

PROFESSIONAL SERVICES AGREEMENT
CITYWIDE LUA, IIP and DIF UPDATE

This Professional Services Agreement ("Agreement") is entered into and effective between CITY OF GLENDALE, an Arizona municipal corporation ("City") and Tischler Bise, Inc, a District of Columbia corporation, authorized to do business in the State of Arizona, ("Consultant") as of the ____ day of _____, 2024 ("Effective Date").

RECITALS

- A. City intends to undertake a project for the benefit of the public and with public funds that is more fully set forth in **Exhibit A**, Scope of Work (the "SOW");
- B. City desires to retain the professional services of Consultant to develop, create, make, generate, supply, deliver, provide and/or perform the specific benefits, services, tasks, activities, expertise, etc. as set forth in the Scope of Work; and
- C. City and Consultant desire to memorialize their agreement with this document.

AGREEMENT

The parties hereby agree as follows:

1. Key Personnel; Other Consultants and Subcontractors.

- 1.1 Professional Services. Consultant will provide all Services necessary to assure all portions, tasks, activities and specifications of the SOW (the "Services") are completed timely and efficiently consistent with the SOW's requirements, including, but not limited to, working in close interaction and interfacing with City and its designated employees, and working closely with others, including other consultants or contractors, retained by City.
- 1.2 Project Team.
 - a. Project Manager.
 - (1) Consultant will designate an employee as Project Manager with sufficient training, knowledge, and experience to, in the City's opinion, complete the project and handle all aspects of the SOW such that the work produced by Consultant is consistent with applicable standards as detailed in this Agreement; and
 - (2) The City must approve the designated Project Manager.
 - b. Project Team.
 - (1) The Project Manager and all other employees assigned to the perform the SOW by Consultant will comprise the "Project Team."
 - (2) Project Manager will have responsibility for and will supervise all other employees assigned to the perform the SOW by Consultant.
 - c. Discharge, Reassign, Replacement.
 - (1) Consultant acknowledges the Project Team is comprised of the same persons and roles for each as may have been identified in **Exhibit A**.
 - (2) Consultant will not discharge, reassign, replace or diminish the responsibilities of any of the employees assigned to perform the SOW who have been approved by City without City's prior written consent unless that person leaves the employment of Consultant, in which event the substitute must first be approved in writing by City.

- (3) Consultant will change any of the members of the Project Team at the City's request if an employee's performance does not equal or exceed the level of competence that the City may reasonably expect of a person performing those duties, or if the acts or omissions of that person are detrimental to the completion of the SOW.

d. Subcontractors.

- (1) Consultant may engage specific technical contractors (each a "Subcontractor") to furnish certain Service.
- (2) Consultant will remain fully responsible for Subcontractor's Services.
- (3) Subcontractors must be approved by the City.
- (4) Consultant will certify by letter that all contracts with Subcontractors have been executed incorporating requirements and standards as set forth in this Agreement.

2. **Schedule.** The Services will be undertaken in a manner that ensures the SOW is completed on time and in a cost- efficient manner. The Services, including any interim milestones, shall be completed in accordance with the schedule contained in **Exhibit A**.

3. **Consultant's Work.**

3.1 Standard. Consultant must perform Services in accordance with the standards of due diligence, care, and quality prevailing among consultants having substantial experience with the successful furnishing of Services for projects that are equivalent in size, scope, quality, and other criteria under the SOW and identified in this Agreement.

3.2 Licensing. Consultant warrants that:

- a. Consultant and its Subconsultants or Subcontractors will hold all appropriate and required licenses, registrations and other approvals necessary for the lawful furnishing of Services ("Approvals"); and
- b. Neither Consultant nor any Subconsultant or Subcontractor has been debarred or otherwise legally excluded from contracting with any federal, state, or local governmental entity ("Debarment").
 - (1) City is under no obligation to ascertain or confirm the existence or issuance of any Approvals or Debarments, or to examine Consultant's contracting ability.
 - (2) Consultant must notify City immediately if any Approvals or Debarment changes during the Agreement's duration. The failure of the Consultant to notify City as required will constitute a material default under the Agreement.

3.3 Compliance.

- a. Services will be furnished in compliance with applicable federal, state, county and local statutes, rules, regulations, ordinances, building codes, life safety codes, and other standards and criteria designated by City.
- b. Consultant must not discriminate against any employee or applicant for employment on the basis of race, color, religion, sex, national origin, age, marital status, sexual orientation, gender identity or expression, genetic characteristics, familial status, U.S. military veteran status or any disability. Consultant will require any Sub-contractor to be bound to the same requirements as stated within this section. Consultant, and on behalf of any subcontractors, warrants compliance with this section.

3.4 Coordination; Interaction.

- a. For projects that the City believes requires the coordination of various professional services, Consultant will work in close consultation with City to proactively interact with any other professionals retained by City ("Coordinating Professionals").

- b. Consultant will meet to review the Services to be provided in the SOW, Schedule and in-progress work with Coordinating Professionals and City as often and for durations as City reasonably considers necessary in order to ensure the timely work delivery and SOW completion.
- c. For projects not involving Coordinating Professionals, Consultant will proactively interact with any other contractors when directed by City to obtain or disseminate timely information for the proper execution of the SOW.

