

**City of California City
Request for Proposals
for
Comprehensive Review and Evaluation of Citywide User Fees
(Fee Study) and Cost Allocation Plan**



Issue Date: March 25, 2026

Response Due Date/Time: April 27, 2026 5:00 pm (PST)

**Sean Grayson
Interim City Manager
(760) 373-7170
sgrayson@californiacity-ca.gov
City of California City
21000 Hacienda Blvd
California City, CA 93505**

CITY OF CALIFORNIA CITY
REQUEST FOR PROPOSALS
FEE STUDY AND COST ALLOCATION PLAN

TABLE OF CONTENTS

I.	Introduction.....	3
	A. General Information	3
	B. Term of Engagement	3
II.	Nature of Service Required.....	4
	A. Scope of Work to be Performed	4
	B. Working Papers Retention.....	6
III.	Description of Government.....	6
	A. Background Information	6
	B. Fund Structure	7
	C. Accounting Computer Systems	7
IV.	Time Requirements.....	7
	A. Proposal Calendar.....	7
	B. Date Cost Study May Commence	7
	C. Questions and Answers	7
	D. Submission of Reports.....	8
V.	Proposal Requirements.....	8
	A. Submission of Proposal	8
	B. Minimum Content of Proposal	8
	C. Contents of Technical Proposal.....	8
	D. Compensation and Fees.....	9
VI.	Evaluation Procedures.....	10
	E. Review of Proposals.....	10
	F. Evaluation Criteria.....	10
VII.	Contacts	10
	Attachments A (Consulting Services Agreement).....	11

CITY OF CALIFORNIA CITY
REQUEST FOR PROPOSALS
FEE STUDY AND COST ALLOCATION PLAN

I. INTRODUCTION

A. General Information

The City of California City is requesting proposals from qualified professional firms experienced in cost recovery to review and evaluate the City of California City's citywide user fees (User Study) and prepare a Full Cost Allocation Plan.

There is no expressed or implied obligation for the City of California City to reimburse responding firms for any expenses incurred in preparing proposals in response to this request. Materials submitted by respondents are subject to public inspection under the California Public Records Act (Government Code Sec. 6250 et seq.), unless exempt.

To be considered, respondents must submit their responses via email only to: Sean Grayson, Interim City Manager at sgrayson@californiacity-ca.gov, by **5:00 P.M. on April 27, 2026**. The City reserves the right to reject any or all proposals submitted.

During the evaluation process, the City of California City reserves the right, where it may serve the City's best interest, to request additional information or clarification from proposers, or to allow corrections of errors or omissions. At the discretion of the City of California City, firms submitting proposals may be requested to make oral presentations as part of the evaluation process.

The City of California City reserves the right to retain all proposals submitted regardless of whether that proposal is selected. Submission of a proposal indicates acceptance by the firm of the conditions contained in the request for proposals, unless clearly and specifically noted in the proposal submitted and confirmed in the contract between the City of California City and the firm selected.

It is anticipated the selection of the firm will be completed and a contract will be executed between both parties by May 13, 2026. The City reserves the right to reject any or all proposals, to waive any non-material irregularities or information in any proposal, and to accept or reject any times or combination of items.

B. Term of Engagement

It is the intent of the City of California City to contract for a comprehensive review and evaluation of citywide user fees and for the preparation of a Full Cost Allocation Plan.

II. NATURE OF SERVICES REQUIRED (This Section II shall comprise the scope of services for Attachment A of the attachment Consulting Services Agreement)

A. Scope of the Work to be Performed

1. User Fee Study

Consultant shall meet with City staff to refine the project scope, purpose, uses and goals of the City's User Study to ensure that the study will be both accurate and appropriate to the City's needs.

The Consultant shall review the project schedule and answer any questions pertaining to the successful development of the study. The Consultant shall meet with staff and conduct interviews as needed to gain an understanding of the City's processes and operations.

The Consultant shall review the City's existing fees, rates, and charges. The Consultant shall meet with staff and conduct interviews as needed to gain an understanding of the City's processes and operations.

The Consultant shall identify the total cost of providing each City service at the appropriate activity level and in a manner that is consistent with all applicable laws, statutes, rules, and regulations governing the collection of fees, rates, and charges by public entities.

The Consultant shall compare service costs with existing recovery levels. This should include any service areas where the City is currently charging for services as well as areas where perhaps the City should charge, in light of the City's practices, or the practices of similar or neighboring cities.

The Consultant shall recommend potential new fees and charges for services that the City currently provides but does not have any fees and/or charges established. Recommendations should be based on practices by surrounding cities that may charge for similar services, industry best practices, or the Consultant's professional opinion.

