

**AGREEMENT FOR PROFESSIONAL SERVICES
WITH THE CITY OF MURRIETA (“CITY”)**

Project Name/Description (“**Project**”): Community Facilities Districts formation, annual administration, and other special services

Contract Number:

Consultant Name (“**Consultant**”): Spicer Consulting Group

Consultant Business Type: Limited Liability Company (LLC)

Consultant Address: 41880 Kalmia Street, Suite 145, Murrieta, CA 92562

Consultant Representative Name and Title (“**Consultant Representative**”): Shane Spicer, Managing Director

Consultant Representative Work Phone and Email: (951) 208-7870, shane.spicer@spicercg.com

Termination Date: September 30, 2026

Total Not-To-Exceed Contract Amount (“**Contract Sum**”): \$74,999

City Department Contact (“**Department Contact**”): Javier Carcamo

Department Contact Work Phone and Email: (951) 461-6090, JCarcamo@murrietaca.gov

Is Federal Funding Being Used to Fund Any Part of The Project (Yes/No): No

RECITALS

The City desires to contract with a Consultant to provide professional services as further set forth herein.

As result of the existing signed agreement dated on September 7, 2022 with Spicer Consulting Group to provide Community Facilities Districts (CFDs) formation services, the City desires to enter into a new agreement to engage Spicer Consulting Group to assist the City with new CFD formation, manage the recent CFD formations, and provide annual administration services until September 30, 2026. Prior to September 30, 2026, the City will circulate a Request for Proposals for CFD formation, annual administration, and other special services.

Consultant submitted a proposal to City to provide the above-described professional services.

City is recommending to enter into a new agreement for annual CFD services considering the Consultant has prior knowledge of City's financial condition, understands City's future endeavors and to minimize interruption in the services.

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AGREEMENT FOR PROFESSIONAL SERVICES WITH THE CITY OF MURRIETA (“CITY”)

THIS AGREEMENT FOR SERVICES (“**Agreement**”) is made and entered into as of the effective on the date executed by the City by and between CITY OF MURRIETA, a California municipal corporation (“**City**”) and (“**Consultant**”). City and Consultant may be referred to individually as “**Party**” or collectively as “**Parties**.” In consideration of the mutual promises and covenants made by the Parties and contained herein and other consideration, the value and adequacy of which are hereby acknowledged, the Parties agree as follows:

ARTICLE 1. SERVICES OF CONSULTANT

- 1.1 Scope of Services.** In compliance with all terms and conditions of this Agreement, Consultant shall provide those services specified in the “**Scope of Services**” attached hereto as Exhibit A and incorporated herein by this reference, which may be referred to herein as the “**services**” or “**work**” hereunder. As a material inducement to City entering into this Agreement, Consultant represents and warrants: a) it has the qualifications, experience, and facilities necessary to properly perform the Services required under this Agreement b) all services set forth in the Scope of Services will be performed in a competent and satisfactory manner; c) all materials used for services will be both of good quality as well as fit for the purpose intended; and, d) Consultant shall follow the highest professional standards and practices in performing the services required hereunder.
- 1.2 Consultant’s Proposal.** The Scope of Services shall include the scope of services or work included in Consultant’s proposal or bid, which shall be incorporated herein by this reference as though fully set forth herein. In the event of any inconsistency between the terms of such proposal or bid, and this Agreement, the terms of this Agreement shall govern. No other terms and conditions from Consultant’s proposal or bid, other than description of scope of services or work, shall apply to this Agreement, unless specifically agreed to by City in writing.
- 1.3 Compliance with Law.** All services rendered hereunder shall be provided in accordance with all ordinances, resolutions, statutes, rules and regulations of City and any federal, State or local governmental agency having jurisdiction in effect at the time services are rendered. City, and its officers, employees and agents, shall not be liable at law or in equity for failure of Consultant to comply with this Section.
- 1.4 Licenses, Permits, Fees and Assessments.** Consultant shall obtain at its sole cost and expense such licenses, permits and approvals as may be required by law for the performance of the services required by this Agreement. Consultant shall have the sole obligation to pay for any fees, assessments and taxes, plus applicable penalties and interest, which may be imposed by law and arise from or are necessary for Consultant’s performance of the services required by this Agreement, and shall indemnify, defend and hold harmless City against any such fees, assessments, taxes, penalties or interest levied, assessed or imposed against City hereunder.

- 1.5 Familiarity with Work.** By executing this Agreement, Consultant represents and warrants Consultant: a) has thoroughly investigated and considered services to be performed, b) has carefully considered how services should be performed, and c) fully understands the facilities, difficulties and restrictions attending performance of services under this Agreement.
- 1.6 Software and Computer Services.** If the Scope of Services includes the provision and/or installation of any software, computer system, or other computer technology, Consultant represents and warrants that it is familiar with and/or has inspected City's current infrastructure, equipment, computer system and software and that the software, computer system, or other computer technology provided and/or installed by Consultant under this Agreement is compatible, and shall be fully functional, with such infrastructure, equipment, computer system and software of City. Consultant acknowledges that City is relying on this representation by Consultant as a material consideration in entering into this Agreement.
- 1.7 Prevailing Wages.** If services include any "public work" or "maintenance work," as those terms are defined in California Labor Code section 1720 *et seq.* and California Code of Regulations, Title 8, section 16000 *et seq.*, and if the total compensation is \$1,000 or more, Consultant shall pay prevailing wages for such work and comply with the requirements in California Labor Code section 1770 *et seq.* and 1810 *et seq.*, and all other applicable laws.
- 1.8 Special Requirements.** Additional terms and conditions of this Agreement, if any, which are made a part hereof are set forth in the "Special Requirements" attached hereto as Exhibit B and incorporated herein by this reference. In the event of a conflict between the provisions of Exhibit B and any other provisions of this Agreement, the provisions of Exhibit B shall govern.

ARTICLE 2. COMPENSATION AND METHOD OF PAYMENT

- 2.1 Contract Sum.** Subject to any limitations set forth in this Agreement, City agrees to pay Consultant the rates specified in the "Schedule of Compensation" attached hereto as **Exhibit C** and incorporated herein by this reference. The total compensation for all work, including reimbursement for actual expenses, shall not exceed the Contract Sum set forth above. Compensation may include reimbursement, for actual and necessary expenditures, if both are specified in the Schedule of Compensation, as well as approved by City in advance.
- 2.2 Invoices.** Unless some other method of payment is specified in Exhibit C, Schedule of Compensation, in any month in which Consultant wishes to receive payment, no later than the first business day of such month, Consultant shall submit to City, in a form approved by City's Finance Director, an invoice for services rendered prior to the date of the invoice. By submitting an invoice for payment under this Agreement, Consultant is certifying compliance with all provisions of this

Agreement. Except as provided in Sections 7.3, 7.4 and 7.5, City shall pay Consultant for all expenses stated thereon which are approved by City pursuant to this Agreement generally within thirty (30) days, and City will use its best efforts to make payment no later than forty-five (45) days, from the submission of an invoice in an approved form. In the event any charges or expenses are disputed by City, the original invoice shall be returned by City to Consultant for correction and resubmission. Review and payment by City for any invoice provided by Consultant shall not constitute a waiver of any rights or remedies provided herein or any applicable law. Each invoice is to include (unless otherwise specified by City): 1) line items for all personnel describing the work performed, the number of hours worked, and the hourly rate; 2) line items for all materials and equipment properly charged to the Services; 3) line items for all other approved reimbursable expenses claimed, with supporting documentation; and 4) line items for all approved subcontractor labor, supplies, equipment, materials, and travel properly charged to the Services.

ARTICLE 3. PERFORMANCE SCHEDULE

3.0 Time of Essence. Time is of the essence in the performance of this Agreement.

3.1 Term. The Agreement shall commence and become effective upon the date executed by the City and will continue until the Termination Date. This Agreement may be extended for up to two, additional one-year periods upon the mutual agreement in writing of both parties.

Unless earlier terminated in accordance with Article 7 of this Agreement, this Agreement shall continue in full force and effect until completion of any ongoing services, which shall be no later than the Termination Date set forth above. Notwithstanding the foregoing, the Indemnification and Insurance provisions set forth in Article 5 shall survive the termination of this Agreement.

3.2 Schedule of Performance. Consultant shall commence the services pursuant to this Agreement upon receipt of a written notice to proceed from City and shall perform all services within the time period(s) established in the "Schedule of Performance" attached hereto as **Exhibit D** and incorporated herein by this reference.

