

**OVERSIGHT BOARD OF THE SUCCESSOR AGENCY
OF THE MURRIETA REDEVELOPMENT AGENCY**

AGENDA

**1 TOWN SQUARE
MURRIETA, CALIFORNIA 92562**

**JUNE 19, 2018
2:00 P.M. REGULAR MEETING**

BOARD MEMBERS:

Kim Summers, *Mayor's Appointee*
Scott Ferguson, *Fire Chief, Largest Special District Appointee*
Matt Snellings, *County Superintendent of Education Appointee*
Patrick Kelley, *Board of Supervisors Appointee*
Stacey Stevenson, *Mayor's Appointee*
Dr. Roger Schultz, *California Community Colleges Appointee*
Ruthanne Taylor Berger, *Board of Supervisors Appointee*

STAFF:

Karrie Swaine, *Interim Deputy Director - Finance*
Stephanie Lawson, *Management Analyst*
Lorie Abeles, *Secretary*

CALL TO ORDER Chair Taylor Berger

ROLL CALL

PLEDGE OF ALLEGIANCE

ADMINISTRATIVE ACTION

1. Approval of minutes from the January 22, 2018 meeting.

STAFF REPORTS

1. Approve an agreement with RSG for Successor Agency Administrative and Consulting Services from July 1, 2018 to June 30, 2021

RECOMMENDATION

It is recommended the Oversight Board adopt a resolution authorizing a three year agreement with an option to renew for an additional two (2) one (1) year terms for administrative and consulting services between the Murrieta Successor Agency and RSG, Inc. for an amount not to exceed \$75,000; and add an additional \$3,000 to fiscal year 2017/18 to cover additional costs.

PUBLIC COMMENTS

Any member of the public may address the Board during the public comments portion of the agenda on items within the Board's jurisdiction that are not already scheduled for consideration on this agenda. However, the Board can take no action on matters that are not part of the posted agenda. A time limit of three minutes may be applied on each individual addressing the Board.

ADJOURNMENT Adjourn off calendar.



The City of Murrieta Intends to Comply with the **Americans with Disabilities Act (ADA)**. Persons with special needs should call Lorie Abeles at the Clerk of the Board office at (951) 461-6060 at least 72 hours in advance.

Any writings or documents provided to a majority of the Board regarding any item on this agenda will be made available for public inspection at the Public Counter at City Hall located at 1 Town Square, Murrieta, CA during normal business hours.

MINUTES

OVERSIGHT BOARD OF THE SUCCESSOR AGENCY OF THE MURRIETA REDEVELOPMENT AGENCY

1 TOWN SQUARE
MURRIETA, CALIFORNIA 92562

JANUARY 22, 2018
4:30 P.M. REGULAR MEETING

CALL TO ORDER Chairperson Taylor Berger called the meeting to order at 4:30 p.m.

ROLL CALL PRESENT: Scott Ferguson*, Linda Lee, Roger Schultz, Kim Summers and Ruthanne Taylor Berger
**Joined the meeting at 4:36 p.m.*

ABSENT: Patrick Kelley and Matt Snellings

STAFF PRESENT: Karrie Swaine, Interim Deputy Director - Finance; Stephanie Lawson, Management Analyst; Lorie Abeles, Secretary; Tara Matthews, RSG (Consultant)

PLEDGE OF ALLEGIANCE

ADMINISTRATIVE ACTION

1. Approval of Minutes

ACTION: Moved by Board member Le, seconded by Board member Summers, to approve the minutes from the meeting of May 15, 2017; motion unanimously carried.

STAFF REPORTS

1. Approval of the Recognized Obligation Payment Schedule 18-19 and the Administrative Budget for July 2018 through June 2019.

Karrie Swaine gave the presentation.

ACTION: Moved by Board member Schultz, seconded by Board member Summers, and unanimously carried to approve Resolution OB-2018-1, adopting the Resolution approving the Annual Recognized Obligation Payment Schedule ("ROPS") 18-19 and the Successor Agency Administrative Budget, both for the period July 1, 2018 through June 30, 2019, pursuant to Assembly Bill ("AB") X1 26, AB 1484, AB 471, and Senate Bill ("SB") 107 and Authorize the transmission of ROPS 18-19 to the Department of Finance ("DOF") and the Riverside County Auditor/Controller ("CAC").

2. Approve a Bond Proceeds Expenditure Agreement between the Successor Agency to the Murrieta Redevelopment Agency and the City of Murrieta

Karrie Swaine gave the presentation.

ACTION: Moved by Board member Le, seconded by Board member Schultz, and unanimously carried to approve Resolution OB-2018-2 approving the Bond Proceeds Expenditure Agreement between the Successor Agency to the Murrieta Redevelopment Agency (“Successor Agency”) and the City of Murrieta (“City”) for the transfer of \$20,556,236 in excess bond proceeds to the City for implementation of projects consistent with the original bond covenants.

