

CITY OF MENIFEE

PROFESSIONAL SERVICES AGREEMENT

**FISCAL IMPACT ANALYSIS FOR SPECIAL DISTRICT ANNEXATION/LANDSCAPE
MAINTENANCE DISTRICT ASSESSMENT ENGINEERING SERVICES**

THIS PROFESSIONAL SERVICES AGREEMENT (“Agreement”) is made and effective this _____ day of _____, 2024 (“Effective Date”) by and between the CITY OF MENIFEE, a California municipal corporation, (“City”) and **SPICER CONSULTING GROUP**, a California Limited Liability Company (LLC) (“Consultant”). City and Consultant may sometimes herein be referred to individually as a “Party” and collectively as the “Parties.”

SECTION 1. SERVICES.

Subject to the terms and conditions set forth in this Agreement, Consultant shall provide to City the services described in the Scope of Services, attached hereto as Exhibit A and incorporated herein by this reference (the “Services”). Consultant will perform subsequent task orders as requested by the Contract Administrator (as defined below), in accordance with the Scope of Services. In the event of a conflict in or inconsistency between the terms of this Agreement and Exhibit A, this Agreement shall prevail.

1.1 Term of Services. The term of this Agreement shall begin on **August 21, 2024** and shall end on **June 30, 2026** unless the term of this Agreement is otherwise terminated or extended as provided for in Section 8. The time provided to Consultant to complete the Services required by this Agreement shall not affect City’s right to terminate this Agreement, as provided for in Section 8.

1.2 Standard of Performance. Consultant represents and warrants that Consultant is a provider of first class work and services and Consultant is experienced in performing the Services contemplated herein and, in light of such status and experience, Consultant shall perform the Services required pursuant to this Agreement in the manner and according to the standards observed by a competent practitioner of the profession in which Consultant is engaged in the geographical area in which Consultant practices its profession and to the sole satisfaction of the Contract Administrator.

1.3 Assignment of Personnel. Consultant shall assign only competent personnel to perform the Services pursuant to Agreement. In the event that City, in its sole discretion, at any time during the term of this Agreement, desires the reassignment of any such persons, Consultant shall, immediately upon receiving notice from City of such desire of City, reassign such person or persons.

1.4 Time. Consultant shall devote such time to the performance of the Services pursuant to this Agreement as may be reasonably necessary to satisfy Consultant’s obligations hereunder.

1.5 Authorization to Perform Services. Consultant is not authorized to perform any of the Services or incur any costs whatsoever under the terms of this Agreement until receipt of authorization from the Contract Administrator.

1.6 Warranty. By executing this Agreement, Consultant warrants that Consultant (i) has thoroughly investigated and considered the Services, (ii) has carefully considered how the Services should be performed, and (iii) fully understands the facilities, difficulties, and restrictions attending performance of the Services.

1.7 Covid-19 Safety. If Consultant enters City property or meets in person with City employees during the performance of the Services, Consultant shall comply with all applicable emergency orders, directives, protocols, and best practices related to the COVID-19 pandemic, including, but not limited to: (A) wearing facial coverings, (B) maintaining adequate physical distancing when possible, (C) regular hand washing, and (D) regular hand sanitizing.

SECTION 2. COMPENSATION.

City hereby agrees to pay Consultant a sum not to exceed **Seventy Seven Thousand Five Hundred Dollars and Zero Cents (\$77,500.00)** notwithstanding any contrary indications that may be contained in Consultant's proposal, for the Services to be performed and reimbursable costs incurred under this Agreement. In the event of a conflict between this Agreement and Exhibit A, regarding the amount of compensation, this Agreement shall prevail. City shall pay Consultant for the Services rendered pursuant to this Agreement at the time and in the manner set forth herein. The payments specified below shall be the only payments from City to Consultant for the Services rendered pursuant to this Agreement. Consultant shall submit all invoices to City in the manner specified herein. Except as specifically authorized in advance by City, Consultant shall not bill City for duplicate services performed by more than one person.

2.1 Invoices. Consultant shall submit invoices monthly during the term of this Agreement, based on the cost for the Services performed and reimbursable costs incurred prior to the invoice date. Invoices shall contain the following information:

- a. Serial identifications of progress bills; i.e., Progress Bill No. 1 for the first invoice, etc.;
- b. The beginning and ending dates of the billing period;
- c. A "Task Summary" containing the original contract amount, the amount of prior billings, the total due this period, the balance available under this Agreement, and the percentage of completion;
- d. At City's option, for each item in each task, a copy of the applicable time entries or time sheets shall be submitted showing the name of the person performing the Services, the hours spent by each person, a brief description of the Services, and each reimbursable expense;
- e. The total number of hours of work performed under this Agreement by Consultant and each employee, agent, and subcontractor of Consultant performing the Services hereunder necessary to complete the Services described in Exhibit A;

- f. Receipts for expenses to be reimbursed;
- g. The Consultant Representative's signature.

Invoices shall be submitted to:

City of Menifee
Attn: Accounts Payable
29844 Haun Road
Menifee, CA 92586

2.2 Monthly Payment. City shall make monthly payments, based on invoices received, for the Services satisfactorily performed, and for authorized reimbursable costs incurred. City shall have thirty (30) days from the receipt of an invoice that complies with all of the requirements above to pay Consultant.

2.3 Retention of Funds, Final Payment. Consultant hereby authorizes City to retain and deduct from any amount payable to Consultant not exceeding five percent (5%) of the total compensation. The retained funds shall be paid to Consultant within sixty (60) days after final acceptance of the Services by the City and after Consultant has furnished City with full release of all undisputed payments under this Agreement. In the event there are any claims specifically excluded by Consultant from the operation of the release, City may retain proceeds of up to one hundred fifty percent (150%) of the amount in dispute. The failure of City to exercise such right to deduct or to withhold shall not, however, affect the obligations of Consultant to insure, indemnify, and protect City as provided in this Agreement. City shall pay the last five percent (5%) of the total amount due pursuant to this Agreement within sixty (60) days after completion of the Services and submittal to City of a final invoice, if all of the Services required have been satisfactorily performed.

2.4 Total Payment. City shall not pay any additional sum for any expense or cost whatsoever incurred by Consultant in rendering the Services pursuant to this Agreement. City shall make no payment for any extra, further, or additional service pursuant to this Agreement.

In no event shall Consultant submit any invoice for an amount in excess of the maximum amount of compensation provided above either for a task or for the entirety of the Services performed pursuant to this Agreement, unless this Agreement is modified in writing prior to the submission of such an invoice.

2.5 Hourly Fees. Fees for the Services performed by Consultant on an hourly basis shall not exceed the amounts shown on the fee schedule included with Exhibit A.

2.6 Reimbursable Expenses. Reimbursable expenses are included within the maximum amount of this Agreement.

2.7 Payment of Taxes. Consultant is solely responsible for the payment of employment taxes incurred under this Agreement and any federal or state taxes.

2.8 Payment upon Termination. In the event that City or Consultant terminates this Agreement pursuant to Section 8, City shall compensate Consultant for all outstanding costs and reimbursable expenses incurred for Services satisfactorily completed and for reimbursable expenses as of the date of written notice of termination. Consultant shall maintain adequate logs and timesheets in order to verify costs and reimbursable expenses incurred to that date.

SECTION 3. FACILITIES AND EQUIPMENT.

Except as otherwise provided, Consultant shall, at its sole cost and expense, provide all facilities and equipment necessary to perform the services required by this Agreement. City shall make available to Consultant only physical facilities such as desks, filing cabinets, and conference space, as may be reasonably necessary for Consultant's use while consulting with City employees and reviewing records and the information in possession of City. The location, quantity, and time of furnishing those facilities shall be in the sole discretion of City. In no event shall City be required to furnish any facility or equipment that may involve incurring any direct expense, including but not limited to computer, long-distance telephone or other communication charges, vehicles, and reproduction facilities.

SECTION 4. INSURANCE REQUIREMENTS.

Before beginning any work under this Agreement, Consultant, at its own cost and expense, shall procure the types and amounts of insurance listed below and provide certificates of insurance, indicating that Consultant has obtained or currently maintains insurance that meets the requirements of this Section and which is satisfactory, in all respects, to City. Consultant shall maintain the insurance policies required by this Section throughout the term of this Agreement. The cost of such insurance shall be included in Consultant's compensation. Consultant shall not allow any subcontractor, consultant or other agent to commence work on any subcontract until Consultant has obtained all insurance required herein for the subcontractor(s) and provided evidence thereof to City. Verification of the required insurance shall be submitted and made part of this Agreement prior to execution. Consultant acknowledges the insurance policy must cover inter-insured suits between City and other insureds. Consultant agrees that the requirement to provide insurance shall not be construed as limiting in any way the extent to which Consultant may be held responsible for the payment of damages to any persons or property resulting from Consultant activities or the activities of any person or persons for which Consultant is otherwise responsible nor shall it limit Consultant's indemnification liabilities as provided in Section 5.

