

AGREEMENT FOR PROFESSIONAL SERVICES BY INDEPENDENT CONTRACTOR

THIS AGREEMENT FOR PROFESSIONAL SERVICES BY INDEPENDENT CONTRACTOR is made and effective as of the 7th day of February 2023, by and between the CITY OF BEAUMONT (“CITY”) whose address is 550 E. 6th Street, Beaumont, California 92223 and SPICER CONSULTING GROUP, LLC, whose address is 41880 Kalmia Street, Suite 145, Murrieta, CA 92562 (“CONTRACTOR”).

RECITALS

This Agreement is entered into on the basis of the following facts, understandings and intentions of the parties to this Agreement:

- A. CITY desires to engage CONTRACTOR to provide Community Facilities District (CFD) Annual Administration, Special Tax Consulting and Annual Financial Reporting Services and
- B. CONTRACTOR has made a proposal (“Proposal”) to the CITY to provide such professional services, which Proposal is attached hereto as Exhibit “A” and incorporated herein by this reference; and
- C. CONTRACTOR agrees to provide such services pursuant to, and in accordance with, the terms and conditions of this Agreement, and represents and warrants to CITY that CONTRACTOR possesses the necessary skills, licenses, certifications, qualifications, personnel and equipment to provide such services.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing Recitals and mutual covenants contained herein, CITY and CONTRACTOR agree as follows:

- 1. Term of Agreement. This Agreement is effective as of the date first above written and shall continue until terminated as provided for herein. Notwithstanding anything in this Agreement to the contrary, this Agreement shall automatically terminate after three (3) years unless extended by the parties with the approval of the City Council of the CITY.
- 2. Services to be Performed. CONTRACTOR agrees to provide the services (“Services”) as follows: Community Facilities District (CFD) Annual Administration, Special Tax Consulting and Annual Financial Reporting Services per Exhibit “A”. All Services shall be performed in the manner and according to the timeframe set forth in the Proposal. CONTRACTOR designates Shane Spicer as CONTRACTOR’S professional(s) responsible for overseeing the Services provided by CONTRACTOR. CONTRACTOR shall not be asked to provide and shall not provide municipal advisor services or financial advice to CITY related to the CFD’s. CITY will rely on its municipal advisor, Urban Futures, Inc. or a subsequently retained municipal advisor, for financial advice related to CFD’s and not upon CONTRACTOR.
- 3. Associates and Subcontractors. CONTRACTOR may, at CONTRACTOR’S sole cost and expense, employ such competent and qualified independent associates, subcontractors and consultants as CONTRACTOR deems necessary to perform the Services; provided, however,

that CONTRACTOR shall not subcontract any of the Services without the written consent of CITY.

4. Compensation.

4.01 CONTRACTOR shall be paid at the rates set forth in the Proposal and shall not increase any rate without the prior written consent of the CITY. Notwithstanding anything in this Agreement to the contrary, total fees and charges paid by CITY to CONTRACTOR under this Agreement shall not exceed One Hundred Eighty Thousand, One Dollar and Zero Cents (\$180,001.00) for Fiscal Year 2023-24. The Annual Administration fee shall increase annually by a maximum of two (2) percent.

4.02 CONTRACTOR shall not be compensated for any Services rendered nor reimbursed for any expenses incurred in excess of those authorized unless approved in advance by the CITY, in writing.

4.03 CONTRACTOR shall submit to CITY, on or before the fifteenth (15th) of each month, itemized invoices for the Services rendered in the previous month. The CITY shall not be obligated to pay any invoice that is submitted more than sixty (60) days after the due date of such invoice. CITY shall have the right to review and audit all invoices prior to or after payment to CONTRACTOR. This review and audit may include, but not be limited to CITY's:

- a. Determination that any hourly fee charged is consistent with this Agreement's approved hourly rate schedule;
- b. Determination that the multiplication of the hours billed times the approved rate schedule dollars is correct;
- c. Determination that each item charged is the usual, customary, and reasonable charge for the particular item. If CITY determines an item charged is greater than usual, customary, or reasonable, or is duplicative, ambiguous, excessive, or inappropriate, CITY shall either return the bill to CONTRACTOR with a request for explanation or adjust the payment accordingly, and give notice to CONTRACTOR of the adjustment.

4.04 If the work is satisfactorily completed, CITY shall pay such invoice within thirty (30) days of its receipt. Should CITY dispute any portion of any invoice, CITY shall pay the undisputed portion within the time stated above, and at the same time advise CONTRACTOR in writing of the disputed portion.

5. Obligations of CONTRACTOR.

5.01 CONTRACTOR agrees to perform all Services in accordance with the terms and conditions of this Agreement and the Proposal. In the event that the terms of the Proposal shall conflict with the terms of this Agreement, or contain additional terms other than the Services to be rendered and the price for the Services, the terms of this Agreement shall govern and said additional or conflicting terms shall be of no force or effect.

5.02 Except as otherwise agreed by the parties, CONTRACTOR will supply all

personnel, materials and equipment required to perform the Services. CONTRACTOR shall provide its own offices, telephones, vehicles and computers and set its own work hours. CONTRACTOR will determine the method, details, and means of performing the Services under this Agreement.

5.03 CONTRACTOR shall keep CITY informed as to the progress of the Services by means of regular and frequent consultations. Additionally, when requested by CITY, CONTRACTOR shall prepare written status reports.

5.04 CONTRACTOR is responsible for paying, when due, all income and other taxes, fees and withholding, including withholding state and federal taxes, social security, unemployment and worker's compensation, incurred as a result of the compensation paid under this Agreement. CONTRACTOR agrees to indemnify, defend and hold harmless CITY for any claims, costs, losses, fees, penalties, interest, or damages suffered by CITY resulting from CONTRACTOR's failure to comply with this provision.

5.05 In the event CONTRACTOR is required to prepare plans, drawings, specifications and/or estimates, the same shall be furnished in conformance with local, state and federal laws, rules and regulations.

5.06 CONTRACTOR represents that it possesses all required licenses necessary or applicable to the performance of Services under this Agreement and the Proposal and shall obtain and keep in full force and effect all permits and approvals required to perform the Services herein. In the event CITY is required to obtain an approval or permit from another governmental entity, CONTRACTOR shall provide all necessary supporting documents to be filed with such entity.

5.07 CONTRACTOR shall be solely responsible for obtaining Employment Eligibility Verification information from CONTRACTOR's employees, in compliance with the Immigration Reform and Control Act of 1986, Pub. L. 99-603 (8 U.S.C. 1324a), and shall ensure that CONTRACTOR's employees are eligible to work in the United States.

5.08 In the event that CONTRACTOR employs, contracts with, or otherwise utilizes any CalPERS retirees in completing any of the Services performed hereunder, such instances shall be disclosed in advance to the CITY and shall be subject to the CITY's advance written approval.

5.09 Drug-free Workplace Certification. By signing this Agreement, the CONTRACTOR hereby certifies under penalty of perjury under the laws of the State of California that the CONTRACTOR will comply with the requirements of the Drug-Free Workplace Act of 1990 (Government Code, Section 8350 et seq.) and will provide a drug-free workplace.

5.10 CONTRACTOR shall comply with all applicable local, state and federal laws, rules, regulations, entitlements and/or permits applicable to, or governing the Services authorized hereunder.

6. Insurance. CONTRACTOR hereby agrees to be solely responsible for the health and safety of its employees and agents in performing the Services under this Agreement and shall comply with all laws applicable to worker safety including but not limited to Cal-OSHA. Therefore, throughout the duration of this Agreement, CONTRACTOR hereby covenants and agrees to maintain insurance in conformance with the requirements set forth below. Attached hereto as **Exhibit “B”** are copies of Certificates of Insurance and endorsements as required by Section 7.02. If existing coverage does not meet the requirements set forth herein, CONTRACTOR agrees to amend, supplement or endorse the existing coverage to do so. CONTRACTOR shall provide the following types and amounts of insurance:

6.01 Commercial general liability insurance in an amount of not less than \$1,000,000 per occurrence and \$2,000,000 in the aggregate; CONTRACTOR agrees to have its insurer endorse the general liability coverage required herein to include as additional insured’s CITY, its officials, employees and agents. CONTRACTOR also agrees to require all contractors and subcontractors to provide the same coverage required under this Section 6.

6.02 Business Auto Coverage in an amount no less than \$1 million per accident. If CONTRACTOR or CONTRACTOR’s employees will use personal autos in performance of the Services hereunder, CONTRACTOR shall provide evidence of personal auto liability coverage for each such person.

6.03 Workers’ Compensation coverage for any of CONTRACTOR’s employees that will be providing any Services hereunder. CONTRACTOR will have a state-approved policy form providing statutory benefits as required by California law. The provisions of any workers’ compensation will not limit the obligations of CONTRACTOR under this Agreement. CONTRACTOR expressly agrees not to use any statutory immunity defenses under such laws with respect to CITY, its employees, officials and agents.

6.04 Optional Insurance Coverage. Choose and check one: Required /Not Required ; Errors and omissions insurance in a minimum amount of \$2 million per occurrence to cover any negligent acts or omissions committed by CONTRACTOR, its employees and/or agents in the performance of any Services for CITY.

7. General Conditions pertaining to Insurance Coverage

7.01 No liability insurance coverage provided shall prohibit CONTRACTOR from waiving the right of subrogation prior to a loss. CONTRACTOR waives all rights of subrogation against CITY regardless of the applicability of insurance proceeds and shall require all contractors and subcontractors to do likewise.

7.02. Prior to beginning the Services under this Agreement, CONTRACTOR shall furnish CITY with certificates of insurance, endorsements, and upon request, complete copies of all policies, including complete copies of all endorsements. All copies of policies and endorsements shall show the signature of a person authorized by that insurer to bind coverage on its behalf.

7.03. All required policies shall be issued by a highly rated insurer with a minimum

A.M. Best rating of “A:VII”). The insurer(s) shall be admitted and licensed to do business in California. The certificates of insurance hereunder shall state that coverage shall not be suspended, voided, canceled by either party, or reduced in coverage or in limits, except after thirty (30) days' prior written notice has been given to CITY.

7.04 Self-insurance does not comply with these insurance specifications. CONTRACTOR acknowledges and agrees that that all insurance coverage required to be provided by CONTRACTOR or any subcontractor, shall apply first and on a primary, non-contributing basis in relation to any other insurance, indemnity or self-insurance available to CITY.

7.05 All coverage types and limits required are subject to approval, modification and additional requirements by CITY, as the need arises. CONTRACTOR shall not make any reductions in scope of coverage (e.g. elimination of contractual liability or reduction of discovery period) that may affect CITY's protection without CITY's prior written consent.