3.3 Force Majeure. The time period(s) specified in the Schedule of Performance for performance of the services rendered pursuant to this Agreement shall be extended because of any delays due to unforeseeable causes beyond the control and without the fault or negligence of Consultant, including, but not restricted to, acts of God or of the public enemy, unusually severe weather, fires, earthquakes, floods, epidemics, quarantine restrictions, riots, strikes, freight embargoes, wars, litigation, and/or acts of any governmental agency, including City, if Consultant shall within ten (10) days of the commencement of such delay notify City in writing of the causes of the delay. City shall ascertain the facts and the extent of delay, and extend the time for performing the services for the period of the enforced delay when and if in the judgment of City such delay is justified. City's determination shall be final

and conclusive upon the Parties to this Agreement. In no event shall Consultant be entitled to recover damages against City for any delay in the performance of this Agreement, however caused, Consultant's sole remedy being extension of this Agreement pursuant to this Section.

ARTICLE 4. COORDINATION OF WORK

- 4.1 Representative of Consultant.** The Consultant Representative is authorized to act on Consultant's behalf with respect to the work or services specified herein and to make all decisions in connection therewith. It is expressly understood that the experience, knowledge, capability and reputation of the representative was a substantial inducement for City to enter into this Agreement. Therefore, the representative shall be responsible during the term of this Agreement for directing all activities of Consultant and devoting sufficient time to personally supervise the services hereunder. For purposes of this Agreement, the representative may not be replaced nor may their responsibilities be substantially reduced by Consultant without the express written approval of City.
- 4.2 Department Contact for City.** The Department Contact (or other person designated by the City Manager) shall be the primary person on behalf of City responsible for the administration of the Agreement. It shall be Consultant's responsibility to assure that the Department Contact is kept informed of both the progress of the performance of the services as well as any decisions which must be made by City.
- 4.3 Approvals from City.** City approvals or actions, pursuant to the authority of this Agreement, are to be made (unless otherwise specified) either by the Contract Manager, City Manager or by their delegate as provided for in writing.
- 4.4 Independent Contractor.** Neither City, nor any of its officers, employees or agents, shall have any control over the manner or means by which Consultant, or its officers, employees, agents or subcontractors, perform the services required herein, except as otherwise set forth herein. Consultant shall perform all services required herein as an independent contractor of City and shall remain under only such obligations as are consistent with that role. Consultant shall not at any time or in any manner represent that it, or any of its officers, employees, agents or subcontractors, are officers, employees or agents of City. City shall not in any way or for any purpose become or be deemed to be a partner of Consultant in its business or otherwise or a joint venturer or a member of any joint enterprise with Consultant. Consultant shall not incur or have the power to incur any debt, obligation or liability whatever against City, or bind City in any manner. Consultant represents and warrants that the personnel used to provide services to City pursuant to this Agreement shall at all times be under Consultant's exclusive control and direction. No City employee benefits shall be available to Consultant, its officers, employees, agents or subcontractors, in connection with the performance of this Agreement. City shall not be liable for compensation or indemnification to Consultant, its officers, employees, agents or subcontractors, for injury or sickness arising out of performing services hereunder. In the event that Consultant or any officer,

employee, agent, or subcontractor of Consultant providing services under this Agreement claims or is determined by a federal or state agency, a court of competent jurisdiction, or the California Public Employees' Retirement System, to be classified as other than an independent contractor for City, then Consultant shall indemnify, defend, and hold harmless City for the payment of any and all assessed fines, penalties, judgments, employee and/or employer contributions, and any other damages and costs assessed to City as a consequence of, or in any way attributable to, the assertion that Consultant, or any officer, employee, agent, or subcontractor Consultant used to provide services under this Agreement, is/are employees of City.

- 4.5 Subcontracting or Assignment.** The experience, knowledge, capability and reputation of Consultant, its principals and employees were a substantial inducement for City to enter into this Agreement. Therefore, without express written approval of City, Consultant shall not contract with any other City to perform in whole or in part services required hereunder without express written approval of City, and neither this Agreement nor any interest herein may be transferred or assigned. No approved transfer shall release Consultant, or any surety or insured of Consultant, of any liability hereunder without express written consent of City.

ARTICLE 5. INSURANCE AND INDEMNIFICATION

- 5.1 Insurance Coverages.** Prior to commencement of any services under this Agreement, and without limiting Consultant's indemnification obligation to City, Consultant shall procure and maintain, at its sole cost and expense, in a form and content satisfactory to City, for the duration of the Agreement, primary policies of insurance of the type and amounts set forth in the "Insurance Requirements" attached hereto as **Exhibit E** and incorporated herein by this reference.

5.2 Indemnification.

(a) General Obligations. Consultant agrees, to the full extent permitted by law, to indemnify, defend and hold harmless City and its elected and appointed officers, employees and agents (each an "**Indemnitee**" and collectively, "**Indemnites**") against, and will hold and save them and each of them harmless from, whether actual or threatened, any and all actions, either judicial, administrative, arbitration or regulatory claims, damages to persons or property, losses, costs, penalties, obligations, errors, omissions or liabilities (herein "**Claims or Liabilities**") that may be asserted or claimed by any person, firm or City arising out of or in connection with the negligent performance of the work, operations or activities provided herein of Consultant, its officers, employees, agents, subcontractors, or invitees, or any individual or City for which Consultant is legally liable (each an "**Indemnitor**" and collectively, "**Indemnitors**"), or arising from Indemnitors' reckless or willful misconduct, or arising from Indemnitors' negligent performance of or failure to perform any term, provision, covenant or condition of this Agreement, and in connection therewith: 1) Consultant will defend any action or actions filed or threatened in connection with any such Claims or Liabilities, or at option of Indemnitee(s) will reimburse and pay for all costs and expenses, including

legal costs and attorneys' fees, incurred by Indemnitee(s) in connection therewith; and, 2) Consultant will promptly pay any judgment rendered against Indemnitee(s) for any such Claims or Liabilities, and will save and hold Indemnitee(s) harmless therefrom.

(b) Further Provisions. The indemnity obligation herein shall be binding on successors, assigns and heirs of Consultant and shall survive termination of this Agreement. Consultant shall incorporate similar indemnity agreements as provided herein with its subcontractors, and if Consultant fails to do so Consultant shall be fully responsible to indemnify City hereunder therefor. Failure of City and/or City Parties (collectively "City" for solely this Section 5.2(b)) to monitor compliance with any of the indemnification provisions herein shall not be a waiver hereof. The indemnification provisions herein do not apply to claims or liabilities occurring as a result of City's sole negligence or willful misconduct, but, to the fullest extent permitted by law, shall apply to claims and liabilities resulting in part from City's negligence, except that design professionals' indemnity hereunder shall be limited to claims and liabilities arising out of the negligence, recklessness or willful misconduct of the design professional. The indemnification provided herein includes Claims or Liabilities arising from any negligent or wrongful act, error or omission, or reckless or willful misconduct of Indemnitors in the performance of professional services hereunder. Payment of invoices by City is not a condition precedent to enforcement of the indemnity obligation herein. In the event of any dispute between Consultant and City, as to whether liability arises from the sole negligence or willful misconduct of City, Consultant will be obligated to pay for City's defense until such time as a final judgment has been entered adjudicating City as solely negligent or responsible for willful misconduct. Consultant will not be entitled in the absence of such a determination to any reimbursement of defense costs including but not limited to attorney's fees, expert fees and costs of litigation.

(c) Pursuant to the full language of California Civil Code §2782, Design Professionals agrees to indemnify, including the cost to defend, City and its officers, officials, employees, and volunteers from and against any and all claims, demands, costs, or liability that arise out of, or pertain to, or relate to the negligence, recklessness, or willful misconduct of Design Professional and its employees or agents in the performance of services under this contract, but this indemnity does not apply to liability for damages arising from the sole negligence, active negligence, or willful acts of the City; and does not apply to any passive negligence of the City unless caused at least in part by the Design Professional. The City agrees that in no event shall the cost to defend charged to the Design Professional exceed that professional's proportionate percentage of fault. This duty to indemnify shall not be waived or modified by contractual agreement or acts of the parties.

5.3 Professional Liability. When the law establishes a professional standard of care for Consultant's services, to the fullest extent permitted by law, Consultant shall indemnify, defend and hold harmless Indemnitees against, and will hold and save them and each of them harmless from, whether actual or threatened, any and all Claims and Liabilities, consistent with all obligations provided for in this Section 5.3, to the extent same are caused in whole or in part by any negligent or wrongful

act, error or omission, or reckless or willful misconduct of Indemnitors in the performance of professional services under this Agreement.

