

AMENDMENT NO. 3

TO CONTRACT SERVICES AGREEMENT FOR INFRASTRUCTURE FINANCING DISTRICT CONSULTING SERVICES

THIS THIRD AMENDMENT TO THE AGREEMENT FOR CONTRACT SERVICES (“Amendment”) entered into by and between the **CITY OF CARSON**, a municipal corporation (“City”), and **KOSMONT & ASSOCIATES, INC.**, a California Corporation (“Consultant”), is effective as of the 14th day of January, 2020.

RECITALS

A. City and Consultant entered into that certain “Contract Services Agreement for Infrastructure Financing District Consulting Services” dated February 11, 2017 (“Agreement”), whereby Consultant agreed to provide Enhanced Infrastructure Financing District Consulting Services for a one-year term for the contract sum of \$24,990.

B. On February 6, 2018, City and Consultant entered into Amendment No. 1 to the Agreement (“Amendment No. 1”), which amended the Agreement to: (i) extend the term of the Agreement through February 6, 2019; (ii) expand the Agreement’s scope of services to provide for additional Enhanced Infrastructure Financing District (“EIFD”) analysis; and (iii) increase the contract sum to provide for the additional services by an amount not to exceed \$55,000, thereby increasing the total contract sum to \$79,990.

C. On June 4, 2019 City and Consultant entered into Amendment No. 2 to the Agreement (“Amendment No. 2”), which amended the Agreement to extend the term of the Agreement through June 30, 2020, to allow sufficient time for Consultant to perform services identified in the scope of services, yet did not increase Consultant compensation.

D. Up-to-date, Consultant has completed extensive analysis to determine the feasibility of establishing an EIFD for the City, and Consultant has further performed initial district implementation activities for the City, including stakeholder outreach, fiscal impact analysis, and drafting infrastructure financing plan template forms.

E. City desires to move-forward with implementing an EIFD within the City, and therefore, further professional services are desired from Consultant to formally commence next steps in the formation process of the City’s EIFD and establishing a public financing authority pursuant to state law, including drafting one or more resolutions to establish the City’s EIFD, finalize the infrastructure financing plan and distribute to required property owners, present and attend at City meetings and public hearings to approve the EIFD, and provide real estate and special financing advisory services related thereto.

F. City and Consultant now desire to amend the Agreement to: (i) broaden the scope of services and schedule of compensation to provide for additional services relating to formation of a Carson EIFD; (ii) extend the term of the Agreement through June 30, 2021; and (iii) increase the total contract sum by \$55,000, for a total not-to-exceed contract sum of \$134,990.

EXHIBIT NO. 1

TERMS

1. **Recitals.** The foregoing recitals are true and correct, and are incorporated herein by reference as though set forth in full.

2. **Contract Changes.** The Agreement is amended as provided herein (additions identified in ***bold italics***, deletions in ~~strikethrough~~).

(a) **Section 2.1, of the Agreement, entitled “Contract Sum,” shall be amended to read as follows:**

“For the services rendered pursuant to this Agreement, Consultant shall be compensated in accordance with the "Schedule of Compensation" attached hereto as Exhibit "C" and incorporated herein by this reference, but not exceeding the maximum contract amount of ~~Seventy-Nine Thousand Nine Hundred Ninety Dollars (\$79,990)~~ ***One Hundred Thirty Four Thousand Nine Hundred Ninety Dollars (\$134,990)*** ("Contract Sum").

(b) **Section 3.4, of the Agreement, entitled “Term,” shall be amended to read as follows:**

“Unless earlier terminated in accordance with Article 7 of this Agreement, this Agreement shall continue in full force and effect until ~~June 30, 2020~~ ***June 30, 2021***, except as otherwise provided in the Schedule of Performance (Exhibit “D”).”

