

LAFCO

*Yolo County Local Agency Formation Commission
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(530) 666-8048 (office)*

To: Olin Woods, Chair, and Members of the
Yolo Local Agency Formation Commission

From: Elisa Carvalho
Interim Executive Officer

Date: July 25, 2011

Subject: Approve Selection of and Agreement with Rosenow Spevacek Group, Inc. to
Prepare the Comprehensive Fiscal Analysis for the Proposed Incorporation of
Dunnigan (LAFCO No. 911)

Recommended Action

1. Approve selection of Rosenow Spevacek Group, Inc. to prepare the Comprehensive Fiscal Analysis (CFA) for the Proposed Incorporation of Dunnigan as recommended by the LAFCO subcommittee.
2. Approve and authorize Chair to sign Agreement for Services between Yolo Local Agency Formation Commission (LAFCO) and Rosenow Spevacek Group, Inc. (RSG)

Fiscal Impact

As indicated in the Incorporation application provided to the applicant, funds for consulting contracts are required to be paid by the applicant, in full, at the time of the consultant selection process. The RSG cost proposal was originally \$96,340. RSG agreed to lower the cost of the proposed CFA to \$83,110. The applicant will be required to deposit \$83,110 with LAFCO to pay for the CFA before work can begin.

The applicant owes other outstanding costs related to the proposal. The applicant owes an additional \$2,907.55 in LAFCO fees for staff work related to the proposal, including

COMMISSIONERS

★ *Public Member* Olin Woods, Chair ★
★ *County Member* Matt Rexroad, Vice Chair ★
★ *City Members* Stephen Souza, Skip Davies ★ *County Member* Don Saylor ★

ALTERNATE COMMISSIONERS

★ *Public Member* Robert Ramming ★ *City Member* Bill Kristoff ★ *County Member* Jim Provenza ★

STAFF

★ *Interim Executive Officer* Elisa Carvalho ★
★ *Commission Clerk* Terri Tuck ★ *Commission Counsel* Robyn Truitt Drivon ★

interviews and selection of a consultant to prepare the CFA. The applicant also owes \$8,000 in remaining LAFCO deposit fees for a municipal service review, sphere of influence study, and environmental impact report. The initial \$2,000 deposit provided with the incorporation application has been exhausted.

Reason for Recommended Action

The LAFCO subcommittee interviewed four consultants that submitted proposals for the CFA for the Proposed Dunnigan Incorporation. The Committee narrowed the list of potential consultants to two and ultimately recommended GST Consulting for the contract at the May 16, 2011 Commission meeting. At the meeting, the applicant for the proposed Dunnigan Incorporation expressed concern with information about the Principal of GST Consulting that had never been disclosed to LAFCO staff. The Commission tabled the item so that staff could further examine the top two consultants.

Background

Yolo LAFCO received four proposals in response to its Request for Proposals for a CFA for the Proposed Dunnigan Incorporation. On February 28, 2011, the Commission designated a LAFCO subcommittee, which included Commissioners Don Saylor and Stephen Souza and Interim Executive Officer Elisa Carvalho, to review the CFA Proposals for the Proposed Dunnigan Incorporation. The subcommittee interviewed all four firms that submitted proposals. The Assistant Executive Officer verified references for the top two firms.

The subcommittee recommended GST Consulting to the Commission at its May 16, 2011 meeting. Subsequent to discussion about the firm and concerns raised by the applicant, the Commission tabled the matter until its next meeting on July 25, 2011 and directed staff to reevaluate the top two firms. After additional review and consideration, the subcommittee recommended RSG to prepare the CFA for the proposed Dunnigan Incorporation.

Project Timeline

The consultant will not be able to begin work until the full cost of the consulting contract is deposited with LAFCO. Once payment is received, LAFCO staff will work with the consultant to determine an appropriate work plan and project and activity schedule.

Timing in an incorporation is very important. The Executive Officer's report and CFA must be completed and heard at a public hearing within the same fiscal year for which the most recent data are available or the data must be updated and/or a new CFA prepared. The current fiscal year will end June 30th and the final financial data will most likely be available in August or September. This is ideal timing for the commencement of a CFA; however, additional items are required and must be managed appropriately.

In addition to the CFA, the following items must be completed prior to the Executive Officer setting a public hearing date:

- Environmental Review
- Municipal Service Review (MSR) and Sphere of Influence (SOI)
- Full LAFCO deposit and consultant fees
- Approved map and legal description

The environmental review can add a significant amount of time to the project. Ideally, the environmental review would be done concurrently with the CFA. Incorporation guidance documents recommend that the proposed SOI be developed together with the proposed incorporation boundary and alternatives, which typically happens during the CFA process. The LAFCO deposit fees will be required prior to initiating Request for Proposals for an environmental review and, potentially, MSR/SOI. The consultant fees are required, in full, at the time a consultant is selected. An approved map and legal description, prepared by a licensed surveyor or civil engineer, will be required once the boundaries for the proposal are finalized.

Attachment:

Agreement for Services between Yolo Local Agency Formation Commission and Rosenow Spevacek Group, Inc.

AGREEMENT № 2011-5
AGREEMENT FOR SERVICES BETWEEN
YOLO LOCAL AGENCY FORMATION COMMISSION
AND
ROSENOW SPEVACEK GROUP, INC.

