

# **AGREEMENT BETWEEN THE CITY OF REEDLEY AND DAVID WELLHOUSE & ASSOCIATES, INC. FOR PREPARATION AND FILING OF CLAIMS FOR STATE MANDATED COST REIMBURSEMENT**

This agreement by and between the **CITY OF REEDLEY**, a municipality of the State of California, hereinafter referred to as "**CITY**", and **DAVID WELLHOUSE & ASSOCIATES, INC.**, a California corporation, hereinafter referred to as "**CONSULTANT**".

Whereas, CITY desires to engage the services of a consultant to prepare and file claims for State Mandated Cost Reimbursement, and CONSULTANT has been selected to perform said services, now, therefore, it is agreed by CITY and CONSULTANT as follows:

1. **Claims To Be Filed** CONSULTANT shall prepare and file with the State Controller's Office on behalf of CITY, the following state mandated cost (SB 90) claims.

A. **U Visa 918 Form, Victims of Crime: Nonimmigrant Status - Program No. 372**

**Chapter 721, Statutes of 2015**

**Actual Claims**

**Fiscal Years 2016/2017, 2017/2018**

CITY acknowledges that CONSULTANT does not warrant that claims will be filed for all of the mandates listed in this Section 1. CONSULTANT shall only prepare and file claims for those mandates listed in Section 1 in which the CITY has reimbursable costs. **If the CITY does not have reimbursable costs for both fiscal years the CITY can choose to not file claims and no fee will be charged or if the CITY has reimbursable costs for one fiscal year the fee will be reduced at the CITY'S option.**

The claims and services described in this Section 1 shall hereinafter be referred to as "PROJECT".

CONSULTANT hereby designates Renee Wellhouse, or other delegated representative, to be sole contact and agent in all consultations with CITY during the performance of services as stated in PROJECT.

2. **Time For Performance** CONSULTANT shall file all claims in accordance with the State Controller's claim filing deadline contained in the applicable State Controller Claiming Instructions.

3. **Compensation** CITY agrees to pay CONSULTANT a fixed fee in the amount of \$1,200.00 for services provided under Section 1A. of PROJECT, upon receipt of CONSULTANT'S invoice, after submission of claims as required by the State Controller's Claiming Instructions.

4. **Method Of Payment** CITY agrees to pay said fixed fee for services provided under Sections 1 of PROJECT upon receipt of CONSULTANT'S invoice, after submission of claims as required by the State Controller's Claiming Instructions. City further agrees to pay CONSULTANT'S invoice within 15 days of receipt.

5. **City Assistance** CITY shall assign a staff coordinator to work directly with CONSULTANT in the performance of this agreement. CITY shall provide CONSULTANT with requested information in a timely manner, pursuant to PROJECT. CITY represents and warrants that all financial documents and other information provided are accurate and correct. CONSULTANT shall not be liable for claims that are not filed or incorrectly filed due to inaccurate or untimely data.

6. **Disposition Of Documents** CONSULTANT shall furnish to CITY copies of all claims filed with the State within 30 days after filing. CONSULTANT shall, upon written request, make copies of work papers available to CITY. CITY acknowledges that all such workpapers are the property of CONSULTANT, and may not be disclosed to any third party, provided however that such workpapers may be disclosed to appropriate governmental authorities for audit purposes. CONSULTANT shall be entitled to retain copies of all data prepared.

7. **Not Obligated To Third Parties** CITY shall not be obligated or liable hereunder to any party other than CONSULTANT.

8. **Insurance** CONSULTANT shall carry, maintain and keep in full force and effect, a policy of comprehensive general liability and automotive liability insurance in an amount not less than \$1,000,000 aggregate applying to bodily injury, personal injury, and property damage.

9. **Independent Contractor** CONSULTANT is, and shall be, acting at all times in the performance of this agreement as an independent contractor. CONSULTANT shall secure at its expense, and be responsible for, any and all payments of taxes, social security, state disability insurance compensation, unemployment compensation and other payroll deductions for CONSULTANT and its officers, agents and employees.

10. **Consultant Assistance If Audited** Upon notice of audit, CONSULTANT shall make available to CITY and state auditors claim file information, and provide assistance to CITY in defending claims submitted.

11. **Consultant Liability If Audited** All work required hereunder shall be performed in a good and workmanlike manner. Any disallowance of claims by the State Controller's Office or other state agencies is the responsibility of CITY.

12. **Indirect Costs** CONSULTANT shall make every effort to prepare departmental Indirect Cost Rate Proposals for claims submitted, provided CITY financial information and departmental costs support such rates. CONSULTANT may utilize the ten percent (10%) indirect cost rate allowed by the State Controller if financial information and departmental costs do not support a higher rate.

