

AGREEMENT FOR SERVICES

This Agreement is made and entered into this 1 day of July, 2025 (the “Effective Date”), by and between **THE CITY OF LA HABRA**, (hereinafter referred to as the “**CITY**”), and **HdL Coren & Cone**, a California Corporation (hereinafter referred to as the “**CONSULTANT**”).

RECITALS

WHEREAS, **CITY** requires professional property tax auditing and reporting services as set forth more fully in this Agreement; and,

WHEREAS, the **CONSULTANT** represents that it is qualified and experienced to provide such services; and

NOW, THEREFORE, for and in consideration of the mutual promises, covenants and conditions herein contained, **CITY** and **CONSULTANT** hereby agree as follows:

ARTICLE I **SCOPE OF SERVICES; TERM**

1.1 General Scope of Services.

A. **CITY** hereby engages **CONSULTANT**, and **CONSULTANT** hereby accepts such engagement, to perform the various services set forth in Exhibit “A” (the documents contained in Exhibit “A” shall be hereinafter referred to as the “Scope of Work and Schedule of Performance”).

B. All professional services to be provided by **CONSULTANT** pursuant to this Agreement shall be provided by personnel experienced in their respective fields and in a manner consistent with the standards of care, diligence, and skill ordinarily exercised by professional consultants in similar circumstances in accordance with sound professional practices.

C. Warranty: **CONSULTANT** warrants that it shall perform the professional services required by this Agreement in compliance with the federal and California laws related to minimum hours and wages, including but not limited to, 40 U.S.C.A. §§ 3141, et seq., California Labor Code, §§ 1171, et seq. and California Labor Code, §§ 6300, et seq.; fair employment practices, including but not limited to, 29 U.S.C. 651, et seq.; and fair employment, including but not limited to, 29 U.S.C. 201, et seq., The California Fair Employment and Housing Act California Government Code, §§ 12900, et seq., Title VI of the Civil Rights Act of 1964, as amended, 49 CFR 21 through appendix H and 23 CFR 710.405 (b); and

all other federal, state and local laws and ordinances applicable to the work required under this Agreement.

D. Non-exclusive Agreement. **CONSULTANT** acknowledges that CITY may enter into agreements similar to this Agreement with other consultants.

1.2 Term.

The services shall be performed for five (5) years from the Effective Date, and shall thereafter be automatically extended from year to year until such time as it is terminated pursuant to the provisions in Article V of this Agreement.

ARTICLE II **RESPONSIBILITIES OF CONSULTANT**

2.1 Control and Payment of Subordinates.

CITY retains **CONSULTANT** as an independent contractor and not an employee of **CITY**. All personnel to be utilized by **CONSULTANT** in the performance of this Agreement shall at all times be under **CONSULTANT'S** exclusive direction and control. **CONSULTANT** shall pay all wages, salaries, and other amounts due such personnel in connection with their performance of services under this Agreement and as required by law. **CONSULTANT** shall be responsible for all reports and obligations with respect to such personnel, including, but not limited to social security taxes, income tax withholding, unemployment insurance, and workers' compensation insurance.

2.2 Conformance to Applicable Requirements.

All services provided by **CONSULTANT** shall be subject to the approval of the **CITY**.

2.3 Standard of Care; Licenses.

All professional services to be provided by **CONSULTANT** pursuant to this Agreement shall be provided by personnel experienced in their respective fields and in a manner consistent with the standards of care, diligence and skill ordinarily exercised by professional consultants in similar circumstances in accordance with sound professional practices. **CONSULTANT** represents and warrants to **CITY** that it has all licenses, permits, qualifications and approvals that are legally required to practice its profession and to provide the services hereunder. **CONSULTANT** further represents and warrants that it shall keep in effect all such licenses, permit, and other approvals during the term of this Agreement.

2.4 Project Representatives.

The City Manager or his designee shall be the Project Representative of **CITY** for purposes of this Agreement and may issue all consents, approvals, directives and agreement on behalf of **CITY**, called for by this Agreement except as otherwise expressly provided in this Agreement. Project representative shall coordinate all phases of this project and shall be available to **CITY** at all reasonable times.

2.5 Accounting Records.

CONSULTANT shall maintain complete and accurate records with respect to costs and expenses incurred in the performance of this Agreement. All such records shall be clearly identifiable as being associated with this Agreement. **CONSULTANT** shall allow an authorized representative of **CITY**, during normal business hours, to examine, audit, and make transcripts of copies of such records. **CONSULTANT** shall allow **CITY** to inspect all work, data, documents, proceedings, and activities related to this Agreement for a period of three (3) years from the date of final payment (or completion of work) under this Agreement.