3.5 Work Product.

- a. Ownership. Upon receipt of payment for Services furnished, Consultant grants to City, and will cause its Subconsultants or Subcontractors to grant to the City, the exclusive ownership of and all copyrights, if any, to evaluations, reports, drawings, specifications, project manuals, surveys, estimates, reviews, minutes, all "architectural work" as defined in the United States Copyright Act, 17 U.S.C § 101, *et seq.*, and other intellectual work product as may be applicable ("Work Product").
 - (1) This grant is effective whether the Work Product is on paper (e.g., a "hard copy"), in electronic format, or in some other form.
 - (2) Consultant warrants, and agrees to indemnify, hold harmless and defend City for, from and against any claim that any Work Product infringes on third-party proprietary interests.
- b. Delivery. Consultant will deliver to City copies of the preliminary and completed Work Product promptly as they are prepared.
- c. City Use.
 - (1) City may reuse the Work Product at its sole discretion.
 - (2) In the event the Work Product is used for another project without further consultations with Consultant, the City agrees to indemnify and hold Consultant harmless from any claim arising out of the Work Product.
 - (3) In such case, City will also remove any seal and title block from the Work Product.

4. **Compensation.**

- 4.1 Compensation. Consultant's compensation for the Services, including those furnished by its Subconsultants or Subcontractors will not exceed \$64,490 as specifically detailed in **Exhibit B** ("Compensation").
- 4.2 Change in Scope of Work. The Compensation may be equitably adjusted if the original SOW is significantly modified, but only as provided below.
 - a. Adjustments to the SOW, including adding any additional Services or any change in the amount of Compensation available hereunder, require a written amendment to this Agreement and may require City Council approval.
 - b. Additional services which are outside the scope of the original SOW contained in this Agreement may not be performed by the Consultant without prior written authorization from the City.
 - c. Notwithstanding the incorporation of the Exhibits to this Agreement by reference, should any conflict arise between the provisions of this Agreement and the provisions found in the Exhibits and accompanying attachments, the provisions of this Agreement shall take priority and govern the conduct of the parties.
- 4.3 Expenses. City will reimburse Consultant for certain out-of-pocket expenses necessarily incurred by Consultant in connection with this Agreement, without mark-up (the "Reimbursable Expenses"), including, but not limited to, document reproduction, materials for book preparation, postage,

courier and overnight delivery costs incurred with Federal Express or similar carriers, travel and car mileage, subject to the following:

- a. Mileage, airfare, lodging and other travel expenses will be reimbursable only to the extent these would, if incurred, be reimbursed to City of Glendale personnel under its policies and procedures for business travel expense reimbursement made available to Consultant for review prior to the Agreement's execution, and which policies and procedures will be furnished to Consultant;
- b. The Reimbursable Expenses in this section are approved in advance by City in writing; and
- c. The total of all Reimbursable Expenses paid to Consultant in connection with this Agreement will not exceed the "not to exceed" amount identified in Section 4.1 above.

5. **Billings and Payment.**

5.1 Applications.

- a. Consultant will submit monthly invoices (each, a "Payment Application") to City's Project Manager and City will remit payments based upon the Payment Application as stated below.
- b. The period covered by each Payment Application will be one calendar month ending on the last day of the month.

5.2 Payment.

- a. After a full and complete Payment Application is received, City will process and remit payment within 30 days.
- b. Payment may be subject to or conditioned upon City's receipt of:
 - (1) Completed work generated by Consultant and its Subconsultants and Subcontractors; and
 - (2) Unconditional waivers and releases on final payment from all Subconsultants and Subcontractors as City may reasonably request to assure the City will be free of claims arising from required performances under this Agreement.

5.3 Review and Withholding. City's Project Manager will timely review and certify Payment Applications.

- a. If the Payment Application is rejected, the Project Manager will issue a written listing of the items not approved for payment.
- b. City may withhold an amount sufficient to pay expenses that City reasonably expects to incur in correcting the deficiency or deficiencies rejected for payment.

6. **Termination.**

6.1 For Convenience. City may terminate this Agreement for convenience, without cause, by delivering a written termination notice stating the effective termination date, which may not be less than 15 days following the date of delivery.

- a. Consultant will be equitably compensated for Services furnished prior to receipt of the termination notice and for reasonable costs incurred.
- b. Consultant will also be similarly compensated for any approved effort expended, and approved costs incurred, that are directly associated with Project closeout and delivery of the required items to the City.

6.2 For Cause. City may terminate this Agreement for cause if Consultant fails to cure any breach of this Agreement within seven days after receipt of written notice specifying the breach.

- a. Consultant will not be entitled to further payment until after City has determined its damages. If City's damages resulting from the breach, as determined by City, are less than the equitable

amount due but not paid Consultant for Services furnished, City will pay the amount due to Consultant, less City's damages, in accordance with the provision of Sec. 5.

- b. If City's direct damages exceed amounts otherwise due to Consultant, Consultant must pay the difference to City immediately upon demand; however, Consultant will not be subject to consequential damages more than \$1,000,000 or the amount of this Agreement, whichever is greater.

7. **Conflict.** Consultant acknowledges this Agreement is subject to A.R.S. § 38-511, which allows for cancellation of this Agreement in the event any person who is significantly involved in initiating, negotiating, securing, drafting, or creating the Agreement on City's behalf is also an employee, agent, or consultant of any other party to this Agreement.

8. **Insurance.** For the duration of the term of this Agreement, Consultant shall procure and maintain insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of all tasks or work necessary to complete the Project as herein defined. Such insurance shall cover Consultant, its agent(s), representative(s), employee(s) and any subcontractors.