(c) **Exhibit “A” of the Agreement, entitled “Scope of Services,” is hereby restated, amended, and replaced in its entirety with Exhibit “A” attached hereto.**

(d) **Exhibit “C” of the Agreement, entitled “Schedule of Compensation,” is hereby restated, amended, and replaced in its entirety with the Exhibit “C” attached hereto.**

(e) **Exhibit “D” of the Agreement, entitled “Schedule of Performance,” is hereby restated, amended, and replaced in its entirety with Exhibit “D” attached hereto.**

3. **Continuing Effect of Agreement.** Except as amended by this Amendment, all provisions of the Agreement shall remain unchanged and in full force and effect. From and after the date of this Amendment, whenever the term “Agreement” appears in the Agreement, it shall mean the Agreement, as amended by this Amendment to the Agreement.

4. **Affirmation of Agreement; Warranty Re Absence of Defaults.** City and Consultant each ratify and reaffirm each and every one of the respective rights and obligations arising under the Agreement. Each party represents and warrants to the other that there have been no written or oral modifications to the Agreement other than as provided herein. Each party represents and warrants to the other that the Agreement is currently an effective, valid, and binding obligation.

Consultant represents and warrants to City that, as of the date of this Amendment, City is not in default of any material term of the Agreement and that there have been no events that,

with the passing of time or the giving of notice, or both, would constitute a material default under the Agreement.

City represents and warrants to Consultant that, as of the date of this Amendment, Consultant is not in default of any material term of the Agreement and that there have been no events that, with the passing of time or the giving of notice, or both, would constitute a material default under the Agreement.

5. **Adequate Consideration.** The parties hereto irrevocably stipulate and agree that they have each received adequate and independent consideration for the performance of the obligations they have undertaken pursuant to this Amendment.

6. **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 Amendment on behalf of said party, (iii) by so executing this Amendment, such party is formally bound to the provisions of this Amendment, and (iv) the entering into this Amendment does not violate any provision of any other Agreement to which said party is bound.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties hereto have executed this Amendment of the date first set forth above.

CITY:

CITY OF CARSON, a municipal corporation

Albert Robles, Mayor

Date: _____, 2020

ATTEST:

Donesia L.Gause-Aldana, City Clerk

APPROVED AS TO FORM:
ALESHIRE & WYNDER, LLP

Sunny K. Soltani, City Attorney
[MES]

CONSULTANT:

KOSMONT & ASSOCIATES, INC., a California corporation

By: _____
Name: Larry Kosmont
Title: Chairman and CEO

By: _____
Name: _____
Title: _____
Address: _____

Date: _____, 2020

Two corporate officer signatures required when Consultant is a corporation, with one signature required from each of the following groups: 1) Chairman of the Board, President or any Vice President; and 2) Secretary, any Assistant Secretary, Chief Financial Officer or any Assistant Treasurer. CONSULTANT'S SIGNATURES SHALL BE DULY NOTARIZED, AND 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 ENTITY.

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy or validity of that document.

STATE OF CALIFORNIA

COUNTY OF LOS ANGELES

On _____, 2020 before me, _____, personally appeared _____, proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature: _____

OPTIONAL

Though the data below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent reattachment of this form.

CAPACITY CLAIMED BY SIGNER

DESCRIPTION OF ATTACHED DOCUMENT

- | | |
|--------------------------|---|
| <input type="checkbox"/> | INDIVIDUAL |
| <input type="checkbox"/> | CORPORATE OFFICER |
| <hr/> | |
| | TITLE(S) |
| <input type="checkbox"/> | PARTNER(S) <input type="checkbox"/> LIMITED |
| | <input type="checkbox"/> GENERAL |
| <input type="checkbox"/> | ATTORNEY-IN-FACT |
| <input type="checkbox"/> | TRUSTEE(S) |
| <input type="checkbox"/> | GUARDIAN/CONSERVATOR |
| <input type="checkbox"/> | OTHER _____ |
| <hr/> | |

TITLE OR TYPE OF DOCUMENT

NUMBER OF PAGES

DATE OF DOCUMENT

SIGNER IS REPRESENTING:
(NAME OF PERSON(S) OR ENTITY(IES))

SIGNER(S) OTHER THAN NAMED
ABOVE

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy or validity of that document.

