

AGREEMENT FOR DEVELOPMENT IMPACT FEE STUDY

THIS AGREEMENT is made and effective as of March 12, 2025 between the City of Hawthorne, a municipal corporation ("City") and DTA ("Consultant"). In consideration of the mutual covenants and conditions set forth herein, the parties agree as follows:

1. **TERM**

This Agreement shall commence on March 12, 2025, and shall remain and continue in effect on an as needed basis unless sooner terminated pursuant to the provisions of this Agreement.

2. **SERVICES**

The Consultant shall perform the tasks described and set forth in Exhibit A, attached hereto and incorporated herein as though set forth in full as part of its services. The Consultant may be asked to provide additional services if necessary during the term of this Agreement.

3. **PERFORMANCE**

The Consultant shall at all times faithfully, competently and to the best of his/her ability, experience, and talent, perform all tasks described herein. The Consultant shall employ, at a minimum, generally accepted standards and practices utilized by persons engaged in providing similar services as are required of the Consultant hereunder in meeting its obligations under this Agreement.

4. **PAYMENT**

(a) The City agrees to pay the Consultant in accordance with the payment rates and terms and the schedule of payment as set forth in Exhibit A, attached hereto and incorporated herein by this reference as though set forth in full, based upon actual time spent on services indicated in Exhibit A of this Agreement unless additional payment is approved as provided in this Agreement.

(b) The Consultant shall not be compensated for any services rendered in connection with its performance of this Agreement which are in addition to those set forth herein, unless such additional services are authorized in advance and in writing by the Director of Public Works/City Engineer. The Consultant shall be compensated for any additional services in the amounts and in the manner as agreed to by the Director of Public Works/City Engineer and at the time the City's written authorization is given to the Servicer Provider for the performance of said services.

(c) The Consultant will submit invoices for actual services performed. Payment shall be made within thirty (30) days of receipt of each invoice as to all non-

disputed fees. If the City disputes any of Consultant's fees it shall give written notice to the Consultant within thirty (30) days of receipt of an invoice of any disputed fees set forth on the invoice.

5. **SUSPENSION OR TERMINATION OF AGREEMENT WITHOUT CAUSE**

(a) The City may at any time, for any reason, with or without cause, suspend or terminate this Agreement, or any portion hereof, by serving upon the Consultant at least ten (10) days prior written notice. Upon receipt of said notice, the Consultant shall immediately cease all work under this Agreement, unless the notice provides otherwise. If the City suspends or terminates a portion of this Agreement such suspension or termination shall not make void or invalidate the remainder of this Agreement.

(b) In the event this Agreement is terminated pursuant to this Section, the City shall pay to the Consultant the actual value of the work performed up to the time of termination, provided that the work performed is of value to the City. Upon termination of the Agreement pursuant to this Section, the Consultant will submit an invoice to the City.

6. **DEFAULT OF CONSULTANT**

(a) The Consultant's failure to comply with the provisions of this Agreement shall constitute a default. In the event that the Consultant is in default for cause under the terms of this Agreement, City shall have no obligation or duty to continue compensating the Consultant for any work performed after the date of default and can terminate this Agreement immediately by written notice to the Consultant. If such failure by the Consultant to make progress in the performance of work hereunder arises out of causes beyond the Consultant's control, and without fault or negligence of the Consultant, it shall not be considered a default.

(b) If the Director of Public Works/City Engineer or his delegate determines that the Consultant is in default in the performance of any of the terms or conditions of this Agreement, he/she shall cause to be served upon the Consultant a written notice of the default. The Consultant shall have ten (10) days after service upon it of said notice in which to cure the default by rendering a satisfactory performance. In the event that the Consultant fails to cure its default within such period of time, the City shall have the right, notwithstanding any other provision of this Agreement, to terminate this Agreement without further notice and without prejudice to any other remedy to which it may be entitled at law, in equity or under this Agreement.

7. **OWNERSHIP OF DOCUMENTS**

(a) The Consultant shall maintain complete and accurate records with respect to sales, costs, expenses, receipts, and other such information required by City that relate to the performance of services under this Agreement. The Consultant shall maintain adequate records of services provided in sufficient detail to permit an evaluation of services. All such records shall be maintained in accordance with generally accepted accounting principles and shall be clearly identified and readily accessible. The Consultant shall provide free access to the representatives of City or its designees at reasonable times to such books and records; shall give City the right to examine and audit said books and records; shall permit City to make transcripts therefrom as necessary; and shall allow inspection of all work, data, documents, proceedings, and activities related to this Agreement. Such records, together with supporting documents, shall be maintained for a period of three (3) years after receipt of final payment.

(b) Upon completion of, or in the event of termination or suspension of this Agreement, all original documents, designs, drawings, maps, models, computer files, surveys, notes, and other documents prepared in the course of providing the services to be performed pursuant to this Agreement shall become the sole property of the City and may be used, reused, or otherwise disposed of by the City without the permission of the Consultant.

8. **INDEMNIFICATION**

When the law establishes a professional standard of care for Consultant Services, to the fullest extent permitted by law, The Consultant shall indemnify, protect, defend and hold harmless City and any and all of its officials, employees and agents (“Indemnified Parties”) from and against any and all losses, liabilities, damages, costs and expenses, including attorney’s fees and costs to the extent same are caused in whole or in part by any negligent or wrongful act, error or omission of the Consultant, its officers, agents, employees or sub Consultant (or any entity or individual that Consultant shall bear the legal liability thereof) in the performance of professional services under this Agreement.

9. **INSURANCE**

A) The Consultant shall maintain in-force: Professional Liability Insurance (and/or Errors & Omissions Insurance) with limits of liability of an amount not less than \$2,000,000 per occurrence and \$4,000,000 general aggregate.

B) The Consultant shall maintain in-force Workers’ Compensation and Employer’s Liability Insurance as required by the California Labor Code. Evidence of coverage shall take the form of a Certificate of Insurance or a California Certificate to Self-Insure. Acceptable minimum limits for this coverage are: Workers’ Compensation; Statutory in California; Employer’s Liability: \$1,000,000.

C) Certificates of Insurance. The Consultant shall furnish to Customer evidence of any insurance required by this Agreement. A Certificate of Insurance from an insurer admitted to do business in the State of California will be provided, indicating that the respective policy(s) meets the following requirements: (1) The City, its officers, and employees shall be named as additional insured on the General Liability Insurance; (2) Insurance shall not be canceled or terminated without 30 days written notice; (3) General Liability shall be primary and any insurance held by City for its own protection shall be excess and shall be effective only upon exhaustion of the Consultant's insurance; (4) Insurance shall be maintained for the duration of the Agreement, including any period extended beyond the expiration date of this Agreement required to complete performance as stipulated in this Agreement and all amendments thereto.

10. **INDEPENDENT CONSULTANT**

(a) The Consultant is and shall at all times remain as to the City a wholly independent Consultant. The personnel performing the services under this Agreement on behalf of the Consultant shall at all times be under the Consultant's exclusive direction and control. Neither City nor any of its officers, employees, or agents shall have control over the conduct of the Consultant or any of Consultant's officers, employees, or agents, except as set forth in this Agreement. The Consultant shall not at any time or in any manner represent that it or any of its officers, employees, or agents are in any manner officers, employees, or agents of the City. The City Provider shall not incur or have the power to incur any debt, obligation, or liability whatever against City, or bind City in any manner.

(b) No employee benefits shall be available to the Consultant in connection with the performance of this Agreement. Except for the fees paid to the Consultant as provided in the Agreement, City shall not pay salaries, wages, or other compensation to the Consultant for performing services hereunder for City. City shall not be liable for compensation or indemnification to the Consultant for injury or sickness arising out of performing services hereunder.

11. **LEGAL RESPONSIBILITIES**

The Consultant shall keep itself informed of State and Federal laws and regulations which in any manner affect those employed by it or in any way affect the performance of its service pursuant to this Agreement. The Consultant shall at all times observe and comply with all such laws and regulations. The City, and its officers and employees, shall not be liable at law or in equity occasioned by failure of the Consultant to comply with this Section.

12. **UNDUE INFLUENCE**

The Consultant declares and warrants that no undue influence or pressure is used against or in concert with any officer or employee of the City of Hawthorne in connection with the award, terms or implementation of this Agreement, including any method of coercion, confidential financial arrangement, or financial inducement. No officer or employee of the City of Hawthorne will receive compensation, directly or indirectly, from the Consultant, or from any officer, employee or agent of the Consultant, in connection with the award of this Agreement or any work to be conducted as a result of this Agreement. Violation of this Section shall be a material breach of this Agreement entitling the City to any and all remedies at law or in equity.

13. **NO BENEFIT TO ARISE TO LOCAL EMPLOYEES**

No member, officer, or employee of City, or their designees or agents, and no public official who exercises authority over or responsibilities with respect to the Project during his/her tenure or for one year thereafter, shall have any interest, direct or indirect, in any agreement or sub-agreement, or the proceeds thereof, for work to be performed in connection with the Project performed under this Agreement.

14. **RELEASE OF INFORMATION/CONFLICTS OF INTEREST**

(a) All information gained by the Consultant in performance of this Agreement shall be considered confidential and shall not be released by the Consultant without City's prior written authorization. The Consultant, its officers, employees, agents, or sub Consultants, shall not without written authorization from the City Manager or unless requested by the City Attorney, voluntarily provide declarations, letters of support, testimony at depositions, response to interrogatories, or other information concerning the work performed under this Agreement or relating to any project or property located within the City. Response to a subpoena or court order shall not be considered "voluntary" provided the Consultant gives City notice of such court order or subpoena.

