottoli
 December 5, 2019
 Page 2 of 3

SCOPE OF WORK	
2.	Prepare Draft Rate Adjustment Methodology Language – We will draft contract language describing methodology to perform the proposed review of Bay View’s actual costs in 2023. This language will include methodology for the inclusion of existing and anticipated future services (i.e. every week organics collection, HHW collection on request, etc.), the reasonableness of these costs to prior rate applications, performance standards and non-allowable costs, and acceptable levels of profit when compared to prior year baselines.
3.	Discuss Proposed Rate Review Methodology and Revise Appropriately – Review proposed methodology with both District and Bay View staff and receive comments.
4.	Finalize Rate Adjustment Methodology Language – Incorporate comments from Task 3 as needed and Finalize proposed rate review methodology for inclusion in District Staffs Addendum to the Agreement.
5.	Optional Task – Should the District desire HF&H will prepare for and attend one board meeting to support the District’s Proposed Addendum.

Budget

Kensington Police Protection and Community Services District Technical Assistance - Rate Review Methodology Fee Estimate						
		M Sheehan	D Hilton	Administrative	Total	Proposed
		\$265	\$195	\$120	Hours	Cost
Task 1	Project Initiation	1	2	0	3	\$ 655
Task 2	Prepare Draft Rate Adjustment Methodology Language	2	8	2	12	\$ 2,330
Task 3	Discuss Proposed Rate Review Methodology and Revise Appropriately	2	3	0	5	\$ 1,115
Task 4	Finalize Rate Adjustment Methodology Language	1	2	2	5	\$ 895
Task 5	Attend Board Meeting (Optional)	4	4	0	8	\$ 1,840
Total Budget Without Optional Task		6	15	4	33	\$ 4,995
Total Budget With Optional Task						\$ 6,835

SCHEDULE

We are prepared to start the project once we have received authorization to proceed. We anticipate the completion of the project no later than the end of January of 2020.

Ms. Eileen Nottoli
December 5, 2019
Page 3 of 3

* * * *

If this proposal meets with your approval, please execute it by having an authorized District official sign below and return a copy to me. Please call me at (925) 977-6961 if you have any questions.

Very truly yours,
HF&H CONSULTANTS, LLC



Marva M. Sheehan, CPA
Vice President

ATTACHMENT A: HF&H Standard Hourly Rates and Billing Arrangements

Approve scope of work at a not to exceed fee of fixed fee \$4,995 and other terms and conditions of the work to be performed by HF&H Consultants, LLC for the Kensington Police Protection and Community Services District as documented in this proposal dated December 5, 2019.

Approved:

Signature

Date

Print Name

Title

ATTACHMENT A: STANDARD HOURLY RATES AND BILLING ARRANGEMENTS

(Effective January 1, 2019)¹

Professional Fees

Hourly rates for professional and administrative personnel are as follows:

<u>Position</u>	<u>Rate</u>
President	\$290
Senior Vice President & Vice President	\$255 - \$285
Senior Project Manager	\$225 - \$250
Senior Associate/Project Manager	\$195 - \$235
Associate Analyst	\$145 - \$180
Assistant Analyst	\$120 - \$140
Administrative Staff	\$99 - \$120

Direct Expenses

Standard charges for common direct expenses are as follows:

Automobile Travel	Prevailing IRS mileage rate
Airfare and Public Transit	Actual Cost

Billing Policies

Our policy is to bill for our services based on the standard hourly rates of the staff member assigned, multiplied by the time required to perform the client-related tasks, plus the direct expenses as described above. In implementing this policy we adhere to the following practices:

- It is our standard practice to e-mail invoices to our clients, although hard copies of invoices can be sent to clients on request.
- We round to the nearest one-quarter hour (e.g., if two hours and 55 minutes are spent on a task, it is recorded as three hours, if two hours and 5 minutes are spent on a task, it is recorded as two hours). A minimum charge of one-quarter hour is charged for any client work performed in a day.
- We do not markup out-of-pocket expenses, however, we may charge administrative or professional time related to the provision of the goods and services associated with these charges.
- If subcontractors are used, HF&H reserves the right to charge a 5% markup should the subcontractor's services require cumbersome administrative oversight (e.g., multiple subcontractors; engagement turns out to solely require services of subcontractor, but HF&H as the prime must prepare billings).
- Mileage fees are based on the round-trip distance from the point of origin.
- If a client's change to a previously scheduled meeting results in penalties being assessed by a third party (e.g., airline cancellation fee), then the client will bear the cost of these penalties.

¹ Litigation Support and Expert Witness Services are not covered by this schedule of fees and expenses.

ATTACHMENT A: STANDARD HOURLY RATES AND BILLING ARRANGEMENTS

While no minimum fee for a consulting engagement has been established, it is unlikely (given the nature of our services) that we can gain an understanding of a client's particular requirement, identify alternatives, and recommend a solution in less than twenty-four consulting hours.

Insurance

We maintain the following policies of insurance with carriers doing business in California:

- Comprehensive General Liability Insurance (\$2,000,000 Occurrence/\$4,000,000 Aggregate)
- Workers' Compensation (\$1,000,000)
- Professional Liability Insurance (\$2,000,000 Occurrence/\$2,000,000 Aggregate)
- Hired and Non-Owned Auto Liability² (\$2,000,000)
- Umbrella Liability (\$3,000,000 Occurrence/\$3,000,000 Aggregate)

All costs incurred in complying with additional coverages or limits (excluding additional insured and waiver of subrogation endorsements) become the responsibility of the client and are not included in the fees for services or direct charges but are billed in addition to the contract at cost, plus any professional or administrative fees.

Invoices and Payment for Services

Our time reporting and billing system has certain standard formats that are designed to provide our clients with a detailed invoice of the time and charges associated with their engagement. (We typically discuss these with our clients at our kick-off meeting.) We are also pleased to provide our clients with a custom invoice format but we will have to bill the client for time spent conforming our invoices to their unique requirements.

Billings for professional services and charges are submitted every month, in order that our clients can more closely monitor our services.

² HF&H Consultants does not own any company automobiles.