

RESOLUTION NO. 2017-014

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ROHNERT PARK AUTHORIZING THE CITY MANAGER TO EXECUTE CONSULTANT SERVICES AGREEMENT WITH ECONOMIC & PLANNING SYSTEMS, INC. (EPS) FOR A HOUSING FEE STUDY AND AUTHORIZING FINANCE DIRECTOR TO EFFECT RELATED ACTIONS

WHEREAS, the City desires to update its programs for the creation and preservation of affordable housing, including fee programs and municipal code updates; and

WHEREAS, pursuant to Section 3.6.6 of the City's Purchasing Policy, City staff issued a Request for Proposals in October 2016 for professional planning and economic analysis services for an housing in-lieu fee study and received three responsive proposals; and

WHEREAS, City staff evaluated the three proposals and interviewed each proposing firm, and recommends Economic & Planning Systems, Inc. (EPS) of Oakland, California as the most qualified firm to complete the study; and

WHEREAS, the City and EPS desire to enter into a Consultant Services Agreement ("Agreement") for the Housing Fee Study.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Rohnert Park that it does hereby authorize the City Manager to execute Consultant Services Agreement by and between Economic & Planning Services, Inc., a California Corporation, and the City of Rohnert Park, a municipal corporation, for consultant services in an amount not to exceed Forty Eight Thousand Six Hundred Fifty Five Dollars (\$48,655.00).

BE IT FURTHER RESOLVED that the City Manager is hereby authorized and directed to take all actions to effectuate the Consultant Services Agreement for and on behalf of the City of Rohnert Park, including execution, if necessary, in substantially similar form to the Agreement attached hereto and incorporated by this reference as Exhibit "A," subject to minor modifications by the City Manager or City Attorney.

BE IT FURTHER RESOLVED that the Finance Director is authorized to amend the Development Services budget, make appropriations and transfer funds as necessary to cover the costs of Housing Fee Study.

DULY AND REGULARLY ADOPTED this 14th day of February, 2017.

CITY OF ROHNERT PARK


Jake Mackenzie, Mayor

ATTEST:


Caitlin Saldanha, Deputy City Clerk

Attachment: Exhibit A

AHANOTU: Aye BELFORTE: Aye CALLINAN: Absent STAFFORD: Aye MACKENZIE: Aye
AYES: (4) NOES: (0) ABSENT: (1) ABSTAIN: (0)

City of Rohnert Park
130 Avram Ave.
Rohnert Park, CA 94928

CONSULTANT SERVICES AGREEMENT

THIS AGREEMENT is entered into as of the _____ day of _____, 20_____, by and between the CITY OF ROHNERT PARK ("City"), a California municipal corporation, and Economic & Planning Systems, Inc. ("Consultant"), a California Corporation.

Recitals

WHEREAS, City desires professional planning and economic analysis services to update the City's housing fees, including the Inclusionary Housing In-Lieu Fee and Affordable Housing Linkage fee, as well as update the Inclusionary Housing Ordinance; and

WHEREAS, Consultant hereby warrants to the City that Consultant is skilled and able to provide such services described in Section 3 of this Agreement; and

WHEREAS, City desires to retain Consultant pursuant to this Agreement to provide the services described in Section 3 of this Agreement.

Agreement

NOW, THEREFORE, in consideration of their mutual covenants, the parties hereto agree as follows:

1. Incorporation of Recitals. The recitals set forth above, and all defined terms set forth in such recitals and in the introductory paragraph preceding the recitals, are hereby incorporated into this Agreement as if set forth herein in full.

2. Project Coordination.

A. City. The City Manager or his/her designee, shall represent City for all purposes under this Agreement. The Planner I is hereby designated as the Project Manager. The Project Manager shall supervise the progress and execution of this Agreement.

B. Consultant. The Consultant shall assign Darin Smith to have overall responsibility for the progress and execution of this Agreement for Consultant.

3. Scope and Performance of Services

A. Scope of Services. Subject to such policy direction and approvals as the City through its staff may determine from time to time, Consultant shall perform the services set out in the "Scope of Work" attached hereto as Exhibit A and incorporated herein by reference.

EXHIBIT A to RESOLUTION

B. Time of Performance. The services of Consultant are to commence upon receipt of a written notice to proceed from City, but in no event prior to receiving a fully executed agreement from City and obtaining and delivering the required insurance coverage, and satisfactory evidence thereof, to City. The services of Consultant are to be completed not later than July 2017. Consultant shall perform its services in accordance with the schedule attached hereto as Exhibit A, and incorporated herein by reference. Any changes to these dates in either this Section 3 or Exhibit A must be approved in writing by the Project Manager.

C. Standard of Quality. City relies upon the professional ability of Consultant as a material inducement to entering into this Agreement. All work performed by Consultant under this Agreement shall be in accordance with all applicable legal requirements and shall meet the standard of quality ordinarily to be expected of competent professionals in Consultant's field of expertise.

4. Compensation and Method of Payment.

A. Compensation. The compensation to be paid to Consultant, including both payment for professional services and reimbursable expenses, shall be at the rate and schedules attached hereto as Exhibit B, and incorporated herein by reference. However, in no event shall the amount City pays Consultant exceed Forty Eight Thousand Six Hundred Fifty Five Dollars (\$48,655.00). Payment by City under this Agreement shall not be deemed a waiver of unsatisfactory work, even if such defects were known to the City at the time of payment.

B. Timing of Payment. Billing for said services shall be made monthly and submittal of the records and any appropriate report. City shall review Consultant's billing statement and pay Consultant for services rendered within 45 days of receipt of monthly billing statement that meets all requirements of this Agreement.

C. Changes in Compensation. Consultant will not undertake any work that will incur costs in excess of the amount set forth in Paragraph 4(A) without prior written amendment to this Agreement.

D. Taxes. Consultant shall pay all taxes, assessments and premiums under the federal Social Security Act, any applicable unemployment insurance contributions, Workers Compensation insurance premiums, sales taxes, use taxes, personal property taxes, or other taxes or assessments now or hereafter in effect and payable by reason of or in connection with the services to be performed by Consultant.

E. No Overtime or Premium Pay. Consultant shall receive no premium or enhanced pay for work normally understood as overtime, i.e., hours that exceed forty (40) hours per work week, or work performed during non-standard business hours, such as in the evenings or on weekends. Consultant shall not receive a premium or enhanced pay for work performed on a recognized holiday. Consultant shall not receive paid time off for days not worked, whether it be in the form of sick leave, administrative leave, or for any other form of absence.

F. Litigation Support. Consultant agrees to testify at City's request if litigation is brought against City in connection with Consultant's work product. Unless the

EXHIBIT A to RESOLUTION

action is brought by Consultant or is based upon Consultant's negligence, City will compensate Consultant for the preparation and the testimony at Consultant's standard hourly rates, if requested by City and not part of the litigation brought by City against Consultant.

5. Amendment to Scope of Work. City shall have the right to amend the Scope of Work within the Agreement by written notification to the Consultant. In such event, the compensation and time of performance shall be subject to renegotiation upon written demand of either party to the Agreement. Consultant shall not commence any work exceeding the Scope of Work without prior written authorization from the City. Failure of the Consultant to secure City's written authorization for extra or changed work shall constitute a waiver of any and all right to adjustment in the contract price or time due, whether by way of compensation, restitution, quantum meruit, etc. for work done without the appropriate City authorization.

6. Term. This Agreement shall commence upon its execution by both parties and shall continue in full force and effect until completed, amended pursuant to Section 21, or otherwise terminated as provided herein.

7. Inspection. Consultant shall furnish City with every reasonable opportunity for City to ascertain that the services of Consultant are being performed in accordance with the requirements and intentions of this Agreement. All work done and all materials furnished, if any, shall be subject to the Project Manager's inspection and approval. The inspection of such work shall not relieve Consultant of any of its obligations to fulfill the Agreement as prescribed.

8. Ownership of Documents. Title to all plans, specifications, maps, estimates, reports, manuscripts, drawings, descriptions and other final work products compiled by the Consultant under the Agreement shall be vested in City, none of which shall be used in any manner whatsoever, by any person, firm, corporation, or agency without the expressed written consent of the City. Basic survey notes and sketches, charts, computations, and other data prepared or obtained under the Agreement shall be made available, upon request, to City without restriction or limitations on their use. Consultant may retain copies of the above-described information but agrees not to disclose or discuss any information gathered, discussed or generated in any way through this Agreement without the written permission of City during the term of this Agreement, unless required by law.