7.06 CONTRACTOR agrees to provide immediate notice to CITY of any claim or loss against CONTRACTOR or arising out of the Services performed under this Agreement. CITY assumes no obligation or liability by such notice, but has the right (but not the duty) to monitor the handling of any such claim or claims if they are likely to involve CITY.

8. Indemnification.

8.01 CONTRACTOR and CITY agree that CITY, its employees, agents and officials should, to the extent permitted by law, be fully protected from any loss, injury, damage, claim, lawsuit, cost, expense, attorneys' fees, litigation costs, defense costs, court costs or any other costs arising out of or in any way related to the performance of this Agreement by CONTRACTOR or any subcontractor or agent of either as set forth herein. Accordingly, the provisions of this indemnity are intended by the parties to be interpreted and construed to provide the fullest protection possible under the law to CITY. CONTRACTOR acknowledges that CITY would not enter into this Agreement in the absence of the commitment of CONTRACTOR to indemnify and protect CITY as set forth herein.

a. To the fullest extent permitted by law, CONTRACTOR shall defend, indemnify and hold harmless CITY, its employees, agents and officials, from any liability, claims, suits, actions, arbitration proceedings, administrative proceedings, regulatory proceedings, losses, expenses, damages or costs of any kind, whether actual, alleged or threatened, actual attorneys' fees incurred by CITY, court costs, interest, defense costs, including expert witness fees and any other costs or expenses of any kind whatsoever without restriction or limitation incurred in relation to, as a consequence of or arising out of, or in any way attributable actually, allegedly or impliedly, in whole or in part to the performance of this Agreement. CONTRACTOR's obligation to defend, indemnify and hold harmless shall include any and all claims, suits and proceedings in which CONTRACTOR (and/or CONTRACTOR's agents and/or employees) is alleged to be an employee of CITY.

All obligations under this provision are to be paid by CONTRACTOR as they are incurred by CITY.

b. Without affecting the rights of CITY under any provision of this Agreement or this Section, CONTRACTOR shall not be required to indemnify and hold harmless CITY as set forth above for liability attributable solely to the fault of CITY, provided such fault is determined by agreement between the parties or the findings of a court of competent jurisdiction.

8A. Indemnification Design Professionals.

8A.01 In the event that CONTRACTOR is a design professional under California Civil Code Section 2782.8 this Section 8A shall apply instead of Section 8. To the fullest extent permitted by California law and in accordance with California Civil Code section 2782.8, CONTRACTOR shall indemnify, and hold harmless the City, its officers, employees, trustees and members (“Indemnified Parties”) from any and all actions, assessments, counts, citations, claims, costs, damages, demands, judgments, liabilities (legal, administrative or otherwise), losses, notices, expenses, fines, penalties, proceedings, responsibilities, violations, attorney’s and consultants’ fees and causes of action including, but not limited to those for, injury to property or persons, including personal injury and/or death (“Claim(s)”), to the extent that the Claim(s) arises out of, pertains to, or relates to the negligence, recklessness, or willful misconduct of CONTRACTOR, its directors, officials, officers, employees and consultants arising out of, connected with, or resulting from the performance of the Services, the Project, or this Agreement. This indemnity excludes liability caused by the negligence or willful misconduct of any of the Indemnified Parties. The cost to indemnify, hold harmless, and defend charged to CONTRACTOR shall not exceed CONTRACTOR’S proportionate percentage of fault.

9. Additional Services, Changes and Deletions.

9.01 In the event CONTRACTOR performs additional or different services than those described herein without the prior written approval of the City Manager and/or City Council of CITY, CONTRACTOR shall not be compensated for such services. CONTRACTOR expressly waives any right to be compensated for services and materials not covered by the scope of this Agreement or authorized by the CITY in writing.

9.02 CONTRACTOR shall promptly advise the City Manager and Finance Director of CITY as soon as reasonably practicable upon gaining knowledge of a condition, event or accumulation of events which may affect the scope and/or cost of Services. All proposed changes, modifications, deletions and/or requests for additional services shall be reduced to writing for review and approval by the CITY and/or City Council.

10. Termination of Agreement.

10.01 Notwithstanding any other provision of this Agreement, CITY, at its sole option, may terminate this Agreement with or without cause, or for no cause, at any time by giving twenty (20) days’ written notice to CONTRACTOR.

10.02 In the event of termination, the payment of monies due CONTRACTOR for

undisputed Services performed prior to the effective date of such termination shall be paid within thirty (30) business days after receipt of an invoice as provided in this Agreement. Immediately upon termination, CONTRACTOR agrees to promptly provide and deliver to CITY all original documents, reports, studies, plans, specifications and the like which are in the possession or control of CONTRACTOR and pertain to CITY.

11. Status of CONTRACTOR.

11.01 CONTRACTOR shall perform the Services in CONTRACTOR's own way as an independent contractor, and in pursuit of CONTRACTOR's independent calling, and not as an employee of CITY. However, CONTRACTOR shall regularly confer with CITY's City Manager as provided for in this Agreement.

11.02 CONTRACTOR agrees that it is not entitled to the rights and benefits afforded to CITY's employees, including disability or unemployment insurance, workers' compensation, retirement, CalPERS, medical insurance, sick leave, or any other employment benefit. CONTRACTOR is responsible for providing, at its own expense, disability, unemployment, workers' compensation and other insurance, training, permits, and licenses for itself and its employees and subcontractors.

11.03 CONTRACTOR hereby specifically represents and warrants to CITY that it possesses the qualifications and skills necessary to perform the Services under this Agreement in a competent, professional manner, without the advice or direction of CITY and that the Services to be rendered pursuant to this Agreement shall be performed in accordance with the standards customarily applicable to an experienced and competent professional rendering the same or similar services in the same geographic area where the CITY is located. Further, CONTRACTOR represents and warrants that the individual signing this Agreement on behalf of CONTRACTOR has the full authority to bind CONTRACTOR to this Agreement.

12. Ownership of Documents; Audit.

12.01 All draft and final reports, plans, drawings, studies, maps, photographs, specifications, data, notes, manuals, warranties and all other documents of any kind or nature prepared, developed or obtained by CONTRACTOR in connection with the performance of Services performed for the CITY shall become the sole property of CITY, and CONTRACTOR shall promptly deliver all such materials to CITY upon request. At the CITY's sole discretion, CONTRACTOR may be permitted to retain original documents, and furnish reproductions to CITY upon request, at no cost to CITY.

12.02 Subject to applicable federal and state laws, rules and regulations, CITY shall hold all intellectual property rights to any materials developed pursuant to this Agreement. CONTRACTOR shall not such use data or documents for purposes other than the performance of this Agreement, nor shall CONTRACTOR release, reproduce, distribute, publish, adapt for future use or any other purposes, or otherwise use, any data or other materials first produced in the performance of this Agreement, nor authorize others to do so, without the prior written consent of CITY.

12.03 CONTRACTOR shall retain and maintain, for a period not less than four

years following termination of this Agreement, all-time records, accounting records and vouchers and all other records with respect to all matters concerning Services performed, compensation paid and expenses reimbursed. At any time during normal business hours and as often as CITY may deem necessary, CONTRACTOR shall make available to CITY's agents for examination all of such records and shall permit CITY's agents to audit, examine and reproduce such records.

13. Miscellaneous Provisions.

13.01 This Agreement, which includes all attached exhibits, supersedes any and all previous agreements, either oral or written, between the parties hereto with respect to the rendering of Services by CONTRACTOR for CITY and contains all of the covenants and agreements between the parties with respect to the rendering of such Services in any manner whatsoever. Any modification of this Agreement will be effective only if it is in writing signed by both parties.

13.02 CONTRACTOR shall not assign or otherwise transfer any rights or interest in this Agreement without the prior written consent of CITY. Unless specifically stated to the contrary in any written consent to an assignment, no assignment will release or discharge the assignor from any duty or responsibility under this Agreement.

13.03 CONTRACTOR shall timely file FPPC Form 700 Conflict of Interest Statements with CITY if required by California law and/or the CITY's conflict of interest policy.

13.04 If any legal action or proceeding, including an action for declaratory relief, is brought to enforce or interpret the provisions of this Agreement, the prevailing party will be entitled to reasonable attorneys' fees and costs, in addition to any other relief to which that party may be entitled.

13.05 This Agreement is made, entered into and shall be performed in the County of Riverside in the State of California and shall in all respects be interpreted, enforced and governed under the laws of the State of California. The parties agree that venue in any litigation between them shall be in Riverside County, California.

13.06 CONTRACTOR covenants that neither it nor any officer or principal of its firm has any interest, nor shall they acquire any interest, either directly or indirectly, which will conflict in any manner or degree with the performance of their Services hereunder. CONTRACTOR further covenants that in the performance of this Agreement, no person having such interest shall be employed by it as an officer, employee, agent, or subcontractor.

13.07 CONTRACTOR has read and is aware of the provisions of Section 1090 et seq. and Section 87100 et seq. of the Government Code relating to conflicts of interest of public officers and employees. CONTRACTOR agrees that they are unaware of any financial or economic interest of any public officer or employee of the CITY relating to this Agreement. It is further understood and agreed that if such a financial interest does exist at the inception of this Agreement, the CITY may immediately terminate this

Agreement by giving notice thereof. CONTRACTOR shall comply with the requirements of Government Code section 87100 et seq. and section 1090 in the performance of and during the term of this Agreement.

13.08 Improper Consideration. CONTRACTOR shall not offer (either directly or through an intermediary) any improper consideration such as, but not limited to, cash, discounts, services, the provision of travel or entertainment, or any items of value to any officer, employee or agent of the CITY in an attempt to secure favorable treatment regarding this Agreement or any contract awarded by CITY. The CITY, by notice, may immediately terminate this Agreement if it determines that any improper consideration as described in the preceding sentence was offered to any officer, employee or agent of the CITY with respect to the proposal and award process of this Agreement or any CITY contract. This prohibition shall apply to any amendment, extension or evaluation process once this Agreement or any CITY contract has been awarded. CONTRACTOR shall immediately report any attempt by any CITY officer, employee or agent to solicit (either directly or through an intermediary) improper consideration from CONTRACTOR.

13.09 Severability. If any portion of this Agreement is declared invalid, illegal or otherwise unenforceable by a court of competent jurisdiction, the entire balance of this Agreement not so affected shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereby have made and executed this Agreement to be effective as of the day and year first above written.