8.1 Minimum Scope and Limit of Insurance. Coverage must be at least as broad as:

- a. Commercial General Liability (CGL). Insurance Services Office Form CG 00 01, including products and completed operations, with limits of no less than **\$1,000,000** per occurrence for bodily injury, personal injury, and property damage. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location or the general aggregate limit shall be twice the required occurrence limit.
- b. Automobile Liability. Insurance Services Office Form Number CA 0001 covering Code 1 (any auto), with limits no less than **\$1,000,000** per accident for bodily injury and property damage.
- c. Professional Liability. Consultant must maintain a Professional Liability insurance covering errors and omissions arising out of the work or services performed by Consultant, or anyone employed by Consultant, or anyone for whose acts, mistakes, errors and omissions Consultant is legally liability, with a liability insurance limit of \$1,000,000 for each claim and a \$1,000,000 annual aggregate limit.
- d. Worker's Compensation. Insurance as required by the State of Arizona, with Statutory Limits, and Employers' Liability insurance with a limit of no less than **\$1,000,000** per accident for bodily injury or disease.

8.2 Indemnification.

- a. To the fullest extent permitted by law, Consultant must defend, indemnify, and hold harmless City and its elected officials, officers, employees and agents (each, an "Indemnified Party," collectively, the "Indemnified Parties") for, from, and against any and all claims, demands, actions, damages, judgments, settlements, personal injury (including sickness, disease, death, and bodily harm), property damage (including loss of use), infringement, governmental action and all other losses and expenses, including attorneys' fees and litigation expenses (each, a "Demand or Expense" collectively "Demands or Expenses") asserted by a third-party (i.e. a person or entity other than City or Consultant) and that arises out of or results from the breach of this Agreement by the Consultant or the Consultant's negligent actions, errors or omissions (including any Subconsultant or Subcontractor or other person or firm employed by Consultant), whether sustained before or after completion of the SOW and/or Services.
- b. This indemnity and hold harmless provision applies even if a Demand or Expense is in part due to the Indemnified Party's negligence or breach of a responsibility under this Agreement, but in that event, Consultant will be liable only to the extent the Demand or Expense results from the negligence or breach of a responsibility of Consultant or of any person or entity for whom Consultant is responsible.

- c. Consultant is not required to indemnify any Indemnified Parties for, from, or against any Demand or Expense resulting from the Indemnified Party's sole negligence or other fault solely attributable to the Indemnified Party.
- 8.3 Other Insurance Provisions. The insurance policies required by the Section above must contain, or be endorsed to contain the following insurance provisions:
- a. **The City, its officers, officials, employees and volunteers are to be covered as additional insureds** of the CGL and automobile policies for any liability arising from or in connection with the performance of all tasks or work necessary to complete the Services as herein defined. Such liability may arise, but is not limited to, liability for materials, parts or equipment furnished in connection with any tasks, or work performed by Consultant or on its behalf and for liability arising from automobiles owned, leased, hired or borrowed on behalf of the Consultant. General liability coverage can be provided in the form of an endorsement to the Consultant's existing insurance policies, provided such endorsement is at least as broad as ISO Form CG 20 10, 11 85 or both CG 20 10 and CG 23 37, if later revisions are used.
 - b. For any claims related to the SOW and/or Services, the **Consultant's insurance coverage shall be primary insurance** with respect to the City, its officers, officials, employees, and volunteers. Any insurance or self-insurance maintained by the City, its officers, officials, employees or volunteers shall be in excess of the Consultant's insurance and shall not contribute with it.
 - c. Each insurance policy required by this Section shall provide that coverage shall not be canceled, except after providing notice to the City.
- 8.4 Acceptability of Insurers. Insurance is to be placed with insurers with a current A.M. Best rating of no less than A: VII, unless the Consultant has obtained prior approval from the City stating that a non-conforming insurer is acceptable to the City.
- 8.5 Waiver of Subrogation. **Consultant hereby agrees to waive its rights of subrogation which any insurer may acquire** from Consultant by virtue of the payment of any loss. Consultant agrees to obtain any endorsement that may be necessary to effect this waiver of subrogation. The Workers' Compensation Policy shall be endorsed with a waiver of subrogation in favor of the City for all work performed by the Consultant, its employees, agent(s) and subcontractor(s).
- 8.6 Verification of Coverage. Within 15 days of the Effective Date of this Agreement, Consultant shall furnish the City with original certificates and amendatory endorsements, or copies of any applicable insurance language making the coverage required by this Agreement effective. All certificates and endorsements must be received and approved by the City before work commences. Failure to obtain, submit or secure the City's approval of the required insurance policies, certificates or endorsements prior to the City's agreement that work may commence shall not waive the Consultant's obligations to obtain and verify insurance coverage as otherwise provided in this Section. The City reserves the right to require complete, certified copies of all required insurance policies, including any endorsements or amendments, required by this Agreement at any time during the Term stated herein.
- Consultant's failure to obtain, submit or secure the City's approval of the required insurance policies, certificates or endorsements shall not be considered a Force Majeure or defense for any failure by the Consultant to comply with the terms and conditions of the Agreement, including any schedule for performance or completion of the Project.
- 8.7 Subcontractors. Consultant shall require and shall verify that all subcontractors maintain insurance meeting all requirements of this Agreement.
- 8.8 Special Risk or Circumstances. The City reserves the right to modify these insurance requirements, including any limits of coverage, based on the nature of the risk, prior experience, insurer, coverage or other circumstances unique to the Consultant, the Project or the insurer.