9. Employment of Other Consultants, Specialists or Experts. Consultant will not employ or otherwise incur an obligation to pay other consultants, specialists or experts for services in connection with this Agreement without the prior written approval of the City.

10. Conflict of Interest.

A. Consultant covenants and represents that neither it, nor any officer or principal of its firm, has, or shall acquire any investment, income, business entity, interest in real property, or other interest, directly or indirectly, which would conflict in any manner with the interests of City, hinder Consultant's performance of services under this Agreement, or be affected in any manner or degree by performance of Consultant's services hereunder. Consultant further covenants that in the performance of the Agreement, no person having any such interest shall be employed by it as an officer, employee, agent, or subcontractor without the express

EXHIBIT A to RESOLUTION

written consent of the City. Consultant agrees to at all times avoid conflicts of interest, or the appearance of any conflicts of interest, with the interests of the City in the performance of the Agreement.

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

(1) will conduct research and arrive at conclusions with respect to its rendition of information, advice, recommendation, or counsel independent of the control and direction of the City or of any City official, other than normal contract monitoring; and

(2) possesses no authority with respect to any City decision beyond the rendition of information, advice, recommendation, or counsel. (2 Cal. Code Regs. § 18700(a)(2).)

11. Liability of Members and Employees of City. No member of the City and no other officer, elected official, employee or agent of the City shall be personally liable to Consultant or otherwise in the event of any default or breach of the City, or for any amount which may become due to Consultant or any successor in interest, or for any obligations directly or indirectly incurred under the terms of this Agreement.

12. Indemnity. To the fullest extent permitted by law, Consultant hereby agrees to defend (by counsel reasonably satisfactory to the City), indemnify, and hold harmless the City, its officers, elected officials, employees, agents, and volunteers from and against any and all claims, demands, damages, costs, liabilities, or obligations brought on account of or arising out of any negligent acts, errors, or omissions of Consultant, its officers, employees, agents, and subcontractors undertaken pursuant to this Agreement excepting liabilities due to the sole negligence or willful misconduct of City. The City has no liability or responsibility for any accident, loss, or damage to any work performed under this Agreement whether prior to its completion and acceptance or otherwise. Consultant's duty to indemnify and hold harmless, as set forth herein, shall include the duty to defend as set forth in California Civil Code § 2778. This indemnification obligation is not limited in any way by any limitation on the amount or type of damages or compensation payable by or for Consultant under Worker's Compensation, disability or other employee benefit acts or the terms, applicability or limitations of any insurance held or provided by Consultant and shall continue to bind the parties after termination/completion of this agreement. This indemnification shall be regardless of and not in any way limited by the insurance requirements of this contract. This indemnification is for the full period of time allowed by law and shall survive the termination of this agreement.

13. Consultant Not an Agent of City. Consultant, its officers, employees and agents shall not have any power to bind or commit the City to any decision.

14. Independent Contractor. It is expressly agreed that Consultant, in the performance of the work and services agreed to be performed by Consultant, shall act as and be an independent contractor and not an agent or employee of City; and as an independent contractor, Consultant shall obtain no rights to retirement benefits or other benefits which accrue

EXHIBIT A to RESOLUTION

to City's employees, and Consultant hereby expressly waives any claim it may have to any such rights.

15. Compliance with Laws.

A. General. Consultant shall use the standard of care in its profession to comply with all applicable federal, state, and local laws, codes, ordinances, and regulations. Consultant represents and warrants to City that it has and shall, at its sole cost and expense, keep in effect or obtain at all times during the term of this Agreement any licenses, permits, insurance and approvals which are legally required for Consultant to practice its profession. Except as otherwise allowed by City in its sole discretion, Consultant and all subconsultants shall have acquired, at their expense, a business license from City in accordance with Chapter 5.04 of the Rohnert Park Municipal Code prior to City's issuance of an authorization to proceed with the Services. Such license(s) must be kept valid throughout the term of this Agreement. The City is not responsible or liable for Consultant's failure to comply with any or all of the requirements contained in this paragraph.

B. Workers' Compensation. Consultant certifies that it is aware of the provisions of the California Labor Code which require every employee to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that Code, and Consultant certifies that it will comply with such provisions before commencing performance of the Agreement and at all times in the performance of the Agreement.

C. Prevailing Wage. Consultant and Consultant's subconsultants (if any) shall, to the extent required by the California Labor Code, pay not less than the latest prevailing wage rates to workers and professionals as determined by the Director of Industrial Relations of the State of California pursuant to California Labor Code, Part 7, Chapter 1, Article 2. Copies of the applicable wage determination are on file at the City's office of the City Clerk.

D. Injury and Illness Prevention Program. Consultant certifies that it is aware of and has complied with the provisions of California Labor Code § 6401.7, which requires every employer to adopt a written injury and illness prevention program.

E. City Not Responsible. City is not responsible or liable for Consultant's failure to comply with any and all of its requirements under this section and Agreement.

F. Waiver of Subrogation. Consultant and Consultant's insurance company agree to waive all rights of subrogation against City, its officers, elected officials, employees, agents and volunteers for losses paid under Consultant's workers' compensation insurance policy which arise from the work performed by Consultant for the City.

16. Confidential Information. All data, documents, discussions or other information developed or received by or for Consultant in performance of this Agreement are confidential and not to be disclosed to any person except as authorized by the City, or as required by law.

17. Assignment; Subcontractors; Employees

EXHIBIT A to RESOLUTION

A. Assignment. Consultant shall not assign, delegate, transfer, or convey its duties, responsibilities, or interests in this Agreement or any right, title, obligation, or interest in or to the same or any part thereof without the City's prior written consent. Any assignment without such approval shall be void and, at the City's option, shall immediately cause this Agreement to terminate.

B. Subcontractors; Employees. Consultant shall be responsible for employing or engaging all persons necessary to perform the services of Consultant hereunder. No subcontractor of Consultant shall be recognized by the City as such; rather, all subcontractors are deemed to be employees of the Consultant, and Consultant agrees to be responsible for their performance. Consultant shall give its personal attention to the fulfillment of the provisions of this Agreement by all of its employees and subcontractors, if any, and shall keep the work under its control. If any employee or subcontractor of Consultant fails or refuses to carry out the provisions of this Agreement or appears to be incompetent or to act in a disorderly or improper manner, it shall be discharged immediately from the work under this Agreement on demand of the Project Manager.

18. Insurance. Without limiting consultant's indemnification provided herein, Consultant shall comply with the requirements set forth in Exhibit C to this Agreement.

19. Termination of Agreement; Default.

A. This Agreement and all obligations hereunder may be terminated at any time, with or without cause, by the City upon 5-days' written notice to Consultant.

B. If Consultant fails to perform any of its obligations under this Agreement within the time and in the manner herein provided or otherwise violate any of the terms of this Agreement, in addition to all other remedies provided by law, City may terminate this Agreement immediately upon written notice. In such event, Consultant shall be entitled to receive as full payment for all services satisfactorily rendered and expenses incurred hereunder, an amount which bears the same ratio to the total fees specified in the Agreement as the services satisfactorily rendered hereunder by Consultant bear to the total services otherwise required to be performed for such total fee; provided, however, that the City shall deduct from such amount the amount of damages, if any, sustained by City by virtue of the breach of the Agreement by consultant.

C. In the event this Agreement is terminated by City without cause, Consultant shall be entitled to any compensation owing to it hereunder up to the time of such termination, it being understood that any payments are full compensation for services rendered prior to the time of payment.

D. Upon termination of this Agreement with or without cause, Consultant shall turn over to the City Manager immediately any and all copies of studies, sketches, drawings, computations, and other data, whether or not completed, prepared by Consultant or its subcontractors, if any, or given to Consultant or its subcontractors, if any, in connection with this Agreement. Such materials shall become the permanent property of the City. Consultant,

EXHIBIT A to RESOLUTION

however, shall not be liable for the City's use of incomplete materials nor for the City's use of complete documents if used for other than the project contemplated by this Agreement.

20. Suspension. The City shall have the authority to suspend this Agreement and the services contemplated herein, wholly or in part, for such period as it deems necessary due to unfavorable conditions or to the failure on the part of the Consultant to perform any provision of this Agreement. Consultant will be paid for satisfactory Services performed through the date of temporary suspension.

21. Merger; Amendment. This Agreement constitutes the complete and exclusive statement of the agreement between the City and Consultant and shall supersede all prior negotiations, representations, or agreements, either written or oral. This document may be amended only by written instrument, signed by both the City and Consultant. All provisions of this Agreement are expressly made conditions.

