



C o u n t y o f S a n L u i s O b i s p o

General Services Agency

Janette D. Pell, General Services Agency Director

Helen McCann, Department Administrator

REQUEST FOR PROPOSAL PS- #1047 Community Facilities District Policies

September 23, 2009

The County of San Luis Obispo is currently soliciting proposals for professional services for (1) preparation of goals and policies concerning the use of Community Facilities District (CFD) financing pursuant to Government Code Section 53312.7 and (2) preparation of a Resolution of Intent to form a CFD and other companion resolutions necessary to implement CFD financing for public improvements in the unincorporated community of Nipomo. This will be a phased project. The County will decide whether to authorize the second phase after the first phase is completed.

Each proposal shall specify each and every item as set forth in the attached specifications. Any and all exceptions must be clearly stated in the proposal. Failure to set forth any item in the specifications without taking exception, may be grounds for rejection. The County of San Luis Obispo reserves the right to reject all proposals and to waive any informalities.

If your firm is interested and qualified, please submit 5 copies and 1 electronic copy on CD of your proposal by 3:00 p.m. on Friday, October 16, 2009 to:

County of San Luis Obispo
Phill Haley, GSA - Purchasing
1087 Santa Rosa Street
San Luis Obispo, CA 93408

If you have any questions about the proposal process, please contact me. For technical questions and information contact Dana Lilley at (805) 781-5715.

PHILL HALEY
Buyer – GSA - Purchasing
phaley@co.slo.ca.us

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TO: ALL PROSPECTIVE PROPOSERS
SUBJECT: LOCAL PROPOSERS PREFERENCE

The County of San Luis Obispo has established a local vendor preference. All informal and formal Request for Proposals for contracts will be evaluated with a 5% preference for local vendors. Note the following exceptions:

1. Those contracts which State Law or, other law or regulation precludes this local preference.
2. Public works construction projects.

A "local" vendor will be approved as such when, 1) It conducts business in an office with a physical location within the County of San Luis Obispo; 2) It holds a valid business license issued by the County or a city within the County; and 3) Business has been conducted in such a manner for not less than six (6) months prior to being able to receive the preference.

As of March 3, 1994 individual County Buyers evaluate RFP's (Request For Proposals) considering the local vendor preference described above. The burden of proof will lie with proposers relative to verification of "local" vendor preference. Should any questions arise, please contact a buyer at (805) 781-5200. All prospective proposers are encouraged to quote the lowest prices at which you can furnish the items or services listed in County proposals.

	YES	NO
Do you claim local vendor preference?		
Do you conduct business in an office with a physical location within the County of San Luis Obispo?		
Business Address: _____ _____		
Years at this Address: _____		
Does your business hold a valid business license issued by the County or a City within the County?		
Name of Local Agency which issued license: _____		

Business Name: _____

Authorized Individual: _____ Title: _____

Signature: _____ Dated: _____

PROPOSAL SUBMITTAL AND SELECTION

1. All proposals, consisting of 5 (Five) copies, and 1 (One) electronic version on CD must be received by mail, recognized carrier, or hand delivered no later than 3:00 p.m. on Friday, October 16, 2009. Late proposals will not be considered.
2. All correspondence should be directed to:

San Luis Obispo County
General Services Agency
1087 Santa Rosa Street
San Luis Obispo, CA 93408
ATTENTION: Phill Haley
Telephone: 805-781-5904
3. Costs of preparation of proposals will be borne by the proposer.
4. It is preferred that all proposals be submitted on recycled paper, printed on two sides.
5. Selection of qualified proposers will be by an approved County procedure for awarding professional contracts.
6. This request does not constitute an offer of employment or to contract for services.
7. The County reserves the option to reject any or all proposals, wholly or in part, received by reason of this request.
8. The County reserves the option to retain all proposals, whether selected or rejected. Once submitted, the proposals and any supplemental documents become the property of the County.
9. All proposals shall remain firm for 90 days following closing date for receipt of proposals.
10. The County reserves the right to award the contract to the firm who presents the proposal which in the judgment of the County, best accomplishes the desired results, and shall include, but not be limited to a consideration of the professional service fee.
11. Selection will be made on the basis of the proposals as submitted. The Selection Committee may deem it necessary to interview applicants. The County retains the right to interview applicants as part of the selection process.
12. The proceedings of the Selection Committee are confidential. Members of the Selection Committee are not to be contacted by the proposers.

