

Standard Professional Services Agreement ("PSA")

Revision G – June 2016

AGREEMENT FOR USER FEE STUDY SERVICES

This agreement ("Agreement"), dated as of September 4, 2019 ("Effective Date") is by and between the County of Sonoma, a political subdivision of the State of California (hereinafter "County"), and NBS Government Finance Group, a California corporation, dba "NBS" (hereinafter "Consultant").

RECITALS

WHEREAS, Consultant represents that it is a duly qualified consultant, experienced in the preparation of fee study and related services; and

WHEREAS, in the judgment of the Board of Supervisors, it is necessary and desirable to employ the services of Consultant to prepare a User Fee study (specific to component).

NOW, THEREFORE, in consideration of the foregoing recitals and the mutual covenants contained herein, the parties hereto agree as follows:

AGREEMENT

I. Scope of Services.

1.1 Consultant's Specified Services.

Consultant shall perform the services described in Exhibit "A," attached hereto and incorporated herein by this reference (hereinafter "Scope of Work"), and within the times or by the dates provided for in Exhibit "A" and pursuant to Article 7, Prosecution of Work. In the event of a conflict between the body of this Agreement and Exhibit "A", the provisions in the body of this Agreement shall control.

1.2 Cooperation With County. Consultant shall cooperate with County and County staff in the performance of all work hereunder.

1.3 Performance Standard. Consultant shall perform all work hereunder in a manner consistent with the level of competency and standard of care normally observed by a person practicing in Consultant's profession. County has relied upon the professional ability and training of Consultant as a material inducement to enter into this Agreement.

Consultant hereby agrees to provide all services under this Agreement in accordance with generally accepted professional practices and standards of care, as well as the requirements of applicable federal, state and local laws, it being understood that acceptance of Contractor's work by County shall not operate as a waiver or release. If County determines that any of Consultant's work is not in accordance with such level of competency and standard of care, County, in its sole discretion, shall have the right to do any or all of the following: (a) require Consultant to meet with County to review the quality of the work and resolve matters of concern; (b) require Consultant to repeat the work at no additional charge until it is satisfactory; (c) terminate this Agreement pursuant to the provisions of Article 4; or (d) pursue any and all other remedies at law or in equity.

1.4 Assigned Personnel.

- a. Consultant shall assign only competent personnel to perform work hereunder. In the event that at any time County, in its sole discretion, desires the removal of any person or persons assigned by Consultant to perform work hereunder, Consultant shall remove such person or persons immediately upon receiving written notice from County.
- b. Any and all persons identified in this Agreement or any exhibit hereto as the project manager, project team, or other professional performing work hereunder are deemed by County to be key personnel whose services were a material inducement to County to enter into this Agreement, and without whose services County would not have entered into this Agreement. Consultant shall not remove, replace, substitute, or otherwise change any key personnel without the prior written consent of County.
- c. In the event that any of Consultant's personnel assigned to perform services under this Agreement become unavailable due to resignation, sickness or other factors outside of Consultant's control, Consultant shall be responsible for timely provision of adequately qualified replacements.

2. Payment. For all services and incidental costs required hereunder, Consultant shall be paid for work as each Phase is completed pursuant to the Fee Payment Schedule, Exhibit B, attached hereto and incorporated herein by this reference, regardless of the number of hours or length of time necessary for Consultant to complete the services. Consultant shall not be entitled to any additional payment for any expenses incurred in completion of the services.

Upon completion of the work, Consultant shall submit its bill[s] for payment in a form approved by County's Auditor and the County Administrator. The bill[s] shall identify the services completed and the amount charged.

Unless otherwise noted in this Agreement, payments shall be made within the normal course of County business after presentation of an invoice in a form approved by the County for services performed. Payments shall be made only upon the satisfactory completion of the services as determined by the County.

Pursuant to California Revenue and Taxation code (R&TC) Section 18662, the County shall withhold seven percent of the income paid to Consultant for services performed within the State of California under this agreement, for payment and reporting to the California Franchise Tax Board, if Consultant does not qualify as: (1) a corporation with its principal place of business in California, (2) an LLC or Partnership with a permanent place of business in California, (3) a corporation/LLC or Partnership qualified to do business in California by the Secretary of State, or (4) an individual with a permanent residence in the State of California.

If Consultant does not qualify, County requires that a completed and signed Form 587 be provided by the Consultant in order for payments to be made. If Consultant is qualified, then the County requires a completed Form 590. Forms 587 and 590 remain valid for the duration of the Agreement provided there is no material change in facts. By signing either form, the Consultant agrees to promptly notify the County of any changes in the facts. Forms should be sent to the County pursuant to Article 12. To reduce the amount withheld, Consultant has the option to provide County with either a full or partial waiver from the State of California.

3. Term of Agreement. The term of this Agreement shall be from August 2019 to December 2020 unless terminated earlier in accordance with the provisions of Article 4 below.

4. Termination.

4.1 Termination Without Cause. Notwithstanding any other provision of this Agreement, at any time and without cause, County shall have the right, in its sole discretion, to terminate this Agreement by giving 5 days written notice to Consultant.

4.2 Termination for Cause. Notwithstanding any other provision of this Agreement, should Consultant fail to perform any of its obligations hereunder, within the time and in the manner herein provided, or otherwise violate any of the terms of this Agreement, County may immediately terminate this Agreement by giving Consultant written notice of such termination, stating the reason for termination.

4.3 Delivery of Work Product and Final Payment Upon Termination.

In the event of termination, Consultant, within 14 days following the date of termination, shall deliver to County all reports, original drawings, graphics, plans, studies, and other data or documents, in whatever form or format, assembled or prepared by Consultant or Consultant's subcontractors, consultants, and other agents in connection with this

Agreement and shall submit to County an invoice showing the services performed, hours worked, and copies of receipts for reimbursable expenses up to the date of termination.