4.1 Workers' Compensation. Consultant shall, at its sole cost and expense, maintain Statutory Workers' Compensation Insurance and Employer's Liability Insurance for any and all persons employed directly or indirectly by Consultant pursuant to the provisions of the California Labor Code. Statutory Workers' Compensation Insurance and Employer's Liability Insurance shall be provided with limits of not less than ONE MILLION DOLLARS (\$1,000,000.00) per accident, ONE MILLION DOLLARS (\$1,000,000.00) disease per employee, and ONE MILLION DOLLARS (\$1,000,000.00) disease per policy. In the alternative, Consultant may rely on a self-insurance program to meet those requirements, but only if the program of self-insurance complies fully with the provisions of the California Labor Code. Determination of whether a self-insurance program meets the standards of the California Labor Code shall be solely in the discretion of the Contract Administrator. The insurer, if insurance is provided, or Consultant, if a program of self-

insurance is provided, shall waive all rights of subrogation against City and its officers, officials, employees, and authorized volunteers for loss arising from the Services performed under this Agreement.

4.2 Commercial General and Automobile Liability Insurance.

a. General requirements. Consultant, at its own cost and expense, shall maintain commercial general and automobile liability insurance for the term of this Agreement in an amount not less than ONE MILLION DOLLARS (\$1,000,000.00) per occurrence, combined single limit coverage, for risks associated with the Services contemplated by this Agreement, TWO MILLION DOLLARS (\$2,000,000.00) general aggregate, and TWO MILLION DOLLARS (\$2,000,000.00) products/completed operations aggregate. If a Commercial General Liability Insurance or an Automobile Liability Insurance form or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to the Services to be performed under this Agreement or the general aggregate limit shall be at least twice the required occurrence limit. Such coverage shall include but shall not be limited to, protection against claims arising from bodily and personal injury, including death resulting therefrom, and damage to property resulting from the Services contemplated under this Agreement, including the use of hired, owned, and non-owned automobiles.

b. Minimum Scope of Coverage. Commercial general coverage shall be at least as broad as Insurance Services Office Commercial General Liability occurrence form CG 0001. Automobile coverage shall be at least as broad as Insurance Services Office Automobile Liability form CA 0001 Code 2, 8, and 9. No endorsement shall be attached limiting the coverage.

c. Additional Requirements. Each of the following shall be included in the insurance coverage or added as a certified endorsement to the policy:

(i) The insurance shall cover on an occurrence or an accident basis, and not on a claims-made basis.

(ii) Any failure of Consultant to comply with reporting provisions of the policy shall not affect coverage provided to City and its officers, employees, agents, and volunteers.

4.3 Professional Liability Insurance.

a. General Requirements. Consultant, at its own cost and expense, shall maintain for the period covered by this Agreement professional liability insurance for licensed professionals performing the Services pursuant to this Agreement in an amount not less than ONE MILLION DOLLARS (\$1,000,000) covering the licensed professionals' errors and omissions. Any deductible or self-insured retention shall be shown on the Certificate. If the deductible or self-insured retention exceeds TWENTY-FIVE THOUSAND DOLLARS (\$25,000), it must be approved in writing by City.

b. Claims-Made Limitations. The following provisions shall apply if the professional liability coverage is written on a claims-made form:

(i) The retroactive date of the policy must be shown and must be no later than the commencement of the Services.

(ii) Insurance must be maintained and evidence of insurance must be provided for at least five (5) years after the expiration or termination of this Agreement or completion of the Services, so long as commercially available at reasonable rates.

(iii) If coverage is canceled or not renewed and it is not replaced with another claims-made policy form with a retroactive date that precedes the Effective Date of this Agreement, Consultant must provide extended reporting coverage for a minimum of five (5) years after the expiration or termination of this Agreement or the completion of the Services. Such continuation coverage may be provided by one of the following: (1) renewal of the existing policy; (2) an extended reporting period endorsement; or (3) replacement insurance with a retroactive date no later than the commencement of the Services under this Agreement. City shall have the right to exercise, at Consultant's sole cost and expense, any extended reporting provisions of the policy, if Consultant cancels or does not renew the coverage.

(iv) A copy of the claim reporting requirements must be submitted to City prior to the commencement of the Services under this Agreement.

4.4 All Policies Requirements.

a. Acceptability of Insurers. All insurance required by this Section is to be placed with insurers with a Bests' rating of no less than A:VII and admitted in California.

b. Verification of Coverage. Prior to beginning the Services under this Agreement, Consultant shall furnish City with certificates of insurance, additional insured endorsement or policy language granting additional insured status complete certified copies of all policies, including complete certified copies of all endorsements. All copies of policies and certified endorsements shall show the signature of a person authorized by that insurer to bind coverage on its behalf. The certificate of insurance must include the following reference: **FISCAL IMPACT ANALYSIS FOR SPECIAL DISTRICT ANNEXATION/LANDSCAPE MAINTENANCE DISTRICT ASSESSMENT ENGINEERING SERVICES.** The name and address for additional insured endorsements, certificates of insurance and notice of cancellation is: City of Menifee, 29844 Haun Road, Menifee, CA 92586. City must be endorsed as an additional insured for liability arising out of ongoing and completed operations by or on behalf of Consultant.

c. Notice of Reduction in or Cancellation of Coverage. Consultant shall provide written notice to City within ten (10) working days if: (1) any of the required insurance policies is terminated; (2) the limits of any of the required policies are reduced; or (3) the deductible or self insured retention is increased. In the event any of said policies of insurance are cancelled, Consultant shall, prior to the cancellation date, submit new evidence of insurance in conformance with this Section 4 to the Contract Administrator.

d. Additional Insured; Primary Insurance. City and its officers, employees, agents, and authorized volunteers shall be covered as additional insureds with respect to each of the following: liability arising out of the Services performed by or on behalf of Consultant, including the insured's general supervision of Consultant; products and completed operations of

Consultant, as applicable; premises owned, occupied, or used by Consultant; and automobiles owned, leased, or used by Consultant in the course of providing the Services pursuant to this Agreement. The coverage shall contain no special limitations on the scope of protection afforded to City or its officers, employees, agents, or authorized volunteers. The insurance provided to City as an additional insured must apply on a primary and non-contributory basis with respect to any insurance or self-insurance program maintained by City. Additional insured status shall continue for one (1) year after the expiration or termination of this Agreement or completion of the Services.

A certified endorsement must be attached to all policies stating that coverage is primary insurance with respect to City and its officers, officials, employees, and volunteers, and that no insurance or self-insurance maintained by City shall be called upon to contribute to a loss under the coverage.

e. Deductibles and Self-Insured Retentions. Consultant shall obtain the written approval of City for the self-insured retentions and deductibles before beginning any of the Services.

During the term of this Agreement, only upon the prior express written authorization of the Contract Administrator, Consultant may increase such deductibles or self-insured retentions with respect to City, its officers, employees, agents, and volunteers. The Contract Administrator may condition approval of an increase in deductible or self-insured retention levels with a requirement that Consultant procure a bond guaranteeing payment of losses and related investigations, claim administration, and defense expenses that is satisfactory in all respects to each of them.

f. Subcontractors. Consultant shall include all subcontractors as insureds under its policies or shall furnish separate certificates and certified endorsements for each subcontractor. All coverages for subcontractors shall be subject to all of the requirements stated herein.

g. Variation. The Contract Administrator may, but is not required to, approve in writing a variation in the foregoing insurance requirements, upon a determination that the coverage, scope, limits, and forms of such insurance are either not commercially available, or that City's interests are otherwise fully protected.

4.5 Remedies. In addition to any other remedies at law or equity City may have if Consultant fails to provide or maintain any insurance policies or policy endorsements to the extent and within the time herein required, City may, at its sole option, exercise any of the following remedies, which are alternatives to other remedies City may have and are not the exclusive remedy for Consultant's breach:

a. Obtain such insurance and deduct and retain the amount of the premiums for such insurance from any sums due under this Agreement;

b. Order Consultant to stop work under this Agreement or withhold any payment that becomes due to Consultant hereunder, or both stop work and withhold any payment, until Consultant demonstrates compliance with the requirements hereof; and/or

- c. Terminate this Agreement.

SECTION 5. INDEMNIFICATION.

5.1 Indemnification for Professional Liability. Where the law establishes a professional standard of care for performance of the Services, to the fullest extent permitted by law, Consultant shall indemnify, protect, defend (with counsel selected by City), and hold harmless City and any and all of its officers, employees, officials, volunteers, and agents from and against any and all claims, losses, costs, damages, expenses, liabilities, liens, actions, causes of action (whether in tort, contract, under statute, at law, in equity, or otherwise) charges, awards, assessments, fines, or penalties of any kind (including reasonable consultant and expert fees and expenses of investigation, costs of whatever kind and nature and, if Consultant fails to provide a defense for City, the legal costs of counsel retained by City) and any judgment (collectively, “Claims”) to the extent same are caused in whole or in part by any negligent or wrongful act, error, or omission of Consultant, its officers, agents, employees, or subcontractors (or any entity or individual that Consultant shall bear the legal liability thereof) in the performance of professional services under this Agreement.

5.2 Indemnification for Other than Professional Liability. Other than in the performance of professional services and to the full extent permitted by law, Consultant shall indemnify, protect, defend (with counsel selected by City), and hold harmless City, and any and all of its officers, employees, officials, volunteers, and agents from and against any and all Claims, where the same arise out of, are a consequence of, or are in any way attributable to, in whole or in part, the performance of this Agreement by Consultant or by any individual or entity for which Consultant is legally liable, including but not limited to officers, agents, employees or subcontractors of Consultant.