PUBLIC COMMENTS

None.

ADJOURNMENT

At 4:38 p.m., it was unanimously carried to adjourn off calendar.

OVERSIGHT BOARD CHAIR

SECRETARY

REQUEST FOR OVERSIGHT BOARD ACTION

Subject: APPROVE AN AGREEMENT WITH RSG FOR SUCCESSOR AGENCY ADMINISTRATIVE AND CONSULTING SERVICES FROM JULY 1, 2018 TO JUNE 30, 2021

Date: June 19, 2018

Prepared by: Stephanie Lawson, Management Analyst

Approved by: Karrie Swaine, Interim Deputy Director Finance

RECOMMENDATION

It is recommended the Oversight Board adopt a resolution authorizing a three year agreement with an option to renew for an additional two (2) one (1) year terms for administrative and consulting services between the Murrieta Successor Agency and RSG, Inc. for an amount not to exceed \$75,000; and add an additional \$3,000 to fiscal year 2017/18 to cover additional costs.

BACKGROUND

The City of Murrieta, as the Successor Agency to the former Murrieta Redevelopment Agency, is required to navigate new legislation, address property disposition, and file annual reports with the Oversight Board and the Department of Finance.

To maintain compliance with state and federal requirements, the Successor Agency entered into an Agreement with RSG, Inc. (Consultant) for the 2017/18 fiscal year. The scope of service included the following:

1. Budget and cash flow work
2. Completion of the Annual Recognized Obligation Payment Schedule (ROPS) & administrative budgets
3. Assist with county prior period adjustments
4. Navigate new legislation and transition to a single countywide oversight board
5. Complete an accounting review & recommend adjustments as needed
6. Assist with property disposition
7. Additional administrative services as needed

Primarily due to the supplementary review of the past reports and training of new staff related to reporting obligations, the initial cost of these services for the 2017/2018 fiscal year exceeded the not to exceed amount of \$20,000 by \$3,000. With this item, staff seeks approval for the additional \$3,000 in funding for fiscal year 2017/18.

In addition, staff projects a need for the continuation of the above services beyond the expiration of the current one year agreement. Given the current consultant's thorough knowledge and understanding of the Successor Agency's existing budget, cash flow and ROPS calculations, it is most efficient and effective to maintain an agreement with RSG. Therefore, staff seeks to enter into a new three (3) year agreement with RSG with the option for two (2) one year extensions. As stated, the initial one year



agreement was for \$20,000. With the majority of the initial clean-up review completed, RSG has agreed to decrease the annual cost of the agreement to \$15,000 for a total of \$75,000 over five years.

FISCAL IMPACT

An annual expenditure funded from the Finance Division's Contract Services account in the amount of \$78,000 is broken down as follows:

- \$ 3,000 in 2017/2018
- \$15,000 in 2018/2019
- \$15,000 in 2019/2020
- \$15,000 in 2020/2021

If the option to renew is exercised:

- \$15,000 in 2021/2022
- \$15,000 in 2022/2023

ATTACHMENTS

1. Resolution Authorizing an Agreement with RSG for Successor Agency Administrative and Consulting Services.
2. Contract Agreement for Administrative and Consulting Services to the Successor Agency with RSG, Inc.

**AGREEMENT BETWEEN THE MURRIETA REDEVELOPMENT SUCCESSOR AGENCY
AND
RSG, Inc.**

This Agreement ("Agreement"), made this 19th day of June, 2018, by and between the MURRIETA REDEVELOPMENT SUCCESSOR AGENCY, duly organized and existing under and by virtue of the laws of the State of California ("SUCCESSOR AGENCY"), and RSG, Inc., a California Corporation ("CONSULTANT") with reference to the following facts which are acknowledged by each party as true and correct:

RECITALS

A. SUCCESSOR AGENCY is formed and existing pursuant to the provisions of the California Health and Safety Code.

B. SUCCESSOR AGENCY is authorized to enter into consultant agreements under the provisions of Parts 1.8 and 1.85 of Division 24 of the California Health and Safety Code ("Dissolution Act").

C. SUCCESSOR AGENCY desires or is in need of Successor Agency Administrative and Consulting services.

D. CONSULTANT has special knowledge, experience and facilities for accomplishing the above services.

E. SUCCESSOR AGENCY now desires to retain CONSULTANT to accomplish the above services, and CONSULTANT is willing to be so retained pursuant to the terms and conditions of this Agreement.

AGREEMENT

NOW, THEREFORE, it is agreed by and between the parties as follows:

OPERATIVE PROVISIONS

1. RESPONSIBILITIES OF CONSULTANT

1.1 CONSULTANT shall undertake to carry on the scope of services as listed in the attached Scope of Services (refer to Exhibit "A"), which is attached to and made a part of this Agreement. To the extent the provisions of Exhibit "A" are ambiguous in relation to the provisions of this Agreement, inconsistent with the provisions of this Agreement, or expand upon the provisions of this Agreement, the provisions of this Agreement shall take precedence and the provisions of Exhibit "A" shall not apply. These duties may be adjusted from time to time as agreed upon in writing by CONSULTANT and SUCCESSOR AGENCY. Any additional services authorized by SUCCESSOR AGENCY shall be subject to all terms and conditions of this Agreement, except as modified in writing in accordance with Section 24.

