



CITY OF SAN DIEGO

MEMORANDUM

DATE: October 8, 2008

TO: Council President Peters & City Council

FROM: *Beryl Bailey Rayford*
Beryl Bailey Rayford, Equal Opportunity Contracting Program
Manager

SUBJECT: Consultant Agreements for Community Facilities District and Assessment
District Administration Services

This agreement is subject to the City's Equal Opportunity Contracting (San Diego Ordinance No. 18173, Section 22.2701 through 22.2702) and Non-Discrimination in Contracting Ordinance (San Diego Municipal Code Sections 22.3501 through 22.3517).

CC: Fischle-Faulk, Debra
Kelly, Elizabeth

001375

MAYORAL ACTION SUPPORTING INFORMATION
CITY OF SAN DIEGO

EQUAL OPPORTUNITY CONTRACTING PROGRAM EVALUATION

DATE:

October 8, 2008

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11/18

SUBJECT: Consultant Agreements for Community Facilities District and Assessment District Administration Services

GENERAL CONTRACT INFORMATION

Recommended Consultant: David Taussig & Associates
Amount of this Action: \$ 65,100.00 (Recovered through Special Tax/Assessment Levy)
Funding Source: City of San Diego

Recommended Consultant: NBS Government Finance Group, Inc.
Amount of This Action: \$ 28,150.00 (Recovered through Special Tax/Assessment Levy)
Funding Source: City of San Diego

SUBCONTRACTOR PARTICIPATION

No subconsultant participation for this action.

EQUAL EMPLOYMENT OPPORTUNITY COMPLIANCE

Equal Opportunity Required

David Taussig & Associates, Inc. submitted a Work Force Report for their San Diego County employees dated July 2, 2008. The Work Force Report Analysis reflects under representations in the following categories:

Hispanics in Professional
Filipinos in Professional
Females in Professional

David Taussig & Associates, Inc. has demonstrated efforts to diversify their workforce which precludes the need to request an Equal Opportunity Plan.

NSB Government Finance Group submitted a Work Force Report for their Riverside County employees dated September 23, 2008. The Work Force Analysis Report Analysis reflects under representations in the following categories:

Hispanics in Mgmt & Professional and Administrative Support

This agreement is subject to the City's Equal Opportunity Contracting (San Diego Ordinance No. 18173, Section 22.2701 through 22.2702) and Non-Discrimination in Contracting Ordinance (San Diego Municipal Code Sections 22.3501 through 22.3517).

Staff will continue to monitor the firm's Equal Employment performance.

ADDITIONAL COMMENTS

The *Work Force Analysis* is attached.



Beryl Rayford

EOC Program Manager by: MM-J

001377

File: Admin WOFO 2000

Date WOFO Submitted: 9/23/2008

Input by: Lad

Goals reflect statistical labor force

availability for the following: 2000 CLFA

Riverside County, CA

City of San Diego/Equal Opportunity Contracting

WORK FORCE ANALYSIS REPORT

FOR

Company: NBS Government Finance Group, DBA NBS

I. TOTAL WORK FORCE:

	Black			Hispanic			Asian			American Indian			Filipino			White		Other	
	CLFA Goals	M	F	CLFA Goals	M	F	CLFA Goals	M	F	CLFA Goals	M	F	CLFA Goals	M	F	M	F	M	F
Mgmt & Financial	5.0%	1	0	16.6%	1	1	3.8%	0	2	0.7%	0	0	3.8%	0	1	13	8	0	0
Professional	6.6%	0	0	17.1%	0	0	3.7%	0	0	0.8%	0	0	3.7%	0	0	0	0	0	0
A&E, Science, Computer	5.1%	0	0	13.3%	0	0	8.3%	0	0	0.6%	0	0	9.3%	0	0	3	0	1	0
Technical	8.5%	0	0	24.3%	0	0	8.0%	0	0	0.5%	0	0	8.0%	0	0	0	0	0	0
Sales	4.8%	0	0	24.4%	0	0	3.9%	0	0	0.5%	0	0	3.9%	0	0	0	0	0	0
Administrative Support	7.3%	0	0	27.3%	0	0	3.7%	0	0	0.8%	0	0	3.7%	0	1	0	4	0	0
Services	6.8%	0	0	42.2%	0	0	4.2%	0	0	0.8%	0	0	4.2%	0	0	0	0	0	0
Crafts	4.9%	0	0	31.6%	0	0	2.7%	0	0	0.6%	0	0	2.7%	0	0	0	0	0	0
Operative Workers	4.0%	0	0	57.1%	0	0	3.8%	0	0	0.6%	0	0	3.8%	0	0	0	0	0	0
Transportation	7.5%	0	0	38.7%	0	0	1.3%	0	0	0.6%	0	0	1.3%	0	0	0	0	0	0
Laborers	3.4%	0	0	67.1%	0	0	0.9%	0	0	0.6%	0	0	0.9%	0	0	0	0	0	0
TOTAL		1	0	1	1		0	2		0	0		0	2		18	12	1	0

HOW TO READ TOTAL WORK FORCE SECTION:

The information blocks in Section I (Total Work Force) identify the absolute number of the firm's employees. Each employee is listed in their respective ethnic/gender and employment category. The percentages listed under the heading of "CLFA Goals" are the County Labor Force Availability goals for each employment and ethnic/gender category.

Mgmt & Financial
Professional
A&E, Science, Computer
Technical
Sales
Administrative Support
Services
Crafts
Operative Workers
Transportation
Laborers

TOTAL EMPLOYEES		
ALL	M	F
27	15	12
0	0	0
4	4	0
0	0	0
0	0	0
5	0	5
0	0	0
0	0	0
0	0	0
0	0	0
0	0	0
0	0	0
TOTAL	36	17

Female Goals
37.6%
59.4%
18.6%
52.7%
50.9%
75.2%
64.6%
5.4%
34.6%
15.3%
15.9%

HOW TO READ EMPLOYMENT ANALYSIS SECTION:

The percentages listed in the goals column are calculated by multiplying the CLFA goals by the number of employees in that job category. The number in that column represents the percentage of each protected group that should be employed by the firm to meet the CLFA goal. A negative number will be shown in the discrepancy column for each underrepresented goal of at least 1.00 position.

II. EMPLOYMENT ANALYSIS

	Black			Hispanic			Asian			American Indian			Filipino			Female		
	Goals	Actual	Discrepancy	Goals	Actual	Discrepancy	Goals	Actual	Discrepancy	Goals	Actual	Discrepancy	Goals	Actual	Discrepancy	Goals	Actual	Discrepancy
Mgmt & Financial	1.35	1	N/A	4.48	2	(2.48)	1.03	2	N/A	0.19	0	N/A	1.03	1	N/A	10.15	12	1.85
Professional	0.00	0	0.00	0.00	0	0.00	0.00	0	0.00	0.00	0	0.00	0.00	0	0.00	0.00	0	0.00
A&E, Science, Computer	0.20	0	N/A	0.53	0	N/A	0.37	0	N/A	0.02	0	N/A	0.37	0	N/A	0.74	0	N/A
Technical	0.00	0	0.00	0.00	0	0.00	0.00	0	0.00	0.00	0	0.00	0.00	0	0.00	0.00	0	0.00
Sales	0.00	0	0.00	0.00	0	0.00	0.00	0	0.00	0.00	0	0.00	0.00	0	0.00	0.00	0	0.00
Administrative Support	0.37	0	N/A	1.37	0	(1.37)	0.19	0	N/A	0.04	0	N/A	0.19	1	N/A	3.76	5	1.24
Services	0.00	0	0.00	0.00	0	0.00	0.00	0	0.00	0.00	0	0.00	0.00	0	0.00	0.00	0	0.00
Crafts	0.00	0	0.00	0.00	0	0.00	0.00	0	0.00	0.00	0	0.00	0.00	0	0.00	0.00	0	0.00
Operative Workers	0.00	0	0.00	0.00	0	0.00	0.00	0	0.00	0.00	0	0.00	0.00	0	0.00	0.00	0	0.00
Transportation	0.00	0	0.00	0.00	0	0.00	0.00	0	0.00	0.00	0	0.00	0.00	0	0.00	0.00	0	0.00
Laborers	0.00	0	0.00	0.00	0	0.00	0.00	0	0.00	0.00	0	0.00	0.00	0	0.00	0.00	0	0.00

Goals are set by job categories for each protected group. An underrepresentation is indicated by a negative number, but if the DISCREPANCY is less than -1.00 position, a N/A will be displayed to show there is no underrepresentation.