PROPOSAL FORMAT

A qualifying proposal must address all of the following points:

1. Project Title
2. Applicant or Firm Name
3. Firm Qualifications
 - a. Type of organization, size, professional registration and affiliations.
 - b. Names and qualifications of personnel to be assigned to this project.
 - c. Outline of recent projects completed that are directly related to this project. Consultant is required to demonstrate specific design and project expertise relating to the requirements of the Project Scope.
 - d. Qualifications of consultants, subcontractors, or joint venture firm, if appropriate.
 - e. Client references from recent related projects, including name, address and phone number of individual to contact for referral.
4. Understanding of and Approach to the Project
 - a. Summary of approach to be taken.
 - b. Description of the organization and staffing to be used for the project.
 - c. Indication of information and participation the proposer will require from County staff.
 - d. Indication of time frame necessary to complete the project once a Notice to Proceed is issued.
5. Fees and Insurance
 - a. Propose total fixed fees to complete project as described under Project Scope.
 - b. **Insurance:**

Consultant, at its sole cost and expense, shall purchase and maintain the insurance policies set forth below on all of its operations under this Agreement. Such policies shall be maintained for the full term of this Agreement and the related warranty period (if applicable) and shall provide products/completed operations coverage for four (4) years

following completion of Consultant's work under this Agreement and acceptance by the County. Any failure to comply with reporting provisions(s) of the policies referred to above shall not affect coverage provided to the County, its officers, employees, volunteers and agents. For purposes of the insurance policies required hereunder, the term "County" shall include officers, employees, volunteers and agents of the County of San Luis Obispo, California, individually or collectively.

1. **MINIMUM SCOPE AND LIMITS OF REQUIRED INSURANCE POLICIES**

(Contact Risk Management for variation of insurance requirements for large or small contracts that may not fit the standard insurance requirements).

The following policies shall be maintained with insurers authorized to do business in the State of California and shall be issued under forms of policies satisfactory to the County:

a. **COMMERCIAL GENERAL LIABILITY INSURANCE POLICY ("CGL")**

Policy shall include coverage at least as broad as set forth in Insurance Services Office (herein "ISO") Commercial General Liability coverage. (Occurrence Form CG 0001) with policy limits not less than the following:

\$1,000,000 each occurrence (combined single limit);
\$1,000,000 for personal injury liability;
\$1,000,000 aggregate for products-completed operations;
and
\$1,000,000 general aggregate.

The general aggregate limits shall apply separately to Consultant's work under this Agreement.

b. **BUSINESS AUTOMOBILE LIABILITY POLICY ("BAL")**

Policy shall include coverage at least as broad as set forth in Insurance Services Office Business Automobile Liability Coverage, Code 1 "Any Auto" (Form CA 0001). This policy shall include a minimum combined single limit of not less than One-million (\$1,000,000) dollars for each accident, for bodily injury and/or property damage. Such policy shall be applicable to vehicles used in pursuit of any of the activities associated with this Agreement. Consultant shall not provide a Comprehensive Automobile Liability policy which

specifically lists scheduled vehicles without the express written consent of County.

c. **WORKERS' COMPENSATION AND EMPLOYERS' LIABILITY INSURANCE POLICY ("WC / EL")**

This policy shall include at least the following coverages and policy limits:

1. Workers' Compensation insurance as required by the laws of the State of California; and
2. Employer's Liability Insurance Coverage B with coverage amount not less than one-million (\$1,000,000) dollars each accident / Bodily Injury (herein "BI"); one-million (\$1,000,000) dollars policy limit BI by disease; and, one-million (\$1,000,000) dollars each employee BI disease.

d. **PROFESSIONAL LIABILITY INSURANCE POLICY ("PL")**

This policy shall cover damages, liabilities, and costs incurred as a result of Consultant's professional errors and omissions or malpractice. This policy shall include a coverage limit of at least One-Million Dollars (\$1,000,000) per claim, including the annual aggregate for all claims (such coverage shall apply during the performance of the services under this Agreement and for two (2) years thereafter with respect to incidents which occur during the performance of this Agreement). Consultant shall notify the County if any annual aggregate is eroded by more than seventy-five percent (75%) in any given year.

2. **DEDUCTIBLES AND SELF-INSURANCE RETENTIONS**

Any deductibles and/or self-insured retentions which apply to any of the insurance policies referred to above shall be declared in writing by Consultant and approved by the County before work is begun pursuant to this Agreement. At the option of the County, Consultant shall either reduce or eliminate such deductibles or self-insured retentions as respect the County, its officers, employees, volunteers and agents, or shall provide a financial guarantee satisfactory to the County guaranteeing payment of losses and related investigations, claim administration, and/or defense expenses.