9. **E-verify, Records and Audits.** To the extent applicable under A.R.S. § 41-4401, the Consultant warrants their compliance and that of its subconsultants with all federal immigration laws and regulations that relate to their employees and compliance with the E-verify requirements under A.R.S. § 23-214(A). The Consultant or subconsultant's breach of this warranty shall be deemed a material breach of the Agreement and may result in the termination of the Agreement by the City under the terms of this Agreement. The City retains the legal right to randomly inspect the papers and records of the other party to ensure that the other party is complying with the above-mentioned warranty. The Consultant and subconsultant warrant to keep their respective papers and records open for random inspection during normal business hours by the other party. The parties shall cooperate with the City's random inspections, including granting the inspecting party entry rights onto their respective properties to perform the random inspections and waiving their respective rights to keep such papers and records confidential.
10. **No Boycott of Israel.** To the extent A.R.S § 35-393 through § 35-393.03 are applicable, the parties hereby certify that they are not currently engaged in, and agree for the duration of the Agreement to not engage in, a boycott of goods or services from Israel, as that term is defined in A.R.S § 35-393.
11. **Uyghur Forced Labor Prevention Act (UFLPA).** Consultant certifies that it does not currently, and during the term of this Agreement, will not use:
- a. the forced labor of ethnic Uyghurs in the People's Republic of China;
 - b. any goods or services produced by the forced labor of ethnic Uyghurs in the People's Republic of China; and
 - c. any contractors, subcontractors or suppliers that use the forced labor or any goods or services produced by the forced labor of ethnic Uyghurs in the People's Republic of China.
12. **Attestation of PCI Compliance.** When applicable, the Consultant will provide the City annually with a Payment Card Industry Data Security Standard (PCI DSS) attestation of compliance certificate signed by an officer of Consultant with oversight responsibility.
13. **Notices.**
- 13.1 A notice, request or other communication that is required or permitted under this Agreement (each a "Notice") will be effective only if:
- a. The Notice is in writing; and
 - b. Delivered in person or by overnight courier service (delivery charges prepaid), certified or registered mail (return receipt requested).
 - c. Notice will be deemed to have been delivered to the person to whom it is addressed as of the date of receipt, if:
 - (1) Received on a business day before 5:00 p.m. at the address for Notices identified for the Party in this Agreement by U.S. Mail, hand delivery, or overnight courier service; or
 - (2) As of the next business day after receipt, if received after 5:00 p.m.
 - d. The burden of proof of the place and time of delivery is upon the Party giving the Notice.
 - e. Digitalized signatures and copies of signatures will have the same effect as original signatures.
- 13.2 Representatives.
- a. Consultant. Consultant's representative (the "Consultant's Representative") authorized to act on Consultant's behalf with respect to the SOW and/or Services, and his or her address for Notice delivery is:

L. Carson Bise II
Tishler Bise, Inc.
4701 Sangamore Road, Suite 240

Bethesda, Maryland 20816

- b. City. City's representative ("City's Representative") authorized to act on City's behalf, and his or her address for Notice delivery is:

City of Glendale
c/o Don Bessler
5850 West Glendale Ave, Suite 315
Glendale, Arizona 85301

With required copy to:

City Manager
City of Glendale
5850 West Glendale Avenue
Glendale, Arizona 85301

City Attorney
City of Glendale
5850 West Glendale Avenue
Glendale, Arizona 85301

- c. Concurrent Notices.

- (1) All notices to City's representative must be given concurrently to City Manager and City Attorney.
- (2) A notice will not be deemed to have been received by City's representative until the time that it has also been received by the City Manager and the City Attorney.
- (3) City may appoint one or more designees for the purpose of receiving notice by delivery of a written notice to Consultant identifying the designee(s) and their respective addresses for notices.

- d. Changes. Consultant or City may change its representative or information on Notice, by giving Notice of the change in accordance with this section at least ten days prior to the change.

14. **Financing Assignment.** City may assign this Agreement to any City-affiliated entity, including a non-profit corporation or other entity whose primary purpose is to own or manage the SOW or Services.

15. **Entire Agreement; Survival; Counterparts; Signatures.**

15.1 Integration. This Agreement contains, except as stated below, the entire agreement between City and Consultant and supersedes all prior conversations and negotiations between the parties regarding the SOW or this Agreement.

- a. Neither Party has made any representations, warranties or agreements as to any matters concerning the Agreement's subject matter.
- b. Representations, statements, conditions, or warranties not contained in this Agreement will not be binding on the parties.
- c. Inconsistencies between the solicitation, any addenda attached to the solicitation, the response or any excerpts attached as **Exhibit A**, and this Agreement, will be resolved by the terms and conditions stated in this Agreement.

15.2 Interpretation.

- a. The parties fairly negotiated the Agreement's provisions to the extent they believed necessary and with the legal representation they deemed appropriate.
- b. The parties are of equal bargaining position and this Agreement must be construed equally between the parties without consideration of which of the parties may have drafted this Agreement.
- c. The Agreement will be interpreted in accordance with the laws of the State of Arizona.

- 15.3 Survival. Except as specifically provided otherwise in this Agreement, each warranty, representation, indemnification and hold harmless provision, insurance requirement, and every other right, remedy and responsibility of a Party, will survive completion of the SOW, or the earlier termination of this Agreement.
- 15.4 Amendment. No amendment to this Agreement will be binding unless in writing and executed by the parties. Electronic signature blocks do not constitute execution for purposes of this Agreement. Any amendment may be subject to City Council approval.
- 15.5 Remedies. All rights and remedies provided in this Agreement are cumulative and the exercise of any one or more right or remedy will not affect any other rights or remedies under this Agreement or applicable law.
- 15.6 Severability. If any provision of this Agreement is voided or found unenforceable, that determination will not affect the validity of the other provisions, and the voided or unenforceable provision will be reformed to conform with applicable law.
- 15.7 Counterparts. This Agreement may be executed in counterparts, and all counterparts will together comprise one instrument.

