

## **AGREEMENT FOR PROFESSIONAL SERVICES**

THIS AGREEMENT is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2020, by and between the City of Merced, a California Charter Municipal Corporation, whose address of record is 678 West 18<sup>th</sup> Street, Merced, California 95340, (hereinafter referred to as "City") and RSG, Inc., a California Corporation, whose address of record is 309 West 4th Street, Santa Ana, California 92701-4502 (hereinafter referred to as "Consultant").

WHEREAS, City is undertaking a project seeking assistance in evaluating options to expend affordable housing monies in the Low and Moderate Income Housing Asset Fund; and,

WHEREAS, Consultant represents that it possesses the professional skills to provide consulting services in connection with said project.

NOW, THEREFORE, the parties hereto, in consideration of the mutual covenants hereinafter recited, hereby agree as follows:

1. **SCOPE OF SERVICES.** The Consultant shall furnish the following services: Consultant shall provide the services described in Exhibit "A" attached hereto.

No additional services shall be performed by Consultant unless approved in advance in writing by the City, stating the dollar value of the services, the method of payment, and any adjustment in contract time. All such services are to be coordinated with City and the results of the work shall be monitored by the Director of Development Services or designee. However, the means by which the work is accomplished shall be the sole responsibility of the Consultant.

2. **TIME OF PERFORMANCE.** All of the work outlined in the Scope of Services shall be completed in accordance with the Schedule outlined in Exhibit "A" attached hereto and incorporated herein by reference. By mutual agreement and written addendum to this Agreement, the City and the Consultant may change the requirements in said Schedule.

3. **TERM OF AGREEMENT.** The term of this Agreement shall commence upon the day first above written and end on June 30, 2021.

4. **COMPENSATION.** Payment by the City to the Consultant for actual services rendered under this Agreement shall be made upon presentation of an invoice detailing services performed under the Scope of Services dated June 2, 2020, in accordance with the fee schedule set forth in Exhibit "A" attached hereto and incorporated herein by reference. The Consultant agrees to provide all services required under the Scope of Services in Exhibit "A" within the compensation amount set forth in Exhibit "A". For Consultant's services rendered under this Agreement, City shall pay Consultant the not to exceed sum of Seventy-Nine Thousand Seven Hundred Sixty Dollars (\$79,760.00).

5. **METHOD OF PAYMENT.** Compensation to Consultant shall be paid by the City after submission by Consultant of an invoice delineating the services performed.

6. **RECORDS.** It is understood and agreed that all plans, studies, specifications, data magnetically or otherwise recorded on computer or computer diskettes, records, files, reports, etc., in possession of the Consultant relating to the matters covered by this Agreement shall be the property of the City, and Consultant hereby agrees to deliver the same to the City upon termination of the Agreement. It is understood and agreed that the documents and other materials including but not limited to those set forth hereinabove, prepared pursuant to this Agreement are prepared specifically for the City and are not necessarily suitable for any future or other use.

7. **CONSULTANT'S BOOKS AND RECORDS.** Consultant shall maintain any and all ledgers, books of account, invoices, vouchers, canceled checks, and other records or documents evidencing or relating to charges for services or expenditures and disbursements charged to the City for a minimum of three (3) years, or for any longer period required by law, from the date of final payment to the Consultant to this Agreement. Any records or documents required to be maintained shall be made available for inspection, audit and/or copying at any time during regular business hours, upon oral or written request of the City.

8. **INDEPENDENT CONTRACTOR.** It is expressly understood that Consultant is an independent contractor and that its employees shall not be employees of or have any contractual relationship with the City. Consultant shall be responsible for the payment of all taxes, workers' compensation insurance and unemployment insurance. Should Consultant desire any insurance protection, the Consultant is to acquire same at its expense.

