



Arminda Searcy, Administrative Analyst
Tehama County Administration
727 Oak Street, Suite 202
Red Bluff, CA 96080

Dear Ms. Searcy,

Matrix Consulting Group, Ltd. is pleased to have this opportunity to submit a proposal to become a Fee Study Consultant for Tehama County. Our proposal is based on our review and understanding of the Request for Proposal (RFP). It will demonstrate our exceptional skills and experience required to meet the County's needs and establish the additional value of choosing our firm.

We have conducted over 300 cost-of-service studies and have provided these services to our clients for more than 23 years. Our experience providing similar services and understanding the impact and implementation issues comes from working with clients across California. Recent Northern California clients include Butte County, Daly City, Hercules, Livermore, Los Altos Hills, Millbrae, Milpitas, Napa County, Redwood City, San Mateo, South San Francisco, Sonoma, and Sunnyvale. We are currently working with Monterey, San Luis Obispo, and Santa Clara counties on similar studies.

At Matrix Consulting Group, we distinguish ourselves through our commitment to delivering unparalleled value. Our staff thoroughly understands the service and process assumptions behind the cost of service. This dual expertise allows us to provide comprehensive insights and solutions that optimize efficiency and maximize our clients' value.

I am the firm's President, authorized to represent the firm contractually. Courtney Ramos, a senior vice president and financial services practice leader, can provide any additional information you may need during the proposal evaluation period. We can be reached at the address and phone number below or via email at apennington@matrixcg.net and cramos@matrixcg.net.

A handwritten signature in blue ink, appearing to read "Alan D. Pennington".

ALAN D. PENNINGTON

President

MATRIX CONSULTING GROUP

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ORGANIZATIONAL INFORMATION

Matrix Consulting Group, Ltd. is a management consulting firm that provides quality analytical assistance to local and state governments. Our organizational information can be summarized as follows:

Legal Name	Matrix Consulting Group, LTD
Entity Type	California Corporation
Address	1875 S. Grant Street, Suite 960 San Mateo, CA 94402
Telephone Number	(650) 858-0507
Authorized Signer	Alan Pennington, President

Our firm was formed by experienced consultants to pursue an operating model in which analytical work is performed by senior-level staff. Our history and composition are summarized below:

- ❖ Since our founding in 2003, we have worked with over **1,800 government agencies**, conducting cost-of-service and management studies and providing recommendations on operations, improvements, and cost recovery.
- ❖ We are incorporated in California, with our **headquarters in San Mateo**, and a satellite office in Irvine. We also have staff located throughout the country in 17 states, as well as Canada.
- ❖ We are comprised of 32 full-time and seven part-time management consultants who specialize in analyzing local government functions across a range of operational areas. We have a **dedicated team of financial services professionals**.

The market and service focus of Matrix Consulting Group has always been financial, management, staffing, and operations analysis of local government. The following outlines the core financial services provided by our firm:

OMB 2 CFR Part 200 Cost Plans	User Fee Studies
Full Cost Plans	Development Impact Fee Studies
Indirect Cost Rate Proposals	Fully Burdened Hourly Rates
Internal Service Fund Analyses	Revenue Projections

No other firm better understands how public agencies operate or how to help them thrive. Our firm's



QUALIFICATIONS AND EXPERIENCE

Our firm has extensive experience conducting comprehensive user fee studies for a variety of municipal organizations and departments. The four main types of services included in user fee studies are Administrative Services, Community Development, Parks and Recreation, and Public Safety. The following points highlight our experience in these areas:

 **Administrative Services:** Our firm has extensive experience evaluating administrative functions for Clerk, Recorder, Environmental Health, and other support departments. Unlike discretionary development review services, these functions are often mandated by state or federal law and must balance efficiency, compliance, and transparency while still striving for appropriate cost recovery. From records processing and licensing to public noticing, inspection, and compliance programs, our project teams can address topics such as:

- Identifying the most meaningful metrics for fee setting, including document volume, transaction type, record length, program complexity, or inspection frequency.
- Developing deposit structures, guidelines, and administrative procedures that reflect statutory requirements while ensuring accurate cost recovery.
- Setting fees at levels that both recover the true cost of service and recognize statutory or policy limitations that may restrict full recovery.
- Exploring cost recovery and implementation options for support services, including mandated technology upgrades, public records systems, environmental health databases, and cross-departmental administrative support.

Our project teams understand the unique challenges of balancing regulatory compliance, public transparency, and equitable access to services while managing the financial sustainability associated with mandated programs.