3. **ENDORSEMENTS**

All of the following clauses and endorsements, or similar provisions, are required to be made a part of insurance policies indicated in parentheses below:

- a. A "Cross Liability", "Severability of Interest" or "Separation of Insureds" clause (CGL & BAL);
- b. The County of San Luis Obispo, its officers, employees, volunteers and agents are hereby added as additional insureds with respect to all liabilities arising out of Consultant's performance of work under this Agreement (CGL & BAL);
- c. If the insurance policy covers an "accident" basis, it must be changed to "occurrence" (CGL & BAL)
- d. This policy shall be considered primary insurance with respect to any other valid and collectible insurance County may possess, including any self-insured retention County may have, and any other insurance County does possess shall be considered excess insurance only and shall not be called upon to contribute to this insurance (CGL, BAL, & PL);
- e. No cancellation or non-renewal of this policy, or reduction of coverage afforded under the policy, shall be effective until written notice has been given at least thirty (30) days prior to the effective date of such reduction or cancellation to County at the address set forth below (CGL, BAL, WC /EL & PL);
- f. Consultant and its insurers shall agree to waive all rights of subrogation against the County, its officers, employees, volunteers and agents for any loss arising under this Agreement (CGL); and
- g. Deductibles and self-insured retentions must be declared (All Policies).

4. **ABSENCE OF INSURANCE COVERAGE**

County may direct Consultant to immediately cease all activities with respect to this Agreement if it determines that Consultant fails to carry, in full force and effect, all insurance policies with coverage's at or above the limits specified in this Agreement. Any delays or expense caused due to stopping of work and change of

insurance shall be considered Consultant's delay and expense. At the County's discretion, under conditions of lapse, the County may purchase appropriate insurance and charge all costs related to such policy to Consultant.

5. **PROOF OF INSURANCE COVERAGE AND COVERAGE VERIFICATION**

Prior to commencement of work under this Agreement, and annually thereafter for the term of this Agreement, Consultant, or each of Consultant's insurance brokers or companies, shall provide County a current copy of a Certificate of Insurance, on an Accord or similar form, which includes complete policy coverage verification, as evidence of the stipulated coverage's. All of the insurance companies providing insurance for Consultant shall have, and provide evidence of, a Best Rating Service rate of A VI or above. The Certificate of Insurance and coverage verification and all other notices related to cancellation or non-renewal shall be mailed to:

Dana Lilley, Supervising Planner
Planning and Building Department
976 Osos Street, Room 300
San Luis Obispo, CA 93408

- c. The Consultant shall provide within five (5) days after the Notice of Award is issued a certificate of liability insurance naming the County of San Luis Obispo and its employees and officers as additionally named insured. This shall be maintained in full force and effect for the duration of the contract and must be in an amount and format satisfactory to the County.

d. **Indemnification:**

Consultant shall defend, indemnify and hold harmless the County, its officers and employees from all claims, demands, damages, costs, expenses, judgments, attorney fees, liabilities or other losses that may be asserted by any person or entity, and that arise out of or are made in connection with the acts or omissions relating to the performance of any duty, obligation, or work hereunder. The obligation to indemnify shall be effective and shall extend to all such claims and losses, in their entirety, even when such claims or losses arise from the comparative negligence of the County, its officers and employees. However, this indemnity will not extend to any claims or losses arising out of the sole negligence or willful misconduct of the County, its officers and employees.

The preceding paragraph applies to any theory of recovery relating to said act or omission, by the Consultant, or its agents, employees, or other independent contractors directly responsible to Consultant including, but not limited to the following:

1. Violation of statute, ordinance, or regulation.
2. Professional malpractice.
3. Willful, intentional or other wrongful acts, or failures to act.
4. Negligence or recklessness.
5. Furnishing of defective or dangerous products.
6. Premises liability.
7. Strict Liability.
8. Violation of civil rights.
9. Violation of any federal or state statute, regulation, or ruling resulting in a determination by the Internal Revenue Service, California Franchise Tax Board or any other California public entity responsible for collecting payroll taxes, when the Consultant is not an independent contractor.

It is the intent of the parties to provide the County the fullest indemnification, defense, and "hold harmless" rights allowed under the law. If any word(s) contained herein are deemed by a court to be in contravention of applicable law, said word(s) shall be severed from this contract and the remaining language shall be given full force and effect.

Work Scope

Summary

The County of San Luis Obispo is currently soliciting proposals for professional services consisting of the following:

- Phase 1: Preparation of goals and policies concerning the use of Community Facilities District (CFD) financing pursuant to Government Code Section 53312.7.
- Phase 2: Preparation of a Resolution of Intent to form a CFD and other companion resolutions necessary to implement CFD financing for public improvements in the unincorporated community of Nipomo.

This will be a phased project. The County will decide whether to authorize the second phase after the first phase is completed.

Background

The County has never used CFD financing. However, the County recognizes that CFD financing may be an appropriate financing mechanism for public improvements or public services in some circumstances. Therefore, the County wishes to prepare and adopt written goals and policies which are necessary under Government Code Section 53312.7 before CFD financing can be implemented. The County further intends that the CFD goals and policies provide clear guidance regarding the types of public improvements and general circumstances under which the County may consider authorizing CFD financing. The proposed CFD goals and policies should take into consideration the Strategic Growth principles adopted by the Board of Supervisors.

