



**FINANCE**

**CITY OF LANCASTER, CA**

**RFP NO. 805-24**

**FINANCIAL ADVISORY SERVICES**

**SUBMISSION DEADLINE**

**November 13, 2023**

**BY 2:00 P.M.**

**(13:59:59 – ACCORDING TO THE CITY’S OFFICIAL PROPOSAL CLOCK)**

**SUBMIT TO:**

**OFFICE OF THE CITY CLERK  
LANCASTER CITY HALL  
“RFP 805-24 Financial Advisory Services”  
44933 FERN AVENUE  
LANCASTER, CA 93534**

For questions concerning this RFP contact by email only:

Purchasing Department

[bidinquiries@cityoflanasterca.gov](mailto:bidinquiries@cityoflanasterca.gov)

## REQUEST FOR PROPOSALS (RFP) FOR

### FINANCIAL ADVISOR

#### INTRODUCTION

The City of Lancaster (City) is a charter City incorporated in 1977. The City is governed by a five-member City Council whose members are elected at large and operate under a Council/City Manager form of government. The City serves as the northern boundary of Los Angeles County, with Kern County to the north. The City is the largest City in the Antelope Valley, with a population of 165,000 across 94 square miles.

The City is seeking the following financial services for a contract term of three years, which may be exercised at the City's discretion. The City intends to select at least one firm and may choose additional firms depending on the responses to the RFP. Requested financial advisory services may include, but are not limited to, assisting the City to:

- Provide as-needed financial advice regarding market conditions and trends, financial products, credit and credit analysis, third-party alternative financing, and special facility financing.
- Review the City's long-range financing strategy, particularly with respect to its capital improvement program.
- Assist City staff with potential refunds and new money issues, including but not limited to analyses and evaluations of underwriter proposals, financing structure, pricing, rating and insurance proposals, reserve fund (re)investment, assistance with preparation and review of related documents, and coordination of the financing team and schedules.
- Review the City's existing Debt Policy, establishing the principles, controls, and guidelines for the issuance and management of City debt.
- Participate in rating agency presentations.
- Assist with preparing a Request for Proposals and serve on an evaluation committee for selecting underwriting firms and Bond Council for the City's potential refunding and new money issues.
- Assist with preparing presentations to the City Council/Agency Board; attend Council/Board meetings as needed.
- Attend meetings with the Finance Director and City Manager's staff as needed.
- Provide other financial services as requested.

This RFP contains the information and documents necessary to prepare and submit a responsive proposal. Proposers are responsible for complying with all requirements identified herein. By submitting a finished proposal packet, the Proposer represents that it has thoroughly examined and become familiar with the work required within this proposal and that it is capable of supplying a product to achieve the City's objectives.

Requests for modifications to the submitted proposal packet on the grounds that the Proposer was not fully informed as to any fact or condition will not be allowed. The City reserves the right to accept or reject any Proposal, or portions thereof, or to waive any informalities or irregularities within the proposals.

## **SCOPE OF SERVICES**

The Scope of Services is outlined in Exhibit "A."

## **INSTRUCTIONS TO VENDORS**

### **PROPOSAL FORMAT AND CONTENT**

Proposals shall adhere to the following format for organization and content. Responses should emphasize the Vendor's demonstrated ability to perform work of this type. Emphasis should be concentrated on completeness and clarity of content.

#### **A. Title Page**

Show the name of the proposer's agency/firm, address, telephone number, and name of contact person, date, and the subject: REQUEST FOR PROPOSAL FOR FINANCIAL ADVISORY SERVICES-' \_\_\_\_\_' (FIRM)

#### **B. Table of Contents**

Include a clear identification of the material by section and by page number.

#### **C. Cover Letter and Executive Summary**

This letter should be signed by the person in your firm authorized to negotiate terms, render binding decisions, and commit the firm's resources. Summarize the proposer's understanding of the work to be done and make a positive commitment to perform the work per the terms of the submitted proposal. This section should summarize the critical points of your submittal.

*In addition, you must include a statement that your firm understands that if selected as a financial advisor, your firm is prohibited from proposing any financing transactions or serving as an underwriter or swap counterparty for any City/Agency financing for the duration of the contract and may not terminate the contract to do so.*

Limit to one or two pages.

#### **D. Firm Overview**

Provide a brief description of how your firm is organized, including the businesses in which it is engaged, the location of offices, the number of public finance professionals in each office, and the role of the municipal department in your firm. Indicate your firm's commitment to the municipal bond industry and comment on recent significant organizational changes. Include a discussion of the specific expertise and services that distinguish your firm.

## **E. Personnel and References**

Provide the names, proposed roles, background and experience, office location, and availability of the personnel working on the City's account, and specifically identify the primary person(s) responsible for managing the relationship with the City. Identify who will provide any computer financial analysis services. For the proposed personnel, provide a list of five clients you worked with in the last 36 months; a brief description of the type and size of the transaction and the services you provided; and the names, titles, addresses, email addresses, and telephone numbers of the government officials primarily responsible for the transactions. You should only list clients and transactions that are similar to financings contemplated by the City (i.e., taxable or tax-exempt new money issues, refunds, etc.). Also, provide three additional client references for your firm.