 **Community Development:** Our firm has extensive experience evaluating development review permitting functions for Building, Planning, Engineering, and Fire Prevention. From the basic process steps for submitting, reviewing, inspecting, and approving applications and permits to the development of processes, procedures, and cost recovery goals, our project teams can address topics such as:

- The best metrics for assessing fees are building valuation, square footage, construction estimate, or the number of fixtures.
- Appropriate deposit amounts, guidelines, and processes to ensure actual cost recovery is achieved.
- Setting fees at levels that both recover costs and are not cost-prohibitive.
- Cost recovery and implementation options for support services, including General Plan Updates, Technology Fees, GIS, etc.

Beyond understanding processes and assessing time estimates, our project teams are aware of the cross-departmental support associated with application and permit services. These costs are included in the full cost calculation and can be expressed separately as part of the established fees.

❖ **Parks and Recreation:** Our firm has extensive experience conducting comprehensive user fee studies for various municipal organizations and departments. Matrix Consulting Group has worked with every type of recreation function, including traditional parks and recreation, libraries, and open space preserves. Our experience spans master and strategic planning, park condition assessments, program staffing, and cost recovery. Our project teams are well-versed in the areas that most impact cost recovery, including:

- Development of cost methodologies that incorporate staff time, program-specific materials, exclusive use of space, and organizational overhead.
- The best use of a tiered recovery approach, such as resident versus non-resident or profit versus non-profit.
- Engagement with internal and external stakeholders to understand the impact of fees on program participation.
- Setting fees according to national standards relating to cost recovery policies and goals, ensuring that premium services have a higher cost recovery.

The goal in reviewing parks and recreation costs for service is to ensure that fees and rates are set at a level that allows the County to continue to serve the community in a manner consistent with current goals and commitments.

❖ **Public Safety:** Our firm has extensive experience evaluating public safety functions, including Police, Fire Prevention, and Emergency Medical Services. These departments face unique challenges in balancing community protection, rapid response requirements, and mandated service levels with sustainable funding. From permitting and inspection programs to emergency response cost recovery, our project teams can address topics such as:

- Identifying the most appropriate fee metrics, such as call type, incident response time, inspection frequency, service population, or risk category.
- Setting fees that recover the actual cost of service without discouraging compliance, cooperation, or access to critical safety programs.
- Exploring cost recovery and implementation options for support services, including technology upgrades (dispatch and body-worn cameras), specialized equipment, training programs, and emergency preparedness initiatives.

Our project teams work with public safety departments to balance life-safety responsibilities, evolving community expectations, and regulatory mandates while maintaining financial sustainability.

All our cost of service and user fee studies are developed in compliance with California State regulations, including Propositions 218 and 26, as well as government codes 66014 and 66016, which stipulate that user fees charged by local agencies "...may not exceed the estimated reasonable cost of providing the

service for which the fee is charged". We work with each department to document the regulatory codes associated with each fee or service, ensuring not only that adopted fees comply with regulations, but that client staff understand if and how those fees can be increased in the future.

RECENT FEE STUDY CLIENTS

The following table includes a sampling of California clients over the last five (5) years for whom we have provided similar scopes of service:

Jurisdiction	Planning Fees	Building Fees	Engineering Fees	Fire Fees	Admin Fees	Police Fees	Recreation Fees
Adelanto, CA	X	X	X		X		
Capitola, CA	X	X	X				X
Citrus Heights, CA	X	X	X		X	X	X
Cupertino, CA	X	X	X				X
Dixon, CA	X	X	X	X	X	X	
Downey, CA	X	X	X	X	X	X	X
Elk Grove, CA	X	X	X				
Glendale, CA	X	X	X	X	X	X	X
Livermore, CA	X	X	X	X			
Los Altos Hills, CA	X	X	X		X		
Manhattan Beach, CA	X	X	X	X	X	X	X
Menifee, CA	X	X	X	X	X	X	X
Millbrae, CA	X	X	X		X		X
Mill Valley, CA	X	X	X		X		X
Montebello, CA	X	X	X	X	X	X	X
Orange, CA	X	X	X	X	X	X	X
Pacific Grove, CA	X	X	X	X	X		
Redlands, CA	X	X	X	X	X		X
Redwood City, CA	X	X	X	X	X	X	X
San Mateo, CA	X	X	X				
San Ramon, CA	X	X	X		X	X	
Santa Clara, CA	X	X	X	X	X	X	X
South Pasadena, CA	X	X	X	X	X	X	
So. San Francisco, CA	X	X	X	X	X	X	X
Stockton, CA	X	X	X	X			
Vacaville, CA	X	X	X	X	X	X	
Winters, CA	X	X	X	X	X	X	

Details about any project above are available upon request.

REFERENCES

The table below includes a sampling of California clients for whom we have recently provided similar scopes of service:

BUTTE COUNTY, CA



Meegan Jessee, Assistant
Chief Administrative Officer

25 County Center DR
Oroville, CA 95965
(530) 552-3311
mjessee@buttecounty.net

The Matrix Consulting Group conducted a countywide comprehensive fee study for Butte County. The County had last conducted an update in 2017. The goal of this analysis was to bring the county's fee structure in alignment with current practices.

