

8a | Commission
Discussion

May 11, 2022

TO: Local Agency Formation Commission**FROM:** Executive Officer**SUBJECT:** Professional Consultant Services Agreement with
Rosenow Specavek Group Incorporated (RSG)**REGULAR MEMBERS****CHAIR**
Douglass Davert
Special District Member**VICE CHAIR**
Donald P. Wagner
County Member**IMMEDIATE PAST CHAIR**
Derek J. McGregor
Public Member**Lisa Bartlett**
County Member**Wendy Bucknum**
City Member**James Fisler**
Special District Member**Mike Posey**
City Member**ALTERNATES****Andrew Do**
County Member**Kathryn Freshley**
Special District Member**Peggy Huang**
City Member**Lou Penrose**
Public Member**STAFF****Carolyn Emery**
Executive Officer**Scott Smith**
General Counsel**BACKGROUND**

In November 2021, OC LAFCO released a Request for Proposals (RFPs) consistent with the Commission's policies and procedures. The process called for proposals to conduct and prepare municipal service reviews (MSR) and sphere of influence (SOI) reviews for the Southwest and West regions. Preparation of the Southwest and West MSRs, which includes the review of municipal services provided by 13 cities, 11 special districts and a single joint powers authority, is identified in the Commission's FY 2021-2022 work plan. Conducting of the reviews for these regions would move forward the timeline established for the fourth cycle of MSRs and SOI reviews.

The next section of the report provides additional details on the RFP process for this key project.

DISCUSSION

In order to secure proposals from firms qualified to perform the project scope of work, the RFP was distributed to three firms based in southern California: 1) De Novo Planning Group (Tustin), 2) Economic & Planning Systems Incorporated (Los Angeles), and 3) Rosenow Specavek Group Incorporated (Irvine). In accordance with the Commission's policy for the competitive bidding process, the firms solicited were acquired from a list established through an RFP process recently conducted by Los Angeles LAFCO. The Commission's policy allows for the consideration of consultants from a list established by other LAFCOs or the County of Orange within the last three calendar years to provide a similar service. Subsequent to the call for responses to the RFP, a proposal was submitted by Rosenow Specavek Group (RSG) and evaluated by the OC LAFCO staff. In addition to meeting the requirements and firm qualifications of the OC LAFCO RFP, RSG was also a finalist in recent RFP processes conducted by Los Angeles and Riverside LAFCOs and was ultimately selected by both commissions.

Established in 1979, RSG has over 40 years of experience assisting local governments in the areas of economic development, fiscal health, and housing initiatives. The firm has extensive experience in conducting MSRs, preparing fiscal studies for reorganizations, annexations and incorporations, and specific prior experience includes the preparation of multiple fiscal studies for OC LAFCO's unincorporated islands program. Additionally, as noted within the proposed scope of work, the RSG team has the ability and resources to meet the project schedule.

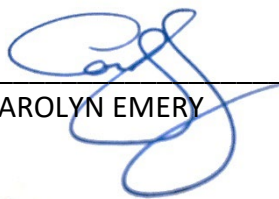
The professional services agreement with RSG for a total not-to-exceed of \$199,945 is referenced as **Attachment 1** to this report for Commission consideration. Resulting from discussions between the Commission staff and firm representatives, the RSG standard billing rate has been reduced and reflects a savings of approximately \$28,000. If the agreement is approved by the Commission, the full cost of the agreement will be funded through the agency's **Other Professional Services** budget line item specifically designated for the preparation of MSRs. As the agreement proposes to commence in May, funds from the current and next fiscal year budgets will be allocated to the deliverables of the agreement accordingly.

RECOMMENDED ACTIONS

Staff recommends that the Commission:

1. Approve the professional services agreement with RSG, Inc. to conduct the MSRs for the Southwest and West Regions.
2. Authorize the Executive Officer to execute the agreement.

Respectfully submitted,



CAROLYN EMERY

Attachment:

1. Professional Services Agreement with Rosenow Specavek Group Incorporated

**ORANGE COUNTY LOCAL AGENCY FORMATION COMMISSION
PROFESSIONAL CONSULTANT SERVICES AGREEMENT**

This Agreement is made effective, _____, 2022, by and between ORANGE COUNTY LOCAL AGENCY FORMATION COMMISSION (hereinafter referred to as “OC LAFCO”), organized and operating pursuant to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, as amended (Government Code Sections 56000 et seq.), and Rosenow Specavek Group Incorporated (hereinafter referred to as “Consultant”).