The Consultant shall recommend appropriate fees and charges based on the firm's analysis together with the appropriate subsidy percentage for those fees where full cost recovery may be unrealistic (e. g. community recreation).

The Consultant shall prepare a report that identifies each fee service, its full cost, and recommended and current cost recovery levels. The report should also identify the direct cost and the overhead cost for each service.

The Consultant shall provide a computer-based model for adjusting these fees and charges for the City's current and future needs and provide the City with an electronic copy of the final comprehensive study, including related schedules and cost documentation in Excel format that can be edited and updated by City staff to accommodate changes in the organization or changes in costs. The Consultant will provide training to enable staff to update fees on an annual or as needed basis.

The Consultant may be asked to prepare and deliver a presentation to the City Council

and/or the City Finance Management Subcommittee to facilitate their understanding of the cost plan and its implications for the City.

The Consultant shall prepare a final fee study report and provide ten (10) bound copies, one unbound copy and a single PDF file of the plan.

Although the fee study does not include Development Impact Fees (AB1600 fees) or fees for water or wastewater, the City is or may be engaged with other consultants for those fees and the Consultant shall communicate with any other consultants to avoid overlapping work.

2. Cost Allocation Plan

Consultant shall meet with City staff to refine the project scope, purpose, uses and goals of the City's Cost Allocation Plan to ensure that it will be both accurate and appropriate to the City's needs.

The Consultant shall review the project schedule and answer any questions pertaining to the successful development of the plan. The Consultant shall meet with staff and conduct interviews as needed to gain an understanding of the City's processes and operations.

The Consultant shall review the City's existing cost allocation methods within budgets and for various grants. The Consultant shall meet with staff and conduct interviews as needed to gain an understanding of the City's processes and operations.

The Consultant shall identify the total cost of providing each City service at the appropriate activity level and in a manner that is consistent with all applicable laws, statutes, rules, and regulations governing the collection of fees, rates, and charges by public entities.

The Consultant shall prepare a report that identifies the basis for the model used for cost allocation.

Provide the City with an electronic copy of the final Cost Allocation Plan, including related schedules and cost documentation in Excel format that can be edited and updated by City staff to accommodate changes in the organization or changes in costs. The requirements of the electronic model shall allow for the following:

- 1) The addition or removal of direct and overhead costs so that the Plan can be developed from a simple plan to a progressively more inclusive plan, as the City continues to grow;
- 2) The addition of hypothetical service area information for future service enhancements and the ability to calculate the estimated costs for providing the service under consideration;
- 3) The ability to calculate a full burdened hourly rate of a position that includes salary, benefits, and applicable overhead including OPEB and debt obligations;
- 4) The ability to document changes in the City's authorized personnel, including personnel additions, salary schedule changes, and step changes for current personnel;

- 5) The ability to include an option for an annual inflator based on benefit increases for personnel such as CalPERS, insurance premiums, cafeteria, and other payroll taxes; 6) The ability to include an option for annual inflator based on contracted services rate increases;
- 6) Provide training to staff in order to facilitate the annual update to fees.
- 7) The Consultant may be asked to prepare and deliver a presentation to the City Council and/or the City Finance Management Subcommittee to facilitate their understanding of the cost plan and its implications for the City.

The Consultant shall prepare a final fee study report and provide ten (10) bound copies, one unbound copy and a single PDF file of the plan.

B. Working Papers Retention

All working papers and reports must be retained at the consultant's expense for a minimum of seven (7) years, unless the firm is notified in writing by the City of California City of the need to extend the retention period. The consultant may be required to make working papers or electronic files available to the City of California City or any government agencies included in the audit of federal grants.

III. DESCRIPTION OF THE GOVERNMENT

A. Background Information

California City was incorporated on December 10, 1965. The City is located in the northern Antelope Valley in Kern County, California. It is 100 miles (160 km) north of the city of Los Angeles. Covering 203.63 square miles (527.4 km²), California City has the third-largest land area of any city in the state of California (behind San Diego and Los Angeles), and is the largest city in California, by land area, that is not a county seat. It is the 43rd-largest city in the United States by land area.

California City operates under a Council/Manager form of government, with a Mayor directly elected by the voters and four elected Councilmembers, collectively known as the Council. The Council is responsible for setting policy for the City and for adopting an annual budget. The Council Member with the most seniority is designated as the Mayor Pro Tem to serve in the Mayor's absence. Day-to-day responsibilities are overseen by a City Manager, reporting to the Mayor and City Council. The City Manager is responsible for appointing and supervising the heads of all City departments, with the advice and consent of the Council, with the exception of the City Treasurer, which is an elected position, and the City Attorney, who is appointed by the Council directly.

The City of California City has a population of 14,973 as of the 2020 census. The City's annual operating budget is approximately \$10 million, the City's special revenue fund budget is approximately \$11 million, and the total annual budget for the six enterprise funds is approximately \$9 million.