ARTICLE 6. RECORDS, REPORTS AND RELEASE OF INFORMATION

- 6.1 Records.** Consultant shall keep, and require subcontractors to keep, such ledgers, books of accounts, invoices, vouchers, canceled checks, reports, studies or other documents relating to the disbursements charged to City and services performed hereunder (“**books and records**”) as shall be necessary to perform the services required by this Agreement and enable City to evaluate the performance of such services. Any and all such books and records shall be maintained in accordance with generally accepted accounting principles, shall be complete and detailed, and shall be readily accessible. City shall have full and free access to such books and records at all times during normal business hours of City, including the right to inspect, copy, audit and make records and transcripts. Such books and records shall be maintained for a period of three (3) years following completion of the services hereunder. City shall have access to such books and records in the event any audit is required. Consultant shall fully cooperate with City in providing access to any and all Consultant records and documents if a public records request is made and disclosure is required by law including but not limited to the California Public Records Act.
- 6.2 Ownership of Documents.** All drawings, specifications, maps, designs, photographs, studies, surveys, data, notes, computer files, reports, records, documents and other materials (“**documents and materials**”) prepared by Consultant, its officers, employees, agents and subcontractors in the performance of this Agreement shall be the property of City and shall be delivered to City upon request of City and/or upon the termination of this Agreement, and Consultant shall have no claim for further employment or additional compensation as a result of the exercise by City of its full rights of ownership, use, reuse, or assignment of the documents and materials hereunder. Consultant may retain copies of such documents and materials for its own use. Consultant shall have the right to use the concepts embodied therein. All subcontractors shall provide for assignment to City of any documents and materials prepared by them, and in the event Consultant fails to secure such assignment, Consultant shall indemnify City for all damages resulting therefrom. Moreover, with respect to any Consultant documents and materials that may qualify as “works made for hire” as defined in 17 U.S.C. § 101, such documents and materials are hereby deemed “works made for hire” for City.
- 6.3 Confidentiality and Release of Information.** All information gained or work product produced by Consultant in its performance of this Agreement shall be considered confidential, unless such information is in the public domain or already known to Consultant. Consultant shall not release or disclose any such information or work product to persons or entities other than City without prior written authorization from City. Consultant, its officers, employees, agents or subcontractors, shall not, without prior written authorization from City or unless requested by the City Attorney, voluntarily provide documents, declarations, letters of support, testimony at depositions, response to interrogatories or other

information concerning the work performed under this Agreement. Response to a subpoena or court order shall not be considered “voluntary” provided Consultant immediately gives City notice of such court order or subpoena. If Consultant, or any officer, employee, agent or subcontractor of Consultant, provides any information or work product in violation of this Agreement, then City shall have the right to reimbursement and indemnity from Consultant for any damages, costs and fees, including attorney’s fees, caused by or incurred as a result of Consultant’s conduct. As concerning, regarding or related to, in any way, this Agreement and the work performed thereunder: a) Consultant shall immediately notify City should Consultant, its officers, employees, agents or subcontractors be served with any summons, complaint, subpoena, notice of deposition, request for documents, interrogatories, request for admissions or other discovery request, court order or subpoena from any party; b) City retains the right, but has no obligation, to represent Consultant or be present at any deposition, hearing or similar proceeding; and, c) Consultant agrees to cooperate fully with City and to provide City with the opportunity to review any response to discovery requests provided by Consultant, however, this right to review any such response does not imply or mean the right by City to control, direct, or rewrite said response.

ARTICLE 7. ENFORCEMENT OF AGREEMENT AND TERMINATION

- 7.1 California Law.** This Agreement shall be interpreted, construed and governed both as to validity and to performance of the Parties in accordance with the laws of the State of California. Legal actions concerning any dispute, claim or matter arising out of or in relation to this Agreement shall be instituted in the Superior Court of the County of Riverside, State of California, or any other appropriate court in such county, and Consultant agrees to submit to the personal jurisdiction of such court in the event of such action. In the event of litigation in a U.S. District Court, venue shall lie exclusively in the Central District of California, in the County of Riverside, State of California.
- 7.2 Suspension, or Termination, Prior to Expiration of Term.** This Section shall govern any termination of this Agreement except as specifically provided in Section 7.4 for termination for cause. City reserves the right to terminate or suspend this Agreement, or any portion hereof, at any time, for any reason, with or without cause, upon ten (10) days’ notice to Consultant, except that where termination or suspension is due to the fault of Consultant, the period of notice may be such shorter time as determined by City. Upon receipt of any notice of termination or suspension, Consultant shall immediately cease all services hereunder, unless the notice provides otherwise, or except such as specifically approved by City. Upon submittal of an invoice consistent with Section 2.2, Consultant shall be entitled to compensation for all services rendered prior to the effective date of the notice of termination or suspension and for any services authorized by City thereafter in accordance with the Schedule of Compensation, or such as may be approved by City, except as provided in Section 7.5. In event of termination, or suspension,

without cause pursuant to this Section, there is no need to provide opportunity to cure pursuant to Section 7.3.

- 7.3 Default of Consultant and Opportunity to Cure.** In the event that Consultant is in default under the terms of this Agreement, City shall not have any obligation or duty to continue compensating Consultant for any work performed after the date of default. Instead, City may give notice to Consultant of the default and the reasons for the default. The notice shall include the timeframe in which Consultant may cure the default. This timeframe is presumptively ten (10) days, but may be extended, or reduced, if circumstances warrant, as determined by City. During the period of time that Consultant is in default, City shall hold all invoices and shall, when the default is cured, proceed with payment on the invoices, without liability for interest. In the alternative, City may, in its sole discretion, elect to pay some or all of the outstanding invoices during the period of default. If Consultant does not cure the default by conclusion of noticed timeframe, City may immediately both terminate this Agreement with notice to Consultant as well as pursue the remedy in Section 7.4, without prejudice to any other remedy to which City may be entitled at law, in equity or under this Agreement. Any failure on the part of City to give notice of Consultant's default shall not be deemed to result in a waiver of City's legal rights or any rights arising out of any provision of this Agreement.
- 7.4 Termination for Default of Consultant.** If termination is due to the failure of Consultant to fulfill its obligations under this Agreement, City may, after compliance with the provisions of Section 7.3, take over the work and prosecute the same to completion by contract or otherwise, and Consultant shall be liable to the extent that the total cost for completion of the services required hereunder exceeds the compensation herein stipulated (provided that City shall use reasonable efforts to mitigate such damages), and City may withhold any payments to Consultant for the purpose of set-off or partial payment of the amounts owed City therefor.
- 7.5 Retention of Funds.** Consultant hereby authorizes City to deduct from any amount payable to Consultant (whether or not arising out of this Agreement) (i) any amounts the payment of which may be in dispute hereunder or which are necessary to compensate City for any losses, costs, liabilities, or damages suffered by City, and (ii) all amounts for which City may be liable to third parties, by reason of Consultant's acts or omissions in performing or failing to perform Consultant's obligation under this Agreement. In the event that any claim is made by a third party, the amount or validity of which is disputed by Consultant, or any indebtedness shall exist which shall appear to be the basis for a claim of lien, City may withhold from any payment due, without liability for interest because of such withholding, an amount sufficient to cover such claim. The failure of City to exercise such right to deduct or to withhold shall not, however, affect the obligations of Consultant to insure, indemnify, and protect City as elsewhere provided herein.

- 7.6 Waiver.** Waiver by any Party to this Agreement of any term, condition, or covenant of this Agreement shall not constitute a waiver of any other term, condition, or covenant. Waiver by any Party of any breach of the provisions of this Agreement shall not constitute a waiver of any other provision or a waiver of any subsequent breach or violation of any provision of this Agreement. Acceptance by City of any work or services by Consultant shall not constitute a waiver of any of the provisions of this Agreement. No delay or omission in the exercise of any right or remedy by a non-defaulting Party on any default shall impair such right or remedy or be construed as a waiver. Any waiver by either Party of any default must be in writing and shall not be a waiver of any other default concerning the same or any other provision of this Agreement. Consultant acknowledges and agrees that any actual or alleged failure on the part of City to inform Consultant of non-compliance with any requirement of this Agreement imposes no additional obligations on City nor does it waive any rights hereunder. Payment to Consultant for work performed pursuant to this Agreement shall not be deemed to waive any defects in work performed by Consultant.
- 7.7 Rights and Remedies are Cumulative.** Except with respect to rights and remedies expressly declared to be exclusive in this Agreement, the rights and remedies of the Parties are cumulative and the exercise by either Party of one or more of such rights or remedies shall not preclude the exercise by it, at the same or different times, of any other rights or remedies for the same default or any other default by the other Party.
- 7.8 Legal Action.** In addition to any other rights or remedies, either Party may take legal action, in law or in equity, to cure, correct or remedy any default, to recover damages for any default, to compel specific performance of this Agreement, to obtain declaratory or injunctive relief, or to obtain any other remedy consistent with the purposes of this Agreement. Notwithstanding any contrary provision herein, Consultant shall file a statutory claim pursuant to Government Code sections 905 *et seq.* and 910 *et seq.*, in order to pursue a legal action under this Agreement.
- 7.9 Attorneys' Fees.** If either Party to this Agreement is required to initiate or defend or made a party to any action or proceeding in any way connected with this Agreement, the prevailing party in such action or proceeding, in addition to any other relief which may be granted, whether legal or equitable, shall be entitled to reasonable attorneys' fees. Attorneys' fees shall include attorneys' fees on any appeal, and a Party entitled to attorneys' fees shall be entitled to all other reasonable costs for investigating such action, consultants' fees, taking depositions and discovery and all other necessary costs the court allows which are incurred in such

litigation. Such fees and costs shall be enforceable whether or not such action is prosecuted to judgment.