1.2 Representations. CONSULTANT will perform the services set out in this Agreement, as contemplated herein, in an efficient, timely, and professional manner, and in accordance with generally accepted standards for performing similar services. It is understood that SUCCESSOR AGENCY, in entering into this Agreement, is relying on CONSULTANT's

representations for quality and professional work performed in a timely manner, and CONSULTANT shall perform in accordance with those representations and standards.

1.3 Monthly Written Reports. The Representative of CONSULTANT shall prepare and submit to the designated SUCCESSOR AGENCY representative a monthly written report specifying the activities of CONSULTANT pursuant to this Agreement. CONSULTANT shall prepare the monthly written report in a format acceptable to the SUCCESSOR AGENCY. CONSULTANT shall submit the monthly written report to the SUCCESSOR AGENCY by the second Friday of each month.

2. ADMINISTRATION OF AGREEMENT

2.1 SUCCESSOR AGENCY appoints its Executive Director, or his designee, to administer SUCCESSOR AGENCY's rights under this Agreement, and to review the work performed by CONSULTANT pursuant to the scope of services.

2.2 CONSULTANT shall keep the Executive Director, SUCCESSOR AGENCY's representative, or his designee or designees, fully informed as to the progress of the work and shall submit to SUCCESSOR AGENCY such oral and written reports as SUCCESSOR AGENCY may specify.

2.3 This Agreement shall be administered on behalf of the parties hereto, and any notice desired or required to be sent to a party hereunder shall be addressed, as follows:

SUCCESSOR AGENCY:	Successor Agency
Address:	City of Murrieta One Town Square 24601 Jefferson Avenue Murrieta, CA 92562
Phone:	(951) 461-6010
Facsimile:	(951) 461-6430
CONSULTANT:	RSG, Inc.
CONSULTANT:	Tara Matthews, Principal
Address:	309 W 4 th Street Santa Ana, CA 92701
Phone:	(714) 541-4585
Facsimile:	(714) 541-1175

3. TERM

3.1 The term of this Agreement shall be from 7/1/2018 until 6/30/2021. Agreement shall be renewable at the SUCCESSOR AGENCY's option for a maximum of two (2) one (1) year extensions unless written notice is provided by SUCCESSOR AGENCY of intention not to renew.

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

4. PAYMENT TO CONSULTANT

4.1 Consideration. In consideration of the services to be performed by CONSULTANT for the SUCCESSOR AGENCY as set forth in Section 1, the SUCCESSOR AGENCY agrees to pay CONSULTANT the sum of Fifteen Thousand Dollars (\$15,000) per year.

4.2 Additional Services. If SUCCESSOR AGENCY desires any additional services ("Additional Services"), CONSULTANT may, upon written request by the SUCCESSOR AGENCY, furnish a proposal including an itemized statement of the estimated cost of the Additional Services thereof, and the SUCCESSOR AGENCY may modify or alter the proposal, or may reject the proposal in its entirety, at its sole discretion, or may direct the submission of a new proposal which may be accepted, altered or rejected. Upon the written approval of any Additional Services including costs by CONSULTANT and SUCCESSOR AGENCY, CONSULTANT shall perform the Additional Services and SUCCESSOR AGENCY will pay to CONSULTANT the cost of the Additional Services as agreed in writing. All money due for Additional Services shall be supported by a detailed statement of CONSULTANT showing the basis of said claims, and certified by proper officers of CONSULTANT.

4.3 Payments. Payment of CONSULTANT's fee shall be made in accordance with SUCCESSOR AGENCY's normal schedule for issuance of checks. CONSULTANT agrees and acknowledges that it is CONSULTANT's sole responsibility to report as income all compensation received from SUCCESSOR AGENCY, and to make the requisite tax filings and payments to the appropriate federal, state and local tax authorities.

5. STATUS OF CONSULTANT

5.1 Independent Contractor. It is understood and agreed that SUCCESSOR AGENCY is interested only in the results obtained from service hereunder and that CONSULTANT shall perform as an independent contractor with sole control of the manner and means of performing the services required under this Agreement. CONSULTANT shall complete this Agreement according to its own methods of work which shall be in the exclusive charge and control of CONSULTANT and which shall not be subject to control or supervision by the SUCCESSOR AGENCY, except as to the results of the work. CONSULTANT is, for all purposes arising out of this Agreement, an independent contractor, and neither CONSULTANT, nor its employees, agents and representatives shall be deemed an employee of the SUCCESSOR AGENCY for any purpose.