The City’s operations are organized into 14 functions: Administration, City Clerk, Finance, Human Resources, Building and Planning, Housing, Police, Public Works, Parks & Recreation, OHV, Cannabis Management, Water, and Wastewater (Sewer) with 60 budgeted full-time and 11 part-time positions. Fire services are contracted with the Kern County. The accounting and financial reporting aspects of the City are centralized within the Finance department. The Finance Department is currently headed by the City Manager utilizing a contract Finance Director provided by Price Paige & Company. Internal staffing of the department consists of a Finance Manager, Accounting Technician III, and a Payroll Clerk, in addition to the elected City Treasurer, who is also responsible for the treasury function.

B. Fund Structure

The City maintains a total of 20 funds, including the general fund, 6 enterprise funds (Water, Sewer, Airport, Dial-A-Ride, Airport Capital Projects, and Water Capital Improvement), one capital projects fund and 12 special revenue funds. The City adopts an annual appropriated budget for all funds.

C. Accounting Computer Systems

The City utilizes Caselle software as its accounting system, which is hosted virtually. Caselle modules implemented include accounts receivable, accounts payable, general ledger, utility billing, and bank reconciliation. Infrastructure assets are maintained via an Excel spreadsheet. Payroll is performed by staff using Caselle time keeping. Information Technology (IT) is contracted with the Technic IT.

IV. TIME REQUIREMENTS

A. Proposal Calendar

The following is a list of key dates up to, and including, the date proposals are to be submitted:

Date	Activity
March 25, 2026	Request for Proposal Issued
April 10, 2026	Questions due
April 13, 2026	Responses to questions posted on RFP page
April 27, 2026	Due date for proposals by 5:00 p.m.
April 28-May 5, 2026	Staff review
May 12, 2026	Contract awarded by City Council

B. Date Cost Study May Commence

Cost Study planning, including necessary planning, documentation of systems of fund structure and operations, and staff interview schedules are anticipated as appropriate after contract is executed. Study may commence no later than three weeks after City Council approval of contract.

C. Questions and Answers

The City will accept questions until the scheduled date and time on the RFP Proposal

Calander. Responses to all questions received will be posted on the City's RFP postings webpage on the scheduled date.

D. Submission of Reports

The Consultant shall provide all drafts and recommendations to the Interim City Manager and assigned finance staff. The Consultant should be available for any meetings that may be necessary to discuss the draft and/or work methodologies.

V. PROPOSAL REQUIREMENTS

A. Submission of Proposal

For a proposal to be considered, the Proposal shall be received via email only by the Finance Department of the City of California City **by 5:00 p.m. on April 27, 2026.**

The Proposal should be addressed as follows:

City of California City
Sean Grayson, Interim City Manager
sgrayson@californiacity-ca.gov

B. Minimum Content of Proposal

The Proposal should include the technical proposal and costs and fees.

C. Contents of the Technical Proposal

The purpose of the Technical Proposal is to demonstrate the qualifications, competence and capacity of the firm seeking to undertake the User Study and Full Cost Allocation Plan project for the City of California City in conformity with the requirements of this request for proposal. The Technical Proposal should describe the Firm's experience with public agencies that are similar in size and scope. Emphasis should be placed on assignments undertaken within the past three years and on engagements undertaken by the personnel to be assigned to the California City site.

The proposal should be prepared simply and economically, providing a straightforward concise description of the proposer's capabilities to satisfy the requirements of this request for proposals. While additional data may be presented, the following subjects must be included:

1. Company name and address
2. Letter of transmittal signed by an individual authorized to bind the respondent, stating that the respondent has read and will comply with all terms and conditions of the RFP.
3. General Information about the primary contact who would be able to answer questions about the proposal; include name, title, telephone number and e-mail address of the

individual.

4. Describe the firm's history and organizational structure. Include the size of the firm, location of offices, years in the business, organizational chart, name(s) of owner(s) and principal parties, and number and position titles of staff.
5. Include the names of the personnel assigned to the User Study and Full Cost Allocation Plan project, their resumes, and the projects completed in the last three years.
6. What is the primary business of the parent company and/or affiliates?
7. Which office of your organization will have primary responsibility for managing the user fee study?
8. What is the firm's experience conducting user fee studies and cost allocation plans?
9. Schedule of Work Plan
The Proposal should provide a schedule for completion of the work that will meet the City's requirements. This schedule should identify anticipated time frames for completion of each major phase of the engagement and should include any assumptions regarding turnaround time for staff review of information and documents.
10. References
The Proposal should provide three references of the firm's most representative projects, inclusive of:
 - a. Name of Public Agency
 - b. Name, Title, and Telephone Number of Contact Person
 - c. Size of General Fund Budget
 - d. Brief description of the reports prepared by the firm

D. Compensation and Fees

Compensation and fees should include all pricing information relative to performing the fee study engagement as described in this Request for Proposal. The total all-inclusive maximum price is to contain all direct and indirect costs, including all out-of-pocket reimbursable expenses.