The project team met with County staff to modernize fee structures, as well as reflect new departments / divisions and the services provided by them. Key components of the analysis included removing online permitting fees for Development services and consolidating them all as one fee (whether in-person or online).

SANTA CLARA COUNTY, CA



Stewart Patri, Deputy Director
of Administration

110 West Tasman Drive
San Jose, CA 95134
Stewart.patri@pln.sccgov.org

Matrix Consulting Group just completed a study (2025) for the County of Santa Clara to develop a Comprehensive Fee Analysis of Department of Planning and Development Fees.

The County had not reviewed Planning, Land Development Engineering, Surveyor, Fire Prevention, or Code Enforcement fees in nearly 10 years. The focus of this study was to review and update previous time assumptions to accurately reflect current service levels, processes, and code requirements. Based on County approved hourly rates, the full cost associated with these services was developed. The county's goal was to achieve full cost recovery within two years; therefore, fee schedules were developed with Year 1 priorities set at 75% cost recovery, and year two priorities at 100%.

The project team will begin review of Building permits in August 2025 and has been added to the County's master contractor list for future fee for service studies.

WEST SACRAMENTO, CA



Andrea Ouse, Community
Development Director

1110 W Capitol Ave.
West Sacramento, CA 95691
(916) 617-4645

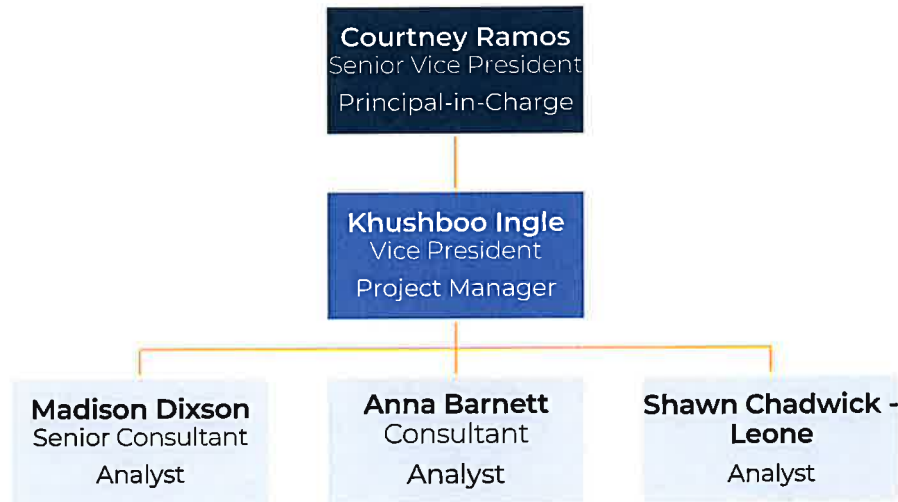
andreaao@cityofwestsacramento.org

Matrix Consulting Group just completed a study (2025) for West Sacramento to conduct a Development Fee Study.

The City had not conducted a comprehensive review of its fees in over 10 years. The focus of this study was to establish reasonable time assumptions and document the direct and indirect costs associated with all development fee-based services. Based on City approved hourly rates, the full cost associated with these services was developed. The City just adopted fees with an overall policy goal of 100% cost recovery, providing for specific areas of subsidization where appropriate to incentivize behavior and minimize impacts on the community.

PROJECT PERSONNEL

Our proposed project team is comprised of full-time firm staff and includes no subcontractors. Our Principal-in-Charge has been with our firm for nearly twenty years, while our proposed project manager has been with our firm for over ten years. They have been working together as a team on financial services projects for more than a decade. The following chart outlines the project team structure.



The following points provide an overview of the roles of each of our team members:

- **Principal-in-Charge:** Will provide general project oversight and technical expertise and oversee client expectations.
- **Project Manager:** Will lead interviews, financial analysis, policy discussion, and development, as well as provide expertise in reviewing drafts and presenting results.
- **Analysts:** Will facilitate the coordination of data collection, support staff in data development, and populate analytical models.

Our proposed project team will be available to the County throughout the engagement. The following table provides summaries of their experience, including the types and years of experience, recent clients, and project roles.



Courtney Ramos
Senior Vice President

Ms. Ramos is a Senior Vice President and our Financial Services Practice Leader who oversees cost allocation plans, user fees, development impact fees, and cost of service engagements. Courtney's 20 years of experience include analysis focused on the development and documentation of direct and indirect costs, fair and equitable

allocation methodologies, and expertise in the development of fiscal policies and procedures relating to cost of service and cost recovery.

Courtney has completed over 300 costs of service studies, recent Northern California clients include Butte County, Cupertino, Daly City, Dixon, Fairfield, Elk Grove, Redwood City, San Bruno, San Mateo, San Ramon, San Luis Obispo County, Santa Clara County, Saratoga, and South San Francisco.