RECITALS

A. OC LAFCO is a public agency of the State of California and is in need of professional consulting services for the preparation and completion of Municipal Service Reviews for OC LAFCO Southwest and West MSR regions (hereinafter referred to as “the Project”).

B. Consultant is qualified by virtue of experience, training, education and expertise to provide such services.

C. This Agreement is to establish the terms and conditions for OC LAFCO to retain Consultant to provide the services described herein.

AGREEMENT

NOW, THEREFORE, IT IS AGREED AS FOLLOWS:

1. Term and Time of Performance.

The term of this Agreement shall be from the effective date through June 30, 2023, unless terminated in accordance with the procedures outlined in Section 15 of this Agreement. Consultant shall perform its services hereunder in a prompt and timely manner and shall commence performance upon the execution of this Agreement.

2. Services.

Consultant shall provide OC LAFCO with the services described in the Scope of Services attached hereto as Exhibit “A.”

3. Compensation.

a. Subject to paragraph 3(b) below, OC LAFCO shall pay for such services in accordance with the Schedule of Charges set forth in Exhibit “B.”

b. The compensation for services rendered by the consultant pursuant to Exhibit

“A” shall not exceed \$199,945. Any additional work must be approved in advance and agreed to by both parties as outlined in section 4.

c. Consultant shall invoice monthly for completed tasks in each phase, to include reimbursable expenses incurred at actual costs (i.e., overnight shipping, teleconference services, and noticing) as shown in Exhibit B.

d. Consultant shall submit to OC LAFCO a statement for services rendered. OC LAFCO shall cause payment to be made to Consultant within thirty (30) working days from receipt of statement for services and OC LAFCO's determination that Consultant has adequately performed those services for which OC LAFCO has been invoiced.

4. Additional Work

If changes in the work seem merited by Consultant or OC LAFCO, and informal consultations with the other party indicate that a change is warranted, it shall be processed by OC LAFCO in the following manner: Consultant shall forward a letter outlining the changes to OC LAFCO with a statement of estimated changes in fee or time schedule. An amendment to the Agreement shall be prepared by OC LAFCO and executed by both parties before performance of such services or OC LAFCO will not be required to pay for the changes in the scope of work. Such amendment shall not render ineffective or invalidate unaffected portions of this Agreement.

5. Maintenance of Records.

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 Agreement period and for four (4) years from the date of final payment under the contract for inspection by OC LAFCO.

6. Delays in Performance.

Neither OC 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.

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

8. Standard of Care.

Consultant's services will be performed in accordance with generally accepted professional practices and principles and in a manner consistent with the level of care and skill ordinarily exercised by members of the profession currently practicing under similar conditions.

9. Assignment and Sub-consultant.

Consultant shall not assign, sublet, or transfer this Agreement or any rights under or interest in this Agreement without the written consent of OC LAFCO, which may be withheld for any reason. Nothing contained herein shall prevent Consultant from employing independent associates and sub-consultants as Consultant may deem appropriate to assist in the performance of services hereunder.

10. Independent Contractor.

It is agreed that Consultant shall act and be an independent contractor and is not an agent or employee of OC LAFCO and is not entitled to participate in any compensation plans or other benefits OC LAFCO provides for its employees. All services shall be performed by Consultant or under its supervision. Consultant will determine the means, methods and details of performing the services, subject to the requirements of this Agreement. Any additional personnel performing the services under this Agreement on behalf of Consultant shall also not be employees of OC LAFCO and shall at all times be under Consultant's exclusive direction and control. Consultant shall be responsible for all reports and obligations respecting such personnel, including but not limited to: social security taxes, income tax withholding, unemployment insurance, disability insurance and workers' compensation insurance.

11. Integration.

This Agreement represents the entire understanding of OC 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.

Consultant shall take out and maintain, during the performance of all work under this Agreement, in amounts not less than specified herein, all insurance set forth in “Exhibit C” hereto, in a form and with insurance companies acceptable to OC LAFCO.