The City will not be responsible for expenses incurred in preparing and submitting the response to the RFP.

Fee quotes should be detailed by specific service. Outline billing and payment expectations, including timing and method of payment.

City of California City will require the engaged firm to provide Certificates of Insurance evidencing required coverage types and minimum limits. The City of California City also requires that Consultants conducting business within city limits to apply for a City of California City Business License.

VI. EVALUATION PROCEDURES

A. Review of Proposals

City staff representing various departments will review the responses to the RFP.

B. Evaluation Criteria

The final selection will be the firm which, in the City's opinion, is the most responsive and responsible in meeting the City's requirements in providing the service. The City maintains the sole and exclusive right to evaluate the merits of the proposals received.

Firms will be objectively evaluated based on their responses to the project scope outlined in this RFP. The written proposal should clearly demonstrate how the firm could best satisfy the requirements of the City of California City.

Proposals will be evaluated based on the following criteria:

- Thoroughness and understanding of the tasks to be completed
- Background and experience in organizational analysis evaluation
- Schedule of services and completion date
- Responsiveness to requirements of this RFP
- Recent public sector experience, preferably in a municipal setting, conducting similar studies
- Costs

VII. CONTACTS

1. Inquiries concerning the Request for Proposals may be made to:

Sean Grayson, Interim City Manager
21000 Hacienda Blvd.
California City, CA 93505
(760) 373-7170
sgrayson@californiacity-ca.gov

Attachment A – Consulting Services Agreement

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**CONSULTING SERVICES AGREEMENT
BETWEEN THE CITY OF CALIFORNIA CITY AND
[NAME OF CONSULTANT]**

THIS Agreement (“Agreement”) for consulting services is made by and between the City of California City (“City”) and _____, a California [corporation] [limited liability company] (“Consultant”) (together referred to as the “Parties”) as of _____, 20____ (the “Effective Date”).

Section 1. SERVICES. Subject to the terms and conditions set forth in this Agreement, Consultant shall provide to City the services described in the Scope of Work attached as Exhibit A, and incorporated herein, at the time and place and in the manner specified therein.

1.1 Term of Services. The term of this Agreement shall begin on the Effective Date and shall end on _____ or the date the Consultant completes the services specified in Exhibit A, whichever occurs first, unless the term of the Agreement is otherwise terminated or extended, as referenced herein.

1.2 Standard of Performance. Consultant shall perform all services required pursuant to this Agreement according to the standards observed by a competent practitioner of the profession in which Consultant is engaged.

1.3 Assignment of Personnel. Consultant shall assign only competent personnel to perform services pursuant to this Agreement. In the event that City, in its sole discretion, at any time during the term of this Agreement, requests in writing the reassignment of any such persons to ensure Consultant performs services in accordance with the Standard of Performance, Consultant shall, immediately upon receiving City’s request, reassign such persons.

1.4 Time. Consultant shall devote such time to the performance of services pursuant to this Agreement as may be reasonably necessary to meet the standard of performance provided herein above and to satisfy Consultant’s obligations hereunder.

Section 2. COMPENSATION. City hereby agrees to pay Consultant a sum not to exceed _____ \$(_____), as set forth in Exhibit B, attached hereto and incorporated herein for services to be performed and reimbursable expenses incurred under this Agreement. This dollar amount is not a guarantee that the City will pay that full amount to the Consultant, but is merely a limit of potential City expenditures under this Agreement.

Consultant and City acknowledge and agree that compensation paid by City to Consultant under this Agreement is based upon Consultant's estimated costs of providing the services required hereunder, including salaries and benefits of employees and subcontractors of Consultant. Consequently, the parties further agree that compensation hereunder is intended to include the costs of contributions to any pensions and/or annuities to which Consultant and its employees, agents, and subcontractors may be eligible. City therefore has no responsibility for such contributions beyond compensation required under this Agreement.