## **F. Long-term Strategic Financial Planning Experience**

Describe your proposed personnel's relevant experience over the last three years. Include three case studies, if available, that illustrate your experience with relevant services where the proposed personnel have served as financial advisors.

## **G. New Money (Taxable and Non-Taxable) Experience**

Provide a description of your proposed personnel's relevant experience over the last three years. Include three case studies, if available, that illustrate your experience with relevant transactions where the proposed personnel have served as financial advisors.

## **H. Advance and Current Refunding Experience**

Provide a description of your proposed personnel's relevant experience over the last three years. Include three case studies, if available, that illustrate your experience with relevant services where the proposed personnel have served as financial advisors.

## **I. Market and Pricing Information**

Describe your firm's knowledge, experience, and resources in tracking and monitoring the tax-exempt and taxable bond markets, including fixed rate, variable rate, swaps, other products, and the government securities market. Include a discussion of your firm's participation in underwriting tax-exempt and taxable bonds, acting as a principal in swap transactions, and providing investment services. Also, discuss your process for ensuring that the City receives the best price for any bonds, financing involving swaps and other products, and any escrow securities as part of any refunding. Include a discussion of how you evaluate the success of any pricing.

## **J. Disciplinary Action**

List any disciplinary action, administrative proceeding, malpractice claim, or other like proceeding against your firm or any of its personnel relating to your firm's services as financial advisor current, pending, or occurring in the last five (5) years.

## **K. Cost Proposal and Reimbursement for “Out-of-Pocket” Expenses**

Present a concise list of the scope of services and the work products your firm proposes to provide. Given your proposed scope of services and work products, discuss your proposed fee arrangement *based on each of the following alternatives*:

- A. Compensation on a time and expense basis, with a list of hourly billing rates for the proposed personnel, any proposed increases in such rates during the contract term, and the types of reimbursable expenses with proposed charges.
- B. Compensation on a cents-per-bond or per \$5,000 notional amount to be paid contingent on specific financing issues.

Fees will be subject to adjustment based upon assignment by the Finance Director of more than one firm to a single project. Expenses such as travel, postage, reproduction, and related costs incurred as a Financial Advisor are to be reflected in the Cost Proposal. Such expenses will only be eligible for reimbursement if determined by the Director of Administrative Services and approved by the City in advance.

Any costs incurred by the Financial Advisor not explicitly provided for herein shall be the expense of the Financial Advisor. Any omissions or ambiguities will be construed most favorably to the City.

## **L. Potential Conflict of Interest**

You should advise the City of any potential conflict known by your firm and discuss how, if selected, your firm would address any concerns raised by such dual representation. If your firm is selected as the City's financial advisor during the contract period, your firm must notify the City when you enter any new contracts with new clients that would create any conflict.

*During the term of this contract, the financial advisors may not propose any financing transactions nor serve as underwriters or swap counterparties for any City financing. Furthermore, the financial advisors may not terminate their contracts prematurely for the purpose of then serving as underwriter or exchange counterparty for any City financing.*

## **M. Business Relationships with Other Entities**

Disclose all compensation/fee arrangements (formal or informal) that your firm, its related entities, or any proposed personnel currently has, or within the past twelve months have had, with any other potential parties to contemplated financings in which your firm was engaged in any capacity. Such parties include, but are not limited to, swap providers, investment contract providers, verification agents, financial advisory firms, investment banking firms, any other consultants or financial institutions, and law firms.

## **N. Exceptions to Professional Services Agreement**

The Proposer shall list any exceptions to the Professional Services Agreement/insurance requirements (Exhibit C – Sample Agreement).

## **O. Signature Sheet**

Complete the included Signature Sheet and include it with the Proposal submission.

## **EVALUATION OF PROPOSALS**

A committee of at least three staff shall evaluate all Proposals. Proposals will be evaluated and scored on the following criteria:

- Firm Overview (10%)
- Personnel and References (15%)
- Responsiveness (15%)
- Long-term Strategic Financial Planning Experience (20%)
- Market Experience, Timing Strategy and Pricing Information (40%)

The evaluation committee may wish to interview Proposers with scores above a natural break during the selection process. Should an interview process take place, the interview results will carry greater weight in the selection process. However, the City reserves the right to select solely based on the proposals without further contact.

Based on the outcome of the Committee's evaluation of proposals, a recommendation will be submitted to the City Council for consideration of award.

The most highly qualified Consultant shall then enter into negotiations with the City to formalize the Agreement and Compensation. If the City is unable to obtain a fair and reasonable price, or cannot reach an agreement regarding the terms and compensation, then the City will end negotiations with that Vendor.