13. Indemnification.

To the fullest extent permitted by law, Consultant shall defend, indemnify and hold OC LAFCO, its Board, members of the Board, employees, and authorized volunteers free and harmless from any and all claims, demands, causes of action, costs, expenses, liability, loss, damage or injury of any kind, in law or equity, to property or persons, including wrongful death, in any manner arising out of, pertaining to, or incident to the alleged negligent acts, errors or omissions caused by the negligence, or willful misconduct of Consultant, its officials, officers, employees, subcontractors, consultants or agents in connection with the performance of the Consultant’s services or this Agreement, including without limitation the payment of all consequential damages, expert witness fees and attorney’s fees and other related costs and expenses. Notwithstanding the foregoing, to the extent Consultant’s services are subject to Civil Code Section 2782.8, the above indemnity shall be limited, to the extent required by Civil Code Section 2782.8, to claims that arise out of, pertain to, or relate to the negligence, recklessness, or willful misconduct of the Consultant.

In addition, Consultant shall defend, with counsel of OC LAFCO’s choosing and, to the extent permitted by Civil Code Section 2782.8, at Consultant’s own cost, expense and risk, any and all claims, suits, actions or other proceedings of every kind covered by this section arising out of, pertaining to, or incident to the alleged negligent acts, errors or omissions caused by the negligence, or willful misconduct of Consultant, its officials, officers, employees, subcontractors, consultants or agents in connection with the performance of the Consultant’s services or this Agreement that may be brought or instituted against OC LAFCO or its Board, members of the Board, employees, and authorized volunteers. Consultant shall pay and satisfy any judgment, award or decree that may be rendered against OC LAFCO or its Board, members of the Board, employees, and authorized volunteers as part of any such claim, suit, action or other proceeding. Consultant shall also reimburse OC LAFCO for the cost of any settlement paid by OC LAFCO or its Board, members of the Board, employees, or authorized volunteers as part of any such claim, suit, action or other proceeding. Such reimbursement shall include payment for OC LAFCO’s attorney’s fees and costs, including expert witness fees. Consultant shall reimburse OC LAFCO and its Board, members of the Board, employees, and/or authorized volunteers, for any and all legal expenses and costs incurred by each of them in connection therewith or in enforcing the indemnity herein provided. Consultant’s obligation to indemnify shall not be restricted to insurance proceeds, if any, received by OC LAFCO, its Board, members of the Board, employees, or authorized volunteers. Consultant shall have no duty or obligation to defend, indemnify, and/or pay settlement expenses of OC LAFCO, its Board, its Board members, employees, or authorized volunteers due to the negligence, errors or omissions caused by the sole negligence, and/or willful misconduct of OC LAFCO, its Board, its Board members, employees or authorized volunteers.

14. Laws, Venue, and Attorneys' 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 Orange, State of California. 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's fees, as determined by the court.

15. Termination or Abandonment.

a. OC LAFCO may terminate this Agreement for any reason or no reason by giving thirty (30) calendar days' written notice of termination. OC 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 OC LAFCO and Consultant of the portion of such task completed but not paid prior to said termination. OC 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 OC LAFCO only in the event of substantial failure by OC LAFCO to perform in accordance with the terms of this Agreement through no fault of Consultant.

16. Key Personnel.

Consultant shall assign James Simon as the Principal Consultant. The Principal Consultant shall not be removed from the Project or reassigned without the prior written consent of OC 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, addressed to:

OC LAFCO:
Carolyn Emery, Executive Officer
OC LAFCO
2677 N. Main Street, Suite 1050
Santa Ana, CA 92705

Consultant:
James Simon, Principal
RSG Inc.
17872 Gillette Avenue, Suite 350
Irvine, CA 92614

and shall be effective upon receipt thereof.

18. Third Party Rights.

Nothing in this Agreement shall be construed to give any rights or benefits to anyone other than OC 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. Acknowledgment.

Consultant acknowledges that by executing this agreement, they are also, in good faith, determining that the appointment meets each of the requirements set forth in Government Code Section 7522.56, including the unemployment insurance requirement.