Her role on this project would be to serve as the **Principal-in-Charge**, ensuring timely project deliverables, quality control, and presentation to stakeholders.



Khushboo Ingle
Vice President

Ms. Ingle is a Vice President with 13 years of experience who manages cost allocation plans, user fees, development impact fees, and cost of service engagements. Her experience with the firm includes participation in operational audit engagements focusing on organization, staffing, and internal processes.

Khushboo has completed over 200 costs of service studies. Ms. Ingle has served as the project manager for Northern California clients including Butte County, Burlingame, Redwood City, Elk Grove, Monterey County, South San Francisco, West Sacramento, Daly City, Fairfield, Citrus Heights, Dixon, San Ramon, Dublin, San Mateo, Mountain View, Sunnyvale, and Cupertino.

Her role on this project would be to serve as the **Project Manager**, involved in leading meetings, developing draft results, and reviewing results.



Madison Dixon
Senior Consultant

Ms. Dixon is an analyst who assists our senior staff with cost allocation plans, user fees, development impact fees, and cost of service engagements. Madison has participated in numerous cost allocation and cost of service studies.

Madison has been with the firm for four years. Her experience with California clients includes Butte County, Burlingame, Daly City, Los Altos Hills, Millbrae, Monterey County, Elk Grove, Milpitas, Orange, Menifee, Redwood City, San Mateo, San Luis Obispo County, San Ramon, Saratoga, South San Francisco, Sunnyvale, and West Sacramento.

Her role on this project would be to serve as **Senior Analyst**, involved in attending meetings, data input, and developing models.



Anna Barnett
Consultant

Ms. Barnett is an analyst who has recently joined our firm to assist our staff on cost-of-service engagements, including cost allocation plans, user fees, and development impact fee studies. Her background is in mathematics with a concentration in data science.

Anna has one year of experience and has recently assisted with projects in Malibu, Monterey County, San Luis Obispo County, Thousand Oaks, Rolling Hills Estates, and Burlingame.

Her role on this project would be to serve as an **Analyst**, involved in attending meetings, data input, and model development.



Shawn Chadwick - Leone
Analyst

Mr. Leone is an analyst who has recently joined our firm to assist our staff on cost-of-service engagements, including cost allocation plans, user fees, and development impact fee studies.

Shawn has recently assisted with projects in California including Thousand Oaks, Burlingame, Butte County, San Luis Obispo County, and Richmond.

His role on this project would be to serve as an **Analyst**, involved in attending meetings, data input, and comparative survey support.

Full resumes for the Project Executive and Project Manager have been provided on the following pages.



COURTNEY RAMOS

Senior Vice President/Chief Financial Officer

BIOGRAPHY:

Courtney Ramos is our Financial Services Practice Leader, who oversees cost allocation plan, user fee, development impact fee, and cost of service engagements. Courtney's relevant experience include:

- Completed over 250 cost of service studies for clients across the United States.
- Analysis focuses on development and documentation of direct and indirect costs, fair and equitable allocation methodologies, and defensible results.
- Expertise also includes development of fiscal policies and procedures relating to cost of service and cost recovery.

EXPERIENCE HIGHLIGHTS:

SANTA CLARA COUNTY, CA: DEVELOPMENT FEE STUDY

Courtney served as the project executive and project manager on this engagement which focused on Planning, Land Development Engineering, Fire Marshal, and Code Enforcement. Key analysis included:

- Documenting current and potential services.
- Capturing cross-departmental support.
- Providing Excel-Based models for future updates.

MILPITAS, CA: DEVELOPMENT SERVICES USER FEE STUDY

Courtney served as the project executive and project manager on this engagement which reviewed Planning, Building, Engineering, and Fire services. Key analysis included:

- Developing fully burdened hourly rates inclusive of divisional, departmental, and citywide overhead.
- Documenting reasonable time estimates for permit services.
- Presenting results to internal and external stakeholders.

ROLE ON THIS ENGAGEMENT:

Courtney will serve as the Principal-In-Charge on this engagement, ensuring timely project deliverables, and quality control.

RELEVANT CA CLIENTS:

Burlingame
Citrus Heights
Cupertino
Daly City
Dixon
Elk Grove
Fairfield
Humboldt County
Livermore
Long Beach
Manhattan Beach
Pacific Grove
Redwood City
San Bernardino County
San Pablo
San Mateo
Santa Clara
Santa Clara County
Sonoma County
South San Francisco
Stanislaus County
Sunnyvale
Vacaville
Winters

YEARS OF EXPERIENCE:
20

EDUCATION:

A.A., Santa Barbara City College, Administration of Justice and Sociology

PROFESSIONAL ASSOCIATION:

Government Finance Officers Association

California Society of Municipal Finance Officers

Revenue Enhancement Best Practices



KHUSHBOO INGLE
Vice President

BIOGRAPHY:

Khushboo Ingle is a Vice President who manages cost allocation plan, user fee, development impact fee, and cost of service engagements. Her experience with the firm also includes participation in operational audit engagements focusing on reviewing organizational, staffing, and internal processes to enhance services. Khushboo's relevant experience include:

- Analysis focuses on verifying and reviewing cost of service assumptions and ensuring compliance with best practices.
- Expertise also includes impact fee studies and development fee-studies.