5.2 Employee Benefits. CONSULTANT shall be responsible for all salaries, payments, insurance and benefits for all of its officers, agents, representatives and employees in performing services pursuant to this Agreement. It is expressly understood and agreed that CONSULTANT and its employees, agents, and representatives shall in no event be entitled to any SUCCESSOR AGENCY benefits to which SUCCESSOR AGENCY employees are entitled, including, but not limited to, overtime, retirement benefits, insurance, vacation, worker's compensation, sick or injury leave or other benefits.

5.3 Workers' Compensation Insurance. CONSULTANT agrees to procure and maintain in full force and effect Workers' Compensation Insurance covering its employees and agents while these persons are participating in the activities hereunder, as provided in Section 6.1.2 of this Agreement.

5.4 Prevailing Wages. Pursuant to the provisions of section 1773 of the Labor Code of the State of California, the Agency has obtained the general prevailing rate of per diem

wages and the general rate for holiday and overtime work in this locality for each craft, classification, or type of workman needed to execute this Agreement, from the Director of the Department of Industrial Relations. These rates are on file with the Secretary. Copies may be obtained at cost at the Secretary's office. CONSULTANT shall post a copy of such rates at their office and shall pay the adopted prevailing wage rates as a minimum. If applicable, CONSULTANT shall comply with the provisions of sections 1773.8, 1775, 1776, 1777.5, 1777.6, and 1813 of the Labor Code and any other applicable laws.

Pursuant to the provisions of section 1775 of the Labor Code, CONSULTANT shall forfeit to SUCCESSOR AGENCY, as a penalty, the sum of fifty dollars (\$50.00) for each calendar day, or portion thereof, for each laborer, worker, or mechanic employed, paid less than the stipulated prevailing rates for any work done under this Agreement, by him or by any sub-consultant under him, in violation of the provisions of this Agreement.

6. INSURANCE

CONSULTANT shall not begin the services under this Agreement until it has: (a) obtained, and upon the SUCCESSOR AGENCY's request, provided to the SUCCESSOR AGENCY, insurance certificates reflecting evidence of all insurance required in this Section 6; however, SUCCESSOR AGENCY reserves the right to request, and CONSULTANT shall submit, copies of any policy upon reasonable request by SUCCESSOR AGENCY; (b) obtained SUCCESSOR AGENCY approval of each company or companies as required by Section 6; and (c) confirmed that all policies contain the specific provisions required in Section 6.

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

6.1.1 Commercial General Liability. Commercial General Liability (CGL) Insurance written on an occurrence basis to protect CONSULTANT and SUCCESSOR AGENCY against liability or claims of liability which may arise out of this Agreement in the amount of One Million Dollars (\$1,000,000) per occurrence and subject to an annual aggregate of One Million Dollars (\$1,000,000). There shall be no endorsement or modification of the CGL limiting the scope of coverage for either insured vs. insured claims or contractual liability.

6.1.2 Workers' Compensation. For all of CONSULTANT's employees who are subject to this Agreement and to the extent required by applicable state or federal law, CONSULTANT shall keep in full force and effect a Workers' Compensation policy. That policy shall provide employers' liability coverage as required by applicable state and/or federal Workers' Compensation laws, and CONSULTANT shall provide an endorsement that the insurer waives the right of subrogation against the SUCCESSOR AGENCY and its respective elected officials, officers, employees, agents and representatives. In the event a claim under the provisions of the California Workers' Compensation Act is filed against SUCCESSOR AGENCY by a bona fide employee of CONSULTANT participating under this Agreement, CONSULTANT agrees to defend and indemnify the SUCCESSOR AGENCY from such claim.

6.1.3 Professional Liability. For all of CONSULTANT's employees who are subject to this Agreement, CONSULTANT shall keep in full force and effect Professional Liability coverage for professional liability with a limit of One Million Dollars (\$1,000,000) per claim and One Million Dollars (\$1,000,000) annual aggregate. CONSULTANT shall

ensure both that: (1) the policy retroactive date is on or before the date of commencement of services under this Agreement; and (2) the policy will be maintained in force for a period of four years after termination of this Agreement or substantial completion of services under this Agreement, whichever occurs last. CONSULTANT agrees that for the time period defined above, there will be no changes or endorsements to the policy that increase the SUCCESSOR AGENCY's exposure to loss.

6.2 Insurer Requirements. All insurance required by express provision of this Agreement shall be carried only by responsible insurance companies that are rated "A-" and "V" or better by the A.M. Best Key Rating Guide, and are licensed to do business in the State of California. SUCCESSOR AGENCY will accept insurance provided by non-admitted "surplus lines" carriers only if the carrier is authorized to do business in the State of California.

6.3 Deductibles. All deductibles on any policy shall be the responsibility of CONSULTANT and shall be disclosed to SUCCESSOR AGENCY at the time the evidence of insurance is provided.