ARTICLE III COMPENSATION

3.1 Compensation.

Except as provided in this section, **CONSULTANT** shall receive compensation for all Services rendered under this Agreement at the rates set forth in the Schedule of Hourly Billing Rates attached hereto as Exhibit "B", and incorporated herein by reference. Total fixed fee compensation shall not exceed \$15,125 in FY 25/26. The fixed fee shall be adjusted annually by the California Consumer Price Index (CCPI) for all items as determined by the California Department of Industrial Relations as measured February to February by the California All Urban Consumers index. The rates will not be increased by more than four percent (4%) per year. **CONSULTANT** shall not receive compensation for any services provided outside the Scope of Work unless such additional services (hereinafter "Extra Work") are approved in writing by **CITY** or its appointed representative prior to **CONSULTANT** performing the "Extra Work".

3.2 Payment of Compensation.

CONSULTANT shall provide **CITY** a quarterly statement including one quarter of the annual fixed fee compensation plus Extra Work authorized by **CITY** and provided by **CONSULTANT** in the prior quarter, from the Effective Date or the start of the subsequent billing periods, as appropriate, through the date of the statement. **CITY** shall make any payment due within forty-five (45) days after approval of the invoice by **CITY**.

3.3 Extra Work.

At any time during the term of this Agreement, **CITY** may request that **CONSULTANT** perform Extra Work. As used herein, "Extra Work" means any work which is determined by **CITY** to be necessary for the proper completion of the Project, but which the parties did not reasonably anticipate would be necessary at the execution of this Agreement. **CONSULTANT** shall not perform Extra Work until receiving prior written authorization from **CITY'S** Project Representative. It is specifically understood and agreed that oral requests and/or approvals of "Extra Work" shall be barred and are unenforceable.

3.4 Amendment of Scope of Work.

CITY shall have the right to amend the Scope of Work within the Agreement by written notification to the **CONSULTANT**. In such event, the compensation and time of performance shall be subject to renegotiation upon written demand of either party to the Agreement. Failure of **CONSULTANT** to secure **CITY'S** written authorization for "Extra Work" or changed work shall constitute a waiver of any and all right to adjustment in the contract price or time due, whether by way of compensation, restitution, quantum meruit, etc. for work done without the appropriate **CITY** authorization.

3.5 Reimbursement for Expenses

CONSULTANT shall not be reimbursed for any expenses unless prior written authorization is obtained from **CITY**.

ARTICLE IV **INSURANCE**

4.1 Insurance Requirements.

The **CITY** reserves the right to modify these requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances. If the existing policies do not meet the Insurance Requirements set forth herein, **CONSULTANT** agrees to amend, supplement or endorse the policies to do so.

Without limiting the indemnity provisions of the Contract, the **CONSULTANT** shall procure and maintain in full force and effect during the term of the Contract, the following policies of insurance.

4.2 Minimum Scope of Insurance.

- (a) **Commercial General Liability (CGL)** which affords coverage at least as broad as Insurance Services Office

“occurrence” form CG 00 01, including products and completed operations, property damage, bodily injury, and personal & advertising injury with limits no less than \$3,000,000 per occurrence. 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** with coverage at least as broad as Insurance Services Office Form CA 0001 covering “Any Auto” (Symbol 1) with limit no less than \$1,000,000 each accident for bodily injury and property damage.
- (c) **Workers’ Compensation** as required by the State of California with statutory limits, and Employer’s Liability Insurance with a limit of not less than \$1,000,000 per accident for bodily injury or disease.
- (d) **Professional Liability** with limit of not less than \$1,000,000 each claim and \$2,000,000 aggregate. Covered Professional Services shall specifically include all work to be performed under the contract and delete any exclusion that may potentially affect the work to be performed.

If the **CONSULTANT** maintains broader coverage and/or higher limits than the minimums shown above, the **CITY** requires and shall be entitled to the broader coverage and/or higher limits maintained by the **CONSULTANT**.

4.3 Endorsements.

Insurance policies shall not be in compliance if they include any limiting provision or endorsement that has not been submitted to the **CITY** for approval. The insurance policies shall contain or be endorsed to contain, the following provisions:

- (a) Commercial General Liability
 - (1) **Additional Insured:** The City, its elected officials, officers, employees, volunteers, boards, agents and representatives shall be additional insureds with regard to liability and defense of suits or claims arising out of the work or operations performed by or on behalf of the Consultant including materials, parts or equipment furnished in connection with such work or operations.
Additional Insured Endorsements shall not:
 1. Be limited to “Ongoing Operations”

2. Exclude "Contractual Liability"
3. Restrict coverage to the "Sole" liability of contractor
4. Exclude "Third-Party-Over Actions"
5. Contain any other exclusion contrary to the Contract

Additional Insured Endorsements shall be at least as broad as ISO Form(s) CG 20 10 11 85; or CG 2010 and CG 20 37.

- (2) **Primary Insurance:** This insurance shall be primary and any other insurance whether primary, excess, umbrella or contingent insurance, including deductible, or self-insurance available to the insureds added by endorsement shall be in excess of and shall not contribute with this insurance. Coverage shall be at least as broad as ISO CG 20 01 04 13.