- 2.1 **Invoices.** Consultant shall submit invoices, not more often than once a month during the term of this Agreement, based on the cost for services performed and reimbursable costs incurred prior to the invoice date. Invoices shall contain the following information, unless waived by the City Manager, or his or her designee:
- Serial identifications of progress bills; i.e., Progress Bill No. 1 for the first invoice, etc.;
 - The beginning and ending dates of the billing period;
 - A Task Summary containing the original contract amount, the amount of prior billings, the total due this period, the balance available under the Agreement, and the percentage of completion;
 - At City's option, for each work item in each task, a copy of the applicable time entries or time sheets shall be submitted showing the name of the person doing the work, the hours spent by each person, a brief description of the work, and each reimbursable expense;
 - The total number of hours of work performed under the Agreement by Consultant and each employee, agent, and subcontractor of Consultant performing services hereunder;
 - The Consultant's signature.
- 2.2 **Monthly Payment.** City shall make monthly payments, based on invoices received, for services satisfactorily performed, and for authorized reimbursable costs incurred. City shall pay undisputed invoices that comply with the above requirements within 30 days from the receipt of the invoice.
- 2.3 **Final Payment.** Consultant shall submit its final invoice within 60 days of completing its services. Consultant's failure to submit its final invoice within this 60 day period shall constitute Consultant's waiver of any further billings to, or payments from, City.
- 2.4 **Reimbursable Expenses.** Reimbursable expenses, if any, are specified in Exhibit B and included in the total compensation referenced in Section

2. Expenses not listed in Exhibit B are not chargeable to, or reimbursable by, City.

2.5 Payment of Taxes. Consultant is solely responsible for the payment of all federal, state and local taxes, including employment taxes, incurred under this Agreement.

2.6 Authorization to Perform Services. The Consultant is not authorized to perform any services or incur any costs whatsoever under the terms of this Agreement until receipt of a written authorization from the City Manager, or his or her designee.

Section 3. FACILITIES AND EQUIPMENT. Except as set forth herein, Consultant shall, at its sole cost and expense, provide all facilities and equipment that may be necessary to perform the services required by this Agreement

Section 4. INSURANCE REQUIREMENTS. Before beginning any services under this Agreement, Consultant, at its own cost and expense, shall procure the types and amounts of insurance specified herein and maintain that insurance throughout the term of this Agreement. The cost of such insurance shall be included in the Consultant's bid or proposal. Consultant shall be fully responsible for the acts and omissions of its subcontractors or other agents.

4.1 Workers' Compensation. Consultant shall, at its sole cost and expense, maintain Statutory Workers' Compensation Insurance and Employer's Liability Insurance for any and all persons employed directly or indirectly by Consultant in the amount required by applicable law. The requirement to maintain Statutory Workers' Compensation and Employer's Liability Insurance may be waived by the City upon written verification that Consultant is a sole proprietor and does not have any employees and will not have any employees during the term of this Agreement.

4.2 Commercial General and Automobile Liability Insurance.

4.2.1 General requirements. Consultant, at its own cost and expense, shall maintain commercial general and automobile liability insurance for the term of this Agreement in an amount not less than \$2,000,000 per occurrence and \$4,000,000 aggregate, combined single limit coverage for risks associated with the work contemplated by this Agreement.

4.2.2 Minimum scope of coverage. Commercial general coverage shall be at least as broad as Insurance Services Office Commercial General Liability occurrence form CG 0001 (most recent edition) covering comprehensive General Liability on an "occurrence" basis.

Automobile coverage shall be at least as broad as Insurance Services Office Automobile Liability form CA 0001 (most recent edition) covering any auto (Code 1), or if Consultant has no owned autos, hired (code 8) and non-owned autos (Code 9). No endorsement shall be attached limiting the coverage.

4.2.3 Additional requirements. Each of the following shall be included in the insurance coverage or added as a certified endorsement to the policy:

- a. The Commercial General and Automobile Liability Insurance shall cover on an occurrence basis.
- b. City, its officers, officials, employees, agents, and volunteers shall be covered as additional insureds for liability arising out of work or operations on behalf of the Consultant, including materials, parts, or equipment furnished in connection with such work or operations; or automobiles owned, leased, hired, or borrowed by the Consultant. Coverage can be provided in the form of an endorsement to the Consultant's insurance at least as broad as CG 20 10 11 85, or both CG 20 10 10 01 and CG 20 37 10 01.
- c. For any claims related to this Agreement or the work hereunder, the Consultant's insurance covered shall be primary insurance as respects the City, its officers, officials, employees, agents, and volunteers. Any insurance or self- insurance maintained by the City, its officers, officials, employees, agents or volunteers shall be excess of the Consultant's insurance and non-contributing.
- d. The policy shall cover inter-insured suits and include a "separation of Insureds" or "severability" clause which treats each insured separately.
- e. Consultant agrees to give at least 30 days prior written notice to City before coverage is canceled or modified as to scope or amount.

4.3 Professional Liability Insurance.

- 4.3.1 General requirements.** Consultant, at its own cost and expense, shall maintain for the period covered by this Agreement professional liability insurance for licensed professionals performing work pursuant to this Agreement in an amount not less than

\$1,000,000 per occurrence or claim covering the Consultant's errors and omissions.