5.3 Limitation of Indemnification for Design Professionals. Notwithstanding any provision of this Section 5 to the contrary, design professionals, as that term is defined in Civil Code Section 2782.8, are required to defend and indemnify City only to the extent permitted by Civil Code Section 2782.8. The term “design professional” as defined in Section 2782.8, is limited to licensed architects, licensed landscape architects, registered professional engineers, professional land surveyors, and the business entities that offer such services in accordance with the applicable provisions of the California Business and Professions Code. This Subsection 5.3 shall only apply to Consultant if Consultant is a “design professional” as that term is defined in Civil Code Section 2782.8.

5.4 Limitation of Indemnification. The provisions of this Section 5 do not apply to claims occurring as a result of City’s sole or active negligence. The provisions of this Section 5 shall not release City from liability arising from gross negligence or willful acts or omissions of City or any and all of its officers, officials, employees, and agents acting in an official capacity.

SECTION 6. INDEPENDENT CONTRACTOR.

At all times during the term of this Agreement, Consultant shall be an independent contractor and shall not be an employee of City. City shall have the right to control Consultant only insofar as the results of the Services rendered pursuant to this Agreement and assignment of

personnel pursuant to Subsection 1.3; however, otherwise City shall not have the right to control the means by which Consultant accomplishes the Services rendered pursuant to this Agreement. The personnel performing the Services under this Agreement on behalf of Consultant shall at all times be under Consultant's exclusive direction and control. Consultant shall not at any time or in any manner represent that it is or any of its officers, employees, or agents are in any manner officers, officials, employees, or agents of City. Consultant shall not incur or have the power to incur any debt, obligation, or liability whatever against City, or bind City in any manner. Except for the fees paid to Consultant as provided in this Agreement, City shall not pay salaries, wages, or other compensation to Consultant for performing the Services hereunder for City. City shall not be liable for compensation or indemnification to Consultant for injury or sickness arising out of performing the Services hereunder. Notwithstanding any other City, state, or federal policy, rule, regulation, law, or ordinance to the contrary, Consultant and any of its employees, agents, and subcontractors providing services under this Agreement shall not qualify for or become entitled to any compensation, benefit, or any incident of employment by City, including but not limited to eligibility to enroll in the California Public Employees Retirement System ("PERS") as an employee of City and entitlement to any contribution to be paid by City for employer contributions and/or employee contributions for PERS benefits.

SECTION 7. LEGAL REQUIREMENTS.

7.1 Governing Law. The laws of the State of California shall govern this Agreement.

7.2 Compliance with Applicable Laws. Consultant and any subcontractor shall comply with all applicable local, state, and federal laws and regulations applicable to the performance of the work hereunder. Consultant shall not hire or employ any person to perform work within City or allow any person to perform the Services required under this Agreement unless such person is properly documented and legally entitled to be employed within the United States. Consultant acknowledges and agrees that it shall be independently responsible for reviewing the applicable laws and regulations and effectuating compliance with such laws. Consultant shall require the same of all subcontractors.

7.3 Prevailing Wages. Consultant acknowledges and agrees that it shall be independently responsible for reviewing the applicable prevailing wage laws and regulations and effectuating compliance with such laws, including, but not limited to the prevailing wage and related requirements set forth in this Subsection 7.3. Consultant shall bear all risks of payment or non-payment of prevailing wages under California law and/or the implementation of Labor Code Section 1781, as the same may be amended from time to time, and/or any other similar law.

a. Public Work. Consultant hereby expressly acknowledges and agrees that City has never previously affirmatively represented to Consultant, its employees or agents in writing or otherwise that the Services are not a "public work," as defined in Section 1720 of the Labor Code. It is agreed by the Parties that, in connection with the development, construction (as defined by applicable law) and operation of the Services, including, without limitation, any public work (as defined by applicable law), if any, Consultant shall bear all risks of payment or non-payment of state and/or federal prevailing wages and/or the implementation of Labor Code Sections 1726 and 1781, as the same may be enacted, adopted or amended from time to time,

and/or any other provision of law. To the extent applicable, City will enforce all penalties required by law for Consultant's failure to pay prevailing wages.

b. Labor Code of California. The Consultant's attention is directed to Division 2, Part 7, Chapter 1 of the Labor Code of the State of California and especially to Article 2 (Wages); and Article 3 (Working Hours), thereof.

(i) In accordance with Sections 1773 and 1773.2 of the Labor Code, City has found and determined the general prevailing rates of wages in the locality in which the public work is to be performed are those determined by the Director of Industrial Relations and available at <https://www.dir.ca.gov/OPRL/2022-1/PWD/Southern.html>. Copies of the prevailing rates of wages are maintained with City's principal office and are available to any interested party on request. Consultant shall post a copy of the prevailing rate of per diem wages at each job site.

(ii) Consultant is aware of and will comply with the provisions of Labor Code Section 1776, including the keeping of payroll records and furnishing certified copies thereof in accordance with said Section. Pursuant to Labor Code Section 1771.4, Consultant must submit certified payroll records to the Labor Commissioner using the Department of Industrial Relations' electronic certified payroll reporting (eCPR) system.

(iii) Pursuant to Labor Code Section 1810, it is stipulated hereby that eight (8) hours labor constitutes a legal day's work hereunder.

(iv) Pursuant to Labor Code Section 1815, work performed by employees of contractors in excess of eight (8) hours per day, and 40 hours during any one week, shall be permitted upon public work upon compensation for all hours worked in excess of eight (8) hours per day at not less than 1 ½ times the basic rate of pay.

(v) Pursuant to Labor Code Section 1813, it is stipulated hereby that Consultant shall, as a penalty to City, forfeit twenty-five dollars (\$25) for each worker employed in the execution of this Agreement by Consultant or by any subcontractor hereunder for each calendar day during which such worker is required or permitted to work more than eight (8) hours in any one calendar day and forty (40) hours in any one (1) calendar week in violation of the provisions of Article 3 (commencing with Section 1810), Chapter 1, Part 7, Division 2 of the Labor Code.

(vi) Consultant is aware of and will comply with the provisions of Labor Code Sections 1777.5 and 1777.6 with respect to the employment of apprentices. Pursuant to Section 1777.5 it is hereby stipulated that Consultant will be responsible for obtaining compliance therewith on the part of any and all sub-consultants or subcontractors employed by Consultant in connection with this Agreement.

(vii) Pursuant to Labor Code Section 1775, it is hereby stipulated that Consultant shall, as a penalty to City, forfeit not more than two-hundred dollars (\$200) for each calendar day, or portion thereof, for each worker paid less than the prevailing rates as determined by the Director of Industrial Relations for the work or craft in which the worker is employed for the Services by Consultant or any sub-consultant or subcontractor.

c. Bidding Eligibility. Pursuant to Labor Code Section 1771.1, no contractor or subcontractor (or consultant or subconsultant) may be listed on a bid proposal for a public works project unless registered with the Department of Industrial Relations.

d. DIR Monitoring. Pursuant to Labor Code Section 1771.4, Consultant is hereby notified that this project is subject to compliance monitoring and enforcement by the Department of Industrial Relations.

e. Indemnification Related to Prevailing Wages. Section 5, Indemnification, specifically encompasses Claims arising from or related to (i) the noncompliance by Consultant or any party performing the Services of any applicable local, state, and/or federal law, including, without limitation, any applicable federal and/or state labor laws (including, without limitation, the requirement to pay state prevailing wages and hire apprentices); (ii) the implementation of Labor Code Sections 1726 and 1781, as the same may be amended from time to time, or any other similar law; and/or (iii) failure by Consultant or any party performing the Services to provide any required disclosure or identification as required by Labor Code Section 1781, as the same may be amended from time to time, and/or any other similar law.

7.4 Licenses and Permits, Fees and Assessments. Consultant represents, warrants, and covenants to City that Consultant and its employees, agents, and any subcontractors have all licenses, permits, qualifications, and approvals of whatsoever nature that are legally required to practice their respective professions, and perform the Services. Consultant represents, warrants, and covenants to City that Consultant and its employees, agents, and subcontractors shall, at their sole cost and expense, keep in effect at all times during the term of this Agreement any licenses, permits, and approvals that are legally required to practice their respective professions, and perform the Services. In addition to the foregoing, Consultant and any subcontractors shall obtain and maintain during the term of this Agreement valid business licenses from City. Consultant shall have the sole obligation to pay for any fees, assessments, and taxes, plus applicable penalties and interest, which may be imposed by law and arise from or are necessary for Consultant's performance of the Services, and shall indemnify, defend and hold harmless City, its officers, employees or agents of City, against any such fees, assessments, taxes, penalties or interest levied, assessed, or imposed against City hereunder.

7.5 Conflicts of Interest, Political Reform Act. Consultant represents, warrants, and covenants that Consultant presently has no interest, direct or indirect, which would interfere with or impair in any manner or degree the performance of Consultant's obligations and responsibilities under this Agreement. Consultant further agrees that while this Agreement is in effect, Consultant shall not acquire or otherwise obtain any interest, direct or indirect, that would interfere with or impair in any manner or degree the performance of Consultant's obligations and responsibilities under this Agreement. Consultant acknowledges that pursuant to the provisions of the Political Reform Act (Government Code Section 87100 *et seq.*), City may determine the Consultant to be a "consultant" as that term is defined by 2 California Code of Regulations Section 18700.3. In the event City makes such a determination, Consultant agrees to complete and file a "Statement of Economic Interest" with the City Clerk to disclose such financial interests as required by City. In such event, Consultant further agrees to require any other person doing work under this Agreement to complete and file a "Statement of Economic Interest" to disclose such other person's financial interests as required by City.