(Contract for Comprehensive Fiscal Analysis of Proposed Dunnigan Incorporation)

This agreement ("Agreement") is made and entered into as of July 25, 2011 by and between YOLO LOCAL AGENCY FORMATION COMMISSION (hereinafter referred to as "LAFCO"), organized and operating pursuant to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, et seq. and ROSENOW SPEVACEK GROUP, INC. (hereinafter referred to as "CONSULTANT").

RECITALS

- A. LAFCO is a public agency of the State of California and is in need of professional fiscal analysis services for the following project: "Proposed Dunnigan Incorporation" (hereinafter referred to as "the Project").
- B. CONSULTANT is duly licensed and qualified to provide such services.
- C. The parties desire by this agreement to establish the terms for LAFCO to retain CONSULTANT to provide the services described herein.

AGREEMENT

Based on the foregoing Recitals and for good and valuable consideration, the receipt and sufficiency of which is acknowledged by both parties, LAFCO and CONSULTANT agree as follows:

1. Services

CONSULTANT shall perform any and all work necessary for the completion of the tasks and services set forth in the "Scope of Services" attached hereto and incorporated herein as Exhibit "A," in a manner satisfactory to LAFCO. By execution of this Agreement, CONSULTANT warrants that (i) it has thoroughly investigated and considered the work to be performed; (ii) it has carefully examined the location or locations at or with respect to which the work is to be performed, as applicable; (iii) it fully understands the difficulties and restrictions attending the performance of the work provided for under this Agreement.

2. Compensation and Maximum Payment Amount

- a. Subject to paragraph 2(b) below, LAFCO shall pay for such services in accordance with the Schedule of Charges set forth in Exhibit "B."

b. Prior to the tenth of each month, CONSULTANT shall submit to LAFCO a statement for services and invoices itemizing the services rendered during the previous month. Within fifteen (15) working days after receipt of invoice, LAFCO shall determine whether and to what extent CONSULTANT has adequately performed the services for which payment is sought. If LAFCO determines that CONSULTANT has not adequately performed such services, LAFCO shall inform CONSULTANT of those acts which are necessary for satisfactory completion. LAFCO shall cause payment to be made to CONSULTANT within fifteen (15) working days from LAFCO's determination that CONSULTANT has adequately performed those services for which LAFCO has been invoiced.

c. In no event shall the total amount paid for services rendered by CONSULTANT pursuant to Exhibit "A" exceed the sum of \$83,110. This amount is inclusive of all meetings and reimbursable and sub consultant expenses.

d. LAFCO shall reimburse costs advanced by CONSULTANT on LAFCO's behalf, as well as other expenses, in addition to the amount billed for fees. These currently include, but are not limited to, extraordinary photocopy charges and any costs of producing or reproducing photographs, documents, and other things necessary for the preparation or presentation of LAFCO business. All costs will be itemized on the monthly status report submitted by CONSULTANT to LAFCO. LAFCO shall not pay fees for travel to or from LAFCO's offices in the ordinary course of business or reimburse mileage to CONSULTANT.

3. Changes and Additions to Scope of Services

a. If CONSULTANT estimates that any proposed change within the general scope of services set forth in Exhibit "A" causes an increase or decrease in the cost and/or the time required for performance of this Agreement, CONSULTANT shall so notify LAFCO of that fact in advance of commencing performance of such work. An agreed upon change will be reduced to writing, signed by the parties hereto, and will modify this Agreement accordingly.

b. LAFCO may request CONSULTANT to perform additional services not covered by the specific scope of services set forth in Exhibit "A", and CONSULTANT shall perform such extra services and will be paid for such extra services when they are reduced to writing, mutually agreed to, signed by the parties hereto, and made a part of this Agreement. LAFCO shall not be liable for payment of any extra services nor shall CONSULTANT be obligated to perform any extra services except upon such written amendment.

4. Maintenance of Records; Ownership of Documents

a. Books, documents, papers, accounting records, and other evidence pertaining to costs incurred shall be maintained by CONSULTANT and made available at all reasonable times during the contract period and for four (4) years from the date of final payment under the contract for inspection by LAFCO.

b. All reports, software programs, as well as original data collected, original

reproducible drawings, plans, studies, memoranda, computation sheets, and other documents assembled or prepared by CONSULTANT or furnished to CONSULTANT in connection with this Agreement shall be the property of LAFCO and delivered to LAFCO at completion of the project or termination of this Agreement, whichever occurs first. Copies of said documents may be retained by CONSULTANT, but shall not be made available by CONSULTANT to any individual or organization without the prior written approval of LAFCO.

Any use of completed documents for projects other than that covered by this Agreement and/or any use of uncompleted documents without specific written authorization from CONSULTANT will be at LAFCO's sole risk and without liability or legal exposure to CONSULTANT.

5. Term and Time of Performance

The term of this Agreement shall be for eighteen (18) months from receipt and bank confirmation of full payment from the project proponent. CONSULTANT shall perform its services hereunder in a prompt and timely manner, in accordance with a Proposed Work Plan, Project Schedule, and Activity Schedule, which will be determined, and agreed to, by LAFCO and CONSULTANT subsequent to payment from the project proponent.

CONSULTANT shall commence performance of services upon receipt of the written Notice to Proceed from LAFCO after receipt and bank confirmation of full payment from the project proponent. The Notice to Proceed shall set forth the date of commencement of work.