4.4 Payment Upon Termination. Upon termination of this Agreement by County, Consultant shall be entitled to receive as full payment for all services satisfactorily rendered and reimbursable expenses properly incurred hereunder, an amount which bears the same ratio to the total payment specified in the Agreement as the services satisfactorily rendered hereunder by Consultant bear to the total services otherwise required to be performed for such total payment; provided, however, that if services which have been satisfactorily rendered are to be paid on a per-hour or per-day basis, Consultant shall be entitled to receive as full payment an amount equal to the number of hours or days actually worked prior to the termination times the applicable hourly or daily rate; and further provided, however, that if County terminates the Agreement for cause pursuant to Section 4.2, County shall deduct from such amount the amount of damage, if any, sustained by County by virtue of the breach of the Agreement by Consultant.

4.5 Authority to Terminate. The Board of Supervisors has the authority to terminate this Agreement on behalf of the County. In addition, the Purchasing Agent or County Administrator, in consultation with County Counsel, shall have the authority to terminate this Agreement on behalf of the County.

5. Indemnification. Consultant agrees to accept all responsibility for loss or damage to any person or entity, including County, and to indemnify, hold harmless, and release County, its officers, agents, and employees, from and against any actions, claims, damages, liabilities, disabilities, or expenses, that may be asserted by any person or entity, including Consultant, that arise out of, pertain to, or relate to Consultant's or its agents', employees', contractors', subcontractors', or invitees' performance or obligations under this Agreement. Consultant agrees to provide a complete defense for any claim or action brought against County based upon a claim relating to such Consultant's or its agents', employees', contractors', subcontractors', or invitees' performance or obligations under this Agreement. Consultant's obligations under this Section apply whether or not there is concurrent or contributory negligence on County's part, but to the extent required by law, excluding liability due to County's conduct. County shall have the right to select its legal counsel at Consultant's expense, subject to Consultant's approval, which shall not be unreasonably withheld. This indemnification obligation is not limited in any way by any limitation on the amount or type of damages or compensation payable to or for Consultant or its agents under workers' compensation acts, disability benefits acts, or other employee benefit acts.

6. Insurance. With respect to performance of work under this Agreement, Consultant shall maintain and shall require all of its subcontractors, consultants, and other agents to maintain, insurance as described in Exhibit C, which is attached hereto and incorporated herein by this reference.

7. Prosecution of Work. The execution of this Agreement shall constitute Consultant's authority to proceed immediately with the performance of this Agreement. Performance of the services hereunder shall be completed within the time required herein, provided, however, that if the performance is delayed by earthquake, flood, high water, or other Act of God or by strike, lockout, or similar labor disturbances, the time for Consultant's performance of this Agreement shall be extended by a number of days equal to the number of days Consultant has been delayed.

8. Extra or Changed Work. Extra or changed work or other changes to the Agreement may be authorized only by written amendment to this Agreement, signed by both parties. Minor changes, which do not exceed the delegated signature authority of the Department Head and which do not significantly change the scope of work or significantly lengthen time schedules may be executed by the Department Head in a form approved by County Counsel. The Board of Supervisors must authorize all other extra or changed work. The parties expressly recognize that, pursuant to Sonoma County Code Section 1-11, County personnel are without authorization to order extra or changed work or waive Agreement requirements. Failure of Consultant to secure such written authorization for extra or changed work shall constitute a waiver of any and all right to adjustment in the Agreement price or Agreement time due to such unauthorized work and thereafter Consultant shall be entitled to no compensation whatsoever for the performance of such work. Consultant further expressly waives any and all right or remedy by way of restitution and quantum meruit for any and all extra work performed without such express and prior written authorization of the County.

9. Representations of Consultant.

9.1 Standard of Care. County has relied upon the professional ability and training of Consultant as a material inducement to enter into this Agreement. Consultant hereby agrees that all its work will be performed and that its operations shall be conducted in accordance with generally accepted and applicable professional practices and standards as well as the requirements of applicable federal, state and local laws, it being understood that acceptance of Consultant's work by County shall not operate as a waiver or release.

9.2 Status of Consultant. The parties intend that Consultant, in performing the services specified herein, shall act as an independent contractor and shall control the work and the manner in which it is performed. Consultant is not to be considered an agent or employee of County and is not entitled to participate in any pension plan, worker's compensation plan, insurance, bonus, or similar benefits County provides its employees. In the event County exercises its right to terminate this Agreement pursuant to Article 4, above, Consultant expressly agrees that it shall have no recourse or right of appeal under rules, regulations, ordinances, or laws applicable to employees.

9.3 No Suspension or Debarment. Consultant warrants that it is not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from

participation in covered transactions by any federal department or agency. Consultant also warrants that it is not suspended or debarred from receiving federal funds as listed in the List of Parties Excluded from Federal Procurement or Non-procurement Programs issued by the General Services Administration. If the Consultant becomes debarred, consultant has the obligation to inform the County

9.4 Taxes. Consultant agrees to file federal and state tax returns and pay all applicable taxes on amounts paid pursuant to this Agreement and shall be solely liable and responsible to pay such taxes and other obligations, including, but not limited to, state and federal income and FICA taxes. Consultant agrees to indemnify and hold County harmless from any liability which it may incur to the United States or to the State of California as a consequence of Consultant's failure to pay, when due, all such taxes and obligations. In case County is audited for compliance regarding any withholding or other applicable taxes, Consultant agrees to furnish County with proof of payment of taxes on these earnings.

9.5 Records Maintenance. Consultant shall keep and maintain full and complete documentation and accounting records concerning all services performed that are compensable under this Agreement and shall make such documents and records available to County for inspection at any reasonable time. Consultant shall maintain such records for a period of four (4) years following completion of work hereunder.

9.6 Conflict of Interest. Consultant covenants that it presently has no interest and that it will not acquire any interest, direct or indirect, that represents a financial conflict of interest under state law or that would otherwise conflict in any manner or degree with the performance of its services hereunder. Consultant further covenants that in the performance of this Agreement no person having any such interests shall be employed. In addition, if requested to do so by County, Consultant shall complete and file and shall require any other person doing work under this Agreement to complete and file a "Statement of Economic Interest" with County disclosing Consultant's or such other person's financial interests.