EXPERIENCE HIGHLIGHTS:

BUTTE COUNTY, CA: COUNTYWIDE FEE STUDY

Khushboo served as the Project Manager on this engagement, which included looking at all county departments, services, and fees.

- Reviewing all fees to ensure compliance with state regulations and full cost of service.
- Identifying new fees to be included.
- Calculating the full cost of public health fees.

MONTEREY COUNTY, CA: DEVELOPMENT SERVICES FEE STUDY

Khushboo is serving as the project manager on this engagement which is evaluating building, planning, and land development services:

- Restructuring building fees to be more in compliance with industry standards and flat fees.
- Working with Planning staff to streamline fee schedules and identify new fees to be included.

ROLE ON THIS ENGAGEMENT:

Khushboo will serve as the Project Manager on this engagement, leading interviews and coordinating necessary data collection for the financial analysis, policy discussions, and working with the Data Analyst to compile and analyze data.

RELEVANT CA CLIENTS:

Burlingame
Citrus Heights
Cupertino
Dixon
Elk Grove
Fairfield
Humboldt County
Livermore
Long Beach
Manhattan Beach
Orange
Pacific Grove
Redwood City
San Bernardino County
San Pablo
San Mateo
Santa Clara
Santa Clara County
Sonoma County
South San Francisco
Stanislaus County
Sunnyvale
Vacaville

YEARS OF EXPERIENCE:

14

EDUCATION:

B.A., University of California – San Diego, International Economics

M.A., University of California – San Diego, International Affairs

PROFESSIONAL ASSOCIATION:

California Society of Municipal Finance Officers

Revenue Enhancement Best Practices

PROJECT APPROACH AND WORK SCHEDULE

Tehama County administers a variety of public service fees that have not been updated in recent years. Therefore, the County is seeking a comprehensive evaluation of its fee structures and the development of strategies for revising, aligning, and sustaining countywide fees. The purpose of this evaluation is to ensure that fees accurately reflect current economic conditions, align with departmental service costs, and comply with applicable state and federal regulations. We believe these objectives can be accomplished through the following steps:

- ❖ Review current fee structures to ensure they **accurately reflect the services** provided by each department and the manner in which those services are delivered.
- ❖ Determine the **average time** to review plans, conduct inspections, approve applications, and issue permits.
- ❖ Calculate fully burdened hourly rates accounting for **appropriate** direct and indirect **costs**.
- ❖ Conduct a market **comparison** of current fees and total costs to other similar jurisdictions.
- ❖ Document how proposed fees align with state and local regulations.
- ❖ Develop **strategies** for implementing fees that balance **fiscal needs** with **community impacts**.
- ❖ Present results to key stakeholders, **highlighting the importance** of the analysis and outlining how the City can **build upon the results**.

This study will provide Tehama County with the tools needed to strengthen financial sustainability, improve cost recovery, and support equitable service delivery. The following sections outline our general project approach, provide a detailed task plan, and proposed project schedule.

PROJECT APPROACH

Matrix Consulting Group works with a wide range of clients – over 1,800 cities and counties in over 45 states across the U.S. Every project is unique, but is managed according to the following essential project approach:

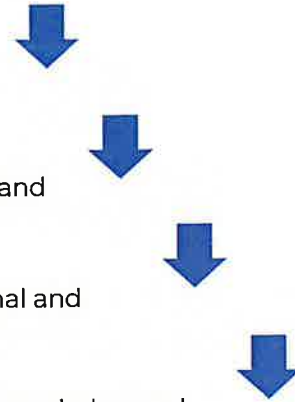
Understanding County-specific financial data.

Working with County staff through meetings and workshops.

Applying industry standards, best management practices, and technical expertise.

Calculating defensible results with buy-in from internal and external stakeholders.

Providing recommendations and transferring knowledge and work products to County staff for successful implementation.



The approach chosen for completing this project allows us to deliberately review and categorize the allowability of indirect costs as well as determine the best and most tangible metrics for allocation.