In the event Consultant or any employee, agent, or subcontractor of Consultant providing services under this Agreement is determined by a court of competent jurisdiction or the California Public Employees Retirement System (PERS) to be eligible for enrollment in PERS as an employee of the City, Consultant shall indemnify, protect, defend, and hold harmless the City for the payment of any employee and/or employer contributions for PERS benefits on behalf of Consultant or its employees, agents, or subcontractors, as well as for the payment of any penalties and interest on such contributions, which would otherwise be the responsibility of City.

9. INDEMNITY. Consultant shall indemnify, protect, defend (with legal counsel selected by the City), save and hold City, its officers, employees, and agents, harmless from any and all claims or causes of action for death or injury to persons, or damage to property resulting from intentional or negligent acts, errors, or omissions of Consultant or Consultant's officers, employees, volunteers, and agents during performance of this Agreement, or from any violation of any federal, state, or municipal law or ordinance, to the extent caused, in whole or in part, by the willful misconduct, negligent acts, or omissions of Consultant or its employees, subcontractors, or agents, or by the quality or character of Consultant's work, or resulting from the negligence of the City, its officers, employees, volunteers and agents, except for loss caused by the sole negligence or willful misconduct of the City or its officers, employees, volunteers or agents. It is understood that the duty of Consultant to indemnify and hold harmless includes the duty to defend as set forth in Section 2778 of the California Civil Code. Acceptance by City of insurance certificates and endorsements required under this Agreement does not relieve Consultant from liability under this indemnification and hold harmless clause. This indemnification and hold harmless clause shall survive the termination of this Agreement and shall apply to any damages or claims for damages whether or not such insurance policies shall have been determined to apply. By execution of this Agreement, Consultant acknowledges and agrees to the provisions of this Section and that it is a material element of consideration.

10. INSURANCE. During the term of this Agreement, Consultant shall maintain in full force and effect at its own cost and expense, the following insurance coverage:

a. Workers' Compensation Insurance. Full workers' compensation insurance shall be provided with a limit of at least One Hundred Thousand Dollars (\$100,000) for any one person and as required by law, including Employer's Liability limits of \$1,000,000.00 per accident. The policy shall be endorsed to waive the insurer's subrogation rights against the City.

b. General Liability.

- (i) Consultant shall obtain and keep in full force and effect general liability coverage at least as broad as ISO commercial general liability coverage occurrence Form CG 0001.
- (ii) Consultant shall maintain limits of no less than One Million Dollars (\$1,000,000) per occurrence for bodily injury, personal injury and property damage.
- (iii) The City, its officers, employees, volunteers and agents are to be named as additional insureds under the policy, as respects liability arising out of work or operations performed by or on behalf of the Consultant.
- (iv) The policy shall stipulate that this insurance will operate as primary insurance for work performed by Consultant and its sub-contractors, and that any other insurance or self insurance maintained by City or other named insureds shall be excess and non-contributory.
- (v) Consultant shall maintain its commercial general liability coverage for three (3) years after completion of the work and shall add an additional insured endorsement form acceptable to the City naming the City of Merced, its officers, employees, agents and volunteers for each year thereafter for at least three (3) years after completion of the work. Copies of the annual renewal and additional insured endorsement form shall be sent to the City within thirty (30) days of the annual renewal.

c. Automobile Insurance.

- (i) Consultant shall obtain and keep in full force and effect an automobile policy of at least One Million Dollars (\$1,000,000) per accident for bodily injury and property damage.
- (ii) The City, its officers, employees, volunteers and agents are to be named as additional insureds under the policy, as respects automobiles owned, leased, hired or borrowed by the Consultant.