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

**ORANGE COUNTY LOCAL AGENCY
FORMATION COMMISSION**

**ROSENOW SPECAVEK GROUP
INCORPORATED**

By: _____
Carolyn Emery, Executive Officer

By: _____
James Simon, Principal

Dated: _____

Dated: _____

Approved as to form:

Scott C. Smith, General Counsel
Orange County Local Agency Formation Commission

Attest:

Cheryl Carter-Benjamin,
Commission Clerk

EXHIBIT “A”
SCOPE OF SERVICES and SCHEDULE

The Consultant will prepare two MSRs (West and Southwest MSR Regions). To prepare the required MSR and SOI determinations and recommendations, the Consultant will analyze the following areas of relevance:

Municipal Service Review Criteria Detail

- (1) *Growth and population projections for the affected area:* Consultant will analyze current and future population and demographic characteristics as they relate to the service plans and delivery for existing and proposed service areas of the affected agencies. Analysis will include discussion of how the affected agencies are planning to meet future needs given demographic trends and population projections.
- (2) *The location and characteristics of any disadvantaged unincorporated communities (DUCs) within or contiguous to the SOI:* Consultant will obtain from OC LAFCO staff current DUCs within the affected areas and conduct the required analysis for the MSRs.
- (3) *Present and planned capacity of public facilities, adequacy of public services, and infrastructure needs or deficiencies in any disadvantaged and unincorporated communities within or contiguous to the sphere of influence.:* Existing facility, real property assets, and infrastructure will be categorized and analyzed to determine present sufficiency and future requirements.
- (4) *Financial ability of agencies to provide services:* A detailed financial analysis will be conducted on the present and future capacity of the affected agencies to support the current and future servicing needs of the service areas.
- (5) *Status of, and opportunities for, shared services:* Consultant will analyze existing facilities and service areas for duplication of efforts and to address potential economies of scale to be gained by alternative governance options.
- (6) *Accountability for community service needs, including governmental structure and operational efficiencies:* A review of the current government structure of the affected agencies would be conducted, including performed audits and the availability of the findings to the public as well as efforts made by the affected agencies to encourage public participation and ensure accountability.
- (7) *Any other matter related to effective service delivery as required by commission policy.* Consultant reviewed OC LAFCO’s policies posted online and did not find any pertaining to the MSR/SOI Update process, but we would confirm this conclusion with staff prior to proceeding.

Sphere of Influence Detail

- (1) *Present and planned land uses including agricultural and open-space lands:* Consultant will perform an analysis of existing and future land use designations and compatibility with local

EXHIBIT “A” SCOPE OF SERVICES and SCHEDULE

general plans. Analysis will include protection of prime agricultural, open space, and recreational public benefit land use designations.

- (2) *Present and probable need for public facilities and services:* A review of present service provisions and facilities, and analysis of present capacity to support future requirements for each agency will be conducted. Consideration will be given to potential changes in service area/program size while maintaining or increasing efficiencies.
- (3) *The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide:* Consultant will review the present infrastructure, facilities, and service programming while analyzing each agency’s ability to assess and address its’ own local service demands.
- (4) *The existence of any social or economic communities of interest in the area if the commission determines that they are relevant to the agency:* Consultant will review existing socio-economic communities of interest for each agency to determine current service deficiencies, challenges, and opportunities in addressing the needs of each community while planning for the future.
- (5) *For an update of a sphere of influence of a city or special district that provides public facilities or services related to sewers, municipal and industrial water, or structural fire protection that occurs pursuant to subdivision (g)* on or after July 1, 2012 along with the present and probable need for those public facilities and services of any DUCs within the existing SOI:* A review of each agency to identify potential economies of scale that may be gained by future boundary changes or alternative governance structures.

TASK 1: PROJECT INITIATION

Prior to scheduling a kickoff meeting, Consultant would review past MSRs pertaining to the affected agencies (as appropriate), develop a matrix illustrating past determinations and other key findings, and then prepare an updated schedule for the concurrent preparation and consideration of both Fourth Cycle MSRs. The matrix in particular will facilitate a thoughtful and impactful kickoff discussion with the client.

Consultant will arrange a kickoff meeting with OC LAFCO staff within thirty (30) days of contract commencement. This meeting will cover the collective understanding of the scope of work for the project, including known issues, concerns, and status of past determinations and findings from the viewpoint of OC LAFCO staff.

Following the meeting, we would issue a request for information from OC LAFCO, including requesting shapefiles and boundaries of each agency, each SOI, and any DUCs within the study areas. We would also request the detailed feedback (notes, summaries) from the 2019 agency outreach conducted by OC LAFCO staff that identified issues of interest among the affected agencies in each region, as well as OC LAFCO’s preferred survey template (for consistency with other MSRs conducted by OC LAFCO elsewhere in the County).