## **QUESTIONS REGARDING THIS RFP**

Any questions or requests for interpretation or clarification, either administrative or technical, about this RFP must be submitted via email to [bidinquiries@cityoflancafterca.gov](mailto:bidinquiries@cityoflancafterca.gov) prior to **2pm on October 26, 2023**. The subject line should be **"Questions – RFP 805-24."**

Oral statements concerning the meaning or intent of the contents of this RFP by any person is unauthorized and invalid. The City will not be responsible for any other explanation or interpretation of the RFP, or for any oral instructions. Any contact with City personnel other than identified above regarding this RFP may disqualify a Vendor.

## **CLARIFICATION STATEMENTS**

For clarification purposes, the words "Contractor"; "Consultant"; "Vendor"; "Supplier"; "Company"; "Proposer" and "Bidder" shall be read to be one and the same. The words "Contract" and "Agreement" shall be read to be one and the same. The words "Bid"; "Quote"; and "Proposal" shall be read to be one and the same. "City of

Lancaster” and “City” shall be read to be one and the same. “Request for Proposal” and “RFP” shall be read to be one and the same.

## **NO CONTACT POLICY**

After the date and time established for receipt of proposals by the City, any contact initiated by any Vendor with any City representative, other than the representative listed herein, concerning this Request for Proposals is prohibited. Any such unauthorized contact may cause the disqualification of the Vendor from this procurement transaction.

## **PROPRIETARY MATERIAL**

Be advised that all information contained in proposals submitted in response to this solicitation may be subject to the California Public Records Act (Government Code §6250 et. seq.), and information’s use and disclosure are governed by this Act. Any information deemed confidential or proprietary should be clearly identified as such. It may then be protected and treated with confidentiality only to the extent permitted by state law.

## **COMPLETION OF PROPOSAL**

Proposals shall be completed in all respects as required by this RFP. A proposal may be rejected if conditional or incomplete, or if it contains any alterations or other irregularities of any kind, and will be rejected if any such defect or irregularity can materially affect the quality of the proposal. Proposals which contain false or misleading statements may be rejected. If, in the opinion of the City’s selection committee, such information was intended to mislead the City in its evaluation of the Proposal, and the attribute, condition, or capability is a requirement of this RFP, the Proposal will be rejected. Statements made by a Vendor shall also be without ambiguity, and with adequate elaboration, where necessary, for clear understanding. Unauthorized conditions, exemptions, limitations, or provisions attached to a Proposal will render it non-responsive and may cause its rejection.

The Vendor, in responding to this RFP, must submit Proposals in the format identified in this RFP. The Proposal must address all requirements of the RFP even if a “no response” is appropriate.

Costs for developing Proposals are entirely the responsibility of the Vendor and shall not be chargeable to the City.

Only one Proposal is to be submitted by each Vendor. Multiple Proposals will result in rejection of all Proposals submitted by the Proposer.

All proposals submitted shall be binding on proposers for one hundred twenty (120) calendar days following the opening of the proposals.

## **ERRORS AND OMISSIONS**

If, prior to the date fixed for submission of Proposals, a Vendor discovers any ambiguity, conflict, discrepancy, omission or other error in this RFP or any of its appendices or exhibits, Vendor shall immediately notify the City of such error in writing and request modification or clarification of the document. Modifications shall be made by written Addenda to the RFP.

Interested Vendors may submit requests for clarifications in email or writing. The City will compile all requests and provide responses in written format to all Vendors who have furnished or requested an RFP.

If Vendor fails to notify the City, prior to the date fixed for the submission of Proposals, of an error in the RFP known to the Vendor, or an error that reasonably should have been known to the Vendor, Vendor shall submit its Proposal at his/her own risk, and if Vendor is awarded a Contract, Vendor shall not be entitled to additional compensation or time by reason of the error or its later correction.

### **ADDENDA TO PROPOSAL**

The City may modify the RFP, any of its key actions, dates, or any of its attachments, prior to the date fixed for submission of Proposals by issuance of an Addendum to potential Vendors. Such Addendum shall also be posted on the City's website. Vendor shall acknowledge receipt of all Addenda in their Proposal. Any Addenda issued during the time for submission of proposals will be made part of the Agreement. Vendor shall be responsible for ensuring all addenda are included in its response.

### **EXECUTION OF PROPOSAL**

The full name, business address, zip code, and business telephone number (with area code) of individual, partnership, joint venture, or corporation submitting a Proposal shall be typewritten on the Proposal. The Vendor shall ensure that the Proposal is signed by an authorized signatory. No stamped or facsimile signatures will be accepted.

### **WITHDRAWAL OF PROPOSAL**

A Proposal may be withdrawn after its submission by written or facsimile request signed by the Vendor or authorized representative prior to the time and date specified for Proposal submission. Proposals may be withdrawn and resubmitted in the same manner if done so before the Proposal submission deadline. Withdrawal or modification offered in any other manner will not be considered.