16. Term.

- 16.1 Extensions. The term of this Agreement commences upon the effective date and continues for a one (1) year initial period. The City may, at its option and with the approval of the Consultant, extend the term of this Agreement an additional one (1) years, on an annual basis. Consultant will be notified in writing by the City of its intent to extend the Agreement period at least thirty (30) calendar days prior to the expiration of the original or any extension period. Price adjustments will only be reviewed during the Agreement extension period and will be a determining factor for any extension. There are no automatic extensions or renewals of this Agreement.
- 16.2 Extension for Procurement Process. Upon the expiration of the Term of this Agreement, including the initial term and any extensions, at the City’s sole discretion, this Agreement may be extended on a month-to-month basis for a maximum of six (6) months to allow for the City to complete its procurement process to select a vendor to provide the services/materials similar to those provided under this Agreement. The City will notify the Contractor in writing of its intent to extend the Agreement at least thirty (30) calendar days prior to the expiration of the Term. Any extension provided under this subsection will continue under the same terms and conditions as in effect immediately prior to the expiration of the then-current term.

17. Dispute Resolution. Any controversy or claim arising out of or relating to this contract, or the breach thereof, shall be settled by arbitration administered according to the American Arbitration Association’s Commercial Arbitration Rules, and judgment on the award rendered by the arbitrator may be entered in any court having jurisdiction thereof.

18. Cooperative Use of Contract. This agreement may be extended for use by other governmental agencies and political subdivisions of the State. Any such usage by other entities must be in accord with the ordinances, charter, rules and regulations of the respective entity and the approval of the Contractor and City. For a list of SAVE members, click on the following link:
<http://www.mesaaz.gov/business/purchasing/save>

19. Exhibits. The following exhibits, with reference to the term in which they are first referenced, are incorporated by this reference.

- Exhibit A Scope of Work
- Exhibit B Compensation

The parties enter into this Agreement effective as of the date shown above.

City of Glendale,
an Arizona municipal corporation

By: Kevin R. Phelps
Its: City Manager

ATTEST:

Julie K. Bower (SEAL)
City Clerk

APPROVED AS TO FORM:

Michael D. Bailey
City Attorney

Tishler Bise, Inc.,
a District of Columbia corporation



By: L. Carson Bise II
Its: President

EXHIBIT A
Professional Services Agreement

SCOPE OF WORK

See attached .

Work Scope – Land Use Assumptions and Infrastructure Improvements Plan

TASK 1: PROJECT INITIATION / DATA ACQUISITION

During this task, we will meet with City staff to establish lines of communication, review and discuss project goals and expectations related to the project, review (and revise if necessary) the project schedule, request data and documentation related to new proposed development, and discuss City staff's role in the project. The objectives of this initial discussion are outlined below:

- Obtain and review current demographics and other land use information
- Review and refine work plan and schedule
- Discuss current and previous work efforts related to this topic
- Assess additional information needs and required staff support
- Identify and collect data and documents relevant to the analysis
- Identify any relevant policy issues

Meetings:

One (1) on-site visit to meet with City project management team/City staff as appropriate.

Deliverables:

Data request memorandum.

TASK 2: DEVELOP LAND USE ASSUMPTIONS

TischlerBise will review, analyze and, if appropriate, update annual projections of population, employment, housing, commercial, industrial and other nonresidential square footage data for at least five years, pursuant to Arizona Revised Statutes 9-463.05. This will be based on discussions with City staff, review of recent development activity, approved development plans and review of published information from the Maricopa Association of Governments, and other relevant data sources. TischlerBise will prepare a memorandum discussing the recommended land use projections (Land Use Assumptions Document) that will serve as the basis for the IIP and development fee schedule, including any relevant service areas. TischlerBise will prepare a plan that includes projections of changes in land uses, densities, intensities, and population for a specific service area. A map of the area(s) to which the land use assumptions apply will also be included in this task.

Meetings:

Discussions with the Community Development Department will be held as part of Task 1, as well as conference calls as needed.

Deliverables:

TischlerBise will prepare a draft technical memorandum discussing the recommended Land Use Assumptions. After review and sign-off by the City, a final memorandum will be issued, which will become part of the final IIP and Development Fee Report.

TASK 3: ASCERTAIN DEMAND FACTORS AND LEVELS-OF-SERVICE FOR “NECESSARY PUBLIC SERVICES”

Communities in Arizona may assess development fees for “necessary public services” which have a useful life of more than three years and that are owned and operated on behalf of the City and within the incorporated boundary.

There are several important subtasks that are outlined below:

- **Proportionate Share** – Determine the proportionate share of the cost of “necessary public services,” based on service units needed to provide such services to new development.
- **Determine Existing Levels-of-Service** – The costs for the “necessary public services” required to serve new development are based on the same level-of-service being provided to existing development in the service area. We will determine the existing level-of-service by conducting onsite interviews, evaluating the appropriate studies, and analyzing relevant local data. These onsite interviews will also include discussions about and defining of the infrastructure components to be included in the IIP and development fees.
- **Determine Service Areas** – Specify the area(s) within the City’s boundaries in which development will be served by the “necessary public services” or facility expansions and that a substantial nexus exists between the necessary public services or facility expansions and the development being served as prescribed in the IIP.

The above subtasks will enable us to ensure that three important development fee requirements are met, collectively referred to as rational nexus requirements: demonstration of impact, benefit, and proportionality.

Meetings:

Two (2) meetings with City staff to discuss capital facility needs and levels of service.

Deliverables:

Technical Memorandum Discussing Recommended Service Areas by Fee Category.

TASK 4: IDENTIFY CAPITAL NEEDS AND COSTS

This task will determine the relevant capital needs and costs due to growth.