CITY:

CITY OF BEAUMONT

By: _____


Julio Martinez, III
Mayor

CONTRACTOR:

SPICER CONSULTING GROUP, LLC

By: _____


Print Name: SHANE SPICER

Title: MANAGING DIRECTOR

EXHIBIT "A"

PROPOSAL

CITY OF BEAUMONT

REQUEST FOR PROPOSAL
(#FIN #22-04)



COMMUNITY FACILITIES DISTRICT
ANNUAL ADMINISTRATION, SPECIAL TAX CONSULTING,
AND ANNUAL FINANCIAL REPORTING SERVICES

DECEMBER 22, 2022



SPICER CONSULTING
GROUP

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December 22, 2022

Ms. Grace Wichert
Procurement and Contracts Specialist
City of Beaumont
550 E. 6th Street
Beaumont, CA 92223

RE: RFP – Community Facilities District Annual Administration Services, Special Tax Consulting Services, and Annual Financial Reporting (RFP #FIN #22-04)

Dear Ms. Wichert:

Thank you for considering Spicer Consulting Group (SCG) for providing Community Facilities District Annual Administration Services, Special Tax Consulting Services, and Annual Financial Reporting Services to the City of Beaumont (City). SCG is pleased to submit this Request for Proposal (RFP) and we appreciate the opportunity to continue to partner with the City for these important services. We believe you will find that the team at SCG possesses a unique understanding of the City's service needs and expectations with our project managers having previous experience in providing these similar services throughout Riverside County and for the City previously. Our project manager had previously worked closely with the City from 2014 to 2016 before deciding to open SCG and have an appreciation for the City's financial situation and operational challenges. Currently, SCG is providing these same services to nine (9) public agencies within Riverside, San Bernardino, and San Diego Counties. These services include enrolling assessments and special taxes for 622 separate fund numbers on more than 774,000 parcels totaling more than \$124 million for Fiscal Year 2022-23.

We are confident the qualifications and expertise of our staff are an excellent match for the scope of work required for the City's Annual Administration, Special Tax Consulting, and Reporting Services. We can provide the work product according to the stated timeline. Our greatest attribute is maintaining a trusting relationship with our clients where they rely upon us to provide sound counsel on all matters regarding Special District Financing. We work as an extension of City staff to find solutions to the many financing challenges facing these local agencies, including infrastructure financing and maintenance services.

Of particular note, here are just a few to mention:

Our experience enables us to provide recommendations we have seen work with other agencies as well as identify others that would be most successful with the City's unique set of circumstances that come with a rapidly growing communities throughout the City. Our project managers approach to providing consulting services is to be *solution oriented and value added*.

Our team is extremely qualified to provide the proposed scope of work and by selecting SCG, the City can expect the following:

Commitment - We are committed to providing an exemplary level of service with accuracy and cost effectively. Our team is ready and able to serve the City. Upon award of the contract engaging our services we have an estimated 28% workload capacity to allow for additional time allocation as periodic workload demands may require. This means the City will be given the attention to detail required by the entire team, from Project Manager to GIS Specialist. This will ensure that the City can confidently rely upon our highly qualified and trained staff to perform all functions of Special Tax Assessment Management Services.

Experienced Team - The project team at SCG possesses a tremendous amount of experience in calculating, levying, and reporting for these types of Special Districts. Shane Spicer will act as Lead Project Manager, for the City's Special Districts. Shane will be the City's day-to-day contact and will be responsible for the accurate and timely delivery of work product, attendance, and participation at team meetings. We bring with us the expertise of having worked with over 50 local agencies with hundreds of Districts primarily in Southern California. SCG will provide the City an elevated level of quality assurance, senior level experience, and best practice applications based on our understanding of the City's goals and policies.

Comprehensive Solution - We will work with City Staff in a seamless transition of the work and establish a workflow that meets the City's objectives, and will provide a comprehensive solution to all matters related to the City's various District needs, including administration, formation, and annexation services. SCG will be positioned to provide additional support services to the City to provide a comprehensive, collaborative, and organized approach in managing the financing challenges facing the City. SCG will help City staff prepare a program that will enable them to better plan for the future.

Quality Services – SCG strives to exceed our clients' expectations with every service we provide. Our proposal outlines the process we use to audit the work we assume for each assignment, as well as our own ongoing annual administration process utilizing the latest technology and sound business practices. Our team has built a reputation of optimizing vital revenues for local agencies for providing municipal services while protecting the interests of the constituents to ensure that local dollars are being used efficiently and cost effectively for infrastructure. We are certain that SCG will provide the highest level of service the City deserves.

SCG is excited to have the opportunity to work and collaborate with the City and establishing a strong working relationship founded on trust and integrity. If you have any questions during the period of evaluation or thereafter, please feel free to contact Shane Spicer directly at (951) 520-3331, via email at shane.spicer@spicercg.com.

Sincerely,
Spicer Consulting Group



Shane Spicer
Managing Director



B. Statement of Understanding

SCG understands the City of Beaumont utilizes consulting services to perform Annual Administration Services, Special Tax Consulting Services, and Annual Financial Reporting Services for various Districts within the City. These Districts include; i) Community Facilities District No. 93-1 which contains 42 (Bonded) Improvement Areas, 38 (Non-Bonded) Service Areas and seven CFD's 2016-1, 2016-2, 2016-3, 2016-4, 2018-1, 2019-1, and 2021-1 that provide authorized facilities such as sewer and water facilities, fire stations, park and recreation facilities, along with maintenance and public safety services throughout the City. See Attachment A for an illustration of all the City's CFDs generated by our GIS platform using tax enrollment data provided by our in-house STAX software.

SCG specializes in Formation, Administration and Annexation services to local agencies with Special Districts. Through the years, our associates have administered more than 622 Districts annually for more than 50 local agencies. SCG is currently administering a diverse list of Special Districts including, ADs, CFDs, LMDs, CSAs and parcel taxes including the preparation of annual reports, calculations of special taxes and assessments, submission of annual levies, audit of special funds, and response to property owner inquiries of such services.

Our project managers have intimate working knowledge of the service needs and expectations of the City of Beaumont having previous experience in providing the annual Special Tax Consulting Services for the City's Districts. It is critical that the consultant providing these services truly works as an extension of the City's senior management staff to insure an accurate work product and a high-level of service delivery.

C. Company Information

Company Name: Spicer Consulting Group, LLC
Address: 41619 Margarita Road, Suite 101, Temecula, CA 92591
Main Office Number: (855) 581-0743
Property Owners Tax Line: (866) 504-2067
Email Address: shane.spicer@spicercg.com
Number of Employees: 7 full time Associates
Business Type: Limited Liability Company (LLC)
Service: Assessment Engineering, Special Tax Consulting
Website: www.spicercg.com



Spicer Consulting Group, LLC (SCG) is a public finance consulting firm with an office in Temecula, California that specializes in forming and administering special financing districts in Southern California. SCG was founded in 2016 by experienced finance professionals with more than thirty-six years in the municipal finance industry. We are a privately held organization that works exclusively for public agencies and not private developers. Our main focus is partnering with our clients to identify innovative and sound financing solutions that meet the needs of their community, and not on reporting to shareholders.

Our goal at SCG is to be the premier municipal finance consulting group in the industry. We are committed to exceeding our client's expectations on every aspect of service we provide them. This is evident in the testimonials we have received regarding the experience our clients have had while working with our team. Our project team has a proven track record and possess the ability and commitment to deliver the requested services in an exemplary manner to the City.



“Our primary objective is to be solution oriented and value added”.

We have built a reputation in the industry as possessing key project managers that consistently deliver a top-quality product, on time and within budget. Our management team are industry leaders in all aspects of municipal services and infrastructure financing, including annual administration of special financing districts.

SCG provides local public agencies the following types of services listed below; including but not limited to;

Administration Services

- ◆ Budget Preparation
- ◆ Debt Service Schedule Maintenance
- ◆ Bond Call Analysis
- ◆ Prepare Preliminary and Final Engineer’s Reports
- ◆ Annual Levy Enrollment

- ◆ Tax Roll Billing
- ◆ Delinquency Monitoring
- ◆ Municipal Disclosure Reporting
- ◆ Annual Report Preparation
- ◆ Property Owner Call Support

Consulting Services

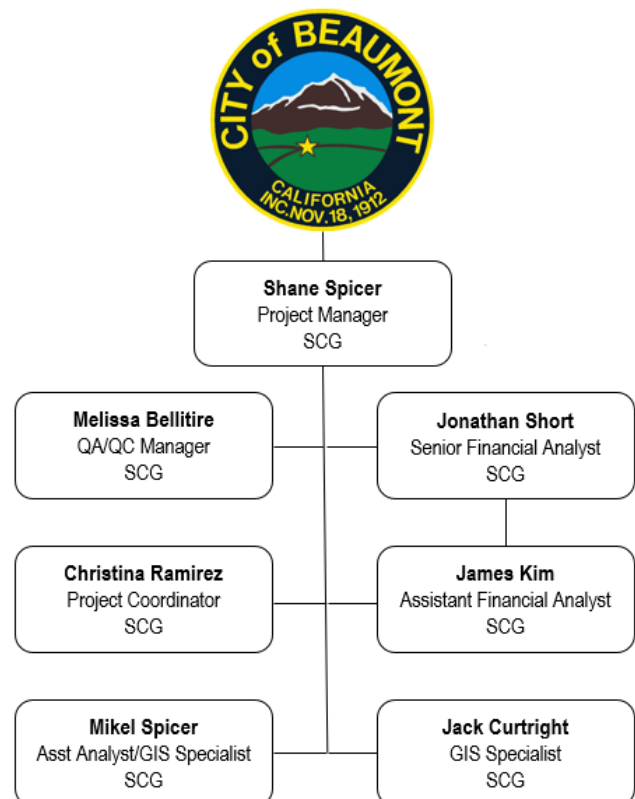
- ◆ Community Facilities District Formation
- ◆ Rate and Method of Apportionment Development
- ◆ Tax Rate Analysis
- ◆ Cost Estimating
- ◆ Refunding Consulting

- ◆ CFD/LMD Annexation Services
- ◆ Assessment District Formation
- ◆ Assessment Spread Allocation
- ◆ Bond Sale Table Preparation
- ◆ Public Hearing Presentations

D. Key Personnel Qualifications, Experience, and Knowledge

SCG is staffed with seasoned professionals who provide our clients with the best possible results. The SCG staff is fully knowledgeable with all changes to laws, codes, and regulations affecting local governments such as the recent enhanced disclosure requirements of AB 2109, AB 1666, and SB 1029. Our project team has a proven track record and possess the ability and commitment to deliver the requested services in an exemplary manner to the City. A full description of this team is included below. Our team has the reputation of working with our clients as partners by developing an intimate knowledge of their needs and responding with strategic and timely solutions.