9.7 Statutory Compliance/Living Wage Ordinance. Consultant agrees to comply with all applicable federal, state and local laws, regulations, statutes and policies, including but not limited to the County of Sonoma Living Wage Ordinance, applicable to the services provided under this Agreement as they exist now and as they are changed, amended or modified during the term of this Agreement. Without limiting the generality of the foregoing, Consultant expressly acknowledges and agrees that this Agreement is subject to the provisions of Article XXVI of Chapter 2 of the Sonoma County Code, requiring payment of a living wage to covered employees. Noncompliance during the term of the Agreement will be considered a material breach and may result in termination of the Agreement or pursuit of other legal or administrative remedies.

9.8 Nondiscrimination. Without limiting any other provision hereunder, Consultant shall comply with all applicable federal, state, and local laws, rules, and regulations in regard to nondiscrimination in employment because of race, color, ancestry, national origin, religion, sex, marital status, age, medical condition, pregnancy, disability, sexual orientation or other prohibited basis, including without limitation, the County's Non-Discrimination Policy. All nondiscrimination rules or regulations required by law to be included in this Agreement are incorporated herein by this reference.

9.9 AIDS Discrimination. Consultant agrees to comply with the provisions of Chapter 19, Article II, of the Sonoma County Code prohibiting discrimination in housing, employment, and services because of AIDS or HIV infection during the term of this Agreement and any extensions of the term.

9.10 Assignment of Rights. Consultant assigns to County all rights throughout the world in perpetuity in the nature of copyright, trademark, patent, right to ideas, in and to all versions of the plans and specifications, if any, now or later prepared by Consultant in connection with this Agreement. Consultant agrees to take such actions as are necessary to protect the rights assigned to County in this Agreement, and to refrain from taking any action which would impair those rights. Consultant's responsibilities under this provision include, but are not limited to, placing proper notice of copyright on all versions of the plans and specifications as County may direct, and refraining from disclosing any versions of the plans and specifications to any third party without first obtaining written permission of County. Consultant shall not use or permit another to use the plans and specifications in connection with this or any other project without first obtaining written permission of County.

9.11 Ownership and Disclosure of Work Product. All reports, original drawings, graphics, plans, studies, and other data or documents ("documents"), in whatever form or format, assembled or prepared by Consultant or Consultant's subcontractors, consultants, and other agents in connection with this Agreement shall be the property of County. County shall be entitled to immediate possession of such documents upon completion of the work pursuant to this Agreement. Upon expiration or termination of this Agreement, Consultant shall promptly deliver to County all such documents, which have not already been provided to County in such form or format, as County deems appropriate. Such documents shall be and will remain the property of County without restriction or limitation. Consultant may retain copies of the above-described documents but agrees not to disclose or discuss any information gathered, discovered, or generated in any way through this Agreement without the express written permission of County.

9.12 Authority. The undersigned hereby represents and warrants that he or she has authority to execute and deliver this Agreement on behalf of Consultant.

10. Content Online Accessibility. County policy requires that all documents that may be published to the Web meet accessibility standards to the greatest extent possible, and utilizing available existing technologies.

10.1 Standards: All consultants responsible for preparing content intended for use or publication on a County-managed or County-funded web site must comply with applicable Federal accessibility standards established by 36 C.F.R. Section 1194, pursuant to Section 508 of the Rehabilitation Act of 1973, as amended (29 U.S.C. § 794(d)), and the County's Web Site Accessibility Policy located at <http://webstandards.sonoma-county.org>.

10.2 Certification: Consultants must complete the Document Accessibility Certification Form attached hereto as Exhibit D which shall describe how all deliverable documents were assessed for accessibility (e.g. Microsoft Word accessibility check; Adobe Acrobat accessibility check, or other commonly accepted compliance check.)

10.3 Alternate Format: When it is strictly impossible due to the unavailability of technologies required to produce an accessible document, Consultant shall identify the anticipated accessibility deficiency prior to commencement of any work to produce such deliverables. Consultant agrees to cooperate with County staff in the development of alternate document formats to maximize the facilitative features of the impacted document(s), e.g. embedding the document with alt-tags that describe complex data/tables.

10.4 Noncompliant Materials; Obligation to Cure. Remediation of any materials that do not comply with County's Web Site Accessibility Policy shall be the responsibility of Consultant. If County, in its sole and absolute discretion, determines that any deliverable intended for use or publication on any County-managed or County-funded Web site does not comply with County Accessibility Standards, County will promptly inform Consultant in writing. Upon such notice, Consultant shall, without charge to County, repair or replace the non-compliant materials within such period of time as specified by County in writing. If the required repair or replacement is not completed within the time specified, County shall have the right to do any or all of the following, without prejudice to County's right to pursue any and all other remedies at law or in equity:

- a. Cancel any delivery or task order;
- b. Terminate this Agreement pursuant to the provisions of Article 4; and/or
- c. In the case of custom EIT developed by Consultant for County, County may have any necessary changes or repairs performed by itself or by another contractor. In such event, contractor shall be liable for all expenses incurred by County in connection with such changes or repairs.

11. Demand for Assurance. Each party to this Agreement undertakes the obligation that the other's expectation of receiving due performance will not be impaired. When reasonable grounds for insecurity arise with respect to the performance of either party, the other may in

writing demand adequate assurance of due performance and until such assurance is received may, if commercially reasonable, suspend any performance for which the agreed return has not been received. "Commercially reasonable" includes not only the conduct of a party with respect to performance under this Agreement, but also conduct with respect to other agreements with parties to this Agreement or others. After receipt of a justified demand, failure to provide within a reasonable time, but not exceeding thirty (30) days, such assurance of due performance as is adequate under the circumstances of the particular case is a repudiation of this Agreement. Acceptance of any improper delivery, service, or payment does not prejudice the aggrieved party's right to demand adequate assurance of future performance. Nothing in this Article limits County's right to terminate this Agreement pursuant to Article 4.

