

9) **Professional Services Agreement with Spicer Consulting Group, LLC (SCG) for Special Tax Administration Services**

Approve and authorize the City Manager to execute the Professional Services Agreement with Spicer Consulting Group, LLC (SCG) for Special Tax Administration Services in an amount not to exceed \$656,194.30 annually in such final form as approved by the City Attorney.



## REPORT TO CITY COUNCIL

**To:** Honorable Mayor and Members of the City Council

**From:** Jason Simpson, City Manager

**Prepared by:** Shannon Buckley, Assistant City Manager

**Date:** May 14, 2024

**Subject:** Professional Services Agreement with Spicer Consulting Group, LLC (SCG) for Special Tax Administration Services

### **Recommendation**

Approve and authorize the City Manager to execute the Professional Services Agreement with Spicer Consulting Group, LLC (SCG) for Special Tax Administration Services in an amount not to exceed \$656,194.30 annually in such final form as approved by the City Attorney.

### **Background**

On May 31, 2016, the City approved a new professional services firm. SCG has provided all the related services associated with the Assessment, Landscape, Lighting District administration, and Tax Administration process. They perform an excellent service for the City and are a critical member of its Finance Team for compliance and due diligence.

### **Discussion**

The new Agreement with SCG will provide a consolidation of all administrative support services for special financing districts, including the City of Lake Elsinore's 80 Community Facilities Districts (CFDs), one Assessment Districts (ADs), 26 Landscaping and Lighting Maintenance Districts (LLMDs), one CSA 152, Weed Abatement, and Nuisance Abatement to include handling public inquiries for all districts. Additionally, within this scope of work, SCG will provide assessment district and CFD administration, including preparation of annual reports, delinquency management, calculation of assessment and special taxes, and submittal of assessments and special taxes to the County for placement on the property tax roll, handling of all public inquiries related to CFD. Focusing primarily on the Southern Inland Empire, SCG has the expertise and resources to fully support the City's growth. SCG has a complete data repository, including a direct connection to the County Auditor's taxing system that will ensure absolute accuracy in levying the special assessments/taxes on the County tax rolls. The staff performed exceptionally and met all deadlines. On April 9, 2024, SCG rolled out the Property Finder Application for the

City of Lake Elsinore property owners. Property Finder is a .NET application designed specifically for the City to provide Special District specific information to the public. The development process involved close collaboration between City Staff and Spicer Consulting Group, leveraging the expertise of both entities to ensure the tool's effectiveness and accessibility. Key features of the Property Finder include the ability to search for property tax information using the property address or Parcel Identification Number (PIN), providing a visual illustration of the property in question using Geographic Information System (GIS) including the district boundaries of all of the City's Special Districts, as well as access to essential tax details such as the current year's tax amount for each District and the maturity year. Additionally, the tool integrates valuable information from the City of Lake Elsinore, Spicer Consulting Group, and the Riverside County Tax Collector, further enhancing its utility and relevance to users.

Property Finder has successfully addressed the challenge of providing accessible property tax information, setting a new standard for property tax administration in California cities hosted and maintained by SCG.

Finally, staff has negotiated these professional services to maintain existing costs. The direct cost-benefit of this action will result in savings to the City of Lake Elsinore property owners.

### **Fiscal Impact**

Fees for these services will be paid as part of the bond and special district resources set aside for administration. Therefore, the City's General Fund is not impacted.

### **Attachments**

Attachment 1- SCG Agreement  
Exhibit A- SCG Proposal

## **AGREEMENT FOR PROFESSIONAL SERVICES**

***Spicer Consulting Group, LLC.***

### ***Special Tax Administration Services***

This Agreement for Professional Services (the "Agreement") is made and entered into as of July 1, 2024, by and between the City of Lake Elsinore, a municipal corporation ("City") and Spicer Consulting Group, LLC., a limited liability corporation ("Consultant").

## **RECITALS**

A. The City has determined that it requires the following professional services:

For all administration support services for special financing districts, including the City of Lake Elsinore's Community Facilities Districts (CFDs), Assessment District (AD), Landscaping and Lighting Maintenance Districts (LLMDs), CSA 152, Weed Abatement, and Nuisance Abatement to include handling public inquiries for all districts.

B. Consultant has submitted to City a proposal, dated April 16, 2024, attached hereto as Exhibit A ("Consultant's Proposal") and incorporated herein, to provide professional services to City pursuant to the terms of this Agreement.

C. Consultant possesses the skill, experience, ability, background, certification and knowledge to perform the services described in this Agreement on the terms and conditions described herein.

D. City desires to retain Consultant to perform the services as provided herein and Consultant desires to provide such professional services as set forth in this Agreement.

## **AGREEMENT**

1. Scope of Services. Consultant shall perform the services described in Consultant's Proposal (Exhibit A). Consultant shall provide such services at the time, place, and in the manner specified in Consultant's Proposal, subject to the direction of the City through its staff that it may provide from time to time.

2. Time of Performance.

a. Time of Essence. Time is of the essence in the performance of this Agreement. The time for completion of the professional services to be performed by Consultant is an essential condition of this Agreement. Consultant shall prosecute regularly and diligently the professional services contemplated pursuant to this Agreement according to the agreed upon performance schedule in Consultant's Proposal (Exhibit A).

b. Performance Schedule. Consultant shall commence the services pursuant to this Agreement upon receipt of a written notice to proceed and shall perform all services within the time period(s) established in the Consultant's Proposal (Exhibit A). When requested by Consultant, extensions to the time period(s) specified may be approved in writing by the City Manager.

c. Term. Unless earlier terminated as provided elsewhere in this Agreement, this Agreement shall continue in full force and effect for a period commencing on July 1, 2024 and ending June 30, 2027. The City may, at its sole discretion, extend the term of this Agreement on a 12-month basis not to exceed 2 additional twelve (12) month renewal terms by giving written notice thereof to Consultant not less than thirty (30) days before the end of the contract term, such notice to be exercised by the City Manager.