(b) The Consultant shall promptly notify City should Consultant, its officers, employees, agents, or sub Consultants be served with any summons, complaint, subpoena, notice of deposition, request for documents, interrogatories, request for admissions, or other discovery request, court order, or subpoena from any person or party regarding this Agreement and the work performed thereunder or with respect to any project or property located within the City. City retains the right, but has no obligation, to represent the Consultant and/or be present at any deposition, hearing, or similar proceeding. The Consultant agrees to cooperate fully with City and to provide the opportunity to review any response to discovery requests provided by the Consultant. However, City's right to review any such response does not imply or mean the right by City to control, direct, or rewrite said response.

15. **ASSIGNMENT**

The Consultant shall not assign the performance of this Agreement, nor any part thereof, nor any monies due hereunder, without prior written consent of the City because of the personal nature of the services to be rendered pursuant to this Agreement.

16. **LICENSES**

At all times during the term of this Agreement, the Consultant shall have in full force and effect, all licenses required of it by law for the performance of the services described in this Agreement.

17. **GOVERNING LAW**

The City and Consultant understand and agree that the laws of the State of California shall govern the rights, obligations, duties, and liabilities of the parties to this Agreement and also govern the interpretation of this Agreement. Any litigation concerning this Agreement shall take place in the municipal, superior, or federal district court with jurisdiction over the City of Hawthorne.

18. **ENTIRE AGREEMENT**

This Agreement contains the entire understanding between the parties relating to the obligations of the parties described in this Agreement. All prior or contemporaneous agreements, understandings, representations, and statements, oral or written, are merged into this Agreement and shall be of no further force or effect. Each party is entering into this Agreement based solely upon the representations set forth herein and upon each party's own independent investigation of any and all facts such party deems material.

19. **AUTHORITY TO EXECUTE THIS AGREEMENT**

The person or persons executing this Agreement on behalf of the Consultant warrants and represents that he/she has the authority to execute this Agreement on behalf of the Consultant and has the authority to bind the Consultant to the performance of its obligations hereunder.

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

CITY OF HAWTHORNE:

CONSULTANT:

VONTRAY NORRIS
City Manager
City of Hawthorne

By: _____
Name:
Title:
DTA

APPROVED AS TO FORM:

ATTEST:

ROBERT KIM
City Attorney
City of Hawthorne

DAYNA WILLIAMS-HUNTER
City Clerk
City of Hawthorne

EXHIBIT A

Proposal

PROPOSAL

DEVELOPMENT IMPACT FEE STUDY

February 25, 2025

Response to RFP

dta



CITY OF HAWTHORNE

SUBMITTED BY:

Kuda Wekwete
Managing Director

18201 Von Karman Avenue, Suite 220
Irvine, CA 92612
800-969-4DTA
Kuda@FinanceDTA.com

CITY OF HAWTHORNE



DEVELOPMENT IMPACT FEE STUDY

PROPOSAL SUBMISSION DEADLINE:

FEBRUARY 25, 2025, AT 4:00 P.M.

Prepared for:

City of Hawthorne

City Clerk's Office

4455 West 126th Street

Hawthorne, CA 90250

Attention: Dweejal Torado, Assistant Engineer

Project Contact:

Kuda Wekwete

Managing Director, DTA

18201 Von Karman Avenue, Suite 220

Irvine, CA 92612

Phone: (800) 969-4DTA x204

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A COVER LETTER

Mr. Dweejal Torado, Senior Management Analyst
City of Hawthorne
4455 West 126th Street, Hawthorne, CA 90250

February 24, 2025

RE: Request for Proposals ("RFP") for a Development Impact Fee Study

Dear Mr. Torado:

DTA, formerly David Taussig & Associates, is pleased to submit this proposal to the City of Hawthorne (the "City"). It is our understanding that the City is seeking a qualified firm to prepare a Development Impact Fee ("DIF") Study and make recommendations to the City Council on new and updated DIFs in accordance with the Mitigation Fee Act (California Government Code Section 66000 *et seq.*) and as also amended by Assembly Bill ("AB") 602. The AB 1600-compliant DIF Nexus Study ("Fee Study") would recommend the appropriate fee justification methodology and fee levels to support specific types of City-selected capital facilities needed to serve new growth.

DTA has prepared approximately 500 fee justification studies for a variety of public improvements, including transportation, water, sewer and flood control facilities, fire and police stations, parks, libraries, and other types of infrastructure. In recent years, our firm has prepared AB 1600-compliant DIF justification studies for the Cities of Anaheim, Blythe, Brawley, Calexico, Campbell, Cathedral City, Cerritos, Chino Hills, Colton, Costa Mesa, Daly City, Desert Hot Springs, Fontana, Fowler, Hesperia, King City, Los Banos, Mammoth Lakes, Palo Alto, Pasadena, Paso Robles, Perris, Redlands, San Francisco, San Jacinto, San Jose, San Luis Obispo, Torrance, Tustin, Upland, Victorville, and Yucaipa and the Counties of Fresno, San Bernardino, San Jose, San Luis Obispo, Santa Barbara, Shasta, and Yuba, among others. In addition to the above, most recently, DTA has been hired by the County of San Bernardino and Cities of Daly City, Fontana, Ione, La Verne, Morro Bay, National City, Palo Alto, Redlands, Redwood City, Rialto, San Ramon, Upland, and Yucaipa to prepare comprehensive fee updates in compliance with AB 602. As the City will be adopting its new DIF ordinance after July 1, 2022, we have included a discussion of AB 602 and our experience in other states with similar impact fee requirements in the enclosed proposal.

DTA's diverse and multidisciplinary project team for this project has the breadth of experience required to provide impact fee consulting services in a professional and timely manner. This project would be primarily handled out of DTA's Irvine office. I, Kuda Wekwete, a Managing Director at DTA, would be the Principal-in-Charge and have the City's primary account responsibility. Leni Zarate, a Vice President at DTA, and Richard Ruiz, a Manager at DTA, will serve jointly as the primary points of contact and be assisted by other support staff. Steve Runk, P.E., Vice President of Engineering Services at DTA, and David Taussig, Chairman/Managing Director will provide engineering expertise and technical advisory services, respectively. Brief resumes for each of our team members are included in Section B of this proposal. All personnel will be available full-time (100%) for the duration of the project and may be contacted by phone at (800) 969-4DTA. A proposed schedule can be found in Section B.

I have the authority to negotiate and contractually bind the firm. If you have questions regarding this proposal, please contact me by phone at (800) 969 4DTA x204 or by e-mail at Kuda@FinanceDTA.com. Thank you for the opportunity to work with the City on this engagement.

Best Regards,


Kuda Wekwete, Managing Director



www.FinanceDTA.com

SECTION B KEY PROJECT STAFF AND QUALIFICATIONS

B KEY PROJECT STAFF AND QUALIFICATIONS

1 Firm Overview

DTA is a public finance and urban economics consulting firm specializing in infrastructure and public services finance. Our firm, which was founded in 1985, provides public finance consulting services to both public and private sector clients and has completed consulting assignments for more than 3,000 clients in 24 states. We have offices in Irvine, San Francisco, San Jose, and Riverside, California, as well as Dallas and Houston, Texas, Raleigh, North Carolina, and Tampa, Florida. Additional information on DTA is available on our website (www.FinanceDTA.com).

DTA, a corporation, was incorporated in the State of California on May 15, 1986, and has been providing public finance consulting services for over 39 years. The corporation has two officers, specifically David Taussig, Chairman/Managing Director, and Cecily Burke, Secretary, both of whom are authorized to bind the firm. DTA does not hold controlling or financial interests in any other organization and is not owned or controlled by another person or organization. DTA's management personnel consists of four principals identified as David Taussig, Chairman/Managing Director, Kelly Wright, Chief Executive Officer, Andrea Roess, Managing Director, and Kuda Wekwete, Managing Director.

DTA has been performing public facilities fee consulting services for over 38 years, since DIFs were enacted in 1987 under AB 1600 by the California Legislature and codified under California Government Code §66000 *et seq.*, also called the Mitigation Fee Act (the "Act" or "AB 1600"). **DTA has extensive experience preparing DIF studies that have complied with Section 66000 *et seq.* of the Government Code and withstood legal scrutiny to the extent that none of our prior studies have been subject to any litigation.**

DTA has a diverse, multidisciplinary staff of approximately 50 employees, all of whom are directly involved solely in public finance. Staff members come from backgrounds in several fields, including land development, public administration, civil engineering, investment banking, economic consulting, redevelopment, law, non-profit administration, and land use planning. This diversity of experience and expertise allows DTA to meet a wide variety of challenges related to both the actual work product and client management. DTA's staff members have considerable experience in computer-based financial analyses and modeling, which is a key component of the firm's consulting services. This ensures that the development of any computer model(s) utilized in the City's potential Fee Study will be in experienced hands.

DTA has assembled a project team for the City with the breadth of experience required to provide impact fee consulting services in a professional and timely manner. **This project would be primarily handled out of DTA's Irvine office.** In fact, we consider ourselves to be an extension of City staff. Kuda Wekwete, a Managing Director of DTA, would be the Principal-in-Charge and have the City's primary account responsibility. He would be assisted by Leni Zarate, a Vice President at DTA, and Richard Ruiz, a Manager at DTA, in addition to other support staff. Steve Runk, P.E., Vice President of Engineering Services at DTA, and David Taussig, Chairman/Managing Director will provide engineering expertise and technical advisory services, respectively. **All proposed project team members are available by phone at (800) 969-4DTA.**

Since its formation in 1985, DTA has assisted over 3,000 public and private sector clients in meeting their infrastructure and public services goals. **DTA is licensed and registered with the U.S. Securities and Exchange Commission ("SEC") and Municipal Securities Rulemaking Board ("MSRB") as a Municipal Advisor (No. 867-01160) and follows all the fiduciary requirements associated with this designation.**

DTA's consulting services include the following:

- **Proposition ("Prop") 218 and AB 1600-compliant impact fee studies;**
- **Public infrastructure and public services financing strategies;**
- Assessment engineering and special tax consulting;
- Annual administration of Assessment Districts ("ADs") and Community Facilities Districts ("CFDs");
- Public-private partnerships;
- Enhanced Infrastructure Financing District ("EIFD") formation and ongoing management;
- Fiscal and economic impact analyses;
- Clean Energy Bonds;
- Federal and state grant, loan, and tax credit applications;
- Economic development and revitalization studies; and
- Public improvement construction management services.