7.6 Annual Appropriation of Funding. In accord with Article 16 Section 18 of the California Constitution, payment of compensation under this Agreement is contingent upon annual appropriation of funds by City for that purpose. Consultant acknowledges and agrees that to the extent that the Services extend beyond one (1) fiscal year, payment for such Services is expressly conditioned on City's annual appropriation of funds for such Services for each year. If no funds are appropriated then this Agreement shall be terminated. City pledges and agrees to process such appropriation requests annually and in good faith. Nothing in this Subsection shall be construed to limit the right of either Party to terminate this Agreement as provided herein.

SECTION 8. TERMINATION AND MODIFICATION.

8.1 Termination. City may cancel this Agreement at any time and without cause upon written notification to Consultant.

8.2 Termination by Consultant. Consultant may cancel this Agreement upon 30 days' written notice to City.

8.3 Consequences of Termination. In the event of termination, Consultant shall be entitled to compensation for the Services performed up to the date of termination; City, however, may condition payment of such compensation upon Consultant delivering to City any or all documents, photographs, computer software, video and audio tapes, and other materials provided to Consultant or prepared by or for Consultant or City in connection with this Agreement.

8.4 Extension. City may, in its sole and exclusive discretion, extend the end date of this Agreement beyond that provided for in Subsection 1.1. Any such extension shall require a written amendment to this Agreement, as provided for herein. Consultant understands and agrees that, if City grants such an extension, City shall have no obligation to provide Consultant with compensation beyond the maximum amount provided for in this Agreement. Similarly, unless authorized by the Contract Administrator, City shall have no obligation to reimburse Consultant for any otherwise reimbursable expenses incurred during the extension period.

8.5 Amendments. The Parties may amend this Agreement only by a writing signed by all the Parties.

8.6 Assignment and Subcontracting. City and Consultant recognize and agree that this Agreement contemplates personal performance by Consultant and is based upon a determination of Consultant's unique personal competence, experience, and specialized personal knowledge. Moreover, a substantial inducement to City for entering into this Agreement was and is the professional reputation and competence of Consultant. Consultant may not assign this Agreement or any interest therein without the prior written approval of the Contract Administrator. Consultant shall not subcontract any portion of the performance contemplated and provided for herein, other than to the subcontractors noted in Consultant's proposal, without prior written approval of the Contract Administrator. In the event that key personnel leave Consultant's employ, Consultant shall notify City immediately.

8.7 Survival. All obligations arising prior to the expiration or termination of this Agreement and all provisions of this Agreement allocating liability between City and Consultant shall survive the expiration or termination of this Agreement.

8.8 Options upon Breach by Consultant. If Consultant materially breaches any of the terms of this Agreement, City's remedies shall include, but not be limited to, any or all of the following:

- a. Immediately terminate this Agreement;
- b. Retain the plans, specifications, drawings, reports, design documents, and any other work product prepared by Consultant pursuant to this Agreement;
- c. Retain a different consultant to complete the Services described in Exhibit A; and/or
- d. Charge Consultant the difference between the cost to complete the Services described in Exhibit A that is unfinished at the time of breach and the amount that City would have paid Consultant pursuant to Section 2 if Consultant had completed the Services.

SECTION 9. KEEPING AND STATUS OF RECORDS.

9.1 Records Created as Part of Consultant's Performance. All reports, data, maps, models, charts, studies, surveys, photographs, memoranda, plans, studies, specifications, records, files, or any other documents or materials, in electronic or any other form that Consultant prepares or obtains pursuant to this Agreement and that relate to the matters covered hereunder shall be the property of City. Consultant hereby agrees to deliver those documents to City upon the expiration or termination of this Agreement. It is understood and agreed that the documents and other materials, including but not limited to those described above, prepared pursuant to this Agreement are prepared specifically for City and are not necessarily suitable for any future or other use. Any use of such documents for other projects by City shall be without liability to Consultant. City and Consultant agree that, until final approval by City, all data, plans, specifications, reports, and other documents are confidential and will not be released to third parties without prior written consent of both Parties unless required by law.

9.2 Licensing of Intellectual Property. This Agreement creates a non-exclusive and perpetual license for City to copy, use, modify, reuse, or sublicense any and all copyrights, designs, rights of reproduction, and other intellectual property embodied in plans, specifications, studies, drawings, estimates, test data, survey results, models, renderings, and other documents or works of authorship fixed in any tangible medium of expression, including but not limited to, physical drawings, digital renderings, or data stored digitally, magnetically, or in any other medium, which are prepared or caused to be prepared by Consultant under this Agreement ("Documents and Data"). Consultant shall require all subcontractors to agree in writing that City is granted a non-exclusive and perpetual license for any Documents and Data the subcontractor prepares under this Agreement. Consultant represents and warrants that Consultant has the legal right to license any and all Documents and Data. Consultant makes no such representation and warranty in regard to Documents and Data which were prepared by design professionals other than Consultant or provided to Consultant by the City. City shall not be limited in any way in its use of the Documents and Data at any time, provided that any such use not within the purposes intended by this Agreement shall be at City's sole risk.

9.3 Consultant's Books and Records. Consultant shall maintain any and all ledgers, books of account, invoices, vouchers, canceled checks, and other records or documents evidencing or relating to charges for the Services or expenditures and disbursements charged to City under this Agreement for a minimum of three (3) years, or for any longer period required by law, from the date of final payment to Consultant under this Agreement. All such records shall be maintained in accordance with generally accepted accounting principles and shall be clearly identified and readily accessible.

9.4 Inspection and Audit of Records. Any records or documents that Subsection 9.3 of this Agreement requires Consultant to maintain shall be made available for inspection, audit, and/or copying at any time during regular business hours, upon oral or written request of City. Under California Government Code Section 8546.7, if the amount of public funds expended under this Agreement exceeds TEN THOUSAND DOLLARS (\$10,000.00), this Agreement shall be subject to the examination and audit of the State Auditor, at the request of City or as part of any audit of City, for a period of three (3) years after final payment under this Agreement.

SECTION 10. MISCELLANEOUS PROVISIONS.

10.1 Attorneys' Fees. If either Party to this Agreement brings any action, including an action for declaratory relief, to enforce or interpret the provision of this Agreement, the prevailing Party shall be entitled to reasonable attorneys' fees and expenses including costs, in addition to any other relief to which that Party may be entitled; provided, however, that the attorneys' fees awarded pursuant to this Subsection shall not exceed the hourly rate paid by City for legal services multiplied by the reasonable number of hours spent by the prevailing Party in the conduct of the litigation. The court may set such fees in the same action or in a separate action brought for that purpose.

10.2 Applicable Law, Venue. The laws of the State of California shall govern this Agreement. In the event that either Party brings any action against the other under this Agreement, the Parties agree that trial of such action shall be vested exclusively in Riverside County.

10.3 Severability. If any provision of this Agreement is held invalid, the remainder of this Agreement shall not be affected thereby and all other parts of this Agreement shall nevertheless be in full force and effect.

10.4 Section Headings and Subheadings. The section headings and subheadings contained in this Agreement are included for convenience only and shall not limit or otherwise affect the terms of this Agreement.

10.5 No Implied Waiver of Breach. Waiver by any Party to this Agreement of any term, condition, or covenant of this Agreement shall not constitute a waiver of any other term, condition, or covenant. Waiver by any Party of any breach of the provisions of this Agreement shall not constitute a waiver of any other provision or a waiver of any subsequent breach or violation of any provision of this Agreement. Acceptance by City of any work or services by Consultant shall not constitute a waiver of any of the provisions of this Agreement. No delay or omission in the exercise of any right or remedy by a non-defaulting Party on any default shall impair such right or remedy or be construed as a waiver. Any waiver by either Party of any default must be in writing

and shall not be a waiver of any other default concerning the same or any other provision of this Agreement.

10.6 Successors and Assigns. The provisions of this Agreement shall inure to the benefit of and shall apply to and bind the successors and assigns of the Parties.

10.7 Consultant Representative. All matters under this Agreement shall be handled for Consultant by **Shane Spicer** (“Consultant’s Representative”). The Consultant’s Representative shall have full authority to represent and act on behalf of Consultant for all purposes under this Agreement. The Consultant’s Representative shall supervise and direct the Services, using his best skill and attention, and shall be responsible for all means, methods, techniques, sequences, and procedures and for the satisfactory coordination of all portions of the Services under this Agreement.

10.8 City Contract Administration. This Agreement shall be administered by a City employee, **Rebekah Kramer, Assistant to the City Manager** (“Contract Administrator”). All correspondence shall be directed to or through the Contract Administrator or his designee. The Contract Administrator shall have the power to act on behalf of City for all purposes under this Agreement. Unless otherwise provided in this Agreement, Consultant shall not accept direction or orders from any person other than the Contract Administrator or his designee.

10.9 Notices. Any written notice to Consultant shall be sent to:

SPICER CONSULTING GROUP
Attn: Shane Spicer
41880 Kalmia Street, Suite 145
MURRIETA, CA 92562

Any written notice to City shall be sent to the Contract Administrator at:

City of Menifee
29844 Haun Road
Menifee, CA 92586
Attn: Rebekah Kramer, Assistant to the City Manager

with a copy to:

City Clerk
City of Menifee
29844 Haun Road
Menifee, CA 92586

10.10 Professional Seal. Where applicable in the determination of the Contract Administrator, the first page of a technical report, first page of design specifications, and each page of construction drawings shall be stamped/sealed and signed by the licensed professional responsible for the report/design preparation. The stamp/seal shall be in a block entitled “Seal and Signature of Registered Professional with report/design responsibility,” as in the following example.