- 1) **Long-Range Capital Need** – TischlerBise will focus on relevant documents such as relevant master plans, relevant development agreements, the current Capital Improvements Plan, and other mapping and data that is available. Discussions will aim not only to understand the specific costs, but also to assess the size and scope of projects and whether capital facility needs are due to normal replacement, catch-up, or new demand.
- 2) **Service Units** – TischlerBise will define the standardized measures of consumption, use, or generation attributable to an individual unit of development for each category of “necessary public services” or facility expansions.
- 3) **Review Cost Estimates** – TischlerBise will review the costs of infrastructure improvements, real property, financing, engineering, and architectural services associated with the “necessary public services” to be included in the IIP and development fees.

- 4) **Financing Costs** – TischlerBise will identify projected interest charges and other financial costs which are to be used for repayment of principal and interest of debt used to finance construction of “necessary public services” identified in the IIP.
- 5) **Identify Ineligible Costs** – TischlerBise will identify costs that are not eligible for inclusion in the IIP and development fees. Ineligible costs include projects not included in the IIP; repair, maintenance, or operation of existing facilities; projects which serve existing development in order to meet stricter regulatory requirements; projects which provide a higher level-of-service to existing development; and administrative, maintenance, and operating costs.

As part of calculating the fee, costs for infrastructure improvements, real property, financing, engineering, and architectural services will be considered. TischlerBise will consider all of these components in developing an equitable allocation of costs.

Meetings:

Two (2) meetings with City staff.

Deliverables:

See Task 5

TASK 5: DISCUSS PRELIMINARY METHODOLOGIES AND POLICY OPTIONS

The requirement that development fees be based on an IIP does not equate to a requirement that only the plan-based methodology can be used in the calculations. The IIP can reflect the past capacity investments in infrastructure that will be repaid by new development with development fee revenue. Likewise, the City can plan to provide new development the same level-of-service being currently provided to existing development.

TischlerBise will evaluate different allocation methodologies for each IIP and development fee component to determine which methodology is the most appropriate measure of the demand created by new development. These methodologies include:

Cost Recovery Methodology – This methodology is best suited for infrastructure which has already been built and has excess capacity available to be utilized for new development.

Incremental Expansion Methodology – Under this approach, new development will receive the current level-of-service being provided to existing development by the existing inventory of infrastructure.

Plan-Based Methodology – This methodology primarily evaluates the CIP for new development’s proportionate share of planned capital projects. It is important to note, however, that CIP’s are often fiscally constrained and may not reflect the true requirements of new development. TischlerBise will therefore also evaluate master plans for different categories of infrastructure.

This comprehensive approach and consideration of alternative methodologies will allow maximization of the development fees. TischlerBise to prepare draft levels-of-service tables and methodology recommendations for each infrastructure category and component. We will discuss this information with City staff to ensure understanding and acceptance. Policy alternatives will be discussed as appropriate. This should help ensure “sign-off” and prevent time delays in finalizing the analysis.

Meetings:

One (1) meeting with City staff and City Council (if desired) to discuss and explain the preliminary findings, assumptions, and results.

Deliverables:

TischlerBise will prepare a “story board” for staff review and comment detailing proposed levels-of-service, cost estimates, service areas, credits and recommended calculation methodologies.

TASK 6: PREPARE DRAFT AND FINAL LAND USE ASSUMPTIONS AND INFRASTRUCTURE IMPROVEMENT PLAN (IIP)

In this task, TischlerBise’s qualified professionals will prepare an IIP using generally accepted engineering and planning practices for each “necessary public service” for which a development fee can be assessed. This IIP will meet requirements of A.R.S. §9-463.05. Development of the IIP will include the following subtasks:

- **Reserve Capacity** – The IIP will identify infrastructure capacity to be reserved to serve future development.
- **Description of Existing Necessary Public Services in the Service Area(s)** – The IIP will include a description of the existing “necessary public services” in the service area(s) and the costs to upgrade, update, improve, expand, correct, or replace those services to meet existing needs and usage and stricter safety, efficiency, environmental, and regulatory standards.
- **Analysis of Total Capacity** – The IIP will identify the current usage and commitments for usage of capacity of the existing “necessary public services.”
- **Description of “Necessary Public Services” Attributable to New Development** – The IIP will describe all parts of the “necessary public services” of facility expansions and their costs necessitated by and attributable to development in the service area(s) based on the approved land use assumptions. Cost forecasts will include the costs of infrastructure improvements, real property, financing, engineering, and architectural services.
- **Equivalency/Conversion Table** – The IIP will include a table establishing the specific level or quantity of use, consumption, or generation of a service unit for each category of “necessary public services” or facility expansions. The table will include the ratio of a service unit to various types of residential, commercial, and industrial land uses.
- **Projected Service Units** – The IIP will include the total number of projected service units necessitated by and attributable to new development in the service area(s), based on the approved land use assumptions.
- **Projected Demand for Necessary Public Services** – The IIP will include a ten-year projection of the demand for “necessary public services” or facility expansions required by new service units.
- **Forecast of Non-Development Fee Revenues from New Service Units** – The IIP will forecast revenues other than development fees generated by new service units, such as state-shared revenue, highway user revenue, federal revenue, ad valorem property taxes, construction

contracting or similar excise taxes, and the capital recovery portion of utility fees attributable to development based on the approved land use assumptions. This subtask will include a plan to include these contributions in determining the extent of the burden created by new development.

These subtasks will result in a written plan that identifies each “necessary public service” or facility expansion that is to be the subject of a development fee and complies with the requirements of State law.

Meetings:

One (1) meeting to participate in a Council meeting, City Council Strategy Sessions, Committee Meetings or Issue Review Sessions to present and discuss Land Use Assumptions, and Infrastructure Improvements Plan as part of the legislatively required adoption process.