EXHIBIT “A” SCOPE OF SERVICES and SCHEDULE

Timing and work products:

- May 2022
- Deliverables: Matrix of past determinations and findings by agency and schedule

TASK 2: DATA COLLECTION

Consultant envisions a three-part process of data collection for the MSRs. First, we would compile information from OC LAFCO’s fiscal indicators website and credible third-party demographic data for purposes of developing background information on each agency in the matrix previously created under Task 1. We would analyze this data across each agency, identifying types of services provided, fiscal data, and service issues and opportunities raised during prior MSRs.

Second, Consultant would prepare a survey instrument to kickoff outreach to each of the 25 affected agencies. Starting with the OC LAFCO template provided to Consultant, we would make necessary refinements to ensure that we capture information relevant to the authority of each agency to provide allowable services and understand the classes and levels of service provided in consultation with the pertinent principal acts for some of these agencies, including:

- Community services districts (Government Code Sections 61000-61250)
- Library districts (Education Code Sections 19460-19483)
- Parks and recreation districts (Public Resources Code Sections 5780-5796.20)
- Sanitary districts (Health and Safety Code Sections 6512(a)-6523.1)
- Wastewater agencies (Water Code Sections 13910-13915)
- Water districts (Water Code Sections 34000-38051)

Third, Consultant would coordinate and conduct individual agency interviews to discuss responses to the survey provided and dive deeper into those responses and the issues raised. These discussions will center around topics such as growth, ability to serve, constraints, SOI changes, and any DUCs. Our experience is that these interviews can be conducted in one to two virtual meetings.

At the conclusion of these interviews Consultant would analyze response results and begin drafting findings for the MSR and SOI for staff discussion. We would present these findings, broken down by agency, to the client for internal discussion purposes so that we will be aligned on the overall findings by agency prior to commencing drafting of the MSRs.

Timing and work products:

- June – October 2022
- Deliverables: Survey, summary of responses, agency profiles, draft findings and determinations

EXHIBIT “A”
SCOPE OF SERVICES and SCHEDULE

TASK 3: ADMINISTRATIVE DRAFT AND REVIEW OF MSR REPORT

Consultant would prepare an Administrative Draft MSR report for review by OC LAFCO staff. The report would address the determinations required by CKH Sections 56425 and 56430, and any additional factors/criteria established by OC LAFCO policy and guidelines. The report would be sent electronically to OC LAFCO staff for review prior to an (in-person or virtual) meeting to discuss staff comments and edits. Consultant will incorporate comments, edits, and corrections based on staff comments.

Pursuant to the RFP, the Administrative Draft MSR and SOI Updates would achieve the following objectives:

1. Comply with Government Code Sections §56430 and 56425, specifically, to enable the Commission to make determinations with respect to the factors delineated in each statute with respect to both the MSRs and SOI Updates.
2. Include not only the existing boundaries of each agency but will also concentrate on the future planned growth of the area beyond the existing borders, identified as the SOI. Furthermore, the study must include the proposed growth and any future annexation proposals contemplated by each of the agencies.
3. Conduct the required analyses in the most cost-effective manner possible.
4. Utilize information that is currently available rather than start new analyses.
5. Utilize key providers in each sub-region to help direct the project.
6. Conduct the service review and SOI update process in a collaborative fashion with opportunities for input and review by each of the agencies being reviewed.
7. Create a product that will be useful to the Commission in reviewing SOIs and proposals for changes of organization.
8. Create a product that will be beneficial to public agencies as a planning tool.
9. Create a product that will allow practical direct comparison between agencies offering similar services.
10. Have all published work products be readily accessible to, and easily understandable by, the public.

Timing and work products:

- *October 2022 – January 2023*
- *Deliverables: Administrative Draft MSR and SOI Updates*

EXHIBIT “A”
SCOPE OF SERVICES and SCHEDULE

TASK 4: PUBLIC REVIEW AND PUBLIC HEARING DRAFT MSRS AND SOI UPDATE

Consultant would prepare the Public Review MSR reports with updated information addressing comments received. An electronic copy would be sent to OC LAFCO staff for final review and distribution to each of the affected agencies, whom would be expected to provide comments and feedback. Consultant will then prepare and provide the Public Hearing Draft MSRs to OC LAFCO for final review, updates/revisions, and publication.

Consultant would attend one Commission public hearing to provide a summary presentation of the report, discuss any issues or concerns, and respond to questions.