(b) Auto Liability

- (1) **Additional Insured:** The City, its elected officials, officers, employees, volunteers, boards, agents and representatives shall be additional insureds with regard to liability and defense of suits or claims arising out of the work or operations performed by or on behalf of the Consultant
- (2) **Primary Insurance:** This insurance shall be primary and any other insurance whether primary, excess, umbrella or contingent insurance, including deductible, or self-insurance available to the insureds added by endorsement shall be in excess of and shall not contribute with this insurance.

(c) Workers' Compensation

- (1) **Waiver of Subrogation:** A waiver of subrogation stating that the insurer waives all rights of subrogation against the indemnified parties.

4.4 Insurance Obligations of Consultant.

The Insurance obligations under this agreement shall be: (1) all the Insurance coverage and/or limits carried by or available to the **CONSULTANT**; or (2) the minimum Insurance coverage requirements and/or limits shown in this agreement; whichever is greater. Any insurance proceeds in excess of or broader

than the minimum required coverage and/or minimum required limits, which are applicable to a given loss, shall be available to the **CITY**. No representation is made that the minimum Insurance requirements of this agreement are sufficient to cover the obligations of the **CONSULTANT** under this agreement.

4.5 Notice of Cancellation.

Required insurance policies shall not be cancelled or the coverage reduced until a thirty (30) day written notice of cancellation has been served upon the **CITY** except ten (10) days shall be allowed for non-payment of premium.

4.6 Waiver of Subrogation.

Required insurance coverages shall not prohibit **CONSULTANT** from waiving the right of subrogation prior to a loss. **CONSULTANT** shall waive all rights of subrogation against the indemnified parties and Policies shall contain or be endorsed to contain such a provision. This provision applies regardless of whether the **CITY** has received a waiver of subrogation endorsement from the insurer.

4.7 Evidence of Insurance.

All policies, endorsements, certificates, and/or binders shall be subject to approval by the **CITY** as to form and content. These requirements are subject to amendment or waiver only if so approved in writing by the **CITY**. The **CITY** reserves the right to require complete, certified copies of all required insurance policies, including endorsements required by these specifications, at any time.

The certificates and endorsements for each insurance policy shall be signed by a person authorized by that insurer to bind coverage on its behalf. At least fifteen (15) days prior to the expiration of any such policy, evidence of insurance showing that such insurance coverage has been renewed or extended shall be filed with the **CITY**. If such coverage is cancelled or reduced, **CONSULTANT** shall, within ten (10) days after receipt of written notice of such cancellation or reduction of coverage, file with the **CITY** evidence of insurance showing that the required insurance has been reinstated or has been provided through another insurance company or companies.

4.8 Deductible or Self-Insured Retention.

Any deductible or self-insured retention must be approved in writing by the **CITY** and shall protect the indemnified parties in the same manner and to the same extent as they would have been protected had the policy or policies not contained a deductible or self-insured retention. The **CITY** may require the **CONSULTANT** to purchase coverage with a lower retention or provide proof of ability to pay losses and related investigations, claim administration and defense expenses within the retention.

4.9 Contractual Liability.

The coverage provided shall apply to the obligations assumed by the **CONSULTANT** under the indemnity provisions of this contract.

4.10 Failure to Maintain Coverage.

CONSULTANT agrees to suspend and cease all operations hereunder during such period of time as the required insurance coverage is not in effect and evidence of insurance has not been furnished to the **CITY**. The **CITY** shall have the right to withhold any payment due until **CONSULTANT** has fully complied with the insurance provisions of this Contract.

In the event that the **CONSULTANT'S** operations are suspended for failure to maintain required insurance coverage, the **CONSULTANT** shall not be entitled to an extension of time for completion of the Work because of production lost during suspension.

4.11 Acceptability of Insurers.

Each such policy shall be from a company or companies with a current A.M. Best's rating of no less than A:VII and authorized to do business in the State of California, or otherwise allowed to place insurance through surplus line brokers under applicable provisions of the California Insurance Code or any federal law. Any other rating must be approved in writing by the **CITY**.

4.12 Claims Made Policies.

If coverage is written on a claims-made basis, the retroactive date on such insurance and all subsequent insurance shall coincide or precede the effective date of the initial **CONSULTANT'S** Contract with the **CITY** and continuous coverage shall be maintained or an extended reporting period shall be exercised for a period of at least five (5) years from termination or expiration of this Contract.

4.13 Insurance for Subcontractors.

CONSULTANT shall be responsible for causing Subcontractors to purchase the same types and limits of insurance in compliance with the terms of this Contract/Agreement, including adding the **CITY** as an Additional Insured, providing Primary and Non-Contributory coverage and Waiver of Subrogation to the Subcontractor's policies. The Commercial General Liability Additional Insured Endorsement shall be on a form at least as broad as CG 20 38 04 13.