### **PROPOSALS BECOME THE PROPERTY OF THE CITY**

Proposals become the property of the City and information contained therein shall become public documents subject to disclosure laws after the contract is awarded. (Government Code Section 6250 et seq.). The City reserves the right to make use of any information or idea contained in the Proposal.

Vendors must notify the City in advance of any proprietary or confidential materials contained in the Proposal and provide justification for not making such material public. The City will have the sole discretion to disclose or not disclose such material subject to state law.

All materials, ideas and formats submitted in response to this RFP will become the property of the City upon receipt.

### **REJECTION OF PROPOSALS**

The City may reject any and all Proposals and may waive any immaterial deviation in a Proposal. The City's waiver of an immaterial defect shall in no way modify this RFP or excuse the Vendor from full compliance with this RFP and/or Contract documents if awarded the Contract. Proposals that include terms and conditions other

than the City's terms and conditions may be rejected as non-responsive. The City may make investigations as deemed necessary to determine the ability of the Vendor to perform, and the Vendor shall furnish to the City all such information and data for that purpose as requested by the City. The City reserves the right to reject any Proposal if the evidence submitted by, or investigation of, such Vendor fails to satisfy the City that the Vendor is properly qualified to carry out the obligations of the Agreement and to complete the work described therein.

## **AWARD OF CONTRACT**

The City reserves the right to modify the Award of Contract or rejection date as best meets the needs of the City. The City reserves the right to reject any or all Proposals in response to this RFP in the best interest of the City. The City further reserves the right to waive any informalities or irregularities in the Proposals. The City shall not be liable for any cost incurred in connection with the preparation and submission of any Proposal.

Award, if any, will be to the Vendor whose Proposal best complies with the requirements of this RFP. The City reserves the right to award the Contract as complete, or any part thereof, including any and all schedules, locations, additive alternatives, or extra work. The City reserves the right to award the contract to multiple Proposers should it be deemed in the best interest of the City.

The Finance Director will assign the work to be performed by the selected firms. The selected firm(s) will be expected to coordinate in performing services for the City.

## **CONTRACT TERM**

The total term of the Agreement shall be for three years.

Pricing shall remain firm for the initial contract term. Should the option to renew for additional terms be exercised, the City and the Vendor may negotiate any and all pricing increases and term length. Any decrease in costs to Vendor shall be passed through to the City.

## **CONTRACT DOCUMENTS - PRECEDENCE**

In submitting a Proposal, the Vendor agrees to enter into an Agreement with the City. In the event of a conflict existing between documents, the following order of precedence shall apply:

- Agreement
- City's Request for Proposals and Addenda, if any
- Vendor's Response to the Request for Proposals

## **EXECUTION OF AGREEMENT**

After notification of intent to award Contract, the following Contract documents shall be signed within ten (10) business days from the date the City mails, or by other means, delivers said documents to the Vendor.

- A. The Agreement in the form agreeable to both parties, properly executed by the Vendor.
- B. Properly executed policies or Certificates of Insurance, including an Additional Insured Endorsement for each policy in accordance with the Insurance Requirements, Exhibit D.

No Agreement shall be binding upon the City until all documents are fully executed by the Vendor and the City.

### **FAILURE TO EXECUTE THE AGREEMENT**

Failure to execute the Agreement and furnish the required insurance, within the required time period shall be just cause for the recession of the award. If the successful Vendor refuses or fails to execute the Agreement, the City may award the Agreement to the next qualified Vendor.

### **CANCELLATION**

The City reserves the right to cancel this RFP at any time should it be deemed to be in the best interest of the City. No obligation either expressed or implied exists on the part of the City to make an award based on the submission of any Proposal.

### **ADMINISTRATIVE CONTACTS**

Any questions regarding contractual terms and conditions, proposal format, Exhibit A - Scope of Services, Exhibit B- Cost Proposal, or Exhibit C- Sample Agreement shall be directed to: [bidinquiries@cityoflancafterca.gov](mailto:bidinquiries@cityoflancafterca.gov)

### **DUE DATES**

All Proposals (an original and an electronic copy) are due by 2:00 (13:59:59) P.M. on November 13, 2023. Any Proposal or samples received at the designated location after the required time and date specified for receipt shall be considered late and non-responsive. **Proposals and packages containing product samples must be clearly marked on the outside with the name of the Vendor and RFP title.** It is the responsibility of the Proposer to ensure that the Proposal is delivered to the place and by the time specified in this RFP. **Email and facsimile responses will not be considered.** Any late Proposals shall be returned unopened, to the Vendor.

### **SCHEDULE OF EVENTS**

The City reserves the right to modify the content or schedule of these events at any time, for any reason.

<b>Event</b>	<b>Date</b>
RFP Distribution	October 13, 2023
Last Day to Submit Questions	2:00 P.M., October 26, 2023
Addendum (Responses to Questions) Issued	October 31, 2023
Proposal Due Date	2:00 P.M., November 13, 2023
Proposal Evaluation by Committee	November 13 – November 17, 2023
Expected Contract Awarded by City Council (If Needed)	Tentatively December 12, 2023

## SIGNATURE SHEET

My signature certifies that the proposal as submitted complies with all terms and conditions as set forth in RFP No. 805-24.

