



CITY OF MENIFEE

SUBJECT: Master Agreement with Spicer Consulting Group for Professional On-Call Services for Special District Annexation and Other Related Services

MEETING DATE: November 15, 2023

TO: Mayor and City Council

PREPARED BY: Kristen Jensen, Public Works Financial Analyst

REVIEWED BY: Nick Fidler, Public Works Director

APPROVED BY: Rebekah Kramer, Acting City Manager

RECOMMENDED ACTION

1. Approve and authorize the City Manager to execute a Master Agreement for professional on-call services for special district annexation and other related services with Spicer Consulting Group effective July 1, 2023, through June 30, 2027, for a total not-to-exceed amount of \$350,000 for the term of the agreement; and
2. Authorize the Finance Department to issue individual purchase orders against the Agreement.

DISCUSSION

In February 2022, following a competitive Request for Proposal (“RFP”) process, Spicer Consulting Group (“SCG”) was selected as the consultant to provide special district administration, annexation, formation, and bond issuance services to the City. The RFP was developed to establish a consultant for the fiscal year 2022/2023 budget year with options for agreement term extensions through June 30, 2027. Multiple City departments utilize services provided through SCG, and as such, separate agreements and funding sources are established for services based on each department’s need. The special district services provided by SCG include, but are not limited to:

- Annual Engineer’s Reports & Annual Reports
- Database Integrity
- Special Tax Rate Calculations
- Assessment Rates
- Levy Information / Data Collection
- Annual Levy Preparation and Submittal
- Compliance with Proposition 218

- City Council Meeting Preparation and Presentations
- Delinquency Monitoring
- Respond to Property Owner Questions
- Internet portal providing information for Property Owners and City Employees
- Annexation Services for Future Annexations
- Bond Issuance Services
- Other On-Call Services for Finance, Planning, Community Services, and Public Works Departments

The Public Works Engineering Division (“Engineering”) utilizes SCG to assist in the process of annexing new developments into the City’s existing maintenance Community Facility Districts (CFDs). Annexation into CFDs is a standard condition of approval for all new developments and establishes an ongoing revenue source for proper maintenance of public infrastructure and amenities established as part of the development. Occasionally other special district on-call services are needed for tasks such as district related audits or maintenance exhibit area mapping updates. Costs associated with annexation services are fully offset through developer deposits. Costs of other services provided may be offset by special district assessments from the specific districts work is performed for.

In June 2023, the City Council authorized staff to implement the use of a multi-year agreement for pre-qualified professional service firms to serve as a master agreement that would be established for a specific number of years and with a predetermined not-to-exceed amount for the full agreement term. To date over 35 master agreements have been executed, supporting efficient processing, transparent tracking, and timely engagement of firms for services provided to the Engineering and Capital Improvement Program divisions.

The proposed Master Agreement for professional on-call services for special district annexation and other related services (“Agreement”) would eliminate the need for Engineering and Finance staff to close out and reestablish a new agreement with SCG at the end/beginning of each fiscal year and would provide continuity of services year over year. Rates for services through June 2027 were previously established through SCG’s response to the 2021 RFP and are incorporated into the Agreement.

The Agreement would not exceed \$350,000 for the proposed four-year term for fiscal years 2023/2024 through 2026/2027 and services requested against the Agreement would not exceed the total available and approved professional services budgets at the time of request. In no event would the cumulative amount of the purchase orders or direct payments issued against the Agreement exceed the total not-to-exceed amount established for the Agreement.

STRATEGIC PLAN OBJECTIVE

Thriving Economy

Implementation of this Agreement would support objectives in the City’s Strategic Visioning for a Thriving Economy by streamlining internal development-related processes and providing more transparency of professional services expenditures for ease of future reporting and contract monitoring.

FISCAL IMPACT

There is no additional fiscal impact associated with approval of the proposed Agreement. Funding for special district annexation services is included in the approved fiscal years 2023/2024 and 2024/2025 Engineering and Special District operating budgets.

It is important to note that the costs associated with special district annexation services are offset through required developer deposits. Other service requests related to special districts would be offset through the specific district where work is performed. The collective total of all purchase orders issued would not exceed the total not-to-exceed amount established for the full Agreement term. Purchase order issuance would be limited to available operating budgets at the time of requested services.

ATTACHMENTS

1. Master Agreement