22. Interpretation. This Agreement shall be interpreted as though it was a product of a joint drafting effort and no provisions shall be interpreted against a party on the ground that said party was solely or primarily responsible for drafting the language to be interpreted.

23. Litigation Costs. If either party becomes involved in litigation arising out of this Agreement or the performance thereof, the court in such litigation shall award reasonable costs and expenses, including attorneys' fees, to the prevailing party. In awarding attorneys' fees, the court will not be bound by any court fee schedule, but shall, if it is in the interest of justice to do so, award the full amount of costs, expenses, and attorneys' fees paid or incurred in good faith.

24. Time of the Essence. Time is of the essence of this Agreement.

25. Written Notification. Any notice, demand, request, consent, approval or communication that either party desires or is required to give to the other party shall be in writing and either served personally or sent by prepaid, first class mail. Any such notice, demand, etc. shall be addressed to the other party at the address set forth below. Either party may change its address by notifying the other party of the change of address. Notice shall be deemed communicated within 72 hours from the time of mailing if mailed as provided in this section.

If to City: City Manager
 City of Rohnert Park - City Hall
 130 Avram Avenue
 Rohnert Park, CA 94928

If to Consultant: Darin Smith
 Economic & Planning Systems
 One Kaiser Plaza, STE 1410
 Oakland, CA 94612

26. Consultant's Books and Records.

EXHIBIT A to RESOLUTION

A. Consultant shall maintain any and all ledgers, books of account, invoices, vouchers, canceled checks, and other records or documents evidencing or relating to charges for services, or expenditures and disbursements charged to the City and all documents and records which demonstrate performance under this Agreement for a minimum period of three (3) years, or for any longer period required by law, from the date of termination or completion of this Agreement.

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

C. The City may, by written request by any of the above-named officers, require that custody of the records be given to the City and that the records and documents be maintained in the City Manager's office.

27. Agreement Binding. The terms, covenants, and conditions of this Agreement shall apply to, and shall bind, the heirs, successors, executors, administrators, assigns, and subcontractors of both parties.

28. Equal Employment Opportunity. Consultant is an equal opportunity employer and agrees to comply with all applicable state and federal regulations governing equal employment opportunity. Consultant will not discriminate against any employee or applicant for employment because of race, age, sex, creed, color, sexual orientation, marital status or national origin. Consultant will take affirmative action to ensure that applicants are treated during such employment without regard to race, age, sex, creed, color, sexual orientation, marital status, or national origin. Such action shall include, but shall not be limited to, the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; lay-offs or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. Consultant further agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this nondiscrimination clause.

29. City Not Obligated to Third Parties. The City shall not be obligated or liable for payment hereunder to any party other than the Consultant.

30. Waiver. No failure on the part of either party to exercise any right or remedy hereunder shall operate as a waiver of any other right or remedy that party may have hereunder.

31. Severability. If any one or more of the provisions contained herein shall for any reason be held to be invalid, illegal or unenforceable in any respect, then such provision or provisions shall be deemed severable from the remaining provisions hereof, and such invalidity, illegality, or unenforceability shall not affect any other provision hereof, and this Agreement

EXHIBIT A to RESOLUTION

shall be construed as if such invalid, illegal, or unenforceable provision had not been contained herein.

32. Exhibits. The following exhibits are attached to this Agreement and incorporated herein by this reference:

- A. Exhibit A: Scope of Work and Schedule of Performance
- B. Exhibit B: Compensation
- C. Exhibit C: Insurance Requirements

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

34. News Releases/Interviews. All Consultant and subconsultant news releases, media interviews, testimony at hearings and public comment shall be prohibited unless expressly authorized by the City.

35. Applicable Law; Venue. This Agreement shall be construed and interpreted according to California law. In the event that suit shall be brought by either party hereunder, the parties agree that trial of such action shall be held exclusively in a state court in the County of Sonoma, California.

36. Authority. Each individual executing this Agreement on behalf of one of the parties represents that he or she is duly authorized to sign and deliver the Agreement on behalf of such party and that this Agreement is binding on such party in accordance with its terms.

37. STATEMENT OF ECONOMIC INTEREST. If City determines Consultant comes within the definition of Consultant under the Political Reform Act (Government Code §87100), Consultant shall complete and file and shall require any other person doing work under this Agreement to complete and file a "Statement of Economic Interest" with the Clerk of the City of Rohnert Park disclosing Consultant and/or such other person's financial interests.

EXHIBIT A to RESOLUTION

IN WITNESS WHEREOF, the City and Consultant have executed this Agreement as of the date first above written.

CITY OF ROHNERT PARK

CONSULTANT

By: _____
Director of Development Services


Date: _____
Per Purchasing Policy adopted by
Resolution No 2016-51

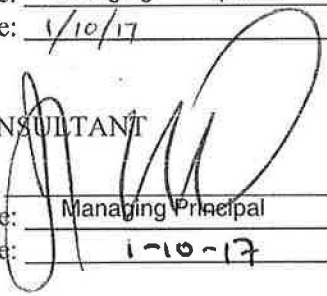
ATTEST:

By: _____
City Clerk

APPROVED AS TO FORM:

By: _____
City Attorney

By:  _____
Title: Managing Principal
Date: 1/10/17

CONSULTANT
By:  _____
Title: Managing Principal
Date: 1-10-17

CERTIFICATE OF CONSULTANT

I HEREBY CERTIFY that I am the Managing Principal, and a duly authorized representative of the firm of Economic & Planning Systems, whose address is One Kaiser Plaza, STE 1410, Oakland, CA 94612, and that neither I nor the above firm I here represent has:

- a) Employed or retained for a commission, percentage, brokerage, contingent fee, or other consideration, any firm or person (other than a bona fide employee working solely for me or the above consultant) to solicit to secure this Agreement.
- b) Agreed, as an express or implied condition for obtaining this contract, to employ or retain the services of any firm or person in connection with carrying out the Agreement; or
- c) Paid, or agreed to pay, to any firm, organization or person (other than a bona fide employee working solely for me or the above consultant) any fee, contribution, donation, or consideration of any kind for, or in connection with, procuring or carrying out the Agreement;

Except as here expressly stated (if any);

I acknowledge that this certificate is subject to applicable State and Federal laws, both criminal and civil.

4/10/17
Date



Signature

EXHIBIT A to RESOLUTION

EXHIBIT A

Scope of Work and Schedule of Performance

Revised Scope of Work

Rohnert Park Housing Fee Studies

The Economics of Land Use



Prepared for:

The City of Rohnert Park

Prepared by:

Economic & Planning Systems, Inc.

December 14, 2016

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EPS #161158

1. PROPOSED SCOPE OF WORK

As reflected in the proposed work program below, EPS has developed a robust technical and analytical framework to respond to the City's RFP that includes three Project Team Work Sessions (staff level), one Council Work Session, and one public hearing in addition to attendance at the final Council hearing. As noted above, the proposed scope of work can be refined based on City input to ensure the final work product supports the City's decisions regarding affordable housing policy, including legal, economic, and political considerations.

Task 1: Project Initiation and Work Session #1

EPS will participate in a project initiation kick-off and work session meeting (**Work Session #1**) with the City's project team (Department of Development Services staff as well as the City Attorney or other legal counsel) to discuss the overall context of the Study and the City's specific objectives. This task envisions that the project initiation meeting and **Work Session #1** can occur at the same time.

Work Session #1 will address the following topics:

1. **Approach to funding affordable housing.** The Project Team will discuss the City's overall approach to funding affordable housing and ensure we share a common understanding of the City's existing policies and programs (e.g., the City's commercial linkage fee).
2. **Evolving legal context.** The legal rulings of the *Patterson*, *Palmer*, and *San Jose* cases that have occurred since EPS's work for the City in 2009 have implications for the City's options for funding affordable housing generally and the City's Inclusionary Housing Ordinance specifically. As just one example, inclusionary housing requirements can no longer be required of rental residential developments. Instead, some jurisdictions are opting to implement impact fees on rental residential projects to mitigate the impact of the new development on demand for affordable housing. EPS is including a rental residential impact fee nexus study task as part of this proposal.
3. **Alternative in-lieu fee methodologies.** **Work Session #1** can be used to review EPS's 2009 work and discuss potential methodological approaches to establishing an inclusionary housing in-lieu fee.
4. **Revisions to the City's Inclusionary Housing Ordinance.** Following from the discussion of the preceding topics, the Project Team can discuss potential revisions to the Inclusionary Housing Ordinance.