6.4 Specific Provisions Required. Each policy required under this Section 6 shall expressly provide, and an endorsement shall be submitted to SUCCESSOR AGENCY, that: (a) the policies are primary and non-contributory to any insurance that may be carried by SUCCESSOR AGENCY; and (b) SUCCESSOR AGENCY is entitled to thirty (30) days' prior written notice (10 days for cancellation due to non-payment of premium) of cancellation, material reduction, or non-renewal of the policy or policies. Additionally, the CGL policy shall expressly provide, and an endorsement shall be submitted to SUCCESSOR AGENCY, that the Murrieta Redevelopment Successor Agency and its respective officers and employees are additional insureds under the policy.

6.5 Indemnity Not Limited by Insurance. CONSULTANT's liabilities, including, but not limited to, CONSULTANT's indemnity and defense 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 SUCCESSOR AGENCY.

7. AUDIT AND INSPECTION OF RECORDS

At any time during CONSULTANT's normal business hours and as often as SUCCESSOR AGENCY may deem necessary, and upon reasonable notice, CONSULTANT shall make available to SUCCESSOR AGENCY, or any of its duly authorized representatives, for examination, audit, excerpt, copying or transcribing, all data, records, investigation reports and all other materials respecting matters covered by this Agreement. CONSULTANT will permit SUCCESSOR AGENCY to audit and to make audits of all invoices, materials, payrolls, records of personnel and other data related to all matters covered by this Agreement. All material referenced in this Section, including all pertinent cost accounting, financial records, and proprietary data, must be kept and maintained by CONSULTANT for a period of at least four (4) years, or for the period required by law, whichever is greater, after completion of CONSULTANT's performance hereunder, unless SUCCESSOR AGENCY's written permission is given to dispose of same prior to that time.

8. CONFIDENTIALITY AND USE OF INFORMATION

8.1 Except as otherwise provided by law, all reports, communications, documents and information obtained or prepared by CONSULTANT respecting matters covered by this Agreement shall not be published without prior written consent of Executive Director or his designees, nor shall CONSULTANT issue any news releases or publish information relating to its services hereunder without the prior written consent of the Executive Director. CONSULTANT shall hold in trust for the SUCCESSOR AGENCY, and shall not disclose to any person, any confidential information. Confidential information is information which is related to the SUCCESSOR AGENCY's research, development, trade secrets and business affairs, but does not include information which is generally known or easily ascertainable by nonparties through available public documentation.

8.2 CONSULTANT shall advise SUCCESSOR AGENCY of any and all materials used, or recommended for use, by CONSULTANT to achieve the project goals that are subject to any copyright restrictions or requirements. In the event CONSULTANT shall fail to so advise SUCCESSOR AGENCY and, as a result of the use of any programs or materials developed by CONSULTANT under this Agreement, SUCCESSOR AGENCY should be found in violation of any copyright restrictions or requirements, CONSULTANT agrees to indemnify and hold harmless SUCCESSOR AGENCY against any action or claim brought by the copyright holder.

8.3 Ownership of Records. All records created by the CONSULTANT shall become the property of the SUCCESSOR AGENCY and shall be subject to state law and SUCCESSOR AGENCY policies governing privacy and access to files. The SUCCESSOR AGENCY shall have access to and the right to examine all books, documents, papers and records of the CONSULTANT involving transactions and work related to this Agreement. The CONSULTANT shall retain all copies of records for a period of five (5) years from the date of final payment.

9. NOTICE

All notices or demands to be given under this Agreement by either party to the other shall be in writing and given either by: (a) personal service, (b) by U.S. Mail, mailed either by certified mail, return receipt requested, with postage prepaid and addressed to the party to whom the notice is directed, or (c) via facsimile transmission (with proof of confirmation by sender). Service shall be considered given when received if personally served or, if mailed, two days after deposit in the United States Mail by certified mail, return receipt requested. The address to which notices or demands may be given by either party may be changed by written notice given in accordance with the notice provisions of this section. At the date of this Agreement, the addresses of the parties are as set forth in Section 2 above.

10. TERMINATION FOR CAUSE

10.1 SUCCESSOR AGENCY may terminate this Agreement upon giving of written notice of intention to terminate for cause. Cause shall include: (a) a material violation of any of the covenants, agreements, or stipulations of this Agreement by CONSULTANT, (b) CONSULTANT, through any cause, failing to fulfill in a timely and proper manner its obligations under this Agreement, (c) any act by CONSULTANT exposing SUCCESSOR AGENCY to liability to others for personal injury or property damage, or (d) if CONSULTANT is adjudged bankrupt, CONSULTANT makes a general assignment for the benefit of creditors, or a receiver is appointed on account of CONSULTANT's insolvency. Written notice by SUCCESSOR AGENCY of termination for cause shall contain the reasons for such intention to terminate and shall specify the effective date thereof. Unless prior to the effective date of the termination for cause the condition or violation shall cease, or satisfactory arrangements for the correction

thereof be made, this Agreement shall cease and terminate on the effective date specified in the written notice by SUCCESSOR AGENCY.