DTA has been involved in the formation of over 2,000 public finance districts, with total authorized bonded indebtedness over \$75 billion. Our financing programs have utilized a variety of public financing mechanisms, such as CFDs, 1913/1915 Act ADs, 1972 Act Landscaping and Lighting Districts ("LLDs"), EIFDs, Certificates of Participation, Tax

Allocation Bonds, Sewer and Water Revenue Bonds, Marks-Roos Bond Pools, Integrated Financing Districts, and various types of fee programs. **DTA's level of experience with special district formations is unequalled as our firm is the State of California's leading special tax and assessment consultant, having prepared special tax and assessment formulas on behalf of public agencies for the establishment of over 1,500 CFDs, ADs, and LLDs.** DTA also has considerable experience establishing a variety of financing districts and property owner associations for the purpose of funding public service shortfalls created by new development.

On a Statewide basis, DTA has planned and implemented Public Facilities Financing Plans ("PFFPs") that have ranged from the quantitative analysis of a single financing mechanism for an individual facility to the preparation of a comprehensive financing plan covering multiple facilities and public services through a series of financing mechanisms. Our financial analyses provide public officials, landowners, and other interested parties with the level of information needed to make fully informed decisions regarding land use, infrastructure, and public services financing issues. DTA staff has extensive experience working with various stakeholder groups, including public agencies, public agency municipal staff, residents, local chapters of the Building Industry Association ("BIA"), local Chambers of Commerce, and other interested parties.

DTA is committed to excellence and innovation, which allows us to attract and retain the most experienced and knowledgeable personnel in the industry. DTA's clients also receive high levels of personal attention from senior staff, with a Principal, Managing Director, Senior Vice President, or Vice President always available to meet with public agency staff and other groups. Perhaps DTA's most outstanding qualification is the dedication and loyalty of the senior employees in our firm, many of whom have worked for DTA for 15-30 years, enabling our clients to count on the same personnel year after year on the job. As a result, DTA can offer a level of management expertise that is unequalled throughout the fields of public finance and special tax consulting. In fact, every DTA engagement is led by a Principal, Senior Vice President, or Vice President with at least 15 years of experience with our firm.

The result of this experience and expertise is that in 40 years of work establishing over 2,000 financing districts and bond programs, DTA has never been sued. Our quality control is one of the key components in ensuring our firm's success. DTA continues to seek innovative solutions and refine our work product to better serve and protect our clients.

2 DIF-Specific Experience

As noted previously, DTA has been performing public facilities fee consulting services since DIFs were enacted under AB 1600 by the California Legislature and codified under California Government Code §66000 *et seq.*, also referred to as the Mitigation Fee Act. DTA has extensive experience preparing DIF studies that have complied with Section 66000 *et seq.* of the Government Code and withstood legal scrutiny to the extent that none of our prior studies have been subject to any type of litigation.

DTA has prepared approximately 500 fee justification studies to date for a variety of public improvements, including transportation, water, sewer and flood control facilities, fire and police stations, parks, libraries, school facilities, and other types of infrastructure. Regarding the land valuation calculations that apply to Park Impact Fees and/or Quimby in-lieu fee calculations, DTA staff accesses multiple data resources and employs a variety of analytical strategies to ensure that the final recommended land valuation is one that properly smooths out the data to address the dramatic high and low figures that can be common in the Los Angeles County real estate market. We subscribe to the CoStar real estate database that provides us with current and historical sales prices and lease rates for all local real estate transactions.

Currently, DTA is working on approximately 22 DIFs across the State, all of which are of similar scope to the City's DIF but are at different stages of completion. In addition, DTA is also engaged in other projects that include fiscal/economic impact analyses, CFD/AD feasibility, formations, and bond issuance, special district administration, and other consulting engagements. These projects are also generally of similar size (in terms of hours and timeline) to the proposed engagement. All DTA projects are staffed and coordinated across various teams in our 50+ employee organization.

DTA recently created an internal task force comprised of 10 DTA staff members dedicated to working through and understanding the recent legislation known as AB 602 to ensure that our fee studies comply with all applicable legal requirements. For this engagement, our team would have adequate bandwidth and redundancy to meet the City's desired schedule. We shall also have other support staff available to assist the City, as needed.



www.FinanceDTA.com

SECTION B KEY PROJECT STAFF AND QUALIFICATIONS

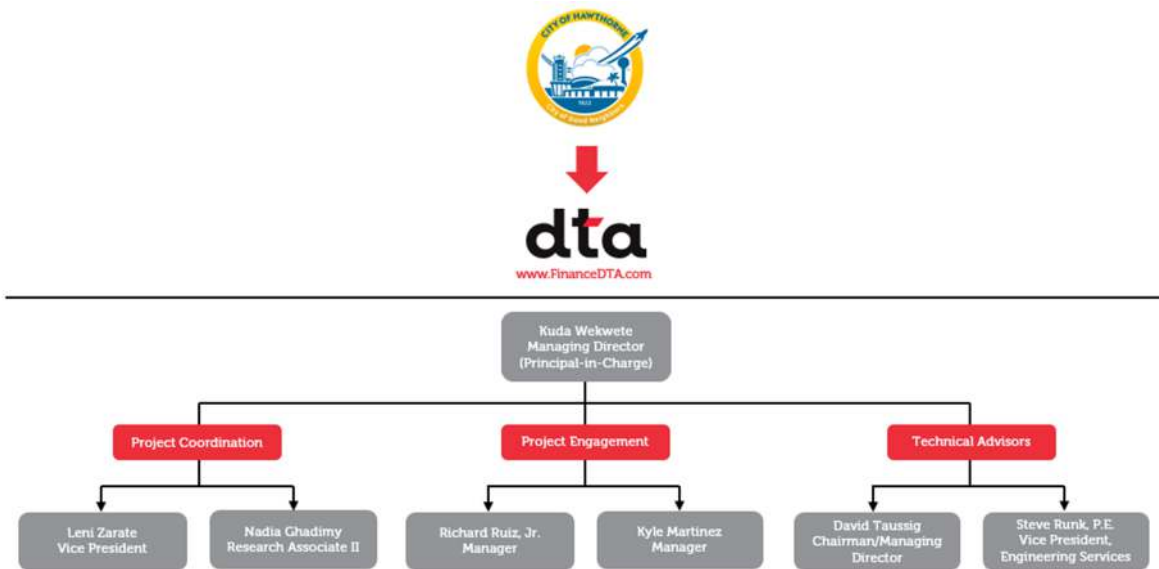
In recent years, our firm has prepared AB 1600-compliant DIF justification studies for the municipalities listed below, among others. **Most recently, DTA has been hired by the County of San Bernardino and Cities of Daly City, Fontana, Ione, La Verne, Morro Bay, National City, Palo Alto, Redlands, Redwood City, Rialto, San Jose, San Ramon, Upland, and Yucaipa to prepare comprehensive fee updates in compliance with AB 602.**

- City of Anaheim;
- City of Blythe;
- City of Brawley;
- City of Calexico;
- City of Campbell;
- City of Cathedral City;
- City of Cerritos;
- City of Chino;
- City of Chino Hills;
- City of Colton;
- City of Costa Mesa;
- City of Cypress;
- City of Desert Hot Springs;
- City of Escalon;
- City of Firebaugh;
- City of Fontana;
- City of Fowler;
- City of Glendale;
- City of Hesperia;
- City of Ione;
- City of Kingsburg;
- City of Lakeview;
- City of Live Oak;
- City of Los Banos;
- City of Manteca;
- City of Napa;
- City of Palo Alto;
- City of Pasadena;
- City of Paso Robles;
- City of Perris;
- City of Red Bluff;
- City of Redlands;
- City of San Bernardino;
- City of San Francisco;
- City of San Jacinto;
- City of San Jose;
- City of San Luis Obispo;
- City of Santa Ana;
- City of Soledad;
- City of South San Francisco;
- City of Torrance;
- City of Tustin;
- City of Upland;
- City of Victorville;
- County of Colusa;
- County of Fresno;
- County of Kings;
- County of Pasadena;
- County of Riverside;
- County of San Bernardino;
- County of San Francisco;
- County of San Luis Obispo;
- County of Santa Barbara;
- County of Santa Clara Fire Department;
- County of Shasta;
- County of South Santa Clara Fire District;
- County of Yuba;
- Town of Loomis;
- Town of Mammoth Lakes;
- Beaumont Cherry Valley Recreation and Parks District;
- Denair Community Services District;
- El Dorado Hills Fire Department;
- Jurupa Area Recreation and Park District;
- San Geronio Memorial Hospital;
- San Geronio Pass Water Agency; and
- South Yuba Transportation Improvement Authority.

3 Key Personnel Qualifications

DTA has assigned personnel to this project who bring experience and technical expertise to each unique element of study. Our team organization is illustrated below. Project roles of our key team members are described below and followed by professional biographies. All personnel will be available full-time (100%) for the duration of the project. **DTA staff shall complete all the tasks of the project within the agreed-upon budget and schedule. Time and time again, we have proven our ability to adhere to contract agreements, understand the importance of good project management, and have never failed to meet a deadline.** DTA does not anticipate employing the services of a subcontractor for any portion of the City’s requested services.