4.14 Additional Insurance.

Further, **CONSULTANT** shall obtain any additional kinds and amounts of insurance which, in its own judgment, may be necessary for the proper protection of any of its officers', employees', or authorized sub-consultants' own actions during the performance of this Agreement.

ARTICLE V **TERMINATION AND INDEMNIFICATION**

5.1 Notice of Termination.

CITY may terminate the whole or any part of this Agreement at any time and without cause by giving seven (7) days written notice to **CONSULTANT** of such termination, and specifying the effective date thereof. **CONSULTANT** shall discontinue all services affected by such termination within seven (7) days of receipt of such notice, unless otherwise instructed by **CITY** in writing. **CONSULTANT** shall not terminate this Agreement except for cause.

5.2 Termination Without Cause.

If **CITY** terminates this Agreement without cause, **CONSULTANT** shall be paid for services performed through the date of termination, upon receipt of written documentation of said services by **CITY**. Such payment shall include a pro-rated amount of profit, if applicable, but no amount shall be paid for anticipated profit on unperformed services.

5.2 Termination for Cause.

Should **CONSULTANT** default in the performance of any covenant, condition, or agreement contained in this Agreement and the default is not cured within thirty (30) days after written notice of the default is served on **CONSULTANT** by **CITY** then **CITY**, in addition to any other remedies at law or equity, may terminate this Agreement. **CONSULTANT** shall be compensated for services which have been completed and accepted by **CITY**. **CONSULTANT** shall be liable to **CITY** for any reasonable additional costs incurred to correct or cure unsatisfactory work performed by **CONSULTANT** which, at **CITY'S** discretion, must be revised, in part or in whole, to complete the Project.

5.4 Procurement of Similar Services.

In the event this Agreement is terminated as provided by this Article, with or without cause, in whole or in part, **CITY** may procure, any and all services as may be necessary to complete the Project.

5.5 Work Product.

In the event of termination of this Agreement, all finished or unfinished design, development and construction documents, data studies, drawings, maps and reports prepared by **CONSULTANT** shall be delivered to the **CITY** within seven (7) days of **CONSULTANT**'s receipt of termination notice, and at no additional cost to **CITY**. Any use of uncompleted documents without specific written authorization from **CONSULTANT** shall be at **CITY**'s sole risk and without liability or legal expense to **CONSULTANT**.

5.6 Indemnification and Hold Harmless.

These Indemnification provisions are independent of and shall not in any way be limited by the Insurance Requirements of this Agreement. CITY approval of the Insurance contracts required by this Agreement does not in any way relieve the CONSULTANT from liability under this section.

Notwithstanding the existence of insurance coverage required of **CONSULTANT** pursuant to this contract, **CONSULTANT** shall save, keep defend, indemnify, hold free and harmless **CITY**, its officers, officials, employees, agents and volunteers from and against any and all damages to property or injuries to or death of any person or persons, and shall defend, indemnify, save and hold harmless **CITY**, its officers, officials, employees, agents and volunteers from any and all claims, demands, suits, actions or proceedings of any kind or nature, including, but not by way of limitation, all civil claims, workers' compensation claims, and all other claims resulting from or arising out of the acts, errors or omissions of **CONSULTANT**, its employees and/or authorized sub-consultants, whether intentional or negligent, in the performance of this Agreement.

ARTICLE VI **GENERAL PROVISIONS**

6.1 Notices.

All notices and written communications sent by one party to the other shall be personally delivered or sent by registered or certified U.S. Mail postage prepaid, return receipt requested to the following addresses indicated below:

IF TO CITY: CITY OF LA HABRA
 110 E. La Habra Blvd.
 La Habra, CA 90631

TO CONSULTANT: HdL COREN & CONE
 120 S. State College Blvd., Suite 200
 Brea, CA 92821

Either party may change its address by notifying the other party of the change of address in writing. Notice shall be deemed communicated at the time personally delivered or in seventy-two (72) hours from the time of mailing if mailed as provided in this Section.

6.2 Entire Agreement.

This Agreement contains the entire Agreement of the parties with respect to the subject matter hereof, and supersedes all prior negotiations, understandings, or agreement whether verbal or written, concerning the same subject matter. This Agreement may be modified only by a writing signed by both parties.

6.3 Successors and Assigns.

This Agreement shall be binding on the successors and assigns of the parties. This Agreement may not be sold, transferred or assigned by either party, or by operation of law, to any other person or persons or business entity, without the other party's written permission. Any such sale, transfer or assignment, or attempted sale, transfer or assignment without written permission, may be deemed by the other party to constitute a voluntary termination of this Agreement and this Agreement shall thereafter be deemed terminated and void.