In order to make sure that the City's affordable housing policies and programs are working together as a coherent program, it is recommended that the project team engage the City Attorney or other legal advisors at this time to gain their input and assure their comfort with Study approach. The items listed above may require a second Work Session or follow-up conference call to reach consensus on the preferred methodology.

To the extent that **Work Session #1** results in revised direction, EPS will refine the technical work program as necessary. Communication protocol, data requirements, and the schedule for project deliverables can be confirmed at this project initiation meeting. In addition, EPS will

prepare a data request to the extent that the City may maintain or have access to data that is directly relevant to the Study.

Task 2: Prepare Fee and Residential Nexus Studies

The **Task 2** work effort describes the preparation of the in-lieu fee analysis and the rental housing nexus study to support the City's consideration of updated housing fees. **Work Session #2** will be scheduled once preliminary calculations are available and will provide an opportunity to walk through the methodologies used and address any outstanding policy issues or concerns.

Task 2.1: Ownership Housing In-Lieu Fee Analysis

EPS will review the City's existing inclusionary housing ordinance as it applies to for-sale housing, and characterize the City's current requirements for affordable housing. Then, EPS will estimate the costs to the City of providing the affordable units if the developer of a for-sale project elects not to provide the units on-site, or has an unmet obligation to provide a "fractional" unit (e.g., is required to build 7.5 affordable units). EPS will calculate the maximum sales price (i.e., value) of an affordable unit based on income levels and financing requirements, and compare that to the cost to construct a unit that meets the City's affordability goals. EPS will review with the City whether or not the unit that satisfies the goal must be substantially the same as the market-rate units (e.g., a detached unit of the same size) or can be of a different, potentially more economical type (e.g., a multifamily unit, perhaps even for-rent rather than sale). Based on these value and cost estimates, EPS will calculate the financing gap or subsidy required to produce the affordable units, and the appropriate fee that may be charged to the new for-sale housing if it does not satisfy its inclusionary requirement through on-site unit construction. The results of this analysis will be presented in a draft memorandum for City staff review, and then finalized as appropriate when feedback is received.

Task 2.2: Rental Housing Nexus Analysis

EPS will provide analysis of the nexus between development of market-rate rental housing and the demand for affordable housing units, following three steps, as described below.

Step 1: Compute Demand for Affordable Housing Generated by Market Rate Units

The first step is to estimate the impact that the addition of market-rate housing has on job creation and household formation. Using data regarding consumer expenditure patterns and wage levels for specific types of business, EPS will estimate the demand for local goods and services generated by the addition of market-rate housing and its occupants, convert that demand to a number for local jobs and worker households, and estimate the number of those worker households who cannot afford to pay market-rate housing prices. These figures are driven by the incomes of the households occupying the market-rate housing—the higher the cost of the housing, the higher the occupants' income, and the more spending and job creation is expected. EPS will calculate impacts for a range of unit types and/or price levels to illustrate these effects.

Step 2: Affordability Gap Analysis

The second step is to determine whether and how much subsidy is required to provide new housing units for worker households of various income levels (e.g., moderate, low, and very low). Determination of a required subsidy amount involves an estimation of the costs of development (construction, land, fees, required financial returns, etc.), as well as an estimation

of the unit values based on the prices at which the units are affordable to income-qualified households. Building upon our recent work for Sonoma County, Santa Rosa, and Healdsburg, EPS will provide detailed initial assumptions and calculations to City staff for review and comment and make adjustments as appropriate. If further vetting or corroboration is desired, EPS will work with the City to identify appropriate participants (for-profit and nonprofit developers, etc.) with whom EPS will conduct conversations to review the development cost and value assumptions and calculations. Following these initial discussions and further consultation with City staff, EPS will make adjustments to the assumptions and calculations as may be appropriate. Based on calculations in this step, if the development costs are higher than the unit values under allowable rents, a subsidy or financing gap is identified and quantified.

Step 3: Compute Impact Fee per Market Rate Unit

The third step is to calculate the aggregate subsidy required to produce housing affordable and appropriate for those new worker households and allocate that aggregate subsidy back to the market-rate project driving the demand. EPS will calculate a technically derived amount for the maximum justifiable impact fee, consistent with this nexus logic. The results will include different nexus-based fees for housing units at various sizes or price levels because the household spending and job creation associated with such households will vary by their income, as represented by price levels. EPS will also illustrate the equivalent number of units required at different income levels, which may be used as a standard for allowing developers to address their impacts through provision of units on site rather than payment of the impact fee. It is likely that the nexus-based impacts and resulting impact fees or unit requirements will be different than the City's current or past requirements.

EPS will present the results of the nexus analysis in a draft report for City staff review. Upon receipt of comments from City staff and stakeholders, EPS will issue a revised version of the report for initial public workshops and hearings, and will provide a final version for City adoption.

Task 2.3: Commercial Linkage Fee Nexus Analysis Update

The City of Rohnert Park already has a commercial linkage fee in place that is charged to new commercial development. EPS will update the City's current fee as there are some efficiencies to be gained from doing this work at the same time as **Tasks 2.1** and **2.2**. The nexus (i.e., linkage) between new nonresidential development and the demand for affordable housing is derived by preparing employment density and compensation estimates of future employees for several nonresidential land use types (e.g., retail, office, industrial, lodging, etc.). New household formation resulting from new employment will be categorized by income category (moderate, low, very low) to estimate total housing demand. These calculations include consideration of local trends in household formation (e.g., size and location of household formation). The demand by land use category will be converted into a fee, on a per-building-square-foot basis, based on the affordability gap calculations derived in **Tasks 2.1** and **2.2**.

Please note that EPS is aware of the potential "double-counting" of income-qualified households generated by residential and nonresidential uses. For example, the same grocery store worker who needs affordable housing may be represented in the residential nexus studies, as well as the nonresidential nexus study. In a later task, EPS will reconcile these double-counting issues through recommendations on implementation of the fees at specific levels for different uses.

EPS will prepare a draft report summarizing the results of the nonresidential nexus impact analysis. After incorporating City staff and stakeholder comments, EPS will issue a revised report for purposes of the public hearing process. EPS will prepare a final report for City adoption.

Task 2.4: Housing Fee Feasibility Analysis

The preceding tasks will produce “maximum supportable fees,” meaning the highest amount that the City could potentially charge different types of development to satisfy their affordable housing requirements and/or mitigate their full impact on demands for affordable housing. In many instances, it is impractical to charge the maximum amount because the fees would create too great a financial burden on desired new development, thus thwarting the City’s other policy goals (economic development, housing production, etc.).

In this optional task, EPS will compare the maximum fees to the costs and values of new development of various types, to determine whether the maximum fees represent such a burden and to estimate a figure at which the fees may be more feasibly incorporated into a developer’s pro forma. EPS will create prototypical pro formas for residential and nonresidential development representing the various uses to which the fees may be applied. These pro formas will include the general costs of construction and other development activities, as well as the prevailing sale prices or lease rates achieved for such development. EPS will assess the extent to which the maximum fee reduces the profit margins or residual land values of projects, comparing these results to those under past affordable housing policies. In addition to relying on published development cost and lease rate information, EPS will conduct additional informal outreach to stakeholders during this task. The deliverable for this task will be a technical memorandum detailing the results of the feasibility analysis and implications for the implementation of impact fees.

Task 2.5: Survey of Comparable Jurisdictions’ Fees

EPS will conduct a survey of other jurisdictions in Sonoma County and the Bay Area that impose affordable housing requirements and/or fees on residential and nonresidential development. The survey will include the same jurisdictions studied in EPS’s 2009 work (unless the Project Team would like to make any changes), and will include the current fee amounts by land use type, date of adoption and most recent update, and implementation considerations such as exemptions by project size or type. Where possible, EPS will also record whether the adopted fees represent the maximum fees calculated through nexus studies or some reduced amount. As a deliverable, EPS will produce a matrix that can be incorporated into final documents.

Task 3: Inclusionary Housing Ordinance and Other Municipal Code Revisions

The City’s Inclusionary Housing Ordinance characterizes the City’s current requirements for affordable housing and stipulates that at least 15 percent of all new dwelling units in a residential development of five or more units shall be affordable to low- and moderate-income households. The current language appears to apply to both ownership and rental projects and needs to be updated to exclude rental projects. Currently the City is simply not enforcing the Inclusionary Housing Ordinance with respect to rental residential projects.