Seal and Signature of Registered Professional with
report/design responsibility.

10.11 Rights and Remedies. Except with respect to rights and remedies expressly declared to be exclusive in this Agreement, the rights and remedies of the Parties are cumulative and the exercise by either Party of one or more of such rights or remedies shall not preclude the exercise by it, at the same or different times, of any other rights or remedies for the same default or any other default by the other Party.

10.12 Integration. This Agreement, including the scope of services attached hereto and incorporated herein as Exhibit A, represents the entire and integrated agreement between City and Consultant and supersedes all prior negotiations, representations, or agreements, either written or oral. The terms of this Agreement shall be construed in accordance with the meaning of the language used and shall not be construed for or against either Party by reason of the authorship of this Agreement or any other rule of construction which might otherwise apply.

10.13 Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be an original and all of which together shall constitute one agreement.

10.14 Execution of Contract. The persons executing this Agreement on behalf of each of the Parties hereto represent and warrant that (i) such Party is duly organized and existing, (ii) they are duly authorized to execute and deliver this Agreement on behalf of said Party, (iii) by so executing this Agreement, such Party is formally bound to the provisions of this Agreement, and (iv) that entering into this Agreement does not violate any provision of any other agreement to which said Party is bound.

10.15 Nondiscrimination. Consultant covenants that, by and for itself, its heirs, executors, assigns, and all persons claiming under or through them, that in the performance of this Agreement there shall be no discrimination against or segregation of, any person or group of persons on account of any impermissible classification including, but not limited to, race, color, creed, religion, sex, marital status, sexual orientation, national origin, or ancestry.

10.16 No Third Party Beneficiaries. There are no intended third-party beneficiaries under this Agreement and no such other third parties shall have any rights or obligations hereunder.

10.17 Nonliability of City Officers and Employees. No officer, official, employee, agent, representative, or volunteer of City shall be personally liable to Consultant, or any successor in interest, in the event of any default or breach by City or for any amount which may become due to Consultant or to its successor, or for breach of any obligation of the terms of this Agreement.

10.18 No Undue Influence. Consultant declares and warrants that no undue influence or pressure is used against or in concert with any officer or employee of City in connection with the award, terms or implementation of this Agreement, including any method of coercion, confidential financial arrangement, or financial inducement. No officer or employee of City shall receive compensation, directly or indirectly, from Consultant, or from any officer, employee, or agent of

Consultant, in connection with the award of this Agreement or any work to be conducted as a result of this Agreement.

10.19 No Benefit to Arise to City Employees. No member, officer, or employee of City, or their designees or agents, and no public official who exercises authority over or has responsibilities with respect to this Agreement during his/her tenure or for one (1) year thereafter, shall have any interest, direct or indirect, in any agreement or sub-agreement, or the proceeds thereof, for the Services to be performed under this Agreement.

[Signatures on Following Page]

IN WITNESS WHEREOF, the Parties hereto have executed and entered into this Agreement as of the Effective Date.

CITY OF MENIFEE

CONSULTANT

Armando Villa, City Manager

Shane Spicer, Managing Director

Attest:

Stephanie Roseen, Acting City Clerk

Approved as to Form:

[Note: 2 officer's signatures required if Consultant is a corporation, unless provided with a certificate of secretary in-lieu]

Jeffrey T. Melching, City Attorney

EXHIBIT A

SCOPE OF SERVICES

Services shall include **FISCAL IMPACT ANALYSIS FOR SPECIAL DISTRICT ANNEXATION/LANDSCAPE MAINTENANCE DISTRICT ASSESSMENT ENGINEERING SERVICES** in the amount not to exceed **Seventy Seven Thousand Five Hundred Dollars and Zero Cents (\$77,500.00)** as further detailed in the following page(s).

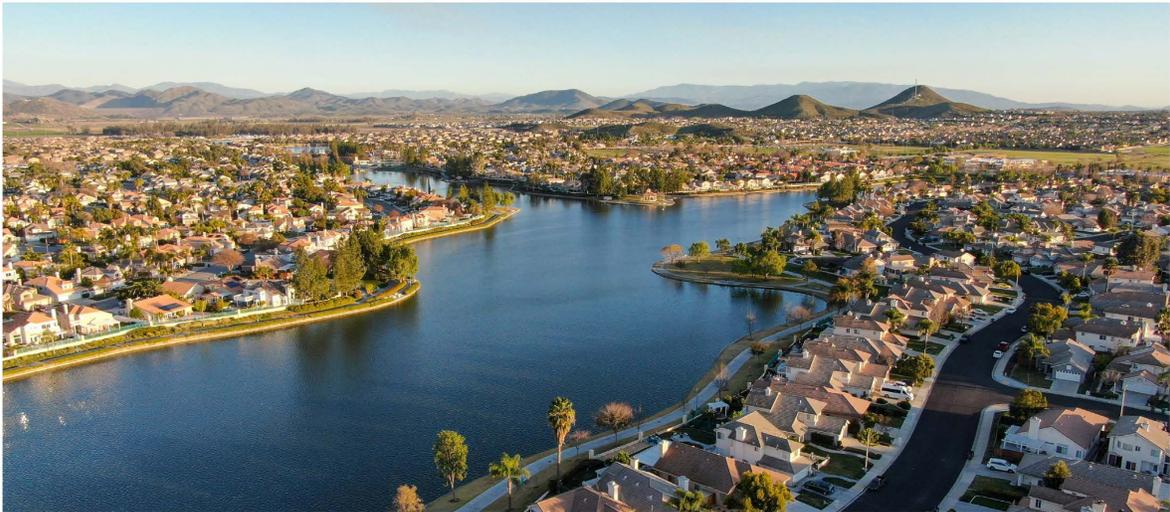
EXHIBIT A.



CITY OF MENIFEE

REQUEST FOR PROPOSALS RFP 2024-14

Fiscal Impact Analysis for Special District Annexation / Landscape Maintenance
District Assessment Engineering Services



City of Menifee

29844 Haun Road
Menifee, CA 92586

1. COVER PAGE/LETTER OF INTRODUCTION

Dear Mr. Amir Zaki:

Thank you for considering Spicer Consulting Group (SCG) to provide Special District Annexation/Landscape Maintenance District Assessment Engineering Services to the City of Menifee (City). SCG is pleased to submit this Request for Proposal (RFP) to provide Special District Consultant Services and appreciates the opportunity to continue to partner with the City for these important services. I believe you will find that the team at SCG possesses a unique understanding of the City's service needs and expectations with our team having current experience in providing these administration services for the City's Special Districts over the past 6 years. Currently, SCG is providing these same services to eleven (11) public agencies within Riverside, San Bernardino, and San Diego Counties.

Company Name: Spicer Consulting Group, LLC
Address: 41880 Kalmia St, Suite 145, Murrieta, CA 92562
Main Office Number: 855-581-0743
Number of Employees: 8 full time Associates
Business Type: Municipal Finance
Service: Assessment Engineering, Special Tax Consulting
Years of Service: 7+ Years
Website: www.spicercg.com
Primary Contact: Shane Spicer
Email: shane.spicer@spicercg.com
Phone: 951-208-7870



Spicer Consulting Group, LLC (SCG) is a public finance consulting firm with an office in Murrieta, California with a primary focus in providing municipal finance services for special financing districts in Southern California. SCG is a privately held organization that works exclusively for public agencies and not private developers. Shane Spicer is the sole owner as Managing Director of SCG and is authorized to submit the proposal on behalf of the firm. Our main focus is partnering with our clients to identify innovative and sound financing solutions that meet the needs of their community, and not on reporting to shareholders. Our goal at SCG is to be the premier municipal finance consulting group in the industry. We are committed to exceeding our client's expectations on every aspect of service we provide them. This is evident in the testimonials we have received regarding the experience our clients have had while working with our team. Within this proposal you will see that we have selected the team that will provide the City a management level understanding of the City of Menifee and the Valley-Wide Recreation and Park District situation.

We are confident the qualifications and expertise of our staff are an excellent match for the scope of work required for the Annexation/Landscape Maintenance Assessment Engineering Services. However, our greatest attribute is we establish a trusting relationship with our clients where they rely upon us to provide sound counsel on all matters regarding special district financing. We work alongside the agency's staff to find solutions to the many financing challenges facing these local agencies, including infrastructure financing and maintenance services. This is evidenced by our Project Manager, Shane Spicer; Senior Analyst, Jonathan Short; and Assistant Analyst Christina Ramirez previously working with several departments at the City. For example:



SCG has worked with the Finance Department to conduct multiple City Council Workshops, establishing the City's facilities CFD financing program leading to forming 13 new CFDs, provide bond support services for two separate projects that will ultimately reduce property taxes while generating much needed funding for infrastructure financing to those communities, provide support in analyzing the City's General Fund impact from new development, in reviewing Developer Agreements (DAs) and Joint Community Facilities Agreements (JCFAs).

SCG has also partnered with the Public Works Department forming the latest annexable citywide maintenance CFD 2017-1, processed 23 annexations into the Citywide CFDs, conducted several public service audits to ensure service sustainability, help staff complete the first Development Impact Fee Analysis report, and analyze various funding sources for Scott Road Interchange and unpaved roads.