3. Compensation. Compensation to be paid to Consultant shall be in accordance with the fees set forth in Consultant's Proposal (Exhibit A), which is attached hereto and incorporated herein by reference. In no event shall Consultant's annual compensation exceed Six Hundred Fifty-Six Thousand One Hundred Ninety-Four dollars and 30 cents (\$656,194.30) without additional written authorization from the City. Notwithstanding any provision of Consultant's Proposal to the contrary, out of pocket expenses set forth in Exhibit A shall be reimbursed at cost without an inflator or administrative charge. Payment by City under this Agreement shall not be deemed a waiver of defects, even if such defects were known to the City at the time of payment.

4. Method of Payment. Consultant shall promptly submit billings to the City describing the services and related work performed during the preceding month to the extent that such services and related work were performed. Consultant's bills shall be segregated by project task, if applicable, such that the City receives a separate accounting for work done on each individual task for which Consultant provides services. Consultant's bills shall include a brief description of the services performed, the date the services were performed, the number of hours spent and by whom, and a description of any reimbursable expenditures. City shall pay Consultant no later than forty-five (45) days after receipt of the monthly invoice by City staff.

5. Background Checks. At any time during the term of this Agreement, the City reserves the right to make an independent investigation into the background of Consultant's personnel who perform work required by this Agreement, including but not limited to their references, character, address history, past employment, education, social security number validation, and criminal or police records, for the purpose of confirming that such personnel are lawfully employed, qualified to provide the subject service or pose a risk to the safety of persons or property in and around the vicinity of where the services will be rendered or City Hall. If the City makes a reasonable determination that any of Consultant's prospective or then current personnel is deemed objectionable, then the City may notify Consultant of the same. Consultant shall not use that personnel to perform work required by this Agreement, and if necessary, shall replace him or her with a suitable worker.

6. Suspension or Termination.

a. The City may at any time, for any reason, with or without cause, suspend or terminate this Agreement, or any portion hereof, by serving upon the Consultant at least ten (10) days prior written notice. Upon receipt of such notice, the Consultant shall immediately cease all work under this Agreement, unless the notice provides otherwise. If the City suspends or terminates a portion of this Agreement such suspension or termination shall not make void or invalidate the remainder of this Agreement.

b. In the event this Agreement is terminated pursuant to this Section, the City shall pay to Consultant the actual value of the work performed up to the time of termination, provided that the work performed is of value to the City. Upon termination of the Agreement

pursuant to this Section, the Consultant will submit an invoice to the City, pursuant to Section entitled "Method of Payment" herein.

7. Plans, Studies, Documents.

a. Ownership of Documents. All plans, studies, documents and other writings prepared by and for Consultant, its officers, employees and agents and subcontractors in the course of implementing this Agreement, except working notepad internal documents, shall become the property of the City upon payment to Consultant for such work, and the City shall have the sole right to use such materials in its discretion without further compensation to Consultant or to any other party. Consultant shall, at Consultant's expense, provide such reports, plans, studies, documents and other writings to City upon written request. City shall have sole determination of the public's rights to documents under the Public Records Act, and any third-party requests of Consultant shall be immediately referred to City, without any other actions by Consultant.

b. Licensing of Intellectual Property. This Agreement creates a nonexclusive and perpetual license for City to copy, use, modify, reuse, or sublicense any and all copyrights, designs, and other intellectual property embodied in plans, specifications, studies, drawings, estimates, and other documents or works of authorship fixed in any tangible medium of expression, including but not limited to, physical drawings or data magnetically or otherwise recorded on computer diskettes, which are prepared or caused to be prepared by Consultant under this Agreement ("Documents & Data"). Consultant shall require that all subcontractors agree in writing that City is granted a nonexclusive and perpetual license for any Documents & Data the subcontractor prepares under this Agreement. Consultant represents and warrants that Consultant has the legal right to license any and all Documents & Data. Consultant makes no such representation and warranty in regard to Documents & Data which were prepared by design professionals other than Consultant or provided to Consultant by the City. City shall not be limited in any way in its use of the Documents & Data at any time, provided that any such use not within the purposes intended by this Agreement shall be at City's sole risk.

c. Confidentiality. All ideas, memoranda, specifications, plans, procedures, drawings, descriptions, computer program data, input record data, written information, and other Documents & Data either created by or provided to Consultant in connection with the performance of this Agreement shall be held confidential by Consultant. Such materials shall not, without the prior written consent of City, be used by Consultant for any purposes other than the performance of the services under this Agreement. Nor shall such materials be disclosed to any person or entity not connected with the performance of the services under this Agreement. Nothing furnished to Consultant which is otherwise known to Consultant or is generally known, or has become known, to the related industry shall be deemed confidential. Consultant shall not use City's name or insignia, photographs relating to project for which Consultant's services are rendered, or any publicity pertaining to the Consultant's services under this Agreement in any magazine, trade paper, newspaper, television or radio production or other similar medium without the prior written consent of City.

8. Consultant's Books and Records.

a. Consultant shall maintain any and all ledgers, books of account, invoices, vouchers, canceled checks, and other records or documents evidencing or relating to charges for services, or expenditures and disbursements charged to City for a minimum period of three (3)

years, or for any longer period required by law, from the date of final payment to Consultant to this Agreement.

b. Consultant shall maintain all documents and records which demonstrate performance under this Agreement for a minimum period of three (3) years, or for any longer period required by law, from the date of termination or completion of this Agreement.

c. Any records or documents required to be maintained pursuant to this Agreement shall be made available for inspection or audit, at any time during regular business hours, upon written request by the City Manager, City Attorney, City Auditor or a designated representative of these officers. Copies of such documents shall be provided to the City for inspection at City Hall when it is practical to do so. Otherwise, unless an alternative is mutually agreed upon, the records shall be available at Consultant's address indicated for receipt of notices in this Agreement.

d. Where City has reason to believe that such records or documents may be lost or discarded due to dissolution, disbandment or termination of Consultant's business, City may, by written request by any of the above-named officers, require that custody of the records be given to the City and that the records and documents be maintained in City Hall. Access to such records and documents shall be granted to any party authorized by Consultant, Consultant's representatives, or Consultant's successor-in-interest.

