

City of South Gate

SUCCESSOR AGENCY TO THE

RECEIVED COMMUNITY DEVELOPMENT COMMISSION

MAR 6 2020

AGENDA BILL

CITY OF SOUTH GATE  
OFFICE OF THE CITY MANAGER

11:40 am

For the Regular Meeting of: March 10, 2020  
Originating Department: Administrative Services

Treasurer:

  
Jackie Acosta

Executive Director:

  
Michael Flad

**SUBJECT: PROFESSIONAL SERVICES AGREEMENT WITH RSG, INC., FOR GENERAL ON-CALL SERVICES**

**PURPOSE:** To approve a Professional Services Agreement (PSA) with the RSG, Inc., to provide general on-call services to the Successor Agency.

**RECOMMENDED ACTIONS:**

- a. Approve Agreement with RSG, Inc., for general on-call services through and including June 30, 2021, in an amount not-to-exceed \$30,115; and
- b. Authorize the Chairperson to execute the Agreement in a form acceptable to the Agency Counsel.

**FISCAL IMPACT:** Funds were included in the Fiscal Year 2019/20 Successor Agency budget for RSG's services.

**ANALYSIS:** The Successor Agency has several ongoing mandated requirements for which additional outside expertise is needed to assist staff with the successful completion of the requirements. RSG has provided these services in the past and it is staff's desire that they continue to assist staff with these various tasks.

**BACKGROUND:** The Successor Agency has several ongoing requirements mandated by AB x1 26 (the dissolution of redevelopment agencies) that require outside expertise. The Successor Agency has had a successful and productive partnership with RSG for several years and desires to continue that relationship. RSG is an expert in the fields of community development, economic development, housing, the winding down of redevelopment agencies and so much more.

By approving the proposed PSA, the Successor Agency Board is authorizing staff to continue to work with RSG, Inc., through and including June 30, 2021, to further our efforts towards successful completion of these many ongoing requirements.

**ATTACHMENT:** Proposed Professional Services Agreement with RSG, Inc.

**AGREEMENT FOR PROFESSIONAL SERVICES FOR GENERAL  
ON-CALL SERVICES BETWEEN THE SUCCESSOR AGENCY TO THE  
COMMUNITY DEVELOPMENT COMMISSION OF THE CITY OF SOUTH GATE  
AND RSG, INC.**

This Agreement for Professional Services for General On-Call Services ("Agreement") is made and entered into on March 10, 2020, by and between the Successor Agency to the Community Development Commission of the City of South Gate ("Successor Agency"), a municipal corporation, and RSG, Inc., a California corporation ("Consultant"). Successor Agency and Consultant are sometimes hereinafter individually referred to as a "Party" and collectively as "Parties."

**RECITALS**

**WHEREAS**, the Successor Agency desires to retain Consultant for General On-Call Services; and

**WHEREAS**, Consultant warrants to the Successor Agency that it has the requisite skills, knowledge, qualifications, manpower and expertise to perform properly and timely the Professional Services under this Agreement; and

**WHEREAS**, based on such representation, the Successor Agency desires to contract with Consultant to perform the services described in the Scope of Services attached hereto as Exhibit "A" of this Agreement.

**NOW, THEREFORE**, the Parties hereby agree as follows:

1. **SCOPE OF SERVICES.** The Successor Agency hereby engages Consultant, and Consultant accepts such engagement, to perform the services set forth in the Scope of Services as described in Exhibit "A" attached hereto and made part of this Agreement. The Scope of Services may be mutually amended from time to time by both Parties in writing.
2. **COMPENSATION.** The total amount of compensation for this Agreement shall not exceed the sum of **Thirty Thousand, One Hundred and Fifteen Dollars (\$30,115)** as described in the Fee Proposal attached hereto as Exhibit "B." The Successor Agency shall pay Consultant for its professional services rendered and reasonable costs incurred pursuant to this Agreement. No additional compensation shall be paid for any other expenses incurred unless first approved in writing by the Secretary of the Successor Agency.
  - 2.1 Consultant shall be required to attend meetings at City Hall as necessary in the delivery of the projects. Travel time between the Consultant's office and City Hall shall not be billable; however, mileage is an allowable charge reimbursable at the federal rate. Consultant may request an exemption on a case by case basis, which shall be subject to the Successor Agency approval.