10.2 In the event of such termination, CONSULTANT shall be paid the reasonable value of satisfactory services rendered up to the date of receipt of the notice of termination in accordance with this Agreement, less any payments theretofore made, as determined by SUCCESSOR AGENCY, not to exceed the amount payable herein, and CONSULTANT expressly waives any and all claims for damages or compensation arising under this Agreement in the event of such termination, except as set forth herein.

11. TERMINATION FOR CONVENIENCE OF SUCCESSOR AGENCY

11.1 SUCCESSOR AGENCY may terminate this Agreement at any time and for any reason by giving written notice to CONSULTANT of such termination, and specifying the effective date thereof, at least fifteen (15) days prior to the effective date.

11.2 If the Agreement is terminated as provided in this Section, CONSULTANT shall be entitled to receive compensation for any satisfactory work completed up to the receipt by CONSULTANT of notice of termination, less any payments theretofore made and not to exceed the amount payable herein, and for satisfactory work completed between the receipt of notice of termination and the effective date of termination pursuant to a specific request by SUCCESSOR AGENCY for the performance of such work.

12. PERFORMANCE AFTER TERMINATION

Upon termination of this Agreement as provided herein, CONSULTANT shall, within such reasonable time period as may be directed by Executive Director, complete those items of work which are in various stages of completion and which Executive Director determines are necessary to be completed by CONSULTANT to allow the project to be completed in a timely, logical, and orderly manner. Upon termination, all finished or unfinished documents, data, studies, surveys, drawings, models, photographs, reports, and other materials prepared by CONSULTANT shall be delivered to the Executive Director, upon his request, as property of SUCCESSOR AGENCY.

13. DEFENSE AND INDEMNIFICATION

13.1 CONSULTANT shall, to the fullest extent permitted by law, hold harmless, protect, defend (with attorneys approved by SUCCESSOR AGENCY) and indemnify the SUCCESSOR AGENCY, its council, and each member thereof, its officers, agents, employees, representatives, and their successors and assigns, from and against any and all losses, liabilities, claims, suit damage, expenses and costs including reasonable attorney's fees and costs, and expert costs and investigation expenses ("Claims"), which arise out of or are in any way connected to the performance under this Agreement or any negligent or wrongful act or omission by CONSULTANT, its officers, employees, representatives, subcontractors, or agents regardless of whether or not such claim, loss or liability is caused in part by a party indemnified hereunder. CONSULTANT shall have no obligation, however, to defend or indemnify SUCCESSOR AGENCY if it is determined by a court of competent jurisdiction that such Claim was caused by the sole negligence or willful misconduct of SUCCESSOR AGENCY.

13.2 General Indemnity Provisions. This indemnity is in addition to any other rights or remedies which SUCCESSOR AGENCY may have under the law or this Agreement. In the

event of any claim or demand made against any party which is entitled to be indemnified hereunder, SUCCESSOR AGENCY may, at its sole discretion, reserve, retain or apply any monies due to CONSULTANT under this Agreement for the purpose of resolving such claims; provided however, that SUCCESSOR AGENCY may release such funds if CONSULTANT provides SUCCESSOR AGENCY with reasonable assurances of protection of the SUCCESSOR AGENCY's interest. The SUCCESSOR AGENCY shall, in its sole discretion determine whether such assurances are reasonable.

CONSULTANT agrees that its duty to defend the indemnities arises upon an allegation of liability based upon the performance of services under this Agreement by CONSULTANT, its officers, agents, representatives, employees, sub-consultants, or anyone for whom CONSULTANT is liable and that an adjudication of CONSULTANT's liability is not a condition precedent to CONSULTANT's duty to defend.

14. CONFLICT OF INTEREST

14.1 CONSULTANT shall be bound by the requirements of the FPPC (Fair Political Practice Commission) and state law with regard to disclosure of financial interests and prohibited conflicts of interest.

14.2 Prior to execution of this Agreement, CONSULTANT shall disclose in writing to SUCCESSOR AGENCY any and all compensation, actual or potential, which CONSULTANT may receive in any form from a party other than SUCCESSOR AGENCY as a result of performance of this Agreement by CONSULTANT. If CONSULTANT becomes aware of the potential for such compensation subsequent to the execution of this Agreement, CONSULTANT shall disclose such compensation within three (3) working days of becoming aware of the potential for such compensation.

14.3 Prior to or concurrent with making any recommendation of any products or service for purchase by the SUCCESSOR AGENCY, CONSULTANT shall disclose any financial interest that CONSULTANT may have in any manufacturer or provider of the recommended products or services. The term "financial interest" includes, but is not limited to, employment (current or prospective) or ownership interest of any kind and degree.