ARTICLE 8. INDIVIDUAL LIABILITY, CONFLICTS AND NON-DISCRIMINATION

- 8.1 Non-liability of City Officers and Employees.** No officer or employee of City shall be personally liable to Consultant, or any successor in interest, in the event of any default or breach by City or for any amount which may become due to Consultant or to its successor, or for breach of any obligation of the terms of this Agreement.
- 8.2 Conflict of Interest.** Consultant covenants that neither it, nor any officer or principal of its firm, has or shall acquire any interest, directly or indirectly, which would conflict in any manner with the interests of City or which would in any way hinder Consultant's performance of services under this Agreement. Consultant further covenants that in the performance of this Agreement, no person having any such interest shall be employed by it as an officer, employee, agent or subcontractor without the express written consent of City. Consultant agrees to at all times avoid conflicts of interest or the appearance of any conflicts of interest with the interests of City in the performance of this Agreement. City, in its sole discretion, shall determine the existence of a conflict of interest and may terminate this Agreement in the event such a conflict of interest exists upon sending Consultant written notice describing the conflict. No officer or employee of City shall have any financial interest, direct or indirect, in this Agreement nor shall any such officer or employee participate in any decision relating to this Agreement which affects their financial interest or the financial interest of any corporation, partnership or association in which they are, directly or indirectly, interested, in violation of any State statute or regulation. Consultant warrants that it has not paid or given and will not pay or give any third party any money or other consideration for obtaining this Agreement.
- 8.3 Covenant Against Discrimination.** Consultant covenants that, by and for itself, its heirs, executors, assigns, and all persons claiming under or through them, that there shall be no discrimination against or segregation of, any person or group of persons on account of race, color, creed, religion, sex, gender, sexual orientation, marital status, national origin, ancestry or other protected class in the performance of this Agreement. Consultant shall take affirmative action to insure that applicants are employed and that employees are treated during employment without regard to their race, color, creed, religion, sex, gender, sexual orientation, marital status, national origin, ancestry or other protected class.

ARTICLE 9. MISCELLANEOUS PROVISIONS

- 9.1 Notices.** Any notice or other communication either Party desires or is required to give to the other Party or any other person in regards to this Agreement must be in writing and may be given either by (i) personal service, (ii) delivery by a reputable document delivery service, such as but not limited to, Federal Express, which provides a receipt showing date and time of delivery, or (iii) mailing in the United States Mail, certified mail, postage prepaid, return receipt requested, in the case of

City addressed to City Clerk at City of Murrieta, 1 Town Square, Murrieta California 92562, and in the case of Consultant, to the person(s) at the address designated on the cover page of this Agreement. Either Party may change its address by notifying the other Party of the change of address in writing. Notice shall be deemed communicated at the time personally delivered or in seventy-two (72) hours from the time of mailing if mailed as provided in this Section.

- 9.2 Interpretation.** The terms of this Agreement shall be construed in accordance with the meaning of the language used and shall not be construed for or against either Party by reason of the authorship of this Agreement, headings used, or any other rule of construction which might otherwise apply.
- 9.3 Counterparts.** This Agreement may be executed in counterparts, each of which shall be deemed an original, and such counterparts shall constitute one and the same instrument.
- 9.4 Integration; Amendment.** This Agreement including the attachments hereto is the entire, complete and exclusive expression of the understanding of the Parties as to the Agreement. It is understood that there are no oral agreements between the Parties hereto affecting this Agreement, and this Agreement supersedes and cancels any and all prior and contemporaneous negotiations, arrangements, agreements and understandings, if any, between the Parties, concerning this Agreement, and none shall be used to interpret this Agreement. No amendment to or modification of this Agreement shall be valid unless made in writing and approved by Consultant and by City.
- 9.5 Severability.** Should a portion of this Agreement be declared invalid or unenforceable by a judgment or decree of a court of competent jurisdiction, such invalidity or unenforceability shall not affect any of the remaining portions of this Agreement which are hereby declared as severable and shall be interpreted to carry out the intent of the Parties unless the invalid provision is so material that its invalidity deprives either Party of the basic benefit of their bargain or renders this Agreement meaningless.
- 9.6 No Undue Influence.** Consultant declares and warrants that no undue influence or pressure was used against or in concert with any officer or employee of City in connection with the award, terms or implementation of this Agreement, including any method of coercion, confidential financial arrangement, or financial inducement. No officer or employee of City has or will receive compensation, directly or indirectly, from Consultant, or from any officer, employee or agent of Consultant, in connection with the award of this Agreement or any work to be conducted as a result of this Agreement. Violation of this Section shall be a material breach of this Agreement entitling City to remedies in Section 7.4 and any and all remedies at law or equity.
- 9.7 Corporate Authority.** The persons executing this Agreement on behalf of the Parties hereto warrant that (i) such Party is duly organized and existing, (ii) they are duly authorized to execute and deliver this Agreement on behalf of said Party,

(iii) by so executing this Agreement, such Party is formally bound to the provisions of this Agreement, and (iv) entering into this Agreement does not violate any provision of any other agreement to which said Party is bound. This Agreement shall be binding upon the heirs, executors, administrators, successors and assigns of the Parties.

9.8 Federal Funding. If federal funding is being utilized to fund any part of the Project, as indicated on the Cover Page of this Agreement, the terms of **Exhibit F** are hereby incorporated herein by this reference. If no federal funding is being utilized, Exhibit F may be omitted.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement on the date and year first-above written.

CITY:

CITY OF MURRIETA, a California municipal corporation

By: _____

Justin Clifton, City Manager

Effective Date:

ATTEST:

Cristal McDonald, City Clerk
Date:

APPROVED AS TO FORM:
ALESHIRE & WYNDER, LLP

Tiffany Israel, City Attorney
Date:

CONSULTANT:

Two corporate officer signatures required when Consultant is a corporation, with one signature required from each of the following groups: 1) Chairperson of the Board, President or any Vice President; and 2) Secretary, any Assistant Secretary, Chief Financial Officer or any Assistant Treasurer. (Cal. Corp. Code § 313.) Appropriate attestations shall be included as may be required by the bylaws, articles of incorporation or other rules or regulations applicable to Consultant's business City.

By: _____

Name:

Title:

Date:

By: _____

Name:

Title:

Date:

EXHIBIT "A"

SCOPE OF SERVICES

I. Consultant will perform the following Services:

COMMUNITY FACILITIES DISTRICT FORMATION SERVICES

Kickoff Meeting and Gathering Information: SCG will participate in regular meetings relating to the financing of the project. We will work to establish lines of communication and gain understanding of the specific goals, components and criteria to meet the City and the project's needs. SCG will meet with the City's Staff, legal counsel, team of consultants and project proponents to confirm the CFD's schedule of events, procedural and financial considerations, establish the appropriate land use classifications and discuss and identify the boundaries of the proposed CFD.

Data Collection: SCG will obtain the latest assessor's parcel maps and equalized tax roll information from the Riverside County Assessor's Office for the parcels within the proposed District, and Geographic Information System (GIS) shape files for creating the database and for mapping the proposed boundaries of the CFD.

Tax Spread: SCG will recommend a special tax structure by establishing a Special Tax formula for the necessary revenues to cover the approved public facilities improvement costs including administrative costs. Based on the proposed structure of the Special Tax formula, SCG will determine the appropriate methodology for allocating the costs to the various land use classifications and maintain consistency with the previously approved methodology of the City's Goals and Policy for public financing.

Rate and Method of Apportionment: SCG will prepare a proposed Rate and Method of Apportionment (RMA) that takes into consideration the various land use classifications, tax zones and improvement areas, and provides the necessary flexibility for a variety of developments to be included in the CFD. The RMA will take into consideration: clarity of language in the definition of terms, ability of the property to be assigned to different tax classifications, and presence of a mechanism to levy taxes in the event of a change in projects and usage.

Public Report Preparation: SCG will prepare the CFD public report, including a description of the facilities to be included and projected annual special tax and present it to the City Council at the Public Hearing.

Boundary Map: SCG will prepare the Boundary Map illustrating the boundaries of territory proposed for inclusion in the district capturing the entirety of any parcel subject to taxation by the proposed district. The map shall meet the requirements of the Mello-Roos Act and the Riverside County Recorder's Office. Additionally, SCG will record the map with the Recorder's Office on

behalf of the City.

Document Review and Preparation: SCG will review and prepare the required documents for the formation of the CFD. SCG will also assist the formation team in reviewing staff reports, resolutions, election materials and bond / legal documents for the formation of the CFD. SCG will assist in document preparation related to the CFD formation, presentation to the City Council, rating agencies, investors, and other stake holders as appropriate.

