



# CITY OF CARSON

## Legislation Text

File #: 2021-647, Version: 1

### Report to Successor Agency

Tuesday, September 07, 2021

Consent

#### **SUBJECT:**

**CONSIDER AWARD AND APPROVAL OF CONTRACT SERVICES AGREEMENT WITH RSG, INC. FOR POST-REDEVELOPMENT DISSOLUTION SERVICES (SUCCESSOR AGENCY)**

#### **I. SUMMARY**

The Carson Successor Agency ("Agency") issued Request for Proposal No. 21-024 ("RFP") (Exhibit No. 1) on June 3, 2021 seeking qualified firms to provide post-redevelopment dissolution services. The scope solicited under the RFP includes: (1) Annual Recognized Obligation Payment Schedule ("ROPS") preparation and Prior Period Adjustment ("PPA") reporting; (2) continuing disclosures for Agency bonds as required by applicable laws; and (3) other post-redevelopment dissolution services as requested by the Agency. The scope solicited were services previously performed by DHA Consulting LLC ("DHA"). (The principal and sole proprietor of that firm has now retired from service.)

Two proposals were received by the RFP deadline of June 24, 2021. A selection committee reviewed the proposals and evaluated each firm on the criteria set forth in the RFP. The firm recommended by the selection committee, RSG, Inc. ("RSG") has a total fee of \$297,775 for services through June 30, 2026. All costs contemplated under the proposed Agreement with RSG (Exhibit No. 2) are to be paid by the Agency's Redevelopment Property Tax Trust Fund ("RPTTF").

#### **II. RECOMMENDATION**

**TAKE** the following actions:

1. AWARD and APPROVE the contract services agreement with RSG, Inc. to provide post-redevelopment dissolution services for a not-to-exceed contract sum of \$297,775 through June 30, 2026.
2. AUTHORIZE the Agency Chair to execute the agreement following approval as to form by the Agency Counsel.

### III. ALTERNATIVES

TAKE any other action the Agency deems appropriate.

### IV. BACKGROUND

#### Scope of Services

RSG's scope of services consists of three general components: (1) Annual recognized obligation payment schedule ("ROPS") and Prior Period Adjustment reporting ("PPA") preparation; (2) continuing disclosures for Agency bonds as required by applicable laws; and (3) other post-redevelopment dissolution services as requested by the Agency.

#### **(1) Annual ROPS preparation and PPA reporting.**

*Recognized Obligation Payment Schedule ("ROPS").* The ROPS is the Agency's budget prepared each year and reviewed and approved by the Los Angeles County Second District Oversight Board ("Oversight Board") and State of California Department of Finance ("DOF"). The ROPS include all debt obligations and administrative costs associated with post-redevelopment dissolution activities. RSG would provide guidance to the Agency throughout the ROPS process, including preparing the bond debt service portion of the ROPS, reviewing the completed ROPS and assisting in answering questions from Oversight Board and DOF.

*Prior Period Adjustment Report or PPA.* This report shows Agency expenditures for the prior fiscal year. RSG would review the report and participates in answering any questions posed by the County of Los Angeles Auditor Controller and/or DOF.

#### **(2) Continuing Disclosures.**

The Agency's bonds require the preparation of continuing disclosure reports pursuant to the requirements outlined in the Official Statement related to each bond issuance. RSG would assist Agency to report certain revenues and expenditures on Agency bonds issued to bondholders on an annual basis.

#### **(3) Other Items / Special Projects as requested.**

RSG would advise and support staff as needed on post-redevelopment dissolution items or issues as they arise. This includes as needed general staff assistance, Meet and Confer processes with DOF regarding ROPS approval, participation in Oversight Board and/or DOF meetings, and other items on an as-needed, as requested, basis.

#### Selection Process

On June 3, 2021, the Agency issued RFP No. 21-024 seeking qualified consulting firms to provide post-redevelopment dissolution services. The RFP was advertised on the Planet Bids website through the Purchasing Division of the Finance Department. On June 24, 2021 the City received two proposals from the following firms: 1) RSG Inc., Irvine, California; and 2) Kosmont Companies, Manhattan Beach, California.

The proposals of each firm were reviewed and evaluated based on the criteria set forth in the RFP by the selection committee. The selection committee comprised of staff in the

Finance and Community Development Departments and includes the Director of Finance, Accounting Manager, and Community Development Project Manager ("Selection Committee"). The rating worksheet reflecting the Selection Committee's evaluation form is attached (Exhibit No. 3). In summary, the qualifications-based selection process included the following seven (7) criteria: 1) Understanding of Scope of Services; 2) Demonstrated professional skills and credentials; 3) Related Experience; 4) Quality of Proposal and fee; 5) Approach to performing this type of service; 6) Familiarity with City, County, and State procedures; and 7) References / Satisfaction of Previous Clients.

The Agency solicited the RFP in accordance with the City of Carson's ("City's") Municipal Code and Purchasing Ordinance. The Municipal Code stipulates that certain professional services are selected on demonstrated competence and qualifications necessary for the satisfactory performance of the services required at a fair and reasonable price. After an extensive review, RSG is recommended by the Selection Committee as the most qualified firm due to demonstrated competence and qualifications based on the criteria of the RFP. The final qualification rankings and price are summarized as follows:

<u>Firm</u>	<u>Score</u>	<u>Base Price (per year)*</u>
RSG, Inc.	91.94	\$42,715
Kosmont Companies	87.42	\$33,765

*\*Price above does not include as-needed items, which are an additional cost, and has been adjusted to provide a like-for-like comparison visual. RSG provided pricing for such items such as ROPS Amendments, additional meetings, assistance on Agency administrative matters (e.g., DDAs, subordinations, property disposition etc.) outside of required tasks (i.e., PPA, ROPS, continuing disclosures), as requested by Agency staff; Kosmont did not price those and left the cost to be determined.*

RSG's proposal was unanimously but narrowly recommended by the Selection Committee.

## **V. FISCAL IMPACT**

If all services are utilized, the proposed Agreement would cost the Agency up to \$297,775 over a term ending on June 30, 2026. Funds for these services are budgeted on an annual basis under Agency Account No. 783-70-720-905-6004 (CD RPTTF Administration Professional Services).

## **VI. EXHIBITS**

1. RFP No. 21-024 (Pgs. 4-38)
2. Proposed Agreement with RSG, Inc. (Pgs. 39-65)
3. Rating Worksheet (Pg. 66)

1.

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