Figure 1: Team Organization Chart



DTA has assembled a project team with the breadth of experience required to assist the City with preparing the Fee Study. **This project would be primarily handled out of DTA’s Irvine office. In fact, we consider ourselves to be an extension of City staff.** Mr. Wekwete will serve as the Principal-in-Charge of DTA’s project team and handle primary account responsibilities for this engagement. He will attend meetings as necessary and supervise all project staff.

Ms. Zarate and Mr. Ruiz will be the City’s primary points of contact throughout this engagement. They will manage the work of DTA’s project team, including leading data collection efforts, directing the development of our technical model, providing senior-level analysis, reviewing progress and work products with City staff and community groups, presenting study findings at project meetings, and finalizing study documentation. Ms. Zarate and Mr. Ruiz will be assisted in these tasks by other support staff.

Mr. Taussig will provide technical advisory services related to elements of the Fee Study, as needed, and oversee all quality assurance and quality control measures. Mr. Runk will provide engineering expertise, assist in the selection of facilities to be included on the facilities needs list, prepare and/or review facilities cost estimates, and contribute to the apportionment analysis of specific facilities to be included in the fee program.

Key personnel will be available to the extent proposed, or designated by the City, for the duration of the project and no person designated as “key” to the project shall be removed or replaced without the prior written concurrence of the City. In addition, DTA is not behind schedule or past the completion date for any active projects and has a long history of delivering projects on a timely basis and adhering to agreements.

3.a DTA Team Biographies

David Taussig

Chairman/Managing Director | David@FinanceDTA.com

Project Role – Technical Advisor



Mr. Taussig has over 45 years of experience in the fields of real estate finance and urban economics. His areas of expertise include municipal finance programs for infrastructure and public facilities development, fiscal and redevelopment impact analyses, and land development project feasibility studies.

Mr. Taussig has an extensive background in computerized financial analyses. Since founding DTA in 1985, Mr. Taussig has developed several state-of-the-art analytical methods and modeling approaches, in addition to directing the formation of over 1,000 public financing districts and subsequent sale of tax-exempt municipal bonds. These districts have funded public infrastructure and services for many types of residential and non-residential development and included several hundred master-planned communities built throughout California and in several other western states. Mr. Taussig’s work has involved both the preparation and implementation of financing plans and his public sector clients have included virtually every major urban county and city within California and hundreds of special districts. He has provided similar consulting services to many of the largest land development firms in the State of California. The financing programs implemented by Mr. Taussig have ranged from land-secured CFDs to redevelopment tax increment programs and lease revenue-based Certificates of Participation. He is also responsible for DTA’s successful efforts related to funding opportunities under various tax credit programs.

Mr. Taussig has also overseen the preparation of numerous feasibility and impact studies involving computerized analyses of project cash flows and/or impacts on public agencies and landowners. He has assumed project management responsibilities for several hundred AB 1600 DIF justification studies, including recent studies prepared on behalf of the Cities of Blythe, Cathedral City, Chino Hills, Coachella, Fontana, Palo Alto, Paso Robles, Perris, San Jose, Temple City, Torrance, Tustin, and Victorville and the Counties of Riverside, San Bernardino, San Luis Obispo, and Santa Barbara. He has also handled the preparation of over 100 fiscal impact studies utilized by public agencies to determine the impact of new development or annexations on a municipality.

Prior to establishing his own firm, Mr. Taussig was the Director of Finance for Gfeller Development Company, where he handled all take-out and construction financing for the company’s residential projects and infrastructure. He also prepared development project proformas that were used by prospective lenders and joint venture partners to evaluate the company’s proposed projects.

Mr. Taussig was previously employed for 6 years by Mission Viejo Company (“MVC”) where, as the Manager of Housing and Community Development, he was involved in the planning and financing of two planned communities encompassing over 50,000 homes. Mr. Taussig handled a substantial portion of MVC’s mortgage and infrastructure financing during that period. He also worked for 5 years in the public sector as the Administrator of a Federal housing and community development program and as a



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SECTION B KEY PROJECT STAFF AND QUALIFICATIONS

Land Use Planner. Mr. Taussig’s educational background includes a master’s degree in city planning from the University of California at Berkeley and B.A. in economics from Cornell University. He received full certification from the American Institute of Certified Planners in 1982.

Mr. Taussig and the firm are a registered Municipal Advisor with the SEC/MSRB. **He holds a Series 54 license as a Principal Municipal Advisor and Series 50 license as a Municipal Advisor under regulations promulgated by the SEC and MSRB.** Even after 45 years of experience in the industry, to this day, he continues to seek innovative answers to the industry’s biggest questions and contributes to the development of public finance and development-related legislation. In addition, he is an active member of the Urban Land Institute’s (“ULI’s”) National Council for Public-Private Partnerships (“NCPPP”) and advocates and facilitates the formation of public-private partnerships at Federal, state, and local levels.

Kuda Wekwete

Managing Director | Kuda@FinanceDTA.com

Project Role – Principal-in-Charge

Since joining DTA in 2005, Mr. Wekwete has been involved in all aspects of the formation and implementation of special districts to fund infrastructure and services, as well as the sale of over \$300 million in CFD bonds. His work has involved the preparation of tax spreads and overlapping debt analyses for the formation and/or sale of bonds for over 175 special districts established throughout California. In this role, Mr. Wekwete has prepared Rates and Methods of Apportionment (“RMAs”), CFD and Engineer’s Reports, and documents required for the formation of CFDs, sale of property, and annual levying of special taxes. He has also been responsible for preparing PFFPs involving CFDs and other public finance mechanisms.



In addition, Mr. Wekwete has been actively involved in the preparation of dozens of impact fee studies, especially in the area of transportation infrastructure costing, and apportionment of these costs over various land use types based on benefit criteria. His engineering background has enabled him to assist DTA’s Vice President of Engineering Services in applying a variety of apportionment methodologies to the development of fee studies and establishment of Benefit ADs for public sector clients. **Mr. Wekwete’s recent work on DIF studies has included engagements for the Cities of Colton, Desert Hot Springs, Fontana, Paso Robles, Perris, and Torrance and the Counties of Riverside, San Bernardino, San Luis Obispo, and Santa Barbara, among others.**

Mr. Wekwete also has experience in the preparation of Fiscal Impact Reports (“FIRs”), tax increment analyses, and PFFPs and has performed due diligence services and developed disclosure documentation for land purchasers, public agencies, and lenders.

Mr. Wekwete received his B.S. and M.S. in operations research and industrial engineering from Cornell University and Columbia University, respectively. **He also holds a Series 50 license as a registered Municipal Advisor with the SEC/MSRB under rules promulgated following the Dodd-Frank Act in 2010.**

Steve Runk, P.E.

Vice President, Engineering Services | Steve@FinanceDTA.com

Project Role – Engineer (State License Number C23473 – California Registered Civil Engineer)



Mr. Runk has over 45 years of experience in the design and construction management of major civil engineering projects, including roadways, bridges, sewer and water improvements, and flood control facilities, grading for public works projects, and construction of commercial and industrial buildings. Mr. Runk's specific responsibilities have included design, quality control, specifications, estimates, construction bid packages, construction coordination and management, cost analyses and cost control, scheduling, manpower forecasting, staffing, and marketing. He has also assisted public agencies and developers in the procurement of funding from the California Department of Transportation ("Caltrans") and other Federal and state agencies.

Mr. Runk has a proven track record of meeting schedules and adhering to budgets. Since joining DTA in 2000, he has worked with local agencies to resolve community issues and negotiate scope changes with contractors to ensure the timely and satisfactory completion of construction projects. He has also acted as the Project Manager for the establishment of ADs and preparation of numerous AB 1600 DIF justification studies. Mr. Runk specializes in preparing assessment apportionment formulas and fee studies for roads, storm drains, and water and wastewater facilities. **He has been involved in preparing needs lists and apportioning facilities costs for many of DTA's AB 1600 studies, including those in the Cities of Anaheim, Brawley, Coachella, Chino Hills, Hesperia, Paso Robles, San Luis Obispo, Tustin, and Victorville, as well as the County of San Bernardino and a number of water districts, including the San Gorgonio Pass Water Agency. He was also closely involved in DTA's previous work as the AB 1600 consultant for the County of Riverside.**

Prior to joining DTA, Mr. Runk, as the Senior Construction Manager for Holmes & Narver, Inc., successfully completed the construction of the SR-41 Freeway in Fresno County, which was the County's first Measure "C" sales tax-funded freeway. Prior to this project, Mr. Runk successfully completed the construction of the SR-71 Freeway in Chino/Chino Hills, California. This \$98 million project was the first Measure "M" sales tax-funded project for the San Bernardino Associated Governments ("SANBAG"). Mr. Runk's responsibilities on both projects included contract management, quality control, public relations, cash flow analyses, project closeout, and compliance with Federal and State funding requirements.

Previously, Mr. Runk held positions with various public and private engineering entities in which he delivered projects requiring a wide variety of engineering expertise. He holds a B.S. in engineering from the University of California at Los Angeles and an M.S. in civil engineering from California State University at Long Beach. Mr. Runk is a registered Civil Engineer in the State of California.