STATE OF CALIFORNIA

COUNTY OF LOS ANGELES

On _____, 2020 before me, _____, personally appeared _____, proved to me on the basis of satisfactory evidence to be the person(s) whose names(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature: _____

OPTIONAL

Though the data below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent reattachment of this form.

CAPACITY CLAIMED BY SIGNER

- ☐ INDIVIDUAL
☐ CORPORATE OFFICER

TITLE(S)
☐ PARTNER(S) ☐ LIMITED
 ☐ GENERAL
☐ ATTORNEY-IN-FACT
☐ TRUSTEE(S)
☐ GUARDIAN/CONSERVATOR
☐ OTHER _____

DESCRIPTION OF ATTACHED DOCUMENT

TITLE OR TYPE OF DOCUMENT

NUMBER OF PAGES

DATE OF DOCUMENT

SIGNER IS REPRESENTING:
(NAME OF PERSON(S) OR ENTITY(IES))

SIGNER(S) OTHER THAN NAMED
ABOVE

EXHIBIT "A"
SCOPE OF SERVICES

I. Consultant will perform infrastructure financing consulting services to determine the feasibility of establishing an Enhanced Infrastructure Financing District ("EIFD"), as follows:

Task 1: Initial Research to Evaluate Proposed EIFD Boundary

Consultant will conduct a kickoff meeting (may be telephonic) with the City, and conduct a preliminary evaluation of a proposed boundary area, to be identified by the City, for consideration in forming an EIFD.

All Tasks identified herein include the potential of multiple EIFD sub-areas pursuant to the Carson Vision Plan and prospective expanded areas (to be determined). Consultant will consider certain factors in the preliminary evaluation of the Client's recommended boundary area including, but not limited to:

1. Preferred membership within the EIFD (e.g. City/County/Special Districts, landowners/developers)
2. Available alternatives for funding improvements within the EIFD (e.g. grant sources based on transit or disadvantaged community census tract designation)
3. Infrastructure needs to improve the district and prepare the EIFD area for private development (to be provided by the Client or third party engineering consultant).

Task 2: Assessment of Governance Structure for EIFD

Consultant will, with assistance from City, identify the potential Public Facilities Authority (PFA) members and provide advice on steps to create the PFA governance structure that would best implement the planning and implementation of the EIFD.

Task 3: Illustrative Tax Increment Analysis & Identification of Other Potential Resources

Consultant will review readily available planning documents as well as funding information acquired from Task I to determine the general types of development projects that are planned within the boundaries of the potential EIFD. The advisory work for this Task will focus on prospective or illustrative key private project(s), which are within the proposed EIFD (as appropriate to the assignment). Consultant will incorporate these development projections into an illustrative tax increment analysis for the EIFD in order to determine highest priority projects/areas as well as areas for future annexation/consideration.

Consultant will consider:

- Illustrative development projections in the EIFD (to be determined in consultation with Client)
- Corresponding range of assessed value creation and tax increment generation overtime
- Preliminary list of complementary economic development tools and funding resources
- Potential infrastructure improvements to serve the development (to be provided by Client or selected engineering consultant)
- Overlap of EIFD with former RDA project areas and corresponding outstanding obligations.

Task 4: Strategic Review of Consolidated EIFD vs. Independent EIFD Areas

In conjunction with the Client, Consultant will evaluate the strategic preferences and disadvantages of proceeding based on one versus multiple EIFD areas. Considerations shall include cash flow and timing considerations, as well as likely priorities of other relevant public agencies that are potential contributors/participants in the PFA and or EIFD for a specific sub-area.