The Ordinance also allows for the payment of an in-lieu fee under certain circumstances and specifies that the in-lieu fee shall be based upon a percentage of the projected construction costs

of market rate dwelling units. While this methodology may be appropriate, there are other methodologies that the City may want to consider as described in **Task 1**. Depending on Project Team direction, EPS will recommend revisions for the City's consideration. These and any other policy or code revisions will be discussed as part of **Work Session #3**.

As part of this task, EPS will work with the City Attorney to prepare draft resolutions for the in-lieu fee (or ownership impact fee nexus study) and the rental impact fee nexus study.

Task 4: Fee Level Recommendations and Presentations

Task 4.1: Fee and Implementation Recommendations

The maximum justifiable fees may yield feasibility impacts that affect other important policy goals, such as the City's desire to meet its housing allocation, economic development, or other revitalization goals. Also, the maximum fee may have unintended consequences on the ability to provide affordable units by creating a cost burden that deters the new market-rate housing production or nonresidential development, which presumably would be providing at least partial funding for the affordable units. For example, the maximum fees may be significantly higher than those imposed in comparable jurisdictions, creating a concern about the City's competitive position to attract new development.

The City may wish to rely on other sources of revenue to fund affordable housing and may choose not to impose the entire burden on developers of market-rate housing or nonresidential development. For various reasons (including the double-counting issue described under **Task 2.3**), the City may consider setting the fees below their maximum levels as indicated by the nexus study. EPS will assist the City to identify and assess the applicability of such mitigating factors, to assess the feasibility impacts of different requirements below the maximum levels, and to recommend fees for implementation. The recommendations will include suggestions for annual adjustments to the fees, illustrating the formulae that can account for economic changes while also being reasonably replicable by City staff on an ongoing basis.

The deliverable for this task will include 1) a recommended fee schedule for residential development, informed by the preceding technical analysis that will be incorporated by reference or as Appendices; 2) a comparison of the recommended fee program with the existing fee programs and inclusionary zoning requirements, including any recommended changes to the ordinances to reflect the revised methodology and recommendations; and 3) a summary implementation process including recommended adjustment formulae. The deliverable will be provided in draft for Project Team review, and then revised as necessary to present to City elected and appointed officials.

Task 4.2: Work Sessions, Study Session, and Final Public Hearing

As described in the preceding tasks, EPS will be available to lead three (3) Project Team Work Sessions, envisioned as follows:

Work Session #1: Concurrent with the project kick-off meeting, this work session will provide an overview of the Study context and address key policy considerations that will affect the direction of the Study.

Work Session #2: This work session will provide an opportunity to address any outstanding policy considerations and to review preliminary calculations and fee levels.

Work Session #3: This work session will be focused on required revisions to the Municipal Code, including the Inclusionary Housing Ordinance.

In addition, EPS will work with the City's Project Team to develop meeting/presentation materials that offer an easily understood synopsis of the technical analysis and summary of the primary policy issues. EPS will be available to attend one (1) public study session with the City Council and/or Commissions and one public meeting (T.B.D.) in addition to the Public Hearing before the Council at which these items are considered.

Schedule

EPS anticipates that the technical work for this study can be completed by June 2017 as requested by the City's RFP. The **Task 1** Work Session can be scheduled upon contract authorization. Following confirmation of the preferred methodology, the technical analysis under **Task 2** can be completed within an additional eight (8) weeks. Following the second Work Session, EPS will conduct **Task 3** within an additional eight (8) weeks. The completion of **Task 4** will depend on City meeting schedules and agendas and may involve some iteration regarding recommendations, and thus is difficult for EPS to project.

2. *PROPOSED FEES*

As shown on **Table 1**, EPS anticipates that this project will require a budget not-to-exceed **\$48,655**. The budget estimate reflects economies of scale from ongoing or recently completed studies in other Sonoma County jurisdictions. This figure includes all consultant services, as well as minor direct costs for data acquisition and travel. EPS provides monthly invoices for work performed, and anticipates payment within thirty (30) days if possible.

EXHIBIT A to RESOLUTION

*Rohnert Park Housing Fee Studies
Revised Scope of Work and Budget 12/14/16*

Table 1 EPS Budget Estimate

Task / Description	Principal- In-Charge Smith	Project Manager Kanat	Research Analyst	Production Staff	Staff Cost Subtotal	Direct Costs [1]	Grand Total
Task 1: Project Initiation and Work Session #1	5	5	0	0	\$2,450	\$100	\$2,550
Task 2: Prepare Fee and Residential Nexus Studies							
Task 2.1: Ownership Housing In-Lieu Fee Analysis	8	14	8	1	\$6,355	\$50	\$6,405
Task 2.2: Rental Housing Nexus Analysis	8	20	8	2	\$7,790	\$50	\$7,840
Task 2.3: Commercial Linkage Fee Nexus Analysis	16	24	20	2	\$12,310	\$0	\$12,310
Task 2.4: Housing Fee Feasibility Analysis	2	6	8	0	\$2,880	\$0	\$2,880
Task 2.5: Survey of Comparable Jurisdictions' Fees	1	2	6	0	<u>\$1,465</u>	<u>\$0</u>	<u>\$1,465</u>
Subtotal Task 2	35	66	50	5	\$30,800	\$100	\$30,900
Task 3: Inclusionary Housing Ordinance and Other Municipal Code Revisions	10	8	0	1	\$4,635	\$100	\$4,635
Task 4: Project Recommendations and Presentations							
Task 4.1: Fee and Implementation Recommendations	6	8	0	1	\$3,475	\$0	\$3,475
Task 4.2: Study Session, Public Meeting and Final Public Hearing [2]	14	14	0	1	<u>\$6,945</u>	<u>\$150</u>	<u>\$7,095</u>
Subtotal Task 4	20	22	0	2	\$10,420	\$150	\$10,570
TOTAL HOURS (Including Optional Tasks)	70	101	50	8			
Hourly Billing Rates	\$265	\$225	\$125	\$85			
TOTAL PROJECT COSTS					\$48,205	\$450	\$48,655

^{pbud}

[1] Direct costs include travel costs, shipping, printing and data acquisition. Mileage is billed at the IRS-established rate; in 2016, this rate is \$0.54 per mile.

[2] Project Team Work Session hours are incorporated into Tasks 1, 2 and 3. The hours shown for Task 4.2 reflect preparation for and attendance at the Council Study Session and the Final Public Hearing only.

EXHIBIT A to RESOLUTION

EXHIBIT B

Compensation

2016 HOURLY BILLING RATES

Oakland and Los Angeles Offices

Managing Principal	\$265-\$300
Senior Principal	\$300
Executive/Senior Vice President	\$225
Vice President	\$205
Senior Technical Associate	\$205
Senior Associate	\$190
Associate	\$150
Research Analyst II	\$125
Research Analyst I	\$90
Production and Administrative Staff	\$90

Billing rates updated annually.



EXHIBIT C

INSURANCE REQUIREMENTS for Consultant Services Agreement
Re: Rohnert Park Housing Fee Study

Prior to the beginning of and throughout the duration of the Work, Consultant will maintain insurance in conformance with the requirements set forth below. Consultant will use existing coverage to comply with these requirements. If that existing coverage does not meet the requirements set forth here, Consultant agrees to amend, supplement or endorse the existing coverage to do so. Consultant acknowledges that the insurance coverage and policy limits set forth in this section constitute the minimum amount of coverage required. Any insurance proceeds available to City in excess of the limits and coverage required in this agreement and which is applicable to a given loss, will be available to City.

Consultant shall provide the following types and amounts of insurance:

General Liability Insurance using Insurance Services Office "Commercial General Liability" policy form CG 00 01 or the exact equivalent. Defense costs must be paid in addition to limits. There shall be no cross liability exclusion for claims or suits by one insured against another. Limits are subject to review but in no event less than \$1,000,000 (One Million Dollars) per occurrence.

Business Auto Coverage on ISO Business Auto Coverage form CA 0001 including symbol 1 (Any Auto) or the exact equivalent. Limits are subject to review, but in no event to be less than \$1,000,000 (One Million Dollars) per accident. If Consultant owns no vehicles, this requirement may be satisfied by a non-owned auto endorsement to the general liability policy described above. If Consultant or Consultant's employees will use personal autos in any way on this project, Consultant shall provide evidence of personal auto liability coverage for each such person.

Workers Compensation on a state-approved policy form providing statutory benefits as required by law with employer's liability limits no less than \$1,000,000 (One Million Dollars) per accident or disease.