9. Independent Contractor.

a. Consultant is and shall at all times remain as to the City a wholly independent contractor pursuant to California Labor Code Section 3353. The personnel performing the services under this Agreement on behalf of Consultant shall at all times be under Consultant's exclusive direction and control. Neither City nor any of its officers, employees, or agents shall have control over the conduct of Consultant or any of Consultant's officers, employees, or agents, except as set forth in this Agreement. Consultant shall not at any time or in any manner represent that it or any of its officers, employees, or agents are in any manner officers, employees, or agents of the City. Consultant shall not incur or have the power to incur any debt, obligation, or liability whatsoever against City, or bind City in any manner.

b. Notwithstanding any other federal, state and local laws, codes, ordinances and regulations to the contrary and except for the fees paid to Consultant as provided in the Agreement, Consultant and any of its employees, agents, and subcontractors providing service under this Agreement shall not qualify for or become entitled to, and hereby agree to waive any claims to, any compensation, benefit, or any incident of employment by City, including but not limited to eligibility to enroll in PERS as an employee of City and entitlement to any contribution to be paid by City for employer contribution and/or employee contributions for PERS benefits.

10. PERS Eligibility Indemnification. In the event that Consultant or any employee, agent, or subcontractor of Consultant providing services under this Agreement claims or 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 the 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.

11. Interests of Consultant. Consultant (including principals, associates and professional employees) covenants and represents that it does not now have any investment or interest in real property and shall not acquire any interest, direct or indirect, in the area covered by this Agreement or any other source of income, interest in real property or investment which would be affected in any manner or degree by the performance of Consultant's services hereunder. Consultant further covenants and represents that in the performance of its duties hereunder no person having any such interest shall perform any services under this Agreement.

Consultant is not a designated employee within the meaning of the Political Reform Act because Consultant:

a. will conduct research and arrive at conclusions with respect to his/her rendition of information, advice, recommendation or counsel independent of the control and direction of the City or of any City official, other than normal agreement monitoring; and

b. possesses no authority with respect to any City decision beyond rendition of information, advice, recommendation or counsel. (FPPC Reg. 18700(a)(2).)

12. Professional Ability of Consultant. City has relied upon the professional training and ability of Consultant to perform the services hereunder as a material inducement to enter into this Agreement. Consultant shall therefore provide properly skilled professional and technical personnel to perform all services under this Agreement. All work performed by Consultant under this Agreement shall be in accordance with applicable legal requirements and shall meet the standard of quality ordinarily to be expected of competent professionals in Consultant's field of expertise.

13. Compliance with Laws.

a. Consultant shall comply with all local, state and federal laws and regulations applicable to the services required hereunder, including any rule, regulation or bylaw governing the conduct or performance of Consultant and/or its employees, officers, or board members.

b. Consultant represents that it has obtained and will maintain at all times during the term of this Agreement all professional and/or business licenses, certifications and/or permits necessary for performing the services described in this Agreement, including a City business license.

14. Licenses. Consultant represents and warrants to City that it has the licenses, permits, qualifications, insurance and approvals of whatsoever nature which are legally required of Consultant to practice its profession. Consultant represents and warrants to City that Consultant shall, at its sole cost and expense, keep in effect or obtain at all times during the term of this Agreement, any licenses, permits, insurance and approvals which are legally required of Consultant to practice its profession. Consultant shall maintain a City of Lake Elsinore business license.

15. Indemnity. Consultant shall indemnify, defend, and hold harmless the City and its officials, officers, employees, agents, and volunteers from and against any and all losses, liability, claims, suits, actions, damages, and causes of action arising out of any personal injury, bodily injury, loss of life, or damage to property, or any violation of any federal, state, or municipal law or ordinance, to the extent caused, in whole or in part, by the willful misconduct or negligent acts



or omissions of Consultant or its employees, subcontractors, or agents, by acts for which they could be held strictly liable, or by the quality or character of their work. The foregoing obligation of Consultant shall not apply when (1) the injury, loss of life, damage to property, or violation of law arises from the sole negligence or willful misconduct of the City or its officers, employees, agents, or volunteers and (2) the actions of Consultant or its employees, subcontractor, or agents have contributed in no part to the injury, loss of life, damage to property, or violation of law. It is understood that the duty of Consultant to indemnify and hold harmless includes the duty to defend as set forth in Section 2778 of the California Civil Code. 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 damages or claims for damages whether or not such insurance policies shall have been determined to apply. By execution of this Agreement, Consultant acknowledges and agrees to the provisions of this Section and that it is a material element of consideration.

16. Insurance Requirements.

a. Insurance. Consultant, at Consultant's own cost and expense, shall procure and maintain, for the duration of the contract, unless modified by the City's Risk Manager, the following insurance policies.

i. Workers' Compensation Coverage. Consultant shall maintain Workers' Compensation Insurance and Employer's Liability Insurance for his/her employees in accordance with the laws of the State of California. In addition, Consultant shall require each subcontractor to similarly maintain Workers' Compensation Insurance and Employer's Liability Insurance in accordance with the laws of the State of California for all of the subcontractor's employees. Any notice of cancellation or non-renewal of all Workers' Compensation policies must be received by the City at least thirty (30) days prior to such change. The insurer shall agree to waive all rights of subrogation against City, its officers, agents, employees and volunteers for losses arising from work performed by Consultant for City. In the event that Consultant is exempt from Worker's Compensation Insurance and Employer's Liability Insurance for his/her employees in accordance with the laws of the State of California, Consultant shall submit to the City a Certificate of Exemption from Workers Compensation Insurance in a form approved by the City Attorney.

ii. General Liability Coverage. Consultant shall maintain commercial general liability insurance in an amount not less than one million dollars (\$1,000,000) per occurrence for bodily injury, personal injury and property damage. If a commercial general liability insurance form or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to the work to be performed under this Agreement or the general aggregate limit shall be at least twice the required occurrence limit. Required commercial general liability coverage shall be at least as broad as Insurance Services Office Commercial General Liability occurrence form CG 0001 (ed. 11/88) or Insurance Services Office form number GL 0002 (ed. 1/73) covering comprehensive General Liability and Insurance Services Office form number GL 0404 covering Broad Form Comprehensive General Liability. No endorsement may be attached limiting the coverage.

iii. Automobile Liability Coverage. Consultant shall maintain automobile liability insurance covering bodily injury and property damage for all activities of the Consultant arising out of or in connection with the work to be performed under this Agreement, including coverage for owned, hired and non-owned vehicles, in an amount of not less than one million dollars (\$1,000,000) combined single limit for each occurrence. Automobile liability coverage must be at least as broad as Insurance Services Office Automobile Liability form CA 0001 (ed. 12/90) Code 1 ("any auto"). No endorsement may be attached limiting the coverage.