Shane Spicer will serve as Project Manager. Shane has a strong technical and professional background with municipal agencies which make him well versed with the ability to serve the best interests of the City. He also provides comprehensive services related to formations and bond transactions including single facilities district and multiple improvement area new money bond issuances, bond refinancing’s, and senior and subordinate structured financings. Shane will be the day-to-day contact for City Staff, be responsible for maintaining the project schedules, and insure timely delivery of all products. Shane will work with City Staff to ensure a successful outcome of this



project from beginning to end. This will include a strict adherence to the project schedule that will be developed and maintained at the project's onset.

Melissa Bellitire will serve as Quality Assurance/Quality Control (QA/QC) Manager. Melissa's experience, expertise, and commitment to client service makes her best suited to serve as QA/QC Manager for this project. Ms. Bellitire has also participated in several formations, municipal bond transactions, annexations, and change proceedings for Special Districts. She has been instrumental in coordinating with the agency staff, and legal counsel to ensure deliverables are accurate and timely. She also managed several new money and refunding's for CFD special tax bonds, totaling more than \$150 million dollars.

Jonathan Short will serve as Senior Financial Analyst to provide analytical support to Shane. Jonathan will work closely with our project manager to develop complete and accurate reports, perform complex analytical models, and participate in our quality assurance process. His ability to analyze a request and plan an efficient approach to produce accurate results makes him an integral part of this team.

James Kim will serve as Assistant Analyst to provide parcel change and delinquency monitoring support. James will work and assist in the document review process to ensure our quality assurance control process is adhered to. James will also provide technical support for compliance with the continuing disclosure requirements. James has tremendous amount of experience in establishing sound protocols, procedures, and compliance from his extensive legal experience as a staff attorney.

Jack Curtright will serve as the GIS Specialist to provide GIS mapping support to Shane. Mr. Curtright has over 21 years of experience in Geographic Information Systems. He is proficient using Esri's State-of-the-Art GIS technology to prepare map exhibits for documents and reports. He has been involved with projects which required geo-referencing engineering drawings and historical maps to create GIS data to represent an existing water system, data creation and maintenance, integration of CAD data, Python scripting to automate tedious tasks, and the web-based deployment platform ArcGIS Online, including the retrieval of drawings and documents and the use of Story maps. Jack produces all of the audit maps for the annual reports prepared for our clients, as well as boundary maps / assessment diagrams for recording with local counties, and the production of KML (Google Earth) files for research and marketing purposes.

Mikel Spicer will serve as Assistant Analyst and GIS Mapping Technician. Mikel will be providing analytical support and assist in preparing GIS maps including data extraction, analytics, and script programming. Mikel will be able to coordinate the data provided from the City and our proprietary software solution to accurately and efficiently support the team for all deliverables.

Christina Ramirez will serve as Project Coordinator to provide support to the Project Manager and Jonathan Short. Christina will also be key in our Property Owner Support Services for the Spanish speaking constituents within the City. Christina is fluent in Spanish which will serve well for the Hispanic or Latino population in the City to answer any concerns.

All key personnel are available and committed to the City for its duration. Below is a brief description of each member's experience, expertise, work allocation for providing Special Tax Consultant Services to the City, and available capacity after award of the contract. Based on the below information SCG has an estimated 28% workload capacity to allow for additional time allocation as periodic workload demands may require. Essentially, our team has the expertise, knowledge, and available resources to complete the proposed scope of work, accurately, on time, and within budget.

| Associate | Staff Classification | Years Experience | Responsibility | City Work Allocation | Available Capacity ⁽¹⁾ |
|-------------------|----------------------|------------------|-------------------------|----------------------|-----------------------------------|
| Shane Spicer | Project Manager | 18 | Formation, Bonds, Admin | 15% | 37% |
| Melissa Bellitire | QA/QC Manager | 18 | Quality Assurance | 8% | 28% |
| Jonathan Short | Senior Analyst | 7 | Administration | 30% | 16% |
| James Kim | Assistant Analyst | 3 | Administration | 17% | 18% |
| Jack Curtright | GIS Specialist | 21 | GIS Mapping | 5% | 39% |
| Mikel Spicer | Assistant Analyst | 4 | Administration/Mapping | 17% | 18% |
| Christina Ramirez | Assistant Analyst | 3 | Project Coordinator | 8% | 37% |
| | | 68 | | 100% | 28% |

⁽¹⁾ Reflects the remaining available workload capacity after SCG has been awarded the work for the City.

SHANE SPICER

Professional Background:

Managing Director and founding member of SCG – Spicer Consulting Group, LLC
June 2016- Present

Director at Albert A. Webb Associates
May 2006 – June 2016

Financial Analyst at NBS Government Finance Group
August 2004 – May 2006

Professional Organizations:

Member of California Society of Municipal Finance Officers (CSMFO)
Member of Government Finance Officers Association (GFOA)
Member of Commission on Assessments Special Tax and Other Financing
Facilities (CASTOFF)
California Special Districts Association (CSDA)

Education:

MBA, Business Administration, Emphasis in Finance
California State University San Bernardino
BS, Physical Science, Emphasis in Mathematics
California Baptist College



Mr. Spicer has been providing land secured finance consulting services to a variety of public agencies throughout the state of California. He has been assisting these agencies with their formation, bond sales, and administration for special financing districts including

Assessment Districts, Community Facilities Districts, County Service Areas and Landscape and Lighting Maintenance Districts. Mr. Spicer specializes in working with public agencies to identify viable revenue opportunities to establish these special financing districts to provide vital infrastructure and/or services to their communities. Mr. Spicer has been providing these services for more than thirteen years. His experience includes working with the County of Riverside, Riverside County Flood Control and Water Conservation District, and City of Beaumont, among dozens of cities, counties, and special district agencies.

Mr. Spicer has specialized in providing formation services through establishing more than 40 facilities and services financing districts for municipalities. Mr. Spicer has participated in forming capital facilities Community Facilities Districts for the largest land secured financing agencies in the State of California. He has worked with the City of Corona, City of Wildomar, City of Desert Hot Springs, City of Santee, Ventura County Flood Control District, City of Menifee, Jurupa Community Services District, and the City of Lake Elsinore in establishing maintenance services districts for landscaping, lighting, drainage, etc. Mr. Spicer has recently assisted many agencies including, City of Beaumont, City of Corona, City of Wildomar, City of Menifee, and the City of Lake Elsinore in establishing public safety and fire Community Facilities Districts.

Mr. Spicer has also participated in a number of municipal bond transactions totaling more than \$300M in debt issuances. Mr. Spicer provides comprehensive services related to these bond transactions which have included single facilities district and multiple improvement area new money bond issuances, bond refinancing's, and senior and subordinate structured financings.

In addition to providing formation and bond sale support services Mr. Spicer has worked with several municipalities to provide sound business practices for administering these special financing districts. Mr. Spicer has been involved in all aspects of the administration process working with these public agencies from identifying missing revenues, establishing comprehensive disclosure policies, insuring accurate tax enrollments, including acting as a liaison to inform and educate the community and the legislative body of any issues they may be facing with their special financing program.

MELISSA BELLITIRE

Professional Background:

Managing Director and founding member of SCG – Spicer Consulting Group, LLC
June 2016- Present

Finance Manager at Albert A. Webb Associates
March 2007 – April 2016

Financial Analyst at NBS Government Finance Group
May 2004 – March 2007

Professional Organizations:

Member of California Society of Municipal Finance Officers (CSMFO)
Member of 2018 Host Committee for Riverside Conference (CSMFO)
Member of Government Finance Officers Association (GFOA)
Member of Commission on Assessments Special Tax and Other Financing Facilities (CASTOFF)
Member of Women in Public Finance (WPF) Los Angeles and San Diego Chapters

Education:

BS, Business Administration, Emphasis in Finance
California State University San Marcos



Ms. Melissa Bellitire provides ongoing administration services to municipalities in Southern California counties for their special financing districts. Currently, Ms. Bellitire is the Project Manager for the City of Lake Elsinore which was named the fastest growing City in California between 2012 and 2013 with an increase of 50,000 more residents. The City currently has more than 40 Community Facilities Districts, one Assessment District, two Landscape and Lighting Districts and three Safety Tax measures totaling over \$26 million in revenues.

She specializes in administering multiple 1915 Act Assessment Districts, 1982 Community Facility Districts, 1972 Landscape and Lighting Maintenance Districts, Citywide Special Tax Districts, NPDES Storm Water Discharge Districts, 1982 Benefit Assessment Districts, and Tax Roll Billings for Refuse Collection and Nuisance Abatement Services. In aggregate, Ms. Bellitire was responsible for maintaining approximately 785,000 parcels which generated \$50 million dollars in special financing revenues annually. Ms. Bellitire has served as the Project Manager for the City of Wildomar, Riverside County Executive Office, Riverside County Flood Control and Water Conservation District, City of Riverside, City of Desert Hot Springs, City of Menifee, and the City of Santee.

Ms. Bellitire has also participated in several formations, municipal bond transactions, annexations, and change proceedings for Special Districts. She has been instrumental in processing LLMD and CFD annexations, coordinating with the agency staff, legal counsel, and the property owners to process these accurately and in a timely manner. She also managed several new money and refunding's for CFD special tax bonds, totaling more than \$150 million dollars.

Ms. Bellitire's ongoing administration duties include; day to day interaction with clients, meeting with Agency staff members, annual budget analysis for each District, preparation of the projects schedules and providing cost estimates, calculation of bond calls, database maintenance including research parcel changes, preparing Council resolutions and staff reports; attending Board of Supervisor/City Council meetings, attendance of public hearings, annually calculating, apportioning and submitting the assessments/special taxes to the Auditor-Controller; preparing GIS Audit Maps for each District to ensure all eligible parcels were applied to the secured roll, researching parcel exemptions and sending direct invoices to parcels not applied to the secured roll; title company requests for demand/release of liens, answering property owner inquiries; delinquency management monitoring and foreclosure recommendations if needed; close out analysis for Districts that are reaching maturity, interpreting method of apportionments and performing the reallocation of liens; preparation of the Annual Engineer's Report, CDIAC Reporting and SB 1029 Reporting, Annual Reporting AB 1666, Annual Continuing Disclosure Reports, Senate Bill 165 compliance reports in adherence to SEC requirements, State Controllers Reporting with AB 2109 requirements and maintaining on-going communication with the clients.