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City of San Diego
EQUAL OPPORTUNITY CONTRACTING (EOC)
1010 Second Avenue • Suite 500 • San Diego, CA 92101
Phone: (619) 533-4464 • Fax: (619) 533-4474

WORK FORCE REPORT

ADMINISTRATIVE

The objective of the Equal Employment Opportunity Outreach Program, San Diego Municipal Code Sections 22.3501 through 22.3517, is to ensure that contractors doing business with the City, or receiving funds from the City, do not engage in unlawful discriminatory employment practices prohibited by State and Federal law.

CONTRACTOR IDENTIFICATION

Type of Contractor: [] Construction [] Vendor/Supplier [] Financial Institution [] Lessee/Lessor
[] Consultant [] Grant Recipient [] Insurance Company [] Other
Name of Company: NBS GOVERNMENT FINANCE GROUP, DBA NBS
AKA/DBA: NBS
Address (Corporate Headquarters, where applicable): 32605 TEMECULA PARKWAY, SUITE 100
City TEMECULA County RIVERSIDE State CA Zip 92592
Telephone Number: (800) 676-7516 FAX Number: (951) 296-1998
Name of Company CEO: MICHAEL RENTNER
Address(es), phone and fax number(s) of company facilities located in San Diego County (if different from above):
Address: N/A
City County State Zip
Telephone Number: () FAX Number: ()
Type of Business: CONSULTING SERVICES Type of License:
The Company has appointed: STACEY TAYLOR
as its Equal Employment Opportunity Officer (EEOO). The EEOO has been given authority to establish, disseminate, and enforce equal employment and affirmative action policies of this company. The EEOO may be contacted at:
Address: 32605 TEMECULA PARKWAY, SUITE 100, TEMECULA, CA 92592
Telephone Number: (800) 676-7516 FAX Number: (951) 296-1998

- [x] One San Diego County (or Most Local County) Work Force - Mandatory
[] Branch Work Force *
[] Managing Office Work Force

Check the box above that applies to this WFR.

*Submit a separate Work Force Report for all participating branches. Combine WFRs if more than one branch per county.

I, the undersigned representative of NBS

RIVERSIDE (County), CA (State) hereby certify that information provided

herein is true and correct. This document was executed on this 33rd day of SEPTEMBER 2008.

[Signature]
(Authorized Signature)

MICHAEL RENTNER
(Print Authorized Signature)

WORK FORCE REPORT - NAME OF FIRM: NBS DATE: 9/23/08
 OFFICE(S) or BRANCH(ES): TEMECULA COUNTY: RIVERSIDE

INSTRUCTIONS: For each occupational category, indicate number of males and females in every ethnic group. Total columns in row provided. Sum of all totals should be equal to your total work force. Include all those employed by your company on either a full or part-time basis. The following groups are to be included in ethnic categories listed in columns below:

- (1) Black, African-American
- (2) Hispanic, Latino, Mexican-American, Puerto Rican
- (3) Asian, Pacific Islander
- (4) American Indian, Eskimo
- (5) Filipino
- (6) White, Caucasian
- (7) Other ethnicity; not falling into other groups

OCCUPATIONAL CATEGORY	(1) Black		(2) Hispanic		(3) Asian		(4) American Indian		(5) Filipino		(6) White		(7) Other Ethnicities	
	(M)	(F)	(M)	(F)	(M)	(F)	(M)	(F)	(M)	(F)	(M)	(F)	(M)	(F)
Management & Financial	1		1	1		2				1	13	8		
Professional														
A&E, Science, Computer											3		1	
Technical														
Sales														
Administrative Support										1		4		
Services														
Crafts														
Operative Workers														
Transportation														
Laborers*														

*Construction laborers and other field employees are not to be included on this page

Totals Each Column	1		1	1		2				2	14	12	1	
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Grand Total All Employees 36

Non-Profit Organizations Only:

Board of Directors														
Volunteers														
Artists														

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REQUEST FOR COUNCIL ACTION
CITY OF SAN DIEGO

1. CERTIFICATE NUMBER
(FOR AUDITOR'S USE ON)
2900326
2900327

TO: CITY ATTORNEY
2. FROM (ORIGINATING DEPARTMENT): Department of Finance - Debt Management
3. DATE: September 29, 2008

4. SUBJECT: Consultant Agreements for Community Facilities District and Assessment District Administration Services

5. PRIMARY CONTACT (NAME, PHONE & MAIL STA.): Elizabeth Kelly / 236-6932 MS 7B
6. SECONDARY CONTACT (NAME, PHONE & MAIL STA.): Chuck Wilcox / 533-4519
7. CHECK BOX IF REPORT TO COUNCIL IS ATTACHED

8. COMPLETE FOR ACCOUNTING PURPOSES

FUND					9. ADDITIONAL INFORMATION / ESTIMATED COST: There is no fiscal impact to the City associated with this action. All costs to administer the Community Facilities Districts and Assessment Districts are borne by the respective districts, and are recovered through the annual special tax or assessment levy.
DEPT.	Please See Attached				
ORGANIZATION					
OBJECT ACCOUNT					
JOB ORDER					
C.I.P. NUMBER					
AMOUNT					

10. ROUTING AND APPROVALS

ROUTE (#)	APPROVING AUTHORITY	APPROVAL SIGNATURE	DATE SIGNED	ROUTE (#)	APPROVING AUTHORITY	APPROVAL SIGNATURE	DATE SIGNED
1	ORIGINATING DEPARTMENT	<i>Robert Kern</i>	10/2/08	8	CFO / DEPUTY CHIEF	<i>Mary Levin</i>	10/28/08
2	EOC	<i>David Johnson</i>	10/8/08	9	COO	NOT REQUIRED	
3	PURCHASING & CONTRACTING	<i>Alicia Lopez</i>	10/14/08	10	CITY ATTORNEY	<i>Paul Wilson</i>	
4	LIAISON OFFICE	<i>OC</i>	10/17/08	11	ORIGINATING DEPARTMENT	<i>Elizabeth Kelly</i>	10/29/08
5	AUDITOR	<i>Mikki Gutierrez</i>	10/27/08		DOCKET COORD:	COUNCIL LIAISON:	11/5/08
6	Auditor	<i>Tere Capetillo</i>	10/27/08		COUNCIL PRESIDENT	<input type="checkbox"/> SPOB <input checked="" type="checkbox"/> CONSENT <input type="checkbox"/> ADOPTION	
7					REFER TO:	COUNCIL DATE:	11/18/08

11. PREPARATION OF: RESOLUTION(S) ORDINANCE(S) AGREEMENT(S) DEED(S)

Prepare a Resolution for the Council of the City of San Diego to authorize the execution of an agreement with David Taussig & Associates to provide annual administration services for the City's Community Facilities Districts, and execution of an agreement with NBS to provide annual administration services for the City's Assessment Districts. Both agreements would be for a one year term, with options to renew for four additional one-year periods upon mutual agreement between the Consultants and the City.