iv. Professional Liability Coverage. Consultant shall maintain professional errors and omissions liability insurance appropriate for Consultant's profession for protection against claims alleging negligent acts, errors or omissions which may arise from Consultant's services under this Agreement, whether such services are provided by the Consultant or by its employees, subcontractors, or sub consultants. The amount of this insurance shall not be less than one million dollars (\$1,000,000) on a claims-made annual aggregate basis, or a combined single limit per occurrence basis.

b. Endorsements. Each general liability and automobile liability insurance policy shall be with insurers possessing a Best's rating of no less than A:VII and shall be endorsed with the following specific language:

i. Notwithstanding any inconsistent statement in any required insurance policies or any subsequent endorsements attached thereto, the protection offered by all policies, except for Workers' Compensation, shall bear an endorsement whereby it is provided that, the City and its officers, employees, servants, volunteers and agents and independent contractors, including without limitation, the City Manager and City Attorney, are named as additional insureds. Additional insureds shall be entitled to the full benefit of all insurance policies in the same manner and to the same extent as any other insureds and there shall be no limitation to the benefits conferred upon them other than policy limits to coverages.

ii. This policy shall be considered primary insurance as respects the City, its elected or appointed officers, officials, employees, agents and volunteers. Any insurance maintained by the City, including any self-insured retention the City may have, shall be considered excess insurance only and shall not contribute with it.

iii. This insurance shall act for each insured and additional insured as though a separate policy had been written for each, except with respect to the limits of liability of the insuring company.

iv. The insurer waives all rights of subrogation against the City, its elected or appointed officers, officials, employees or agents.

v. Any failure to comply with reporting provisions of the policies shall not affect coverage provided to the City, its elected or appointed officers, officials, employees, agents or volunteers.

vi. The insurance provided by this Policy shall not be suspended, voided, canceled, or reduced in coverage or in limits except after thirty (30) days written notice has been received by the City.

c. Deductibles and Self-Insured Retentions. Any deductibles or self-insured retentions must be declared to and approved by the City. At the City's option, Consultant shall demonstrate financial capability for payment of such deductibles or self-insured retentions.

d. Certificates of Insurance. Consultant shall provide certificates of insurance with original endorsements to City as evidence of the insurance coverage required herein. Certificates of such insurance shall be filed with the City on or before commencement of performance of this Agreement. Current certification of insurance shall be kept on file with the City at all times during the term of this Agreement.

17. Notices. Any notice required to be given under this Agreement shall be in writing and either served personally or sent prepaid, first class mail. Any such notice shall be addressed to the other party at the address set forth below. Notice shall be deemed communicated within 48 hours from the time of mailing if mailed as provided in this section.

If to City:                      City of Lake Elsinore  
   Attn: City Manager  
   130 South Main Street  
   Lake Elsinore, CA 92530

With a copy to:                City of Lake Elsinore  
   Attn: City Clerk  
   130 South Main Street  
   Lake Elsinore, CA 92530

If to Consultant:              Spicer Consulting Group, LLC.  
   Attn: Shane Spicer  
   41619 Margarita Road, Suite 101  
   Temecula, CA 92591

18. Assignment and Subcontracting. The parties recognize that a substantial inducement to City for entering into this Agreement is the professional reputation, experience and competence of Consultant and the subcontractors listed in Exhibit B. Consultant shall be fully responsible to City for all acts or omissions of any subcontractors. Assignments of any or all rights, duties or obligations of the Consultant under this Agreement will be permitted only with the express consent of the City. Consultant shall not subcontract any portion of the work to be performed under this Agreement except as provided in Exhibit B without the written authorization of the City. If City consents to such subcontract, Consultant shall be fully responsible to City for all acts or omissions of those subcontractors. Nothing in this Agreement shall create any contractual relationship between City and any subcontractor nor shall it create any obligation on the part of the City to pay or to see to the payment of any monies due to any such subcontractor other than as otherwise is required by law.

19. Waiver. Waiver of a breach or default under this Agreement shall not constitute a continuing waiver of a subsequent breach of the same or any other provision under this Agreement.

20. Litigation Expenses and Attorneys' Fees. If either party to this Agreement commences any legal action against the other party arising out of this Agreement, the prevailing party shall be entitled to recover its reasonable litigation expenses, including court costs, expert witness fees, discovery expenses, and attorneys' fees.

21. Mediation. The parties agree to make a good faith attempt to resolve any disputes arising out of this Agreement through mediation prior to commencing litigation. The parties shall mutually agree upon the mediator and share the costs of mediation equally. If the parties are unable to agree upon a mediator, the dispute shall be submitted to JAMS or its successor in interest. JAMS shall provide the parties with the names of five qualified mediators. Each party shall have the option to strike two of the five mediators selected by JAMS and thereafter the mediator remaining shall hear the dispute. If the dispute remains unresolved after mediation, either party may commence litigation.

22. Prohibited Interests. Consultant maintains and warrants that it has not employed nor retained any company or person, other than a bona fide employee working solely for Consultant, to solicit or secure this Agreement. Further, Consultant warrants that it has not paid nor has it agreed to pay any company or person, other than a bona fide employee working solely for Consultant, any fee, commission, percentage, brokerage fee, gift or other consideration contingent upon or resulting from the award or making of this Agreement. For breach or violation of this warranty, City shall have the right to rescind this Agreement without liability. For the term of this Agreement, no member, officer or employee of City, during the term of his or her service with City, shall have any direct interest in this Agreement, or obtain any present or anticipated material benefit arising therefrom.

23. Equal Opportunity Employment. Consultant represents that it is an equal opportunity employer and it shall not discriminate against any subcontractor, employee or applicant for employment because of race, religion, color, national origin, handicap, ancestry, sex or age. Such non-discrimination shall include, but not be limited to, all activities related to initial employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination.