Excess or Umbrella Liability Insurance (Over Primary) if used to meet limit requirements, shall provide coverage at least as broad as specified for the underlying coverages. Any such coverage provided under an umbrella liability policy shall include a drop down provision providing primary coverage above a maximum \$25,000 self-insured retention for liability not covered by primary but covered by the umbrella. Coverage shall be provided on a "pay on behalf" basis, with defense costs payable in addition to policy limits. Policy shall contain a provision obligating insurer at the time insured's liability is determined, not requiring actual payment by the insured first. There shall be no cross liability exclusion precluding coverage for claims or suits by one insured against another. Coverage shall be applicable to City for injury to employees of Consultant, subconsultants or others involved in the Work. The scope of coverage provided is subject to approval of City following receipt of proof of insurance as required herein. Limits are subject to review but in no event less than \$1,000,000 (One Million Dollars) per occurrence.

Professional Liability or Errors and Omissions Insurance as appropriate shall be written on a policy form coverage specifically designed to protect against acts, errors or omissions of the consultant and "Covered Professional Services" as designated in the policy must specifically include work performed under this agreement. The policy limit shall be no less than \$2,000,000 (Two Million Dollars) per claim and in the aggregate. The policy must "pay on behalf of" the insured and must include a provision establishing the insurer's duty to defend. The policy retroactive date shall be on or before the effective date of this agreement.

EXHIBIT A to RESOLUTION

Insurance procured pursuant to these requirements shall be written by insurers that are admitted carriers in the state of California and with an A.M. Best's rating of A- or better and a minimum financial size VII.

General conditions pertaining to provision of insurance coverage by Consultant. Consultant and City agree to the following with respect to insurance provided by Consultant.

1. Consultant agrees to have its insurer endorse the third party general liability coverage required herein to include as additional insureds the City, its officers, elected officials, employees, agents, and volunteers using standard ISO endorsement No. CG 20 10 or an approved equivalent. If completed operations coverage is excluded, the policy must be endorsed to include such coverage. Consultant also agrees to require all contractors, and subcontractors to do likewise.
2. No liability insurance coverage provided to comply with this Agreement shall prohibit Consultant, or Consultant's employees, or agents, from waiving the right of subrogation prior to a loss. Consultant agrees to waive subrogation rights against City regardless of the applicability of any insurance proceeds, and to require all contractors and subcontractors to do likewise.
3. The worker's compensation policy is to be endorsed with a waiver of subrogation. The insurance company, in its endorsement, agrees to waive all rights of subrogation against the City, its officers, elected officials, employees, agents, and volunteers for losses paid under the terms of this policy which arise from the work performed by the named insured for the City.
4. All insurance coverage and limits provided by Contractor and available or applicable to this agreement are intended to apply to the full extent of the policies. Nothing contained in this Agreement or any other agreement relating to the City or its operations limits the application of such insurance coverage.
5. None of the coverages required herein will be in compliance with these requirements if they include any limiting endorsement of any kind that has not been first submitted to City and approved of in writing.
6. No liability policy shall contain any provision or definition that would serve to eliminate so-called "third party action over" claims, including any exclusion for bodily injury to an employee of the insured or of any contractor or subcontractor.
7. All coverage types and limits required are subject to approval, modification and additional requirements by the City, as the need arises. Consultant 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.
8. Proof of compliance with these insurance requirements, consisting of certificates of insurance evidencing all of the coverages required and an additional insured endorsement to Consultant's general liability policy, shall be delivered to City at or prior to the execution of this Agreement. In the event such proof of any insurance is not delivered as required, or in the event such insurance is canceled at any time and no replacement coverage is provided, City has the right, but not the duty, to obtain any insurance it deems necessary to protect its interests under this or any other agreement

EXHIBIT A to RESOLUTION

and to pay the premium. Any premium so paid by City shall be charged to and promptly paid by Consultant or deducted from sums due Consultant, at City option.

9. Certificate(s) are to reflect that the insurer will provide 30 days notice to City of any cancellation of coverage. Consultant agrees to require its insurer to modify such certificates to delete any exculpatory wording stating that failure of the insurer to mail written notice of cancellation imposes no obligation, or that any party will "endeavor" (as opposed to being required) to comply with the requirements of the certificate.
10. It is acknowledged by the parties of this agreement that all insurance coverage required to be provided by Consultant or any subcontractor, is intended to apply first and on a primary, non-contributing basis in relation to any other insurance or self insurance available to City.
11. Consultant agrees to ensure that subcontractors, and any other party involved with the project who is brought onto or involved in the project by Consultant, provide the same minimum insurance coverage required of Consultant. Consultant agrees to monitor and review all such coverage and assumes all responsibility for ensuring that such coverage is provided in conformity with the requirements of this section. Consultant agrees that upon request, all agreements with subcontractors and others engaged in the project will be submitted to City for review.
12. Consultant agrees not to self-insure or to use any self-insured retentions or deductibles on any portion of the insurance required herein and further agrees that it will not allow any contractor, subcontractor, Architect, Engineer or other entity or person in any way involved in the performance of work on the project contemplated by this agreement to self-insure its obligations to City. If Consultant's existing coverage includes a deductible or self-insured retention, the deductible or self-insured retention must be declared to the City. At that time the City shall review options with the Consultant, which may include reduction or elimination of the deductible or self-insured retention, substitution of other coverage, or other solutions.
13. The City reserves the right at any time during the term of the contract to change the amounts and types of insurance required by giving the Consultant ninety (90) days advance written notice of such change. If such change results in substantial additional cost to the Consultant, the City will negotiate additional compensation proportional to the increased benefit to City.
14. For purposes of applying insurance coverage only, this Agreement will be deemed to have been executed immediately upon any party hereto taking any steps that can be deemed to be in furtherance of or towards performance of this Agreement.
15. Consultant acknowledges and agrees that any actual or alleged failure on the part of City to inform Consultant of non-compliance with any insurance requirement in no way imposes any additional obligations on City nor does it waive any rights hereunder in this or any other regard.
16. Consultant will renew the required coverage annually as long as City, or its employees or agents face an exposure from operations of any type pursuant to this agreement. This obligation applies whether or not the agreement is canceled or terminated for any reason. Termination of this obligation is not effective until City executes a written statement to that effect.

EXHIBIT A to RESOLUTION

17. Consultant shall provide proof that policies of insurance required herein expiring during the term of this Agreement have been renewed or replaced with other policies providing at least the same coverage. Proof that such coverage has been ordered shall be submitted prior to expiration. A coverage binder or letter from Consultant's insurance agent to this effect is acceptable. A certificate of insurance and/or additional insured endorsement as required in these specifications applicable to the renewing or new coverage must be provided to City within five days of the expiration of the coverages.
18. The provisions of any workers' compensation or similar act will not limit the obligations of Consultant under this agreement. Consultant expressly agrees not to use any statutory immunity defenses under such laws with respect to City, its officers, elected officials, employees, agents, and volunteers.
19. Requirements of specific coverage features or limits contained in this section are not intended as limitations on coverage, limits or other requirements nor as a waiver of any coverage normally provided by any given policy. Specific reference to a given coverage feature is for purposes of clarification only as it pertains to a given issue, and is not intended by any party or insured to be limiting or all-inclusive.
20. These insurance requirements are intended to be separate and distinct from any other provision in this agreement and are intended by the parties here to be interpreted as such.
21. The requirements in this Section supersede all other sections and provisions of this Agreement to the extent that any other section or provision conflicts with or impairs the provisions of this Section.
22. Consultant agrees to be responsible for ensuring that no contract used by any party involved in any way with the project reserves the right to charge City or Consultant for the cost of additional insurance coverage required by this agreement. Any such provisions are to be deleted with reference to City. It is not the intent of City to reimburse any third party for the cost of complying with these requirements. There shall be no recourse against City for payment of premiums or other amounts with respect thereto.
23. Consultant agrees to provide immediate notice to City of any claim or loss against Consultant arising out of the work 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.