14.4 CONSULTANT shall not conduct business for third parties which may be in conflict with CONSULTANT's responsibilities under this Agreement. CONSULTANT may not solicit any business during the term of this Agreement which conflicts with its responsibilities under this Agreement. CONSULTANT shall provide no services for any private client within the corporate boundaries or sphere of influence of SUCCESSOR AGENCY during the period of this Agreement which may constitute a conflict of interest.

15. ASSIGNMENT

No portion of this Agreement or any of the work to be performed hereunder may be assigned or delegated (including hiring and retaining use of any other person or entity for any purpose, except for those certain subconsultants specifically included in the attached "Scope of Services") by CONSULTANT without the express written consent of SUCCESSOR AGENCY, nor may any interest in this Agreement be transferred (whether by assignment or novation) by CONSULTANT without the express written consent of SUCCESSOR AGENCY, and without such consent all services hereunder are to be performed by CONSULTANT, its officers, agents and employees. However, claims for money due or to become due to CONSULTANT from

SUCCESSOR AGENCY under this Agreement may be assigned to a bank, trust company, or other financial institution without such approval. Notice of such assignment or transfer shall be furnished promptly to SUCCESSOR AGENCY. Any assignment requiring approval may not be further assigned without SUCCESSOR AGENCY approval.

16. SURVIVAL

CONSULTANT's representations, insurance and indemnity obligations, and performance obligations post-termination shall survive termination of this Agreement.

17. COMPLIANCE WITH APPLICABLE LAWS

CONSULTANT agrees to comply with all federal, state and local laws, rules, regulations and ordinances that are now or may in the future become applicable to CONSULTANT, CONSULTANT's business, equipment and personnel engaged in activities covered by this Agreement or arising out of the performance of such activities.

18. PERMITS/LICENSES

CONSULTANT and all of CONSULTANT's employees or agents shall secure and maintain in force such permits and licenses as are required by law in connection with the furnishing of services pursuant to this Agreement.

19. NONDISCRIMINATION IN EMPLOYMENT

CONSULTANT agrees that it will not engage in unlawful discrimination in employment and shall comply with all applicable laws and regulations of SUCCESSOR AGENCY and/or all other relevant government agencies, including, but not limited to, the California Department of Fair Employment and Housing and the Federal Equal Employment Opportunity Commission. Also, CONSULTANT certifies and agrees that all persons employed by CONSULTANT, its affiliates, subsidiaries and related entities, if any, will be treated equally by CONSULTANT, without unlawful discrimination based upon creed, sex, race, national origin, or any other classification prohibited by state or federal law. If SUCCESSOR AGENCY finds that any of the provisions of this Section have been violated, such violation shall constitute a material breach of this Agreement, upon which SUCCESSOR AGENCY may determine to cancel, terminate, or suspend this Agreement. While SUCCESSOR AGENCY reserves the right to determine independently that the anti-discrimination provisions of the Agreement have been violated, in addition, a determination by the California Fair Employment Practices Commission or California Department of Fair Employment and Housing, or successor agency, or the Federal Equal Employment Opportunity Commission, or successor agency, that CONSULTANT has violated state or federal anti-discrimination laws relative to this Agreement shall constitute a finding by SUCCESSOR AGENCY that CONSULTANT has violated the anti-discrimination provisions of this Agreement.

20. NON-WAIVER

The failure of SUCCESSOR AGENCY or CONSULTANT to seek redress for violation of, or to insist upon, the strict performance of any term or condition of this Agreement shall not be deemed a waiver by that party of such term or condition, or prevent a subsequent similar act from again constituting a violation of such term or condition. Payment to CONSULTANT of compensation under this Agreement shall not be deemed to waive SUCCESSOR AGENCY's

rights or CONSULTANT's rights contained in this Agreement.

21. SEVERABILITY

If any term, condition or provision of this Agreement is held by a court of competent jurisdiction to be unenforceable, invalid, or void, the remaining provisions will nevertheless continue in full force and effect and shall not be affected, impaired or invalidated in any way.

22. DISPUTES

In the event that any action is brought by either party to construe this Agreement or enforce any of its terms, the prevailing party shall be entitled to recover its reasonable attorneys' fees and costs incurred, whether or not the matter proceeds to judgment.

23. REMEDIES

The rights and remedies of the SUCCESSOR AGENCY provided in this Agreement are not intended to be exclusive, and are in addition to any other rights and remedies permitted by law.

24. ENTIRE AGREEMENT/AMENDMENT

This Agreement and any exhibits attached hereto constitute the entire agreement between the parties and supersede any prior or contemporaneous understanding or agreement with respect to the services contemplated, and may be amended only by a written amendment executed by both parties to the Agreement.

25. GOVERNING LAW/VENUE

The terms and conditions of this Agreement shall be governed by the laws of the State of California. Any action or proceeding brought by any party against any other party arising out of or related to this Agreement shall be brought exclusively in Riverside County.

26. BINDING AGREEMENT

This Agreement is intended to be binding on the parties and their respective successors and assigns.