Our team has also provided technical support to the City's Planning Department, Community Services Department, and Economic Development Department. These projects include providing LAFCO application materials, Fiscal Impact Analysis (FIA) review, Valley Wide (VWRPD) engineer's report preparation, GIS mapping for maintenance areas and Sphere of Influence options, and analysis of Sun City Core PBID and Northgate EDC financing objectives.

Our experience enables us to provide recommendations we have seen work with other agencies as well as identify others that would be most successful with the City's unique set of circumstances that come with a rapidly growing community following incorporation. Our project managers approach to providing consulting services is to be solution oriented and value added.

Our team is extremely qualified to provide the proposed scope of work and by selecting SCG, the City can expect the following:

Commitment - We are committed to providing an exemplary level of service with accuracy and cost effectively. Our team is ready and able to serve the City. The City will be given the attention to detail required by the entire team, from Project Manager to GIS Specialist. This will ensure that the City can confidently rely upon our highly qualified staff to perform all functions of Special District Annexation/Landscape Maintenance District Assessment Engineering Services.

Experienced Team - The project team at SCG possesses a tremendous amount of experience in calculating, levying, and preparing engineer's reports for these types of Districts for Cities. We bring with us the expertise of having worked with over 50 local agencies with hundreds of Districts primarily in Southern California. SCG will provide the City an elevated level of quality assurance, senior level experience, and best practice applications based on our understanding of the City's goals and policies.

Comprehensive Solution - We will provide a comprehensive solution to all matters related to the City's various District needs, including evaluating the methodologies, preparing the benefit nexus, and adhering to the Prop 218 requirements for annexation. SCG will be positioned to provide additional support services to the various departments to provide a comprehensive, collaborative, and organized approach in managing the financing challenges facing the City.



Quality Services – SCG strives to exceed our clients’ expectations with every service we provide. Our proposal outlines the process we use to audit the work we assume for each new assignment, as well as our own assessment engineering process utilizing the latest technology and sound business practices. Our team has built a reputation of optimizing vital revenues for local agencies for providing municipal services while protecting the interests of the constituents to ensure that local dollars are being used efficiently and cost effectively for infrastructure. We are certain that SCG will provide the highest level of service the City of Menifee deserves.

SCG will work with FM Civil, as a subconsultant, owned and operated by Francisco Martinez Jr. PE, QSD who has over 30 years of civil engineering experience and has partnered with SCG for nearly eight years working on the Landscape Maintenance Districts and Assessment Districts for all our municipalities including the City of Menifee’s Special Districts. SCG is excited to continue working and collaborating with the City and continue a strong working relationship founded on trust and integrity. This proposal shall remain valid for a period not less than ninety days from the date of submittal. If you have any questions during the period of evaluation or thereafter, please feel free to contact Shane Spicer directly at (951) 520-3331, via email at shane.spicer@spicercg.com.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Shane Spicer', is written over a light blue circular stamp.

Shane Spicer
Managing Director

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2. EXPERIENCE AND QUALIFICATIONS OF THE INDIVIDUAL/FIRM

SCG specializes in Formation, Administration and Annexation services to local agencies with Special Districts. Through the years our associates have administered more than 750 Districts annually for more than 50 local agencies. SCG specializes in administering a diverse list of Special Districts including, Landscape Maintenance Districts, Street Lighting Districts, Sewer Districts, Public Services and Maintenance Community Facilities Districts, including Formation and Annexation Services to these types of Special Districts. SCG is currently providing these same services to the City of Menifee including the preparation of engineer reports, calculations of special taxes and assessments, submission of annual levies, audit of special funds, and response to property owner inquiries of such services. SCG provides a framework of the maintenance budgets and capital replacement schedules for the various Districts to be levied, drafts of the Engineer's Reports, Staff Reports, and Resolutions to review for form and content. SCG consistently communicates with City Staff to complete the budgets, Engineer's Reports, and add any new information relevant to the current year's levy including new zones anticipated to receive services. Using SCG resources, we review the secured roll parcel data and communicate any changes to City Staff as new development occurs. SCG will coordinate the completion of

enrollment forms and data, Staff Reports, Resolutions, Map Exhibits, and other agenda items with City Staff and the City Council Meetings. SCG also attends meetings and upon approval from the City Council submits the levies to the County Auditor's Office before the August deadline on behalf of the City.

Upon award of the contract, if desired by the City, there is minimum staff time required to provide background information and explanation of the goals at hand as Spicer Consulting Group is the current Special Assessment Engineer and has provided similar services to the City since 2017.

SCG is staffed with seasoned professionals who provide our clients with the best possible results. The SCG staff is fully knowledgeable with all changes to laws, codes, and regulations affecting local governments such as those required by the framework of California statutes and guidelines including Proposition 218, Article XIII of the California State Constitution, and applicable Codes for special assessments and taxes. Our team has the reputation of working with our clients as partners by developing an intimate knowledge of their needs and responding with strategic and timely solutions. While

working with the City of Menifee, our project managers have worked well as a contributing member of the City's finance team.

Experience

SCG has extensive experience in providing special financing district support, annual administration, annexation and formation, and bond sales services to public agencies and community groups throughout the State of California since 2016, nearly 8 (eight) years of service.

It is our experience that given the economic difficulties many public agencies continue to realize City Staff does not have the time or manpower to do things more than once. SCG provides the senior level experience that is key to avoiding mistakes, insuring timely delivery, and truly acting as an extension of staff. SCG possesses a strong understanding of the City's goals and policies and all aspects associated with each of the City's Districts. Often times these funds are critical to the City's ability to provide a quality service to the community.

We have built a reputation in the industry as possessing key project managers that consistently deliver a top-quality product, on time and within budget. Our management team are industry leaders in all aspects of municipal services and infrastructure financing, including annual administration of special financing districts. SCG provides local public agencies the following types of services listed below; including but not limited to;

Administration Services

- Budget Preparation
- Debt Service Schedule Maintenance
- Bond Call Analysis
- Prepare Preliminary and Final Engineer's Reports
- Annual Levy Enrollment
- Tax Roll Billing
- Delinquency Monitoring
- Municipal Disclosure Reporting
- Annual Report Preparation
- Property Owner Call Support

In addition to a comprehensive list of administration services SCG provides consulting services primarily focused on establishing new special financing districts that apply sound business practices in establishing new facility financing districts that are appropriately sized and scaled to protect the agency and bond holders from economic shifts while also employing a full cost recovery for services. Often services are overlooked when establishing these districts and SCGs principals have been leaders in the industry in establishing both maintenance and public safety services vital to the viability of local agencies, see table below. Below are some of the services we offer under Consulting Services:

Consulting Services

- Community Facilities District Formation
- Rate and Method of Apportionment Development
- Tax Rate Analysis
- Cost Estimating
- Refunding Consulting
- CFD/LMD Annexation Services
- Assessment District Formation
- Assessment Spread Allocation
- Bond Sale Table Preparation
- Public Hearing Presentation

3. PROJECT APPROACH & WORK PLAN

SCG understands the City of Menifee wishes to utilize consulting services to prepare fiscal impact and sustainability study to analyze the potential future annexation of the three Valley-Wide Recreation and Park District (VWRPD) landscape maintenance districts (LMDs) located both within and adjacent to the City's boundaries. These three LMDs include: Menifee North Park and Landscape Maintenance District (Menifee North), Landscape Maintenance District No. 88-1 Menifee Parks (Menifee Parks), and Menifee South Park and Landscape Maintenance District (Menifee South). We also appreciate the challenges that lie with various Zones in both Menifee North and Menifee South LMDs. From our previous efforts we determined that 3 of 9 Zones in Menifee North and 3 of 16 Zones in Menifee South are outside the City boundaries with Zone 6 of Menifee South being both partially in and out of the City's boundary. The location and services provided by these LMDs require careful consideration in how to address the methodology, special assessments, and services provided by these LMDs after Annexation into the City.

Our team having worked with several local agencies, primarily in Riverside, San Bernardino, and San Diego Counties, with hundreds of these types of Special Districts requiring annual levy budget preparations, calculations, enrollments, and reporting is able to provide sound best practice solutions

to any challenges the City and Districts may face. Our project managers have intimate working knowledge of the service needs and expectations of the City of Menifee having provided these very services since 2018. We understand that the budgets are limited due to having fixed assessments and a continued rise in energy costs. Given these limited resources, it is critical that the consultant providing these services truly works as an extension of the City's senior management staff to insure an accurate work product and a high-level of service delivery.

Approach

SCG's approach to providing consulting services is to establish a strong working relationship built on trust and confidence in our abilities. We accomplish this by consistently delivering a high quality and accurate work product, provide City Staff with manager level support, and demonstrate a strong understanding of the City's Districts and economic needs. Our guiding principles include: effective communication, timely coordination, quality assurance, qualified experience, and comprehensive service.

SCG offers all-inclusive Special District Consultant Services that are factored into both our scope of work and the estimated costs to provide these services. SCG provides a comprehensive approach to the scope of services listed in the RFP, managing every step including but not limited to the below:

Kick-off Meeting: The purpose of this task is to establish lines of communication and gain understanding of the specific goals, components and criteria to meet the City's needs. SCG will meet with City Staff, legal counsel, team of consultants and the developer to prepare a schedule of events, procedural and financial considerations, conduct a needs assessment, and determine eligibility of any limitation on the funding of the maintenance services specific to general vs. special benefit. Discuss and identify the boundaries of the proposed maintenance district, outline the scope of responsibilities and develop a program for public notification and involvement.