CERTIFICATE OF LIABILITY INSURANCE

EXHIBIT A to RESOLUTION

DATE (MM/DD/YYYY)

1/10/2017

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Andreini & Company-San Mateo 220 West 20th Ave San Mateo CA 94403		CONTACT NAME: PHONE (A/C, No, Ext): 650-573-1111 FAX (A/C, No): 650-378-4361 E-MAIL ADDRESS: ktotten@andreini.com	
INSURED ECONO-5 Economic & Planning Systems 400 Capitol Mall, 28th Floor Sacramento CA 95814		INSURER(S) AFFORDING COVERAGE INSURER A: Federal Insurance Company INSURER B: Republic Indemnity Co of Calif INSURER C: Continental Casualty Company INSURER D: INSURER E: INSURER F:	
		NAIC # 20281 43753 20443	

COVERAGES**CERTIFICATE NUMBER:** 985239552**REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PROJECT <input type="checkbox"/> LOC <input checked="" type="checkbox"/> OTHER: Per Project/Loc			35929623	4/1/2016	4/1/2017	EACH OCCURRENCE \$1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$1,000,000 MED EXP (Any one person) \$10,000 PERSONAL & ADV INJURY \$Excluded GENERAL AGGREGATE \$3,000,000 PRODUCTS - COMP/OP AGG \$3,000,000 \$
A	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS			73558746	4/1/2016	4/1/2017	COMBINED SINGLE LIMIT (Ea accident) \$1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
A	UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED <input type="checkbox"/> RETENTION\$			79871994	4/1/2016	4/1/2017	EACH OCCURRENCE \$1,000,000 AGGREGATE \$1,000,000 \$
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	<input type="checkbox"/> Y <input checked="" type="checkbox"/> N	<input type="checkbox"/> A <input checked="" type="checkbox"/> N/A	16150813	4/1/2016	4/1/2017	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$1,000,000 E.L. DISEASE - EA EMPLOYEE \$1,000,000 E.L. DISEASE - POLICY LIMIT \$1,000,000
C	Errors & Omissions Adv/Personal Injury			425343942	4/1/2016	4/1/2017	Per Claim 2,000,000 Annual Aggregate 2,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

The City of Rohnert Park, its officers, elected officials, employees, agent and volunteers are additional insured per form GL 80-02-2367 for general liability and form CA 00 01 03 10 for automobile liability.

EPS Job #161158

CERTIFICATE HOLDER**CANCELLATION**

City of Rohnert Park
130 Avram Ave
Rohnert Park CA 94928

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

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EXHIBIT A to RESOLUTION

19	Mobile Equipment Subject To Compulsory Or Financial Responsibility Or Other Motor Vehicle Insurance Law Only	Only those "autos" that are land vehicles and that would qualify under the definition of "mobile equipment" under this policy if they were not subject to a compulsory or financial responsibility law or other motor vehicle insurance law where they are licensed or principally garaged.
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B. Owned Autos You Acquire After The Policy Begins

1. If Symbols **1, 2, 3, 4, 5, 6** or **19** are entered next to a coverage in Item Two of the Declarations, then you have coverage for "autos" that you acquire of the type described for the remainder of the policy period.
2. But, if Symbol **7** is entered next to a coverage in Item Two of the Declarations, an "auto" you acquire will be a covered "auto" for that coverage only if:
 - a. We already cover all "autos" that you own for that coverage or it replaces an "auto" you previously owned that had that coverage; and
 - b. You tell us within 30 days after you acquire it that you want us to cover it for that coverage.

C. Certain Trailers, Mobile Equipment And Temporary Substitute Autos

If Covered Autos Liability Coverage is provided by this Coverage Form, the following types of vehicles are also covered "autos" for Covered Autos Liability Coverage:

1. "Trailers" with a load capacity of 2,000 pounds or less designed primarily for travel on public roads.
2. "Mobile equipment" while being carried or towed by a covered "auto".
3. Any "auto" you do not own while used with the permission of its owner as a temporary substitute for a covered "auto" you own that is out of service because of its:
 - a. Breakdown;
 - b. Repair;
 - c. Servicing;
 - d. "Loss"; or
 - e. Destruction.

SECTION II – COVERED AUTOS LIABILITY COVERAGE**A. Coverage**

We will pay all sums an "insured" legally must pay as damages because of "bodily injury" or "property damage" to which this insurance applies, caused by an "accident" and resulting from the ownership, maintenance or use of a covered "auto".

We will also pay all sums an "insured" legally must pay as a "covered pollution cost or expense" to which this insurance applies, caused by an "accident" and resulting from the ownership, maintenance or use of covered "autos". However, we will only pay for the "covered pollution cost or expense" if there is either "bodily injury" or "property damage" to which this insurance applies that is caused by the same "accident".

We have the right and duty to defend any "insured" against a "suit" asking for such damages or a "covered pollution cost or expense". However, we have no duty to defend any "insured" against a "suit" seeking damages for "bodily injury" or "property damage" or a "covered pollution cost or expense" to which this insurance does not apply. We may investigate and settle any claim or "suit" as we consider appropriate. Our duty to defend or settle ends when the Covered Autos Liability Coverage Limit of Insurance has been exhausted by payment of judgments or settlements.

1. Who Is An Insured

The following are "insureds":

- a. You for any covered "auto".
- b. Anyone else while using with your permission a covered "auto" you own, hire or borrow except:
 - (1) The owner or anyone else from whom you hire or borrow a covered "auto".

This exception does not apply if the covered "auto" is a "trailer" connected to a covered "auto" you own.

- (2) Your "employee" if the covered "auto" is owned by that "employee" or a member of his or her household.
 - (3) Someone using a covered "auto" while he or she is working in a business of selling, servicing, repairing, parking or storing "autos" unless that business is yours.
 - (4) Anyone other than your "employees", partners (if you are a partnership), members (if you are a limited liability company) or a lessee or borrower or any of their "employees", while moving property to or from a covered "auto".
 - (5) A partner (if you are a partnership) or a member (if you are a limited liability company) for a covered "auto" owned by him or her or a member of his or her household.
- c. Anyone liable for the conduct of an "insured" described above but only to the extent of that liability.

2. Coverage Extensions

a. Supplementary Payments

We will pay for the "insured":

- (1) All expenses we incur.
- (2) Up to \$2,000 for cost of bail bonds (including bonds for related traffic law violations) required because of an "accident" we cover. We do not have to furnish these bonds.
- (3) The cost of bonds to release attachments in any "suit" against the "insured" we defend, but only for bond amounts within our Limit of Insurance.
- (4) All reasonable expenses incurred by the "insured" at our request, including actual loss of earnings up to \$250 a day because of time off from work.
- (5) All court costs taxed against the "insured" in any "suit" against the "insured" we defend. However, these payments do not include attorneys' fees or attorneys' expenses taxed against the "insured".
- (6) All interest on the full amount of any judgment that accrues after entry of the judgment in any "suit" against the "insured" we defend, but our duty to pay interest ends when we have paid, offered to pay or deposited in court the part of the judgment that is within our Limit of Insurance.

These payments will not reduce the Limit of Insurance.

b. Out-of-state Coverage Extensions

While a covered "auto" is away from the state where it is licensed, we will:

- (1) Increase the Limit of Insurance for Covered Autos Liability Coverage to meet the limits specified by a compulsory or financial responsibility law of the jurisdiction where the covered "auto" is being used. This extension does not apply to the limit or limits specified by any law governing motor carriers of passengers or property.
- (2) Provide the minimum amounts and types of other coverages, such as no-fault, required of out-of-state vehicles by the jurisdiction where the covered "auto" is being used.

We will not pay anyone more than once for the same elements of loss because of these extensions.

B. Exclusions

This insurance does not apply to any of the following:

1. Expected Or Intended Injury

"Bodily injury" or "property damage" expected or intended from the standpoint of the "insured".

2. Contractual

Liability assumed under any contract or agreement.

But this exclusion does not apply to liability for damages:

- a. Assumed in a contract or agreement that is an "insured contract", provided the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or agreement; or
- b. That the "insured" would have in the absence of the contract or agreement.

3. Workers' Compensation

Any obligation for which the "insured" or the "insured's" insurer may be held liable under any workers' compensation, disability benefits or unemployment compensation law or any similar law.

4. Loss Payment – Physical Damage Coverages

At our option, we may:

- a. Pay for, repair or replace damaged or stolen property;
- b. Return the stolen property, at our expense. We will pay for any damage that results to the "auto" from the theft; or
- c. Take all or any part of the damaged or stolen property at an agreed or appraised value.

If we pay for the "loss", our payment will include the applicable sales tax for the damaged or stolen property.

5. Transfer Of Rights Of Recovery Against Others To Us

If any person or organization to or for whom we make payment under this Coverage Form has rights to recover damages from another, those rights are transferred to us. That person or organization must do everything necessary to secure our rights and must do nothing after "accident" or "loss" to impair them.

B. General Conditions

1. Bankruptcy

Bankruptcy or insolvency of the "insured" or the "insured's" estate will not relieve us of any obligations under this Coverage Form.