- 2.2 Consultant shall submit to the Successor Agency a monthly invoice for services rendered included in Exhibit "A." The Successor Agency shall pay the Consultant within forty-five (45) days of receipt of the invoice.
- 2.3 No payment made hereunder by The Successor Agency to Consultant, other than the final payment, shall be construed as an acceptance by the Successor Agency of any work or materials, nor as evidence of satisfactory performance by Consultant of its obligations under this Agreement.
3. **TERM OF AGREEMENT.** This Agreement is **effective as of March 10, 2020**, and will remain in effect **through and including June 30, 2021**, unless otherwise expressly extended and agreed to by both Parties in writing, or terminated by either Party as provided herein.
4. **SUCCESSOR AGENCY AGENT.** The Secretary of the Successor Agency, for the purposes of this Agreement, is the agent for the Successor Agency. Whenever approval or authorization is required, Consultant understands that the Secretary of the Successor Agency has the authority to provide that approval or authorization.
5. **CONFLICT OF INTEREST.** Consultant represents that it presently has no interest and shall not acquire any interest, direct or indirect, in any real property located within the Successor Agency which may be affected by the services to be performed by Consultant under this Agreement. Consultant further represents that in performance of this Agreement, no person having such interest shall be employed by it. Within ten (10) days, Consultant agrees that it will immediately notify the Successor Agency of any other conflict of interest that may exist or develop during the term of this Agreement.
- 5.1 Consultant represents that no Successor Agency employee or official has a material financial interest in the Consultant's business. During the term of this Agreement and/or as a result of being awarded this Agreement, Consultant shall not offer, encourage or accept any financial interest in the Consultant's business or in this Agreement by any Successor Agency employee or official.
6. **GENERAL TERMS AND CONDITIONS.**
- 6.1 **Termination for Convenience.** The Successor Agency may terminate this Agreement at any time without cause by giving fifteen (15) days written notice to Consultant of such termination and specifying the effective date thereof. In that event, all finished or unfinished documents and other materials shall, at the option of the Successor Agency, become its property. If this Agreement is terminated by the Successor Agency as provided herein, Consultant will be paid a total amount equal to its costs as of the termination date, plus ten percent (10%) of that amount for profit. In no event shall the amount payable upon termination exceed the total maximum compensation provided for in this Agreement.

## **6.2 Termination for Cause.**

**6.2.1** The Successor Agency may, by written notice to Consultant, terminate the whole or any part of this Agreement in any of the following circumstances:

- a. If Consultant fails to perform the services required by this Agreement within the time specified herein or any authorized extension thereof; or
- b. If Consultant fails to perform the services called for by this Agreement or so fails to make progress as to endanger performance of this Agreement in accordance with its terms, and in either of these circumstances does not correct such failure within a period of ten (10) days (or such longer period as the Successor Agency may authorize in writing) after receipt of notice from the Successor Agency specifying such failure.

**6.2.2** In the event the Successor Agency terminates this Agreement in whole or in part as provided above in Subsection 6.2.1, the Successor Agency may procure, upon such terms and in such manner as it may deem appropriate, services similar to those terminated.

**6.2.3** If this Agreement is terminated as provided above in Subsection 6.2.1, the Successor Agency may require Consultant to provide all finished or unfinished documents, data, studies, drawings, maps, photographs, reports, films, charts, sketches, computation, surveys, models, or other similar documentation prepared by Consultant. Upon such termination, Consultant shall be paid an amount equal to the value of the work performed. In ascertaining the value of the work performed up to the date of termination, consideration shall be given to both completed work and work in progress, to complete and incomplete drawings, and to other documents whether delivered to the Successor Agency or in possession of Consultant, and to authorized reimbursement expenses.

**6.2.4** If, after notice of termination of the Agreement under the provisions of Subsection 6.2.1 above, it is determined, for any reason, that Consultant was not in default, or that the default was excusable, then the rights and obligations of the Parties shall be the same as if the notice of termination had been issued pursuant to Subsection 6.1 above.

**6.3 Non-Assignability.** Consultant shall not assign or transfer any interest in this Agreement without the express prior written consent of the Successor Agency.

**6.4 Non-Discrimination.**

**6.4.1** Consultant shall not discriminate against any employee, subcontractor, or

applicant for employment because of race, creed, gender, gender identity (including gender expression), color, religion, ancestry, sexual orientation, national origin, disability, age, marital status, family/parental status, or veteran/military status, in the performance of its services and duties pursuant to this Agreement and will comply with all applicable laws, ordinances and codes of the Federal, State, and County and City governments. Consultant will take affirmative action to ensure that subcontractors and applicants are employed, and that employees are treated during employment without regard to their race, color, religion, ancestry, sex, national origin, disabled or age. Consultant will take affirmative action to ensure that all employment practices, including those of any subcontractors retained by Consultant to perform services under this Agreement, are free from such discrimination. Such employment practices include but are not limited to hiring, upgrading, demotion, transfer, recruitment, recruitment advertising, layoff, termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship.