6.4 Subcontracts.

CONSULTANT shall not subcontract any portion of the work required by this Agreement without prior written approval of **CITY**. All approved subcontracts, if any, shall be accomplished by a written instrument. Such instrument shall contain an expressed assumption by the subcontractor of all conditions and terms and covenants contained in this Agreement.

6.5 Equal Opportunity Employment.

CONSULTANT represents that it is an equal opportunity employer and shall not discriminate either directly or indirectly against an employee or applicant for employment with **CONSULTANT** on the basis of race, color, religion, national origin, ancestry, sexual preference, sex or age. **CONSULTANT** shall also take affirmative steps to ensure that applicants are employed and employees are treated during employment without regard to race, color, religion, national origin, ancestry, sexual preference, sex, age, or other prohibited grounds.

6.6 Attorney's Fees.

If either party commences a legal action against the other party arising out of or in connection with this Agreement, the prevailing party in such litigation shall be entitled to have and recover reasonable attorney's fees and costs of suits.

6.7 Governing Law.

This Agreement shall be governed by and construed with the laws of the State of California. Any Action to enforce the terms of this Agreement or for the breach thereof shall be brought and tried in the County of Orange.

6.8 Time of Essence.

Time is of the essence for each and every provision of this Agreement.

6.9 Right to Employ Other Consultants.

CITY reserves the right to employ other consultants in connection with this Project.

6.10 Covenant Against Contingent Fees.

CONSULTANT warrants that he/she/it has not employed or retained any company or person, other than a bona fide employee working with **CONSULTANT**, to solicit or secure this Agreement, and that he/she/it has not paid or agreed to pay any company or person, other than a bona fide employee, any fee, commission, percentage, brokerage fee, gift, or any other consideration, contingent upon or resulting from the award or making of this Agreement. For breach or violation of this warranty, **CITY** shall have the right to annul this Agreement without liability or, in its discretion to deduct from **CONSULTANT'S** compensation provided under this Agreement, or otherwise recover, the full amount of such fee, commission, percentage, brokerage fee, gift, or contingent fee.

6.11 Conflict of Interest.

CONSULTANT covenants that he/she/it presently has no interest and shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of its Services hereunder. **CONSULTANT** further covenants that in the performance of this Agreement, no person having any such conflict of interest shall be employed by **CONSULTANT**.

6.12 Statement of Economic Interest.

If **CITY** determines **CONSULTANT** comes within the definition of **CONSULTANT** under the Political Reform Act (Government Code §87100 et. seq.), **CONSULTANT** shall complete and file and shall require any other person doing work under this Agreement, to complete and file a "Statement of Economic Interest" with the City Clerk of the **CITY** disclosing **CONSULTANT** and/or such other person's financial interests.

6.13 No Waiver of Breach; Time.

No waiver of any provision of this Agreement shall be effective unless in writing and signed by a duly authorized representative of the party against whom enforcement of a waiver is sought referring expressly to this Paragraph. The waiver of any right or remedy in respect to any occurrence or event shall not be deemed a waiver of any right or remedy in respect to any other occurrence or event, nor shall any waiver constitute a continuing waiver.

6.14 Third Party Beneficiaries.

Nothing contained in this Agreement shall be construed to create and the parties do not intend to create any rights in third parties.

6.15 Taxes.

CONSULTANT agrees to file tax returns and pay all applicable taxes on amounts paid pursuant to this Agreement and shall be solely liable and responsible to pay such taxes and other obligations, including, but not limited to, state and federal income and FICA taxes. **CONSULTANT** agrees to indemnify and hold **CITY** harmless from any liability which it may incur to the United States or to the State of California as a consequence of **CONSULTANT'S** failure to pay, when due, all such taxes and obligations.

6.16 Compliance With Law.

CONSULTANT shall comply with applicable federal, state and local laws, rules and regulations affecting the **CONSULTANT** and his/her/its work hereunder.

6.17 Title to Documents.

Title to all plans, specifications, maps, estimates, reports, manuscripts, drawings, descriptions and other final work products compiled by **CONSULTANT** under the Agreement shall be vested in **CITY**, none of which shall be used in any manner whatsoever, by any person, firm, corporation, or agency without the expressed written consent of **CITY**. Basic survey notes and sketches, charts, computations, and other data prepared or obtained under the Agreement shall be made available, upon request, to **CITY** without restriction or limitations on their use. **CONSULTANT** may retain copies of the above described information but agrees not to disclose or discuss any information gathered, discussed or generated in any way through this Agreement without the written permission of **CITY** during the term of this Agreement or until ninety (90) days after receipt of final payment from **CITY**.

6.18 Validity.

The validity in whole or in part of any provision of this Agreement shall not void or affect the validity of any other provisions of this Agreement.

6.19 Headings.

Section and subsection headings are not to be considered part of this Agreement, are included solely for convenience, and are not intended to modify or explain or to be a full or accurate description of the content thereof.

6.20 Counterparts.

This Agreement may be executed in one or more counterparts by the parties hereto. All counterparts shall be construed together and shall constitute one agreement.