Data Collection and Review: SCG will collect and review data germane to the VWRPD LMDs. SCG will conduct a review of the proposed budgets, proposed boundaries, and possible maintenance and facility plans. SCG has the latest assessor's parcel maps and equalized tax roll information from the Riverside County Assessor's Office, including Geographic Information System (GIS) shape files for the parcels within the Districts. The database will be used for the calculation of the annual district assessments and made readily viewable using a KML file accessible and searchable, including APN and street address, using Google Earth. SCG will review each LMD budget and coordinate with City staff to assist with accurate

cost-recovery accounting, incorporating the actual maintenance costs into the District budget to achieve maximum cost-to-benefit equity. This will ensure the total and complete equity of assessments within each District.

Benefit Nexus: SCG will assemble and analyze the data collected in the previous tasks for determining the method of apportionment and provide an analysis of proposed assessments to the City. SCG will identify the properties and determine the general and special benefits derived from the proposed improvements and maintenance services. SCG will confirm any assumptions made with the City and address any issues pertaining to costs, improvements, and statute requirements.

Assessment Methodology: SCG will prepare benefit assessment methodology and assessment rate calculations for the LMDs. We may utilize factors that could include developing alternative benefit methodologies such as parcel size, street front footage, consumption values, view benefit, safety benefit, neighborhood aesthetics and other, quantifiable benefit factors. SCG will recommend the apportionment methodology that best meets the criteria set forth in both the Landscape and Lighting Maintenance District Act of 1972 and Proposition 218 Omnibus Implementation Act. SCG will determine the appropriate methodology for

allocating the costs to the various land use classifications and if possible be consistent with the previously approved methodology of the City's landscape, lighting, street, parks, and drainage maintenance programs.

Special Benefit: SCG will evaluate the amount of direct and special benefit that the properties receive and distinguish it from any general benefits conferred on the public from the maintenance services using an equitable and quantifiable method. SCG will coordinate with City Staff to obtain any necessary data to assist in this determination.

General Benefit: Section 4 of Article XIID requires that the general benefit conveyed by the proposed services be separated from the special benefits and that only the special benefit portion of the costs of the services is assessed on those properties identified as receiving the special benefits. SCG will work with City Staff to determine whether the current methodology would be appropriate for a Prop 218 balloting.

Analysis: SCG will work with the City to analyze the VWRPD streetscapes, retention basins, parks and recreation operations and maintenance costs and estimate future capital asset replacement, as required by staff. SCG will assist the City in identifying the inventory of capital assets being maintained by the City's maintenance services districts. During the budget

review process SCG will work with City Staff to determine the appropriate replacement amounts needed to be included in the levy for the following fiscal year. SCG will assist the City in reviewing the available capital investments and reserves established by VWRPD.

Annexation Boundary Maps: SCG's will prepare the Annexation Boundary Maps illustrating the boundaries of territory proposed for inclusion in the district capturing the entirety of any parcel subject to taxation by the proposed district. The map shall meet the requirements of the Streets and Highways Code, the Riverside County Recorder's Office, and the Riverside Location Area Formation Commission (LAFCO). Additionally, SCG will record the map with the County Recorder's Office, if required.

Budget Preparation: SCG will work collaboratively with City staff to create budgets necessary in determining the proposed assessments. By using the cost-modeling information gathered from the previous tasks SCG will prepare preliminary cost estimates for maintenance of all improvements, landscaping, capital improvements (if any), incidental costs, operating reserves, capital improvement reserves and delinquency reserves. The costs will be spread according to the benefit derived by the benefiting properties based on a method of assessment consistent with the requirements of Proposition 218.

Prepare Engineer's Report: SCG will prepare the Engineer's Report for the Districts in accordance with the California Constitution Article XIID (part of Proposition 218). The Engineer's Report will include the following items:

- A general description of the plans and specifications
- An estimate of costs and expenses
- Special and general benefit nexus
- Method of assessment
- An Assessment Diagram
- The assessment roll

Report Preparation: SCG will prepare a report and present findings and recommendations to City leadership, the Parks Ad Hoc Council Sub-Committee, Parks, Recreation, and Trails Commission, and City Council.

Alternative LAFCO Support

Prepare Engineer's Report: SCG will prepare the Engineer's Report for the Districts in accordance with the California Constitution Article XIID (part of Proposition 218). The Engineer's Report will include the following items:

- A general description of the plans and specifications
- An estimate of costs and expenses
- Special and general benefit nexus
- Method of assessment
- An Assessment Diagram
- The assessment roll

Meetings: SCG will attend up to three (3) LAFCO Meetings held for the purpose of disseminating information to the public. Prior to such meetings or hearings, information will be prepared and assembled for purposes of making a complete and factual presentation. We will also attend these meetings as required by the appropriate improvement act(s) fully prepared to present all necessary testimony and to respond to all public comments.

Notice Data and Documents: SCG will review the Notices of Public Hearing prepared by legal counsel. SCG will assist in the mailing of Notice of Public Hearing to all eligible property owners within the LMDs from data gathered in previous tasks. SCG will determine the property owners in accordance to statutory noticing requirements and in accordance with Proposition 218. We will generate a mailing list and ballot tabulation database by using the latest assessor's parcel maps and equalized tax roll information from the Riverside County Assessor's Office. For this task we will complete the following:

- Property owner name address and acreage list
- Certificate from Registrar of Voters
- Assessor's parcels list for the Office of Special Tax Lien
- Document preparation and mailings to public notices

To assure and maintain quality assurance, SCG instituted an internal review protocol that requires a minimum of three reviews of any deliverable product. It is our goal to provide these deliverables ahead of the deadline to allow City Staff sufficient time to review and approve. Specifically, the preparation of the data and review of previous assessments and budgets requires an acute attention to detail in order to manage thousands of records and ensure accuracy.

It is our experience that given the economic difficulties many public agencies continue to realize City Staff does not have the time or manpower to do things more than once. SCG provides the senior level experience that is key to avoiding mistakes, insuring timely delivery, and truly acting as an extension of staff. SCG possesses a strong understanding of the City's goals and policies and all aspects associated with the City's objectives.

4. PROJECT TIMELINE & OVERALL PROJECT IMPLEMENTATION SCHEDULE

Below is a tentative timeline outlining the service, milestones, and deliverables due described within the scope of services:

Due Date	Description	Party Responsible	Deliverable
Day 1	Kick-Off Meeting to Discuss Annexation/LMD Procedure	All	Timeline
Day 30	SCG and City Staff review analysis of public improvement conditions and service needs study provided by third party and Services Analysis Review	All	Facility Conditions
Day 45	SCG reviews LMD information, confirming all information is current. SCG prepares a database, preliminary assessment estimates, and sends the information to the City and legal counsel for review.	SCG	Preliminary LMD Analysis
Day 60	City reviews preliminary analysis and provides any feedback and direction	City Staff	LMD Analysis Review
Day 75	SCG prepares Draft Preliminary Engineer's Report and Boundary Maps	SCG	Draft Preliminary Engineer's Report Boundary Maps
Day 90	City provides SCG their comments/changes to Draft Engineer's Report	City Staff	Report Review
Day 105	SCG completes the Preliminary Engineer's Report	SCG	Preliminary Engineer's Report
Day 135	Presentation of findings and recommendations to stakeholders	All	Findings Presentation
Day 150	City Council Presentation	All	Meeting
Day 170	City meets and confers with VWRPD on findings and recommendations	City	Meeting
Day 190	City obtains detachment consent from VWRPD	City	Consent
Day 210	LAFCO application, City Staff Report, and City Resolution due to LAFCO	All	LAFCO Documents
Day 231	21 Day Resolution Noticing Requirement (noticing provided by LAFCO)	LAFCO	Resolution
Day 260	City Council adopts Resolution Requesting Detachment	City Staff	Resolution
Day 261	City submits application to LAFCO	City Staff	Application
Day 300	LAFCO Hearing	All	Meeting
Day 330	Begin Transition	All	Coordination
Day 360	City provides all services and administration of LMDs	City Staff	Manage LMDs

7. COST PROPOSAL & ACCEPTANCE OF PROPOSED AGREEMENT

SCG is pleased to submit this cost proposal to provide Special District Annexation Services to the City of Menifee. We propose to be compensated a fixed fee of \$47,500 for services performed according to the scope of services listed in the RFP for the below list of Special Districts.

Special District Annexation Services

Description	Total
North Parks LMD Assessment Engineering	\$16,250
Menifee Parks LMD Assessment Engineering	\$13,000
South Parks LMD Assessment Engineering	\$18,250
Totals	\$47,500

Alternative LAFCO Support Services

We propose to be compensated a not-to-exceed fee of \$30,000 for alternative LAFCO support services performed according to the scope of services listed in the RFP. We will bill these services on a time and material basis based on the hourly rates below.

Hourly Rates

Title	Rate
Principal	\$245
Senior Associate	\$175
Associate	\$120
Mapping Technician	\$110
Administrative Support	\$85

For the services performed related to the project which are not listed herein, compensation shall be at the hourly rates set forth, together with reimbursement, at cost, for incidental expenses incurred in connection with such services, together with reimbursement for outside services at cost plus 15%.

It is our objective to provide the City with a high-quality work product while being solution oriented, and value added. We look forward to working with the City on this exciting project and continuing a long-standing relationship. If you have any questions regarding our proposal, or if additional information is needed, please contact me directly at (951) 520-3331 or email me at shane.spicer@spicercg.com.