24. Prevailing Wages. Consultant is aware of the requirements of California Labor Code Section 1720, et seq., and 1770, et seq., as well as California Code of Regulations, Title 8, Section 16000, et seq., ("Prevailing Wage Laws"), which require the payment of prevailing wage rates and the performance of other requirements on "public works" and "maintenance" projects. Consultant agrees to fully comply with all applicable federal and state labor laws (including, without limitation, if applicable, the Prevailing Wage Laws). It is agreed by the parties that, in connection with the Work or Services provided pursuant to this Agreement, Consultant shall bear all risks of payment or non-payment of prevailing wages under California law, and Consultant hereby agrees to defend, indemnify, and hold the City, and its officials, officers, employees, agents, and volunteers, free and harmless from any claim or liability arising out of any failure or alleged failure to comply with the Prevailing Wage Laws. The foregoing indemnity shall survive termination of this Agreement.

25. Severability. If any term or portion of this Agreement is held to be invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions of this Agreement shall continue in full force and effect.

26. Controlling Law Venue. This Agreement and all matters relating to it shall be governed by the laws of the State of California and any action brought relating to this Agreement shall be held exclusively in a state court in the County of Riverside.

27. Authority to Enter Agreement. Consultant has all requisite power and authority to conduct its business and to execute, deliver, and perform the Agreement. Each party warrants that the individuals who have signed this Agreement have the legal power, right, and authority to

make this Agreement and to bind each respective party. The City Manager is authorized to enter into an amendment or otherwise take action on behalf of the City to make the following modifications to the Agreement: (a) a name change; (b) grant extensions of time; (c) non-monetary changes in the scope of services; and/or (d) suspend or terminate the Agreement.

28. Counterparts. This Agreement may be executed in several counterparts, each of which shall constitute one and the same instrument and shall become binding upon the parties when at least one copy hereof shall have been signed by both parties hereto. In approving this Agreement, it shall not be necessary to produce or account for more than one such counterpart.

29. Entire Agreement; Incorporation; Conflict. This Agreement contains the entire understanding between the parties relating to the obligations described herein. All prior or contemporaneous understandings, agreements, representations and statements, oral or written, are superseded in total by this Agreement and shall be of no further force or effect. Consultant's Proposal is incorporated only for the description of the scope of services and/or the schedule of performance and no other terms and conditions from such proposal shall apply to this Agreement unless specifically agreed to in writing. In the event of conflict, this Agreement shall take precedence over those contained in the Consultant's Proposal.

30. Amendments. This Agreement may be modified or amended only by a written document executed by both Consultant and City and approved as to form by the City Attorney.

[Signatures on next page]

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed on the date first written above.

“CITY”

CITY OF LAKE ELSINORE, a municipal corporation

“CONSULTANT”

Spicer Consulting Group, LLC., a limited liability corporation

\_\_\_\_\_  
City Manager

\_\_\_\_\_  
By: Shane Spicer  
Its: Managing Director

ATTEST:

\_\_\_\_\_  
City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
City Attorney

\_\_\_\_\_  
Assistant City Manager

Attachments: Exhibit A – Consultant’s Proposal  
Exhibit B – List of Subcontractors

EXHIBIT A  
CONSULTANT'S PROPOSAL  
[ATTACHED]

EXHIBIT B  
LIST OF SUBCONTRACTORS  
[ATTACHED]





Via Electronic Mail

April 16, 2024

Ms. Shannon Buckley  
Assistant City Manager  
City of Lake Elsinore  
130 South Main Street  
Lake Elsinore, CA 92530

**RE: SCG-Spicer Consulting Group Proposal for Special Tax Administration Services for FY 2024-25**

Dear Ms. Buckley:

Thank you for considering Spicer Consulting Group (SCG) to serve the City of Lake Elsinore (City) to provide Special Tax Administration Services of the City's Special Districts. SCG is pleased to submit this proposal to provide Special Tax Administration Services and appreciates the opportunity to continue to partner with the City for these important service. We propose to be compensated a fixed fee of **\$656,194.30** for Fiscal Year 2024-25 as follows for services performed according to the scope of services listed in Attachment A for the below list of Special Districts. The proposed compensation shall increase following FY 2024-25 annually by 3%. A detailed list of Special Districts is included in Attachment B.

**Annual Administration/Annual Levy/Reporting**

Description	FY 2024-25
Landscape & Lighting Maintenance Districts	
Citywide LMD (Zones A thru D)	\$23,534.67
LMD 1 (Zones 1 thru 25)	\$23,534.68
Reassessment District No. 2021-1	\$23,534.69
Community Facilities Districts – Services – 38 Districts/Zones	\$103,509.80
Community Facilities Districts – Facilities – 45 Districts	\$398,637.11
CSA 152	\$6,193.34
Weed Abatement	\$3,090.00
Nuisance Abatement	\$3,090.00
STAX Application Maintenance	\$71,070.00
<b>Totals</b>	<b>\$656,194.30</b>

**Annual Administration New CFDs, Annexations, and Services**

Service	Description	Fee
CFD - Facilities	Monitoring – No Development	\$2,500
	Pre Bond Issuance - (per Improvement Area) – Some Development	\$5,000
	Bonded - Post Bond Issuance (per Improvement Area/Bond Series)	\$7,500
CFD 2015-1	Per Annexation	\$500
CFD 2015-2	Residential per Zone (Range - \$500 to \$1,800 per Zone)	Varies
	Commercial per Zone	\$500

### Consulting Services

Services	Fee
CFD Formation Services	\$25,000
Plus: per Improvement Area	\$5,000
Bond Issuance Services	\$25,000
CFD 2015-1 Annexation Services	\$10,000
CFD 2015-2 Annexation Services	\$10,000

For additional services for the services performed related to the projects which are not listed herein, compensation shall be stated upon written request of such services or at the hourly rates set forth.

### Hourly Rates

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

It is our objective to provide the City with a high-quality work product while being solution oriented, and value added. We look forward to working with the City on this exciting project and establishing a long-standing relationship. If you have any questions regarding our proposal, or if additional information is needed, please contact me directly at (951) 520-3331 or email me at [shane.spicer@spicercg.com](mailto:shane.spicer@spicercg.com).

Sincerely,  
Spicer Consulting Group



Shane Spicer  
Managing Director

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### Scope of Services

#### Assessment District Administration

1. *Calculation of Special Assessments:* SCG will annually calculate and apportion the special assessments for each District in accordance with the Method of Apportionment included in the Engineer's Report. The annual calculation will consist of the principal, interest, and administration costs necessary to satisfy the special assessment requirement.