4.3.2 Claims-made limitations. The following provisions shall apply if the professional liability coverage is written on a claims-made form:

- a. The retroactive date of the policy must be shown and must be before the date of the Agreement.
- b. Insurance must be maintained and evidence of insurance must be provided for at least five (5) years after completion of the Agreement or the work.
- c. If coverage is canceled or not renewed and it is not replaced with another claims-made policy form with a retroactive date that precedes the date of this Agreement, Consultant must purchase an extended period coverage for a minimum of five (5) years after completion of work under this Agreement.
- d. A copy of the claim reporting requirements must be submitted to the City for review prior to the commencement of any work under this Agreement.

4.4 All Policies Requirements.

4.4.1 Submittal Requirements. Consultant shall submit the following to City prior to beginning services:

- a. Certificate of Liability Insurance in the amounts specified in this Agreement; and
- b. Additional Insured Endorsement as required for the General Commercial and Automobile Liability Policies.

4.4.2 Acceptability of Insurers. All insurance required by this Agreement is to be placed with insurers with a Bests' rating of no less than A:VII.

4.4.3 Deductibles and Self-Insured Retentions. Insurance obtained by the Consultant shall have a self-insured retention or deductible of no more than \$100,000.

4.4.4 Wasting Policies. No policy required herein shall include a "wasting" policy limit (i.e. limit that is eroded by the cost of defense).

4.4.5 Waiver of Subrogation. Consultant hereby agrees to waive subrogation which any insurer or contractor may require from Consultant by virtue of the payment of any loss. Consultant agrees to obtain any endorsements that may be necessary to effect 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.

The Workers' Compensation policy shall be endorsed with a waiver of subrogation in favor of the City for all work performed by the Consultant, its employees, agents, and subcontractors.

4.4.6 Subcontractors. Consultant shall include all subcontractors as insureds under its policies or shall furnish separate certificates and endorsements for each subcontractor. All coverages for subcontractors shall be subject to all of the requirements stated herein, and Consultant shall ensure that City, its officers, officials, employees, agents, and volunteers are covered as additional insured on all coverages.

4.4.7 Excess Insurance. If Consultant maintains higher insurance limits than the minimums specified herein, City shall be entitled to coverage for the higher limits maintained by the Consultant.

4.5 Remedies. In addition to any other remedies City may have if Consultant fails to provide or maintain any insurance policies or policy endorsements to the extent and within the time herein required, City may, at its sole option: 1) obtain such insurance and deduct and retain the amount of the premiums for such insurance from any sums due under the Agreement; 2) order Consultant to stop work under this Agreement and withhold any payment that becomes due to Consultant hereunder until Consultant demonstrates compliance with the requirements hereof; and/or 3) terminate this Agreement.

Section 5. INDEMNIFICATION AND CONSULTANT'S RESPONSIBILITIES.

5.1 General Requirement. To the fullest extent permitted by law, Consultant shall indemnify, defend with counsel acceptable to City, and hold harmless City and its officers, officials, employees, agents and volunteers (collectively, "Indemnitees") from and against any and all liability, loss, damage, claims, expenses, and costs, including without limitation, attorney's fees, costs and fees of litigation, (collectively, "Liability") of every nature arising out of or in connection with Consultant's performance of the services under this Agreement, or its failure to comply with any of its obligations contained in this Agreement, or its failure to comply with any

applicable law or regulation, except such Liability caused by the sole negligence or willful misconduct of City.

Acceptance by City of insurance certificates and endorsements required under this Agreement does not relieve Consultant from liability under this indemnification and hold harmless clause. This indemnification and hold harmless clause shall apply to any damage or claims for damages whether or not such insurance policies shall be determined to apply.

- 5.2 PERS Indemnification.** In the event that Consultant or any employee, agent, or subcontractor of Consultant providing services under this Agreement is determined by a court of competent jurisdiction or the California Public Employees Retirement System (PERS) to be eligible for enrollment in PERS as an employee of City, Consultant shall indemnify, defend, and hold harmless City for the payment of any employee and/or employer contributions for PERS benefits on behalf of Consultant or its employees, agents, or subcontractors, as well as for the payment of any penalties and interest on such contributions, which would otherwise be the responsibility of City.

Section 6. STATUS OF CONSULTANT.

- 6.1 Independent Contractor.** At all times during the term of this Agreement, Consultant shall be an independent contractor and shall not be an employee of City.
- 6.2 Consultant Not an Agent.** Except as City may specify in writing, Consultant shall have no authority, express or implied, to act on behalf of City in any capacity whatsoever as an agent. Consultant shall have no authority, express or implied, pursuant to this Agreement to bind City to any obligation whatsoever.