QUALITY CONTROL

We believe very strongly in the science of our craft, especially as it relates to cost allocation and cost of service studies. As such, our firm utilizes quality control techniques, which include:

- **Project Management:** Ensuring our projects meet the needs and timelines of our clients are accomplished through the following:
 - The project manager and lead analyst develop general and project-specific data collection plans and interview guides.
 - All project work activities are defined in advance and tied to each project team member, as well as deliverables, schedule, and budget.
 - We have frequent client review meetings, during which we discuss the quality and direction of the project through interim deliverables and draft documents.
- **Quantitative Results:** Financial analyses are used to develop budgets and projections and often are subject to public oversight and review. For this reason, our firm ensures data-determined quality control through the following:
 - Expenditure data entered into cost models are tied to budget documents.
 - Workload information is tied to published revenue reports/data outputs and used as a cross-check for time estimation.

These project management approaches have resulted in all our projects being delivered at a high-quality, on time, and within budget.

WORK PLAN

Below are descriptions of the tasks we will complete for the County's comprehensive fee study, including deliverables.

TASK 1: DATA COLLECTION

Before any initial meetings, Matrix Consulting Group will provide the County with a list of initial data requirements for the study. This will allow our project team to review this information thoroughly in preparation for initial discussions with staff. A typical list of data collection items includes:

- Current fiscal year adopted budget.
- Last fiscal year revenue reports for fees or services.
- List of all budgeted personnel by program.
- A list of all current fees being charged will be included in the analysis.
- List of comparative jurisdictions for the fee survey.
- Volume or workload metrics for all fees included in the analysis.
- Copy of any previous fee studies or analyses.

The above list is just a sampling of the type of information that will be requested. Providing these items allows our project team to familiarize themselves with the County's structure and current financial practices.

TASK RESULT

We will provide the County a data collection list.

TASK 2: STUDY OBJECTIVES AND PROJECT SCHEDULE

Once the data has been collected, the project team will meet with staff to discuss issues identified by the project team and to clarify any concerns the County holds regarding the current fee study methodology. Discussions will include:

- Review the County's specific needs and critical issues surrounding the development and implementation of the fee study.
- Opportunities for improvement and restructuring of previous studies and/or review and discussion of existing methodologies and calculations.
- Discussion of concerns or issues that should be addressed during the study.
- Discussions will be held regarding the current fee structure and any potential changes.
- Review and identify existing cost recovery policies or established subsidies.

- Legal issues or concerns with the implementation of new or proposed fees.

After the meeting, the project team and the designated County staff will better understand the overall approach and methodology the team will use to conduct the countywide fee study.

TASK RESULT

We will present the County with a project schedule.

TASK 3: DEVELOP A SCHEDULE OF CURRENT AND POTENTIAL FEES FOR SERVICE

The scope of this effort will be all user fees charged by the County. Current and potential fees and charges will be identified and documented. The project team will work with staff to go through current fee schedules in line-item detail. This meeting is critical in ensuring staff can incorporate any updates or changes to the fee study based on code, regulation, staffing, process, or technological changes. The focus of this meeting will be the following:

- **Renaming fees:** Rewording or renaming fees to identify services more clearly.
- **Eliminating fees:** Removing any outdated services or fees.
- **Adding new fees:** Capturing any new services or breaking out existing fee categories to identify all the services being provided and potential fees for services that could be provided.
- **Recategorization of fees:** Collapsing or expanding multiple fee ranges to better capture the services being provided.

It is important to note that this meeting occurs first to ensure that any major proposed structural changes are captured before collecting time estimate information or developing draft fee results. However, adjustments can be made.

TASK RESULT

Our team will develop a proposed fee structure.

TASK 4: CONDUCT TIME DATA GATHERING WORKSHOPS

The project team will conduct workshops to gather time estimates for each service included in the study, interview key fire personnel, and analyze the various activities being performed. The flowchart shows an example of the steps involved in permit processing and the time associated with each step.



As the flowchart shows, the application/permit processing steps will be documented in detail. The project team will minimize staff impacts by incorporating assumptions from prior studies. Staff will be provided time to edit or comment on the time estimate information.

TASK RESULT

We will create time estimate workbooks.

TASK 5: DEVELOP FULLY BURDENED HOURLY RATES

Based on the County's staffing and budget information, the project team will calculate fully burdened hourly rates, including direct and indirect costs. The following points highlight the cost components and factors included in fully burdened rates:

- **Direct costs:** This component accounts for the salary and benefits associated with each employee or position and is reflected in County staffing and salary reports.
- **Indirect costs—departmental:** This component accounts for administrative and management support provided to line-level staff, operational services, and supplies used to execute job duties. It is developed through staff interviews and budget analysis.
- **Indirect costs—countywide:** This component accounts for districtwide support, such as Finance and HR support provided by other departments or staff.

Once the cost components have been documented and developed, the project team will review MOUs and discuss them with staff to determine appropriate productive hour calculations. Focusing on available hours will ensure that fully burdened hourly rates account for leave accruals (holiday, vacation, and sick) and any meetings or training. The project team will utilize the results of this task and Task 4 to calculate the full cost of services.