**6.4.2** The provisions of Subsection 6.4.2 above shall be included in all solicitations or advertisements placed by or on behalf of Consultant for personnel to perform any services under this Agreement. The Successor Agency shall have access to all documents, data and records of Consultant and its subcontractors for purposes of determining compliance with the equal employment opportunity and non-discrimination provisions of this Section, and all applicable provisions of Executive Order No. 11246 which is incorporated herein by this reference. A copy of Executive Order No. 11246 (relating to federal restrictions against discriminatory practices) is available for review and on file with the City Clerk's Office.

**6.5 Insurance.** Consultant shall submit to the Successor Agency certificates indicating compliance with the following minimum insurance requirements no less than one (1) day prior to beginning of performance under this Agreement:

**6.5.1** Workers' Compensation Insurance as required by law. Consultant shall require all subcontractors similarly to provide such compensation insurance for their respective employees.

**6.5.2** Comprehensive general and automotive liability insurance protecting Consultant in amounts not less than \$1,000,000 for personal injury to any one person, \$1,000,000 for injuries arising out of one occurrence, and \$500,000 for property damages or a combined single limit of \$1,000,000, with an aggregate of \$2,000,000. Each such policy of insurance shall:

a. Be issued by a financially responsible insurance company or companies admitted or authorized to do business in the State of California or which is approved in writing by the Successor Agency.

- b. Name and list as additional insured the Successor Agency, its officers and employees.
- c. Specify its acts as primary insurance.
- d. Contain a clause substantially in the following words: "It is hereby understood and agreed that this policy shall not be canceled except upon thirty (30) days prior written notice to the Successor Agency of such cancellation or material change."
- e. Cover the operations of Consultant pursuant to the terms of this Agreement.

**6.6 Indemnification.** Consultant agrees to indemnify, defend and hold harmless the Successor Agency and/or any other City of South Gate agency, including other employees, officers and representatives, for/from any and all claims or actions of any kind asserted against the Successor Agency and/or any other City agency arising out of Consultant's (including Consultant's employees, representatives, products and subcontractors) negligent performance under this Agreement, excepting only such claims or actions which may arise out of sole or active negligence of the Successor Agency and/or any other City agency, or any third parties not acting on behalf of, at the direction of, or under the control of Consultant.

**6.7 Compliance With Applicable Law.** Consultant and the Successor Agency shall comply with all applicable laws, ordinances and codes of the federal, state, county and city governments, without regard to conflict of law principles.

**6.8 Independent Contractor.** This Agreement is by and between the Successor Agency and Consultant and is not intended, nor shall it be construed, to create the relationship of agency, servant, employee, partnership, joint venture or association, as between the Successor Agency and Consultant.

**6.8.1.** Consultant shall be an independent contractor and shall have no power to incur any debt or obligation for or on behalf of the Successor Agency. Neither the Successor Agency nor any of its officers or employees shall have any control over the conduct of Consultant, or any of Consultant's employees, except as herein set forth, and Consultant expressly warrants not to, at any time or in any manner represent that it, or any of its agents, servants or employees are in any manner employees of the Successor Agency, it being distinctly understood that Consultant is and shall at all times remain to the Successor Agency a wholly independent contractor and Consultant's obligations to the Successor Agency are solely such as are prescribed by this Agreement.

**6.8.2. Indemnification of CalPERS Determination-** In the event that Consultant or any employee, agent, or subcontractor of Consultant providing services under this Agreement claims or is determined by a court of competent jurisdiction or CalPERS to be eligible for enrollment in CalPERS as an employee of the Successor Agency, Consultant shall indemnify, defend, and hold harmless the Successor Agency for the payment of any employee and/or employer contributions for CalPERS benefits on behalf of Consultant or its employees, agents, or subcontractors, as well as for the payment of any penalties and interest on such contributions, which would otherwise be the responsibility of the Successor Agency.

**6.9 Consultant's Personnel.**

**6.9.1** All services required under this Agreement will be performed by Consultant, or under Consultant's direct supervision, and all personnel shall possess the qualifications, permits and licenses required by State and local law to perform such services, including, without limitation, a City of South Gate business license as required by the South Gate Municipal Code.

**6.9.2** Consultant shall be solely responsible for the satisfactory work performance of all personnel engaged in performing services required by this Agreement, and compliance with all reasonable performance standards established by the Successor Agency.