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SECTION B KEY PROJECT STAFF AND QUALIFICATIONS

Leni Zarate

Vice President | Leni@FinanceDTA.com

Project Role – Project Coordination

Leni Zarate, a Vice President, brings a wealth of experience in special district formation, implementation, and administration to fund infrastructure and services. Her successful management of numerous special districts on a large scale, including EIFDs, CFDs, Benefit Assessment/Infrastructure Districts, County/Community Service Areas, LLDs, Mello-Roos Bond Pool Districts, and ADs, is a testament to her competence. Ms. Zarate has overseen the annual enrollment of hundreds of special districts, totaling more than 800,000 parcels, formed over 200 financing districts, and assisted in the bond sale of approximately \$740 million for local infrastructure and public safety improvements promoting economic development.



Prior to joining DTA, Ms. Zarate served as the Special Districts Manager at Riverside County. In this role, she managed all aspects of the formation and administration of 72 County Service Areas (approximately 450,000 parcels) and 19 CFDs (approximately 150,000 parcels). This included preparing Engineer’s Reports, CFD Reports, RMAs, prepayment calculations, and Disclosure Reports under prescribed guidelines. Ms. Zarate also oversaw the formation of the County of Riverside’s three EIFDs, ensuring compliance with statutory deadlines, developing Resolutions of Intention/Formation, preparing all mailings, completing the Infrastructure Financing Plan, and handling all required documentation with the State Board of Equalization. She is the leader of DTA’s EIFD practice. This role sees her continuing to work on the formation of two additional EIFDs for the County of Riverside and EIFDs for the County of San Diego and the Cities of Los Angeles, San Bernardino, Santa Ana, and Santa Rosa.

Ms. Zarate has worked on nearly 16 DIF studies for cities and counties collecting data, preparing written reports, and collaborating with city and county staff and stakeholders, including fee studies prepared on behalf of the Cities of Daly City, Fontana, Morro Bay, National City, Rialto, San Luis Obispo, Santa Cruz, and Santa Maria, among others. Her ability to build and maintain relationships with various stakeholders, including public and private investors, key public leaders, community decision-makers, organizations, cities, counties, and government agencies, has successfully moved projects through the implementation process.

She has served as a consultant for a variety of public municipalities, including the Riverside County Executive Office, Transportation Department, Office of Economic Development, and Flood Control and Water Conservation District, City of El Monte, Castaic Water District, City of Santa Ana, City of Riverside, City of Martinez, County of San Diego, and Pinal County (AZ). Her commitment to professional development is evident in the numerous training programs she has completed, including those for A/E/C Project Management, Financial Management, Compensation Strategies, Leadership, and Best Management Practices provided by PSMJ Resources, Inc. She is also actively involved in industry groups, including CSMFO, CALED (where she holds a position on the PD&F division), WPF, CASTOFF, and several other programs, demonstrating her leadership and commitment to professional development.

Richard Ruiz, Jr.

Manager | Richard@FinanceDTA.com

Project Role – Project Engagement



Mr. Ruiz has a background in econometrics and industrial organization. Since joining DTA in 2018, he has been involved in the formation and administration of numerous CFDs, ADs, and LLDs throughout California and several other states, including Florida, North Carolina, Texas, and Utah. His responsibilities related to these projects have included the development of tax spread proforma analyses and preparation of overlapping debt analyses. In addition, while at DTA, he has participated in a variety of projects, including fiscal and economic impact studies

for cities and counties throughout California, school district rezoning projects, city/county annexation projects, user fee calculations, and living wage analyses.

Mr. Ruiz also has extensive experience working on the preparation of DIF justification studies for cities and counties in California and numerous other states, **including Arizona, Florida, and South Carolina.** His responsibilities during the impact fee justification and apportionment analysis process for each respective project include the preparation of capital improvement and public facilities needs lists, data collection, the development and modification of the DIF Report model, the production of a written report, and interactions with city, county, and district staff and key stakeholders. **Mr. Ruiz' recent work on DIF studies in California has included engagements for the Cities of Chino Hills, Colton, Cypress, Daly City, Desert Hot Springs, Fontana, Fowler, Inglewood, Ione, Manteca, Mammoth Lakes, Norco, Palo Alto, Perris, San Jose, Soledad, Torrance, Upland, Victorville, and Yucaipa and the Counties of San Luis Obispo and Santa Barbara, among others, in addition to the El Dorado Hills Fire Department.** East coast projects include Pickens County, South Carolina, City of Fayetteville, Arkansas, City and County of El Paso, Texas, Village of Oswego, Illinois, City of Laconia, New Hampshire, and City of Riviera Beach, City of Delray Beach, Hillsborough County, and Jefferson County, Florida.

Prior to joining DTA, Mr. Ruiz spent 14 years with an energy economics consulting firm that focused on economic and market research studies, mergers and acquisitions analyses, market entry research strategies, and economic due diligence projects for companies seeking equity funding. He has a degree in economics from California State University at Long Beach with a concentration in public finance. Mr. Ruiz is a member of the American Water Works Association (“AWWA”) and has the experience and work history of understanding and applying the best practices of AWWA and Water Environment Federation (“WEF”) in rate studies. He is also a Professional Member with the Institute of Transportation Engineers (“ITE”).

Kyle Martinez

Manager | Kyle@FinanceDTA.com

Project Role – Project Engagement

Since joining DTA in 2016, Kyle Martinez has been actively involved in the formation, implementation, and administration of CFDs, ADs, improvement associations, and other special assessments and districts throughout the **States of Arizona, California, Florida, Utah, and the Southeast**. Her work has involved the preparation of RMAs, overlapping debt analyses, Engineer’s Reports, and apportionment studies. She has experience in the calculation of special tax levies and assessment installments, in addition to conducting relevant parcel research, ownership and prepayment analyses, and continuing disclosure obligations. Ms. Martinez oversees special assessment administration and the levy of approximately \$80 million annually in the County of Santa Clara, California, alone. Ms. Martinez has worked on nearly one dozen fiscal and economic impact analyses for cities and counties. Her responsibilities during these analyses for each respective project include evaluating the revenues generated by a development project as associated with the costs and determining the direct, indirect, and induced employment and economic benefits generated by new development.



Ms. Martinez has extensive experience working on the preparation of DIF and capacity fee studies for cities, counties, and special districts, as well as the analysis and review of rate calculations for water/wastewater capacity fee studies throughout North Carolina. Her responsibilities include the analysis of capital improvement and public facilities needs lists, inventories, and asset lists, data collection, the development of DIF Report models, the preparation of written reports and corresponding staff reports, and collaboration with city and county staff and key stakeholders. **Ms. Martinez’ recent work on DIF studies in California has included engagements for the Cities of Campbell, Palo Alto, San Jose, and Soledad and the Counties of Kings and Shasta, among others.** The City of Campbell’s fee study focused on parkland acquisition, while the City of Palo Alto’s fee study featured Parks, Library, and Community Center Fee updates with a parkland acquisition component. Ms. Martinez is also currently supporting DTA teams on impact fee updates for the Town of Queen Creek, Arizona, Hillsborough County, Florida, and the City of Riviera Beach, Florida.

Ms. Martinez received her Bachelor of Arts degree in communications with an emphasis in journalism from California State University, Fullerton.

4 Project Management Strategies

DTA’s client contact and interaction continue beyond the basic deliverables. DTA is a customer and community-centric firm committed to excellence, quality products, and an open and interactive communication environment. We employ these practices in the workplace, in cities, counties, and towns, and with the many clients that we have served for 40 years. **DTA realizes that every client, like every person, is a distinct entity best understood and served in a direct and collaborative manner.**

DTA serves clients in small towns, medium-sized cities, and larger municipalities. Our service philosophy is three-pronged: we strive to know our customers, understand the communities we’re privileged to serve, and always provide the best care, advice, and products. At DTA, we also understand that every project is different, and every outcome is special to our team. Our values of accountability, integrity, and excellence underlie all work performed.

DTA brings a practical perspective combined with real-world experience in working with municipalities, which gives us the ability to understand and communicate with all stakeholders throughout the process. Regarding our engagement approach, we will work closely with City leadership to engage with property owners, business owners, and community leaders to understand any issues or pressure points, as well as what is envisioned for the future. **DTA staff members have considerable experience working on fee models for a variety of public improvements and will take a hands-on, detail-oriented approach with an emphasis on accuracy, efficiency, and reliability. As a result, from unique deadlines to fluid, potentially changing priorities, DTA is able to begin work with minimal notice.**

In addition to the elements identified in the City's proposed Scope of Work, DTA would recommend incorporating the following key strategies:

- Reviewing prior studies and effectively managing data requests and data gathering/consolidation;
- Ensuring key stakeholder input is received prior to writing any reports, so work need not be duplicated;
- Leveraging technology to request and track information from various sources and stakeholders;
- Setting up standing conference calls or Teams meetings (i.e., bi-weekly), in addition to scheduled meetings with City staff in order to stay on track with tasks and deliverables and discuss critical project elements; and
- Preparing internal report drafts for City staff review and discussion on conference call(s).

Finally, as part of the completion of this Scope of Work, DTA suggests evaluation of some other key considerations, including:

- Should a "fee credit" program be established for developers who build or oversize facilities on the City's facilities needs list?
- Should a stakeholders' committee or group be established to ensure outside input prior to the preparation of the Fee Study?
- Should the automatic fee escalator be reviewed to possibly further mitigate the impacts of inflation on the fee program prior to the preparation and adoption of the next fee program by the City?

DTA utilizes the software application BQE CORE to track project expenditures. This program is always available to DTA's employees and provides detailed project information ranging from the execution of the contract to completion of the project. To manage this contract effectively in terms of team performance, schedule compliance, and budget adherence, Mr. Wekwete, DTA's Principal-in-Charge, will utilize these tools:

- Bi-weekly assignment checklists throughout the life of the contract to ensure each task remains on schedule by utilizing proper staffing assignments.
- Consistent communication with City staff via e-mail, telephone, and in-person meetings, as needed.
- Weekly budget review to ensure no budget overruns occur. DTA's customized accounting system will enable us to track the expenditures to date each week and ensure budget compliance.
- Regular meetings with City staff to discuss progress and any issues and receive guidance.