TASK RESULT

Calculated fully burdened hourly rates.

TASK 6: PERFORM A TOTAL COST ANALYSIS

Matrix Consulting Group's costing model is built based on the County's operations, budget details, and intended uses for the results. This method is a customized approach specific to each jurisdiction for cost analysis of user fee services. It is a "bottom-up" approach, the most defensible methodology for

calculating user fees. The methodology incorporates the time estimate information and fully burdened hourly rate information. The following graphic shows the cost calculation:



This costing method uses time and annual activity data to establish the cost of providing services on a unit and annual basis. Once the time spent on a fee activity is determined for each individual or position, the team uses its fee and rate software to apply the fully burdened hourly rates from the previous task.

The resulting costs are presented on a unit and annual level and compared to the existing fee schedule and revenue reports. The County will obtain detailed information regarding cost recovery surpluses and deficits on both a detailed (per unit) and global (annualized) level, as well as an understanding of cost components for each service.

TASK RESULT

Per unit and annual fee study results.

TASK 7: CONDUCT A MARKET RATE SURVEY OF SIMILAR JURISDICTIONS

The project team will work with the County to identify comparable jurisdictions locally or other similarly sized counties elsewhere in Northern California. This comparative survey activity will be conducted utilizing the following:

- Developing fee scenarios for the County to be compared to other jurisdictions.
- Graphing the results of the fee analysis for easy visual comparison purposes.
- Collecting contextual information such as population size, budget, staffing, the last time a fee study was done, and the last fee schedule update.

As market surveys do not provide adequate or objective information about the relationship between a jurisdiction's costs and fees, these steps ensure we provide the County with the most information possible.

TASK RESULT

Comparative graphs included in the draft report.

TASK 8: REVIEW/REVISE FEE STUDY RESULTS

Because the analysis of service fees is based on estimates and information provided by staff, all participants must be comfortable with our methodology and the data they have provided. During this phase, the project team would provide County staff with draft results workbooks outlining the full cost calculated through the analysis. These draft results workbooks will include the time assumptions and any material costs provided by the County for another round of review.

This step is critical in ensuring that all assumptions are reviewed and agreed upon by County staff before being incorporated into the draft report.

TASK RESULT

Draft Results Workbooks

TASK 9: PREPARE A DRAFT FEE STUDY REPORT

Upon conclusion of the fee study, we will prepare a detailed report summarizing the results of each of the previous work tasks described above. This report will include:

- A succinct executive summary discussing the study, methodology, and results.
- A narrative describing the services included in the study.
- A section on proposed modifications to the current fee schedule, including removal or addition of new fees for service.
- The analysis includes a section on each fee's per-unit and annual results, and where workload data is available.
- A comparative survey section outlines key fees and compares them to those of other local jurisdictions. The section also provides contextual information regarding budget, staffing, and the date the jurisdiction last conducted fee studies.

The draft report will be provided to County staff for review and comments.

TASK RESULT

The draft report will be provided to County staff for comments.

TASK 10: FINALIZE FEE STUDY REPORT

Any edits or revisions to the draft user fee study report will be incorporated into the finalized report. This finalized report will include all the draft fee study report elements and any additional cost recovery and policy considerations.

TASK RESULT

We will develop a final fee study report.

TASK 11: MASTER FEE SCHEDULE

Once the fee report has been finalized, the project team will develop a master fee schedule for the County. This document outlines all fees, including the current fee amount, the full cost, and the County's proposed fee. This type of attachment is critical for the Board of Supervisors' adoption. This attachment can also be used in the future to conduct annual updates.

TASK RESULT

Master Fee Schedule.

TASK 11: PRESENTATION OF RESULTS

The presentation of results to County officials and/or stakeholders is critical to the success of the overall engagement. Because the study's product is often controversial, this final step aims to present a succinct summary that provides decision-makers with key information.

We will attend and present the study at a minimum of three (3) meetings, including those of the County Council, appropriate subcommittees, or outside stakeholders.

TASK RESULT

We will attend County Council meetings and present the study to stakeholders.

TIMELINE

Studies of this nature typically take approximately six (6) months to complete. The following chart provides a week-by-week outline of our proposed schedule.



All presentations will take place after the study is complete. All proposed timelines can be adjusted based on County staff priorities, preferences, and scheduling needs.

FIRM CAPACITY

Our firm is prepared to undertake this project given our current and anticipated workload. We maintain a balanced portfolio of projects and carefully manage staffing resources to ensure that each engagement receives the attention and expertise it requires. At present, our project commitments are well within capacity, and we have dedicated team members available to begin work immediately. Additionally, our firm's structure allows us to scale resources, as needed, drawing on subject matter experts and support staff to meet project timelines without compromising quality. This approach ensures that Tehama County will receive focused, responsive service throughout the duration of the engagement.

