



May 22, 2024

**Via Electronic Mail**

Javier Carcamo, Finance Director  
CITY OF MURRIETA  
1 Town Square  
Murrieta, CA 92562

## **PROPOSAL FOR SUCCESSOR AGENCY ADMINISTRATIVE CONSULTING SERVICES**

Dear Mr. Carcamo:

RSG, Inc. ("RSG") is pleased to present this proposed scope of work and budget to provide the Successor Agency to the Redevelopment Agency of the City of Murrieta ("Successor Agency") administrative consulting services for fiscal year 2024-25 and 2025-26. Our role would be to continue providing technical, management, and administrative services to enable staff to wind down the affairs of the former redevelopment agency, meet ongoing reporting requirements, conduct financial and strategic planning, and provide other services as directed by staff.

RSG worked with the Successor Agency on the bond refinancing and recently completed a multi-year cash balance reconciliation. RSG has also been working with the City's Housing Authority since 2014. We welcome the opportunity to further assist the Successor Agency.

### **SCOPE OF SERVICES**

The proposed Scope of Services is based upon our experience with the Successor Agency and upcoming tasks that we have identified. RSG is happy to discuss modifications to the scope as needed to satisfy the City's needs. RSG has identified the following tasks:

#### **Task 1: Budget and Cash Flow Work**

RSG will maintain a working cash flow model for the Successor Agency to anticipate any future budget shortfalls. In addition, RSG will compare actual revenues and expenditures to estimated revenues and expenditures and assist the Successor Agency in working to close any budget gaps by employing a variety of methods.

#### **Task 2: Complete Annual ROPS and Prior Period Adjustments**

The Successor Agency must submit a Recognized Obligation Payment Schedule ("ROPS") to the Oversight Board and DOF annually. RSG will assist the Successor Agency in completing the 2025-26 and 2026-27 ROPS that will be addressed during the respective 2024-25 and 2025-26 fiscal year. Should an issue arise during the Department of Finance's review of the ROPS, RSG would assist the Successor Agency in drafting a Meet and Confer request and is available to attend the meeting. The Successor Agency is allowed to amend the ROPS once during the period. RSG can assist the Successor Agency if this need arises.

RSG will also coordinate with staff to provide the County Auditor-Controller and the DOF the required itemized list of differences between actual payments and past estimated obligations for prior ROPS period (“Prior Period Adjustment”).

**Task 3: Help the Successor Agency Navigate New Legislation**

RSG excels at analyzing legislation and quickly identifying the fiscal and procedural implications for local agencies. With long-term involvement in the League of California Cities, the California Association for Local Economic Development, the California Association of Local Agency Formation Commissions, and the former California Redevelopment Association, RSG has developed expertise in helping our clients navigate complex legislation. RSG staff keeps track of legislative developments and their legal interpretations as they occur, ensuring that staff members understand new legislation and can guide the City of Murrieta through the complicated legal framework of Redevelopment dissolution. We can meet with the Successor Agency to review the ramifications of proposed or enacted changes and explain the immediate and future impacts to the Successor Agency and affected taxing agencies.

**Task 4: Attend Meetings as Necessary**

RSG will make a staff member available to the Successor Agency should they need assistance at any Successor Agency or Oversight Board meetings.

**Task 5: Additional Administrative Services as Needed**

RSG will assist the Successor Agency with any additional administrative tasks as they arise.

**TIMELINE**

RSG will begin this portion of its contract with the Successor Agency July 1, 2024 and will conclude June 30, 2026, with the option to renew for an additional two (2) years if needed.

**PROJECT TEAM**

Ms. Tara Matthews will be the principal-in-charge of this engagement. Alex Lawrence, Senior Associate, will be the Project Manager and will be assisted by additional staff as needed.

**FEE PROPOSAL**

We will provide services on a time-and-materials basis, with a not to exceed amount of **\$30,000** (\$15,000 for each year for the next two fiscal years). RSG does not charge clients for mileage (except direct costs related to field 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 in excess of five (5) copies. These costs are charged back at the actual expense plus a 10% surcharge.

RSG issues monthly invoices payable upon receipt, unless otherwise agreed upon in advance. Invoices identify tasks completed to date, hours expended, and the hourly rate.

### Hourly Billing Rates & Fee Schedule

Principal / Director	\$ 275
Senior Associate	\$ 200
Associate	\$ 185
Senior Analyst	\$ 150
Analyst	\$ 135
Research Assistant	\$ 125
Technician	\$ 100
Clerical	\$ 60

Reimbursable Expenses

Cost plus 10%

We appreciate the opportunity to submit our proposal to the City and Successor Agency, and look forward to working with you again. If you have any questions, please do not hesitate to contact me at (714) 316-2111.

Sincerely,  
RSG, Inc.



Tara Matthews,  
Principal