Notice of Special Tax Lien: SCG will prepare and provide a list of Assessor's Parcels for the Notice of Special Tax Lien and records the notices.

Landowner Election: SCG will prepare a list of the owner names and acreages and obtain a certificate from the Registrar of Voters whether confirming there are, or are not, registered voters within the boundaries of the CFD.

Consulting Services: SCG will provide consulting services and advice to the City as necessary, including due diligence to ensure accuracy in the process and clear written documentation in our approach when structuring the Rate and Method of Apportionment and the Special Tax roll. SCG will assist with other duties as assigned by the City and /or its financial advisor.

Meetings: SCG will attend two (2) informal meetings or hearings held for the purpose of disseminating information to the public, including attending property owner meetings requested for property owner associations (POA) that may request to annex into the CFD. Prior to such meetings or hearings, SCG will be prepared to make a complete and factual presentation. We will also attend two (2) public meetings, as required by the appropriate improvement act(s), fully prepared to present necessary testimony and respond to public comments.

Landowner Election: SCG will prepare a list of the owner names and acreages and obtain a certificate from the Registrar of Voters whether confirming there are, or are not, registered voters within the boundaries of the annexation.

Notice of Special Tax Lien: SCG will provide a list of Assessor's Parcel for the Notice of Special Tax Lien and record the notices.

COMMUNITY FACILITIES DISTRICT BOND SALE SERVICES

Kickoff Meeting and Gathering Information: The purpose of this task is to establish lines of communication and gain understanding of the specific goals, components and criteria to meet the City's needs. SCG will meet with City Staff, legal counsel, team of consultants and project proponents to confirm the CFD's schedule of events, procedural and financial considerations, establish the appropriate land use classifications and discuss and identify the boundaries of the proposed CFD.

Data Collection: SCG will obtain the latest assessor's parcel maps and equalized tax roll

information from the Riverside County Assessor's Office for the parcels within the proposed District, and Geographic Information System (GIS) shape files for our in-house GIS platform.

Bond Documents Table Preparation and Review: SCG will prepare and provide final calculation to the finance team for inclusion in the Preliminary Official Statement (POS) and Official Statement (OS) to include: i) Assessed Values; ii) Assigned Special Taxes; iii) Delinquency; iv) Overlapping debt table; v) Sample tax bill; vi) Value-to-Lien ratios; vii) Top ten property owners; and viii) Aggregate tables. SCG will review the POS, OS and other legal documents as they relate to any items included in the CFD Public Report, the boundary map and any tables SCG provides.

Vicinity Maps: SCG will prepare location and area maps for inclusion in the POS and OS.

Special Tax Certificate: SCG will prepare and sign the Special Tax Consultant Certificate that certifies that the maximum special tax rates are sufficient to meet debt service requirements and coverage ratios for bonds to be issued.

COMMUNITY FACILITIES DISTRICT NO. 2025-S (SAFETY SERVICES) ANNEXATION SERVICES

Gathering Information: SCG will meet with the City's Staff, legal counsel, team of consultants and project proponents to confirm the annexation schedule of events, procedural and financial considerations, establish the appropriate land use classifications, and discuss and identify the boundaries of the proposed annexation.

Data Collection: SCG will obtain the latest assessor's parcel maps and equalized tax roll information from the Riverside County Assessor's Office for the parcels within the proposed Districts, and Geographic Information System (GIS) shape files or the annexation.

Services Data: SCG will coordinate with the City in determining what the necessary levels of services that would be required for proper allocation per the Rate and Method of Apportionment for the annexation.

Public Safety Tax Rates: SCG will establish a Special Tax Rates for each annexation determining the necessary revenues to cover operations costs including administrative costs. Based on the structure of the Special Tax formula, SCG will determine the appropriate methodology for allocating the costs to the various land use classifications consistent with the previously approved methodology of the City's safety programs.

Annexation Boundary Map: SCG will prepare the Annexation Boundary Map, illustrating the boundaries of territory proposed for inclusion in the district, capturing the entirety of any parcel subject to taxation by the district. The map shall meet the requirements of the Mello-Roos Act and the Riverside County Recorder's Office. Additionally, SCG will record the map with the Recorder's Office.

Consulting Services: SCG will provide consulting services and advice to the City as necessary. This includes due diligence to ensure accuracy in the process, and provide clear written documentation in our approach to structuring the Rate and Method of Apportionment and the Special Tax roll. To assure and maintain quality assurance, SCG has instituted an internal auditing and review policy that requires a minimum of two individuals with the appropriate expertise to review and audit any information prior to dissemination of that information to the client.

Meetings: SCG will attend two (2) informal meetings or hearings held for the purpose of disseminating information to the public, including attending property owner meetings requested for property owner associations (POA) that may request to annex into the CFD. Prior to such meetings or hearings, SCG will be prepared to make a complete and factual presentation. We will also attend two (2) public meetings, as required by the appropriate improvement act(s), fully prepared to present necessary testimony and respond to public comments.

Landowner Election: SCG will prepare a list of the owner names and acreages and obtain a certificate from the Registrar of Voters whether confirming there are, or are not, registered voters within the boundaries of the annexation.

Notice of Special Tax Lien: SCG will provide a list of Assessor's Parcel for the Notice of Special Tax Lien and record the notices.

COMMUNITY FACILITIES DISTRICT NO. 2025-2 (MAINTENANCE SERVICES) ANNEXATION SERVICES

Data Collection: SCG will obtain the latest assessor's parcel maps and equalized tax roll information from the Riverside County Assessor's Office for the parcels within the proposed Districts, and Geographic Information System (GIS) shape files or the annexation.

Maintenance Data: SCG will coordinate with the City in determining what the necessary levels of services that would be required for proper allocation per the Rate and Method of Apportionment for the annexation.

Maintenance Tax Rates: SCG will establish a Special Tax Rates for each annexation determining the necessary revenues to cover operations and maintenance costs including administrative costs. Based on the structure of the Special Tax formula, SCG will determine the appropriate methodology for allocating the costs to the various land use classifications consistent with the previously approved methodology of the City's landscape, lighting, street, parks, and drainage maintenance programs.

Annexation Boundary Map: SCG will prepare the Annexation Boundary Map, illustrating the boundaries of territory proposed for inclusion in the district, capturing the entirety of any parcel subject to taxation by the district. The map shall meet the requirements of the Mello-Roos Act and the Riverside County Recorder's Office. Additionally, SCG will record the map with the Recorder's Office.

Consulting Services: SCG will provide consulting services and advice to the City as necessary. This includes due diligence to ensure accuracy in the process, and provide clear written documentation in our approach to structuring the Rate and Method of Apportionment and the Special Tax roll. To assure and maintain quality assurance, SCG has instituted an internal auditing and review policy that requires a minimum of two individuals with the appropriate expertise to review and audit any information prior to dissemination of that information to the client.

Meetings: SCG will attend two (2) informal meetings or hearings held for the purpose of disseminating information to the public, including attending property owner meetings requested for property owner associations (POA) that may request to annex into the CFD. Prior to such meetings or hearings, SCG will be prepared to make a complete and factual presentation. We will also attend two (2) public meetings, as required by the appropriate improvement act(s), fully prepared to present necessary testimony and respond to public comments.

Landowner Election: SCG will prepare a list of the owner names and acreages and obtain a certificate from the Registrar of Voters whether confirming there are, or are not, registered voters within the boundaries of the annexation.

Notice of Special Tax Lien: SCG will provide a list of Assessor's Parcel for the Notice of Special Tax Lien and record the notices.

COMMUNITY FACILITIES DISTRICT NO. 2025-S (SAFETY SERVICES) ADMINISTRATION

Land Use Research: SCG will use all resources available including tract maps, parcel maps and regular parcel data updates from the Assessor's Offices. We are confident we are able to quickly identify residential and commercial/industrial developments, conduct Assessor's parcel research, and provide accurate database management.

Subdivision Research: SCG will identify and obtain copies of all final tract or parcel maps recorded within the boundaries of the CFD. SCG will verify this information with the additional resources available.

Development Research: SCG will conduct development research to identify building permit issuance, building square footage and sites address for the new properties. Upon determination of this information, SCG will be able to provide the City with related GIS Data to be used for its own GIS database and that of the City, as appropriate.

Assessor's Parcel Research: SCG will review any current Assessor's Parcel Maps for updating the APN's within the CFD Boundary.

Levy Audit Maps: SCG will generate annual Audit Maps and provides them to the City depicting the current year's levied properties within the boundaries of the CFD through the implementation

of our GIS platform. This will help us insure accuracy in identifying any parcel changes.

Database Management: SCG will maintain a comprehensive database of the CFD and parcel information in a form such that the annual levy submission to Riverside County will follow the guidelines as outlined in the County's fixed charge submission packet. SCG will maintain all data related to individual parcels including special tax information, a regularly updated delinquency history (delinquent amounts for each parcel including penalties and interest, reference to those referred to foreclosure action, and paid prior year delinquency information), current property ownership information, assessed valuation information, and much more.