- (iii) The policy shall stipulate that this insurance will operate as primary insurance for work performed by Consultant and its sub-contractors, and that any other insurance or self insurance maintained by City or other named insureds shall be excess and non-contributory.

d. Professional Liability Insurance. Consultant shall carry professional liability insurance appropriate to Consultant's profession in the minimum amount of One Million Dollars (\$1,000,000). Architects and engineers' coverage is to be endorsed to include contractual liability.

e. Qualifications of Insurer. The insurance shall be provided by an acceptable insurance provider, as determined by City, which satisfies all of the following minimum requirements:

- (i) An insurance carrier admitted to do business in California and maintaining an agent for service of process within this State; and,
- (ii) An insurance carrier with a current A.M. Best Rating of A:VII or better (except for workers' compensation provided through the California State Compensation Fund).

f. Certificate of Insurance. Consultant shall complete and file with the City prior to engaging in any operation or activity set forth in this Agreement, certificates of insurance evidencing coverage as set forth above and which shall provide that no cancellation or expiration by the insurance company will be made during the term of this Agreement, without thirty (30) days written notice to City prior to the effective date of such cancellation—including cancellation for nonpayment of premium.

g. Notwithstanding any language in this Agreement to the contrary, Consultant shall be entitled to be paid pursuant to the terms of this Agreement until Consultant has obtained the insurance required by this Section 10 and provided documentation of said insurance to the City. In addition to any other remedies City may have, City reserves the right to withhold payment if Consultant's insurance policies are not current.

11. ASSIGNABILITY OF AGREEMENT. It is understood and agreed that this Agreement contemplates personal performance by the Consultant and is

based upon a determination of its unique personal competence and experience and upon its specialized personal knowledge. Assignments of any or all rights, duties or obligations of the Consultant under this Agreement will be permitted only with the express written consent of the City.

12. **TERMINATION FOR CONVENIENCE OF CITY.** The City may terminate this Agreement any time by mailing a notice in writing to Consultant that the Agreement is terminated. Said Agreement shall then be deemed terminated, and no further work shall be performed by Consultant. If the Agreement is so terminated, the Consultant shall be paid for that percentage of the phase of work actually completed, based on a pro rata portion of the compensation for said phase satisfactorily completed at the time the notice of termination is received.

13. **CONFORMANCE TO APPLICABLE LAWS.** Consultant shall comply with its standard of care regarding all applicable Federal, State, and municipal laws, rules and ordinances. No discrimination shall be made by Consultant in the employment of persons to work under this contract because of race, color, national origin, ancestry, disability, sex or religion of such person.

Consultant hereby promises and agrees to comply with all of the provisions of the Federal Immigration and Nationality Act (8 U.S.C.A. 1101 *et seq.*), as amended; and in connection therewith, shall not employ unauthorized aliens as defined therein. Should Consultant so employ such unauthorized aliens for the performance of work and/or services covered by this Agreement, and should any agency or instrumentality of the federal or state government, including the courts, impose sanctions against the City for such use of unauthorized aliens, Consultant hereby agrees to, and shall, reimburse City for the cost of all such sanctions imposed, together with any and all costs, including attorneys' fees, incurred by the City in connection therewith.

14. **WAIVER.** In the event that either City or Consultant shall at any time or times waive any breach of this Agreement by the other, such waiver shall not constitute a waiver of any other or succeeding breach of this Agreement, whether of the same or any other covenant, condition or obligation. Waiver shall not be deemed effective until and unless signed by the waiving party.

15. **INCONSISTENT OR CONFLICTING TERMS IN AGREEMENT AND EXHIBITS.** In the event of any contradiction or inconsistency between any attached document(s) or exhibit(s) incorporated by reference herein and the provisions of the Agreement itself, the terms of the Agreement shall control.

Any exhibit that is attached and incorporated by reference shall be limited to the purposes for which it is attached, as specified in this Agreement. Any contractual terms or conditions contained in such exhibit imposing additional obligations on the City are not binding upon the City unless specifically agreed to in writing, and initialed by the authorized City representative, as to each additional contractual term or condition.

16. **AMBIGUITIES.** This Agreement has been negotiated at arms' length between persons knowledgeable in the matters dealt with herein. Accordingly, any rule of law, including, but not limited to, Section 1654 of the Civil Code of California, or any other statutes, legal decisions, or common-law principles of similar effect, that would require interpretation of any ambiguities in this Agreement against the party that drafted this Agreement is of no application and is hereby expressly waived.