6. Delays in Performance

Neither LAFCO nor CONSULTANT shall be considered in default of this Agreement for delays in performance caused by circumstances beyond the reasonable control of the non-performing party. For purposes of this Agreement, such circumstances include but are not limited to, abnormal weather conditions; floods; earthquakes; fire; epidemics; war; riots and other civil disturbances; strikes, lockouts, work slowdowns, and other labor disturbances; sabotage or judicial restraint.

Should such circumstances occur, the non-performing party shall, within a reasonable time of being prevented from performing, give written notice to the other party describing the circumstances preventing continued performance and the efforts being made to resume performance of this Agreement.

7. Compliance with Law

a. CONSULTANT shall comply with all applicable laws, ordinances, codes and regulations of the federal, state and local government. CONSULTANT shall not discriminate against any employee or applicant for employment or any approved subcontractor, agent, supplier or other firm or person providing services to CONSULTANT in connection with this Agreement on the basis of race, color, creed, ancestry, national origin, religion, sex, marital

status, or mental or physical disability. CONSULTANT shall take affirmative action to ensure that applicants are employed, and that employees are treated during their employment, without regard to their race, color, creed, ancestry, national origin, religion, sex, marital status, and mental or physical disability. Such actions shall include, but not be limited to the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship.

b. CONSULTANT shall assist LAFCO in obtaining and maintaining all permits required of CONSULTANT by Federal, State, and local regulatory agencies.

8. Standard of Care

CONSULTANT shall perform the services under this Agreement in accordance with the accepted standards of the professional disciplines involved in the project. All work shall be completed to the reasonable satisfaction of LAFCO. If LAFCO reasonably determines that the work is not satisfactory, LAFCO shall have the right to: (i) meet with CONSULTANT to review CONSULTANT's work and resolve matters of concern; and/or (ii) require CONSULTANT to repeat unsatisfactory work at no additional charge until it is satisfactory.

9. Subcontracting

CONSULTANT shall not subcontract any portion of the work or services required by this Agreement, except as expressly stated herein, without prior written approval of LAFCO. Subcontracts to subconsultants, if any, shall contain a provision making them subject to all provisions stipulated in this Agreement. Nothing contained herein shall prevent CONSULTANT from employing as many employees as CONSULTANT may deem appropriate to assist in the performance of services hereunder.

10. Independent Contractor

CONSULTANT is an independent contractor and not an employee of the LAFCO. Neither the LAFCO nor any of its employees shall have any control over the conduct of the CONSULTANT or any of CONSULTANT's employees, except as herein set forth, and CONSULTANT expressly warrants not to, at any time or in any manner, represent that CONSULTANT, or any of CONSULTANT's agents, servants or employees, are in any manner agents, servants or employees of the LAFCO, it being distinctly understood that CONSULTANT is and shall at all times remain as to the LAFCO a wholly independent contractor and that CONSULTANT's obligations to the LAFCO are solely such as are prescribed by this Agreement.

11. Integration

This Agreement represents the entire understanding of LAFCO and CONSULTANT as to those matters contained herein, and supersedes and cancels any prior oral or written understanding, promises or representations with respect to those matters covered hereunder. This Agreement may not be modified or altered except in writing signed by both parties hereto. This is an integrated Agreement.

12. Insurance

a. CONSULTANT shall maintain occurrence version commercial general liability insurance or equivalent form with a combined single limit of not less than \$1,000,000 per occurrence and \$2,000,000 aggregate.

b. Automobile Liability

(1) At all times during the performance of the work under this Agreement the CONSULTANT shall maintain Automobile Liability Insurance for bodily injury and property damage including coverage for owned, non-owned, and hired vehicles, in a form and with insurance companies acceptable to LAFCO.

(2) Coverage for automobile liability insurance shall be at least as broad as Insurance Services Office Form Number CA 0001 (ed. 6/92) covering automobile liability, Code 1 (any auto).

(3) The automobile liability program may utilize deductibles, but not a self-insured retention, subject to written approval by LAFCO.

(4) All such policies shall name LAFCO, the Commission and each member of the Commission, its officers, employees, agents and designated volunteers as Additional Insureds under the policies.

c. Workers' Compensation/Employer's Liability

(1) Workers' Compensation insurance shall cover CONSULTANT's employees as required by the California Labor Code. Before execution of this Agreement by LAFCO, CONTRACTOR shall file with LAFCO a signed Worker's Compensation Insurance Certification, in the form attached hereto as Exhibit "C".

(2) In the event that CONSULTANT has no employees, it shall file a certification that the CONSULTANT has no employees, in the form attached hereto as Exhibit "D". CONSULTANT shall require all subcontractors similarly to provide such compensation insurance for the respective employees.

d. Professional Liability (Errors and Omissions)

(1) At all times during the performance of the work under this Agreement the CONSULTANT shall maintain professional liability insurance, in a form and with insurance companies acceptable to LAFCO and in an amount indicated herein.

e. Minimum Policy Limits Required

(1) The following insurance limits are required for the Contract:

	<u>Combined Single Limit</u>
Commercial General Liability	\$1,000,000 per occurrence/ \$2,000,000 aggregate for bodily injury, personal injury, and property damage
Automobile Liability	\$1,000,000 per occurrence for bodily injury and property damage
Employer's Liability	\$1,000,000 per employee
Professional Liability (errors and omissions)	\$1,000,000 per claim and aggregate

f. Evidence Required

Prior to execution of the Agreement, the CONSULTANT shall file with LAFCO evidence of insurance from an insurer or insurers certifying to the coverage of all insurance required herein. Such evidence shall include original copies of the ISO CG 2010 (or insurer's equivalent) signed by the insurer's representative and Certificate of Insurance (Acord Form 25-S or equivalent). All evidence of insurance shall be signed by a properly authorized officer, agent, or qualified representative of the insurer and shall certify the names of the insured, any additional primary insureds, where appropriate, the type and amount of the insurance, the location and operations to which the insurance applies, and the expiration date of such insurance.

g. Policy Provisions Required

(1) All policies shall contain a provision for 30 days advance written notice by the insurer(s) to LAFCO of any cancellation. Statements that the carrier "will endeavor" and "that failure to mail such notice shall impose no obligation and liability upon the company, its agents or representatives," will not be acceptable on certificates.

(2) All policies shall contain a provision stating that the CONSULTANT's policies are primary insurance and that the insurance of LAFCO or any Additional Insured shall not be called upon to contribute to any loss.

h. Additional Insurance Provisions

(1) The foregoing requirements as to the types and limits of insurance coverage to be maintained by CONSULTANT, and any approval of said insurance by LAFCO, is not intended to and shall not in any manner limit or qualify the liabilities and obligations otherwise assumed by the CONSULTANT pursuant to this Agreement, including but not limited to, the provisions concerning indemnification.

(2) If at any time during the life of the Agreement, the CONSULTANT fails to maintain in full force any insurance required by the Agreement, LAFCO may terminate the Agreement.

(3) The CONSULTANT shall include all subconsultants as insureds under its policies or shall furnish separate certificates and endorsements for each subconsultant. All coverages for subconsultants shall be subject to all of the requirements stated herein.

(4) LAFCO may require the CONSULTANT to provide complete copies of all insurance policies in effect for the duration of the Project.

(5) Neither LAFCO nor the Commission, nor any member of the Commission, nor any of the directors, officers, employees, agents or volunteers shall be personally responsible for any liability arising under or by virtue of this Agreement.

13. Indemnification

CONSULTANT agrees to protect, save, defend and hold harmless LAFCO and its Commission and each member of the Commission, officers, agents and employees from any and all claims, liabilities, expenses or damages of any nature, including attorney fees, for injury or death of any person, or damage to property, or interference with use of property, arising out of or in any way connected with the negligent acts, errors or omissions or willful misconduct by CONSULTANT, CONSULTANT's agents, officers, employees, subconsultants, or independent consultants hired by CONSULTANT under this Agreement. The only exception to CONSULTANT's responsibility to protect, save, defend and hold harmless LAFCO is due to the sole negligence, willful misconduct, or active negligence of LAFCO. This hold harmless Agreement shall apply to all liability regardless of whether any insurance policies are applicable. The policy limits do not act as a limitation upon the amount of indemnification, etc. to be provided by CONSULTANT.

14. Disputes, Laws, Venue, and Attorneys' Fees

a. Disputes In the event of any dispute arising under this Agreement, the injured party shall notify the defaulting party in writing of its contentions by submitting a claim therefore. The injured party shall continue performance of its obligations hereunder so long as the defaulting party immediately commences to cure such default and completes the cure of such default with reasonable diligence and in no event to exceed 30 days after service of the

notice, or such longer period as may be permitted by the injured party; provided, that if the default results in an immediate danger to the health, safety, and general welfare, LAFCO may take such immediate action as LAFCO deems warranted.

b. Retention of Funds LAFCO may withhold from any monies payable to CONSULTANT sufficient funds to compensate LAFCO for any losses, costs, liabilities or damages suffered by LAFCO due to default of CONSULTANT in the performance of the services required by this Agreement.

c. Waiver No delay or omission in the exercise of any right or remedy by a nondefaulting party shall impair such right or remedy or be construed as a waiver. LAFCO's consent or waiver of one act or omission by CONSULTANT shall not be deemed to constitute a consent or waiver of LAFCO's rights with respect to any subsequent act or omission by CONSULTANT. Any waiver by either party of any default must be in writing.

d. Rights and Remedies are Cumulative Except as may be expressly set forth 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 or other rights or remedies as may be permitted by law or in equity shall not preclude the exercise by such party, at the same or different times, of any other rights or remedies to which such party may be entitled.

e. Laws, Venue, Attorney's Fees This Agreement shall be interpreted in accordance with the laws of the State of California. If any action is brought to interpret or enforce any term of this Agreement, the action shall be brought in a state or federal court situated in the County of Yolo, State of California, and CONSULTANT agrees to submit to the personal jurisdiction of such court. In the event of any such litigation between the parties, the prevailing party shall be entitled to recover all reasonable costs incurred, including reasonable attorney fees, as determined by the court.