2. Concealment, Misrepresentation Or Fraud

This Coverage Form is void in any case of fraud by you at any time as it relates to this Coverage Form. It is also void if you or any other "insured", at any time, intentionally conceals or misrepresents a material fact concerning:

- a. This Coverage Form;
- b. The covered "auto";
- c. Your interest in the covered "auto"; or
- d. A claim under this Coverage Form.

3. Liberalization

If we revise this Coverage Form to provide more coverage without additional premium charge, your policy will automatically provide the additional coverage as of the day the revision is effective in your state.

4. No Benefit To Bailee – Physical Damage Coverages

We will not recognize any assignment or grant any coverage for the benefit of any person or organization holding, storing or transporting property for a fee regardless of any other provision of this Coverage Form.

5. Other Insurance

- a. For any covered "auto" you own, this Coverage Form provides primary insurance. For any covered "auto" you don't own, the insurance provided by this Coverage Form is excess over any other collectible insurance. However, while a covered "auto" which is a "trailer" is connected to another vehicle, the Covered Autos Liability Coverage this Coverage Form provides for the "trailer" is:

- (1) Excess while it is connected to a motor vehicle you do not own; or
- (2) Primary while it is connected to a covered "auto" you own.

- b. For Hired Auto Physical Damage Coverage, any covered "auto" you lease, hire, rent or borrow is deemed to be a covered "auto" you own. However, any "auto" that is leased, hired, rented or borrowed with a driver is not a covered "auto".

- c. Regardless of the provisions of Paragraph a. above, this Coverage Form's Covered Autos Liability Coverage is primary for any liability assumed under an "insured contract".

- d. When this Coverage Form and any other Coverage Form or policy covers on the same basis, either excess or primary, we will pay only our share. Our share is the proportion that the Limit of Insurance of our Coverage Form bears to the total of the limits of all the Coverage Forms and policies covering on the same basis.

6. Premium Audit

- a. The estimated premium for this Coverage Form is based on the exposures you told us you would have when this policy began. We will compute the final premium due when we determine your actual exposures. The estimated total premium will be credited against the final premium due and the first Named Insured will be billed for the balance, if any. The due date for the final premium or retrospective premium is the date shown as the due date on the bill. If the estimated total premium exceeds the final premium due, the first Named Insured will get a refund.
- b. If this policy is issued for more than one year, the premium for this Coverage Form will be computed annually based on our rates or premiums in effect at the beginning of each year of the policy.

Liability Insurance**Endorsement**

<i>Policy Period</i>	APRIL 1, 2016 TO APRIL 1, 2017
<i>Effective Date</i>	APRIL 1, 2016
<i>Policy Number</i>	3592-96-23 WCE
<i>Insured</i>	ECONOMIC & PLANNING SYSTEMS INC
<i>Name of Company</i>	FEDERAL INSURANCE COMPANY
<i>Date Issued</i>	JANUARY 27, 2016

This Endorsement applies to the following forms:

GENERAL LIABILITY

Under Who Is An Insured, the following provision is added.

Who Is An Insured**Additional Insured -
Scheduled Person
Or Organization**

Persons or organizations shown in the Schedule are **insureds**; but they are **insureds** only if you are obligated pursuant to a contract or agreement to provide them with such insurance as is afforded by this policy.

However, the person or organization is an **insured** only:

- if and then only to the extent the person or organization is described in the Schedule;
- to the extent such contract or agreement requires the person or organization to be afforded status as an **insured**;
- for activities that did not occur, in whole or in part, before the execution of the contract or agreement; and
- with respect to damages, loss, cost or expense for injury or damage to which this insurance applies.

No person or organization is an **insured** under this provision:

- that is more specifically identified under any other provision of the Who Is An Insured section (regardless of any limitation applicable thereto).
- with respect to any assumption of liability (of another person or organization) by them in a contract or agreement. This limitation does not apply to the liability for damages, loss, cost or expense for injury or damage, to which this insurance applies, that the person or organization would have in the absence of such contract or agreement.

Liability Endorsement

(continued)

Under Conditions, the following provision is added to the condition titled Other Insurance.

Conditions

*Other Insurance –
Primary, Noncontributory
Insurance – Scheduled
Person Or Organization*

If you are obligated, pursuant to a contract or agreement, to provide the person or organization shown in the Schedule with primary insurance such as is afforded by this policy, then in such case this insurance is primary and we will not seek contribution from insurance available to such person or organization.

Schedule

Persons or organizations that you are obligated, pursuant to a contract or agreement, to provide with such insurance as is afforded by this policy.

All other terms and conditions remain unchanged.

Authorized Representative



General Liability

Conditions

Other Insurance (continued)

- D. that is insurance:
1. provided to you by any person or organization working under contract or agreement for you; or
 2. under which you are included as an insured; or
- E. that is insurance under any Property section of this policy.

When this insurance is excess, we will have no duty to defend the **insured** against any **suit** if any other insurer has a duty to defend such **insured** against such **suit**. If no other insurer defends, we will undertake to do so, but we will be entitled to the **insured's** rights against all those other insurers.

When this insurance is excess over other insurance, we will pay only our share of the amount of loss, if any, that exceeds the sum of the total:

- amount that all other insurance would pay for loss in the absence of this insurance; and
- of all deductible and self-insured amounts under all other insurance.

We will share the remaining loss, if any, with any other insurance that is not described in this Excess Insurance provision and was not negotiated specifically to apply in excess of the Limits Of Insurance shown in the Declarations of this insurance.

Method of Sharing

If all of the other insurance permits contribution by equal shares, we will follow this method also. Under this method each insurer contributes equal amounts until it has paid its applicable limits of insurance or none of the loss remains, whichever comes first.

If any of the other insurance does not permit contribution by equal shares, we will contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable limits of insurance to the total applicable limits of insurance of all insurers.

Premium Audit

We will compute all premiums for this insurance in accordance with our rules and rates.

In accordance with the Estimated Premiums section of the Premium Summary, premiums shown with an asterisk (*) are estimated premiums and are subject to audit.

In addition to or in lieu of such designation in the Premium Summary, premiums may be designated as estimated premiums elsewhere in this policy. In that case, these premiums will also be subject to audit, and the second paragraph of the Estimated Premiums section of the Premium Summary will apply.

Separation Of Insureds

Except with respect to the Limits Of Insurance, and any rights or duties specifically assigned in this insurance to the first named **insured**, this insurance applies:

- as if each named **insured** were the only named **insured**; and
- separately to each **insured** against whom claim is made or **suit** is brought.

Reference Copy

Conditions

(continued)

***Transfer Or Waiver Of
Rights Of Recovery
Against Others***

We will waive the right of recovery we would otherwise have had against another person or organization, for loss to which this insurance applies, provided the **insured** has waived their rights of recovery against such person or organization in a contract or agreement that is executed before such loss.

To the extent that the **insured's** rights to recover all or part of any payment made under this insurance have not been waived, those rights are transferred to us. The **insured** must do nothing after loss to impair them. At our request, the **insured** will bring suit or transfer those rights to us and help us enforce them.

This condition does not apply to **medical expenses**.

Reference Copy

WAIVER OF OUR RIGHT TO RECOVER FROM OTHERS ENDORSEMENT

We have the right to recover our payments from anyone liable for an injury covered by this policy. We will not enforce our right against the person or organization named in the Schedule. (This agreement applies only to the extent that you perform work under a written contract that requires you to obtain this agreement from us.)

This agreement shall not operate directly or indirectly to benefit anyone not named in the Schedule.

Schedule

State	Person or Organization	Job Description
California	Blanket Waiver Of Subrogation	"These Terms Supersede Those Listed Above And The "" Below. We Have The Right To Recover Our Payment From Anyone Liable For An Injury Covered By This Policy. We Will Not Enforce Our Right Against Any Person Or Organization With Whom You Have A Written Contract Pre-Dating The Date Of Injury If The Written Contract Specifically Requires A Subrogation Waiver For Work You Perform At That Person's Or Organization's Premises. At Our Request You Will Provide The Written Contract With The Person Or Organization Asserting Immunity From Subrogation Under This Endorsement.

The additional premium charge for this endorsement shall be 2.5% of the premium developed in conjunction with the work for which this waiver is provided.

This endorsement changes the policy to which it is attached and is effective on the date issued unless otherwise stated.

Republic Indemnity Company of California	
Company Number	27561
Insured	Economic And Planning Systems, Inc
Policy Number	161508-13
Endorsement Number	6
Endorsement Effective	April 01, 2016
Printed On	March 18, 2016

Countersigned by : _____