2. *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 Districts 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.

3. *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 regard to the parcel tax proceedings and annual installments.

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

5. *Reapportionments* (Reimbursable by the property owner) SCG will, in a timely manner and pursuant to the applicable statutory provisions, prepare assessment apportionments, which shall include:

- i. preparation of amended assessment diagrams;
- ii. apportioning the assessment to divided parcels;
- iii. preparation and delivery of the required notice to the original bond purchaser(s);
- iv. recordation of required notice and amended assessment diagrams,
- v. preparation (if necessary) of required disclosure document, as required by the Department of Real Estate (RE624 Forms). Services related to apportionments shall be at the expense of the affected property.

6. *Provide City Staff Support:* SCG will support City staff in researching current and historical tax roll information, ownership, and provide payoff calculations per the Engineer's Report for the Assessment Districts.

7. *Annual Continuing Disclosure:* SCG will prepare Annual Continuing Disclosure Reports that meet the guidelines of the Continuing Disclosure requirements for each 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 as the dissemination agent 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.

8. *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.

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9. *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.

10. *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.

11. *Delinquency Monitoring:* SCG will provide delinquency management services to the City regarding their Districts. 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.

12. *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 Districts. 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.

13. *Budget Review:* SCG will review each 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.

14. *Viewable Database:* SCG will obtain the latest Geographic Information System (GIS) shape files to be used for the calculation of the annual district assessments and make readily viewable using a KML file accessible and searchable, including APN and street address, using Google Earth.

15. *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.

16. *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, rectifies 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.

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

18. *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 each District including the California Debt and Investment Advisory Commission (CDIAC), if applicable.

19. *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.

20. *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).

21. *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

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incorporated in the annual budget review process.

### **Community Facilities District Administration**

- 1. 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 each bonded District as quality assurance and verify the appropriate debt service amounts are identified.
- 2. Calculation of Special Taxes:** SCG will annually calculate and apportion the special taxes for each 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.
- 3. 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 Districts 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.
- 4. 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.
- 5. 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 Districts. These reports will provide the City a full listing of the parcels levied for each District including information relevant to the calculation of the assessment for the City's approval.
- 6. 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.
- 7. Annual Continuing Disclosure:** SCG will prepare Annual Continuing Disclosure Reports that meet the guidelines of the Continuing Disclosure requirements for each 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.
- 8. 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.
- 9. 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.
- 10. Delinquency Monitoring:** SCG will provide delinquency management services to the City regarding their Districts. SCG will monitor delinquencies as required for the Annual Continuing Disclosure

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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.

**11. 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.

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

**13. 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 districts.

**14. 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.

**15. 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).

**16. 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.

**17. 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 each District including the California Debt and Investment Advisory Commission (CDIAC), if applicable.

**18. 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.

**19. 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.

**20. 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 Districts. 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.



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**21. Budget Review:** SCG will review each 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.

**22. 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.

**23. 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.

**24. 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.

**25. 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.

**26. 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.

### **Landscape and Lighting Maintenance District Administration**

**1. Services Coordination:** SCG will schedule an annual kick-off meeting with the City staff to confirm the schedule of events for the administration and to determine the procedural and financial considerations including; reviewing budgets, discuss the appropriate land use classifications and discuss and identify the boundaries. SCG will work with the City to collect and review parcel data to the City's Landscape and Lighting Maintenance Districts (LLMD's).

**2. 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 Districts. The database will 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.

**3. Engineer's Report Preparation:** SCG will prepare sections and/or complete preliminary and final annual Engineer's Report pursuant to Landscaping and Lighting Act of 1972 and the provisions of California Article XIID (Proposition 218). These reports will include the following required items: i) a general description of the District, which may include key historical facts, zone designations and discussion of the District benefits; ii) a description of the plans and improvement specifications; iii) description of the method of apportionment; iv) a map of the District; v) an assessment roll of the estimated cost to each parcel; and vi) an affidavit stating that a professional engineer has prepared the report.

**4. Reporting:** SCG will provide the City with an electronic copy of the Engineer's Reports containing the information used to calculate the annual assessment amount for each parcel as well as a summary of the total annual levy for the District.

**5. Annual Levy Preparation and Submittal:** SCG will determine the Annual Levy requirement for the

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current Fiscal Year on or before August 10. SCG will calculate and prepare the annual levy for the Districts 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.

**6. *Exceptions List and Parcel Updates:*** SCG will research, recalculate and, with the City's approval, re-submit any revisions to the parcel exceptions list from the County. SCG will prepare any additional County required correspondences relating to the submittal, correction, or removal of assessment to the County tax roll for the City.

**7. *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. City Staff may also refer property owners, title companies and other interested parties to that toll-free number regarding the special tax proceedings and annual installments.

**8. *Annual Levy Report:*** SCG will provide the City with an Annual Levy Detail and Levy Summary Report for the final tax enrollments for the Districts. These reports will provide the City a full listing of the parcels levied for each District including information relevant to the calculation of the assessment. The levy summary report will provide a summary of the total levy enrolled compared to the approved budget and include a description for any variances for the City.

**9. *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.

**10. *Timeline:*** As a result of this meeting SCG will prepare and maintain a timeline identifying the sequence of events, responsibilities, and due dates and be in constant communication with City Staff of these requirements. Periodic adjustments will be made to address the City's scheduling requirements or proposed District changes.

**11. *Meetings:*** SCG will attend City Council 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.

**12. *Budget Review:*** SCG will review each 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.

**13. *Reporting:*** SCG will complete all reports required by the County, State and Federal agencies.

### **County Service Area 152 District Administration**

**1. *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 Districts 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.

**2. *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. City Staff may also refer property owners, title companies and other interested parties to that toll-free number in regard to the special tax proceedings and annual installments.



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3. *Annual Levy Report:* SCG will provide the City with an Annual Levy Detail and Levy Summary Report for the final tax enrollments for the Districts. These reports will provide the City a full listing of the parcels levied for each District including information relevant to the calculation of the assessment. The levy summary report will provide a summary of the total levy enrolled compared to the approved budget and include a description for any variances for the City.

4. *Reporting:* SCG will complete all reports required by the County, State and Federal agencies.

### **Weed Abatement**

1. *Database Management:* SCG will maintain a comprehensive database of the District 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 and assessment 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.