My signature certifies that this firm has no business or personal relationships with any other companies or person that could be considered a conflict of interest, or potential conflict of interest to the City of Lancaster, pertaining to any and all work or services to be performed as a result of this request and any resulting Contract with the City.

The Vendor hereby certifies that it has:

- Read each and every clause of this RFP and addenda, including Addendum # \_\_\_\_\_.
- Included all costs necessary to complete the specified work in its proposed prices.
- Agreed that if it is awarded the Contract, it will make no claim against the City based upon misunderstanding of any provision of the Agreement. Should conditions turn out otherwise than anticipated by it, the Vendor agrees to assume all risks incident thereto.

I hereby certify that I am authorized to sign as a Representative for the Firm:

Name of Firm: \_\_\_\_\_

Address: \_\_\_\_\_

Fed ID No: \_\_\_\_\_ DIR # (if applicable): \_\_\_\_\_

Name (print): \_\_\_\_\_

Name (sign): \_\_\_\_\_

Title: \_\_\_\_\_

Telephone: \_\_\_\_\_ Fax: \_\_\_\_\_

Email: \_\_\_\_\_ Date: \_\_\_\_\_

**\*To receive consideration for award, this signature sheet must be returned with the Proposal.\***

## EXHIBIT "A"

### SCOPE OF SERVICES

The City's annual operating budget is approximately \$272.5M, comprised of the general fund (\$118M) and enterprise funds – Lancaster Energy (\$54M), with the remainder falling under special, internal, and restricted funds. The City maintains a Reserve Policy for the General Fund at 40% of the budget. The reserve policy categorizes the reserve into four categories as follows:

1. Working Capital Reserve – At a minimum, the City will maintain 10 percent of annual revenues in the Working Capital Fund Reserve. The Working Capital reserve is intended to ensure sufficient resources to pay budgeted operating expenses, recognizing the timing differences between payment of expenditures and receipt of revenues. This reserve will provide cash flow for the times of the year when cumulative expenditures exceed cumulative revenues.
2. Emergency Operational Reserves – The City will maintain a minimum fund balance of at least 15 percent of annual operating revenues in any given year. Funds in this reserve may be used to fund normal operations related to unforeseen catastrophic events or economic downturns that result in a loss of revenues or a significant increase in expenditures.
3. Emergency Response Reserves – The City will maintain a minimum fund balance of at least 5 percent of annual operating revenues in any given year for emergency response needs that may arise. This amount may be replenished from surplus revenues that are surplus year-end and or from reimbursement from Federal, State, or private sources.
4. Business Opportunity/Pension Resiliency Reserves – The City will maintain a minimum fund balance of at least 10 percent of annual operating revenues in any given year to respond to new enterprise opportunities that may arise occasionally. This amount may be replenished either from surplus revenues that are surplus at year-end or gains from enterprise opportunities. Additionally, this reserve can fund any significant increases in pension costs caused by poor investment performance of the CALPERS investment pool.

#### A. Capital and Financing Plan

The City prepares a five-year capital plan (Plan) that identifies City-funded capital improvement projects. The current focus is on completing various Agency and enterprise-funded projects from the Plan's last major update in Fiscal Year 2022/2027. An update to the five-year plan is underway and anticipates proceeds from special revenue and prior bond issues.

The planned update includes three significant projects that will be the focus of the subsequent bond financing. The three projects are:

##### I. AV Event Center and Regional Evacuation Center



The proposed Event Center project will include renovations to expand and upgrade existing facilities and may include constructing a new building. The new Event Center is anticipated to be approximately 100,000 to 160,000 square feet. The proposed Event Center will be a permanent facility designed and constructed to host a multitude of large-scale events including, but not limited to, sporting events, concerts/performances, rodeos, circuses, and graduations, etc.

The intent is that the new Event Center will allow existing and new facilities to double as a Regional Evacuation Center. Ideally, the location identified and selected for improvement will be uniquely set up for expansion, as it will already offer some protection from the elements, large-scale parking accommodations, an on-site maintenance facility with equipment, sufficient infrastructure for electrical, water, broadband, Wi-Fi, on-site hook-ups for RV's and office trailers, kitchen facilities, refrigerated storage, and the framework for its micro-grid. This facility is scoped to cost approximately \$96M. Approximately half of the funds are provided by other sources, leaving the balance to be financed.

## **II. Public Safety Operations Facility**

This year, the City Council acted to approve the establishment of the City of Lancaster Police Department. Formally known as the Public Safety Department, the new police department will handle Parking Enforcement Code Enforcement and assist the Sheriff's department in conducting report-taking, surveillance, and non-urgent investigations to ensure that lower acuity crimes do not fall through the cracks. The new department will have eight sworn, armed personnel and arrest abilities. Currently, no facility exists to house this new City function.