12. Assignment and Delegation. Neither party hereto shall assign, delegate, sublet, or transfer any interest in or duty under this Agreement without the prior written consent of the other, and no such transfer shall be of any force or effect whatsoever unless and until the other party shall have so consented.

13. Method and Place of Giving Notice, Submitting Bills and Making Payments. All notices, bills, and payments shall be made in writing and shall be given by personal delivery or by U.S. Mail or courier service. Notices, bills, and payments shall be addressed as follows:

TO: COUNTY:

Niki Berrocal
County Administration
575 Administration Drive, Suite 104A
Santa Rosa, CA 95403

TO: CONSULTANT:

Michael Rentner
NBS Government Finance Group
32605 Temecula Parkway, Ste. 100
Temecula, CA 92592
Email: mrentner@nbsgov.com

When a notice, bill or payment is given by a generally recognized overnight courier service, the notice, bill or payment shall be deemed received on the next business day. When a copy of a notice, bill or payment is sent by facsimile or email, the notice, bill or payment shall be deemed received upon transmission as long as (1) the original copy of the notice, bill or payment is promptly deposited in the U.S. mail and postmarked on the date of the facsimile or email (for a

payment, on or before the due date), (2) the sender has a written confirmation of the facsimile transmission or email, and (3) the facsimile or email is transmitted before 5 p.m. (recipient's time). In all other instances, notices, bills and payments shall be effective upon receipt by the recipient. Changes may be made in the names and addresses of the person to whom notices are to be given by giving notice pursuant to this paragraph.

14. Miscellaneous Provisions.

14.1 No Waiver of Breach. The waiver by County of any breach of any term or promise contained in this Agreement shall not be deemed to be a waiver of such term or provision or any subsequent breach of the same or any other term or promise contained in this Agreement.

14.2 Construction. To the fullest extent allowed by law, the provisions of this Agreement shall be construed and given effect in a manner that avoids any violation of statute, ordinance, regulation, or law. The parties covenant and agree that in the event that any provision of this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remainder of the provisions hereof shall remain in full force and effect and shall in no way be affected, impaired, or invalidated thereby. Consultant and County acknowledge that they have each contributed to the making of this Agreement and that, in the event of a dispute over the interpretation of this Agreement, the language of the Agreement will not be construed against one party in favor of the other. Consultant and County acknowledge that they have each had an adequate opportunity to consult with counsel in the negotiation and preparation of this Agreement.

14.3 Consent. Wherever in this Agreement the consent or approval of one party is required to an act of the other party, such consent or approval shall not be unreasonably withheld or delayed.

14.4 No Third Party Beneficiaries. Nothing contained in this Agreement shall be construed to create and the parties do not intend to create any rights in third parties.

14.5 Applicable Law and Forum. This Agreement shall be construed and interpreted according to the substantive law of California, regardless of the law of conflicts to the contrary in any jurisdiction. Any action to enforce the terms of this Agreement or for the breach thereof shall be brought and tried in Santa Rosa or the forum nearest to the city of Santa Rosa, in the County of Sonoma.

14.6 Captions. The captions in this Agreement are solely for convenience of reference. They are not a part of this Agreement and shall have no effect on its construction or interpretation.

14.7 Merger. This writing is intended both as the final expression of the Agreement between the parties hereto with respect to the included terms and as a complete and exclusive statement of the terms of the Agreement, pursuant to Code of Civil Procedure Section 1856. No modification of this Agreement shall be effective unless and until such modification is evidenced by a writing signed by both parties.

14.8. Survival of Terms. All express representations, waivers, indemnifications, and limitations of liability included in this Agreement will survive its completion or termination for any reason.

14.9 Time of Essence. Time is and shall be of the essence of this Agreement and every provision hereof.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the Effective Date.

CONSULTANT: NBS Government Finance
Group, dba NBS

By: 

Name: Michael Rentner

Title: President and CEO

Date: 9/20/19

COUNTY: COUNTY OF SONOMA

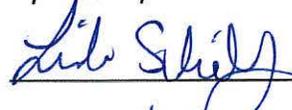
CERTIFICATES OF INSURANCE ON
FILE WITH AND APPROVED AS TO
SUBSTANCE FOR COUNTY:

By: 
Department Head

Date: 10-4-2019

APPROVED AS TO FORM FOR COUNTY:

By: County Counsel



Date: 10/2/19

Exhibit A
Scope of Services

Work Plan 1: User Fee Study

User/regulatory fees represent cost recovery opportunities entirely within the County's control: revenues which the Board of Supervisors may – at its sole discretion upon public hearing -- implement and/or modify. In most cases, the only legal limitation on the establishment of these fees is that they may not exceed the estimated and reasonable costs incurred to provide the service or perform the function for which the fee is charged.

NBS will perform the following tasks for the County of Sonoma Department of Agriculture Weights and Measures; Permit and Resource Management Department (Permit Sonoma) which includes Engineering and Construction, Planning and Fire Prevention (collectively referred to as the "Study"):

- a. Fee structure design: review existing fees for service, recommend the best structure for cost recovery and recommend adding new fee items where applicable.
- b. Organizational and service time analysis: Identification of who performs work, how it is performed, and how long it takes to provide aspects of service.
- c. Time valuation: placing a value on an increment of time within different organizations providing service, such as a "fully burdened cost per hour."
- d. Cost of service analysis: Determine the cost (minimum, average and maximum, as needed) incurred or associated with individual fee-related services.
- e. Recommended pricing analysis: Determine recommended or targeted fee amount, reflecting 100%, or less, of the full cost of providing each service.
- f. Implementation assistance: Meet frequently with County staff to gather the data to perform this analysis. Meetings will be conducted in person, by video conference, and by conference call. Meet with selected stakeholders, conducting fee study sessions or informational workshops with elected officials and members of the public, as needed.
- g. The scope of services noted above includes all fees for service that can be analyzed on a time estimate per activity basis. Taxes, penalties, fines and fees set by the State, as well as development impact fees and/or utility rates are excluded from this analysis.