17. **VENUE.** This Agreement and all matters relating to it shall be governed by the laws of the State of California and any action brought relating to this agreement shall be held exclusively in a state court in the County of Merced.

18. **AMENDMENT.** This Agreement shall not be amended, modified, or otherwise changed unless in writing and signed by both parties hereto.

19. **INTEGRATION.** This Agreement constitutes the entire understanding and agreement of the parties and supersedes all previous and/or contemporaneous understanding or agreement between the parties with respect to all or any part of the subject matter hereof.

20. **AUTHORITY TO EXECUTE.** The person or persons executing this Agreement on behalf of the parties hereto warrants and represents that he/she/they has/have the authority to execute this Agreement on behalf of their entity and has/have the authority to bind their party to the performance of its obligations hereunder.

21. **COUNTERPARTS.** This Agreement may be executed in one or more counterparts with each counterpart being deemed an original. No counterpart shall be deemed to be an original or presumed delivered unless and until the counterparts executed by the other parties hereto are in the physical possession of the party or parties seeking enforcement thereof.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed on the date first above written.

CITY OF MERCED  
A California Charter Municipal  
Corporation

BY: \_\_\_\_\_  
City Manager

ATTEST:  
STEVE CARRIGAN, CITY CLERK

BY: \_\_\_\_\_  
Assistant/Deputy City Clerk

APPROVED AS TO FORM:

BY:  7/15/20  
\_\_\_\_\_  
City Attorney                      Date

ACCOUNT DATA:

BY: \_\_\_\_\_  
Verified by Finance Officer



CONSULTANT  
RSG, INC.,  
A California Corporation

BY: \_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Typed Name)

Its: \_\_\_\_\_  
(Title)

BY: \_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Typed Name)

Its: \_\_\_\_\_  
(Title)

Taxpayer I.D. No. \_\_\_\_\_

ADDRESS: 309 W. 4th Street  
Santa Ana, CA  
92701-4502

TELEPHONE: (714) 541-4585

FAX: (714) 541-1175

E-MAIL: \_\_\_\_\_

# Exhibit A

## Scope of Services



17872 GILLETTE AVE.  
SUITE 350  
IRVINE, CA 92614

714 541 4585  
INFO@WEBRSG.COM  
WEBRSG.COM

June 2, 2020

**Via Electronic Mail**

Scott McBride, Director of Development Services  
CITY OF MERCED  
678 West 13<sup>th</sup> Street  
Merced, CA 95340

### **PROPOSAL FOR AFFORDABLE HOUSING CONSULTING SERVICES FY 2020-21**

We are pleased to present this proposal to the City of Merced ("City") and the City's Housing Successor Agency ("Housing Successor") to provide affordable housing consulting services in Fiscal Year ("FY") 2020-21. RSG has worked with the City since July 2018 to manage its Housing Successor assets, prepare annual reports, reconcile developer payments, draft affordable housing agreements, and navigate complex legal requirements.

RSG's most recent contract included the following tasks for FY 2019-20:

1. Transfer of Former Redevelopment Agency Assets to the Housing Successor;
2. Merced Pacific Associates Loan Research and Advisory Services;
3. Reconciliation of Residual Receipt Payments;
4. Childs and B Street Development Negotiations and Agreements;
5. Fiscal Year 2018-19 Housing Successor Annual Report
6. Housing Successor Real Property Development Request for Proposals ("RFP"); and
7. General As-Needed Services

RSG completed all tasks with the exception of Tasks 3 and 6. The majority of our FY 2019-20 contract budget was spent coordinating and drafting agreements for the Childs and B Street Development. With the departure of the City's Housing Program Supervisor in September 2020, RSG assisted with more items than originally outlined in our scope of services. In addition to completing a HOME Subsidy Layering Review and drafting Housing Successor agreements, RSG drafted HOME agreements, revised the Disposition and Development Agreement, and led bi-weekly calls with the City and developer to move these agreements forward. City staff approved using RSG's contract budget to complete these extra tasks in-lieu of Task 6, the RFP to dispose of Housing Successor properties.