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SECTION B KEY PROJECT STAFF AND QUALIFICATIONS

At DTA, all our multidisciplinary team members come from diverse backgrounds, and we put people first. We pride ourselves on developing strong relationships with our clients and working closely with them to understand the big picture and goals they want to achieve as a result of our engagement, as well as how DTA’s work may impact other initiatives both now and in the future. At DTA, we understand that public finance is about ensuring that communities can thrive by assessing what the best solution is for the community as a whole and what will help the community reach and sustain growth goals.

DTA brings an impartial perspective combined with real-world experience in working with municipalities, which gives us the ability to understand and communicate with all stakeholders throughout the process. Regarding our engagement approach, we will work closely with City leadership to engage with property owners, business owners, and community leaders to understand any issues or pressure points, as well as what is envisioned for the future.

5 Project Approach

With respect to the Fee Study, DTA would provide all-inclusive professional and technical support to the City in developing a conceptual project scope, in addition to reviewing any existing City DIF studies, the City Municipal Code and other relevant City documents, the City’s General Plan, Specific Plans, Master Plans, the Capital Improvement Program (“CIP”), and other available planning documents. DTA’s comprehensive review of required impact fee levels shall be documented in a formal Nexus Study prepared under California Government Code 66000 *et seq.* Having previously been subject to legal and developer scrutiny, DTA has developed a streamlined approach and methodology that establishes a rational and substantial nexus between new development and the need for public facilities.

DTA’s Final Report shall not address whether any current or proposed DIFs are valid under the U.S. Constitution’s Fifth Amendment Takings Clause. On April 12, 2024, in *Sheetz v. County of El Dorado* (2024), the U.S. Supreme Court held that its decisions in *Nollan v. California Coastal Comm’n* (1987) 483 U.S. 825 and *Dolan v. City of Tigard* (1994) 512 U.S. 374 apply to legislatively imposed conditions on land-use permits. That said, the Supreme Court left it to the California appellate court on remand to address the validity of the traffic impact fee at issue in the case and determine how to apply *Nollan/Dolan* in this context. DTA cannot predict how courts will resolve such issues in the future and is providing no services or guarantees of any kind concerning the validity of any impact fees under the U.S. Constitution’s Fifth Amendment Takings Clause.

State Legislation: With the approval by the State Legislature of **AB 602**, the City must be in compliance with nexus requirements that apply to any DIF studies approved by City Council (the “Council”) after January 1, 2022. Starting on that date, if the City decides to adopt infrastructure standards that are above its existing levels of service, the DIF analysis must include an explanation of why the new level of service is necessary. Furthermore, the City’s approved impact fees must either be levied on residential development on a per square foot basis or the DIF study must include specific findings explaining why square footage is not an appropriate metric to calculate the fees. **DTA is familiar with this new residential square foot metric based on work we have performed on fee studies in California and other impact fee studies outside of California, as well as fee studies in Arizona and other states where new higher levels of service must be justified.**

General Approach to Development Impact Reviews and Nexus Studies: In determining a reasonable nexus for each specific type of public facility, DTA will utilize one or more of the methodologies discussed below depending upon the data and other information available from the City and its current infrastructure policies. All of these fee methodologies employ the concept of an Equivalent Dwelling Unit (“EDU”) to allocate benefit among various land use classes. EDUs are a means of quantifying different

land uses in terms of their equivalence to a residential dwelling unit, where equivalence is measured in terms of potential infrastructure use or benefit from each type of public facility. For many types of facilities, EDUs are calculated based on the number of residents or employees generated by each land use class. For other facilities, different measures, such as the number of service calls, quantity of trip miles, or amount of storm water run-off, more accurately represent the benefit provided to each land use class. Transportation facilities typically demand EDU calculations predicated on a per unit or per trip basis, or according to Vehicle Miles Traveled ("VMT") criteria.

The three types of fee methodologies used by DTA to establish EDUs for a public facility within a typical AB 1600 study are based on either an existing Infrastructure Plan, a predetermined capacity amount, or a generic standard.

Plan-Based Fees: The first method of apportioning fees is based on a "plan," such as a Master Plan of Facilities, that identifies a finite set of improvements. These Facilities Plans generally identify a specific set of facilities needed by the public agency and are developed according to assessments of facilities needs prepared by staff and/or outside consultants and adopted by the public agency's legislative body. With this plan-based approach, specific costs can be projected and assigned to all land uses planned in the future, often with a specific time period in mind that reflects new development projections. In preparing an impact fee analysis, facilities costs can be allocated in proportion to the amount of demand caused by each type of future development. It works well when it is difficult to measure the actual service needed by a land use type or where capacity cannot be directly related to demand. Roads and flood control improvements are examples where plan-based fees are often used. These fees are typically per unit assessments. This type of plan-based approach is generally preferable to the two other approaches to cost allocation listed below, but it does require the existence of a Facilities Plan, which is not always available.

Capacity-Based Fees: A second method of fee assessment is based on the "capacity" of a service or system, such as a water tank or a sewer plant. This kind of fee is not dependent on a particular Land Use Plan (i.e., amount or intensity), but rather it is based on a rate or cost per unit of capacity that can be applied to any type of development as long as the system has adequate capacity. This type of fee is useful when the costs of the facility or system are unknown at the outset, but it requires that the amount of capacity used by a particular land use type be measurable or estimable. Capacity-based impact fees are assessed based on the demand rate per unit. This type of fee would most typically be assessed for water or wastewater systems.

Standard-Based Fees: A third method of assessing fees is based on "standards" where costs are based on units of demand. This method establishes a generic unit cost for capacity, which is then applied to each land use per unit of demand. Parks are an excellent example of this type of fee structure. California's Quimby Act allows cities and counties to establish a service standard, typically 3.0 to 5.0 acres of parkland per thousand residents, that may be required of all new residential development. Thus, this standard is not based on cost but rather on a standard of service. This methodology provides several advantages, including not needing to know the cost of a specific facility, identifying how much capacity or service is provided by the current system, or having to commit to a specific size of facility.

In preparing its analysis, DTA will apply one or more of these three methodologies to each facility type to generate applicable fee levels.

6 Proposed Scope of Work and Tentative Project Schedule

DTA’s typical schedule of tasks for a DIF program/AB 1600 Nexus Study is outlined below. Given the City’s desired project timeline, this timeline of events can and will be completed within the proposed time frame according to the City’s specifications. **Notably, the firm shall provide ongoing communication, education, and outreach throughout the duration of the project. DTA is able to begin work with minimal notice.**

Table 1: Proposed Schedule

Task Description	Proposed Timing
Notice to Proceed	April 7, 2025
Task 1 – Kickoff Meeting	Week of April 14, 2025
One Digital Copy of an Updated Project Schedule	Week of April 21, 2025
Written Document (or Memo) Outlining Any Agreed-Upon Modifications to the Scope of Work or Project Approach	Week of April 21, 2025
Task 2 - Research and Review of Existing City Plans, Regulations, and Documents	Week of April 28, 2025, through Week of May 12, 2025
Task 3 – Prepare Comparative Impact Fee Survey and Analysis	Week of April 28, 2025, through Week of May 12, 2025
One Digital Copy of an Administrative Draft Comparative Impact Fee Survey and Analysis	Week of April 28, 2025
Revised Administrative Draft Comparative Impact Fee Study Following Receipt of City Comments	Week of May 12, 2025
Task 4 – Review Facility/Capital Needs and Levels of Service	Week of May 5, 2025, through Week of May 26, 2025
One Digital Copy of the Draft Fee Adjustment Analysis, Proposed Fee Rates, and Recommendations	Week of May 19, 2025
Revised Draft Fee Adjustment Analysis Following Receipt of City Comments	Week of May 26, 2025
Task 5 – Develop Methodology for Calculating New Fee Amounts	Week of July 7, 2025, through Week of July 21, 2025
One Digital Copy of the Draft Analysis of Potential New Fees, Proposed Fee Rates, and Recommendations	Week of July 14, 2025
Revised Draft Analysis of Potential New Fees, Proposed Fee Rates, and Recommendations Following Receipt of City Comments	Week of July 21, 2025
Task 6 – Determine Fee Levels	Week of July 7, 2025, through Week of July 21, 2025
Task 7 – Prepare Administrative Draft Fee Study	Week of July 21, 2025, through Week of Aug. 11, 2025
One Digital Copy of an Administrative Draft Fee Study	Week of July 21, 2025
Revised Administrative Draft Fee Study Following Receipt of City Comments	Week of Aug. 11, 2025
Task 8 – Prepare Draft Final Fee Study	Week of Aug. 25, 2025, through Week of September 08, 2025
One Digital Copy of the Draft Final Fee Study	Week of Aug. 25, 2025
Revised Draft Final Fee Study Following Receipt of City Comments	Week of Sept. 8, 2025
Task 9 – Attend the City Council Hearing	Est. Oct. 14, 2025
One Digital Copy of the Draft PowerPoint Presentation Prior to the City Council Hearing	Week of Sept. 8, 2025



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SECTION B KEY PROJECT STAFF AND QUALIFICATIONS

Task Description	Proposed Timing
Task 10 – Prepare Final Fee Study	Week of Oct. 21, 2025, through Week of Nov. 4, 2025
One Digital Copy of the Final Fee Study	Week of Oct. 21, 2025
Revised Final Fee Study Following Receipt of City Comments	Week of Nov. 4, 2025
Task 11 – Attend City Council Adoption Hearing	Est. Nov. 25, 2025
One Digital Copy of the Draft PowerPoint Presentation Prior to the City Council Hearing	Week of Nov. 4, 2025

C REFERENCES

Listed below are three (3) references for DTA’s recent work involving impact fee studies for municipalities in California. We encourage you to contact our references to learn firsthand how well DTA staff meets the needs of its clients.