Task 1: Project Initiation – Completed by October 2019

Conduct an administrative project commencement meeting with staff members who will manage the progress, completion and implementation of the Study's findings. This meeting will include a discussion of expectations and an overview of the process for conducting the analysis, including: coordination for onsite and remote interactions with personnel in all divisions, timeline for project completion, global data needs, established policies and procedures, and other topics.

Acquired published or accessible data, centering on adopted budgets, recent financial performance (revenues and expenditures), current labor cost detail and classifications, organizational structures, existing relevant policies and other items of a more global nature. NBS consultants will gather information independently as accessible through online resources and issue a consolidated data request to staff for the balance. As data is acquired, NBS consultants will catalog necessary financial, procedural, and organizational information and will extract or input data into electronic form for use in analytical models and narrative documentation. Issue a preliminary data request to the County for the balance of information required for successful project initiation and meet with County staff in all divisions to respond to questions and assist with the data gathering.

County staff will assist with meeting coordination, scheduling and attendance; provide current fee schedules for each of the departments to be studied; budgeted staffing by position, line item budgeted expenditures, line item actual revenues and other financial reports of this nature; County Cost Allocation Plan.

Task 2: Fee Schedule Design – Completed by November 2020

NBS consultants will conduct onsite meetings with fee departments as needed to gain an understanding of each department's existing fee structure, as well as staff's ideas for modifying or enhancing current practice. Applying industry expertise, NBS consultants will recommend and develop fee structures (as opposed to amounts) for fee departments. Types of fee structures considered include flat fees, variable fees based on measurable service characteristics (e.g. project types, size, etc.), and variable fees based on staff time (e.g. hourly rates with deposits), etc. This task may also require rewriting fee categorical descriptions to retain flat fees for administrative ease but introducing variation in the applicable fee for an applicant or user. NBS will work with County staff to discuss and determine the most effective and efficient type of fee structure for fee departments, based on the organization, permit tracking software capabilities, input from staff, etc.

NBS will submit a draft of the revised fee structure to County staff for review and approval. Departments will receive a draft of their revised fee structure for review and approval. The project budget and scope of service includes one round of revisions to the draft before continuing to subsequent analytical tasks.

NBS shall mark all of its drafts "Draft, Attorney-Client Privilege" and include County Counsel in its request for review of draft reports. County will attend meetings with NBS to review the proposed revised fee structure, review and comment upon the draft revised fee schedules and discuss and assist with making a recommendation regarding the best fee setting methodology for County building permits (valuation or project type study).

Task 3: Time Study – Completed by February 2020

NBS will determine and communicate the subsequent steps to acquire and/or develop

organizational, performance and time information necessary for establishing costs of service for justifying fees. NBS will conduct at least one round of interviews with each department to assist them in acquiring and/or developing organizational, performance and time information necessary for justifying fees. NBS will develop data collection materials and track progress and timeline on data submittal activities.

After acquiring historically-tracked and/or currently available time and workload data, as well as information developed through questionnaires and/or interviews with staff, determine any necessary secondary course of action to continue and/or refine organizational, performance and time data. Up to two iterations of the time and service analysis are included in this Task to ensure that the cost of service analysis is defensible and reasonable. It is important that the sum product of volumetric and service level estimates do not exceed available staffing and expenditure resources. The product of this task will be a modeling of the complete organizational, performance and time requirements for the services under review in this Study.

To help accomplish this Task, County staff will attend meetings with NBS, provide the workload data by permit type/fee item for the last complete fiscal year, provide annual time allocations per staff position and share fee-by-fee time estimates for each fee item to be studied.

Task 4: Time Valuation – Completed by March 2020

NBS shall determine the full cost of service on an annual basis for fee departments, division or primary service depending on the needs of the analysis. NBS will define the direct costs of service specifically related to the provision of service embodied by the activities reflected in the fee schedule, and the indirect costs of service for each incurred to support the provision of direct service. NBS shall incorporate applicable County-wide indirect costs, such as those defined by the County's annual Cost Allocation Plan to determine appropriate shares of administrative, support services, and/or governance costs. The County will share the overhead cost allocation information. If County staff have questions about the appropriate overhead cost allocation information to provide, NBS will be available to assist with responding to questions based on their industry expertise.

NBS shall calculate the fully-burdened hourly rates for all divisions directly involved in the provision of the service under review in this Study within the fee departments. NBS shall mark all of its drafts "Draft, Attorney-Client Privilege" and include County Counsel in its request for review of draft reports. Hourly rates in the NBS fee model are calculated as composite rates for each division, or for core functions of service within departments/divisions. Rates will consider the applicability of productive hours or direct-billed hours as the basis for calculation, depending on the division or function in question.

County shall assist with this Task by attending meetings, responding to questions about

financial reports and data received thus far and reviewing and commenting regarding hourly rate calculations.

Task 5: Cost of Service Analysis – Completed by March 2020

NBS shall establish the full cost of service for each individual fee for service activity under review in this Study. The full cost of service defined by NBS serves as the analytically-justified maximum amount that may be recovered through a user/regulatory fee adopted by the Board of Supervisors. NBS shall mark all of its drafts “Draft, Attorney-Client Privilege” and include County Counsel in its request for review of draft reports. NBS shall determine the full cost of service at an activity level for each individual service currently associated with a fee or selected as a candidate for a new fee. NBS shall apply performance/time estimates at the activity level to the fully-burdened hourly rates developed in the Time Valuation Task to determine the full cost of service for each fee-related service. NBS shall add any discrete materials/services costs not reflected in the time valuation for specific activities, such as substantial equipment and incremental contract services.

The County shall assist with this Task by coordinating and scheduling meetings, attending those meetings and responding to questions about financial reports and data received thus far.