In Fiscal Year 2022/2023, the City purchased an old facility previously owned by the Lancaster School District to house the new Police Department. Current estimates to rehab the facility for Police Use are \$2.5 - \$5M.



### III. Baseball Stadium conversion for Professional Soccer Team

In 2023, the City introduced a new professional soccer team to play at the existing professional baseball venue owned and operated by the City.



The renovation costs are yet to be determined but are a condition of the lease with the team. Funding for the renovations is a priority of the City and the community, so securing the appropriate funding is vital to the program's success.

**EXHIBIT "B"**

**Cost Proposal**

**Please complete the information below for each of the alternatives mentioned in the proposal.**

**Compensation on a time and expense basis with hourly billing rates**

Insert Hourly Rate Schedule Here

**Compensation on a cents-per-bond (per \$5,000 notional amount) to be paid contingent on specific financing issues.**

Cents Per Bond: \_\_\_\_\_

**EXHIBIT "C"**  
**SAMPLE AGREEMENT**

AGREEMENT FOR PROFESSIONAL SERVICES

THIS AGREEMENT FOR PROFESSIONAL SERVICES (this "AGREEMENT") is made and entered into this day of \_\_\_\_\_, 20\_\_\_\_, by and between the CITY OF LANCASTER, a municipal corporation and charter city (the "OWNER"), and \_\_\_\_\_ (the "VENDOR").

RECITALS

WHEREAS, OWNER desires to engage VENDOR to perform certain services, as provided herein, identified as:

**RFP 805-24 Financial Advisory Services**

NOW, THEREFORE, the parties agree as follows:

1. **Parties.**

The parties to this AGREEMENT are:

- A. OWNER: City of Lancaster.
- B. VENDOR: (company name)

2. **Notices.** All written notices required by or related to this AGREEMENT shall be sent by Certified Mail, Return Receipt Requested, postage prepaid and addressed as listed below. Neither party to this AGREEMENT shall refuse to accept such mail; parties to this AGREEMENT shall promptly inform the other party of any changes of address. All notices required by this AGREEMENT are effective on the day of receipt, unless otherwise indicated herein.

OWNER                      City of Lancaster  
   Attn: (Name)  
   44933 North Fern Avenue  
   Lancaster, California 93534

VENDOR                    (Name, Title)  
   (Company name)  
   (address)  
   (city, state zip)

3. **Successors and Assigns.** The terms hereof shall be binding upon and inure to the benefit of the successors and assigns of the parties hereto; provided, however, that no party hereto shall assign any of the

benefits and burdens hereunder, whether voluntarily or by operation of law, without prior written consent of the other party, and any such assignments without said consent shall be void.

4. **Incorporation by Reference.** The VENDOR'S Proposal is hereby incorporated in and made a part of this AGREEMENT. VENDOR agrees to comply with all of the requirements set forth therein.

5. **Precedence of AGREEMENT Documents.** If there is a conflict between AGREEMENT documents, the document highest in precedence shall control. The precedence shall be:

- First: This AGREEMENT
- Second: The RFP
- Third: The VENDOR'S Proposal

6. **Description of Work.** OWNER hereby engages VENDOR, and VENDOR accepts such engagement, to perform the technical and professional services set forth in the "Scope of Services" attached hereto as Exhibit "A". VENDOR shall perform and complete, in a manner satisfactory to OWNER, all work and services set forth in Scope of Services. The Department Director his or her designee shall have the right to review and inspect the work during the course of its performance at such times as may be specified by the Department Director, or his or her designee.

7. **Obligations of the OWNER.**

A. The total compensation to be paid by OWNER to VENDOR for all work and services described in Scope of Services is not to exceed \$\_\_\_\_\_. VENDOR'S fees and charges for the work and services performed shall in no event exceed those set forth in Exhibit "B" attached hereto and made a part hereof.

B. No payment made hereunder by OWNER to VENDOR, other than the final payment, shall be construed as an acceptance by OWNER of any work or materials, nor as evidence of satisfactory performance by VENDOR of its obligations under this AGREEMENT.

8. **Obligations of the VENDOR.**

A. VENDOR shall perform as required by this AGREEMENT. VENDOR also warrants on behalf of itself and all Subcontractors engaged for the performance of this AGREEMENT.

B. VENDOR shall be responsible for payment of all employees' and Subcontractor's wages and benefits, and shall comply with all requirements pertaining to employer's liability, workers' compensation, unemployment insurance, and Social Security.

9. **Audit.** OWNER shall have the option of inspecting and/or auditing all records and other written materials used by VENDOR in preparing its statements to OWNER as a condition precedent to any payment to VENDOR.

10. **Hold Harmless and Indemnification.** VENDOR agrees to indemnify and hold harmless the OWNER, its elected officials, officers and employees, from and against any and all claims, losses, obligations, or liabilities whatsoever, including reasonable Attorney's fees, incurred in or in any manner arising out of or related to VENDOR'S negligent or willful wrongful acts, errors or omissions, or those of its employees or agents.