15. Termination or Abandonment

a. LAFCO has the right to terminate or abandon any portion or all of the work under this Agreement, for any reason, with or without cause, by giving ten (10) calendar days written notice to CONSULTANT. In such event, LAFCO shall be immediately given title and possession to all original field notes, drawings and specifications, written reports, and other documents produced or developed for that portion of the work completed and/or being abandoned. LAFCO shall pay CONSULTANT the reasonable value of services rendered for any portion of the work completed prior to termination. If said termination occurs prior to completion of any task for the Project for which a payment request has not been received, the charge for services performed during such task shall be the reasonable value of such services, based on an amount mutually agreed to by LAFCO and CONSULTANT of the portion of such task completed but not paid prior to said termination. LAFCO shall not be liable for any costs other than the charges or portions thereof which are specified herein. CONSULTANT shall not be entitled to payment for unperformed services, and shall not be entitled to damages or compensation for termination of work.

b. CONSULTANT may terminate its obligation to provide further services under this Agreement upon thirty (30) calendar days' written notice to LAFCO only in the event of substantial failure by LAFCO to perform in accordance with the terms of this Agreement through no fault of CONSULTANT.

16. Organization

CONSULTANT shall assign Jim Simon as Principal and Ken Lee as Project Manager. Neither the Principal nor the Project Manager shall be removed from the Project or reassigned without the prior written consent of LAFCO.

17. Notice

Any notice or instrument required to be given or delivered by this Agreement may be given or delivered by depositing the same in any United States Post Office, certified mail, return receipt requested, postage prepaid, and addressed to:

LAFCO:
625 Court Street
Suite 203
Woodland, CA 95695
Attn: Elisa Carvalho

CONSULTANT:
Rosenow Spevacek Group, Inc.
309 W 4th Street
Santa Ana, CA 92701
Attn: Jim Simon

18. Third Party Rights

Nothing in this Agreement shall be construed to give any rights or benefits to anyone other than LAFCO and the CONSULTANT.

19. Severability

The unenforceability, invalidity, or illegality of any provision(s) of this Agreement shall not render the other provisions unenforceable, invalid, or illegal.

20. Authority The persons executing this Agreement on behalf of the parties hereto warrant that they are duly authorized to execute this Agreement on behalf of said parties.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

Local Agency Formation Commission

Rosenow Spevacek Group, Inc.

By: _____
Olin Woods, Chair

By: _____
Jim Simon, Principal

Approved as to form:

Robyn Drivon, Commission Counsel
Yolo Local Agency Formation Commission

EXHIBIT A

Scope of Services

The proposed Scope of Services for this Agreement consists of, but may not be limited to, the tasks set out below and further detailed in the Rosenow Spevacek Group, Inc. Proposal for Consulting Services Comprehensive Fiscal Analysis for the Incorporation of Dunnigan.

Initiation of the Scope of Services shall begin upon receipt of the written **Notice to Proceed** from LAFCO after receipt and bank confirmation of full payment from the project proponent.

PHASE I

TASK 1: Scoping Meeting for the Comprehensive Fiscal Analysis (hereinafter referred to collectively as "CFA")

- Conduct an initial work session with LAFCO staff
- Formalize overall study objectives, schedules, policy and fiscal assumptions, and roles and responsibilities
- Develop schedule of major activities, including anticipated delivery and completion dates as well as expected election time frame

Meeting(s): Kick-off meeting with LAFCO staff and consultant

Deliverable(s): Objectives, schedule, assumptions, delivery dates

TASK 2: Develop Community Profile

- Collect community data
- Collect County GIS information for the study area, generating address ranges for requisite State Board of Equalization taxable sales data and RSG research
- Perform on-site field survey of the community to verify land uses, occupancy, and business inventory
- Generate accurate estimates of the resident population, County assets, road miles, and other public infrastructure and facilities.
- Provide a summary of findings with support material
- Conduct conference call to discuss any LAFCO comments or concerns

Meeting(s): Conference call with LAFCO staff

Deliverable(s): Summary of findings

TASK 3: Growth Forecast

- Conduct teleconference with LAFCO officials to discuss the principals and policies that need to be considered in formulating the development forecast

EXHIBIT A

Scope of Services

- Work with County Planning and Building and Safety staff to collect information on proposed projects and development timeframes
- Develop a list of potential and permitted projects to formulate and share with staff for review and comment
- Conduct meeting with LAFCO to review forecast and incorporate comments into analysis

Meeting(s): Teleconference with LAFCO officials; meeting with LAFCO

Deliverable(s): List of potential and permitted projects

TASK 4: Study Local Service Providers

- Collect data on how services are currently provided by the County and local special districts serving the Study Area
- Prepare matrix with County and special district information for evaluation and planning purposes
- Study documentation on existing service providers
- Meet with the analysts for each agency to understand how services are provided to Dunnigan
- Prepare and discuss data requests with appropriate County and district staff
- Submit data requests on behalf of LAFCO
- Transmit screencheck analysis of work to LAFCO staff
- Conduct conference call to review findings prior to finalizing study of local service providers

Meeting(s): Conference call to LAFCO staff to review findings

Deliverable(s): Screencheck analysis

TASK 5: Study Service Model Alternatives

- Study how services could be provided upon incorporation, including in-house, contracts, and shared services
- Use recent examples from other fiscal analyses that have been undertaken around the state to augment independent analysis to start with a broad range of possible options
- Provide possible alternatives to service delivery
- Consult with staff at local agencies in the area to ascertain their capacity and interest in providing services to the community, as may be appropriate, based on the expected standards established by LAFCO and the proponents
- Analyze the impact of incorporation and changes in service delivery on existing service providers and delineate recommendations on the transition of