Task 6: Draft Review and Revision – Completed by June 2020

This task represents one planned iteration of the analytical work products. NBS shall conduct review meetings with each individual department or division to review the draft results of the Study. NBS will determine any necessary refinements to core assumptions and discuss applicability in current and/or alternative fee structures. Based on review with County staff, NBS will revise core analytical modules and finalize the activity costs of service. NBS shall mark all of its drafts “Draft, Attorney-Client Privilege” and include County Counsel in its request for review of draft reports. NBS will obtain final sign off from the County Administrator’s Office and County Counsel before moving on to subsequent tasks.

County staff will assist with this Task by coordinating meetings, and attending meetings, and reviewing and commenting on draft results.

Task 7 Comparative Fee Survey – Completed by February 2020

NBS will utilize their industry expertise to compare similar user and regulatory fees in up to five (5) neighboring and comparable communities. A list of communities will be selected and approved by County staff. NBS will download the respective fee schedules from the Internet. If schedules are not available on the Internet, NBS will make a reasonable attempt to contact the agency to obtain a copy of their current fee schedules. NBS will then compile a comparison of the fee categories and amounts, for the most readily comparable fee items that match the County’s existing fee structure. NBS will make a reasonable attempt to contact each comparison agency for clarification regarding fee categories and amounts. The County may also provide contact information to individuals known in each agency who may

be available to assist NBS in confirming information regarding fee schedules and amounts.

Task 8: Recommended Pricing Analysis – Completed by July 2020

NBS will discuss pricing objectives from the County's perspective, i.e., comfort with full cost recovery or some alternative level of cost recovery. The pricing objectives may vary in each department depending on policy direction. NBS will facilitate this conversation by discussing public/private benefits or causation of each activity, potential market sensitivity, interaction with established County goals or policies, behavior modification influence, and other considerations. NBS shall mark all of its drafts "Draft, Attorney-Client Privilege" and include County Counsel in its request for review of draft reports. Based on review and input from County staff, NBS will revise core analytical modules to project revenue impacts stemming from pricing considerations.

To assist with this Task, County staff will help coordinate meetings, attend meetings and review and comment on initial recommended fee amounts.

Task 9: Final Report – Completed by August 2020

After the County departments, County Administrator and County Counsel have approved and signed off on Tasks 6 through 8 (written confirmation via email required), NBS will prepare a written report describing the complete work and findings of the project. NBS will include an executive summary, narrative sections detailing all analytical Tasks completed in this Work Plan. NBS will issue the draft report in electronic form (portable document format) to Department staff and management for review. NBS shall mark all of its drafts "Draft, Attorney-Client Privilege" and include County Counsel in its request for review of draft reports. NBS will conduct one final review session with Department Directors or their delegated members of their executive teams to review the findings issued in the draft report. Assume minor revisions to text and fee recommendations NBS will provide ten (10) copies of the final report.

To help accomplish this Task, County staff will assist with meeting coordination, attending the meetings and reviewing and commenting on the final report document.

Task 10: Presentations and Implementation – Completed by September - December 2020

The purpose of this task is to actively support the County's process to legislatively review, approve and implement any changes to fees stemming from this Study. NBS will attend one public Board meeting to prepare and communicate outcomes to the Board of Supervisors to facilitate their understanding of the Study results and its implications for the County, and to help County staff respond to questions.

To assist with this Task, County staff will assist with meeting coordination, attend the meetings and review and comment on the Board presentation documentation.

OPTIONAL:

Task 11: Fee Model and Training – Completed by June 2021

NBS shall deliver User Fee models for the County's internal use. NBS' fee models shall be user friendly, and designed knowing the County intends to use them independently in the future for additional fee updates. NBS will include features such as footnotes explaining analyses and referencing source files, traceable formulas, printable areas, and annotations outlining data input and formula driven areas.

Concurrent with the public hearing dates proposed for the project, NBS will work with up to four County representatives at a basic training workshop (up to four hours). This effort will orient staff in the various departments regarding how to update the basic key data components and outcomes of the technical model in future years.

Other services as needed – hourly.

Work Plan 2: Transfer to Enterprise Fund – Completed by January 2020

NBS will review, and prepare recommendations and action steps for transitioning the County's Building Department (a division within the Permit and Resource Management Department) revenue and expenditures out of the General Fund and into a self-sustaining enterprise fund for GY 2020-21. NBS will subcontract with Management Advisory Services (MAS), to take the following steps:

- A. Interview County administrative and Permit Sonoma (Engineering and Construction, Planning, and Fire Prevention) staff to understand the County's perspective on the needs, advantages and concerns about making this transition;
- B. Provide a timeline action plan and recommended steps as well as key accounting and financial practices to observe during the transition.
- C. NBS will spend at least one day interviewing County staff as well as follow up phone calls and reviews of deliverables to complete the project.
- D. To assist with the completion of this Work Plan 2, County staff will coordinate meetings, attend meetings, provide financial reports as requested and review and comment on Study findings.

Work Plan 3: Deferred Revenue Analysis and Refund Policy Review – Completed by January 2020

Task 1: Deferred Revenue Analysis

This task includes development of a methodology for calculating deferred revenues for each division of Permit Sonoma recommended for transfer to an enterprise fund per Work Plan 2. NBS will subcontract with MAS to complete this task, including the following components:

- a. Interview County staff to understand the current tracking systems for active and completed permit statuses, and gather data that will assist in quantifying and tracking deferred revenue;
- b. Review the most complete fiscal year and sample prior two years' permit record data, including fees collected and inspections completed. This step assumes the County can provide an export of automated permit system or electronic tracking data into Microsoft Excel for manipulation by consultants. Should records or source data require manual compilation from paper records, NBS may request narrowing the sample to a single year of permit record data. County staff will assist in identifying the percentage of completion for each permit as needed to supplement the consultant data analysis.
- c. Calculate the estimated amount of deferred revenue for the most recently completed Fiscal Year, for purposes of calculating the appropriate carry forward for the next Fiscal Year.
- d. Provide a documented approach and steps, as well as any spreadsheets developed, that will assist the County in calculating deferred revenue in future years.
- e. Provide written findings for this task as well as recommendations on how the County can better track data using their permitting system or other methods to aid in the accuracy of tracking deferred projects and revenue. Until the written findings are finalized, NBS and its subcontractor shall mark their drafts "Draft, Attorney-Client Privilege" and include County Counsel in its request for review.
- f. NBS and its subcontractor anticipate that this task will require one day of visits and interviews at the County's offices, analysis of data, follow up phone calls and reviews of deliverables to prepare a final written report and complete the project.