Task 5: Evaluation Summary Presentation Materials

Consultant will compile the data and research from Tasks 1 through 4 and compile it into a Summary PowerPoint Presentation that will explain the procedural requirements and potential operating authority of an EIFD and the steps the Client (and other entities, as appropriate) will have to take to create an EIFD.

Consultant will produce this Summary Power Point as a tool to educate the City Council, public agency representatives, general public, and other interested parties about the relevant factors and potential benefits of pursuing an EIFD and potential associated costs.

The Summary PowerPoint will also identify the timing and follow on scope and budget to be determined in consultation with the Client.

Task 6: Public and Private Stakeholder Outreach & Analysis Refinement

- A. Consultant will assist with outreach to public and private sector entity stakeholders, potentially including, but not limited to: City Council, County Administrative Office, County Board of Supervisors, Southern California Association of Governments, State Board of Equalization I Department of Tax and Fee Administration, Special districts (e.g. fire district, water districts, utility agencies), Major EIFD area developers, property owners, and/or registered voters.
- B. Consultant will assist with preparation and presentation of EIFD materials and Analysis as appropriate. Based on continued stakeholder outreach, Consultant will refine preliminary tax increment projections and related funding and financing analysis, in order to reflect proposed participating taxing entity tax increment dedications and supplementary funding sources and financing mechanisms. Consultant will assist with

final determination of EIFD boundaries and governing Public Financing Authority ("PFA") board composition.

Task 7: Infrastructure Financing Plan ("IFP") Document Template

Consultant will prepare an IFP document template to be populated by City staff in collaboration with Consultant and appropriate third-party consultants (e.g. special counsel, engineering I environmental consultants). The IFP template will include a table of contents and delineated sections for required information, including, but not limited to, a legal description of district boundaries, public improvements to be implemented, location, timing, and costs of development and financial assistance, finalized tax increment projections, intention to incur debt (e.g. EIFD bonds), district termination date, taxing entity fiscal impact analysis, and replacement housing obligations (pursuant to legislation Section 53398.63).

Task 8: IFP Supporting Fiscal Impact Analysis

The IFP is required by EIFD legislation to include an analysis of the projected fiscal impact of the EIFD and associated development upon each affected taxing entity. Consultant will prepare the fiscal impact analysis for the expected life of the EIFD (up to 45 years following the date on which the issuance of bonds is approved), including the period during and after new development has occurred. The analysis will include evaluation of potential fiscal revenues (e.g. property tax, sales tax, transient occupancy tax) and expenditures (e.g. police, fire, community services) for the City and other potentially participating taxing entities.

Task 9: Updated County Discussions and Direction on Partnership

Consultant will assist the City in updated preparation and discussion with the appropriate County administrative and supervisory staff to determine whether the City should proceed with EIFD initially with or without County partnership (recognizing that the County may join in a subsequent year). After receiving an update of the discussions with the County, the Contract Officer shall confirm and direct Consultant to proceed with the next tasks either with or without the County's participation in the EIFD. City understands that County's participation in the City's EIFD may bring financing benefits to said EIFD, but that the County's participation is not a requisite in establishing the EIFD.

Task 10: Resolution(s) of Intent and Establishment of the Public Financing Authority

Consultant will assist City staff and the City Attorney's office with the preparation of requisite documentation for the Resolution(s) of Intent ("ROI") to form the EIFD, including appropriate designation of the governing Public Financing Authority ("PFA") board members. Consultant will assist with coordination and presentation at the required City Council meeting(s) to adopt the ROI and will assist with required noticing of the ROI following the legislative body action(s). Due to the benefits received to City from the County's participation in the EIFD, the Consultant, at the direction and expense of the City, shall assist County staff and County Counsel with the preparation of County resolution(s) and presentation at County Economic Development Policy Committee and

Board of Supervisors meetings, if applicable. Should Consultant enter into a service agreement with County for services related thereto, Consultant shall only charge the City for the pro-rata portion of services delivered to City.