EXHIBIT A (continued)

Scope of Services

such services and agencies

- Provide summary of recommendations and analysis to LAFCO
- Obtain input from LAFCO prior to finalization of findings

Meeting(s): Conference call

Deliverable(s): Summary of recommendations and analysis

TASK 6: Develop Plan for Services

- Document manner in which services may be most feasibly provided in Dunnigan, consisting of an appropriate organizational model for permanent city employees, contractors, and other agencies
- Identify and document all departments to be included in the new city
- Share draft plan for service with LAFCO staff for review and comment
- Finalize recommendations after conference call to staff for use in subsequent phases of analysis

Meeting(s): Conference call to discuss findings

Deliverable(s): Draft plan for services

TASK 7: Base Year Analysis

- Complete analysis of base year costs and revenues from interview and data collection efforts
- Obtain the Auditor's ratio for the property tax transfer calculations
- Make refinements to base year data as it is reconciled with other data and findings
- Create a table of the base year revenues and expenditures

Meeting(s): As needed

Deliverable(s): Table of base year revenues and expenditures

TASK 8: Eight Year Projected Costs and Revenues

- Develop staffing plan that consists of development of a permanent and contract staffing diagram to provide the City essential staffing to meet the Plan for Services
- Determine appropriate compensation levels (consisting of base salary, annual growth rate by position, and a factor for benefits)
- Survey nearby communities and consult RSG's network of recruitment firms to obtain data for staffing plan

EXHIBIT A (continued)

Scope of Services

- Develop base line costs using local factors from nearby communities with similar organization models
- Estimate the cost for facilities (city hall) and capital outlay for the eight-year term of forecast
- Project taxes, fees and other revenues based on anticipated growth and local trends in the area
- Prepare transition year budget, Gann Limit analysis, and estimated revenue neutrality calculation, including estimates of any transition loan
- Prepare preliminary forecast, detailing assumptions, sources, and adjustments, broken down by line item
- Conduct staff meeting onsite to review model and findings, and incorporate adjustments as directed from LAFCO staff
- Develop spreadsheet detailing key demographic, economic (jobs/diversity of economic base), service level, budget size, land use patterns, and incorporation date of communities with a similar population to Dunnigan
- Document department staffing levels, key expenditures that may be comparable to Dunnigan, and other information useful in the determination of the projected operational budget for Dunnigan

Meeting(s): Onsite meeting to review model and findings and incorporate adjustments
Deliverable(s): Preliminary forecast, detailing assumptions, sources, and adjustments, broken down by line item

TASK 9: Develop and Present Final Report

- Develop Draft Report for review and comments
- Develop Final report to include study objectives, findings, recommendations, and implementation strategies

Meeting(s): As needed
Deliverable(s): Draft Report; Final Report

PHASE II

TASK 10: Revenue and Neutrality Negotiations

- Provide up to 34 hours of support on revenue neutrality negotiations, which would include facilitation of County/Proponent negotiations, analysis of various proposals, and other tasks assigned by LAFCO staff

Meeting(s): Two meetings

EXHIBIT A (continued)

Scope of Services

Deliverable(s): Support and facilitation in revenue neutrality negotiations

TASK 11: Determinations, Terms, and Conditions (18 hours of consulting work)

- Prepare terms and conditions in conjunction with LAFCO legal counsel
- Develop basic framework of required and necessary terms and conditions, as well as those that may arise via negotiations between the parties

Meeting(s): As needed

Deliverable(s): Terms and Conditions

TASKS 12 & 13: Public Hearings and Workshops

Excluding several conference calls itemized in the budget, Jim Simon, Principal; Ken Lee, Senior

Associate; and/or Alexa Smittle, Associate may attend up to thirteen (13) meetings as part of this scope of work over the course of this engagement, including:

- Scoping Meeting: 1 meeting
- LAFCO Screenchecks: 3 meetings
- On Site Meeting with Agency Analysts: 1 day
- Revenue Neutrality Negotiations: 2 meetings
- LAFCO Public Hearings: 2 hearings
- Community Workshops: 4 meetings

The Scope of Work and project schedule relating to the development of CFA will be further delineated in a work plan, which will be determined, and agreed to, by LAFCO and CONSULTANT subsequent to receipt and bank confirmation of full payment from the project proponent.

EXHIBIT B

Schedule of Charges/Payments

CONSULTANT shall submit statements for services to LAFCO pursuant to paragraph 2(b) for the life of the Project or termination of this Agreement pursuant to paragraph 15(b) of the Agreement. Statements for services shall itemize charges on a monthly basis as they relate to the completion of tasks defined in Exhibits A and B. Statements for services shall reflect the hourly rate of CONSULTANT identified in the table shown below in this Exhibit B.