Task 3, Reconciliation of Residual Receipts, was also expanded. RSG's FY 2019-20 scope of services included negotiating with the owner of the Woodbridge Apartments, who makes annual residual receipt payments to the City pursuant to a loan agreement, for additional payments owed for 2015 through 2017. RSG analyzed an additional year of residual receipt payments, and found

the property potentially owes \$26,314 for annual payments due to the City from 2015 through 2018. RSG contacted the property owner in April 2020 to request a meeting to discuss the payments, however paused efforts to focus on Childs and B Street. RSG will re-initiate discussions to reconcile payment methodologies to resolve any underpayment from 2015 through 2018 and ensure payments are calculated correctly in the future.

This proposal presents a scope of services for FY 2020-21 that includes the following:

1. Housing Successor Real Property Development Request for Proposals
2. Reconciliation of Woodbridge Residual Receipt Payments (2015-2018);
3. Fiscal Year 2019-20 Housing Successor Annual Report
4. General As-Needed Services

## **SCOPE OF SERVICES**

The following details RSG's understanding of the desired services requested by the City and Housing Successor. For budgeting purposes, the Scope of Services is divided into multiple tasks and steps that the City may select from to fit within its budget.

### **Task 1: Housing Successor Real Property Development Request for Proposals**

RSG will assist staff with the preparation of an RFP notifying affordable housing developers of available Housing Successor properties. RSG will ensure the RFP process complies with both Housing Successor law and the Surplus Lands Act. We will collaborate with City staff to select a qualified developer by reviewing developer submittals for compliance with the Health and Safety Code and preparing necessary agreements to collaborate with developers to develop Housing Successor properties.

- **Step 1: RFP** – RSG will draft an RFP that will help the Housing Successor assess developer qualifications and detail selection criteria. Selection criteria may include, but is not limited to:
  - Expertise and experience of the development entity and team in designing and constructing high quality affordable housing projects;
  - Vision and design for a market-feasible affordable housing project that implements the City's vision for the community and promotes the community character of Merced;
  - Economic viability and financial strength of the proposed project, including marketability and feasibility;
  - Experience and ability to creatively negotiate an affordable housing agreement, or other appropriate development agreement, that provides the greatest return on investment to the City; and

- Financial and organizational capacity of the team to successfully complete the project, including the ability to secure financing and leverage other funding sources to build the highest quality housing project.

RSG will work with staff and legal counsel to further define selection criteria that meets the community's goals. Once the RFP is finalized, RSG will also assist the Housing Successor with conducting an informational conference call wherein interested developers can get an overview and ask questions prior to submitting a response. It is anticipated that this task will include 2 conference calls: 1) meeting to review RFP with staff, and 2) an informational call with interested developers. RSG will prepare any necessary staff reports or resolutions related to this task.

- **Step 2: Housing Successor Compliance Review** – RSG will assist in evaluating RFP responses for Health and Safety Code compliance. The budget estimate assumes review of 4 developer submittals and may vary depending on the depth of review required from the RFP criteria. This task will be limited to evaluating how each submittal's proposed scope of development complies with Senate Bill 341 requirements and summarizing our recommendations in writing. RSG will assist in negotiating financial deal points to be included in any agreement between the selected developer and the Housing Successor to comply with Senate Bill 341.
- **Step 3: Detailed Proposal Evaluation** –RSG will review and analyze pertinent data and materials provided in each developer submittal to evaluate the completeness of the proposal in accordance with the criteria and requirements identified in the RFP. The proposal screening will be undertaken using a Review Checklist approved by the City to ensure consistency and “like comparisons” in the review process. The budget estimate assumes review of 4 developer submittals and may vary depending on the depth of review required from the RFP criteria.