Section 7. LEGAL REQUIREMENTS.

- 7.1 Governing Law.** The laws of the State of California shall govern this Agreement.
- 7.2 Compliance with Applicable Laws.** Consultant and any subcontractors shall comply with all laws applicable to the performance of the work hereunder. Consultant shall also, to the extent required by the California Labor Code, pay not less than the latest prevailing wage rates as determined by the California Department of Industrial Relations.
- 7.3 Licenses and Permits.** Consultant represents and warrants to City that Consultant and its employees, agents, and any subcontractors have, and

will maintain at their sole cost and expense, all licenses, permits, qualifications, and approvals of whatsoever nature that are legally required to practice their respective professions. In addition to the foregoing, Consultant and any subcontractors shall obtain and maintain during the term of this Agreement valid business licenses from City.

- 7.4 Nondiscrimination and Equal Opportunity.** Consultant shall not discriminate, on the basis of a person's race, religion, color, national origin, age, physical or mental handicap or disability, medical condition, genetic information, marital status, sex, sexual orientation, gender or gender identity, against any employee, applicant for employment, subcontractor, bidder for a subcontract, or participant in, recipient of, or applicant for any services or programs provided by Consultant under this Agreement. Consultant shall comply with all applicable federal, state, and local laws, policies, rules, and requirements related to equal opportunity and nondiscrimination in employment, contracting, and the provision of any services that are the subject of this Agreement, including but not limited to the satisfaction of any positive obligations required of Consultant thereby.

Section 8. TERMINATION AND MODIFICATION.

- 8.1 Termination.** Upon ten days' prior written notice, City may cancel this Agreement at any time and without cause upon such written notification to Consultant. In the event of termination, Consultant shall be entitled to compensation for services performed to the effective date of termination; City, however, may condition payment of such compensation upon Consultant delivering to City any or all documents, photographs, computer software, video and audio tapes, and other materials provided to Consultant or prepared by or for Consultant or the City in connection with this Agreement.
- 8.2 Amendments.** The parties may amend this Agreement only by a writing signed by the parties hereto.
- 8.3 Assignment and Subcontracting.** City and Consultant recognize and agree that this Agreement contemplates personal performance by Consultant and is based upon a determination of Consultant's unique personal competence, experience, and specialized personal knowledge. Moreover, a substantial inducement to City for entering into this Agreement was and is the professional reputation and competence of Consultant. Consultant may not assign this Agreement or any interest therein without the prior written approval of the City Manager, or his or her designee. Consultant shall not subcontract any portion of the performance contemplated and provided for herein, other than to the

subcontractors noted in the proposal, without prior written approval of the City Manager, or his or her designee.

8.4 Survival. All obligations arising prior to the termination of this Agreement and all provisions of this Agreement allocating liability between City and Consultant, including but not limited to the provisions of Section 5, shall survive the termination of this Agreement.

8.5 Options upon Breach by Consultant. If Consultant materially breaches any of the terms of this Agreement, City's remedies shall include, but not be limited to, the following:

8.5.1 Immediately terminate the Agreement;

8.5.2 Retain the plans, specifications, drawings, reports, design documents, and any other work product prepared by Consultant pursuant to this Agreement;

8.5.3 Retain a different consultant to complete the work described in Exhibit A not finished by Consultant; or

8.5.4 Charge Consultant the difference between the cost to complete the work described in Exhibit A that is unfinished at the time of breach and the amount that City would have paid Consultant pursuant to Section 2 if Consultant had completed the work.

8.5.5 The remedies mentioned in this Agreement are not exclusive of any other right, power or remedy permitted by law. The City's failure or delay in exercising any remedy shall not constitute a waiver of such remedy or preclude the further exercise of City's rights.

Section 9. KEEPING AND STATUS OF RECORDS.

9.1 Records Created as Part of Consultant's Performance. All final versions of reports, data, maps, models, charts, studies, surveys, photographs, memoranda, plans, studies, specifications, records, files, or any other documents or materials, in electronic or any other form, that Consultant prepares or obtains pursuant to this Agreement and that relate to the matters covered hereunder shall be the property of the City. Consultant hereby agrees to deliver those documents to the City upon termination of the Agreement, and the City may use, reuse or otherwise dispose of the documents without Consultant's permission. It is understood and agreed that the documents and other materials, including but not limited to those described above, prepared pursuant to this Agreement are prepared specifically for the City and are not necessarily

suitable for any future or other use. City and Consultant agree that, until final approval by City, all data, plans, specifications, reports and other documents are confidential drafts and will not be released to third parties by Consultant without prior written approval of City.