JONATHAN SHORT

Professional Background:

Associate Analyst at SCG – Spicer Consulting Group, LLC

October 2016- Present

Assistant Financial Analyst at Albert A. Webb Associates

June 2015 – October 2016

United States Marine Corps - Veteran

July 2003 – July 2011

Professional Organizations:

Member of California Society of Municipal Finance Officers (CSMFO)

Education:

BS, Business Administration, Emphasis in Finance

California State Polytechnic University – Pomona



Mr. Jonathan Short provides ongoing administration services to municipalities in Southern California counties for their special financing districts. Recently, Mr. Short served as the Project Manager for Riverside County Executive Office, City of Riverside, City of Wildomar, and the City of Atascadero. Mr. Short provided Formation and Administration Services to the City of Riverside for their Special Districts. For Fiscal Year 2017-18, he participated in the placement of more than 250,000 charges generating roughly \$40 million in special financing revenues. Jonathan spent eight years in the United States Marine Corps gaining invaluable experience in leadership, work ethic, and attention to detail. He is a valued asset to our clients and to the SCG Team.

Mr. Short ongoing administration duties include; day to day interaction with clients, annual budget analysis for each District, preparation of the projects schedules and providing cost estimates, database maintenance including research parcel changes, preparing Council resolutions and staff reports; attending Board of Supervisor/City Council meetings, annually calculating apportioning and submitting the assessments/special taxes to the Auditor-Controller; preparing GIS Audit Maps for each District to ensure all eligible parcels were applied to the secured roll, answering property owner inquiries; delinquency management monitoring.

E. Work Plan

Approach

SCG's approach to providing consulting services is to establish a strong working relationship built on trust and confidence in our abilities. We accomplish this by consistently delivering a high quality and accurate work product, provide City Staff with manager level support, and demonstrate a strong understanding of the City's Districts and economic needs.

Our team has successfully transitioned this work on multiple occasions and has established a process that will have virtually no impact on City Staff. Throughout the entire process, we will continue to monitor the schedule, communicate with the City, conduct the initial audit, prepare the levy for submittal, and coordinate the preparation of reports while adhering to our internal quality control procedures. Our guiding principles include: effective communication, timely coordination, quality assurance, qualified experience, and comprehensive service.

SCG offers all-inclusive Annual Administration Services, Special Tax Consulting Services, and Annual Financial Reporting Services that are factored into both our scope of work and the estimated costs to provide these services. SCG provides a comprehensive approach to these services managing every step including but not limited to the below:

Kick-off Meeting – SCG will schedule a Kickoff Meeting beginning each March with City Staff. At that meeting, we will establish the appropriate lines of communication and provide a detailed timeline that includes all milestones, party responsibilities and deliverables.

Budgeting and Reporting – SCG will coordinate a meeting with the various departments to discuss the City budget and the discrete components of each District. SCG will provide a framework of the budgets for the various Districts to be completed, and provide drafts reporting to review for form and content. SCG will be in communication with City Staff to complete the Annual Reports and all Municipal Disclosure Reporting.

Levy Calculation - Using SCG resources, we will review the secured roll parcel data and communicate any changes to City Staff as new development occurs, and upon approval from City Council submit the levies to the County Auditor's Office on or before the August deadline.

To assure and maintain **quality assurance**, SCG instituted an internal audit and review protocol that requires a minimum of three reviews of any deliverable product. It is our goal to provide these deliverables ahead of the deadline to allow City Staff sufficient time to review and approve. Specifically, the annual levy enrollment process requires an acute attention to detail in order to manage thousands of records and ensure accuracy. A significant function of our annual levy quality assurance is the use of our annual Levy Audit Maps utilizing GIS technology.

“Do it right the first time”. A three level review of ALL our products and deliverables are incorporated to identify potential errors and avoid costly and time consuming mistakes.

Work Statement

As previously stated, SCG specializes in Formation, Bond Issuance, and Administration services to local agencies with Districts. Upon award of the contract, SCG will begin immediately transitioning the information/documentation, recreating the prior year's levy and performing an audit of the Special Districts to insure the work transfer is complete, with little impact to City Staff. Once SCG has obtained the necessary information, SCG will schedule a meeting to review the annual levy process with City Staff. At that meeting we will establish the appropriate lines of communication and provide a detailed timeline that includes all milestones, party responsibilities and deliverables.

SCG will provide a framework of the budgets for the various Districts to be completed, drafts of Staff Reports, and Resolutions to review for form and content. SCG will be in communication with City Staff to complete the budgets, Disclosure Reports, and add any new information relevant to the current year's levy including new zones anticipated to receive services. Using SCG resources we will review the secured roll parcel data and communicate any changes to City Staff as new development occurs. SCG will coordinate the completion of Staff Reports, Resolutions, Map Exhibits, and other agenda items with City Staff and the City Attorney for City Council meetings. SCG will attend the meetings and upon approval from City Council submit the levies to the County Auditor's Office by the August deadline.

SCG is staffed with seasoned professionals who provide our clients with the best possible results. The SCG staff is fully knowledgeable with all changes to laws, codes, and regulations affecting local governments such as the recent enhanced disclosure requirements of AB 2109, AB 1666, and SB 1029. Our team has the reputation of working with our clients as partners by developing an intimate knowledge of their needs and responding with strategic and timely solutions. While working with the City of Beaumont, our project managers have worked well as a contributing member of the City's finance team.

It is our experience that given the economic difficulties many public agencies continue to realize City Staff does not have the time or manpower to do things more than once. SCG provides the **senior level experience** that is key to avoiding mistakes, insuring timely delivery, and truly acting as an extension of staff.

SCG possesses a **strong understanding** of the City's goals and policies and all aspects associated with each of the City's Districts. Often times these funds are critical to the City's ability to provide a quality service to the community. SCG has extensive experience working with the Riverside County Auditor/Controller's Office, and the Riverside County Assessor's Office and Tax Collector and has direct access to real-time tax information through the County's database system. This experience and our prior working relationship allows us to have a deep appreciation and understanding of the City's Districts.

Given the unique challenges facing the City regarding its Districts SCG has taken great consideration in determining the best way to serve your community. We will provide the highest level of professionalism and transparency regarding the Annual Financial Reporting Services. We believe you will find that this team possesses a unique understanding of the City's

financial situation and operational challenges and will be able to add a level of review and transparency relating specifically to these services.

Below is a typical administrative timeline outlining the typical service, milestones, and deliverables due:

| Due Date | Description | Party Responsible | Deliverable |
|-----------|--|-------------------|---------------------|
| January | SCG provides the City with AB 1666 Reporting | SCG | AB 1666 |
| January | SCG provides the City with AB 2109 Data for State Controller Reporting | SCG | AB 2109 |
| March | Kick Off Meeting | All | Timeline |
| May | Budgets to SCG | City Staff | Budgets |
| June | Staff Report / Resolutions Materials for City Council | SCG | ROI Materials |
| July | Staff Report / Resolution of Public Hearing | SCG | PH Materials |
| July | City Staff provides SCG signed Resolutions approving the Special Taxes | City Staff | Resolutions |
| July | SCG prepares Prop 218 Compliance Letter to be signed by City Staff | SCG | Prop 218 Letter |
| August | SCG submits the resolution and enrollments to the County Auditor-Controller | SCG | Levies to County |
| August | SCG submits any parcel rejects to the County Auditor-Controller | SCG | |
| September | SCG provides City with final enrollment reports | SCG | Levy Detail Reports |
| October | SCG provides the City with CDIAC Reporting | SCG | CDIAC |
| October | SCG provides the City with SB 1029 Reporting | SCG | SB 1029 |
| November | SCG provides the City with SB 165 Reporting | SCG | SB 165 |
| December | SCG provides the City with Continuing Disclosure Reporting and dissemination | SCG | Disclosure |

Technological Support

STAX It is our goal to provide these deliverables ahead of the deadline to allow City Staff sufficient time to review and approve. Specifically, the annual levy enrollment process requires an acute attention to detail in order to manage thousands of records and ensure accuracy. SCG has invested in the development of our proprietary software system named Spicer TAX System (STAX). This software solution uses a SQL Server database structure that allows us to maintain large amounts of data and provide current and historical property information to our associates. We rely on this system to provide various detailed and summary report information to our team. STAX allows our associates to manage property owner call logs, annual levy calculations, annual budget information, annual levy submittals, delinquency detail and summary information, debt services schedules, and agency summary information for the Special Districts we administer.

GIS Platform and Mapping Another significant function of our annual levy quality assurance is the use of our annual Levy Audit Maps utilizing GIS technology. Our Project Managers were the first in the industry to utilize GIS as a tool for auditing the annual levy process. SCG has integrated GIS auditing into the annual levy process and provides its clients with both data files and mapping files that can be loaded on the agencies GIS platform for reference. See Attachment A for a sample GIS map of the City's CFDs.

Scope of Services

Spicer Consulting Group understands that the City currently has Community Facilities District No. 93-1 which contains 33 (Bonded) Improvement Areas, 29 (Non-Bonded) Service Areas and seven CFD's 2016-1, 2016-2, 2016-3, 2016-4, 2018-1, 2019-1, and 2021-1 that provide authorized facilities such as sewer and water facilities, fire stations, park and recreation facilities, along with maintenance and public safety services throughout the City. We propose to provide the following services listed below:

- A. Policy and Procedure Review:** SCG will review the existing administrative policies and procedures to ensure efficiency and compliance with regulatory code and make recommendations to ensure conformity and suggest best practices which are consistent with the City's Goals and Policies for CFDs.
- B. 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 current year, historical tax roll information, parcel classifications, property ownership information, land use, final tract and/or parcel map recordation information, building permit data, and the appropriate building and parcel information, as well as certificate of compliance information for properties within each District. The database will be updated annually.
- C. Maps and Visual Aids:** 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. Additionally, each CFD Improvement Area will be prepared in a PDF format that contain the boundary, parcels levied, not levied, exempt, non-taxable illustrated in the map.
- D. Meeting Attendance:** SCG will attend all City Meetings, Public Hearings, and/or staff meetings annually as determined by the City related to the BFA's CFD program, at a minimum of one meeting per month. 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. SCG will also assist in preparing any relevant materials for outreach presentations.
- **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.
- E. Budget Preparation and 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. SCG will assist the City with the calculation of any applicable coverage (Pay-Go funds) or any reserve requirement replenishment.
- F. Annual Enrollment Documentation/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.
- **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.