To assist with the completion of this task, County staff will assist with coordinating meetings, attend meetings, provide an export of automated permit system or electronic tracking data for manipulation for current year and prior two years, assist by identifying the percentage of completion for each permit as needed to supplement the data analysis and review and comment on draft reports.

Task 2: Refund Policy Review

This task includes a review of the Permit Sonoma's existing refund policies. NBS will subcontract with MAS to prepare a draft report to recommend potential improvements or changes to refund

practices and policies in accordance with best practices based on their expertise and combined management, financial and analytical experience. Until the written report is finalized, NBS and its subcontractor shall mark their drafts "Draft, Attorney-Client Privilege" and include County Counsel in its request for review.

To assist with this Task, County staff will assist with coordination of meetings, attend meetings, provide copies of existing refund policies, procedures and forms, along with financial activity reports that may be requested, and review and comment on draft reports.

**Exhibit B
Fee Schedule**

NBS and MAS applied the following hourly rates to derive a not-to-exceed (fixed) price proposal for the Scope of Services described.

Title	Hourly Rate
NBS Director / Associate Director	\$205
NBS Consultant / Analyst	\$130
MAS – Tom Sinclair	\$225
MAS – Jack Dilles	\$188

These hourly rates would apply for the duration of our project and are inclusive of all costs associated with professional time, such as travel, document production, and incidentals.

NBS proposes to complete the scope of services as described, for a not-to-exceed amount of **\$92,954**. The table on the following page provides a breakdown of the estimated number of hours and project budget per professional staff member by project task. As requested by the County’s RFP, the table below indicates an estimated project budget associated each Department involved in Work Plan 1, User Fee Study. This approximation by Department assumes that all Departments complete the User Fee Study process concurrently, culminating in one combined Final Report and Board adoption process for the project.

Department / Division	% of Project Cost	Total Project Cost
Department of Agriculture, Weights and Measures	18%	\$ 10,236
Department of Health Services, Animal Services	18%	\$ 10,236
Permit and Resource Management Department	64%	\$ 36,395
TOTAL	100%	\$ 56,868

Optional SERVICES

NBS and MAS can be available for additional on-site meetings to represent the project as needed, or present results to executive staff or elected officials. This service would be available on a time and materials basis. Should the County require additional, NBS would seek separate authorization and approval from the County to provide these services, and honor the hourly rates listed herein.

PROJECT COST DETAIL County of Sonoma Task Plan	NBS Consultant Labor (Hours)			MAS Consultant Labor (Hours)			Grand Totals		
	Director/ Project Manager	Consultant/ Financial Analyst	Consultant Labor (Hours)	MAS - Sinclair	MAS - Dilles	Consultant Labor (Hours)	NBS Consultant Costs (\$)	MAS Sub- Consultant Costs (\$)	Total Project Cost
Hourly Rate	\$205	\$130		\$225	\$188				
WORK PLAN 1: USER FEE STUDY									
Task 1. Project Initiation	8.0	8.0	16.0	2.0	6.0	8.0	2,680	1,578	4,258
Task 2. Fee Schedule Design	24.0	40.0	64.0	-	-	-	10,120	-	10,120
Task 3. Time Study	20.0	32.0	52.0	-	-	-	8,260	-	8,260
Task 4. Time Valuation	12.0	18.0	30.0	-	-	-	4,800	-	4,800
Task 5. Cost of Service Analysis	20.0	32.0	52.0	-	-	-	8,260	-	8,260
Task 6. Draft Review and Revision	12.0	16.0	28.0	-	-	-	4,540	-	4,540
Task 7. Comparative Fee Survey	4.0	32.0	36.0	-	-	-	4,980	-	4,980
Task 8. Recommended Pricing Analysis	8.0	16.0	24.0	-	-	-	3,720	-	3,720
Task 9. Final Report	12.0	16.0	28.0	-	-	-	4,540	-	4,540
Task 10. Presentations and Implementation	8.0	2.0	10.0	-	-	-	1,900	-	1,900
Task 11. Fee Model and Training	6.0	2.0	8.0	-	-	-	1,490	-	1,490
Subtotal	134.0	214.0	348.0	2.0	6.0	8.0	\$ 55,290	\$ 1,578	\$ 56,868
WORK PLAN 2: TRANSFER TO ENTERPRISE FUND									
All Tasks	4.0	-	4.0	5.0	45.0	50.0	820	9,585	10,405
Subtotal	4.0	-	4.0	5.0	45.0	50.0	\$ 820	\$ 9,585	\$ 10,405
WORK PLAN 3: DEFERRED REVENUE ANALYSIS AND REFUND POLICY REVIEW									
Task 1. Deferred Revenue Analysis	8.0	32.0	40.0	6.0	52.0	58.0	5,800	11,126	16,926
Task 2. Refund Policy Review	4.0	-	4.0	3.0	24.0	27.0	820	5,187	6,007
Subtotal	12.0	32.0	44.0	9.0	76.0	85.0	\$ 6,620	\$ 16,313	\$ 22,933
SUBTOTAL ALL WORK PLANS	150.0	246.0	396.0	16.0	127.0	143.0	\$ 62,730	\$ 27,476	\$ 90,206
Subcontractor Administrative Fee 10% (NBS)								2,748	\$ 2,748
TOTAL ALL WORK PLANS							\$ 62,730	\$ 30,224	\$ 92,954

Note, this page is intentionally formatted differently for legibility of the content above.