- 9.2 Consultant's Books and Records.** Consultant shall maintain any and all records or documents evidencing or relating to charges for services or expenditures and disbursements charged to the City under this Agreement for a minimum of 3 years, or for any longer period required by law, from the date of final payment to the Consultant to this Agreement. All such records shall be maintained in accordance with generally accepted accounting principles and shall be made available for inspection, audit, and/or copying at any time during regular business hours, upon oral or written request of the City. Pursuant to Government Code Section 8546.7, the Agreement may be subject to the examination and audit of the State Auditor for a period of 3 years after final payment under the Agreement.

Section 10 MISCELLANEOUS PROVISIONS.

- 10.1 Attorneys' Fees.** If a party to this Agreement brings any action, including an action for declaratory relief, to enforce or interpret the provision of this Agreement, the prevailing party shall be entitled to reasonable attorneys' fees in addition to any other relief to which that party may be entitled. The court may set such fees in the same action or in a separate action brought for that purpose.
- 10.2 Venue.** In the event that either party brings any action against the other under this Agreement, the parties agree that trial of such action shall be vested exclusively in the state courts of California in Kern County or in the United States District Court for the Southern District of California.
- 10.3 Severability.** If a court of competent jurisdiction finds or rules that any provision of this Agreement is invalid, void, or unenforceable, the provisions of this Agreement not so adjudged shall remain in full force and effect. The invalidity in whole or in part of any provision of this Agreement shall not void or affect the validity of any other provision of this Agreement.
- 10.4 No Implied Waiver of Breach.** The waiver of any breach of a specific provision of this Agreement does not constitute a waiver of any other breach of that term or any other term of this Agreement.
- 10.5 Successors and Assigns.** The provisions of this Agreement shall inure to the benefit of and shall apply to and bind the successors and assigns of the parties.

10.6 Conflict of Interest. Consultant may serve other clients, but none whose activities within the corporate limits of City or whose business, regardless of location, would place Consultant in a “conflict of interest,” as that term is defined in the Political Reform Act, codified at California Government Code Section 81000 *et seq.*

Consultant shall not employ any City official in the work performed pursuant to this Agreement. No officer or employee of City shall have any financial interest in this Agreement that would violate California Government Code Sections 1090 *et seq.*

10.7 Solicitation. Consultant agrees not to solicit business at any meeting, focus group, or interview related to this Agreement, either orally or through any written materials.

10.8 Notices. Any notice, demand, request, consent or approval that either party is required to give the other pursuant to this Agreement, shall be in writing and may be given by either (i) personal service, or (ii) certified United States mail, postage prepaid, return receipt requested. Notice shall be effective upon personal delivery or delivery to the addresses specified below, as reflected on the receipt of delivery or return receipt, as applicable.

Consultant : [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

City: City of California
21000 Hacienda Blvd.
California City, CA 93505
ATTN: City Manager

10.9 Professional Seal. Where applicable in the determination of the City Manager, or his or her designee, the first page of a technical report, first page of design specifications, and each page of construction drawings shall be stamped/sealed and signed by the licensed professional responsible for the report/design preparation. The stamp/seal shall be in a block entitled “Seal and Signature of Registered Professional with report/design responsibility.”

10.10 Integration. This Agreement, including the scope of work attached hereto and incorporated herein as Exhibits A and B represents the entire and integrated agreement between City and Consultant and supersedes all prior negotiations, representations, or agreements, either written or oral.

To the extent there are any inconsistencies between this Agreement, the Exhibits, and Consultant's proposal, the Agreement shall control. To the extent there are any inconsistencies between the Exhibits and the Consultant's Proposal, the Exhibits shall control.

Exhibit A Scope of Services
Exhibit B Compensation Schedule

- 10.11 Counterparts.** This Agreement may be executed in multiple counterparts, each of which shall be an original and all of which together shall constitute one agreement.
- 10.12 Construction of Agreement.** Each party hereto has had an equivalent opportunity to participate in the drafting of the agreement and/or to consult with legal counsel. Therefore, the usual construction of an agreement against the drafting party shall not apply hereto.
- 10.13 No Third Party Beneficiaries.** This Agreement is made solely for the benefit of the parties hereto, with no intent to benefit any third parties.

The Parties have executed this Agreement as of the Effective Date.

CITY OF CALIFORNIA CITY

CONSULTANT

Sean Grayson, Interim City Manager

[NAME, TITLE]

Attest:

John Paul Maier, City Clerk

Approved as to Form:

Victor Ponto, City Attorney

EXHIBIT A
SCOPE OF SERVICES

EXHIBIT B

COMPENSATION SCHEDULE

CERTIFICATE OF COMPLIANCE WITH LABOR CODE § 3700

I am aware of the provisions of Section 3700 of the Labor Code which require every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and I will comply with such provisions before commencing the performance of the work of this contract.

CONSULTANT

By: _____

Title: _____

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