- G. *Direct Bills*: 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.
- H. *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.
- I. *Parcel Exceptions 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.
- J. *Annual Continuing Disclosure*: We 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.
- *Bond Rating Agencies*: Our team will assist City Staff in providing information to bond rating agencies when needed.
 - *Private Placement Bond Refunding*: We will prepare the private placement bond refunding annual financial reporting. We will provide to the private placement banks as required by the Indenture.
 - *California Debt and Investment Advisory Commission (CDIAC)*: We 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.
 - *AB 2109*: We will prepare all reports for the City's approval of any State and/or Federal reporting requirements including the Assembly Bill 2109, if applicable.
 - *SB 165 Reporting*: We 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).
 - *Annual Comprehensive Reporting AB 1666*: We 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.
- K. *Current and Future CFD Laws*: Our team 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. SCG will prepare any other report, for City approval, as required by any State and/or Federal disclosure reporting requirements pertaining to each CFD.
- L. *Assist in the preparation of legal documents Document Review and Preparation*: SCG will assist in the preparation of all legal documents related to the CFD Program included but not limited to Staff Reports, Resolutions, Ordinances, Notices, and any presentation materials, as needed.

- M. 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 official calculation shall pay the fee of any prepayment calculation. SCG will also update annually the City's prepayment estimate rate sheets to publish online for property owner use.
- N. 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.
- O. 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 reminder and demand notifications to property owners, coordinate with the City and Foreclosure Counsel, assist in the collection process, and help monitor any payment plans.
- P. 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.
- Q. Foreclosure Coordination:* 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.
- R. Indenture of Trust or Fiscal Agent Agreement 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.
- S. 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.
- T. Reporting Requirements for Current/Future CFDs:* SCG will prepare assist the City in compiling information and prepare any necessary documentation required to comply with California Government Code Section 50075 for any current or future CFDs created by the City.
- U. Bond Issuance Services (Optional)*
- *Kickoff Meeting and Gathering Information:* The purpose of this task is to establish lines of communication and gain understanding of the specific goals, components and criteria to meet the City's needs. SCG will meet with City Staff, legal counsel, team of consultants and project proponents to confirm the CFD's schedule of events, procedural and financial considerations, establish the appropriate land use classifications and discuss and identify the boundaries of the proposed CFD.
 - *Data Collection:* SCG will obtain the latest assessor's parcel maps and equalized tax roll information from the Riverside County Assessor's Office for the parcels within the proposed District, and Geographic Information System (GIS) shape files for our in-house GIS platform.
 - *Bond Documents Table Preparation and Review:* SCG will prepare and provide final calculation to the finance team for inclusion in the Preliminary Official Statement (POS) and Official Statement (OS) to include: i) 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.

- *Vicinity Map*: SCG will prepare a location and area map for inclusion in the POS and OS.
- *Special Tax Certificate*: SCG will prepare and sign the Special Tax Consultant Certificate that certifies that the maximum special tax rates are sufficient to meet debt service requirements and coverage ratios for bonds to be issued.

V. Formation Services (Optional)

- *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.
- *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.
- *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.
- *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.
- *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. 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.
- *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.
- *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, if necessary.
- *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.
- *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.



- *Notice of Special Tax Lien:* SCG will provide a list of Assessor Parcels for the Notice of Special Tax Lien and record the notices.
- W. Software Resources:* SCG will provide access, training, and technical support to viewable data regarding the City's Districts and parcels maintained in the SCG proprietary software Spicer TAX System (STAX) and GIS Platform.
- X. 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.
- Y. Overall Support to the City:* SCG will provide overall support to City staff by being an extension of City Staff, including the management and timing of all CFD related activities and Community outreach workshop and presentations.

F. Fee Proposal

Spicer Consulting Group has provided our fee proposal under separate cover.

G. Similar Services with Other Public Agencies

Below is a sampling of projects and references our team members have provided with similar services of similar size and scope to the City of Beaumont.

CITY OF LAKE ELSINORE

FORMATION, ADMINISTRATION, BOND SALE, AND ANNEXATION SERVICES

SCG currently provides full administration, annexation, and formation services to more than 111 special financing districts for approximately \$30.6 million for the most recent tax year. The City of Lake Elsinore utilizes Landscape Maintenance Districts (LMD) and Community Facilities Districts (CFD) to fund infrastructure and maintenance projects throughout the City. These districts include a Citywide Landscape Maintenance District, a Landscape Maintenance District with 25 separate benefit zones, an Assessment District (AD), 42 bonded CFDs, and 34 services CFD's which generated more than \$3 million in landscape maintenance revenues and \$4 million in public safety funds for the City of Lake Elsinore.



Recently, SCG assisted the City in successfully forming six CFDs, issuing bonds for six CFD Districts and processing several annexations to provide key funding for infrastructure, maintenance, and public safety services to their growing community.

CLIENT CONTACT:

Jason Simpson
City Manager
Phone: (951) 674-3124
Email: jsimpson@Lake-Elsinore.org

YEARS OF SERVICE:

Client of SCG since 2016
5-year contract in good standing
Contract Amount: Varies \$2,200 - \$27,000 per District

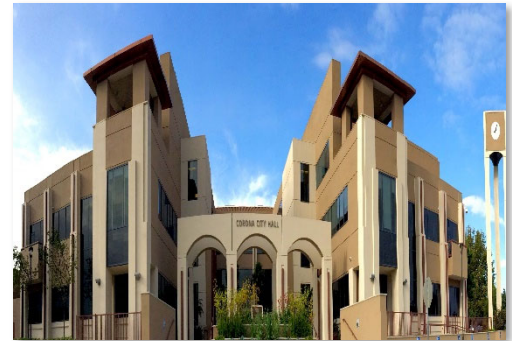
AGENCY PROFILE:

No. Districts – 111
No. Parcels – 78,311
Annual Levy – \$30.6M

CITY OF CORONA

FORMATION, ADMINISTRATION, BOND SALE, AND ANNEXATION SERVICES

SCG currently provides full administration, annexation, and formation services to the City's Landscape and Lighting Maintenance Districts (LLMD) No. 84-1, 2003-1, 84-2, Community Facilities District (CFD) No's. 97-1, 2001-1, 2002-2, 2002-3, and 2011-1, and County Service Area 152 (CSA). SCG project managers formed Citywide CFD 2016-1 (Public Safety) and CFD 2016-3 (Maintenance Services) to provide public safety services and comprehensive maintenance services for all new development. SCG is responsible for administering all of the City's fifteen (15) CFD bonded special districts, (48) CFD Services and (1) CFD Public Safety.



SCG has processed 21 Annexations within CFD 2016-1 (Public Services) and 33 Annexations within CFD 2016-3 (Maintenance Services) with additional projects in process. SCG is also recently completed assisting the City in issuing bonds for CFD 2016-2, CFD 2018-1, and CFD 2018-2.

CLIENT CONTACT:

Kim Sitton
Finance Director
Phone: (951) 279-3532
Email: kim.sitton@coronaca.gov

YEARS OF SERVICE:

Client of SCG since 2017
5-year contract in good standing
Contract Amount: Varies \$1,500 - \$24,500 per District

AGENCY PROFILE:

No. Districts – 80
No. Parcels – 104,692
Annual Levy – \$17.4M

CITY OF MENIFEE

FORMATION, ADMINISTRATION, BOND SALE, AND ANNEXATION SERVICES

SCG currently provides full administration, annexation, and formation services to more than 93 special financing districts for approximately \$9 million in the most recent tax year. The City of Menifee has several special districts including Landscape and Lighting Maintenance District No. 89-1C (LMD) with 44 various zones, six County Service Areas (CSA) and fifty-five Maintenance Community Facilities District (including multiple zones) (CFDs). These Special Districts provide funds for the City's streetlights, landscaping, drainage facility maintenance, park maintenance, and sheriff services throughout the community. SCG project managers also formed the City's first Citywide CFD 2015-2 to provide comprehensive maintenance services for all new development, as well as recently completing the formation of CFD 2017-1, CFD 2019-1, CFD 2020-1, CFD 2020-2, CFD 2021-1, CFD 2021-2, CFD 2022-1, CFD 2022-2, CFD 2022-3, CFD 2023-1, and CFD 2023-2.



CLIENT CONTACT:

Rochelle Clayton
Assistant City Manager
Phone: (951) 723-3701
Email: rclayton@cityofmenifee.us

YEARS OF SERVICE:

Client of SCG since 2017
5-year contract in good standing
Contract Amount: Varies \$200 - \$37,000 per District

AGENCY PROFILE:

No. Districts – 93
No. Parcels – 43,541
Annual Levy – \$9.0M

CITY OF WILDOMAR

FORMATION, ADMINISTRATION, AND ANNEXATION SERVICES

SCG currently provides full administration, annexation, and formation services to the City's Landscape and Lighting Maintenance District No. 89-1C (LLMD) with 20 various zones, three County Service Areas (CSA), Citywide Parks Tax, and a Maintenance Community Facilities District (CFD) containing 25 zones to date. We recently enrolled more than 56 separate fund numbers for nearly a total of approximately \$1.2M annually. These Special Districts provide funds for the City's public safety, streetlights, landscaping, drainage facility maintenance, park maintenance, pavement management, graffiti abatement, and trails maintenance services throughout the community. SCG project managers also formed the City's first Citywide CFD No. 2013-1 and recently formed CFD 2022-1 to provide comprehensive maintenance and public safety services for all new development.



CLIENT CONTACT:

Dan York
City Manager
Phone: (951) 677-7751; Ext. 216
Email: dyork@cityofwildomar.org

YEARS OF SERVICE:

Client of SCG since 2016
5-year contract in good standing
Contract Amount: Varies \$1,150 - \$15,000 per District

AGENCY PROFILE:

No. Districts – 56
No. Parcels – 9,023
Annual Levy – \$1.2 M

CITY OF SAN BERNARDINO

FORMATION, ADMINISTRATION, BOND SALE, AND ANNEXATION SERVICES

SCG currently provides full administration, annexation, and formation services to more than 102 special financing districts for approximately \$2.1 million in the most recent tax year. The City of San Bernardino has several special districts including 68 Maintenance Assessment Districts, one Public Safety Community Facilities District (CFD), three facilities CFDs, and one Citywide Maintenance CFD containing 30 separate zones. These Special Districts provide funds for the City's public safety, streetlights, landscaping, drainage facility maintenance, park maintenance, pavement management, graffiti abatement, and trails maintenance services throughout the community. SCG project managers also formed the City's first public safety CFD 2018-1 and Citywide Maintenance CFD 2019-1 to provide comprehensive public services for all new development.