Timing and work products:

- *February – May 2023*
- *Deliverables: Public Review and Public Hearing MSRs and SOI Update*

TASK 5: FINAL DRAFT MSRS AND SOI UPDATE

Consultant would prepare a comment log and incorporate all comments, edits, and corrections from the Commission, affected agencies, and the public for the Final Draft MSRs to the OC LAFCO staff for distribution to the Commissioners.

Consultant would attend one Commission meeting to provide a summary presentation of the Final Draft reports, discuss issues and concerns, and respond to questions. Upon approval, Consultant will transmit one electronic version of the final-approved report to OC LAFCO staff.

Timing and work products:

- *June – July 2023*
- *Deliverables: Final MSR and SOI Update*

EXHIBIT “B”**SCHEDULE OF CHARGES/PAYMENTS**

The following schedule for charges and payments shall apply to work performed under this Agreement:

Based on the Scope of Services described Exhibit A, the services provided by the Consultant shall not exceed \$199,945 inclusive of the hours and expenses pursuant to the Consultant’s Billing Rate and Fee Schedule, as shown below. Services provided will be billed on a time and materials basis, so actual cost may be less than the not to exceed amount. A budget detail and workflow schedule is also presented as Exhibit B-1.

BILLING RATES & FEE SCHEDULE

Principal / Director	\$ 235
Senior Associate	\$ 180
Associate	\$ 160
Senior Analyst	\$ 135
Analyst	\$ 125
Research Assistant	\$ 110
Technician	\$ 75
Clerical	\$ 60

The Consultant does not charge clients for travel or mileage (except direct costs related to field work/surveys), parking, standard telephone/fax expenses, general postage, or incidental copies. However, we do charge for messenger services, overnight shipping/express mail costs and teleconferencing services. We also charge for copies of reports, documents, notices, and support material more than five (5) copies. These costs are charged back at the actual expense plus a 10% surcharge.

EXHIBIT B-1

Scope of Services West and Southwest Region MSRs and SOI Updates Orange County LAFCO (March 2022)										
	Principal	Director	Task Hours & Billing Rate			Res. Asst.	Total Hrs		Total	Not to Exceed
			\$	\$	\$					
Task 1	8	26	24	40	98	\$	15,630			
Project Initiation										
<i>Identify and discuss past determinations, SOIs, changes to DUCs, concerns, and issues with LAFCO staff and affected agencies</i>										
Task 1.1	6	10	14	40	70		10,050			
Task 1.2	-	-	10	-	10		1,350			
Task 1.3	2	16	-	-	18		4,230			
Task 1.4	-	-	-	-	-		-			
Task 2										
Data Collection										
<i>Prepare survey using LAFCO template, conduct 1-2 interviews per stakeholder to discuss responses and feedback, check accuracy of information provided</i>										
Task 2.1	2	10	25	70	107		13,895			
Task 2.2	-	8	15	-	23		3,905			
Task 2.3	-	88	88	20	195		34,575			
Task 2.4	10	50	50	-	110		20,850			
Task 2.5	2	8	8	-	18		3,430			
Task 2.6	-	8	8	-	16		2,960			
Task 3	10	68	398	63	539	\$	78,990			
Administrative Draft MSR										
<i>Draft 2 MSRs (one for each region) for client internal review and comment</i>										
Task 3.1	8	50	375	50	483		69,755			
Task 3.2	2	8	8	8	26		4,310			
Task 3.3	-	10	15	5	30		4,925			
Task 4	10	26	70	2	108	\$	18,130			
Public Hearing Draft MSR										
<i>Prepare public review draft MSRs, collect feedback from agencies, revise as necessary and as directed by LAFCO for public hearing drafts, present at public hearing</i>										
Task 4.1	-	20	50	-	70		11,450			
Task 4.2	-	6	16	2	24		3,790			
Task 4.3	10	-	4	-	14		2,890			
Task 5	14	5	19	5	43	\$	7,580			
Final MSRs										
<i>If not adopted at public hearing, prepare final MSRs based on input from each public hearing; present to Commission for approval</i>										
Task 5.1	-	5	5	5	15		2,400			
Task 5.2	8	-	10	-	18		3,230			
Task 5.3	6	-	4	-	10		1,950			
GRAND TOTAL BUDGET										
	56	297	705	200	1,257	\$	199,945			

EXHIBIT “C”