6.21 Corporate Authority.

The persons executing this Agreement on behalf of the Parties hereto warrant that they are duly authorized to execute this Agreement on behalf of said Parties and that by doing so, the Parties hereto are formally bound to the provision of this Agreement.

6.22 Confidentiality.

All findings, reports, information and exhibits prepared or assembled by **CONSULTANT** in connection with the performance of its professional services pursuant to this Agreement are confidential and **CONSULTANT** agrees that they shall not be made available to any individual or organization without the prior consent of **CITY**. All findings, reports, information and exhibits shall become the property of **CITY**.

6.23 Responsibility for Errors.

CONSULTANT shall be responsible for its own work and results under this Agreement, and shall not be responsible for any work by **CITY** performed prior to the date of this Agreement or for any other acts or omissions directly attributable to **CITY**. **CONSULTANT**, when requested, shall furnish clarification and/or explanation as may be required by **CITY** regarding any services rendered under this Agreement at no additional cost to **CITY**. In the event that an error or omission attributable to **CONSULTANT** occurs, then **CONSULTANT** shall, at no cost to **CITY**, provide all necessary design drawings, estimates and other **CONSULTANT** professional services, as authorized by this Agreement necessary to rectify and correct the matter to the sole satisfaction of **CITY** and to participate in any meeting required with regard to the correction.

6.24 Independent Contractor.

The parties hereto acknowledge and agree that the relationship between **CITY** and **CONSULTANT** is one of principal and independent contractor and no other. Nothing contained in this Agreement shall create or be construed as creating a partnership, a joint venture, employment relations, or any other relationship except as set forth between the parties. The parties specifically acknowledge and agree that **CONSULTANT** is not a partner with **CITY**, whether general or limited, and no activities of **CITY** or **CONSULTANT** or statements made by **CITY** or **CONSULTANT** shall be interpreted by any of the parties hereto as establishing any type of business relationship other than an independent contractor relationship.

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

CITY OF LA HABRA:

APPROVED AS TO FORM:

CITY MANAGER

CITY ATTORNEY

ATTEST:

CITY CLERK

COUNTER SIGNED:

CONSULTANT
HdL COREN & CONE

EXHIBIT “A”

SCOPE OF WORK AND SCHEDULE OF PERFORMANCE

1.0 DEFINITIONS

For purposes of this Agreement, the following terms shall have the meaning stated below:

Audit Review: “Audit” or “Audit Review” shall mean the comparison of databases to ensure that parcels are correctly coded with the appropriate tax rate area to return revenue to the CITY. Audits include the secured and unsecured tax rolls and where secured records are corrected; the corresponding unsecured records related to those properties are also corrected. A review of the calculation methodologies developed by auditor/controller offices in the administration of property tax is made to ensure compliance. New annexations are audited the 1st or 2nd year after the area’s adoption due to the timing of LAFCO and the State Board of Equalization in assigning new tax rate areas and county processing of those changes.

County: “County” shall mean the County in which CITY is located.

Data Base: “Data Base” shall mean a computerized listing of property tax parcels and information compiled for CITY from information provided by the County.

Days: “Days” shall mean calendar days.

Property Tax Roll: “Property Tax Roll” shall mean the assessed values of parcels on the secured and unsecured lien date rolls as reported by the County.

Proprietary Information: “Proprietary Information” shall be the reports, technical information, compilations of data, methodologies, formula, software, programs, technologies and other processes previously designed and developed by CONTRACTOR and used in the performance of the services hereunder.

Successor Agency: “Successor Agency” means CITY’S administration pursuant to Section 34176 of the Health and Safety Code of the former community redevelopment agency of CITY).

Recovered/Reallocated Revenue: “Recovered or Reallocated Revenue” shall mean additional revenue received as a result of an audit or review of properties submitted for correction or for corrections due erroneous

calculations or incorrect methods of distributing revenue discovered by the CONTRACTOR and then made by County agencies which result in a return of additional revenue to the CITY or Successor Agency.

Scope of Services: "Scope of Services" shall mean all of the Base Services specified in Section 2.0, the Optional Services in Section 3.0, the Additional Services in Section 4.0, or any other services rendered hereunder.

TRA: "Tax Rate Area" shall mean the area subject to the tax rate.

2.0 BASE SERVICES

CONTRACTOR shall perform all of the following duties as part of the Base Services provided hereunder, unless otherwise specified in writing by the Contract Officer:

2.1 Analysis And Identification Of Misallocation Errors (Contingent Fee)

(a) In the first year of this Agreement, and as necessary thereafter but not less than once every two (2) years, CONTRACTOR shall conduct an analysis to identify and verify CITY parcels on the secured Property Tax Roll which are not properly attributed to CITY and will provide the correct TRA designation to the proper County agency. Typical errors include parcels assigned to incorrect TRAs within CITY or an adjacent city, and TRAs allocated to wrong taxing agencies.