1 City of Torrance

Table 2: Reference Information

Location	City of Torrance, CA	
Client Contact	Sheila Poisson	Danny Santana
Title	Finance Director	Assistant City Manager
Address	3031 Torrance Boulevard, Torrance CA 90503	
Phone Number	(310) 618-5854	(310) 328-5310
E-mail Address	SPoisson@TorranceCA.gov	DSantana@TorranceCA.gov
Project Dates	2018-2019	
Project Team	Kuda Wekwete (Project Manager) and Richard Ruiz (Support Team)	
Work Product	DIF Study (Adopted)	
Fee Categories	Utility Undergrounding, Transportation, Storm Drain, Sewer Improvements, Police Facilities, Library Facilities, and Community Services Facilities	

2 City of Paso Robles

Table 3: Reference Information

Location	City of Paso Robles, CA
Client Contact	Warren Frace
Title	Community Development Director
Address	1000 Spring Street, Paso Robles, CA 93446
Phone Number	(805) 237-3970
E-mail Address	WFrace@PRCity.com
Project Dates	November 2006-Present
Project Team	Kuda Wekwete (Project Manager) and Richard Ruiz (Task Specialist)
Work Product	DIF Studies [2014, 2018, and 2022 (Currently in Progress)], FIAs, and CFD Formations
Fee Categories	Transportation, Fire, Law Enforcement, and Parks and Recreation



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3 City of Yucaipa

Table 4: Reference Information

Location	City of Yucaipa, CA
Client Contact	Benjamin Matlock
Title	Planning Manager
Address	34272 Yucaipa Blvd, Yucaipa, CA 92399
Phone Number	909-797-2489 Ext. 261
E-mail Address	BMatlock@Yucaipa.org
Project Dates	August 2022-March 2023
Project Team	Kuda Wekwete (Project Manager) and Richard Ruiz (Task Specialist)
Work Product	Development Impact Fee Study (Adopted)
Fee Categories	Transportation, Police, Fire, Public Facilities, Parks, and Storm Drain.



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SECTION D COST AND FEE SCHEDULE

D COST AND FEE SCHEDULE

Please refer to the separately enclosed Cost and Fee Schedule for DTA's proposed budget for the services requested and an itemized hourly fee schedule for additional services beyond the scope of work.

APPENDIX A

Request for Proposals (RFP)
City of Hawthorne
Development Impact Fee Study



**REQUESTED
CONTRACT
EXCEPTIONS**

REQUESTED CONTRACT EXCEPTIONS

DTA accepts the terms, conditions, and general form of the City's Sample Agreement, including the insurance requirements, except for the revisions noted below.¹

- Section 7, "Ownership of Documents"

- a) "The Consultant shall maintain complete and accurate records with respect to sales, costs, expenses, receipts, and other such information required by City that relate to the performance of services under this Agreement. The Consultant shall maintain adequate records of services provided in sufficient detail to permit an evaluation of services. All such records shall be maintained in accordance with generally accepted accounting principles and shall be clearly identified and readily accessible. The Consultant shall provide free access to the representatives of City or its designees at reasonable times to such books and records; shall give City the right to examine and audit said books and records; shall permit City to make transcripts therefrom as necessary; and shall allow inspection of all work, data, documents, proceedings, and activities related to this Agreement. ~~Any information reviewed and/or copied during an audit shall be treated as confidential and shall not be subject to release as part of a Public Records Act Request.~~ Such records, together with supporting documents, shall be maintained for a period of three (3) years after receipt of final payment.
- b) Upon completion of, or in the event of termination or suspension of this Agreement, all original documents, designs, drawings, maps, models, computer files, surveys, notes, and other documents prepared in the course of providing the services to be performed pursuant to this Agreement shall become the sole property of the City and may be used, reused, or otherwise disposed of by the City without the permission of the Consultant. ~~Notwithstanding the above, computer software (including without limitation financial models, compilations of formulas and spreadsheet models) and products derived from such software, prepared by Consultant are Instruments of Service of Consultant and shall remain the property of Consultant. Consultant shall likewise retain all common law, statutory and other reserved rights, including the copyright thereto. However, the fixed final work product delivered by Consultant shall belong to the City."~~

This supplemental language has been requested to provide us with adequate trade secret protection. We have developed our computer models over the past 40 years and the formulas inherent in the models are proprietary. However, the ultimate work product itself belongs to the City. This supplemental language has also been requested to ensure that any financial or company information reviewed and/or copied during an audit shall be treated as confidential.

¹ Text with a strikethrough indicates language we are requesting be removed and the text in red indicates language we'd like added in its place.

▪ Section 8, “Indemnification”

“When the law establishes a professional standard of care for Consultant Services, to the fullest extent permitted by law, The Consultant shall indemnify, protect, defend and hold harmless City and any and all of its officials, employees and agents (“Indemnified Parties”) from and against any and all losses, liabilities, damages, costs and expenses, including attorney’s fees and costs to the extent same ~~are caused in whole or in part by~~ result from any negligent or wrongful act, error or omission of the Consultant, its officers, agents, employees or sub Consultant (or any entity or individual that Consultant shall bear the legal liability thereof) in the performance of professional services under this Agreement. **Notwithstanding the above, Consultant’s duty to defend shall be proportionate to the comparative liability induced by the actual work performed and budget received under this Agreement.**

Additionally, in light of the uncertainty created by the April 12, 2024, U.S. Supreme Court decision in *Sheetz vs. County of El Dorado*, Consultant will not defend, indemnify, or hold free and harmless the City or any of its agents from any claim arising out of, pertaining to, or incident to the *Nollan/Dolan* test under the U.S. Constitution’s Fifth Amendment Takings Clause.”

Our proposed language would require that DTA covers any claims related to our negligence, rather than having us be liable for any and all claims wherein we did not make a mistake.

APPENDIX B

Request for Proposals (RFP)
City of Hawthorne
Development Impact Fee Study



REQUIRED FORMS

- Section IV, Proposal
- Proposer's Affidavit

SECTION IV - PROPOSAL

FAILURE TO COMPLETE ALL ITEMS IN THIS SECTION MAY INVALIDATE PROPOSAL

In accordance with your "Request for Proposal," the following proposal is submitted to the City of Hawthorne.

Proposal Submitted By:

DTA
Name of Company

18201 Von Karman Avenue, Suite 220
Address

Irvine, CA 92612
City / State / Zip Code

Kuda Wekwete, Managing Director
Printed Name / Title

(800) 949-4DTA/(949) 480-0034
Telephone Number / Fax Number

Steve Runk, State License Number C23473 – California Registered Civil Engineer
Professional Engineering License #

Form of Business Organization:

Please indicate the following (check one):

Corporation Partnership Sole Proprietorship

Other: _____

Business History:

How long have you been in business under your current name and form of business organization?

40 years

If less than three (3) years and your company was in business under a different name, what was that name?

Not Applicable

List any pending or previous litigation over the past five years related to your firm's work:

Not Applicable

Contact for Additional Information:

Please provide the name of the individual at your company to contact for any additional information

Kuda Wekwete
Name

Managing Director
Title

(800) 949-4DTA/(949) 480-0034
Telephone Number/Fax Number

Addenda Received:

Please indicate addenda information you have received regarding this proposal:

Addendum No. _____	Date Received: _____
Addendum No. _____	Date Received: _____
Addendum No. _____	Date Received: _____
Addendum No. _____	Date Received: _____

No Addenda received regarding this proposal.

STATE OF CALIFORNIA
COUNTY OF LOS ANGELES

Kuda Wekwete being first duly sworn, deposes and says:

1. That he/she is the Managing Director of DTA
(Title of Office) *(Name of Company)*
hereinafter called "Proposer," who has submitted to the City of Hawthorne a proposal for Development Impact Fee Study.
2. That the proposal is genuine; that all statements of fact in the proposal are true;
3. That the proposal was not made in the interest of behalf of any person, partnership, company, association, organization or corporation not named or disclosed;
4. That the Proposer did not, directly or indirectly, induce solicit or agree with anyone else to submit a false or sham proposal, to refrain from proposing, or to withdraw his proposal, to raise or fix the proposal price of the Proposer or of anyone else, or to raise or fix any overhead, profit or cost element of the Proposer's price or the price of anyone else; and did not attempt to induce action prejudicial to the interest of the City of Hawthorne, or of any other Proposer, or anyone else interested in the proposed contract;
5. That the Proposer has not in any other manner sought by collusion to secure for itself an advantage over the other Proposer or to induce action prejudicial to the interests of the City of Hawthorne. Or of any other Proposer or of anyone else interested in the proposed contract;
6. That the Proposer has not accepted any proposal from any subcontractor or materialman through any proposal depository, the bylaws, rules or regulations of which prohibit or prevent the Proposer from considering any proposal from any subcontractor or materialman, which is not processed through that proposal depository; or which prevent any subcontractor or materialman from proposing to any contractor who does not use the facilities of or accept proposals from or through such proposal depository;
7. That the Proposer did not, directly or indirectly, submit the Proposer's proposal price or any breakdown thereof, or the contents thereof, or divulge information or data relative thereto, to any corporation, partnership, company, association, organization, proposal depository, or to any member or agent thereof, or to any individual or group of individuals, except to the City of Hawthorne, or to any person or persons who have a partnership or other financial interest with said Proposer in its business.
8. That the Proposer has not been debarred from participation in any State or Federal works project.