2. *Levy Calculation and Levy Submission:* SCG will, in consultation with the City, determine the Levy requirement for the current Fiscal Year. The calculation of the levy requirement will consist of the following:

3. *Submit Installment Amounts to the County:* Each Fiscal Year SCG shall prepare the annual levy for the program in a format and media acceptable for Riverside County Tax Collector prior to the requested deadline and shall perform adjustments and corrections to the levies as necessary. If corrections/revisions after deadline are necessary, SCG will research, recalculate and, with the City's approval, rectify the issue.

4. *Parcel Information:* SCG will maintain current Assessor's Maps for the programs parcels and shall update annually, prior to enrollment of the current year's levy, any information necessary for use in calculating the levy. We will work to establish lines of communication and gain understanding of the specific goals, components and criteria to meet the City's needs.

5. *Exceptions Research:* SCG will research the exceptions list from the County; and update parcel number changes in the database and calculate the benefit assessment area, as well as report the revised parcels and updated levy amounts to City Staff. SCG will also prepare for City Staff any additional County-required correspondences relating to the submittal, correction, or removal of special taxes to the County tax roll.

6. *Applied Report:* 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 program.

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

8. *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 program proceedings and annual installments.

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### Nuisance Abatement

*1. Database Management:* SCG will maintain a comprehensive database of the District 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 and assessment 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.

*2. Levy Calculation and Levy Submission:* SCG will, in consultation with the City, determine the Levy requirement for the current Fiscal Year. The calculation of the levy requirement will consist of the following:

*3. Submit Installment Amounts to the County:* Each Fiscal Year SCG shall prepare the annual levy for the program in a format and media acceptable for Riverside County Tax Collector prior to the requested deadline and shall perform adjustments and corrections to the levies as necessary. If corrections/revisions after deadline are necessary, SCG will research, recalculate and, with the City's approval, rectify the issue.

*4. Parcel Information:* SCG will maintain current Assessor's Maps for the programs parcels and shall update annually, prior to enrollment of the current year's levy, any information necessary for use in calculating the levy. We will work to establish lines of communication and gain understanding of the specific goals, components and criteria to meet the City's needs.

*9. Exceptions Research:* SCG will research the exceptions list from the County; and update parcel number changes in the database and calculate the benefit assessment area, as well as report the revised parcels and updated levy amounts to City Staff. SCG will also prepare for City Staff any additional County-required correspondences relating to the submittal, correction, or removal of special taxes to the County tax roll.

*10. Applied Report:* 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 program.

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

*12. 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 program proceedings and annual installments.

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### CONSULTING SERVICES

#### Annexation Services for CFD 2015-1 (Public Services):

1. *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.
  2. *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.
  3. *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.
  4. *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.
  5. *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 homeowner associations (HOA) 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.
  6. *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 Parcels for the Notice of Special Tax Lien and record the notices.

#### Annexation Services for CFD 2015-2 (Maintenance Services)

1. *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.
2. *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.
3. *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.
4. *Maintenance Tax Rates:* SCG will establish a Special Tax Rate for each annexation determining the

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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.

**5. 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.

**6. 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.

**7. 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 homeowner associations (HOA) 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.

**8. 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.

**9. Notice of Special Tax Lien:** SCG will provide a list of Assessor Parcels for the Notice of Special Tax Lien and record the notices.

### CFD Formation Services

**1. Kickoff Meeting and Gathering Information:** SCG will work 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 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.

**2. 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.

**3. Tax Spread:** SCG will establish a Special Tax formula for the necessary revenues to cover facilities, operations and maintenance 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 if possible be consistent with the previously approved methodology of the City's landscape, lighting, street, parks, and drainage maintenance programs.

**4. 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, maintenance categories, and provides the necessary flexibility for a variety of developments to be included in the City.

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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.

**5. *Public Report Preparation:*** SCG will prepare the CFD Public Report, including a description of the facility costs or maintenance services to be performed and projected annual special tax and present it to the City Council at the Public Hearing.

**6. *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.

**7. *Notice of Special Tax Lien:*** SCG will provide a list of Assessor Parcels for the Notice of Special Tax Lien and records the notices.

**8. *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 preparing a procedure for performing future annexations to the CFD.

**9. *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.

**10. *Boundary Map:*** SCG's 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 County Recorder's Office.

### **Bond Issuance Services**

**1. *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.

**2. *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.

**3. *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) Maximum special tax coverage; ii) Value-to-lien computations; iii) Overlapping debt table; and iv) Effective tax rate schedules. 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.

**4. *Vicinity Map:*** SCG will prepare a location and area map for inclusion in the POS and OS.

**5. *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.

## ATTACHMENT A

### STAX Application Maintenance Services

1. *Property Finder Application Planning and Configuration:* SCG will collaborate with the City to create an ongoing implementation and support plan detailing projected tasks, due dates, task assignments, and time estimates.
2. *Domain Name:* Include the annual domain registration and renewal fees.
3. *SSL Certificate:* If your application uses HTTPS, factor in the cost of SSL certificates.
4. *Tech Support:* Provide ongoing technical support for any issues or updates.
5. *Software Updates:* SCG will provide the City with program updates (including new versions and releases) announced during the term of the contract, as soon as these updates are generally available.
6. *Security Measures:* Implement security scans, patches, firewalls, and monitoring tools.
7. *Backups:* Regularly back up data and ensure disaster recovery mechanisms.
8. *Content Updates:* Provide content changes (e.g., text, images), Optional Service.
9. *Fixing Broken Links:* Monitor links, identify when links are broken, take site into maintenance mode and fix them during off-hours.
10. *Monitoring Website Performance:* Periodic monitoring of web site, collecting of statistics and identifying any performance issues that need to be addressed in maintenance mode during off-hours.
11. *SEO and Marketing:* Offer search engine optimization (SEO) services and marketing strategies.
12. *Remote Support:* SCG will provide remote support for the following requests: i) replies to fundamental questions and those about installation, usage and configuration that can be answered within a short time; ii) replies to questions concerning STAX publications in relation to the eligible programs; iii) replies to question on code-related errors.
13. *Diagnostic Information:* Verification of the diagnostic information to provide support for the isolation of the cause of a problem (for example, support for the interpretation of traces and dumps in the case of installation or code-related errors).
14. *Error Identification:* In the case of identified errors, the provision of information about bug fixes and program temporary fixes.
15. *Hosting and Infrastructure:* Hosting of application on AWS or any other cloud provider. This includes server maintenance, scaling, and ensuring high availability.