Deliverables:

Draft and Final Land Use Assumptions and Infrastructure Improvement Plan.

Work Scope – Development Fee Report

TASK 1: DETERMINE NEED FOR “CREDITS” TO BE APPLIED AGAINST CAPITAL COSTS

A consideration of “credits” is integral to the development of a legally valid development fee methodology. There is considerable confusion among those who are not immersed in impact fee law about the definition of a credit and why it may be required.

There are two types of “credits” that are included in the calculation of impact fees, each with specific, distinct characteristics. The first is a credit due to possible double payment situations. This could occur when a property owner will make future contributions toward the capital costs of a public facility covered by an impact fee. The second is a credit toward the payment of an impact fee for the required dedication of public sites and improvements provided by the developer and for which the development fee is imposed. Both types of credits will be considered and addressed in the development fee study.

Deliverables:

Memoranda as appropriate. See Task 4.

TASK 2: CONDUCT FUNDING AND CASH FLOW ANALYSIS; ESTIMATE ANNUAL OPERATING COSTS

In order to prepare a meaningful IIP, it is important to evaluate the anticipated funding sources. In this task, TischlerBise will prepare a ten-year cash flow analysis. This calculation will allow the City to better understand the revenue potential of the development fees and the amount which would be needed if the fees were discounted. It will also provide a good understanding of the cash flow needed to cover the infrastructure costs for new development. The cash flow analysis will indicate whether additional funds might be needed or whether the IIP might need to be altered. This could also affect the total credits calculated in the previous task. Therefore, it is likely that a number of iterations will be conducted in order to refine the cash flow analysis reflecting the capital improvement needs. Development fee revenues can only be spent on capital projects that add capacity. Operating and maintenance costs associated with these capital improvements will have to be funded from other revenue sources, mostly likely from the General

Fund. To estimate the annual operational and maintenance costs of the projected infrastructure, TischlerBise will utilize several data sources, including:

- Most recently adopted operating budget.
- Most recently adopted CIP.
- Capital project/program submittal sheets from departments.

Meetings:

None.

Deliverables:

See Task 4.

TASK 3: COMPLETE DEVELOPMENT FEE METHODOLOGY AND CALCULATIONS

The completion of the previous task will enable the development fee methodology and calculations to be finalized. TischlerBise will calculate the maximum justifiable fee for commercial, residential, and industrial development that can be charged and conform to fee requirements.

Meetings:

None.

Deliverables:

Draft Development Fee Report.

TASK 4: PREPARE FINAL DEVELOPMENT FEE REPORT

TischlerBise will prepare a written report for the City that summarizes the need for development fees for the “necessary public services” category and the relevant methodologies employed, as well as documentation for all assumptions and cost factors. The report will include the following information:

- Executive Summary.
- A detailed description of the methodologies used during the study.
- A detailed description of all level-of-service standards and cost factors used and accompanying rationale.
- An IIP spanning a maximum ten-year planning horizon, listing projects, costs, timing, and financing.
- A detailed schedule of all proposed fees listed by land use type and activity.
- Other information which adequately explains and justifies the resulting recommended fee schedule.
- A ten-year cash flow analysis of development fees and estimate of operating costs.

Analysis of Peer Community Fee Structures. In this Task, TischlerBise will prepare a comparative analysis of peer communities’ development fee structures. The analysis will compare how the proposed impact fee structure for the City of Glendale compares to other peer communities, including noting any differences in fee schedules and methodologies.

Meetings:

One (1) meeting to participate in a Council meeting, City Council Strategy Sessions, Committee Meetings or Issue Review Sessions where City staff will present the report and its findings.

Deliverables:

Final Development Fee Report and presentation materials for meetings.

TASK 5: STAKEHOLDER/PUBLIC OUTREACH

In addition to the meetings with staff and City Council described in the Tasks above, TischlerBise will meet with stakeholders a minimum of two (2) times during the study process **(given our volume of Arizona work, we are available for additional meetings at no charge since we are able to “piggyback” on another trip)**. The purpose of this committee is to allow interested parties to understand assumptions and raise any questions about the technical demographic, cost, revenue, credit, and other data and supporting documentation that is being used in the development of the land use assumptions, IIP and the calculation of development fees.

1. Meeting #1 - The first meeting will describe the study process and will allow the participants to identify and communicate any potential issues which may affect them, discuss any administrative or implementation issues with the administration of the current fee schedule. In addition, TischlerBise will present the proposed land use assumptions, explain the preliminary findings, assumptions, credits and revenue projections.
2. Meeting #2 - The second meeting will be a presentation and discussion of final recommendations.

Meetings:

Two (2) meetings with Stakeholder Group.

Deliverables:

Presentation Materials as Appropriate.

Section 5: Project Timeline

Project Schedule

The table below indicates our proposed schedule for this assignment assuming a January 2024 start date. This schedule assumes all draft work products needed to start the adoption process are completed by July 2024. Once the “clock starts ticking” in July it is likely that several iterations of the IIP and/or Development Fee Report may be required to respond to stakeholder and elected official review. Given our familiarity with the City, we feel the required documents can be prepared to begin the 225-day adoption process with the advertising of the Land Use Assumptions and Infrastructure Improvement Plan in July 2024 and with the advertising of the Development Fee Report in October 2024.