CLIENT CONTACT:

Alex Qishta
City Engineer
Phone: (909) 384.5019
Email: qishta_al@sbcity.org

YEARS OF SERVICE:

Client of SCG since 2018
5-year contract in good standing
Contract Amount: Varies \$500 - \$8,400 per District

AGENCY PROFILE:

No. Districts – 102
No. Parcels – 8,529
Annual Levy – \$2.1M

RIVERSIDE COUNTY OFFICE OF ECONOMIC DEVELOPMENT

FORMATION, ADMINISTRATION, AND ANNEXATION SERVICES

SCG currently provides full administration, annexation, and formation services to more than 67 special financing districts for approximately \$24.6 million in the most recent tax year. The County of Riverside has several special districts including 52 County Service Areas (CSA) and 15 Maintenance Community Facilities District (CFDs). These Special Districts provide funds for the County's streetlights, traffic signals, landscaping, drainage facility maintenance, park maintenance, and sheriff services throughout the County. SCG project manager is also in the process of forming several new CFDs for maintenance services. These CFDs included CFD 22-4M, CFD 22-5M, CFD 22-6M, CFD 23-1M, CFD 23-2M, CFD 23-3M as well as a change proceeding for CFD 21-3M.



CLIENT CONTACT:

Amber Jacobson
Assistant Director
Phone: (951) 955-6146
Email: ajacobson@rivco.org

YEARS OF SERVICE:

Client of SCG since 2022
5-year contract in good standing
Contract Amount: Varies \$300 - \$21,900 per District

AGENCY PROFILE:

No. Districts – 67
No. Parcels – 447,803
Annual Levy – \$24.6M

H. References

Listed below are contact information for several agencies SCG is currently providing services to.

| Name | Title | Agency | Phone Number | Email Address |
|------------------|---------------------------|------------------------|-------------------------|-----------------------------|
| Jason Simpson | City Manager | City of Lake Elsinore | (951) 674-3124, ext 362 | jsimpson@lake-elsinore.org |
| Kim Sitton | Finance Director | City of Corona | (951) 279-3532 | kim.sitton@coronaca.gov |
| Rochelle Clayton | Assistant City Manager | City of Menifee | (951) 723-3701 | rclayton@cityofmenifee.us |
| Dan York | City Manager | City of Wildomar | (951) 677-7751, ext 216 | dyork@cityofwildomar.org |
| Alex Qishta | City Engineer | City of San Bernardino | (909) 384-5019 | Qishta_al@sbcity.org |
| Amber Jacobson | Assistant Director | Riverside County | (951) 955-6146 | ajacobson@rivco.org |
| Patricia Macias | Senior Management Analyst | City of Chula Vista | (619) 407-3565 | pmacias@chulavistaca.gov |
| Heather Jennings | Finance Director | City of Santee | (619) 258-4100, ext 142 | hjennings@cityofsanteca.gov |

I. Subconsultants

SCG does not anticipate using any subconsultants to provide the services outlined in the RFP.

J. Conflicts

SCG does not have any actual or potential conflicts of interest between the City of Beaumont, its officers, boards, commissions or staff and any person or entity related or connected to SCG.

Acknowledgements

- ◆ SCG is willing to accept the terms of the agreement as provided in the Request For Proposal as Exhibit B.
- ◆ SCG acknowledges receipt of Addendum No. 1 Request for Clarifications (RFC) / Questions, dated December 6, 2022.

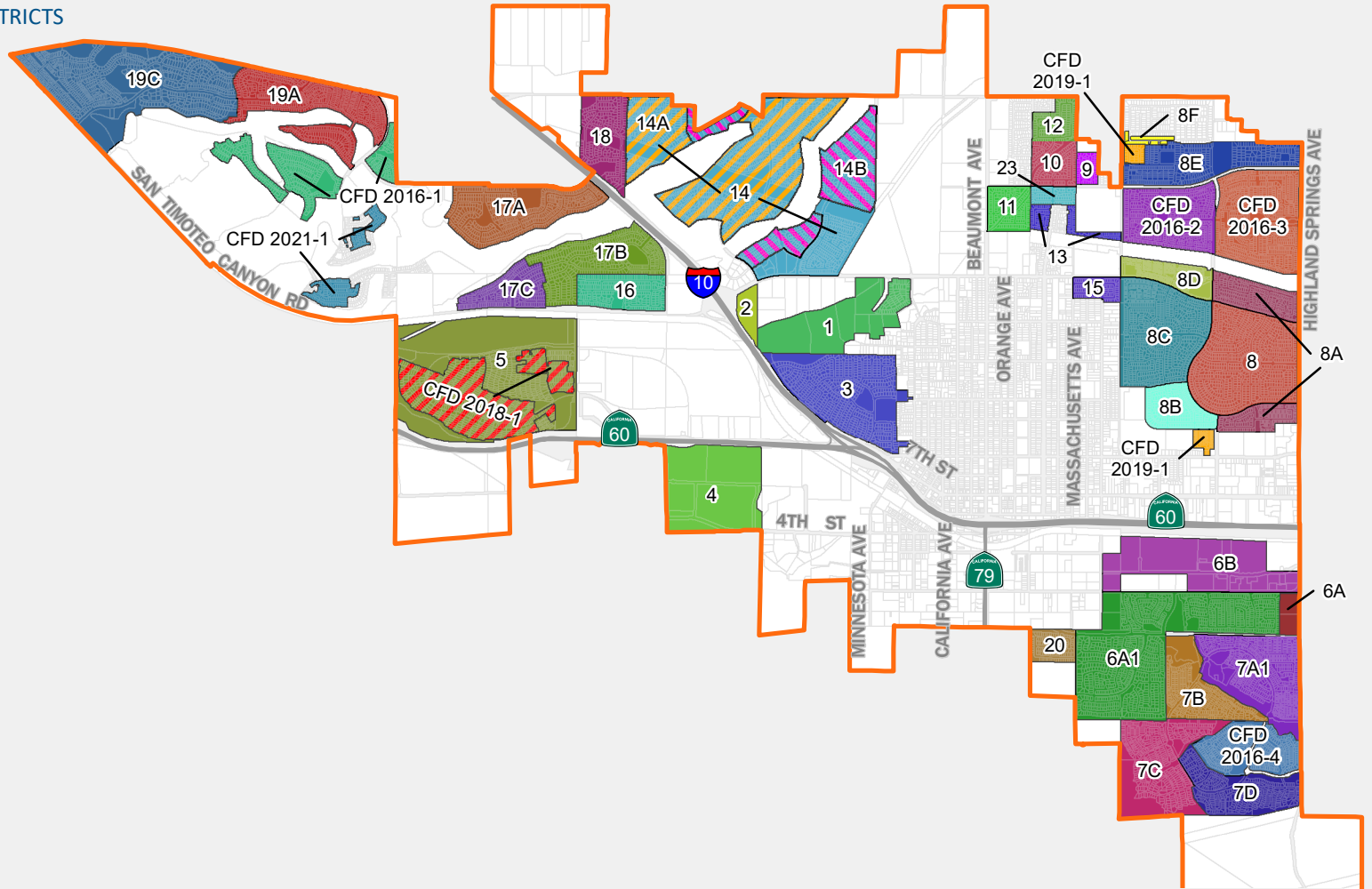
ATTACHMENT A

COMMUNITY FACILITIES DISTRICTS GIS MAP



SPICER CONSULTING
G R O U P

CITY OF BEAUMONT
COMMUNITY FACILITIES DISTRICTS



Legend

| | | | | | | | | |
|---------------|-----------------|----------------|----------------|----------------|-----------------|-----------------|-----------------|------------|
| CFD 93-1 IA 1 | CFD 93-1 IA 6A | CFD 93-1 IA 7C | CFD 93-1 IA 8C | CFD 93-1 IA 9A | CFD 93-1 IA 14 | CFD 93-1 IA 17A | CFD 93-1 IA 19C | CFD 2016-3 |
| CFD 93-1 IA 2 | CFD 93-1 IA 6A1 | CFD 93-1 IA 7D | CFD 93-1 IA 8D | CFD 93-1 IA 10 | CFD 93-1 IA 14A | CFD 93-1 IA 17B | CFD 93-1 IA 20 | CFD 2016-4 |
| CFD 93-1 IA 3 | CFD 93-1 IA 6B | CFD 93-1 IA 8 | CFD 93-1 IA 8E | CFD 93-1 IA 11 | CFD 93-1 IA 14B | CFD 93-1 IA 17C | CFD 93-1 IA 23 | CFD 2018-1 |
| CFD 93-1 IA 4 | CFD 93-1 IA 7A1 | CFD 93-1 IA 8A | CFD 93-1 IA 8F | CFD 93-1 IA 12 | CFD 93-1 IA 15 | CFD 93-1 IA 18 | CFD 2016-1 | CFD 2019-1 |
| CFD 93-1 IA 5 | CFD 93-1 IA 7B | CFD 93-1 IA 8B | CFD 93-1 IA 9 | CFD 93-1 IA 13 | CFD 93-1 IA 16 | CFD 93-1 IA 19A | CFD 2016-2 | CFD 2021-1 |



SPICER CONSULTING
GROUP

December 22, 2022

Ms. Grace Wichert
Procurement and Contracts Specialist
City of Beaumont
550 E. 6th Street
Beaumont, CA 92223



RE: RFP – Community Facilities District Annual Administration Services, Special Tax Consulting Services, and Annual Financial Reporting (RFP #FIN #22-04)

Dear Ms. Wichert:

SCG is pleased to submit this fee letter to provide Community Facilities District Annual Administration Services, Special Tax Consulting Services, and Annual Financial Reporting Services to the City of Beaumont (City). The proposed fee schedule for providing the Annual Administration Services, Special Tax Consulting Services, and Annual Financial Reporting Service for the Fiscal Year 2023-24 is **\$180,001** as shown in the tables below. Included in the proposed fee is a fee schedule for each Improvement Area / District determined as either Facilities CFD or Services CFD, see Attachment A for a detail listing.

We propose to be compensated a fixed fee for services performed according to the scope of services included in the RFP Scope of Work. Below is a summary of the Price Form:

Annual Administration/Annual Levy/Reporting

| Service | No. IA/Districts | Fee per IA/District | Total ⁽¹⁾ |
|---|------------------|---------------------|----------------------|
| Community Facilities Districts - Facilities | 39 | \$ 3,500 | \$ 136,500 |
| Community Facilities Districts - Services | 41 | \$ 1,061 | \$ 43,501 |
| Total | 80 | | \$ 180,001 |

(1) The Annual Administration fee shown above following FY 2023/24 shall increase annually by 2%

Special Reporting Services

| Service | Est. No. Districts | Total Fee |
|---|--------------------|---------------|
| SB 165 – Local Agency Tax & Bond Accountability | 39 | Included |
| SB 1029 – CDIAC Accountability Reports | 39 | Included |
| AB 2109 – Controller Parcel Tax Reports | 39 | Included |
| AB 1666 – CFD Annual Reports | 39 | Included |
| Total | | \$0.00 |

Optional Formation Services

| Service | Fee |
|------------------------|-----------|
| CFD Formation Services | \$ 25,000 |

Optional Bond Sale Services

| Service (per District/Issue) | Fee |
|------------------------------|-----------|
| Bond Sale Services | \$ 25,000 |

Billing Schedule

The Annual Administration would be billed equal amounts monthly following work performed. Any Optional Formation Services would be billed 50% after the first City Council meeting and the balance after the Public Hearing. Optional Bond Sale Services would be billed 100% upon funds being received from sale.