**6.9.3** Consultant shall be responsible for payment of all employees' and subcontractor's wages and benefits, and shall comply with all requirements pertaining to employer's liability, workers' compensation, unemployment insurance, and Social Security.

**6.9.4** Consultant shall indemnify and hold harmless the Successor Agency and all other related entities, officers, employees, and representatives, from any liability, damages, claims, costs and expenses of any nature arising from alleged violations of personnel practices, or of any acts or omissions by Consultant in connection with the work performed arising from this Agreement.

**6.10 Copyright.** No reports, maps or other documents produced in whole or in part under this Agreement shall be the subject of an application for copyright by or on behalf of Consultant.

**6.11 Legal Construction.**

**6.11.1** This Agreement is made and entered into in the State of California and shall in all respects be interpreted, enforced and governed under the laws of the State of California, without regard to conflict of law principles.

- 6.11.2** This Agreement shall be construed without regard to the identity of the persons who drafted its various provisions. Each and every provision of this Agreement shall be construed as though each of the parties participated equally in the drafting of the same, and any rule of construction that a document is to be construed against the drafting party shall not be applicable to this Agreement.
- 6.11.3** The article and section, captions and headings herein have been inserted for convenience only and shall not be considered or referred to in resolving questions of interpretation or construction.
- 6.11.4** Whenever in this Agreement the context may so require, the masculine gender shall be deemed to refer to and include the feminine and neuter, and the singular shall refer to and include the plural.
- 6.12 Final Payment Acceptance Constitutes Release.** The acceptance by Consultant of the final payment made under this Agreement shall operate as and be a release of the Successor Agency from all claims and liabilities for compensation to Consultant for anything done, furnished or relating to Consultant's work or services. Acceptance of payment shall be any negotiation of the Successor Agency's check or the failure to make a written extra compensation claim within ten (10) calendar days of the receipt of that check. However, approval or payment by the Successor Agency shall not constitute, nor be deemed, a release of the responsibility and liability of Consultant, its employees, subcontractors and agents for the accuracy and competency of the information provided and/or work performed; nor shall such approval or payment be deemed to be an assumption of such responsibility or liability by the Successor Agency for any defect or error in the work prepared by Consultant, its employees, subcontractors and agents.
- 6.13 Corrections.** In addition to the above indemnification obligations, Consultant shall correct, at its expense, all errors in the work which may be disclosed during the Successor Agency's review of Consultant's report or plans. Should Consultant fail to make such correction in a reasonably timely manner, such correction shall be made by the Successor Agency, and the cost thereof shall be charged to the Consultant.
- 6.14 Files.** All files of Consultant pertaining to the Successor Agency shall be and remain the property of the Successor Agency. Consultant will control the physical location of such files during the term of this Agreement and shall be entitled to retain copies of such files upon termination of this Agreement.
- 6.15 Waiver; Remedies Cumulative.** Failure by a Party to insist upon the performance of any of the provisions of this Agreement by the other Party, irrespective of the length of time for which such failure continues, shall not constitute a waiver of such Party's right to demand compliance by such other Party in the future. No waiver by a Party of a default or breach of the other Party shall be effective or binding upon



such a Party unless made in writing by such Party, and no such waiver shall be implied from any omissions by a Party to take any action with respect to such default or breach. No express written waiver of a specified default or breach shall affect any other default or breach, or cover any other period of time, other than any default or breach and/or period of time specified. All of the remedies permitted or available to a Party under this Agreement, or at law or in equity, shall be cumulative and alternative, and invocation of any such right or remedy shall not constitute a waiver or election of remedies with respect to any other permitted or available right of remedy.

- 6.16 Mitigation of Damages.** In all such situations arising out of this Agreement, the Parties shall attempt to avoid and minimize the damages resulting from the conduct of the other Party.
- 6.17 Severability.** If any provision in this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions will nevertheless continue in full force without being impaired or invalidated in any way.
- 6.18 Attorney's Fees.** The Parties hereto acknowledge and agree that each will bear his or its own costs, expenses and attorney's fees arising out of and/or connected with the negotiation, drafting and execution of the Agreement, and all matters arising out of or connected therewith except that, in the event any action is brought by any Party hereto to enforce this Agreement, the prevailing Party in such action shall be entitled to reasonable attorney's fees and costs in addition to all other relief to which that Party or those Parties may be entitled.
- 6.19 Entire Agreement and Amendments.** This Agreement constitutes the whole agreement between the Successor Agency, and Consultant, and neither Party has made any representations to the other except as expressly contained herein. Neither Party, in executing or performing this Agreement, is relying upon any statement or information not contained in this Agreement. Any amendments, changes or modifications to this Agreement must be made in writing and appropriately executed by both the Successor Agency and Consultant.
- 6.20 Notices.** Any notice required to be given hereunder shall be deemed to have been given by email transmission with confirmation of delivery, and depositing said notice in the United States mail, postage prepaid, and addressed as follows:

**TO SUCCESSOR AGENCY:**

Successor Agency  
Joe Perez  
Secretary  
8650 California Avenue  
South Gate, CA 90280  
Email: [jperez@sogate.org](mailto:jperez@sogate.org)

**WITH COURTESY COPY TO:**

City Clerk's Office  
Carmen Avalos  
Recording Secretary  
8650 California Avenue  
South Gate, CA 90280  
Email: [cavalos@sogate.org](mailto:cavalos@sogate.org)

**TO CONSULTANT:**  
RSG, Inc.  
Jim Simon  
Principal  
17872 Gillette Avenue  
Irvine, CA 92614  
Email: [jsimon@webrsg.com](mailto:jsimon@webrsg.com)

- 6.21 Warranty of Authorized Signatories.** Each of the signatories hereto warrants and represents that he or she is competent and authorized to enter into this Agreement on behalf of the Party for whom he or she purports to sign.
- 6.22 Consultation With Attorney.** Consultant warrants and represents that it has consulted with an attorney or knowingly and voluntarily decided to forgo such a consultation.
- 6.23 Interpretation Against Drafting Party.** The Successor Agency and Consultant agree that they have cooperated in the review and drafting of this Agreement. Accordingly, in the event of any ambiguity, neither Party may claim that the interpretation of this Agreement shall be construed against either Party solely because that Party drafted all or a portion of this Agreement, or the clause at issue.
- 6.24 Counterparts.** This Agreement may be executed in counterparts and as so executed shall constitute an agreement which shall be binding upon all Parties herein.

[Remainder of page left blank intentionally.]

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed and attested by their respective officers thereunto duly authorized.

**SUCCESSOR AGENCY TO THE  
COMMUNITY DEVELOPMENT  
COMMISSION OF THE CITY OF SOUTH  
GATE:**

By: \_\_\_\_\_  
M. Bélen Bernal, Chairperson

Dated: \_\_\_\_\_

**ATTEST:**

By: \_\_\_\_\_  
Carmen Avalos, Recording Secretary  
(SEAL)

**APPROVED AS TO FORM:**

By:  \_\_\_\_\_  
Raul F. Salinas, Agency Counsel

**RSG, INC.:**

By: \_\_\_\_\_  
Jim Simon, Principal

Dated: \_\_\_\_\_

**SCOPE OF SERVICES  
2019-21 WORK PROGRAM FOR THE SOUTH GATE SUCCESSOR AGENCY**

RSG would provide the following services to the South Gate Successor Agency on an as-needed basis as directed by the Client, in accordance with the fee schedule attached as Attachment "B" to this Scope of Services. These services include the following:

**Task 1** - RSG would assist in the preparation, presentation, and successful completion of the Successor Agency's annual Recognized Obligation Payment Schedule (ROPS) and Prior Period Adjustment (PPA), including preparation and analysis of supporting documents, preparation of any staff reports and resolutions, as well as coordination and presentation to the Successor Agency, Oversight Board, and Department of Finance.

RSG would assist with the general administration and oversight of enforceable obligations enumerated on, or required for, the ROPS of the Successor Agency, disposition of property pursuant to the Long Range Property Management Plan (LRPMP), and other incidental activities that may arise and requested by the Client.

RSG would attend in person up to five (5) meetings of the Successor Agency, Oversight Board, and other parties as necessary.

Scope of Services 2019-21 Work Program Successor Agency (March 2020)		Total Not to Exceed
<b>Task 1</b>	<b>Successor Agency Services</b>	<b>\$ 30,115</b>
	<i>Annual ROPS and PPA processes, property disposition and meetings as needed</i>	
Task 1.1	General coordination with staff and various agencies	4,380
Task 1.2	3500 Tweedy oversight of cleanup	3,440
Task 1.3	7916 Long Beach Bl escrow and closing assistance	4,320
Task 1.4	PPA assistance	4,080
Task 1.5	ROPS 2020-21 preparation, coordination, and follow up	5,520
Task 1.6	Meetings as needed (5)	8,375
<b>GRAND TOTAL BUDGET</b>		<b>\$ 30,115</b>