Dated the 12 day of February, 2025.


(Proposer's Signature)

Managing Director
(Title)

The logo for DTA (Development Tax Authority) features the lowercase letters 'dta' in a bold, black, sans-serif font. A white diagonal bar is positioned over the top of the 't'.

www.FinanceDTA.com

18201 VON KARMAN AVENUE, SUITE 220
IRVINE, CA 92612
PHONE: (800) 969-4DTA

Public Finance
Public-Private Partnerships
Development Economics
Clean Energy Bonds

COST AND FEE SCHEDULE

Fees for services shall be charged on an hourly basis according to the rates set forth in the **schedule** below, with invoices being submitted to the City monthly. The estimated fee for the Fee Study shall not exceed **\$71,145** for the Scope of Work, plus \$3,000 in out-of-pocket expenses. **Notably, the figures listed in Table 1 for each task are just estimates and the charges assigned to any one task may be transferred to another task, as long as the overall invoices submitted by DTA do not exceed \$74,145, including expenses.** Fees for services shall be charged according to the professional services fee schedule identified in Table 2.

Table 1: Proposed Budget

Description	Title	Hourly Rate	Est. Hours	Total Cost
Task #1: Development of Project Strategy and Kickoff Meeting	President/MD	\$300	2	\$600
	Vice President	\$250	2	\$500
	Manager	\$200	5	\$1,000
	Associate II	\$165	2	\$330
Task 1			11	\$2,430
Task #2: Develop Population and Demographic Projections	President/MD	\$300	2	\$600
	Vice President	\$250	2	\$500
	Manager	\$200	14	\$2,800
	Associate II	\$165	8	\$1,320
Task 2			26	\$5,220
Task #3: Review Facility/Capital Needs and Levels of Service	President/MD	\$300	10	\$3,000
	Vice President	\$250	8	\$2,000
	Manager	\$200	14	\$2,800
	Associate II	\$165	22	\$3,630
Task 3			54	\$11,430
Task #4: Develop Methodology for Calculating New Fee Amounts	President/MD	\$300	6	\$1,800
	Vice President	\$250	8	\$2,000
	Manager	\$200	14	\$2,800
	Associate II	\$165	6	\$990
Task 4			34	\$7,590
Task #5: Determine Fee Levels and Document Comparative Fees	President/MD	\$300	6	\$1,800
	Vice President	\$250	8	\$2,000
	Manager	\$200	18	\$3,600
	Associate II	\$165	16	\$2,640
Task 5			48	\$10,040
Task #6: Prepare Draft and Final Impact Fee Methodology Reports	President/MD	\$300	10	\$3,000
	Vice President	\$250	8	\$2,000
	Manager	\$200	40	\$8,000
	Associate II	\$165	26	\$4,290
Task 6			84	\$17,290

Description	Title	Hourly Rate	Est. Hours	Total Cost
Task #7: Outline Tasks Required for the Implementation and Administration of the Fee Program	President/MD	\$300	6	\$1,800
	Vice President	\$250	8	\$2,000
	Manager	\$200	10	\$2,000
	Associate II	\$165	5	\$825
Task 7			29	\$6,625
Task #8: Attend Up to Three (3) Additional Meetings, Plus Regular Virtual Meetings for Bi-Weekly Updates	President/MD	\$300	8	\$2,400
	Vice President	\$250	8	\$2,000
	Manager	\$200	24	\$4,800
	Associate II	\$165	8	\$1,320
Task 8			48	\$10,520
Total Not to Exceed	President/MD	\$300	50	\$15,000
	Vice President	\$250	52	\$13,000
	Manager	\$200	139	\$27,800
	Associate II	\$165	93	\$15,345
Subtotal			\$334	\$71,145
Out-of-Pocket Expenses (Maximum)				\$3,000
Total Not to Exceed				\$74,145

For your reference, DTA’s hourly rate schedule is provided in the table below.

Table 2: DTA’s Fee Schedule

Labor Category	Labor Rate
President/Managing Director	\$300/Hour
Senior Vice President	\$275/Hour
Vice President	\$250/Hour
Senior Manager	\$210/Hour
Manager	\$200/Hour
Senior Associate	\$190/Hour
Associate III	\$175/Hour
Associate II	\$165/Hour
Associate I	\$150/Hour
Research Associate II	\$140/Hour
Research Associate I	\$125/Hour

Additional meetings above and beyond the four (4) meetings specified in the Scope of Work, including the kickoff meeting, shall be billed on a time and materials basis, not to exceed **\$2,500 per in-person meeting**. DTA staff shall also schedule standing conference calls (i.e., bi-weekly) with City staff to stay on track with tasks and deliverables, to the extent allowable under the proposed maximum budget.

Out-of-pocket and administrative expenses are included in the maximum budget listed above and shall be equal to 3% of DTA’s billings for labor, plus travel expenses and any outside vendor payments. All hourly rates for services apply through December 31, 2025, and are subject to a cost-of-living increase at that time. On or about the first two weeks of each month during which consulting

services are rendered hereunder, DTA shall present to the City an invoice covering the current consulting services performed and reimbursable expenses incurred pursuant to this Notice of Authorization. Each invoice submitted for payment shall contain a brief description of the work billed on that invoice, total billed to date, total paid to date, and amount remaining. Invoices shall be paid by the City within 30 days of the date of each invoice. A 1.2% charge may be imposed monthly against accounts that are not paid within 45 days of the date of each invoice. The prevailing party in any legal action brought by one party against the other and arising out of this Consultant Agreement shall be entitled, in addition to any other rights and remedies it may have, to reimbursement for its expenses, including court costs and reasonable attorneys' fees.

A Disclaimer

While DTA has a fiduciary responsibility as a licensed Municipal Advisor, DTA is not, unless otherwise stipulated, acting as the City's Municipal Advisor. The services discussed herein do not constitute any financial advice or fall under the category of municipal advisory services as defined by the SEC.

B Information to be Provided by the City

In addition, DTA requests that the following information be provided by the City at no charge and in a timely manner such that the project does not extend beyond 6 months from the date of authorization to proceed:

- Identification of offsetting revenue sources to fully understand financing options;
- The City's General Plan, any Specific/Master Plans, Development Agreements, and data regarding existing entitlements;
- To the extent available, detailed description of the proposed public facilities, including the facility name and number of square feet, acres, etc. (as applicable for each type of facility);
- Inventory of completed facilities within the City, including type, size, and location of facility;
- Cost estimates for proposed facilities (DTA anticipates that the City's cost data and estimates will be reviewed by DTA staff and discussed with City staff);
- Existing City Fee Ordinances and/or Resolutions, as applicable, and administrative decisions related to permitting, building, and the development community; and
- Identification of any committed revenue sources pledged to fund proposed facilities.

C Limitations

Additional work requested by the City beyond the tasks identified within the Scope of Work shall be considered out of scope and will be billed on a time and materials basis at the hourly rates identified in Table 2. The labor costs in Table 1 include attendance at a total of two (2) meetings with City staff and two (2) meetings with City Council, plus periodic conference calls with City staff. Attendance at more than four (4) meetings, detailed written responses to resolve disputes, or the preparation of more than one set of major revisions to the Draft Report will be classified as additional work and may require further billing at the hourly rates identified in Table 2 if the maximum fee level has been exceeded. Similarly, in-person meetings shall require additional charges, as noted above. Other examples of additional work shall include:

- Additional analyses based on revised assumptions requested by the City, including possible changes in the needs list, infrastructure costs, population projections, future land uses, and



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COST AND FEE SCHEDULE

related data once the preparation of the Draft Report has been initiated, as well as adjustments to assumptions once the Draft Report has been approved;

- Additional meetings or lengthy negotiations with stakeholders, including representatives of the BIA or similar representatives of the development community;
- Tasks related to litigation by stakeholders should it occur once the Fee Study has been completed;
- Time expended related to obtaining data assigned to the City under "Information to be Provided by the City";
- Any work related to litigation or any claim or liability arising out of or incident to the April 12, 2024, U.S. Supreme Court decision in *Sheetz vs. County of El Dorado* asking the California courts to reevaluate impact fees adopted under the California Mitigation Act to ensure they do not violate the U.S. Constitution's Fifth Amendment Takings Clause, including but not limited to expert witness services; and
- Actual implementation of the fee program(s).

The maximum fee listed above assumes the review and implementation of the fee program with a schedule between initiation of services and public outreach that is within the proposed time frame according to the City's specifications.

EXHIBIT B

INSURANCE REQUIREMENTS

Prior to the beginning of and throughout the duration of the Work, the Service Provider will maintain insurance in conformance with the requirements set forth below. The Service Provider will use existing coverage to comply with these requirements. If that existing coverage does not meet the requirements set forth here, the Service Provider agrees to amend, supplement or endorse the existing coverage to do so. The Service Provider acknowledges that the insurance coverage and policy limits set forth in this section constitute the minimum amount of coverage required. Any insurance proceeds available to City in excess of the limits and coverage required in this Agreement and which is applicable to a given loss, will be available to City.

The Service Provider shall provide the following types and amounts of insurance:

Commercial General Liability Insurance using Insurance Services Office “Commercial General Liability” policy form CG 00 01 or the equivalent. Limits are subject to review but in no event less than \$1,000,000 per occurrence.

Professional Liability Coverage. The Service Provider shall maintain in-force Professional Liability Insurance (and/or errors & Omissions Insurance) for protection against claims alleging negligent acts, errors or omissions which may arise from the Service Provider’s operations under this Agreement, whether such operations be by the Service Provider or by its employees, or sub Service Providers. The amount of this insurance shall not be less than one million dollars (\$1,000,000) on a claims-made annual aggregate basis, or a combined single-limit per occurrence basis.