Classification of Property: SCG will determine the appropriate property classification in accordance to the rate and method of apportionment. SCG will review the land use code information from the latest equalized roll for Riverside County and update our database for the special tax calculations annually.

Exempt Property: SCG will identify all property owned by public agencies or entities exempt from the special tax and classify them in accordance to the rate and method of apportionment. SCG will communicate these classifications to the City and report them on our annual levy detail reports. We will confirm the location of these properties using our GIS database and illustrate them on our annual audit map.

Taxable Property: SCG will identify all taxable properties and classify them in accordance with the rate and method of apportionment. SCG will communicate with the City these classifications and report them on our annual levy detail reports. We will confirm the location of these properties using our GIS database and illustrate them on our annual audit map.

Budget Preparation: SCG will apply the rate and method of apportionment and calculate the annual special taxes to be levied for the current Fiscal Year. SCG will report this information to the City to assist in the budget review process. SCG will determine, with the City's approval, the amount needed to meet the anticipated maintenance and administrative expenses for each Tax Zone for the current Fiscal Year. The CFD budgets will include accurate cost-recovery accounting including; a) ensuring the appropriate maintenance contract costs, b) any administrative expenses, c) material costs, d) capital costs, e) reserves and replacement costs, and f) other incidental costs are incorporated into the CFD budget to achieve maximum cost-to-benefit equity. We will also determine whether adequate and appropriate fund balances are identified.

Special Tax Rates: SCG will calculate the special tax rates for each Tax Zone and report this information to the City prior to submittal to the Riverside County Auditor's-Controller's Office.

Report Preparation: Once finalized, SCG will provide the City with a hard copy and an electronic copy of the Annual Levy Report containing the information used to calculate the annual installment amount for each parcel, as well as a summary of the total annual levy for the CFD.

Enrollment of Special Taxes: In consultation with the City, SCG will determine the Levy

requirement for the current Fiscal Year on or before August 10. SCG will calculate and prepare the annual levy for the CFD in a format and media acceptable for direct submission to the Auditor-Controller's Office prior to the statutory deadline, and shall perform adjustments and corrections to the levies on the property tax rolls as necessary.

Roll Changes and Adjusted Property Tax Bills: Upon determination that changes to the secured tax roll necessitates corrections/revisions after the deadline, SCG will research, recalculate, and with the City's approval, rectifies the issue.

Responses to Property Owner Questions: SCG will serve as the initial and primary contact to the CFD property owners, title companies and other interested parties regarding the CFD proceedings and annual installments.

Toll Free Number: SCG will provide a toll free phone number for the City to refer property owners, title companies and other interested parties to in regard to CFD proceedings and annual installments.

Disclosure: SCG will prepare for the City approval any State and/or Federal Disclosure reporting requirements, including AB 2109 and AB 1666, pertaining to the CFD as applicable.

Electronic Format: SCG will provide an electronic copy of each report, as well as a hard copy of each report, to the City for internal use.

COMMUNITY FACILITIES DISTRICT NO. 2025-2 (MAINTENANCE SERVICES) ZONE 1 - ADMINISTRATION

Land Use Research: SCG will use all resources available including tract maps, parcel maps and regular parcel data updates from the Assessor's Offices. We are confident we are able to quickly identify residential and commercial/industrial developments, conduct Assessor's parcel research, and provide accurate database management.

Subdivision Research: SCG will identify and obtain copies of all final tract or parcel maps recorded within the boundaries of the CFD. SCG will verify this information with the additional resources available.

Development Research: SCG will conduct development research to identify building permit issuance, building square footage and sites address for the new properties. Upon determination of this information, SCG will be able to provide the City with related GIS Data to be used for its own GIS database and that of the City, as appropriate.

Assessor's Parcel Research: SCG will review any current Assessor's Parcel Maps for updating the APN's within the CFD Boundary.

Levy Audit Maps: SCG will generate annual Audit Maps and provides them to the City depicting

the current year's levied properties within the boundaries of the CFD through the implementation of our GIS platform. This will help us insure accuracy in identifying any parcel changes.

Database Management: SCG will maintain a comprehensive database of the CFD and parcel information in a form such that the annual levy submission to Riverside County will follow the guidelines as outlined in the County's fixed charge submission packet. SCG will maintain all data related to individual parcels including special tax information, a regularly updated delinquency history (delinquent amounts for each parcel including penalties and interest, reference to those referred to foreclosure action, and paid prior year delinquency information), current property ownership information, assessed valuation information, and much more.

Classification of Property: SCG will determine the appropriate property classification in accordance to the rate and method of apportionment. SCG will review the land use code information from the latest equalized roll for Riverside County and update our database for the special tax calculations annually.

Exempt Property: SCG will identify all property owned by public agencies or entities exempt from the special tax and classify them in accordance to the rate and method of apportionment. SCG will communicate these classifications to the City and report them on our annual levy detail reports. We will confirm the location of these properties using our GIS database and illustrate them on our annual audit map.

Taxable Property: SCG will identify all taxable properties and classify them in accordance with the rate and method of apportionment. SCG will communicate with the City these classifications and report them on our annual levy detail reports. We will confirm the location of these properties using our GIS database and illustrate them on our annual audit map.

Budget Preparation: SCG will apply the rate and method of apportionment and calculate the annual special taxes to be levied for the current Fiscal Year. SCG will report this information to the City to assist in the budget review process. SCG will determine, with the City's approval, the amount needed to meet the anticipated maintenance and administrative expenses for each Tax Zone for the current Fiscal Year. The CFD budgets will include accurate cost-recovery accounting including; a) ensuring the appropriate maintenance contract costs, b) any administrative expenses, c) material costs, d) capital costs, e) reserves and replacement costs, and f) other incidental costs are incorporated into the CFD budget to achieve maximum cost-to-benefit equity. We will also determine whether adequate and appropriate fund balances are identified.

Special Tax Rates: SCG will calculate the special tax rates for each Tax Zone and report this information to the City prior to submittal to the Riverside County Auditor's-Controller's Office.

Report Preparation: Once finalized, SCG will provide the City with a hard copy and an electronic copy of the Annual Levy Report containing the information used to calculate the annual installment amount for each parcel, as well as a summary of the total annual levy for the CFD.

Enrollment of Special Taxes: In consultation with the City, SCG will determine the Levy requirement for the current Fiscal Year on or before August 10. SCG will calculate and prepare the annual levy for the CFD in a format and media acceptable for direct submission to the Auditor-Controller's Office prior to the statutory deadline, and shall perform adjustments and corrections to the levies on the property tax rolls as necessary.

Roll Changes and Adjusted Property Tax Bills: Upon determination that changes to the secured tax roll necessitates corrections/revisions after the deadline, SCG will research, recalculate, and with the City's approval, rectifies the issue.

Responses to Property Owner Questions: SCG will serve as the initial and primary contact to the CFD property owners, title companies and other interested parties regarding the CFD proceedings and annual installments.

Toll Free Number: SCG will provide a toll free phone number for the City to refer property owners, title companies and other interested parties to in regard to CFD proceedings and annual installments.

Disclosure: SCG will prepare for the City approval any State and/or Federal Disclosure reporting requirements, including AB 2109 and AB 1666, pertaining to the CFD as applicable.

Electronic Format: SCG will provide an electronic copy of each report, as well as a hard copy of each report, to the City for internal use.

COMMUNITY FACILITIES DISTRICT NO. 2025-4 (RUSTIC MEADOWS) ADMINISTRATION

Debt Service Component: SCG will coordinate with the City's fiscal agent to review debt service schedules and determine the amount needed to pay principal and interest on the outstanding bonds. We independently maintain a debt service schedule for the District as quality assurance and verify the appropriate debt service amounts are identified.

Calculation of Special Taxes: SCG will annually calculate and apportion the special taxes for the District in accordance with the Rate and Method of Apportionment (RMA) of the Special Tax. The annual calculation will consist of assigning the special tax classes to each parcel within the District per the RMA and determine the special tax amount that will satisfy the special tax requirement.

Annual Levy Preparation and Submittal: SCG will determine the Annual Levy requirement for the current Fiscal Year on or before August 10. SCG will calculate and prepare the annual levy for the District in a format and media acceptable for direct submission to the Riverside County Auditor-Controller's Office, including the enabling resolution, prior to the statutory deadline and shall perform adjustments and corrections to the levies on the property tax rolls as necessary.

Staffing and Contact Information: SCG will provide a toll-free telephone number, of SCG designation, for inclusion on the regular property tax billing next to the specific line item to facilitate contact with the public, and provide payoff calculations, if requested. City Staff may also refer property owners, title companies and other interested parties to that toll-free number in regards to the special tax proceedings and annual installments.

Annual Levy Report: SCG will prepare any necessary documentation required for assessments of the special tax to be submitted to the County for enrollment. SCG will also provide the City with a Levy Report for the tax enrollments for the District. These reports will provide the City a full listing of the parcels levied for the District including information relevant to the calculation of the assessment for the City's approval.