Charges relating to the delivery of the “Final” CFA as defined in the Scope of Services shall not exceed \$83,110, inclusive of out-of-pocket expenses. The schedule of tasks is as follows:

Task	HOURS BY CONSULTANT					Subtotal Hours	COST BY TASK		
	Principal 195	Sr Assoc 160	Assoc 140	Analyst 100	Res Asst 90		Fees	Reimb	Total
PHASE I - COMPREHENSIVE FISCAL ANALYSIS	52	48	168	117	154	539	66,900	1,700	68,600
1.0 Scoping Meeting	6	-	6	-	-	12	2,010	350	2,360
2.0 Develop Community Profile	-	-	7	-	29	36	3,590	200	3,790
2.01 Collect GIS & Address Ranges	-	-	-	-	2	2	180	-	180
2.02 Field Survey to Collect Land Use, Bus. Info	-	-	-	-	10	10	900	200	1,100
2.03 Population Estimate	-	-	1	-	8	9	860	-	860
2.04 Road Mile & Infrastructure Inventory	-	-	-	-	3	3	270	-	270
2.05 County Asset Inventory	-	-	-	-	2	2	180	-	180
2.06 Screencheck Conference Call with LAFCO	-	-	2	-	2	4	460	-	460
2.07 Finalize Community Profile	-	-	4	-	2	6	740	-	740
3.0 Growth Forecast	9	-	13	-	30	52	6,275	350	6,625
3.01 Create Assumptions	1	-	2	-	-	3	475	-	475
3.02 Collect Data on Projects	-	-	-	-	10	10	900	-	900
3.03 Forecast Growth	2	-	3	-	20	25	2,610	-	2,610
3.04 Screencheck Meeting with LAFCO	6	-	6	-	-	12	2,010	350	2,360
3.05 Finalize Growth Forecast	-	-	2	-	-	2	280	-	280
4.0 Study Local Service Providers	6	5	42	51	20	124	14,750	350	15,100
4.01 Identify Existing Service Providers	-	-	1	6	-	7	740	-	740
4.01.1 Collect Pertinent MSR, Budget and Annual Report Data	-	-	1	4	-	5	540	-	540
4.01.2 Create Matrix of Services/Providers	-	-	-	2	-	2	200	-	200
4.02 Meetings with Agency Analysts	-	-	12	15	-	27	3,180	350	3,530
4.03 Ascertain LOS Standards	-	-	4	6	-	10	1,160	-	1,160
4.04 Collect Cost Information from Existing Providers	2	2	10	16	-	30	3,710	-	3,710
4.05 Collect Revenues from Existing Providers	2	-	4	-	20	26	2,750	-	2,750
4.06 Identify Potential Cost/Efficiency	-	-	8	8	-	16	1,920	-	1,920
4.07 Screencheck Conference Call with LAFCO	1	2	2	-	-	5	795	-	795
4.08 Finalize Service Provider Inventory	1	1	1	-	-	3	495	-	495
5.0 Study Service Model Alternatives	7	9	22	10	-	48	6,885	-	6,885
5.01 Analyze Recent CFAs	-	1	2	4	-	7	840	-	840
5.02 Study Surrounding Municipal Service Providers	-	-	10	-	-	10	1,400	-	1,400
5.03 Identify Capacity	-	-	4	-	-	4	560	-	560
5.04 Ascertain Disposition of Existing Service	4	4	2	6	-	16	2,300	-	2,300

EXHIBIT B (continued)

Schedule of Charges/Payments

Providers									
5.05 Summarize Service Provider Recommendations	2	2	2	-	-	6	990	-	990
5.06 Screencheck Conference Call with LAFCO	1	1	1	-	-	3	495	-	495
5.07 Finalize Service Provider Recommendations	-	1	1	-	-	2	300	-	300
6.0 Develop Plan for Services	3	16	8	-	-	27	4,265	-	4,265
6.01 Department Service & Staff Plan	2	8	4	-	-	14	2,230	-	2,230
6.02 Prepare Organizational Model	-	6	-	-	-	6	960	-	960
6.03 Screencheck Conference Call with LAFCO	1	2	2	-	-	5	795	-	795
6.04 Finalize Plan for Services	-	-	2	-	-	2	280	-	280
7.0 Base Year Analysis	4	2	12	6	-	24	3,380	-	3,380
7.01 Obtain and Analyze Auditor's Ratio	2	-	1	6	-	9	1,130	-	1,130
7.02 Modify Initial Analysis as Appropriate	-	2	4	-	-	6	880	-	880
7.03 Screencheck Conference Call with LAFCO	2	-	4	-	-	6	950	-	950
7.04 Finalize Base Year Analysis	-	-	3	-	-	3	420	-	420
8.0 Eight Year Projected Costs & Revenues	7	16	32	28	75	158	17,955	-	17,955
8.01 Costs	3	4	24	22	34	87	9,845	-	9,845
8.01.1 Salaries	-	2	12	-	34	48	5,060	-	5,060
8.01.1.1 Competitive Compensation Study	-	-	12	-	30	42	4,380	-	4,380
8.01.1.2 Establish Appropriate Comp Levels	-	4	-	-	4	8	1,000	-	1,000
8.01.2 Services	3	-	2	16	-	21	2,465	-	2,465
8.01.2.1 Select Likely Service Providers	2	-	2	-	-	4	670	-	670
8.01.2.2 Obtain Service Proposals/Estimates	1	-	-	16	-	17	1,795	-	1,795
8.01.3 Supplies	-	-	-	6	-	6	600	-	600
8.01.4 Facilities	-	-	8	-	-	8	1,120	-	1,120
8.01.5 Capital Outlay	-	2	2	-	-	4	600	-	600
8.02 Revenues	-	-	5	-	25	30	2,950	-	2,950
8.02.1 Property Tax	-	-	2	-	5	7	730	-	730
8.02.2 Sales Tax	-	-	-	-	3	3	270	-	270
8.02.3 Transient Occupancy Tax	-	-	-	-	1	1	90	-	90
8.02.4 Property Transfer Tax	-	-	-	-	4	4	360	-	360
8.02.5 Property Tax In Lieu	-	-	-	-	1	1	90	-	90
8.02.6 Other Taxes	-	-	-	-	5	5	450	-	450
8.02.7 Fees	-	-	2	-	-	2	280	-	280
8.02.8 Fines & Forfeitures	-	-	-	-	3	3	270	-	270
8.02.9 Other Revenues	-	-	1	-	3	4	410	-	410
8.03 Revenue Neutrality Estimate	-	2	-	6	-	8	920	-	920
8.04 Audit Assumptions & Conclusions	4	10	-	-	14	28	3,640	-	3,640
8.04.01 Identify Comparable Cities	-	6	-	-	6	12	1,500	-	1,500
8.04.02 Analyze Peer City Budgets	-	4	-	-	8	12	1,360	-	1,360
8.05 Gann Limit Analysis	-	-	1	-	2	3	320	-	320
8.06 Transition Year Costs, Revenues and Loan Estimate	-	-	2	-	-	2	280	-	280
8.07 Screencheck Meeting with LAFCO	6	-	-	-	-	6	1,170	200	1,370
8.08 Finalize Projections for Report	1	-	4	-	-	5	755	-	755
9.0 Complete Report	10	-	26	22	-	58	7,790	450	8,240
9.01 Screencheck Draft	-	-	14	20	-	34	3,960	50	4,010
9.02 Screencheck Meeting with LAFCO	6	-	-	-	-	6	1,170	200	1,370
9.03 Finalize Public Review Draft to LAFCO	2	-	10	-	-	12	1,790	100	1,890
9.04 Final Fiscal Analysis to LAFCO	2	-	2	2	-	6	870	100	970