11A. STAFF RECOMMENDATIONS:
Adopt the Resolution.

12. SPECIAL CONDITIONS:

COUNCIL DISTRICT(S): Districts 1, 2, 5, 6 & 8

COMMUNITY AREA(S): Black Mountain Ranch, Peninsula, Miramar Ranch North, Mira Mesa, Mission Valley, Otay Mesa

ENVIRONMENTAL IMPACT: This activity is exempt from CEQA pursuant to State CEQA Guidelines, Section 15061(b)(3).

HOUSING IMPACT: None

OTHER ISSUES:

**EXECUTIVE SUMMARY SHEET
CITY OF SAN DIEGO**

DATE ISSUED:
 ATTENTION: Council President and City Council
 ORIGINATING DEPARTMENT: Debt Management Department
 SUBJECT: Agreements with David Taussig & Associates and NBS [the
 "Consultants"] for annual administration services relating to
 the City's Community Facilities Districts and Assessment
 Districts.
 COUNCIL DISTRICT(S): Districts 1, 2, 5, 6 & 8
 CONTACT/PHONE NUMBER: Chuck Wilcox (619-533-4519)

REQUESTED ACTION:

Authorize the execution of an agreement with David Taussig & Associates for annual administration services relating to the City's Community Facilities Districts in an amount not to exceed \$65,100, and execution of an agreement with NBS for annual administration services relating to the City's Assessment Districts in an amount not to exceed \$28,150. Both agreements would be for a one year term, with options to renew for four additional one-year periods upon mutual agreement between the Consultants and the City.

STAFF RECOMMENDATION:

Approve the requested actions.

EXECUTIVE SUMMARY:

The City of San Diego currently has six Community Facilities Districts with a total of \$141 million of outstanding special tax bonds and encompassing 5,169 parcels of land. The City also has four Assessment Districts with a total of \$28 million of outstanding assessment bonds and encompassing 3,325 parcels of land.

District administration services to be provided by the Consultants include the following:

- Maintenance of a detailed parcel database
- Preparation of the annual Special Tax Levy and Assessment Levy for each district and submission of the levy to the County of San Diego
- Special Tax and Assessment prepayment calculations
- Special Assessment apportionment services (assessment districts only)
- Assistance with Continuing Disclosure Annual Reports

Since the districts were formed, Debt Management has engaged the use of various consultants for tasks related to the administration of the City's Community Facilities Districts and Assessment Districts. There were numerous contracts for these services, and they varied in scope and duration. As a result, it has become difficult to administer the contracts without reallocating some staff resources from the department's core financing related functions. Consolidation of the services and the associated contracts with the two firms referenced above will result in a more efficient process to administer the needed contracts.

The two firms were selected using the City's As-Needed List for Special Tax Consultants and Assessment Engineers, established through a competitive Request for Proposals ("RFP")

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process. Specifically, three firms were short-listed from the As-Needed List based on their ability to provide the subject services, as communicated through their responses to the As-Needed List RFP. A request for submittals for the subject services was sent to the three firms, and an evaluation committee reviewed the submittals with emphasis on the following criteria: relevant experience of the firm; overall responsiveness to the proposal; qualifications of personnel assigned; approach to providing the scope of services; costs; and references. The committee determined that David Taussig & Associates presented the strongest proposal for the Community Facilities District services and NBS presented the strongest proposal for the Assessment District services.

FISCAL CONSIDERATIONS:

There is no fiscal impact to the City associated with this action. All costs to administer the Community Facilities Districts and Assessment Districts are borne by the respective districts, and are recovered through the annual special tax or assessment levy.

PREVIOUS COUNCIL and/or COMMITTEE ACTION:

Since the districts were formed, there have been previous City Council actions and Managerial Actions related to various contracts to provide district administration services.

COMMUNITY PARTICIPATION AND PUBLIC OUTREACH EFFORTS:

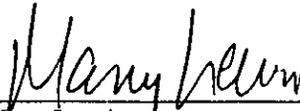
None required.

KEY STAKEHOLDERS AND PROJECTED IMPACTS:

The contracts would be entered into with the following business entities: David Taussig & Associates, Inc.; and NBS Government Finance Group, Inc. As described above, the costs would be recovered from the special taxes and assessments levied on property owners within each of the districts.



Lakshmi Kommi
Debt Management Director



Mary Lewis
Chief Financial Officer

The City of San Diego
CERTIFICATE OF CITY AUDITOR AND COMPTROLLER

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CERTIFICATE OF UNALLOTTED BALANCE
ORIGINATING

AC 2900327
 DEPT. NO.: 056

I HEREBY CERTIFY that the money required for the allotment of funds for the purpose set forth in the foregoing resolution is available in the Treasury, or is anticipated to come into the Treasury, and is otherwise unallotted.

Amount: _____ Fund: _____

Purpose: _____

Date: _____ By: _____

ACCOUNTING DATA										
ACCTG. LINE	CY PY	FUND	DEPT	ORG.	ACCOUNT	JOB ORDER	OPERATION ACCOUNT	BENF/ EQUIP	FACILITY	AMOUNT
TOTAL AMOUNT										

FUND OVERRIDE

CERTIFICATION OF UNENCUMBERED BALANCE

I HEREBY CERTIFY that the indebtedness and obligation to be incurred by the contract or agreement authorized by the hereto attached resolution, can be incurred without the violation of any of the provisions of the Charter of the City of San Diego; and I do hereby further certify, in conformity with the requirements of the Charter of the City of San Diego, that sufficient moneys have been appropriated for the purpose of said contract, that sufficient moneys to meet the obligations of said contract are actually in the Treasury, or are anticipated to come into the Treasury, to the credit of the appropriation from which the same are to be drawn, and that the said money now actually in the Treasury, together with the moneys anticipated to come into the Treasury, to the credit of said appropriation, are otherwise unencumbered.

Not to Exceed: \$65,100.00

Vendor: DAVID TAUSSIG & ASSOCIATES

Purpose: TO AUTHORIZE THE EXPENDITURE OF FUNDS FOR THE CONSULTANT AGREEMENT FOR ADMINISTRATIVE SERVICES FOR THE CITY OF SAN DIEGO COMMUNITY FACILITIES DISTRICTS FOR ONE YEAR.

Date: October 24, 2008

By: MIKKI GUTIERREZ *Mikki Gutierrez*

ACCOUNTING DATA										
ACCTG. LINE	CY PY	FUND	DEPT	ORG.	ACCOUNT	JOB ORDER	OPERATION ACCOUNT	BENF/ EQUIP	FACILITY	AMOUNT
01	0	79695	79695		4151	079690				13,175.00
02	0	79685	79685		4151	079680				13,175.00
03	0	79765	79765		4151	079765				6,975.00
04	0	79665	79665		4151	079661				6,975.00
05	0	79743	79743		4151	079743				13,175.00
06	0	79755	79755		4151	079755				11,625.00
TOTAL										\$65,100.00

The City of San Diego
CERTIFICATE OF CITY AUDITOR AND COMPTROLLER

001589

CERTIFICATE OF UNALLOTTED BALANCE
ORIGINATING

AC 2900326
 DEPT. _____
 NO. 56

I HEREBY CERTIFY that the money required for the allotment of funds for the purpose set forth in the foregoing resolution is available in the Treasury, or is anticipated to come into the Treasury, and is otherwise unallotted.