INSURANCE REQUIREMENTS

1. Commercial General Liability

- a. The Consultant shall take out and maintain, during the performance of all work under this Agreement, in amounts not less than specified herein, Commercial General Liability Insurance, in a form and with insurance companies acceptable to OC LAFCO.
- b. Coverage for Commercial General Liability insurance shall be at least as broad as the following: ISO Commercial General Liability coverage (Occurrence Form CG 0001)
- c. Commercial General Liability Insurance must include coverage for the following:
 - i. Bodily Injury and Property Damage
 - ii. Personal Injury/Advertising Injury
 - iii. Premises/Operations Liability
- d. All such policies shall give OC LAFCO, its Board, members of the Board, employees, and authorized volunteers insured status using ISO endorsement CG2010, CG2033, or equivalent.
- e. The general liability program may utilize either deductibles or provide coverage excess of a self-insured retention, subject to written approval by OC LAFCO.

2. Automobile Liability

- a. 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 OC LAFCO.
- b. Coverage for Automobile Liability Insurance shall be at least as broad as: ISO Form Number CA 0001 covering automobile liability (Coverage Symbol 1, any auto).
- c. The automobile liability program may utilize deductibles, but not a self-insured retention, subject to written approval by OC LAFCO.

3. Workers' Compensation/Employer's Liability

- a. Consultant certifies that he/she is aware of the provisions of Section 3700 of the California Labor Code which requires every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions

of that code, and he/she will comply with such provisions before commencing work under this Agreement.

- b. Consultant shall maintain full compensation insurance for all persons employed directly by him/her to carry out the work contemplated under this Agreement, all in accordance with the "Workers' Compensation and Insurance Act," Division IV of the Labor Code of the State of California and any acts amendatory thereof, and Employer's Liability Coverage in amounts indicated herein. Consultant shall require all subconsultants to obtain and maintain, for the period covered by the work under this Agreement, workers' compensation of the same type and limits as specified in this section.
- c. Such insurance shall include an insurer's Waiver of Subrogation in favor of OC LAFCO and will be in a form and with insurance companies acceptable to OC LAFCO.

4. Minimum Policy Limits Required

- a. The following insurance limits are required for the Agreement:

	Combined Single Limit
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/ Workers' Compensation	\$1,000,000 per occurrence/ Statutory

5. Evidence Required

- a. Prior to execution of the Agreement, the Consultant shall file with OC 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 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.

6. Required Policy Provisions

- a. Certificates of insurance and policy endorsements shall require 30 days (10 days for non-payment of premium) notice of cancellation to OC LAFCO. 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. If any of the required coverage expires during the term of this Agreement, the Contractor shall deliver renewal certificate(s) including the General Liability Additional Insured Endorsement to OC LAFCO at least ten (10) days prior to the expiration date.
- b. The Commercial General Liability policy shall contain a provision stating that Consultant's policy is primary insurance and that any insurance, self-insurance or other coverage maintained by OC LAFCO or any named insureds shall not be called upon to contribute to any loss.
- c. The retroactive date (if any) of each policy is to be no later than the effective date of this Agreement. Consultant shall maintain such coverage continuously for a period of at least three (3) years after the completion of the work under this Agreement. Consultant shall purchase a one (1) year extended reporting period i) if the retroactive date is advanced past the effective date of this Agreement; ii) if the policy is canceled or not renewed; or iii) if the policy is replaced by another claims-made policy with a retroactive date subsequent to the effective date of this Agreement.

7. Qualifying Insurers

- a. All policies required shall be issued by acceptable insurance companies, as determined by OC LAFCO, which satisfy the following minimum requirements:
- b. Insurance carriers shall have a current AM Best rating of not less than “A-” policyholder's rating and a financial rating of not less than “Class VII,” unless otherwise approved in advance by OC LAFCO.

8. Additional Insurance Provisions

- a. The foregoing requirements as to the types and limits of insurance coverage to be maintained by Consultant, and any approval of said insurance by OC 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.
- b. If at any time during the life of the Agreement, the Consultant fails to maintain in full force any insurance required by the Agreement documents OC LAFCO may terminate the Agreement.

- c. 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.
- d. OC LAFCO may require the Consultant to provide complete copies of all insurance policies in effect for the duration of the Project.
- e. Neither OC LAFCO, its Board, members of the Board, employees, or authorized volunteers shall be personally responsible for any liability arising under or by virtue of the Agreement.