Disclosure for Prospective Property Purchases: SCG will assist City staff with providing the proper disclosure of Assessment information for prospective property purchases as required by Sections 53340.2 (b) and 53341.5 of the State of California Government Code.

Annual Continuing Disclosure: SCG will prepare Annual Continuing Disclosure Reports that meet the guidelines of the Continuing Disclosure requirements for the District as stated by the continuing disclosure certificate under SEC Rule 10b-5 and 15c2-12. SCG will provide this report to the City for review and approval. Upon approval SCG will disseminate the reports with the Municipal Securities Rule Making Board (MSRB) using Electronic Municipal Market Access (EMMA) and to any other party directed by the applicable continuing disclosure agreement.

Bond Call: SCG will perform an analysis to determine the par amount of the bonds to be called, to calculate any applicable premium, and to determine which maturities to call from and prepare a revised debt service schedule. SCG will coordinate the bond call with the Fiscal Agent/Trustee to ensure that bonds are called per the redemption provisions of the bond issue.

Release of Lien: SCG will prepare the Release of Lien, required by Revenue and Taxation Code 163, upon confirmation a prepayment has been made by the property owner. SCG will record the release within five (5) days of receiving the signed release and provide a copy to the City.

Delinquency Monitoring: SCG will provide delinquency management services to the City regarding the District. SCG will monitor delinquencies as required for the Annual Continuing Disclosure agreement and provide delinquency reporting, prepare notifications to property owners, coordinate with the City and Foreclosure Counsel, assist in the collection process, and help monitor any payment plans.

Foreclosure Coordination (Bonded Districts Only): SCG will assist in preparing documents submitted by the City requesting authorization of foreclosure action. This includes preparation and recordation of the Notice of Intent to Commence Foreclosure, preparation of Exhibits for the Resolution commencing foreclosure, and coordination of the removal of the assessments approved for foreclosure from the tax roll. SCG will provide delinquent amounts (including penalty and interest at the time the foreclosure is transferred) to City staff.

Bond Rating Agencies: SCG will assist City staff in providing information to bond rating agencies when needed.

Current and Future CFD Laws: SCG is well versed in all case laws approved affecting assessment and special tax districts. We continue to attend educational seminars and conferences and discuss these issues with other industry professionals on an annual basis. SCG will provide City Staff with periodic updates as new case law is approved and keep the City in compliance with all statutory and regulatory laws related to the City's special finance district.

Notice of Special Tax: SCG will provide and record a Notice of Special Tax Disclosure as required by California Government Code Sections 53340.2(b) and 53341.5.

SB 165 Reporting: SCG will provide all materials to assist the City in preparing reports for the legislation that was approved in 2001 requiring additional reporting requirements outlined in Section 53411 of the Government Code (a) and (b).

AB 2109: SCG will prepare all reports for the City's approval of any State and/or Federal reporting requirements including the Assembly Bill 2109, if applicable.

California Debt and Investment Advisory Commission (CDIAC): SCG will prepare all reports for the City's approval of any State and/or Federal reporting requirements pertaining to the District including the California Debt and Investment Advisory Commission (CDIAC), if applicable.

Annual Reporting AB 1666: SCG will provide an Annual Report (AB 1666) to the City which will include identification of the Community Facilities District (CFD) administrative cost items eligible for the recovery by the public agency, review of fund balances and any surplus/deficit funds, debt service requirements, delinquency reporting, and a cover letter providing any related recommendations or issues. The report will include a series of schedules, including a District summary that will be useful for City staff to reference.

Meetings: SCG will attend City Meetings, Public Hearings, and/or staff meetings annually as determined by the City for the annual enrollment. We will attend additional hearings and public meetings as required by the appropriate improvement act(s) fully prepared to present all necessary testimony and to respond to all public comments.

Data Collection: SCG has the latest assessor's parcel maps and equalized tax roll information from the Riverside County Assessor's Office, including Geographic Information System (GIS) shape files for the parcels within the District. The database will include final tract and/or parcel map recordation information, building permits, and the appropriate building and parcel information, as well as certificate of compliance information for properties within each District to be used for the calculation of the annual district assessments and made readily viewable using a KML file accessible and searchable, including APN and street address, using Google Earth.

Budget Review: SCG will review the District budget provided by the City and coordinate with City staff to assist with accurate cost-recovery accounting, incorporating the actual maintenance costs into the District budget to achieve maximum cost-to-benefit equity.

Annual Enrollment Correspondence: SCG will prepare all Proposition 218 compliance forms for each fund number utilized by the City for the Auditor-Controller's Office, as well as any summary statements and authorized signature forms. SCG will identify and discuss with City staff any legislation impacts and changes made to the documents.

Resubmittals and Adjusted Property Tax Bills: If any changes to the secured tax roll necessitate corrections/revisions after the deadline, SCG will research, recalculate and, with the City approval, rectify the issue. We will notify the City of the assessor's parcel numbers that were rejected by the County and therefore may not be assessed.

Handbills: SCG will prepare and mail hand bills for those parcels the County does not generate a tax bill. The hand bills would include the City letterhead, invoices with two (2) installments, and would be payable to the directly to the City.

Prepayment Calculation: SCG will calculate the special tax prepayment amount for a parcel(s) and provide any additional information as requested related thereto. The party requesting the calculation shall pay the fee of any prepayment calculation.

Indenture Compliance: SCG will periodically review and monitor the City's compliance with the Indenture of Trust or Fiscal Agent Agreement as it relates to the flow of the special taxes. This will be incorporated in the annual budget review process.

II. All work product is subject to review and acceptance by the City, and must be revised by the Consultant without additional charge to the City until found satisfactory and accepted by City.

III. Consultant will utilize the following personnel to accomplish the Services:

SCG will meet with the City's Staff, legal counsel, team of consultants and project proponents to confirm the CFD's schedule of events, procedural and financial considerations, establish the appropriate land use classifications and discuss and identify the boundaries of the proposed CFD.

EXHIBIT "B"

**SPECIAL REQUIREMENTS
(Superseding Contract Boilerplate)**

N/A

EXHIBIT "C"

SCHEDULE OF COMPENSATION

I. City will compensate Consultant for the Services performed upon submission of a valid invoice. Each invoice is to include

- A.** Line items for all personnel describing the work performed, the number of hours worked, and the hourly rate.
- B.** Line items for all materials and equipment properly charged to the Services.
- C.** Line items for all other approved reimbursable expenses claimed, with supporting documentation.
- D.** Line items for all approved subcontractor labor, supplies, equipment, materials, and travel properly charged to the Services.

II. The total compensation for all Services shall not exceed the Contract Sum as provided in the Cover Page of this Agreement.

III. Consultant's billing rates for any hourly Services are attached as Exhibit C-1. In connection with the services provided pursuant to the terms of this Agreement, City will pay Consultant upon City's receipt of a written invoice provided by Consultant no more than monthly. City will pay Consultant for work completed, billed in increments of six minutes (0.1 hours), not to exceed the Contract Sum. The City will reimburse the Consultant for reasonable out-of-pocket expenses related to performing services on behalf of the Client that are approved in advance in writing by the City such as mileage, copies, binding costs, postage, parking, travel, and lodging expenses as part of the not to exceed Contract Sum. To receive reimbursements, the Consultant must provide the City with a receipt and a description of the expense incurred along with the invoice. No mark up on expenses may be added.

EXHIBIT “C-1”

COMPENSATION

- I. SCG proposes a fixed fee schedule below for CFD Formation, Annexation, and Bond Sale Services performed according to the scope of services listed in Exhibit A.**

Services	Fee
A. CFD Formation Services	\$25,000
Plus: per Improvement Area	\$5,000
B. Bond Issuance Services	\$25,000
C. CFD 2025-S (Safety Services) Annexation Services	\$10,000
D. CFD 2025-2 (Maintenance Services) Annexation Services	\$12,500

Hourly Rates

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

- A. For the services performed related to the projects which are not listed herein, compensation shall be at the hourly rates set forth, together with reimbursement, at cost, for incidental expenses incurred in connection with such services, together with reimbursement for outside services at cost plus 15%.
- II. SCG proposes a fixed fee schedule below for the annual administration for CFD 2025-S (Safety Services), CFD 2025-2 (Maintenance Services), Annexation No. 1, and CFD 2025-4 (Rustic Meadows), mentioned in Exhibit A.**

Description	Rate
A. CFD 2025-S (Safety Services)	\$1,500
B. CFD 2025-2 (Maintenance Services) Zone 1	\$2,500
C. CFD 2025-4 (Rustic Meadows)	\$5,000
Total	\$9,000

Hourly Rates

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

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

EXHIBIT "D"

SCHEDULE OF PERFORMANCE

- I. Consultant shall perform Services as set forth in Exhibit A as requested by City staff.**

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- II. The Department Contact may approve extensions for performance of the Services in accordance with Section 3.2.**

EXHIBIT E

INSURANCE REQUIREMENTS

Consultant shall procure and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the Consultant, its agents, representatives, or employees.