EXHIBIT B (continued)

Schedule of Charges/Payments

PHASE II - PUBLIC REVIEW AND NEGOTIATION SUPPORT	22	25	23	14	-	84	12,910	1,600	14,510
10.0 Revenue Neutrality Negotiations	2	17	5	10	-	34	4,810	400	5,210
10.01 Preparation and Analysis	2	5	5	10	-	22	2,890		2,890
10.02 Meetings (2)	-	12	-	-	-	12	1,920	400	2,320
11.0 Determinations, Terms and Conditions	2	8	-	4	-	14	2,070	-	2,070
11.01 Preparation and Analysis	-	6	-	4	-	10	1,360		1,360
11.02 Conference Call	2	2	-	-	-	4	710		710
12.0 Public Hearings (2)	12	-	-	-	-	12	2,340	400	2,740
13.0 Community Workshops (4)	6	-	18	-	-	24	3,690	800	4,490
OPTIONAL SERVICES									
Each Additional Meeting beyond Scope	-	6	-	-	-	6	960	200	1,160
Sensitivity Analysis for Other Development Scenarios	-	-	22	18	-	40	4,880	-	4,880
Map & Legal Description (Estimate, Subj to Change)	-	-	-	-	-	-	-	30,000	30,000

83,110

EXHIBIT C

WORKER'S COMPENSATION INSURANCE CERTIFICATION

WORKERS' COMPENSATION DECLARATION

I hereby affirm under penalty of perjury one of the following declarations:

(ONE OF THE BOXES BELOW MUST BE CHECKED)

I have and will maintain a certificate of consent from the California Labor Commission to self-insure for workers' compensation, as provided for by Section 3700 of the Labor Code, for the performance of the work to be performed under this contract.

I have and will maintain workers' compensation insurance, as required by Section 3700 of the Labor Code, for the performance of the work to be performed under this contract. My workers' compensation insurance carrier and policy number are:

Carrier _____

Policy Number _____

I certify that, in the performance of the work on this contract, I shall not employ any person in any manner so as to become subject to the workers' compensation laws of California, and agree that, if I should become subject to the workers' compensation provisions of Section 3700 of the Labor Code, I shall forthwith comply with those provisions.

Date: _____

Applicant: _____

WARNING: FAILURE TO SECURE WORKERS' COMPENSATION COVERAGE IS UNLAWFUL, AND SHALL SUBJECT AN EMPLOYER TO CRIMINAL PENALTIES AND CIVIL FINES UP TO ONE HUNDRED THOUSAND DOLLARS (\$100,000), IN ADDITION TO THE COST OF COMPENSATION, DAMAGES AS PROVIDED FOR IN SECTION 3706 OF THE LABOR CODE, INTEREST, AND ATTORNEY'S FEES.

EXHIBIT D

**CERTIFICATE THAT NO WORKERS' COMPENSATION INSURANCE
IS REQUIRED (ALTERNATE /IF APPLICABLE)**

I hereby certify that CONSULTANT has no employees, that no employees will perform services with respect to the Project that it is the subject of this Agreement, and, accordingly, that no workers' compensation insurance need be maintained pursuant to applicable provisions of law. CONSULTANT hereby agrees to indemnify, defend, and hold harmless Yolo LAFCO and all of its officials, employees, and agents from and against any and all claims, liabilities, and losses relating to personal injury or death, economic losses, and property damage arising out of CONSULTANT's failure to provide such worker's compensation insurance.

Dated: _____, 20____

Contracting Firm

By: _____

Title

Address