13. **Termination Of Agreement** CITY may terminate CONSULTANT'S services hereunder with cause, whether or not services under PROJECT are fully complete. CITY shall do so by giving written notice to CONSULTANT, specifying the effective date thereof, at least fifteen (15) days before the effective date of such termination.

14. **Return of Signed Agreement** CONSULTANT shall be under no obligation to prepare and file claims unless the executed Agreement or a fax informing us of the City's intention to continue

our services is received by CONSULTANT by August 5, 2019. CONSULTANT may extend this deadline on a case by case basis.

15. **Entirety** The foregoing set forth the entire Agreement between the parties.

CONSULTANT:  
DAVID WELLHOUSE & ASSOCIATES, INC.,  
a California corporation

By: Renee M. Wellhouse

Date: July 8, 2019

Renee M. Wellhouse  
President

CITY:  
CITY OF REEDLEY,  
a municipality of the State of California

By: Niede R. Zieba

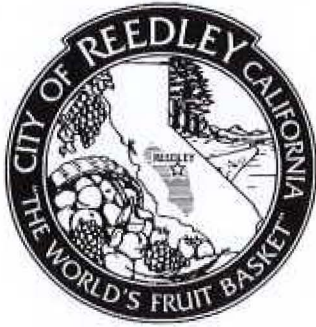
Date: 8/21/19

Name: Niede R. Zieba

Title: City Manager

Phone: (559) 637 4200 ext. 212





## REEDLEY CITY COUNCIL

- ☒ Consent
- ☐ Regular Item
- ☐ Workshop
- ☐ Closed Session
- ☐ Public Hearing

ITEM NO: 6

**DATE:** August 13, 2019

**TITLE:** APPROVE AND AUTHORIZE CITY MANAGER TO EXECUTE A SUPPLEMENTARY SERVICES AGREEMENT WITH DAVID WELLHOUSE & ASSOCIATES, INC. IN AN AMOUNT NOT TO EXCEED \$1,200 FOR PREPARATION AND FILING OF CLAIMS FOR STATE MANDATED COST (SB 90) REIMBURSEMENT

**SUBMITTED:** Paul A. Melikian, Assistant City Manager *PM*

**APPROVED:** Nicole R. Zieba, City Manager *NZ*

### RECOMMENDATION

Request Council approve and authorize the City Manager to execute the attached supplementary consulting agreement with David Wellhouse & Associates, Inc. in an amount not to exceed \$1,200 for preparation and filing of claims for State mandated cost reimbursements for fiscal years 2016-17 and 2017-18, pertaining to newly reimbursable State mandate.

### EXECUTIVE SUMMARY

State law (SB90) provides for reimbursement of costs incurred by local agencies for various State-mandated laws and requirements, such as procedures related to Domestic Violence Arrests & Victim Assistance and Rape Victims Counseling Center Notices. A majority of claims historically submitted by the City have been for mandates under the purview of the Police Department. The City has historically paid \$4,500 to David Wellhouse & Associates for the preparation and filing of SB 90 reimbursement claims on the City's behalf.

The State Controller's Office has recently issued claiming instructions for the preparation and filing of a mandate that has not previously been claimed before; specifically for the preparation and filing of the U Visa 918 Form, Victims of Crime: Nonimmigrant Status. This mandate requires local agencies, upon request of a victim of a qualifying criminal activity seeking temporary immigration benefits under the Federal U Visa program and willing to assist law enforcement with investigation or prosecution of the criminal activity, to complete and certify forms and to submit annual reports about the certifications to the State Legislature.

Staff at David Wellhouse & Associates, Inc. have estimated, based on the activity levels of other cities, that the City's claims would be minimum of \$2,000 up to about \$3,500 per year for these claims. The actual amount of reimbursable time will not be known until staff gathers the amount of time for each reimbursable activity. As with other claims handled by David Wellhouse & Associates, Inc., if the cost to file the claims exceeds the value of the future reimbursement, City staff will have the ability to skip filing the claims, and no fee will be charged. Going forward this supplementary service agreement would be rolled into the primary agreement that the Council considers annually.

**FISCAL IMPACT**

No new appropriations are needed for this Agreement. The City has historically paid \$4,500 for the consultant to prepare and file the annual claims. This amount, and the supplementary fee of \$1,200, is paid annually from an offset of prior year SB 90 claims received during the fiscal year. Typically, reimbursement revenue from prior year claims is more than sufficient to cover the cost of filing current year claims, resulting in net new revenue to the General Fund. As an example, last fiscal year (2018-19), the City received \$30,723 in reimbursements and paid \$4,500 to file new claims, for a net benefit to the General Fund of \$26,223.

The total remaining amount of claims the State owes the City is \$532,999 as of June 30, 2019.

**ATTACHMENT**

Agreement with David Wellhouse & Associates, Inc.