Sincerely,
Spicer Consulting Group



Shane Spicer
Managing Director



(PLEASE READ AND MARK EACH CHECKBOX CONFIRM ACKNOWLEDGEMENT AND AGREANCE WITH THE INDICATED STATEMENTS)

- The Proposal Cost provided reflects all possible direct and indirect costs, travel, insurance, overhead, labor, profit, rebates, contingent commissions, renewal commissions, service fees, and any other expenses.
- The Proposal provided reflects any additional addendum(s) issued with respect to this RFP.
- My signature certifies that this firm has no business or personal relationships with any other companies or person that could be considered a conflict of interest, or potential conflict of interest to the City of Menifee, pertaining to any and all work or services to be performed as a result of this request and any resulting Agreement/Contract with the City.

ACCEPTANCE OF PROPOSED AGREEMENT/CONTRACT:

- Submittal of this proposal indicates we have reviewed the proposed written agreement (Exhibit C) and if selected would accept all terms of the proposed agreement. Proposer, in submitting a response to this RFP, warrants that it has full power and authority to comply with the requirements specified herein and will hold the City harmless from and against any and all loss, cost, liability, and expense (including reasonable attorney fees) arising out of any breach of this warranty.

Spicer Consulting Group
Company Name

41880 Kalmia Street, Suite 145
Address

<u>Murrieta</u>	<u>CA</u>	<u>92562</u>
City	State	Zip Code

<u>(951) 520-3331</u>	<u>(951) 208-7870</u>
Telephone Number	Fax Number

Company Type:
 Corporation Partnership Trust/Estate Limited Liability Company (LLC)
 Individual/Sole Proprietor or single member LLC Other: _____


Signed By

<u>Shane Spicer</u>	<u>Managing Director</u>
Print Name	Title

8. INSURANCE REQUIREMENT ACKNOWLEDGEMENT/CERTIFICATION



ATTACHMENT B.1: ACKNOWLEDGMENT OF INSURANCE REQUIREMENTS AND CERTIFICATION OF ABILITY TO PROVIDE COVERAGES SPECIFIED

I, Shane Spicer (Print Name), the
Owner - Managing Director (President, Secretary, Owner or Representative) of the
Spicer Consulting Group (Company Name or Corporation, or
Owner), certify that the Insurance Requirements set forth in Attachment B and the Proposed
Agreement have been read and understood that our insurance company(ies)
Cormarc Insurance Services (Name(s) of insurance company(ies)) (is/are) able to
provide the coverages specified.

Signature of President, Secretary, Partner, Owner or Representative

5-1-2024
Date

9. CERTIFICATION OF NON-COLLUSION



ATTACHMENT C: CERTIFICATION OF NON-COLLUSION

Made to: City of Menifee

(a) By submitting this proposal, each proposer and each person signing on behalf of any firm certifies, and in the case of a joint proposal, each party therefore certifies as to its own organization, under penalty of perjury, that to the best of their knowledge and belief:

- (1) The fees and terms in this proposal have been arrived at independently without collusion, consultation, communication or agreement for the purpose of restricting competition, as to any matter relating to such fees and terms with any other proposer or with any other competitor; and
- (2) Unless otherwise required by law, the fees and terms which have been quoted in this proposal have not been knowingly disclosed by the proposer prior to the opening, directly or indirectly, to any other proposer or to any competitor; and
- (3) No attempt has been made by the proposer or will be made to induce any other persons, partnership or corporation to submit or not submit a proposal for the purpose of restricting competition.

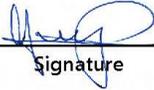
<u>Shane Spicer, Managing Director</u> Printed Name and Title	 Signature
<u>Spicer Consulting Group</u> Name of Firm/Company/Corporation	<u>(951) 520-3331</u> Telephone Number
<u>41880 Kalmia Street, Suite 145</u> Street Address	<u>Murrieta, CA, 92562</u> City, State, Zip
<u>shane.spicer@spicercg.com</u> Email Address	<u>5-1-2024</u> Date

ATTACHMENT C: CERTIFICATION OF NON-COLLUSION

Made to: City of Meniffee

(a) By submitting this proposal, each proposer and each person signing on behalf of any firm certifies, and in the case of a joint proposal, each party therefore certifies as to its own organization, under penalty of perjury, that to the best of their knowledge and belief:

- (1) The fees and terms in this proposal have been arrived at independently without collusion, consultation, communication or agreement for the purpose of restricting competition, as to any matter relating to such fees and terms with any other proposer or with any other competitor; and
- (2) Unless otherwise required by law, the fees and terms which have been quoted in this proposal have not been knowingly disclosed by the proposer prior to the opening, directly or indirectly, to any other proposer or to any competitor; and
- (3) No attempt has been made by the proposer or will be made to induce any other persons, partnership or corporation to submit or not submit a proposal for the purpose of restricting competition.

Francisco Martinez Jr.	
Printed Name and Title	Signature
FMCIVIL Engineers Inc.	(951) 973-0202
Name of Firm/Company/Corporation	Telephone Number
41870 Kalmia St. Suite 120	Murrieta, CA 92562
Street Address	City, State, Zip
Francisco.Martinez@fmcivil.com	Murrieta, CA 92562
Email Address	Date

10. PREVIOUS CONTRACT PERFORMANCE & LITIGATION STATEMENT



ATTACHMENT D: PREVIOUS CONTRACT PERFORMANCE & LITIGATION STATEMENT

The City will evaluate the facts and may, at its sole discretion, reject Proposer’s response if the facts discovered indicate that completion of a contract resulting from this Request for Proposal may be jeopardized by the selection of Proposer. If no such terminations for default have been experienced by Proposer in the last five years, so indicate. The City shall reject any Proposer’s response if it discovers any contract terminations within the stated period that were not disclosed.

PREVIOUS CONTRACT PERFORMANCE:

- a) Submit details of all terminations for default experienced by Proposer during the past three (3) years including the other party’s name, address and telephone number. Termination for default is defined as a notice to stop performance due to Proposer’s nonperformance or poor performance and the issue was either (a) not litigated or (b) litigated and such litigation determined Proposer to be in default. Present a description of the facts surrounding each incident and include Proposer’s position on the matter. Exclude garnishments and similar routine matters that do not affect contract performance. Indicate whether or not the Proposer or principals have ever been suspended or debarred by any government agency. State “NONE,” if none. Use additional sheets as necessary.

NONE

- a) Indicate whether or not the Proposer or principals have ever been involved in any kind of bankruptcy proceedings. Give a summary of all proceedings and provide a listing of all significant outstanding claims or judgments. State “NONE,” if none. Use additional sheets as necessary.

NONE

LITIGATION HISTORY:

Check One:

- The undersigned firm has had no litigation and/or judgments entered against it by any local, state or federal entity and has had no litigation and/or judgments entered against such entities during the past ten (10) years.
- The undersigned firm, by attachment to this form, submits a summary and disposition of individual cases of litigation and/or judgments entered by or against any local, state or federal entity, by any state or federal court, during the past ten (10) years.

COMPANY: SPICER CONSULTING GROUP

SIGNATURE: 

NAME: SHANE SPICER

TITLE: MANAGING DIRECTOR

DATE: 5.1.2024

Failure to check the appropriate blocks above may result in disqualification of your proposal. Likewise, failure to provide documentation of a possible conflict of interest, or a summary of past litigation and/or judgments, may result in disqualification of your proposal.

ATTACHMENT D: PREVIOUS CONTRACT PERFORMANCE & LITIGATION STATEMENT

The City will evaluate the facts and may, at its sole discretion, reject Proposer's response if the facts discovered indicate that completion of a contract resulting from this Request for Proposal may be jeopardized by the selection of Proposer. If no such terminations for default have been experienced by Proposer in the last five years, so indicate. The City shall reject any Proposer's response if it discovers any contract terminations within the stated period that were not disclosed.

PREVIOUS CONTRACT PERFORMANCE:

- a) Submit details of all terminations for default experienced by Proposer during the past three (3) years including the other party's name, address and telephone number. Termination for default is defined as a notice to stop performance due to Proposer's nonperformance or poor performance and the issue was either (a) not litigated or (b) litigated and such litigation determined Proposer to be in default. Present a description of the facts surrounding each incident and include Proposer's position on the matter. Exclude garnishments and similar routine matters that do not affect contract performance. Indicate whether or not the Proposer or principals have ever been suspended or debarred by any government agency. State "NONE," if none. Use additional sheets as necessary.

NONE

- a) Indicate whether or not the Proposer or principals have ever been involved in any kind of bankruptcy proceedings. Give a summary of all proceedings and provide a listing of all significant outstanding claims or judgments. State "NONE," if none. Use additional sheets as necessary.

NONE



LITIGATION HISTORY:

Check One:

- The undersigned firm has had no litigation and/or judgments entered against it by any local, state or federal entity and has had no litigation and/or judgments entered against such entities during the past ten (10) years.
- The undersigned firm, by attachment to this form, submits a summary and disposition of individual cases of litigation and/or judgments entered by or against any local, state or federal entity, by any state or federal court, during the past ten (10) years.

COMPANY: FM CIVIL Engineers Inc.

SIGNATURE: 

NAME: Francisco Martinez Jr.

TITLE: President

DATE: 5/03/2024

Failure to check the appropriate blocks above may result in disqualification of your proposal. Likewise, failure to provide documentation of a possible conflict of interest, or a summary of past litigation and/or judgments, may result in disqualification of your proposal.