Task 11: Infrastructure Financing Plan Completion and Distribution

Consultant will collaborate with City staff (and potentially County staff, under the direction and cost of City) on the completion of the required IFP (in connection with Task 7, above), and related appendices, and the completion of the financial impact analysis components (in connection with Task 8, above). Consultant will assist City staff, including the City Clerk's office, in the required distribution of the IFP to property owners within the EIFD and to affected taxing entities.

Consultant will assist the City Clerk in coordinating the required noticing of the PFA hearing(s) for IFP approval and EIFD formation.

As part of IFP preparation, initial estimates of potential bonding capacity will be prepared at no additional costs by Consultant's affiliate, Kosmont Realty Corporation, doing business as Kosmont Transactions Services ("KTS"), a registered business with the Securities Exchange Commission (CIK# 0001631076) and the Municipal Securities Rulemaking Board as a Municipal Advisor (ID# K0505). Any and all future financial services provided by KTS shall be negotiated and agreed to by both parties by executing a separate contract services agreement. Nothing in this Agreement shall obligate the City to enter into such an agreement with KTS for future financial services.

Task 12: IFP Approval and EIFD Formation Hearings

Consultant will assist in coordination and will prepare and present an overview of the EIFD and IFP at the required City Council meeting(s) (and potential County Board of Supervisors meeting(s), under the direction and cost of City) and PFA hearing(s) to approve the IFP and form the EIFD. Once the EIFD is successfully formed, Consultant will assist City staff in completing the required filings for Change of Jurisdictional Boundaries with the State Board of Equalization.

Task 13: Special Projects – As-Needed Real Estate and Project Financing Advisory Services

As directed by the Contract Officer, Consultant will provide the following services on an on-call basis: real estate and special financing advisory services on various real projects as mutually agreeable by Consultant and the City, pursuant to and in accordance with the procedure in Section VI of this Exhibit A.

II. As part of the Services, Consultant will prepare and deliver the following tangible work products to the City:

- A. Task 1 Deliverables: Preliminary EIFD project area map
- B. Task 2 Deliverables: Outline of potential governance structure/governing board membership alternatives; Summary of steps, estimated timetable to complete formation of governing board; Preliminary estimate of PFA start-up costs
- C. Task 3 Deliverables: Illustrative tax increment analysis and preliminary list of complementary funding sources; Preliminary infrastructure improvement list (to be provided by Client or to be identified consultant); Ranking of potential EIFD areas by priority (e.g. early/higher priority vs. later/future consideration)
- D. Task 4 Deliverable: Summary Matrix of prospective EIFD Areas with technical and subjective observations
- E. Task 5 Deliverables: Summary PowerPoint; Presentation of Summary Power Point to City Staff and Council
- F. Task 6 Deliverables: EIFD materials and analysis.
- G. Task 7 Deliverables: IFP document template and assist with the final determination of EIFD boundaries and governing Public Financing Authority ("PFA") board composition.
- H. Task 8 Deliverables: A fiscal impact analysis for the expected life of the EIFD (up to 45 years following the date on which the issuance of bonds is approved), including the period during and after new development has occurred. The analysis will include evaluation of potential fiscal revenues and expenditures for the City and other potentially participating taxing entities.
- I. Task 9 Deliverables: Written summary of County Board of Supervisors discussions and recommendation on the formation of EIFD (whether with, or without, the County's participation) so as to provide direction/confirmation on whether the City should proceed with EIFD initially with or without County partnership.***
- J. Task 10 Deliverables: Provide City (and County Board of Supervisors, if applicable) with required documentation, including but not limited to, ROI, to form the EIFD. Presentation of summary PowerPoint to City Council, staff, and public during public meeting(s).Noticing of the ROI as needed.***
- K. Task 11 Deliverables: Completed IFP and related appendices and financial impact analysis. Distribution of the IFP to property owners within EIFD and affected taxing entities, as needed. In coordination with City Clerk, provide notice of PFA hearing for IFP approval and EIFD formation, and file required documents to form EIFD, as needed. Initial estimates of potential bonding capacity.***
- L. Task 12 Deliverables: Coordination, preparation and presentation of PowerPoint on the EIFD and IFP at required City Council meeting(s) (and potential County Board of***