PROPOSED SCHEDULE- LAND USE ASSUMPTIONS, IIP, AND DEVELOPMENT FEE STUDY			
Tasks	Anticipated Dates	Meetings*	Deliverables
PHASE I - LAND USE ASSUMPTIONS AND IIP			
Task 1: Project Initiation/Data Acquisition	January 2024	1	Data Request Memorandum
Task 2: Develop Land Use Assumptions	February - March 2024	1*	Land Use Assumptions Document
Task 3: Ascertain Demand Factors and LOS for “Necessary Public Services”	February - March 2024	2	Technical Memorandum Discussing Recommended Service Areas by Fee Category
Task 4: Identify Capital Needs and Costs	February - March 2024	2*	See Task 5
Task 5: Discuss Preliminary Methodologies and Policy Options	March - April 2024	1	"Storyboard" Presentation Outlining Preliminary Methodologies and Policy Options
Task 6: Prepare Draft and Final Land Use Assumptions and IIP	May - June 2024	1	Draft Land Use Assumptions and Infrastructure Improvement Plan
PHASE II - DEVELOPMENT FEE REPORT			
Task 1: Determine Need for Credits	June 2024	0	Memoranda as Appropriate. See Task 4
Task 2: Conduct Funding and Cash Flow Analysis; Estimate Annual Operating Costs	June 2024	0	See Task 4
Task 3: Complete Development Fee Methodologies and Calculations	June - August 2024	0	Draft Development Fee Report
Task 4: Prepare Final Development Fee Report	September 2024	1	Final Development Fee Report
Task 5: Stakeholder Outreach	April - July 2024	2	Presentation Materials as Appropriate

*In several cases it is assumed meetings are held with multiple departments over one (1) trip.

Project Management Approach

TischlerBise utilizes a project management process which ensures our projects are completed on time and within budget, and, most importantly, they yield results that match our clients' expectations. Our project management plan employs the following principles to mitigate potential risk and result in successful projects:

- **Risk: Lack of Understanding of Project Goals, Objectives, and Desired Outcomes**
 - **Mitigation: We begin by defining the project to be completed.** Based on discussions that occur as part of our Project Initiation task, Carson Bise, along with Ms. Herlands, will identify the final project goals and objectives in collaboration with County staff, list potential challenges to the process, and develop a plan to ensure successful outcomes and effective communication.
- **Risk: Schedule Delays**
 - **Mitigation: We will plan the project schedule from the outset.** As part of the Project Initiation task, Mr. Bise will work with County staff to create an agreed-upon timetable to meet the project schedule. Prior to beginning the project, Mr. Bise will assign roles that will ensure that the project schedule is met on time and within budget.
- **Risk: Technical Complications**
 - **Mitigation: We will actively manage the project process.** Mr. Bise and Ms. Herlands have a long history of strong project management skills that are supported by past project successes (we encourage you to contact our references in this regard). Mr. Bise will manage the work in progress, provide guidance and oversight to staff, and be accountable to the County meeting the schedule, budget, and technical requirements of the project.
- **Risk: Quality Control**
 - **Mitigation: We will review all project deliverables and communication through a formal quality assurance process** that requires review at the peer level, project manager level, and executive officer level. Prior to the delivery of work product to the County, deliverables will go through a structured quality assurance process involving up to three levels of review and utilizing a checklist tool. The first level involves a peer-to-peer review of work products and computer models. Next, Mr. Bise will be responsible for a second set of reviews comparing the work product to the completed quality checklist form.
- **Risk: Cost Overruns**
 - **Mitigation: The studies will be conducted under a fixed fee arrangement.** We typically do not utilize change orders in our work efforts. The potential for a change in budget could occur if the goals, objectives, and expectations as agreed upon in the scope and project management processes shift significantly. The use of the above proactive project management elements is structured to avoid budgetary issues.

EXHIBIT B
Professional Services Agreement

COMPENSATION

METHOD AND AMOUNT OF COMPENSATION

Time and Materials not to exceed.

NOT-TO-EXCEED AMOUNT

The total amount of compensation paid to Consultant for Services as defined herein during the entire term of the Project must not exceed \$64,490.

DETAILED PROJECT COMPENSATION

See Attached.

Section 6: Project Cost

The Pricing Section can be found below.

PROPOSED FEE - LAND USE ASSUMPTIONS, IIP, AND DEVELOPMENT FEE STUDY					
Project Team Member:	Bise	Herlands	Griffin	Total	
Hourly Rate*	\$235	\$200	\$190	Hours	Cost
PHASE I - LAND USE ASSUMPTIONS AND IIP					
Task 1: Project Initiation/Data Acquisition	8	0	8	16	\$3,400
Task 2: Develop Land Use Assumptions	8	2	22	32	\$6,460
Task 3: Ascertain Demand Factors and LOS for "Necessary Public Services"	16	2	32	50	\$10,240
Task 4: Identify Capital Needs and Costs	16	2	46	64	\$12,900
Task 5: Discuss Preliminary Methodologies and Policy Options	8	4	20	32	\$6,480
Task 6: Prepare Draft and Final Land Use Assumptions and IIP	8	2	16	26	\$5,320
Subtotal	64	12	144	220	\$44,800
PHASE II - DEVELOPMENT FEE REPORT					
Task 1: Determine Need for Credits	4	2	6	12	\$2,480
Task 2: Conduct Funding and Cash Flow Analysis; Estimate Annual Operating Costs	4	2	8	14	\$2,860
Task 3: Complete Development Fee Methodologies and Calculations	4	4	20	28	\$5,540
Task 4: Prepare Final Development Fee Report	10	2	14	26	\$5,410
Task 5: Stakeholder Outreach	8	0	8	16	\$3,400
Subtotal	30	10	56	96	\$19,690
Total Cost:	94	22	200	316	\$64,490

* Hourly rates are inclusive of all costs, including travel.