Amount: _____

Purpose: _____

Date: _____

ACCOUNTING DATA										
ACCTG. LINE	CY PY									
TOTAL AMOUNT										

FUND OVERRIDE

CERTIFICATION OF UNENCUMBERED BALANCE

I HEREBY CERTIFY that the indebtedness and obligation to be incurred by the contract or agreement authorized by the hereto attached resolution, can be incurred without the violation of any of the provisions of the Charter of the City of San Diego; and I do hereby further certify, in conformity with the requirements of the Charter of the City of San Diego, that sufficient moneys have been appropriated for the purpose of said contract, that sufficient moneys to meet the obligations of said contract are actually in the Treasury, or are anticipated to come into the Treasury, to the credit of the appropriation from which the same are to be drawn, and that the said money now actually in the Treasury, together with the moneys anticipated to come into the Treasury, to the credit of said appropriation, are otherwise unencumbered.

Not to Exceed: \$28,150.00

Vendor: NBS

Purpose: TO AUTHORIZE THE EXPENDITURE OF FUNDS FOR THE CONSULTANT AGREEMENT FOR ADMINISTRATIVE SERVICES FOR THE CITY OF SAN DIEGO 1915 ACT ASSESSMENT DISTRICTS FOR ONE YEAR.

Date: OCTOBER 24, 2008

By: *Tere Capetillo*
TERE CAPETILLO-LUNA

ACCOUNTING DATA										
ACCTG. LINE	CY PY	FUND	DEPT	ORG.	ACCOUNT	JOB ORDER	OPERATION ACCOUNT	BENF/ EQUIP	FACILITY	AMOUNT
01	0	79486	79486		4151	079486				4,194.00
02	0	79845	79845		4151	079840				4,194.00
03	0	79806	79806		4151	079806				6,090.00
04	0	79705	79705		4151	079705				13,672.00
TOTAL										\$28,150.00

FUND OVERRIDE

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8. COMPLETE FOR ACCOUNTING PURPOSES										
FUND	79695	79685	79765	79665	79743	79755	79486	79845	79806	79705
DEPT.	79695	79685	79765	79665	79743	79755	79486	79845	79806	79705
ORGANIZATION										
OBJECT ACCOUNT	4151	4151	4151	4151	4151	4151	4151	4151	4151	4151
JOB ORDER	079690	079680	079765	079661	079743	079755	079486	079840	079806	079705
C.I.P. NUMBER										
AMOUNT	\$13,175	\$13,175	\$6,975	\$6,975	\$13,175	\$11,625	\$4,194	\$4,194	\$6,090	\$13,672

RESOLUTION NUMBER R-_____ (NEW SERIES)

ADOPTED ON _____

A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN DIEGO AUTHORIZING THE MAYOR TO ENTER INTO AN AGREEMENT WITH NBS GOVERNMENT FINANCE GROUP TO PROVIDE ANNUAL ADMINISTRATION SERVICES RELATING TO THE CITY'S ASSESSMENT DISTRICTS IN AN AMOUNT NOT TO EXCEED \$28,150.

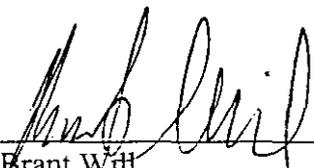
WHEREAS, the City has four Assessment Districts [Districts] with a total of \$28 million in outstanding assessment bonds and encompassing 3,325 parcels; and

WHEREAS, the City requires a consultant to provide specified services in the administration of the Districts and NBS Government Finance Group [NBS] has agreed to provide such services; and

WHEREAS, all costs associated with the agreement between the City and NBS will be borne by the Districts; NOW, THEREFORE,

BE IT RESOLVED by the Council of the City of San Diego, that the Mayor is authorized to enter into an agreement with NBS, the form of which is on file with the Clerk's Office as document no. RR-_____.

APPROVED: MICHAEL J. AGUIRRE, City Attorney

By  _____
Brant Will
Deputy City Attorney

BCW:jdf
10/29/08
Or.Dept:Debt Management
O-2009-548

I hereby certify that the foregoing Resolution was passed by the Council of the City of San Diego, at this meeting of _____.

ELIZABETH S. MALAND
City Clerk

By _____
Deputy City Clerk

Approved: _____
(date)

JERRY SANDERS, Mayor

Vetoed: _____
(date)

JERRY SANDERS, Mayor

RESOLUTION NUMBER R-_____ (NEW SERIES)

DATE OF FINAL PASSAGE _____

A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN DIEGO AUTHORIZING THE MAYOR TO ENTER INTO AN AGREEMENT WITH DAVID TAUSSIG & ASSOCIATES TO PROVIDE ANNUAL ADMINISTRATION SERVICES RELATING TO THE CITY'S COMMUNITY FACILITIES DISTRICTS IN AN AMOUNT NOT TO EXCEED \$65,100.

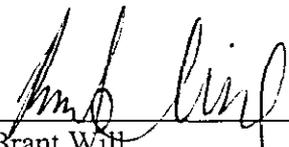
WHEREAS, the City has six Community Facilities Districts [CFDs] with a total of \$141 million in outstanding special tax bonds and encompassing 5,169 parcels; and

WHEREAS, the City requires a consultant to provide specified services in the administration of the CFDs and David Taussig & Associates has agreed to provide such services; and

WHEREAS, all costs associated with agreement between the City and David Taussig & Associates will be borne by the CFDs; NOW, THEREFORE,

BE IT RESOLVED by the Council of the City of San Diego, that the Mayor is authorized to enter into an agreement with David Taussig & Associates, the form of which is on file with the Clerk's Office as document no. RR-_____.

APPROVED: MICHAEL J. AGUIRRE, City Attorney

By  _____
Brant Will
Deputy City Attorney

BCW:jdf
10/29/08
Or.Dept:Debt Management
O-2009-549

I hereby certify that the foregoing Resolution was passed by the Council of the City of San Diego, at this meeting of _____.

ELIZABETH S. MALAND
City Clerk

By _____
Deputy City Clerk

Approved: _____
(date)

JERRY SANDERS, Mayor

Vetoed: _____
(date)

JERRY SANDERS, Mayor



**AGREEMENT BETWEEN THE CITY OF SAN DIEGO
AND DAVID TAUSSIG & ASSOCIATES
FOR CONSULTING SERVICES**

THIS Agreement is made and entered into between the City of San Diego, a municipal corporation [City], and David Taussig and Associates [Consultant] for the Consultant to provide Professional Services to the City for annual administrative services for the City's Community Facilities Districts [Project].