A private property owner and developer of a commercial and residential development project in the unincorporated community of Nipomo has requested that the County consider authorizing the use of CFD financing for public improvements associated with the development project. This property owner agreed to provide the County with sufficient funds to pay for consultant costs necessary for preparation of CFD goals and policies. If the County and property owner then determine that CFD financing is the most appropriate means of financing public improvements associated with the subject development project in Nipomo, then the property owner intends to provide funds to pay costs necessary for implementing CFD financing.

Tasks Note: Consultant may recommend modifications to the following tasks for consideration by the County.

Phase 1:

Task 1.A. The consultant shall evaluate and provide examples of CFD goals and policies that have been adopted by jurisdictions which have physical, economic and demographic characteristics that are similar to San Luis Obispo County. The consultant shall review the Strategic Growth concepts and principles adopted by the Board of Supervisors. With input from County staff, ~~Assist the County to~~ prepare draft written CFD goals and policies that meet the requirements of Government Code Section 53312.7 and the County's desire to provide clear guidance regarding the types of public improvements and general circumstances under which the County may consider authorizing CFD financing. Where appropriate, the draft CFD goals and policies should incorporate the County's Strategic Growth concepts.

Task 1.B. Assist County in the preparation of a set of procedures and application forms to be utilized by developers and other applicants for CFD financing. Consultant shall present to County staff draft procedures and documents, and shall revise such procedures and documents to meet County needs.

Task 1.C. Attend one meeting of the Board of Supervisors to introduce the draft CFD goals and policies. Provide an option to attend a second meeting if necessary.

Phase 2: Theis costs for this phase should be identified separately as this phase will be authorized only if both the County and the aforementioned property owner agree to proceed with implementing CFD financing for the Nipomo project. If Phase 2 is authorized, then the County will provide the following materials and documents:

- i. Proposed boundary map
- ii. Description of improvements
- iii. Map of improvements
- iv. Cost estimate

Task 2.A. Background Research

Conduct background research to determine property ownership and existing property taxes, including special assessments, taxes, and charges, as necessary for preparation of the special tax formula for parcels in the project area. Consultant shall base its analysis on tax data obtained from the County, other taxing entities, property

owners, and consultants to these parties, and need not conduct independent research to verify the accuracy of data provided to it. County and property owners shall provide data regarding expected land uses, improved property values, development absorption rates and taxable acreage.

Task 2.B. Preliminary Tax Spread Analysis

Prepare preliminary spread of special taxes (the "Tax Spread") to estimate CFD revenues and expenses. Determine supportable bonded indebtedness and the special tax rates required to fund the Project. Estimate effective total property tax rates.

Task 2.C. Rate and Method of Apportionment of Special Tax

Prepare the rate and method of apportionment of the special tax ("RMA"). The RMA will document the special tax formula, maximum special tax rates, classification of property for purposes of the annual levy, the prepayment methodology, etc. All such components of the RMA will be structured so they are consistent with State CDIAC guidelines and County's approved CFD policies, as well as the development, operations, and maintenance objectives of the County.

Task 2.D. CFD Report

Prepare the public report which shall contain a description and estimated cost of the proposed public facilities to be financed by the CFD, estimated bonded indebtedness and related issuance costs and incidental expenses, anticipated data of issuance, an explanation of the special tax apportionment methodology, and projections of special taxes for each year that bonds are outstanding.

Task 2.E. Registered Voters

Request from the County Registrar of Voters confirmation of registered voters status residing in the boundaries of the CFD following adoption of the Resolution of Intention (Government Code Section 53322).

Task 2.F Document Review and Preparation

Assist finance team in the preparation and review of legal and bond documents for the formation of the CFD, including County reports regarding operations and maintenance costs, Resolution of Intention, and Resolution of Formation. Also provide necessary data and advice to Bond Counsel regarding the implementation of

the CFD, including policies which address changes in land uses which occur after district formation.

Task 2.G. Meetings/Hearings

Attend initial meeting attended by County, County's finance team and project landowners to present the preliminary Tax Spread analysis, discuss alternative approaches to the CFD formation and financing, and recommend alternative techniques to apportion special taxes and enhance project feasibility. After receiving input on the preliminary Tax Spread analysis, Consultant will then attend a second meeting with all applicable parties to discuss the revised Tax Spread analysis, the RMA, and any applicable formation documents. Consultant shall also provide verbal assistance to County and finance team as necessary. Furthermore, Consultant will testify on behalf of the County at the protest hearing or other public meeting if required.

Proposal Evaluation Criteria

1. Amount of the proposed fee for service
2. Understanding of the nature of services desired by the County
3. Experience in performing the type services desired by the County
4. Responsiveness to the RFP and completeness of the proposal

The Selection Committee, in its sole discretion, may assign rating weights to the above criteria. The Committee may also consider any other factors that it considers relevant to making its recommendations.