(b) CONTRACTOR shall annually reconcile the annual Auditor-Controller assessed valuations report to the assessor's lien date rolls and identify discrepancies.

(c) CONTRACTOR shall annually review parcels on the unsecured Property Tax Roll to identify inconsistencies such as value variations, values being reported to a mailing address rather than the situs address, and errors involving TRAs (to the extent records are available).

(d) CONTRACTOR may audit general fund or tax increment property tax revenue or other revenues attributable to CITY departments, Successor Agency, and districts (including but not limited to base year value audits; administration of tax sharing agreements; tax increment allocation reviews; county allocation and payments reviews).

2.2 Annual Services (Fixed Fee)

Annually, after the Property Tax Roll is available:

(a) CONTRACTOR shall establish a Data Base for CITY available through CONTRACTOR'S online property tax application

(b) Utilizing the Data Base, CONTRACTOR will provide:

(1) A listing of the major property owners in CITY, including the assessed value of their property.

(2) A listing of the major property taxpayers by net assessed value.

(3) A listing of property tax transfers which occurred since the prior lien date.

(4) A listing of parcels that have not changed ownership since the enactment of Proposition XIII A.

(5) A comparison of property within CITY by county-use code designation.

(6) A listing by parcel of new construction activity to identify non-residential parcels with new construction activity and to provide reports for use in CITY's preparation of Gann (Propositions 4 and 111) State Appropriation Limit calculations

(7) Tracking of Proposition 8 parcel reductions and restorations.

(8) Calculate an estimate of property tax revenue anticipated to be received for the fiscal year by CITY. This estimate is based upon the initial information provided by the County and is subject to modification. This estimate shall not be used to secure the indebtedness of CITY.

(9) Development of historical trending reports involving taxable assessed values for CITY, median and average sales prices and related economics trends.

(10) Upon written request, analyses based on geographic areas designated by CITY to include assessed valuations and square footage computations for use in community development planning.

(11) One and five-year budget projections for CITY'S general fund and related special districts. This report is interactive for tax modeling.

(12) Prepare a Newsletter summary for public and elected distribution.

2.3 Successor Agency Services

Successor Agency Services including but not limited to:

(a) Annual tax increment projections and, as requested, cash flow analysis for the Successor Agency by Project Area.

(b) Review of Redevelopment Obligation Payment Schedules (ROPS) as requested.

(c) Monitor the County distribution of tax-sharing revenues to the taxing entities of the former redevelopment agency.

(d) Coordinate, as needed, with the Auditor-Controller the relationship between the tax-sharing, debt service and other obligations of former redevelopment agency

(e) Prepare, as requested, estimates of pass through and residual revenue payments to the City and City sub-entities, if any.

2.4 Quarterly Services/Monthly Services (Fixed Fee)

CONTRACTOR shall perform the following services quarterly:

(a) A listing of property tax appeals filed on properties in CITY (selected counties).

(b) A listing of property transfers that have occurred since the last report.

(c) Monthly update of CONTRACTOR'S web-based application to include parcel transfer data and, in select counties, appeal updates.

2.5 On-Going Consultation (Fixed Fee)

During the term of this Agreement, CONTRACTOR will serve as CITY's resource staff on questions relating to property tax and assist in estimating current year property tax revenues. On-going consultation would include, but not be limited to, inquiries resolved through use of CITY's data base.

3.0 OPTIONAL SERVICES

The following services are available on a time and materials basis:

3.1 Specified Data

Generation of specialized data-based reports which would require additional programming, the purchase of additional data, costs for county staff research, or similar matters not necessary to carry out services outlined in Section 2.0.

3.2 County Research

Any research with County agencies for which CONTRACTOR does not have a current database.

3.3 Bond Services

Bond services are available for a fixed negotiated fee, including:

- (a) Tax Allocation Bonds fiscal consultant reports
- (b) Mello-Roos Special Tax studies

3.4 Additional Meetings Requested

Meetings in excess of the annual meeting to review the analysis of property tax data, trending information, and other findings with CITY shall be considered an Optional Service.

4.0 ADDITIONAL SERVICES

CITY shall have the right at any time during the performance of the services, without invalidating this Agreement, to order extra work beyond that specified in the Scope of Services or make changes by altering, adding to or deducting from said work. No such extra work may be undertaken unless a written order is first given by the Contract Officer to CONTRACTOR, incorporating therein any material adjustment in the contract and/or the time to perform this Agreement, which said adjustments are subject to the written approval of the CONTRACTOR. Any increase in compensation of up to \$75,000, or in the time to perform of up to one hundred eighty (180) days may be approved by the Contract Officer. Any greater increases, taken either separately or cumulatively must be approved by the City Council. It is expressly understood by CONTRACTOR that the provisions of this Section shall not apply to services specifically set forth in the Scope of Services or reasonably contemplated therein.