ARTICLE I

PROFESSIONAL SERVICES

1. Scope of Services. The Consultant shall provide services to assist the City in the annual administration of the Community Facilities Districts listed below; at the direction of the City:

- CFD No. 1 – Miramar Ranch North
- CFD No. 2 – Santaluz – Improvement Area No. 1
- CFD No. 2 – Santaluz – Improvement Area No. 3
- CFD No. 2 – Santaluz – Improvement Area No. 4
- CFD No. 3 – Liberty Station
- CFD No. 4 – Black Mountain Ranch Villages

Services to be provided are as listed below:

A. Community Facilities District Administration:

1. Parcel Database

a. Consultant will create an electronic parcel database to include all parcels. Variables will include Assessor's Parcel Number, corresponding tract and lot number, acreage, assessed values, building square footage, building permit issuance date and

any other data relevant to the administration of districts. The database should enable the consultant to:

- 1) Apply the Rate and Method of Apportionment to determine the appropriate special tax classification for each parcel.
- 2) Identify all property owned by public agencies or entities otherwise exempt from the special tax and classify as exempt property.
- 3) Identify all taxable properties and classify each as "Developed Property" or "Undeveloped Property." Assign each "Developed Property" to the appropriate special tax class.
- 4) Monitor changes to the secured tax roll which necessitates new or adjusted property tax bills. Calculate new or adjusted bill and prepare request to the County.
- 5) Provide parcel and database information as requested.
- 6) Maintain and periodically update the database.

b. Subdivision Research – As required, Consultant will identify and obtain copies of all final tract or parcel maps, and determine acreage for each parcel.

c. Development Research – Research building permit issuance for each fiscal year. Identify building permit issuance date, tract, and lot for each new building. Review current Assessor's Parcel maps to determine which parcel numbers will be valid for each fiscal year.

2. Financial Analysis

a. Assist City with preparation of administrative expense budgets; confirm interest and principal payments. Determine any other charges or credits to the tax levy.

b. Identify all costs associated with the administration of the Community Facilities Districts and recover those costs through the levy process. City will provide all relevant internal information.

3. Special Tax Levy

a. Submit the Special Tax Levy to the City by early July of each year in time for the process to get City Council approval of the levy (see 3.c. below) and submit the approved levy before August 10 of each year, or such other date specified by the City, to the County of San Diego for inclusion on the consolidated property tax bills for that fiscal year.

b. Special Taxes rejected by the County will be researched and resubmitted for collection on the County Tax Roll. Any parcels that are not submitted to the County for collection will be invoiced directly to the parcel owner, with payment submitted to the City.

c. Provide an annual Special Tax Levy Report for submission to the City Council in early July in conjunction with approval of the resolution authorizing the levy and collection of special taxes. Such report to include:

- 1) A parcel listing with levy amounts and other parcel information
- 2) Details of the Special Tax Requirement, including the maximum Special Tax rate
- 3) Financial analysis and an explanation of the methodology employed to apportion the special taxes
- 4) Current delinquency information
- 5) Administrative expenses to be recovered
- 6) Status of the project, and
- 7) Current issues affecting the districts.

In addition, Consultant will attend such City Council meetings as requested by City.

d. Consultant will compile and provide a complete list of the actual special tax levies for each assessor's parcel in each CFD to the County Tax Collector prior to the last working day in July.

4. Delinquency Monitoring

a. Review and research County records to determine which parcels are delinquent in the payment of property and special taxes and include the following:

- 1) Provide a comprehensive list of delinquencies after each special tax installment becomes due, and at the end of the fiscal year. Report will provide each district's overall delinquency percentage as well as a detailed list of each delinquent parcel, with the name and address of the delinquent parcel owner, the delinquent amount and penalties, and the prior year delinquency statistics.
- 2) Prepare a report listing all delinquent parcels that have reached foreclosure thresholds per the applicable bond

indenture, and a report listing all delinquent parcels that are below the foreclosures threshold level.

- b. Consultant will assist in providing information for semiannual report to the Chief Financial Officer on the delinquency status for each district.

5. Other Consultant Services

- a. Provide customer service:
 - 1) The Consultant will be the initial contact for all questions from property owners and developers, including:
 - a) Responding to individuals and other interested parties regarding the formation and ongoing collection of special taxes for the districts; amount and calculation of special taxes and ongoing collection of the special tax.
 - b) Preparing special tax prepayment calculations and informing interested parties of prepayment process.
 - b. At the City's request, Consultant would be available to attend City Council meetings in which any of the City's CFDs are to be discussed.
 - c. Advise the City on CFD administration and issues as they arise.
 - d. Review applicable City policies and procedures
 - e. Perform all required bond call spreads and coordinate the early redemption of outstanding bonds.

6. Additional Benefits

Accessible database to City and/or property owners.

7. Prepayment Calculations

- a. Upon request by the City or Property Owners/Representatives, provide estimated and/or final calculations of the amount needed to prepay the special tax pursuant to the prepayment formula as set forth in the applicable Rate and Method of Apportionment. The prepayment information provided will identify the amount due, the deadline for payment, and direction regarding where payment is to be remitted.

b. Analyze early bond calls resulting from the prepayment of special taxes and prepare revised debt service schedules.

c. Coordinate any necessary tax bill amendments with City staff and the County Auditor and Controller's Office.

B. Continuing Disclosure:

1. Continuing Disclosure

a. In accordance with specific continuing disclosure obligations relating to the City's outstanding Special Districts debt financings, Consultant will provide assistance with preparing annual reporting information. Specifically, the Consultant will:

1) Assist with preparation of Annual Reports

- a) Collect third-party data and other information required to be included in the Annual Report(s) directly from trustees, fiscal agents, State and County agencies and others, as applicable to prepare updates of tabular and other information originally presented in the bond offering documents.
- b) Participate in meetings related to the City's Disclosure Practices Working Group ("DPWG"), as requested by the City.

2) Prepare an annual report to be submitted no later than October 30 to CDIAC for each outstanding issuance as required by Section 53359.5(b) of the California Government Code, as amended.

b. Consultant may be requested to assist the City with respect to new issuances in terms of developing reporting requirements for the continuing disclosure documents, which are in compliance with relevant requirements and meet the demands for information from the marketplace.

C. Delinquency Management:

As requested by City, provide assistance with development and implementation of procedures to cure delinquent special taxes, including preparation of reminder and demand letters, and other documents necessary to support foreclosure actions.

D. Expenses:

Consultant shall be reimbursed for reasonable and necessary out-of-pocket expenses. Reimbursable expenses shall include, but not be limited to, reproduction, telephone, facsimile, postage, delivery, binding services, clerical services, purchase of data, travel, hotels, taxis, and meals incurred in connection with the services pertaining to this Agreement. Pre-approval of travel will be obtained from the City.

E. Additional Services:

As requested by City, provide assistance with any other tasks not enumerated above.

F. Other:

1. Refundings

In the event of any refunding of the bonds associated with the Community Facilities Districts listed above, Consultant will continue all administration services intended for the districts under the original terms and fee structure of the contract.

2. Administration of Future Districts

Consultant may be requested to provide formation services for future districts, and compensation would be determined separately from this contract. City may also elect to perform a separate RFP process for formation services, and if Consultant was not selected for formation services, Consultant would be expected to review and familiarize itself with the newly formed district in order to take over administration services.

3. Extraordinary Services and Fees

Additional services and fees over and above those contemplated above shall be based upon mutual agreement between the City and Consultant.

ARTICLE II

DURATION OF AGREEMENT

2.1 Term of Agreement. This Agreement shall be effective on the date it is executed by the last Party to sign the Agreement, and approved by the City Attorney in accordance with San Diego Charter Section 40. Unless otherwise terminated, it shall be effective until completion of the Scope of Services or one year from the execution of this

agreement by the City of San Diego; whichever is the earliest but not to exceed five years unless approved by City ordinance.