RSG's detailed evaluations will emphasize the analysis of the development costs for the improvements based on current third-party cost data obtained from Marshall & Swift Valuation Services, our recent comparable project experience, as well as the related “indirect” construction costs identified by each developer proposal. RSG would also expect to scrutinize the developer's assumptions to ensure that the anticipated costs, revenues, and operating and replacement reserves are realistic and not over/understated. This would include a detailed look at developer fees and deferred fees. RSG will also prepare a long-term cash flow to ensure that the prospective developer can remain solvent as an operator throughout the duration of the affordability period.

Based on RSG's detailed evaluation of the proposals, we will recommend finalists to the City and prepare interview questions to be used for the selected developers. RSG will participate in interviews along with Staff to select a developer that best meets the needs

of the community. RSG will also work with staff and legal counsel to prepare and present developer submittals to the Council. RSG's budget estimate includes 2 meetings: 1) developer interviews and 2) Council developer selection meeting.

- **Step 4: Developer Negotiation Meetings** - RSG is available to participate in any developer negotiation meetings related to the preparation of loan agreements and legal documents. Based on our experience, the number of required in-person meetings can vary significantly based on the complexity of the proposed deal and the relationship between the developer and the City. For the purpose of the cost estimate for this optional service, it is anticipated that 3 meetings will be needed; additional meetings may be billed on a time and materials basis with staff's authorization.
- **Step 5: Agreement Preparation** – RSG will draft Housing Successor loan and affordability agreements with the selected developer. RSG will also review and comment on any pertinent agreements prepared by the City Attorney or developer's legal counsel, such as a Disposition and Development Agreement. The budget estimate assumes 1 set of agreements will be prepared for a single developer; additional agreements would be billed on a time and materials basis with staff's authorization. RSG will attend 1 meeting with City Council to approve the project and any related agreements to answer questions related to the project pro forma.

### **Task 2: Reconciliation of Woodbridge Residual Receipt Payments**

RSG completed a residual receipts review for the Woodbridge Apartments. RSG discovered variances in the methodology for calculating residual receipt revenue that resulted in an overall underpayment to the Housing Successor between 2015 to 2018 totaling \$26,314. RSG will set up one meeting with Woodbridge to discuss any differences in the calculations and negotiate reconciliation payments. The outcome of the process will be to reconcile methodologies that both the Housing Successor and developer will adhere to moving forward and to collect any past due payments (although none are anticipated for Woodbridge). As part of this process, RSG will update the residual receipt financial model to reflect agreed upon changes.

The residual receipt models can be used annually by the Housing Successor to verify residual receipt payments collected from developers. RSG anticipates that this will take one conference call with Woodbridge and City staff and follow-up calls as needed.

### **Task 3: Fiscal Year 2019-20 Housing Successor Agency Annual Report**

RSG will prepare the Housing Successor Agency Annual Report ("Annual Report") for Fiscal Year 2019-20. The Annual Report is due with the City's Housing Element Annual Report by April 1, 2021 to the California Department of Housing and Community Development ("HCD"). The Annual Report must also be presented to City Council.

The Annual Report will include all items required by Health & Safety Code Section 34176.1. It includes a summary of financial activity and affordable housing efforts. RSG will integrate financial data provided by City staff and information about affordable housing resources and activity. The Annual Report will clearly detail compliance with legal requirements and outline steps to come into compliance, if necessary. RSG's scope includes two meetings: 1) a conference call to review the report with staff and 2) a City Council meeting to present the report to the City Council for its approval. The City Council meeting may be attended in-person or virtually based on health and safety measures required due to COVID-19.