COUNTY STAFF INVOLVEMENT

User Fee studies typically include four types of meetings with staff: (1) Fee Study Objectives, (2) Fee Structure Reviews, (3) Time Estimate workshops, and (4) Draft Results Review. The following points describe what each of these meetings entails:

- ❖ **Fee Study Objectives:** This meeting focuses on the overall goals and objectives of the study, including current issues, report and analysis formats, scheduling, etc.
- ❖ **Fee Structure Review:** These meetings will focus on each department's fee schedule/structure. Discussions will include whether the current structure is appropriate given the services provided, whether services need to be clarified internally or externally for applicants, and whether outdated fees should be eliminated or new fees added.

- ❖ **Time Estimate Workshops:** These meetings will focus on reviewing existing time estimate assumptions and collecting new ones related to permit, application, or other fee-related services. During these meetings, we will discuss process steps associated with permits (i.e., intake, processing, routing, review, inspection, reporting, commission/board presentations, etc.), average times to perform these steps, and who is primarily responsible for performing these functions. We will also discuss any current or upcoming process changes related to code updates, technology changes, etc.
- ❖ **Draft Results Review:** These meetings will focus on reviewing the draft results calculated, including outlining per-unit impacts, confirming and finalizing time estimates, and discussing implementation options.

We work closely with our clients and their staff throughout each project, placing a strong emphasis on transparency and robust communication. Our standard practice is to meticulously review all information, focusing on verifying inputs before arriving at any final decisions. While we strive to minimize impacts on client staff, for example, by taking responsibility for data gathering and cleanup, we are committed to reviewing and verifying the accuracy of data outcomes. This commitment to precision establishes a foundation of data integrity and trust, ensuring that our joint efforts consistently yield effective results and outcomes that benefit our clients.

SUBCONTRACTORS

Matrix Consulting Group will not be using any subcontractors for this project.

ACCEPTANCE OF COUNTY TERMS

Matrix Consulting Group has reviewed the sample agreement and will agree to the terms contained in the agreement if selected.

MATRIX

CONSULTING GROUP

August 29, 2025

Arminda Searcy, Administrative Analyst
Tehama County Administration
727 Oak Street, Suite 202
Red Bluff, CA 96080

Dear Ms. Searcy,

Matrix Consulting Group, Ltd. is pleased to have this opportunity to submit a proposal to become a Fee Study Consultant for Tehama County. Matrix Consulting Group's typical practice is to develop fixed-price, not-to-exceed pricing, billing monthly for work provided. Matrix will complete all tasks related to the Fee Study project for a fixed fee of **\$72,500**. The following table provides our proposed cost to conduct the study, listing the time allocations and hourly rate for each staff category:

Task	Principal-in-Charge	Project Manager	Analysts (3)	Total Cost
Data Collection	0	2	4	\$1,100
Study Objectives/Project Schedule	2	2	0	\$1,100
Current & Potential Fees	2	6	12	\$3,900
Data Workshops	4	8	10	\$4,700
Fully Burdened Hourly Rates	2	10	32	\$7,900
Total Cost Analysis	8	20	64	\$17,000
Comparative Survey	0	2	24	\$4,100
Review/Revise Results	6	10	20	\$7,300
Draft Fee Study Report	10	16	40	\$13,000
Prepare Final Report	6	8	20	\$6,800
Presentation	0	0	16	\$2,400
Excel-Models/Training	4	8	0	\$3,200
Total Hours	44	92	242	
Hourly Rate	\$300	\$250	\$150	
Total Professional Fees	\$13,200	\$23,000	\$36,300	

Total Project Cost **\$72,500**

This cost is all-inclusive and is a fixed fee for any costs that may occur. Our typical practice is to bill for hours worked monthly up to the contract amount. If any additional services are required, they will be billed at the hourly rates noted.

MATRIX CONSULTING GROUP
1875 S Grant Street, Suite 960
San Mateo, CA 94402
650-858-0507

ONGOING CLIENT SUPPORT

We are committed to helping our clients develop accurate and defensible cost-of-service methodologies, ensuring they can effectively implement the results of these studies. Our project team will work with County staff to facilitate an understanding of the results and help incorporate them into the final materials.

Our client support continues after a final report has been issued. We understand that questions can arise well after project completion and are committed to working with our clients to answer any questions about methodologies and applications of results. This support is provided to our clients at no extra cost. As the firm's President, I am authorized to represent the firm contractually and execute any service agreement. I can be reached at the address and phone number below.

A handwritten signature in black ink, appearing to read "Alan D. Pennington". The signature is fluid and cursive, with a long horizontal stroke at the end.

ALAN D. PENNINGTON

President, Matrix Consulting Group, Ltd