## ATTACHMENT B

### Fee Schedule

District	Total	District	Total	District	Total
CFD 2003-1	\$9,729.69	CFD 2007-6	\$0.00	CFD 2022-1 Alberhill	\$8,090.61
CFD 2003-2 IA A	\$12,509.59	CFD 2009-1	\$6,949.78	CFD 2022-2 Lakeshore	\$8,090.61
CFD 2003-2 IA B	\$33,358.93	CFD 2015-1	\$11,055.67	CFD 2023-1 Lakeside	\$8,090.61
CFD 2003-2 IA C	\$25,019.20	CFD 2015-2 Zone 1	\$17.62	CFD 2023-2 Mission Trails	\$8,240.36
CFD 2003-2 IA D	\$19,205.42	CFD 2015-2 Zone 2	\$453.07	CFD 90-2 Tuscany Hills	\$26,560.38
CFD 2003-2 IA E	\$9,475.74	CFD 2015-2 Zone 3	\$320.49	CFD 95-1 Civic Center	\$9,729.69
CFD 2004-3 IA 1	\$9,729.69	CFD 2015-2 Zone 4	\$630.77	CFD 98-1 Summerhill	\$9,729.69
CFD 2004-3 IA 2	\$9,729.69	CFD 2015-2 Zone 5	\$599.56	Citywide LLMD	\$26,409.11
CFD 2005-1	\$9,729.69	CFD 2015-2 Zone 6	\$204.28	LMD No. 1 - Zone 1	\$701.01
CFD 2005-2 (Services)	\$6,949.78	CFD 2015-2 Zone 7	\$2,149.45	LMD No. 1 - Zone 2	\$419.87
CFD 2005-2 IA A	\$9,729.69	CFD 2015-2 Zone 8	\$500.97	LMD No. 1 - Zone 3	\$680.78
CFD 2005-4	\$3,474.89	CFD 2015-2 Zone 9	\$2,889.50	LMD No. 1 - Zone 4	\$2,493.98
CFD 2005-5	\$6,949.78	CFD 2015-2 Zone 10	\$0.00	LMD No. 1 - Zone 5	\$3,747.69
CFD 2005-5 (Services)	\$6,949.78	CFD 2015-2 Zone 11	\$3,662.86	LMD No. 1 - Zone 6	\$437.61
CFD 2005-6	\$6,949.78	CFD 2015-2 Zone 12	\$990.19	LMD No. 1 - Zone 7	\$2,665.70
CFD 2006-1 IA A	\$15,620.45	CFD 2015-2 Zone 13	\$271.34	LMD No. 1 - Zone 8	\$52.89
CFD 2006-1 IA B	\$10,486.13	CFD 2015-2 Zone 14	\$0.00	LMD No. 1 - Zone 9	\$0.00
CFD 2006-1 IA CC	\$9,729.69	CFD 2015-2 Zone 15	\$0.00	LMD No. 1 - Zone 10	\$0.00
CFD 2006-1 IA EE	\$9,503.38	CFD 2015-2 Zone 16	\$273.20	LMD No. 1 - Zone 11	\$10,731.88
CFD 2006-1 IA FF	\$9,475.74	CFD 2015-2 Zone 17	\$820.22	LMD No. 1 - Zone 12	\$0.00
CFD 2006-1 IA HH	\$9,702.05	CFD 2015-2 Zone 18	\$231.78	LMD No. 1 - Zone 13	\$0.00
CFD 2006-1 IA II	\$9,729.69	CFD 2015-2 Zone 19	\$231.78	LMD No. 1 - Zone 14	\$723.02
CFD 2006-1 IA JJ	\$9,503.38	CFD 2015-2 Zone 20	\$0.00	LMD No. 1 - Zone 15	\$426.70
CFD 2006-1 IA KK	\$9,702.05	CFD 2015-2 Zone 21	\$0.00	LMD No. 1 - Zone 16	\$341.77
CFD 2006-1 (Services)	\$7,252.35	CFD 2015-2 Zone 22	\$0.00	LMD No. 1 - Zone 17	\$266.85
CFD 2006-2	\$6,949.78	CFD 2015-2 Zone 23	\$4,186.27	LMD No. 1 - Zone 18	\$555.39
CFD 2006-2 (Services)	\$6,949.78	CFD 2015-2 Zone 24	\$264.88	LMD No. 1 - Zone 19	\$261.11
CFD 2006-3	\$6,949.78	CFD 2015-4 Terracina	\$9,729.69	LMD No. 1 - Zone 20	\$486.93
CFD 2006-4	\$3,474.89	CFD 2015-4 (Services)	\$7,078.42	LMD No. 1 - Zone 21	\$606.78
CFD 2006-5 (Services)	\$6,949.78	CFD 2015-5 Trieste	\$9,475.74	LMD No. 1 - Zone 22	\$255.81
CFD 2006-6	\$4,169.87	CFD 2016-1 Southshore	\$0.00	LMD No. 1 - Zone 23	\$221.08
CFD 2006-8	\$9,199.74	CFD 2016-2 Canyon Hills	\$9,199.74	LMD No. 1 - Zone 24	\$266.06
CFD 2006-8 (Services)	\$6,949.78	CFD 2017-1 Safety Services	\$0.00	LMD No. 1 - Zone 25	\$65.79
CFD 2007-1	\$6,949.78	CFD 2018-1 Wasson Canyon	\$6,571.25	RAD 2021-1	\$26,560.38
CFD 2007-4	\$9,199.74	CFD 2019-1 Westlake	\$9,345.40	CSA 152 NPDES	\$6,949.78
CFD 2007-4 (Services)	\$6,949.78	CFD 2019-2 Nichols Ranch	\$9,345.40	Weed Abatement	\$3,090.00
CFD 2007-5	\$9,199.74	CFD 2021-1 IA 1 Tuscany/Crest	\$8,333.32	Nuisance Abatement	\$3,090.00
CFD 2007-5 (Services)	\$6,949.78	CFD 2021-1 IA 2 Tuscany/Crest	\$8,333.32		