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 |

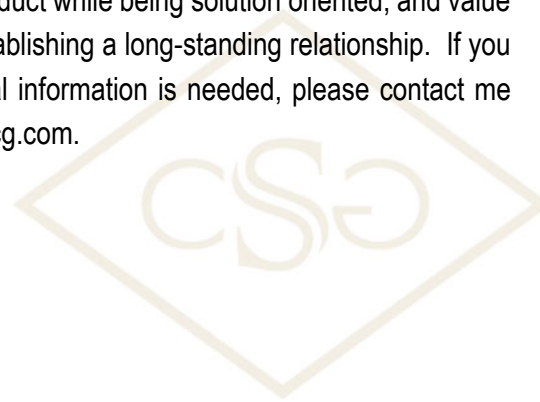
If it should become necessary for the City to request SCG to render any additional services to either supplement the services requested in the RFP or to perform additional work because of the specific recommendation included in any report issued on the engagement, then such additional work shall be performed only if set forth in the agreement between the City and SCG. Any such additional work agreed to between the City and SCG shall be performed at the same rate set forth in the schedule of fees and expenses included in the dollar bid cost.

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

Sincerely,



Shane Spicer
Managing Director



Attachment A

| District Name | Fee | District Name | Fee |
|-----------------------------|---------|-------------------------------|---------|
| CFD No. 93-1 IA 1 | \$3,500 | CFD No. 93-1 IA 14 | \$3,500 |
| CFD No. 93-1 IA 2 | \$3,500 | CFD No. 93-1 IA 14 SERVICE | \$1,061 |
| CFD No. 93-1 IA 3 | \$3,500 | CFD No. 93-1 IA 14A | \$3,500 |
| CFD No. 93-1 IA 3 SERVICE | \$1,061 | CFD No. 93-1 IA 14B | \$3,500 |
| CFD No. 93-1 IA 4 | \$3,500 | CFD No. 93-1 IA 15 | \$1,061 |
| CFD No. 93-1 IA 5 | \$3,500 | CFD No. 93-1 IA 16 | \$3,500 |
| CFD No. 93-1 IA 6A | \$3,500 | CFD No. 93-1 IA 16 SERVICE | \$1,061 |
| CFD No. 93-1 IA 6A1 | \$3,500 | CFD No. 93-1 IA 17A | \$3,500 |
| CFD No. 93-1 IA 6A1 SERVICE | \$1,061 | CFD No. 93-1 IA 17A SERVICE | \$1,061 |
| CFD No. 93-1 IA 7A1 | \$3,500 | CFD No. 93-1 IA 17B | \$3,500 |
| CFD No. 93-1 IA 7A1 SERVICE | \$1,061 | CFD No. 93-1 IA 17B SERVICE | \$1,061 |
| CFD No. 93-1 IA 7B | \$3,500 | CFD No. 93-1 IA 17C | \$3,500 |
| CFD No. 93-1 IA 7B SERVICE | \$1,061 | CFD No. 93-1 IA 17C SERVICE | \$1,061 |
| CFD No. 93-1 IA 7C | \$3,500 | CFD No. 93-1 IA 18 | \$3,500 |
| CFD No. 93-1 IA 7C SERVICE | \$1,061 | CFD No. 93-1 IA 18 SERVICE | \$1,061 |
| CFD No. 93-1 IA 7O | \$3,500 | CFD No. 93-1 IA 19A | \$3,500 |
| CFD No. 93-1 IA 7O SERVICE | \$1,061 | CFD No. 93-1 IA 19A SERVICE | \$1,061 |
| CFD No. 93-1 IA 8 | \$3,500 | CFD No. 93-1 IA 19C | \$3,500 |
| CFD No. 93-1 IA 8 SERVICE | \$1,061 | CFD No. 93-1 IA 19C SERVICE | \$1,061 |
| CFD No. 93-1 IA 8A | \$3,500 | CFD No. 93-1 IA 20 | \$3,500 |
| CFD No. 93-1 IA 8A SERVICE | \$1,061 | CFD No. 93-1 IA 20 SERVICE | \$1,061 |
| CFD No. 93-1 IA 8B | \$3,500 | CFD No. 93-1 IA 23 | \$1,061 |
| CFD No. 93-1 IA 8B SERVICE | \$1,061 | CFD No. 2016-1 | \$3,500 |
| CFD No. 93-1 IA 8C | \$3,500 | CFD No. 2016-1 SERVICE | \$1,061 |
| CFD No. 93-1 IA 8C SERVICE | \$1,061 | CFD No. 2016-2 | \$3,500 |
| CFD No. 93-1 IA 8O | \$3,500 | CFD No. 2016-2 SERVICE | \$1,061 |
| CFD No. 93-1 IA 8O SERVICE | \$1,061 | CFD No. 2016-2 PUBLIC SERVICE | \$1,061 |
| CFD No. 93-1 IA 8E | \$3,500 | CFD No. 2016-3 | \$3,500 |
| CFD No. 93-1 IA 8E SERVICE | \$1,061 | CFD No. 2016-3 SERVICE | \$1,061 |
| CFD No. 93-1 IA 8F | \$3,500 | CFD No. 2016-3 PUBLIC SERVICE | \$1,061 |
| CFD No. 93-1 IA 8F SERVICE | \$1,061 | CFD No. 2016-4 | \$3,500 |
| CFD No. 93-1 IA 9 | \$3,500 | CFD No. 2016-4 SERVICE | \$1,061 |
| CFD No. 93-1 IA 9 SERVICE | \$1,061 | CFD No. 2016-4 PUBLIC SERVICE | \$1,061 |
| CFD No. 93-1 IA 10 | \$3,500 | CFD No. 2018-1 PUBLIC SERVICE | \$1,061 |
| CFD No. 93-1 IA 10 SERVICE | \$1,061 | CFD No. 2019-1 | \$3,500 |
| CFD No. 93-1 IA 11 | \$3,500 | CFD No. 2019-1 SERVICE | \$1,061 |
| CFD No. 93-1 IA 11 SERVICE | \$1,061 | CFD No. 2019-1 PUBLIC SERVICE | \$1,061 |
| CFD No. 93-1 IA 12 | \$3,500 | CFD No. 2021-1 | \$3,500 |
| CFD No. 93-1 IA 12 SERVICE | \$1,061 | CFD No. 2021-1 SERVICE | \$1,061 |
| CFD No. 93-1 IA 13 | \$1,061 | CFD No. 2021-1 PUBLIC SERVICE | \$1,061 |

EXHIBIT "B"

CERTIFICATES OF INSURANCE AND ENDORSEMENTS

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

BLANKET ADDITIONAL INSURED – OWNERS, LESSEES OR CONTRACTORS

This endorsement modifies insurance provided under the following:
COMMERCIAL GENERAL LIABILITY COVERAGE PART

PROVISIONS:

1. WHO IS AN INSURED (SECTION II) is amended to include as an insured any person or organization (called hereafter "additional insured") whom you have agreed in a written contract, executed prior to loss, to name as additional insured, but only with respect to liability arising out of "your work" or your ongoing operations for that additional insured performed by you or for you.
2. With respect to the insurance afforded to Additional Insureds the following conditions apply:
 - a. Limits of Insurance – The following limits of liability apply:
 1. The limits which you agreed to provide; or
 2. The limits shown on the declarations, whichever is less.
 - b. This insurance is excess over any valid and collectible insurance unless you have agreed in a written contract for this insurance to apply on a primary or contributory basis.
3. This insurance does not apply:
 - a. on any basis to any person or organization for whom you have purchased an Owners and Contractors Protective policy.
 - b. to "bodily injury," "property damage," "personal injury," or "advertising injury" arising out of the rendering of or the failure to render any professional services by or for you, including:
 1. The preparing, approving or failing to prepare or approve maps, drawings, opinions, reports, surveys, change orders, designs or specifications; and
 2. Supervisory, inspection or engineering services.

BUSINESS AUTO COVERAGE FORM

I. NEWLY ACQUIRED OR FORMED ENTITY (Broad Form Named Insured)

SECTION II - LIABILITY COVERAGE, A. Coverage, 1. Who Is An Insured, the following is added:

- d. Any business entity newly acquired or formed by you during the policy period provided you own 50% or more of the business entity and the business entity is not separately insured for Business Auto Coverage. Coverage is extended up to a maximum of 180 days following acquisition or formation of the business entity. Coverage under this provision is afforded only until the end of the policy period. Coverage does not apply to an "accident" which occurred before you acquired or formed the organization.

II. EMPLOYEES AS INSURED

SECTION II - LIABILITY COVERAGE, A. Coverage, 1. Who Is An Insured, the following is added:

- e. Any "employee" of yours is an "insured" while using a covered "auto" you don't own, hire or borrow in your business or your personal affairs.

III. AUTOMATIC ADDITIONAL INSURED

SECTION II - LIABILITY COVERAGE, A. Coverage, 1. Who Is An Insured, the following is added:

- f. Any person or organization that you are required to include as additional insured on the Coverage Form in a written contract or agreement that is signed and executed by you before the "bodily injury" or "property damage" occurs and that is in effect during the policy period is an "insured" for Liability Coverage, but only for damages to which this insurance applies and only to the extent that person or organization qualifies as an "insured" under the Who Is An Insured provision contained in Section II.

IV. EMPLOYEE HIRED AUTO LIABILITY

SECTION II - LIABILITY COVERAGE, A. Coverage, 1. Who Is An Insured, the following is added:

- g. An "employee" of yours is an "insured" while operating an "auto" hired or rented under a contract or agreement in that "employee's" name, with your permission, while performing duties related to the conduct of your business.

V. SUPPLEMENTARY PAYMENTS

SECTION II – LIABILITY COVERAGE, A. Coverage, 2. Coverage Extensions, a. Supplementary Payments, Subparagraphs (2) and (4) are replaced by the following:

- (2) Up to \$3,000 for cost of bail bonds (including bonds for related traffic law violations) required because of an "accident" we cover. We are not obligated to furnish these bonds.
- (4) All reasonable expenses incurred by the "insured" at our request, including actual loss of earnings up to \$500 a day because of time off from work.