5.0 OBLIGATIONS OF THE PARTIES WITH RESPECT TO SERVICES

5.1 City Materials and Support

CITY agrees to provide the following information:

1. Current CITY maps and zoning map;
2. A copy of reports received by CITY annually from the Auditor-Controller's office detailing assessed values (secured, unsecured and utilities), as well as unitary values for reconciliation analysis;

3. Parcel listing and maps of CITY parcel annexations since the lien date roll;
4. A listing of completed new construction projects with Assessor's map book, page and parcel numbers (APN) for proper identification and tracking for two years prior to the date of this Agreement. If the data does not include the APN information, CONTRACTOR will research this information at an additional cost;
5. A listing of CITY levies assessment districts and direct assessments.

5.2 Compliance with Law

All services rendered hereunder shall be provided in accordance with all ordinances, resolutions, statutes, rules, and regulations of CITY and any Federal, State or local governmental agency having jurisdiction in effect at the time service is rendered.

5.3 License, Permits, Fees and Assessments

CONTRACTOR shall obtain such licenses, permits and approvals (collectively the "Permits") as may be required by law for the performance of the services required by this Agreement. CITY shall assist CONTRACTOR in obtaining such Permits, and CITY shall absorb all fees, assessments and taxes which are necessary for any Permits required to be issued by CITY.

5.4 Further Responsibilities of Parties

Both parties agree to use reasonable care and diligence to perform their respective obligations under this Agreement. Both parties agree to act in good faith to execute all instruments, prepare all documents and take all actions as may be reasonably necessary to carry out the purposes of this Agreement. Unless hereafter specified, neither party shall be responsible for the service of the other.

6.0 SCHEDULE OF PERFORMANCE

TIMELINE FOR DELIVERABLES

July/August	Data available for purchase from counties
September 30	Data available on HdLCC's web-based property tax application
September/October	Unsecured audits performed and forwarded to county assessor
October available	Appeals quarterly updates emailed in counties where the data is available
October-February	Delivery of preliminary property tax reports
January available	Appeals quarterly updates emailed in counties where the data is available
January/February	General Fund Budget Projections
April available	Appeals quarterly updates emailed in counties where the data is available
April/May	Final Books – Addendums emailed to clients
July available	Appeals quarterly updates emailed in counties where the data is available
Ongoing	Secured and Unsecured Audits – City Property sales reports City and Successor Agency mid-year budget reviews and budget projections Analytical work at the request of clients Monthly updates of database with property sale information

EXHIBIT “B”

COMPENSATION RATES AND CHARGES

Base Fixed Fee Services

CONTRACTOR shall provide the Base Services described in Section 2.0 of Exhibit “A”, for a fixed annual fee of \$15,125 (invoiced quarterly) in FY 25/26.

The fixed fee shall be adjusted annually by the California Consumer Price Index (CCPI) for all items as determined by the California Department of Industrial Relations as measured February to February by the California All Urban Consumers index. The rates will not be increased by more than four percent (4%) per year.

Base Contingent Fee Services

For Base Services pursuant to Section 2.1 which are payable on a contingent basis, CONTRACTOR shall receive 25 percent of net general fund attributable to CITY departments, districts, or funds recovered or reallocated which are directly or indirectly the result of an audit, analysis or consultation performed by CONTRACTOR (including but not limited to base year value audits; administration of tax sharing agreements; tax increment allocation reviews; county allocation reviews). CONTRACTOR shall separate and support said reallocation and provide CITY with an itemized invoice showing all amounts due as a result of revenue recovery or reallocation. CITY shall pay audit fees after Contractor's submittal of evidence that corrections have been made by the appropriate agency. Payment to CONTRACTOR shall be made within thirty (30) days after CITY receives its first remittance advice during the fiscal year for which the correction applies.

Optional Services

Fees for Optional Services as outlined in Services in Section 3.0 above (except Section 3.3) shall be billed at the following hourly rates:

Partner	\$250 per hour
Principal	\$225 per hour
Programmer	\$200 per hour
Associate	\$175 per hour
Senior Analyst	\$125 per hour
Analyst	\$ 90 per hour
Administrative	\$ 70 per hour

Hourly rates are exclusive of expenses and are subject to adjustment by CONTRACTOR annually. On July 1st of each year CONTRACTOR shall provide CITY with an updated schedule of hourly rates. The rates will not be increased by more than four percent (4%) per year.

Fees for Bond Services

Services under Section 3.3 of Exhibit "A" will be determined depending upon the complexity of the bond issue and the time available for completion of the task and will be mutually agreed to be the parties.

Indirect Expenses

Except as specified above, no other charges shall be made for direct or indirect expenses incurred by CONTRACTOR in performing the services in the Scope of Services including for administrative overhead, salaries of CONTRACTOR'S employees, travel expenses or similar matters.