Supervisors meeting, under the direction and cost of City) and PFA hearing(s) to approve IFP and form EIFD. File the Change of Jurisdictional Boundaries with the State Board of Equalization, as needed.

M. Task 13 Deliverables: *Deliverables shall be determined in accordance with Section VI of this Exhibit “A”.*

III. In addition to the requirements of Section 6.2, during performance of the Services, Consultant will keep the City updated of the status of performance by delivering the following status reports:

A. As needed, upon request of Contract Officer.

IV. 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.

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

A. Larry Kosmont

B. Joseph Dieguez

C. Robert Valenti

D. Fernando Sanchez

E. Wil Soholt

F. Thomas Jirovsky

G. Dan Massiello

H. Felicia Williams

VI. Consultant must perform the services listed in Task 13 of Section I of this Exhibit “A” in compliance with the following requirements:

A. Each task shall be indicated by a written request produced by the Contract Officer with a description of the work to be performed, and the time desired for completion. All tasks shall be carried out in conformity with all provisions of this Agreement.

B. Consultant must prepare a written description of the requested tasks including all components and subtasks; the costs to perform the task (“Task Budget”), using the itemized fees in Exhibit “C”, Schedule of Compensation, whenever a requested task is provided for in Exhibit “C”; explain how the cost was determined; and, a schedule for

completion of the task (“Task Completion Date”); which shall all collectively be referred to as the “Task Proposal”.

- C. Contract Officer shall in writing approve, modify or reject the Task Proposal, and may issue a notice to proceed.*
- D. The task shall be performed at a cost not to exceed the Task Budget.*
- E. Consultant shall complete the task and deliver all deliverables to Contract Officer by the Task Completion Date.”*

EXHIBIT “C”
SCHEDULE OF COMPENSATION

I. Consultant shall perform the following Services at the following rates:

		TIME	SUB-BUDGET
A.	Task 1	3-4 weeks	\$6,500
B.	Task 2	2-4 weeks	\$3,500
C.	Task 3	3-4 weeks (overlapping w/Task 2 B)	\$6,000
D.	Task 4	3-4 weeks (overlapping w/Tasks 2-3)	\$3,500
E.	Task 5	2-4 weeks	\$5,490
F.	Task 6	90 hours 6-8 weeks	\$25,000
G.	Task 7	27 hours 3-4 weeks	\$7,500
H.	Task 8	80 hours 5-6 weeks	\$22,500
I.	<i>Task 9*</i>	<i>8-12 weeks (overlapping with Tasks 10 and 11)</i>	<i>\$7,500</i>
J.	<i>Task 10*</i>	<i>6-8 weeks (overlapping with Tasks 9 and 11)</i>	<i>\$5,000</i>
K.	<i>Task 11*</i>	<i>6-8 weeks (overlapping with Tasks 9 and 10)</i>	<i>\$7,500</i>
L.	<i>Task 12*</i>	<i>16-20 weeks</i>	<i>\$5,000</i>
M.	Task 13	TBD at direction of City staff	\$15,000
N.	Contingency	-	\$15,000

** Tasks 9 through 12 include costs for Consultant services provided to County should County participate in the EIFD, including drafting required resolutions and documents pursuant to state law; provided, however, that upon approval from the Contract Officer the costs may increase for unexpected and extended negotiations. Should Consultant enter into a service agreement with County for services related thereto, Consultant shall only charge the City for the pro-rata portion of services delivered to City.*

- II. A retention of ten percent (10%) shall be held from each payment as a contract retention to be paid as a part of the final payment upon satisfactory completion of services.
- III. Within the budgeted amounts for each Task, and with the approval of the Contract Officer, funds may be shifted from one Task sub-budget to another so long as the Contract Sum is not exceeded per Section 2.1, unless Additional Services are approved per Section 2.3.