VENDOR agrees to defend OWNER, its elected officials, officers, employees, and volunteers, from and against any and all claims arising from any alleged negligent or wrongful acts, errors or omissions on the part of VENDOR or on the part of its employees.

11. **Amendments.** Any amendment, modification, or variation from the terms of this AGREEMENT shall be in writing and shall be effective only upon mutual written approval by the Department Director and VENDOR.

12. **Non-Discrimination and Equal Employment Opportunity.**

A. In the performance of this AGREEMENT, VENDOR shall not discriminate against any employee, Subcontractor, or applicant for employment because of race, color, religion, ancestry, sex, national origin, physical or mental disability or age. VENDOR will take affirmative action to ensure that Subcontractors and applicants are employed, and that employees are treated during employment without regard to their race, color, religion, ancestry, sex, national origin, physical or mental disability or age. Affirmative action relating to employment shall include, but not be limited to the following: employment, upgrading, demotion or transfer; recruitment; layoff or termination; rates of pay or other forms of compensation; and selection for training including apprenticeship.

B. The provisions of subsection A above shall be included in all solicitations or advertisements placed by or on behalf of VENDOR for personnel to perform any services under this AGREEMENT. OWNER shall have access to all documents, data and records of VENDOR and its Subcontractors for purposes of determining compliance with the equal employment opportunity and non-discrimination provisions of this Section.

13. **Term; Effective Date.** This AGREEMENT shall become effective and shall be in full force and effect upon the execution of the AGREEMENT by the CITY and the BROKER/FIRM. This AGREEMENT shall continue in full force and effect from \_\_\_\_\_ to \_\_\_\_\_ (a period of \_\_\_\_ months), unless the AGREEMENT is sooner terminated in accordance with the Termination clause in this AGREEMENT; and may be extended if the CITY and the BROKER/FIRM mutually agree in writing to extend the Term of this AGREEMENT.

14. **Termination for Convenience.** The OWNER may terminate this AGREEMENT at any time without cause by giving fifteen (15) days written notice to VENDOR of such termination and specifying the effective date thereof. OWNER shall pay any undisputed outstanding invoices within fifteen (15) days of termination.

15. **Independent Vendor.** VENDOR is an independent Vendor and shall have no power or authority to incur any debt, obligation or liability on behalf of the OWNER. It is expressly understood between the parties to this AGREEMENT that no employee/employer relationship is intended; VENDOR is an independent Vendor.

16. **Insurance.**

A. The Consultant, at its expense, shall maintain in effect at all times during the term of this Agreement the following coverage and limits of insurance, which shall be maintained with insurers listed "A-, VIII" or better in the Best's Key Rating Guide:

**Commercial General Liability**

Each Occurrence	\$1,000,000
Per Project General Aggregate	\$2,000,000
Including Products/Completed Operations; Contractual Liability/Independent Vendors; Property Damage	

*(Coverage shall be at least as broad as ISO form CG2010 11/85 or CG2010 07/04 and CG2037 07/04 combined, or an equivalent providing ongoing and completed operations)*

**Commercial Automobile Liability**

Combined Single Limit per Accident for

Bodily Injury and Property Damage	\$1,000,000
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*(Coverage shall be at least as broad as ISO form CA00 01)*

**Workers Compensation**

As Required by the State of California	Statutory Limits
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**Employers' Liability**

Each Accident	\$1,000,000
Bodily Injury by Disease	\$1,000,000
Each Employee	\$1,000,000

*(A Waiver of Subrogation must be provided on behalf of the Certificate Holder for the Workers Compensation & Employers' Liability policies)*

**Professional Liability**

Each Occurrence	\$1,000,000
General Aggregate	\$1,000,000

B. The Consultant's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insured's liability.

C. Professional liability and/or cyber insurance written on a "claims made" basis must be renewed for a period of three (3) years after this contract expires or is terminated. Such insurance must have the same coverage and limits as the policy that was in effect during the term of this contract and will cover Consultant for all claims made by

the City insured entities arising out of any acts or omissions of Consultant or its officers, employees, or agents during the time this Agreement was in effect.

D. Any deductibles or self-insurance retentions must be declared and approved by the City. At the City's option, either the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the City insured entities or the insurer shall procure a bond guaranteeing payment of losses and related investigations, claim administration and defense expenses.

E. All insurance shall be primary and noncontributory as respects the City insured entities. Any insurance or self-insurance maintained by the City insured entities shall be in excess of the Consultant's insurance and shall not contribute with it.

F. Consultant shall furnish the City with Certificates of Insurance and with original endorsements affecting coverage required by this Agreement. Certificates of Insurance shall meet the following requirements:

(1) Show that the insurance policy has been endorsed to state that coverage shall not be suspended, voided, canceled, reduced in coverage or in limits except after 30 days' prior written notice (10 days' written notice for non-payment) to the City of Lancaster.