After the initial one (1) year contract period, the City reserves the option to renew the contract up to four (4) additional one (1) year periods under the terms and conditions herein stated beginning on the anniversary of the commencement of contract. The renewal is contingent on a mutual agreement between the City and the Contractor with such agreement to be confirmed within sixty (60) days of the expiration of the contract period. Either the City or the Contractor may decline to confirm the renewal of the contract for any reason whatsoever, which shall render the renewal option null and void.

The City's initial letter offering the Contractor an opportunity to renew the contract does not constitute an award of the option period. Any option acceptance must be confirmed by the City, in writing, before it becomes valid.

The City will not grant an option, if the contractor requests a price increase which exceeds the average percentage variant for the previous twelve months in the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) for the San Diego area as published by the Bureau of Labor Statistics, or 5.0%, whichever is less. If a price increase is requested, the bidder must provide detailed supporting documentation to justify the requested increase. The requested increase will be evaluated by the City and the City reserves the right to accept or reject such request.

2.2 Time of Essence. Time is of the essence for each provision of this Agreement, unless otherwise specified in this Agreement.

2.3 City's Right to Terminate for Convenience. The City may, at its sole option and for its convenience, terminate all or any portion of the Professional Services agreed to pursuant to this Agreement by giving written notice of such termination to the Consultant. Such notice shall be delivered by certified mail with return receipt for delivery to the City. The termination of the Professional Services shall be effective upon receipt of the notice by the Consultant. Consultant will be entitled to fair and reasonable compensation for all Professional Services completed in compliance with this Agreement prior to the notice of termination.

2.4 City's Right to Terminate for Default. If the Consultant fails to satisfactorily perform any obligation required by this Agreement, the Consultant's failure constitutes a Default. A Default includes the Consultant's failure to adhere to the Time Schedule. If the Consultant fails to satisfactorily cure a Default within ten calendar days of receiving written notice from the City specifying the nature of the Default, the City may immediately cancel and/or terminate this Agreement, and terminate each and every right of the Consultant, and any person claiming any rights by or through the Consultant under this Agreement. The rights and remedies of the City enumerated in this Section are cumulative and shall not limit, waive, or deny any of the City's rights under any other provision of this Agreement. Nor does this Section otherwise waive or deny any right or remedy, at law or in equity, existing as of the date of this Agreement or hereinafter enacted or established, that may be available to the City against the Consultant.

**ARTICLE III
COMPENSATION**

3.1 Amount of Compensation. The City shall pay the Consultant for performance of all Professional Services rendered in accordance with the scope of work in Section 1 of this Agreement, including reasonably related expenses for a total not to exceed Sixty Five Thousand One Hundred Dollars (\$65,100). The compensation for the Scope of Services shall not exceed Fifty Eight Thousand Eight Hundred Dollars (\$58,800) and the compensation for Additional Expenses, if any, shall not exceed Six Thousand Three Hundred Dollars (\$6,300).

In addition to the fees specified above, the Consultant shall be paid, at the time provided for payment of fees, their reasonable and necessary expenses. Those expenses shall include, but not be limited to, deliveries, photocopies, binding services, telephone calls, messenger services, travel, hotels, taxis, and meals incurred in connection with the services pertaining to this Agreement. Pre-approval of travel will be obtained from the City. Payment of expenses under this Agreement shall not exceed \$6,300.00

Billing rates, by category, for the services provided are outlined in the table below.

**Annual Community Facilities District Administration
(Including Continuing Disclosure)**

District	Annual Fee
CFD NO. 1 (MIRAMAR RANCH NORTH)	\$8,500
CFD NO. 2, IA NO. 1 (SANTALUZ)	\$8,500
CFD NO. 2, IA NO. 3 (SANTALUZ)	\$4,500
CFD NO. 2, IA NO. 4 (SANTALUZ)	\$4,500
CFD NO. 3 (LIBERTY STATION)	\$8,500
CFD NO. 4 (BLACK MOUNTAIN RANCH VILLAGES)	\$7,500
TOTAL COMMUNITY FACILITIES DISTRICT ADMINISTRATION	\$42,000

**Delinquency Management & Additional Services
Consultant Hourly Rates**

Title	Hourly Rate
MANAGING DIRECTOR	\$190/HOUR

VICE PRESIDENT	\$190/HOUR
SENIOR MANAGER	\$180/HOUR
MANAGER	\$170/HOUR
SENIOR ASSOCIATE	\$150/HOUR
ASSOCIATE	\$130/HOUR
SENIOR ANALYST	\$120/HOUR
ANALYST	\$115/HOUR
RESEARCH ASSISTANT	\$90/HOUR

3.2 Additional Services. The City may require that the Consultant perform additional Professional Services beyond those described in the Scope of Services [Additional Services]. Prior to the Consultant's performance of Additional Services, the City and the Consultant must agree in writing upon a fee for the Additional Services, including reasonably related expenses, in accordance with the Compensation and Fee Schedule.

3.3 Manner of Payment. David Taussig & Associates (Consultant) shall submit detailed invoices for services performed to the City on a monthly basis. All invoices should include the names fees and description of services performed on behalf of the City, rates of pay for the personnel working on an hourly rate (if applicable) and details of reasonable and necessary out-of-pocket expenses. Additionally, invoices should clearly separate the fees and charges submitted in accordance with the categories of work listed in Exhibit A.

The City hereby agrees to pay all proper invoices for project related consultant services within forty-five (45) days of receipt of the invoice. Invoices will be paid through funds available in the Administration Expense accounts established with each District Trustee.

For the duration of this Agreement, the Consultant shall not be entitled to fees, including fees for expenses, that exceed the amounts specified in 3.1. The Consultant shall submit invoices in accordance 3.1 which shall include a description of completed Professional Services. The City will pay undisputed portions of the invoice within thirty (30) calendar days of receipt.

ARTICLE IV

CONSULTANT'S OBLIGATIONS

4.1 Industry Standards. The Consultant agrees that the Professional Services rendered under this Agreement shall be performed in accordance with the standards customarily adhered to by an experienced and competent professional consultant firm using the degree of care and skill ordinarily exercised by reputable professionals practicing in the same field of service in the State of California. Where approval by the City Council, Mayor, or other representatives of the City is required, it is understood to be general approval only and does not relieve the Consultant of responsibility for complying with all applicable laws, codes, and good consulting practices.

4.2 Maintenance of Records. The Consultant shall maintain books, records, logs, documents and other evidence sufficient to record all actions taken with respect to the rendering of the Professional Services for the Project, throughout the performance of the Professional Services and for a period of ten years following completion of the Professional Services for the Project. The Consultant further agrees to allow the City to inspect, copy, and audit such books, records, documents and other evidence at all reasonable times.

4.3 Insurance. The Consultant shall not begin any work under this Professional Services Agreement until it has: (a) obtained, and upon the City's request provided to the City, insurance certificates reflecting evidence of all insurance required in below; however, the City reserves the right to request, and the Consultant shall submit, copies of any policy upon reasonable request by the City; (b) obtained City approval of each insurance company or companies; and (c) confirmed that all policies contain the specific provisions required below. Consultant's liabilities, including but not limited to Consultant's indemnity obligations, under this Agreement, shall not be deemed limited in any way to the insurance coverage required herein. Maintenance of specified insurance coverage is a material element of this Agreement and Consultant's failure to maintain or renew coverage or to provide evidence of renewal during the term of this Agreement may be treated as a material breach of contract by the City. The Consultant shall not modify any policy or endorsement thereto which increases the City's exposure to loss for the duration of this Agreement.