Notwithstanding the foregoing, the Contingency amount described in Subsection N of Section I of this Exhibit "C" shall only be used for unexpected and extended negotiations, including any negotiations with other agencies such as the County and the Consolidated Fire Protection District of Los Angeles County. Consultant shall notify and receive confirmation from Contract Officer before proceedings with any participation in said unexpected and extended negotiations with other agencies.

- IV. *For all on-call services listed under Task 13 of Section I of Exhibit "A", Consultant shall establish a Task Budget for each task identifying the subtasks, based on the time and rates of the personnel performing the subtasks, and itemizing all materials and equipment utilized and the costs thereof. If payment is to be made other than at completion of the services, then the phases of the performance and percentage of payment due shall also be shown in the Task Proposal.*
- V. The City will compensate Consultant for the Services performed upon submission of a valid invoice, in accordance with Section 2.2. Each invoice is to include:
 - A. Line items for all 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.
- VI. The total compensation for the Services, including on-call services, shall not exceed ~~\$79,990.00~~ \$134,990.00, as provided in Section 2.1 of this Agreement.
- VII. Consultant's billing rates for all personnel, *and rates for additional expenses*, are ~~attached as Exhibit C-1~~ as follows:

PERSONNEL HOURLY RATES

Professional Services

<i>Chairman & CEO</i>	<i>\$305.00/hour</i>
<i>President</i>	<i>\$290.00/hour</i>
<i>Partner/Senior Vice President/Senior Consultant</i>	<i>\$275 00/hour</i>
<i>Vice President/Associate</i>	<i>\$195 00/hour</i>
<i>Project Analyst/Project Research</i>	<i>\$165.00/hour</i>
<i>Assistant Project Analyst/Assistant Project Manager</i>	<i>\$125.00/hour</i>
<i>GIS Mapping/Graphics Service</i>	<i>\$ 95 00/hour</i>
<i>Clerical Support</i>	<i>\$ 60 00/hour</i>

Additional Expenses

In addition to professional services (labor fees):

- 1) An administrative fee for in-house copy, fax, phone and postage costs will be charged, which will be computed at four percent (4.0 %) of monthly Consultant professional service fees incurred; plus*
- 2) Out-of-pocket expenditures, such as travel and mileage, professional printing, and delivery charges for messenger and overnight packages will be charged at cost.*
- 3) If Consultant retains Third Party Vendor(s) for Client (with Client's advance approval), fees and cost will be billed to Client at 1.1 X (times) fees and costs.*
- 4) Consultant's attendance or participation at any public meeting requested by Client will be billed at the professional services (hourly) fees as shown on this rate sheet.*

Charges for Court/Deposition/Expert Witness-Related Appearances

Court-related (non-preparation) activities, such as court appearances, depositions, mediation, arbitration, dispute resolution and other expert witness activities, will be charged at a court rate of 1.5 times scheduled rates, with a 4-hour minimum.

EXHIBIT “D”

SCHEDULE OF PERFORMANCE

I. Consultant shall perform Task 1 timely in accordance with the following schedule:

		<u>Days to Perform</u>	<u>Deadline Date (subject to modification based on date City provides Consultant with updated planned project data)</u>
A.	Task 1	30 days from authorization	3/17/2017
B.	Task 2	60 days from authorization	4/17/2017
C.	Task 3	60 days from authorization	4/17/2017
D.	Task 4	60 days from authorization	4/17/2017
E.	Task 5	90 days from authorization	5/17/2017
F.	Task 6	60 days from receipt of City updated planned project data	August 31, 2019
G.	Task 7	90 days receipt of City updated planned project data	September 30, 2019
H.	Task 8	90 days from receipt of City updated planned project data	September 30, 2019
I.	<i>Task 9</i>	<i>Within 90 days from authorization</i>	<i>March 31, 2020</i>
J.	<i>Task 10*</i>	<i>Within 180 days from authorization</i>	<i>June 30, 2020</i>