27. NUMBER

The plural shall include the singular, and the singular shall include the plural and neuter wherever the context so indicates or requires.

28. WARRANTY OF AUTHORITY

Each of the parties signing this Agreement warrants to the other that it has the full authority of the entity on behalf of which its signature is made.

29. COUNTERPARTS

This Agreement may be executed in counterparts, all of which taken together will be considered one original document.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed the day and year first above written.

SUCCESSOR AGENCY

Jonathan Ingram, Chair

Name of Consultant

Name/title of signatory [please print]

Signature

Attest:

Stephanie D. Smith, Secretary

Name/title of signatory [if necessary]

Signature

Approved as to Form:

Leslie E. Devaney, Agency Counsel

EXHIBIT A

Scope of Services

Task 1: Budget and Cash Flow Work

RSG will maintain a working cash flow model for the Successor Agency to anticipate any future budget shortfalls and plan for the repayment of loans whose repayment scheduled depends on the Agency's cash flow.

Task 2: Complete ROPS and accompanying Administrative Budgets

At this time, the Successor Agency must submit a Recognized Obligation Payment Schedule ("ROPS") to the Oversight Board and Department of Finance every year, with an optional Amended ROPS that can be submitted in between. RSG will assist the Successor Agency in completing all ROPS due throughout the life of this contract. Should an issue arise during the Department of Finance's review of a ROPS, RSG would assist the Successor Agency in drafting a Meet and Confer request and is available to attend the meeting.

The Successor Agency must submit an annual administrative budget supporting the use of the \$250,000 annual administrative allowance allowed by law. RSG will assist the Successor Agency in preparing the annual administrative budgets, which will be submitted along with the ROPS.

Task 3: Assist with County Prior Period Adjustments

Commencing October 1, 2018 and annually thereafter, the differences between actual payments and past estimated and approved obligations on the ROPS shall be submitted by the Successor Agency to the Riverside County Auditor-Controller for review and adjustment to future distributions. RSG will assist the Successor Agency with this process once it officially begins and will coordinate with the County as needed.

Task 4: Help Navigate New Legislation and Transition to a Single Countywide Oversight Board

RSG will keep abreast of legislative changes and help the Successor Agency adapt and adjust their processes as needed. As an example, on July 1, 2018, there will be one oversight board for all successor agencies in the Riverside County Second and the Murrieta Oversight Board will be terminated. RSG will assist the Successor Agency in this transition.

Task 5: Complete an Accounting Review and Recommend Adjustments between Funds

RSG has begun a review of the Successor Agency's various funds (including general RPTTF, property-specific, and CFD accounts). RSG will continue this work and recommend appropriate transfers so that all account balances are positive. Once accounts are in order, RSG will continue to guide the Successor Agency on which funds should be used for various payments and transfers.

Task 6: Assist with Property Disposition

With an approved Long-Range Property Management Plan, the Successor Agency must continue to work to dispose of its one property. While specific services associated with property disposition such as brokerage services or the cost of conducting appraisals can be listed on the ROPS outside the Administrative Budget, RSG's continued guidance through this complex process will be paid for through its general contract.

Task 7: Attend Meetings as needed

RSG will make a staff member available to the Successor Agency should they need assistance at any Successor Agency or Oversight Board meetings.

Task 8: Additional Administrative Services as needed

RSG will assist the Successor Agency with any additional administrative tasks as they arise.

TIMELINE

RSG will begin this portion of its contract with the Successor Agency at the later of approval by the Oversight Board to the Successor Agency or July 1, 2018. The contract will run through June 30, 2023. If RSG’s services are at some point not required (e.g., the administrative budget is significantly decreased), the Successor Agency/City can terminate the contract at any time.

PROJECT TEAM

Ms. Tara Matthews, Partner, will be the principal in charge of this engagement. Dima Galkin, Associate will be the Project Manager, and will be assisted by Julia Cogan, Research Assistant. Additional staff will be assigned as needed.

FEE PROPOSAL

RSG, Inc will provide these services on a time-and-materials basis, with a not to exceed amount of **\$15,000 per year** for the five fiscal years. RSG will not charge for mileage (except direct costs related to field surveys), parking, standard telephone/fax expenses, general postage, or incidental copies. RSG Inc. may charge for messenger services, overnight shipping/express mail costs and teleconferencing services. RSG, Inc. may also charge for copies of reports, documents, notices, and support material in excess of five (5) copies. These costs are charged back at the actual expense plus a 10% surcharge.

RSG to issue monthly invoices payable upon receipt, unless otherwise agreed upon in advance. Invoices identify tasks completed to date, hours expended, and the hourly rate.

Current 2018 Hourly Billing Rates & Fee Schedule

Principal / Director	\$ 235
Senior Associate	180
Associate	160
Senior Analyst	135
Analyst	125
Research Assistant	110
Technician	80
Clerical	60
Reimbursable Expenses	Cost plus 10%