4.3.1 Types of Insurance. At all times during the term of this Agreement, the Consultant shall maintain insurance coverage as follows:

Commercial General Liability. Commercial General Liability (CGL) Insurance written on an ISO Occurrence form CG 00 01 07 98 or an equivalent form providing coverage at

least as broad which shall cover liability arising from any and all personal injury or property damage in the amount of \$ 1 million per occurrence and subject to an annual aggregate of \$2 million. There shall be no endorsement or modification of the CGL limiting the scope of coverage for either insured vs. insured claims or contractual liability. All defense costs shall be outside the limits of the policy.

Commercial Automobile Liability. For all of the Consultant's automobiles including owned, hired and non-owned automobiles, the Consultant shall keep in full force and effect, automobile insurance written on an ISO form CA 00 01 12 90 or a later version of this form or an equivalent form providing coverage at least as broad for bodily injury and property damage for a combined single limit of \$1 million per occurrence. Insurance certificate shall reflect coverage for any automobile (any auto).

Workers' Compensation. For all of the Consultant's employees who are subject to this Agreement and to the extent required by the applicable state or federal law, the Consultant shall keep in full force and effect, a Workers' Compensation policy. That policy shall provide a minimum of \$1 million of employers' liability coverage, and the Consultant shall provide an endorsement that the insurer waives the right of subrogation against the City and its respective elected officials, officers, employees, agents and representatives.

4.3.2 Deductibles. All deductibles on any policy shall be the responsibility of the Consultant and shall be disclosed to the City at the time the evidence of insurance is provided.

4.3.3 Acceptability of Insurers. Except for the State Compensation Insurance Fund, all insurance required by this Contract or in the Special General Conditions shall only be carried by insurance companies with a rating of at least "A-, VI" by A.M. Best Company, that are authorized by the California Insurance Commissioner to do business in the State of California, and that have been approved by the City.

The City will accept insurance provided by non-admitted, "surplus lines" carriers only if the carrier is authorized to do business in the State of California and is included on the List of Eligible Surplus Lines Insurers (LESLI list). All policies of insurance carried by non-admitted carriers are subject to all of the requirements for policies of insurance provided by admitted carriers described herein.

4.3.4 Required Endorsements. The following endorsements to the policies of insurance are required to be provided to the City before any work is initiated under this Agreement.

Commercial General Liability Insurance Endorsements

ADDITIONAL INSURED. To the fullest extent allowed by law including but not limited to California Insurance Code Section 11580.04, the policy or policies must be endorsed to include as an Insured the City of San Diego and its respective elected officials, officers, employees, agents and representatives with respect to liability arising out of (a) ongoing operations performed by you or on your behalf, (b) your products, (c) your work, including but not limited to your completed operations performed by you or on your behalf, or (d) premises owned, leased, controlled or used by you.

PRIMARY AND NON-CONTRIBUTORY COVERAGE. The policy or policies must be endorsed to provide that the insurance afforded by the Commercial General Liability policy or policies is primary to any insurance or self-insurance of the City of San Diego and its elected officials, officers, employees, agents and representatives as respects operations of the Named Insured. Any insurance maintained by the City of San Diego and its elected officials, officers, employees, agents and representatives shall be in excess of Consultant's insurance and shall not contribute to it.

SEVERABILITY OF INTEREST. The policy or policies must be endorsed to provide that 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 insurer's liability and shall provide cross-liability coverage.

Automobile Liability Insurance Endorsements

ADDITIONAL INSURED. To the fullest extent allowed by law including but not limited to California Insurance Code Section 11580.04, the policy or policies must be endorsed to include as an Insured the City of San Diego and its respective elected officials, officers, employees, agents and representatives with respect to liability arising out of automobile owned, leased, hired or borrowed by or on behalf of the Consultant.

SEVERABILITY OF INTEREST. The policy or policies must be endorsed to provide that 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 insurer's liability and shall provide cross-liability coverage.

Worker's Compensation and Employer's Liability Insurance Endorsements

WAIVER OF SUBROGATION. The Worker's Compensation policy or policies must be endorsed to provide that the insurer will waive all rights of subrogation against the City and its respective elected officials, officers, employees, agents and representatives for losses paid under the terms of this policy or these policies which arise from work performed by the Named Insured for the City.

4.3.5 Reservation of Rights. The City reserves the right, from time to time, to review the Consultant's insurance coverage, limits, deductible and self-insured retentions to determine if they are acceptable to the City. The City will reimburse the Consultant for the cost of the additional premium for any coverage requested by the City in excess of that required by this Agreement without overhead, profit, or any other markup.

4.3.6 Additional Insurance. The Consultant may obtain additional insurance not required by this Agreement.

4.3.7 Excess Insurance. All policies providing excess coverage to the City shall follow the form of the primary policy or policies including but not limited to all endorsements.

4.4 Drug-Free Workplace. The Consultant agrees to comply with the City's Drug-Free Workplace requirements set forth in Council Policy 100-17, adopted by San Diego Resolution R-277952 and incorporated into this Agreement by this reference (Exhibit "A").

4.5 ADA Certification. The Consultant hereby certifies that it agrees to comply with the City's Americans With Disabilities Act Compliance/City Contracts requirements set forth in Council Policy 100-04, adopted by San Diego Resolution R-282153 and incorporated into this Agreement by this reference.

4.6 Non-Discrimination Requirements.

4.6.1 Compliance with the City's Equal Opportunity Contracting Program. The Consultant shall comply with the City's Equal Opportunity Contracting Program Consultant Requirements. The Consultant shall not discriminate against any employee or applicant for employment on any basis prohibited by law. The Consultant shall provide equal opportunity in all employment practices. The Consultant shall ensure that its Sub-consultants comply with the City's Equal Opportunity Contracting Program Consultant Requirements. Nothing in this Section shall be interpreted to hold the Consultant liable for any discriminatory practice of its Sub-consultants. The Consultant's hiring or retaining of any Sub-consultant to perform services is subject to prior written approval by the City. Should the Consultant retain Sub-consultants with the City's written approval, the Consultant shall comply with all Equal Opportunity Contracting (EOC) requirements. For applicable rules and forms see <http://www.sandiego.gov/eoc/index.shtml>.

4.6.2 Non-Discrimination Ordinance. The Consultant shall not discriminate on the basis of race, gender, religion, national origin, ethnicity, sexual orientation, age, or disability in the solicitation, selection, hiring or treatment of Sub-consultants, vendors or suppliers. The Consultant shall provide equal opportunity for Sub-consultants to participate in sub-consulting opportunities. The Consultant understands and agrees that violation of this clause shall be considered a material breach of the contract and may result in contract termination, debarment, and other sanctions. This language shall be in contracts between the Consultant and any Sub-consultants, vendors and suppliers.

4.6.3 Compliance Investigations. Upon the City's request, the Consultant agrees to provide to the City, within sixty calendar days, a truthful and complete list of the names of all Sub-consultants, vendors, and suppliers that the Consultant has used in the past five years on any of its contracts that were undertaken within San Diego County, including the total dollar amount paid by the Consultant for each subcontract or supply contract. The Consultant further agrees to fully cooperate in any investigation conducted by the City pursuant to the City's Nondiscrimination in Contracting Ordinance [San Diego Municipal Code sections 22.3501-22.3517.] The Consultant understands and agrees that violation of this clause shall be considered a material breach of the contract and may result in remedies being ordered against the Consultant up to and including contract termination, debarment, and other sanctions for violation of the provisions of the Nondiscrimination in Contracting Ordinance. The Consultant further understands and agrees that the procedures, remedies and sanctions provided for in the Nondiscrimination Ordinance apply only to violations of said Nondiscrimination Ordinance.