(2) List in the "Descriptions of Operations/Locations/Vehicles" section:

**"RFP 790-23 Preschool Services"**

The City of Lancaster, its elected officials, officers, employees and volunteers are included as additional covered parties, but only insofar as the operations under this contract are concerned."

(3) List in the "Certificate Holder" section:

The City of Lancaster, 44933 Fern Avenue, Lancaster, California 93534.

17. **Commencement and Completion of Work.** The execution of this AGREEMENT by the parties does not constitute an authorization to proceed. The services of VENDOR shall commence when the OWNER, acting by and through its Department Director or his or her designee, has issued the Work Order.

VENDOR shall have no claim for compensation for any services or work which has not been authorized by the OWNER's Work Order.

18. **Extension of Time for Completion of Work.**

A. If, at any time, the work is delayed due to suspension order by OWNER, or due to any other cause which, in the reasonable opinion of the OWNER, is unforeseeable and beyond the control and not attributable to the fault or negligence of VENDOR, then VENDOR shall be entitled to an extension of time equal to said delay, subject to the OWNER's right to terminate this AGREEMENT pursuant to Section 13.

B. No extension of time requested or granted hereunder shall entitle VENDOR to additional compensation unless, as a consequence of such extension, additional work must be performed. In such event,

19. **Data Provided to VENDOR.** OWNER shall provide to VENDOR, without charge, all data, including reports, records, maps and other information, now in the OWNER's possession which may facilitate the timely performance of the work described in Scope of Services.

20. **VENDOR's Warranties and Representations.**

VENDOR warrants and represents to OWNER as follows:

A. VENDOR has not employed or retained any person or entity, other than a bona fide employee working exclusively for VENDOR, to solicit or obtain this AGREEMENT.

B. VENDOR has not paid or agreed to pay any person or entity, other than a bona fide employee working exclusively for VENDOR, any fee, commission, percentage, gift, or any other consideration contingent upon or resulting from the execution of this AGREEMENT. Upon any breach or violation of this warranty, OWNER shall have the right, in its sole discretion, to terminate this AGREEMENT without further liability, or, in the alternative, to deduct from any sums payable hereunder the full amount or value of any such fee, commission, percentage or gift.

C. VENDOR has no knowledge that any officer or employee of the OWNER has any interest, whether contractual, non-contractual, financial, proprietary, or otherwise, in this transaction or in the business of the VENDOR, and that if any such interest comes to the knowledge of VENDOR at any time, a complete written disclosure of such interest will be made to OWNER, even if such interest would not be deemed a prohibited "conflict of interest" under applicable laws.

D. Upon the execution of this AGREEMENT, VENDOR has no interest, direct or indirect, in any transaction or business entity which would conflict with or in any manner hinder the performance of services and work required by this AGREEMENT, nor shall any such interest be acquired during the term of this AGREEMENT.

21. **Resolution of Disputes.**

A. Disputes regarding the interpretation or application of any provisions of this AGREEMENT shall, to the extent reasonably feasible, be resolved through good faith negotiations between the parties.

B. If the parties cannot resolve the dispute through good faith negotiations, either party may give Notice of Dispute to the other party. The Notice of Dispute shall state the nature of the dispute and the corrective action necessary to remedy the dispute.

After Notice of Dispute, the parties shall first attempt to resolve any disputes by mediation. The parties shall agree on a single mediator. Mediation shall be conducted in Lancaster, California. Each party shall pay its own attorneys' fees and the costs of mediation shall be split equally between the parties.

If the dispute has not been resolved by mediation within 45 days after Notice of Dispute, or the parties are unable to agree to a mediator, within 15 days after Notice of Dispute, then, the dispute may, upon agreement of the parties, be resolved by binding arbitration.

C. If any action at law or in equity is brought to enforce or interpret any provisions of this AGREEMENT, the prevailing party in such action shall be entitled to reasonable attorney's fees, cost and necessary disbursements, in addition to such other relief as may be sought and awarded.

22. **Exhibits.**

The following exhibits to which reference is made in this AGREEMENT are deemed incorporated herein in their entirety:

Exhibit "A"            Scope of Services

Exhibit "B"            Payment Clause

23. **Governing Law.**

This AGREEMENT shall be governed by the laws of the State of California.

24. **Effective Date.**

This AGREEMENT shall become effective as of the date set forth below on which the last of the parties, whether OWNER or VENDOR, executes this AGREEMENT.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed and attested by their respective officers thereunto duly authorized.

CITY OF LANCASTER  
LANCASTER, CALIFORNIA

By: \_\_\_\_\_  
Jason Caudle, City Manager

Dated: \_\_\_\_\_

\_\_\_\_\_  
Company Name

By: \_\_\_\_\_  
(Name, Title)

Dated: \_\_\_\_\_

ATTEST:

\_\_\_\_\_  
Andrea Alexander, City Clerk

APPROVED AS TO FORM:

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