Exhibit C Insurance Requirements

With respect to performance of work under this Agreement, Consultant shall maintain and shall require all of its subcontractors, consultants, and other agents to maintain insurance as described below unless such insurance has been expressly waived by the attachment of a *Waiver of Insurance Requirements*. Any requirement for insurance to be maintained after completion of the work shall survive this Agreement.

County reserves the right to review any and all of the required insurance policies and/or endorsements, but has no obligation to do so. Failure to demand evidence of full compliance with the insurance requirements set forth in this Agreement or failure to identify any insurance deficiency shall not relieve Consultant from, nor be construed or deemed a waiver of, its obligation to maintain the required insurance at all times during the performance of this Agreement.

Workers Compensation and Employers Liability Insurance

- a. Required if Consultant has employees as defined by the Labor Code of the State of California.
- b. Workers Compensation insurance with statutory limits as required by the Labor Code of the State of California.
- c. Employers Liability with minimum limits of \$1,000,000 per Accident; \$1,000,000 Disease per employee; \$1,000,000 Disease per policy.
- d. *Required Evidence of Insurance*: Certificate of Insurance.

If Consultant currently has no employees as defined by the Labor Code of the State of California, Consultant agrees to obtain the above-specified Workers Compensation and Employers Liability insurance should employees be engaged during the term of this Agreement or any extensions of the term.

General Liability Insurance

- a. Commercial General Liability Insurance on a standard occurrence form, no less broad than Insurance Services Office (ISO) form CG 00 01.
- b. Minimum Limits: \$1,000,000 per Occurrence; \$2,000,000 General Aggregate; \$2,000,000 Products/Completed Operations Aggregate. The required limits may be provided by a combination of General Liability Insurance and Commercial Excess or Commercial Umbrella Liability Insurance. If Consultant maintains higher limits than the specified minimum limits, County requires and shall be entitled to coverage for the higher limits maintained by Consultant.
- c. Any deductible or self-insured retention shall be shown on the Certificate of Insurance. If the deductible or self-insured retention exceeds \$25,000 it must be approved in advance by County. Consultant is responsible for any deductible or self-insured retention and shall fund it upon County's written request, regardless of whether

Consultant has a claim against the insurance or is named as a party in any action involving the County.

- d. County of Sonoma shall be endorsed as additional insureds for liability arising out of operations by or on behalf of the Consultant in the performance of this Agreement.
- e. The insurance provided to the additional insureds shall be primary to, and non-contributory with, any insurance or self-insurance program maintained by them.
- f. The policy definition of "insured contract" shall include assumptions of liability arising out of both ongoing operations and the products-completed operations hazard (broad form contractual liability coverage including the "I" definition of insured contract in ISO form CG 00 01, or equivalent).
- g. The policy shall cover inter-insured suits between the additional insureds and Consultant and include a "separation of insureds" or "severability" clause which treats each insured separately.
- h. *Required Evidence of Insurance:*
 - i. Copy of the additional insured endorsement or policy language granting additional insured status; and
 - ii. Certificate of Insurance.

Automobile Liability Insurance

- a. Minimum Limit: \$1,000,000 combined single limit per accident. The required limits may be provided by a combination of Automobile Liability Insurance and Commercial Excess or Commercial Umbrella Liability Insurance.
- b. Insurance shall cover all owned autos. If Consultant currently owns no autos, Consultant agrees to obtain such insurance should any autos be acquired during the term of this Agreement or any extensions of the term.
- c. Insurance shall cover hired and non-owned autos.
- d. Required Evidence of Insurance: Certificate of Insurance.

Professional Liability/Errors and Omissions Insurance

- a. Minimum Limits: \$1,000,000 per claim or per occurrence; \$1,000,000 annual aggregate.
- b. Any deductible or self-insured retention shall be shown on the Certificate of Insurance. If the deductible or self-insured retention exceeds \$25,000 it must be approved in advance by County.
- c. If the insurance is on a Claims-Made basis, the retroactive date shall be no later than the commencement of the work.
- d. Coverage applicable to the work performed under this Agreement shall be continued for two (2) years after completion of the work. Such continuation coverage may be provided by one of the following: (1) renewal of the existing policy; (2) an extended reporting period endorsement; or (3) replacement insurance with a retroactive date no later than the commencement of the work under this Agreement.
- e. Required Evidence of Insurance: Certificate of Insurance.

Standards for Insurance Companies

Insurers, other than the California State Compensation Insurance Fund, shall have an A.M. Best's rating of at least A:VII.

Documentation

- a. The Certificate of Insurance must include the following reference: [insert contract number or project name].
- b. All required Evidence of Insurance shall be submitted prior to the execution of this Agreement. Consultant agrees to maintain current Evidence of Insurance on file with County for the entire term of this Agreement and any additional periods if specified in Sections 1 – 4 above.
- c. The name and address for Additional Insured endorsements and Certificates of Insurance is: [insert exact name and address].
- d. Required Evidence of Insurance shall be submitted for any renewal or replacement of a policy that already exists, at least ten (10) days before expiration or other termination of the existing policy.
- e. Consultant shall provide immediate written notice if: (1) any of the required insurance policies is terminated; (2) the limits of any of the required policies are reduced; or (3) the deductible or self-insured retention is increased.
- f. Upon written request, certified copies of required insurance policies must be provided within thirty (30) days.

Policy Obligations

Consultant's indemnity and other obligations shall not be limited by the foregoing insurance requirements.

Material Breach

If Consultant fails to maintain insurance which is required pursuant to this Agreement, it shall be deemed a material breach of this Agreement. County, at its sole option, may terminate this Agreement and obtain damages from Consultant resulting from said breach. Alternatively, County may purchase the required insurance, and without further notice to Consultant, County may deduct from sums due to Consultant any premium costs advanced by County for such insurance. These remedies shall be in addition to any other remedies available to County.

Exhibit D

- 10.5 Certification: Consultants must complete the Document Accessibility Certification Form attached hereto as Exhibit D which shall describe how all deliverable documents were assessed for accessibility (e.g. Microsoft Word accessibility check; Adobe Acrobat accessibility check, or other commonly accepted compliance check.)