4.7 Conflict of Interest. The Consultant is subject to all federal, state and local conflict of interest laws, regulations, and policies applicable to public contracts and procurement practices, including but not limited to California Government Code sections 1090, et. seq. and 81000, et. seq., and the City of San Diego Ethics Ordinance, codified in the San Diego Municipal Code at sections 27.3501 to 27.3595.

4.8 Vendor Registration Form. All prospective consultants and sub-consultants, as well as existing consultants and sub-consultants, are required to complete and submit the online Contractor/Vendor Registration form. Registration will be a prerequisite for the following: submission of future consultant agreements or sub-consultant agreements for City projects; acceptance of all future consultant bills and invoices submitted to the City; and award of all future contracts issued by the City. The Consultant can register at <http://www.sandiego.gov/purchasing/vendor/index.shtml>. Contractor/Vendor Registration shall remain valid for two years from the date the registration form is originally submitted, and must be renewed at that time.

4.9 BUSINESS TAX LICENSE. Any company doing business with the City of San Diego is required to comply with Section 31.0301 of the San Diego Municipal Code regarding Business Tax. For more information please visit the City of San Diego website at www.sandiego.gov/treasurer/ or call (619) 615-1500.

The City requires that each Contractor to provide a copy of their Business Tax License, or a copy of their application receipt. Failure to provide the required documents with this agreement may result in a Consultant being declared non-responsive and rejected.

4.10 Submittals. Failure to provide the required submittals listed below with the agreement shall delay completion of the agreement, and therefore, commencement of scope of work and payments to Consultant.

- Complete Insurance Certificates with all Endorsements per Section 4.3;
- Signed Drug Free Workplace Form per 4.4 (Exhibit "A" attached);
- Online Vendor Registration per 4.8;
- Business Tax License per Section 4.9
- Taxpayer Identification Number (W-9) as specified in City of San Diego General Provisions, Section C, paragraph 15, if not currently on file.
(<http://www.irs.gov/formspubs/lists>)

ARTICLE V

INDEMNIFICATION

5.1 Indemnification and Hold Harmless Agreement. With respect to any liability, including but not limited to claims asserted or costs, losses, attorney fees, or payments for injury to any person or property caused or claimed to be caused by the acts or omissions of the Consultant, or Consultant's employees, agents, and officers, arising out of any services performed under this Agreement, the Consultant agrees to defend, indemnify, protect, and hold harmless the City, its agents, officers, and employees from

and against all liability. Also covered is liability arising from, connected with, caused by, or claimed to be caused by the active or passive negligent acts or omissions of the City, its agents, officers, or employees which may be in combination with the active or passive negligent acts or omissions of the Consultant, its employees, agents or officers, or any third party. The Consultant's duty to defend, indemnify, protect and hold harmless shall not include any claims or liabilities arising from the sole negligence or sole willful misconduct of the City, its agents, officers or employees.

5.2 Insurance. The provisions of this Article are not limited by the requirements of Section 4.3 related to insurance.

5.3 Enforcement Costs. The Consultant agrees to pay any and all costs the City incurs enforcing the indemnity and defense provisions set forth in this Article.

ARTICLE VI

MISCELLANEOUS

6.1 Headings. All article headings are for convenience only and shall not affect the interpretation of this Agreement.

6.2 Independent Consultants. The Consultant and any Sub-consultants employed by the Consultant shall be independent consultants and not agents of the City. Any provisions of this Agreement that may appear to give the City any right to direct the Consultant concerning the details of performing the Professional Services, or to exercise any control over such performance, shall mean only that the Consultant shall follow the direction of the City concerning the end results of the performance.

6.3 Jurisdiction and Venue. The venue for any suit or proceeding concerning this Agreement, the interpretation or application of any of its terms, or any related disputes shall be in the County of San Diego, State of California.

6.4 Conflicts Between Terms. If an apparent conflict or inconsistency exists between the main body of this Agreement and the Exhibits, the main body of this Agreement shall control. If a conflict exists between an applicable federal, state, or local law, rule, regulation, order, or code and this Agreement, the law, rule, regulation, order, or code shall control. Varying degrees of stringency among the main body of this Agreement, the Exhibits, and laws, rules, regulations, orders, or codes are not deemed conflicts, and the most stringent requirement shall control. Each Party shall notify the other immediately upon the identification of any apparent conflict or inconsistency concerning this Agreement.

6.5 Notices. In all cases where written notice is required under this Agreement, service shall be deemed sufficient if the notice is deposited in the United States mail, postage paid. Proper notice shall be effective on the date it is mailed, unless provided otherwise in this Agreement. For the purpose of this Agreement, unless otherwise agreed in writing, notice to the City shall be addressed to:

City of San Diego
Chuck Wilcox, Supervising Management Analyst
202 "C" St MS7B
San Diego, CA 92101

and notice to the Consultant shall be addressed to:

David Taussig & Associates, Inc.
5000 Birch Street, Suite 6000
Newport Beach, CA 92660

6.6 Product Endorsement. The Consultant shall conform to the City's Administration Regulation 95.65 concerning product endorsement which requires that any advertisement referring to the City as a user of a product or service will require the prior written approval of the City Manager.

6.7 Ownership of Documents. The City reserves full rights of ownership of all finished or unfinished documents, data, studies, surveys, reports and other material prepared by Consultant under this Agreement.

6.8 Integration/Amendments. This Agreement represents the entire understanding of the City and the Consultant as to those matters contained herein. No prior oral or written understanding shall be of any force or effect with respect to those matters covered hereunder. This Agreement may not be modified or altered except in writing signed by both parties.

6.9 Exhibits Incorporated. All Exhibits referenced in this Agreement are incorporated into the Agreement by this reference.

IN WITNESS WHEREOF, this Agreement is executed by the City of San Diego, acting by and through its Mayor or designee, pursuant to San Diego City Charter Section 265 authorizing such execution, and by the Consultant, David Taussig, & Associates.

I HEREBY CERTIFY that I can legally bind David Taussig & Associates and that I have read all of this Agreement this _____ day of _____, 2008.

DAVID TAUSSIG & ASSOICATES

BY: _____
CONSULTANT

DATE SIGNED _____

**CITY OF SAN DIEGO
A MUNICIPAL CORPORATION**

001413

By: _____
Tammy Rimes, Assistant Department Director

DATE SIGNED _____

I HEREBY APPROVE the form and legality of the foregoing Agreement this
_____ day of _____, 2008.

Michael Aguirre, City Attorney:

By: _____
Deputy City Attorney

DATE SIGNED _____

EXHIBIT "A"

CONSULTANT CERTIFICATION FOR A DRUG-FREE WORKPLACE

PROJECT TITLE: _____

I hereby certify that I am familiar with the requirement of San Diego City Council Policy No. 100-17 regarding Drug-Free Workplace as outlined in the request for proposals, and that:

(Name under which business is conducted)

has in place a drug-free workplace program that complies with said policy. I further certify that each subcontract agreement for this project contains language which indicates the Sub-consultants agreement to abide by the provisions of Section 4.9.1 subdivisions A through C of the policy as outlined.

Signed _____

Printed Name _____

Title _____

Date _____