MINIMUM SCOPE AND LIMIT OF INSURANCE

Coverage shall be at least as broad as:

1. Commercial General Liability (CGL): Insurance Services Office Form CG 00 01 covering CGL on an “occurrence” basis, including products and completed operations, property damage, bodily injury and personal & advertising injury with limits no less than **\$2,000,000 per occurrence**. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location (ISO CG 25 03 or 25 04) or the general aggregate limit shall be twice the required occurrence limit.

2. Automobile Liability: Insurance Services Office Form Number CA 0001 covering, Code 1 (any auto), or if Consultant has no owned autos, Code 8 (hired) and 9 (non-owned), with limit no less than **\$1,000,000 per accident for bodily injury and property damage**.

3. Workers’ Compensation insurance as required by the State of California, with Statutory Limits, and Employer’s Liability Insurance with limit of no less than **\$1,000,000 per accident for bodily injury or disease**. (Not required if consultant provides written verification it has no employees)

4. Professional Liability (Errors and Omissions) Insurance appropriate to the Consultant’s profession, with limit no less than **\$2,000,000 per occurrence or claim, \$2,000,000 aggregate**.

5. Cyber: Vendor/Consultant shall procure and maintain for the duration of the contract insurance against claims for security breaches, system failures, injuries to persons, damages to software, or damages to property (including computer equipment) which may arise from or in connection with the performance of the work hereunder by the Vendor, its agents, representatives, or employees. Vendor shall procure and maintain for the duration of the contract insurance claims arising out of their services and including, but not limited to loss, damage, theft or other misuse of data, infringement of intellectual property, invasion of privacy and breach of data.

Cyber Liability Insurance, with limits not less than **\$2,000,000 per occurrence or claim, \$2,000,000 aggregate**. Coverage shall be sufficiently broad to respond to the duties and obligations as is undertaken by Vendor in this agreement and shall include, but not be

limited to, claims involving security breach, system failure, data recovery, business interruption, cyber extortion, social engineering, infringement of intellectual property, including but not limited to infringement of copyright, trademark, trade dress, invasion of privacy violations, information theft, damage to or destruction of electronic information, release of private information, and alteration of electronic information. The policy shall provide coverage for breach response costs, regulatory fines and penalties as well as credit monitoring expenses.

6. Technology Professional Liability Errors & Omissions

(Only if vendor is providing a technology service (data storage, website designers, etc.,) or product (software providers)

Technology Professional Liability Errors and Omissions Insurance appropriate to the Consultant's profession and work hereunder, with limits not less than \$2,000,000 per occurrence. Coverage shall be sufficiently broad to respond to the duties and obligations as is undertaken by the Vendor in this agreement and shall include, but not be limited to, claims involving security breach, system failure, data recovery, business interruption, cyber extortion, social engineering, infringement of intellectual property, including but not limited to infringement of copyright, trademark, trade dress, invasion of privacy violations, information theft, damage to or destruction of electronic information, release of private information, and alteration of electronic information. The policy shall provide coverage for breach response costs, regulatory fines and penalties as well as credit monitoring expenses.

- a. The Policy shall include, or be endorsed to include, **property damage liability coverage** for damage to, alteration of, loss of, or destruction of electronic data and/or information "property" of the Agency in the care, custody, or control of the Vendor.

If the Consultant maintains broader coverage and/or higher limits than the minimums shown above, the City requires and shall be entitled to the broader coverage and/or the higher limits maintained by the consultant. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the City.

Other Insurance Provisions

The insurance policies are to contain, or be endorsed to contain, the following provisions:

Additional Insured Status

The City, its officers, officials, employees, and volunteers are to be covered as additional insureds on the CGL policy with respect to liability arising out of work or operations performed by or on behalf of the Consultant including materials, parts, or equipment furnished in connection with such work or operations. General liability coverage can be provided in the form of an endorsement to the Consultant's insurance (at least as broad as ISO Form CG 20 10 11 85 or if not available, through the addition of both CG 20 10, CG 20 26, CG 20 33, or CG 20 38; and CG 20 37 if a later edition is used).

Primary Coverage

For any claims related to this contract, the Consultant's **insurance coverage shall be primary and non-contributory** and at least as broad as ISO CG 20 01 04 13 as respects the City, its officers, officials, employees, and volunteers. Any insurance or self-insurance maintained by the City, its officers, officials, employees, or volunteers shall be excess of the Consultant's insurance

and shall not contribute with it. This requirement shall also apply to any Excess or Umbrella liability policies.

Umbrella or Excess Policy

The Consultant may use Umbrella or Excess Policies to provide the liability limits as required in this agreement. This form of insurance will be acceptable provided that all of the Primary and Umbrella or Excess Policies shall provide all of the insurance coverages herein required, including, but not limited to, primary and non-contributory, additional insured, Self-Insured Retentions (SIRs), indemnity, and defense requirements. The Umbrella or Excess policies shall be provided on a true “following form” or broader coverage basis, with coverage at least as broad as provided on the underlying Commercial General Liability insurance. No insurance policies maintained by the Additional Insureds, whether primary or excess, and which also apply to a loss covered hereunder, shall be called upon to contribute to a loss until the Consultant’s primary and excess liability policies are exhausted.

Notice of Cancellation

Each insurance policy required above shall provide that coverage shall not be canceled, except with notice to the City.

Waiver of Subrogation

Consultant hereby grants to City a waiver of any right to subrogation which any insurer of said Consultant may acquire against the City by virtue of the payment of any loss under such insurance. Consultant agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether or not the City has received a waiver of subrogation endorsement from the insurer.

Self-Insured Retentions

Self-insured retentions must be declared to and approved by the City. The City may require the Consultant to purchase coverage with a lower retention or provide proof of ability to pay losses and related investigations, claim administration, and defense expenses within the retention. The policy language shall provide, or be endorsed to provide, that the self-insured retention may be satisfied by either the named insured or City. The CGL and any policies, including Excess liability policies, may not be subject to a self-insured retention (SIR) or deductible that exceeds \$25,000 [fill in the amount for your comfort level for the specific Consultant and job – it could be much higher, or in the case of a very small Consultant, you might want it lower] unless approved in writing by City. Any and all deductibles and SIRs shall be the sole responsibility of Consultant or subcontractor who procured such insurance and shall not apply to the Indemnified Additional Insured Parties. City may deduct from any amounts otherwise due Consultant to fund the SIR/deductible. Policies shall NOT contain any self-insured retention (SIR) provision that limits the satisfaction of the SIR to the Named. The policy must also provide that Defense costs, including the Allocated Loss Adjustment Expenses, will satisfy the SIR or deductible. City reserves the right to obtain a copy of any policies and endorsements for verification.

Acceptability of Insurers

Insurance is to be placed with insurers authorized to conduct business in the state with a current A.M. Best’s rating of no less than A:VII, unless otherwise acceptable to the City.

Claims Made Policies (note – should be applicable only to professional liability, see below)

If any of the required policies provide claims-made coverage:

1. The Retroactive Date must be shown, and must be before the date of the contract or the beginning of contract work.
2. Insurance must be maintained and evidence of insurance must be provided **for at least five (5) years after completion of the contract of work.**
3. If coverage is canceled or non-renewed, and not replaced **with another claims-made policy form with a Retroactive Date prior** to the contract effective date, the Consultant must purchase “extended reporting” coverage for a minimum of **five (5) years after completion of work.**

Verification of Coverage

Consultant shall furnish the City with original certificates and amendatory endorsements or copies of the applicable policy language effecting coverage required by this clause **and a copy of the Declarations and Endorsements Pages of the CGL and any Excess policies listing all policy endorsements.** All certificates and endorsements and copies of the Declarations & Endorsements pages are to be received and approved by the City before work commences. However, failure to obtain the required documents prior to the work beginning shall not waive the Consultant’s obligation to provide them. The City reserves the right to require complete, certified copies of all required insurance policies, including endorsements required by these specifications, at any time. City reserves the right to modify these requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances.

Subcontractors

Consultant shall require and verify that all subcontractors maintain insurance meeting all the requirements stated herein, and Contractor shall ensure that City is an additional insured on insurance required from subcontractors.

Duration of Coverage

CGL & Excess liability policies **for any construction related work, including, but not limited to, maintenance, service, or repair work,** shall continue coverage for a minimum of 5 years for Completed Operations liability coverage. Such Insurance must be maintained, and evidence of insurance must be provided **for at least five (5) years after completion of the contract of work.**

Special Risks or Circumstances

City reserves the right to modify these requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances.

EXHIBIT F
FEDERAL REQUIREMENTS
(Only applicable if required on cover page of agreement)

N/A