K.	Task 11*	<i>Within 180 days from authorization</i>	<i>June 30, 2020</i>
L.	Task 12*	<i>Within 365 days from authorization</i>	<i>December 31, 2020</i>

Additionally, for Task 13, Consultant shall perform requested services in accordance with the schedule to be developed by Consultant and subject to the written approval of the Contract Officer.

****On December 3, 2019, the City Council adopted Resolution No. 19-192 with the intent to preserve the application of the then current EIFD state law on the formation of an EIFD. At the City's option (and subject to anticipated cleanup legislation), the City may elect to complete the EIFD process under prior state law or current state law, which may affect the deadline dates associated with each Task, and Consultant shall work with the City to accommodate for said changes in timeline.***

II. Consultant shall deliver the following tangible work products to the City by the following dates.

- A. Task 1 Deliverables:** Preliminary EIFD project area map
- B. Task 2 Deliverables:** Outline of potential governance structure/governing board membership alternatives; Summary of steps, estimated timetable to complete formation of governing board; Preliminary estimate of PFA start-up costs
- C. Task 3 Deliverables:** Illustrative tax increment analysis and preliminary list of complementary funding sources; Preliminary infrastructure improvement list (to be provided by Client or to be identified consultant); Ranking of potential EIFD areas by priority (e.g. early/higher priority vs. later/future consideration)
- D. Task 4 Deliverable:** Summary Matrix of prospective EIFD Areas with technical and subjective observations
- E. Task 5 Deliverables:** Summary PowerPoint; Presentation of Summary Power Point to City Staff and Council
- F. Task 6 Deliverables:** EIFD materials and analysis.
- G. Task 7 Deliverables:** IFP document template and assist with the final determination of EIFD boundaries and governing Public Financing Authority ("PFA") board composition.
- H. Task 8 Deliverables:** A fiscal impact analysis for the expected life of the EIFD (up to 45 years following the date on which the issuance of bonds is approved),

including the period during and after new development has occurred. The analysis will include evaluation of potential fiscal revenues and expenditures for the City and other potentially participating taxing entities.

- I. Task 9 Deliverables: Written summary of County Board of Supervisors discussions and recommendation on the formation of EIFD (whether with, or without, the County's participation) so as to provide direction/confirmation on whether the City should proceed with EIFD initially with or without County partnership.***
- J. Task 10 Deliverables: Provide City (and County Board of Supervisors, if applicable) with required documentation, including but not limited to, ROI, to form the EIFD. Presentation of summary PowerPoint to City Council, staff, and public during public meeting(s). Noticing of the ROI as needed.***
- K. Task 11 Deliverables: Completed IFP and related appendices and financial impact analysis. Distribution of the IFP to property owners within EIFD and affected taxing entities, as needed. In coordination with City Clerk, provide notice of PFA hearing for IFP approval and EIFD formation, and file required documents to form EIFD, as needed. Initial estimates of potential bonding capacity.***
- L. Task 12 Deliverables: Coordination, preparation and presentation of PowerPoint on the EIFD and IFP at required City Council meeting(s) (and potential County Board of Supervisors meeting, under the direction and cost of City) and PFA hearing(s) to approve IFP and form EIFD. File the Change of Jurisdictional Boundaries with the State Board of Equalization, as needed.***
- M. Task 13 Deliverables: Deliverables shall be determined in accordance with Section VI of this Exhibit "A".***

III. The Contract Officer may approve extensions for performance of the services in accordance with Section 3.2.