#### **Task 4: General As-Needed Services**

The Housing Successor has multiple responsibilities related to asset management and property disposition and development, and many needs may arise that are impossible to predict in advance. RSG will assist with general as-needed services for miscellaneous items as requested by staff. This may include assisting with services under Tasks 1 through 3 that require more in-depth services than anticipated due to the complex and unpredictable nature of developer negotiations.

#### **STAFFING**

Tara Matthews will serve as the Managing Principal, providing oversight for all aspects of the engagement. Suzy Kim, Senior Associate will be the Project Manager and primary contact for the engagements. Jake Nieto, Analyst, will assist with the project. Other RSG staff may be assigned as needed. RSG resumes may be viewed on our website at [www.webrsg.com](http://www.webrsg.com).

#### **FEE ESTIMATE**

RSG proposes to provide the tasks described in the Scope of Services on a time-and-materials basis **not to exceed \$80,000**. The budget for each task is provided for reference in case the City wishes to execute approval incrementally for each task as needed based on RFP responses. Please see the following chart for a breakdown of costs by task.

Task	Principal \$235	Senior Associate \$180	Analyst \$125	Total
<b><u>1: Housing Successor Real Property Development Request for Proposals</u></b>				
Step 1 - RFP	10	33	7	\$9,165
Draft RFP	4	25	5	\$6,065
RFP Review Call with Staff	4	4	0	\$1,660
Informational Call for Developers	2	4	2	\$1,440
Step 2 - Housing Successor Compliance Review	6	12	0	\$3,570
Compliance Review (4 submittals)	4	8	0	\$2,380
Written Recommendation	2	4	0	\$1,190
Step 3 - Detailed Proposal Evaluation	20	80	60	\$26,600
Step 4 - Developer Negotiation Meetings (3)	24	24	0	\$9,960
Step 5 - Agreement Preparation	10	20	20	\$8,450
<b>Task 1 Total</b>	<b>70</b>	<b>169</b>	<b>87</b>	<b>\$57,745</b>
<b><u>2: Reconciliation of Residual Receipt Payments</u></b>				
Woodbridge Meeting & Preparation (1 call)	4	1	8	\$2,120
Developer Negotiation Follow-Up	1	1	20	\$2,915
<b>Task 2 Total</b>	<b>5</b>	<b>2</b>	<b>28</b>	<b>\$5,035</b>
<b><u>3: FY 19-20 Housing Successor Annual Report</u></b>				
Draft Document	3	8	25	\$5,270
Meetings and Preparation (1 call/1 meeting)	2	8	2	\$2,160
<b>Task 3 Total</b>	<b>5</b>	<b>16</b>	<b>27</b>	<b>\$7,430</b>
<b><u>4: General As-Needed Services</u></b>	<b>20</b>	<b>20</b>	<b>10</b>	<b>\$9,550</b>
<b>Total for Tasks 1 to 4</b>	<b>100</b>	<b>207</b>	<b>152</b>	<b>\$79,760</b>

The services would be provided per the terms and conditions of a consulting services agreement by and between the City and RSG. A detailed billing will be submitted monthly for payment.

Scott McBride  
CITY OF MERCED  
June 2, 2020  
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The Scope of Services will be billed on a time-and-materials basis at the following hourly rates:

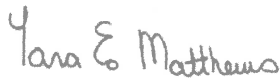
**2020 Hourly Billing Rates & Fee Schedule**

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%

RSG does not charge clients for mileage, parking, general postage or incidental copies. However, we do charge for messenger services or overnight shipping/express mail costs. We 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 issues monthly invoices payable upon receipt, unless otherwise agreed upon in advance. Invoices identify tasks completed to date, hours expended, and the hourly rate. We are open to discussion and negotiation over billing options to accommodate client preferences.

We look forward to discussing our proposal with you to discuss our proposal in detail. In the meantime, should you have any questions, please feel free to contact Tara at (714) 316-2116.

Sincerely,  
**RSG, INC.**



Tara Matthews  
Principal



Suzy Kim  
Senior Associate