

# **Local Agency Formation Commission of Santa Cruz County**



## **Request for Proposal (Fire Study)**

**Date Released: March 3, 2022**

**Due Date: April 15, 2022**

**Local Agency Formation Commission of Santa Cruz**

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701 Ocean Street, Room 318-D Santa Cruz, CA 95060

Website: [www.santacruzlafco.org](http://www.santacruzlafco.org)

Phone: (831) 454-2055

# INTRODUCTION AND BACKGROUND

## Section I: Introduction

The Local Agency Formation Commission of Santa Cruz County (“LAFCO”) is seeking proposals from professional service firms to prepare a special study on the impacts of the potential detachments of territory from County Service Areas 4 (“Pajaro Dunes”) and 48 (“County Fire”) and the concurrent annexation of the detached territory to the neighboring independent fire protection districts (7 in total). The study will be used to inform LAFCO’s decision on whether or not to initiate future reorganizations involving the affected fire agencies. This work is to be performed in accordance with the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (Government Code §56000 et seq.) and LAFCO of Santa Cruz County policies and procedures.

This RFP includes background information about LAFCO, the qualifications, requirements, scope of services, instructions for submittals, evaluation criteria, and the selection process. All inquiries regarding this RFP shall be submitted via email or hard copy by April 15, 2022 to:

Joe Serrano, Executive Officer  
Santa Cruz LAFCO  
701 Ocean Street, Room 318-D  
Santa Cruz, CA 95060  
[joe@santacruzlafco.org](mailto:joe@santacruzlafco.org)

## Section II: Background

CSAs 4 and 48 are dependent special districts and were formed on January 4, 1966 and December 30, 1985, respectively. The CSAs operate under the County Service Area Law (Government Code Section 25210 et. seq) and provide fire protection under a cooperative agreement with the California Department of Forestry & Fire Protection (“CAL FIRE”). The CSAs have been providing fire protection services to the unincorporated communities in Santa Cruz County outside the jurisdiction of the existing fire agencies. At present, CSA 4 covers less than half a square mile of land while CSA 48 encompasses 261 square miles of territory.

On October 13, 2021, LAFCO adopted the 2021 Countywide Fire Protection Service & Sphere Review (“Fire Report”) for the 13 fire agencies located in Santa Cruz County, including the two CSAs. The Fire Report noted that CAL FIRE provides fire protection services within CSAs 4 and 48 through an ongoing contractual agreement. The most recent agreement was approved in June 2020 and will continue for the next three years. Based on LAFCO’s analysis and findings, it would be more efficient if the two CSAs were reorganized and fire service responsibilities are transferred over to an independent fire agency. The Fire Report also required each fire agency to review their current spheres of influence and develop an annexation plan to determine their future service areas.

In March 2022, LAFCO authorized staff to seek a professional service firm to conduct a special study on the impacts of the potential reorganizations, including a detailed analysis of the cost savings and fiscal impacts. The study will be used to inform LAFCO’s decision on whether or not to initiate future reorganizations involving the affected fire agencies. Please see Section X of the RFP for specific links to LAFCO’s fire report and maps which provide more detailed background information on this issue.

# SCOPE OF SERVICES, KEY STEPS AND RESPONSE REQUIREMENTS

## Section III: Scope of Services

LAFCO may initiate a change of organization or reorganization which includes a dissolution only if the proposal is consistent with a conclusion or recommendation in the service review, sphere of influence update or special study and the Commission makes both the following determinations required in Government Code Section 56881. [Government Code Section 56375(a)(2)(F) & (a)(3)]:

1. Public service costs of the proposal is likely to be less than or substantially similar to the costs of alternative means of providing the service.
2. The proposal promotes public access and accountability for community services needs and financial resources.

The fire study will include information and analysis necessary for the Commission to evaluate if it can make the above required determinations. A final statement of services to be provided will be negotiated with the firm selected to conduct the special study and will be included as part of the professional services agreement.

## Section IV: Key Steps

Key steps in the study will include the following:

- Consultant will attend a kick-off meeting with LAFCO staff to review Scope of Services and schedule;
- Consultant will collect, review and analyze information, including, but not limited to, the 2021 LAFCO Countywide Fire Service & Sphere Review, the affected fire agencies' financial and budget reports, the CKH, the principal acts of the affected fire agencies, LAFCO policies and procedures, and any other information relevant to the study;
- Consultant will prepare a Draft Report of their analysis and findings;
- LAFCO staff will distribute the Draft Report to the Commission and all affected agencies and interested parties for a 21-day public review and comment period;
- Consultant will respond in writing to comments received during the 21-day review period;
- LAFCO will hold a public hearing to receive final comments and to consider the Draft Report;
- Consultant will present the Draft Report at the LAFCO public hearing and respond to any further comments received during the hearing; and
- Consultant will attend up to two public meetings in conjunction with the Report.

## **Section IV: Budget & Schedule**

A final budget amount for this project will be negotiated with the firm selected for the work prior to reaching agreement. The anticipated project cost of the proposal should not exceed \$50,000. It is anticipated that the firm will start work in May 2022. The final schedule for this project will be negotiated with the firm selected for the work prior to reaching an agreement.

## **Section V: Proposal Requirements**

Response to this RFP must include all of the following:

1. A statement about the firm that describes its history as well as the competencies and resumes of the principal and all professionals who will be involved in the work. This statement should describe the firm's level of expertise in the following areas:

### Expertise

- Familiarity with the CKH Act, the role and functions of LAFCO, and the dissolution process for special districts;
  - Knowledge of fire protection service provision in California (fire departments, fire districts, and volunteer fire companies);
  - Management level understanding of how local governmental services are delivered and financed;
  - Expertise in the financial analysis of local governmental service delivery systems, including identifying financing constraints / opportunities and cost avoidance opportunities;
  - Expertise in governance structure analysis, including evaluating government structure options (advantages and disadvantages of the consolidation or reorganization of service providers);
  - Ability to analyze and present information in an organized format;
  - Familiarity with public input processes and experience in handling the presentation and dissemination of public information for review and comment;
  - Experience in fostering multi-agency partnerships and cooperative problem-solving; and
  - Ability to provide flexible and creative alternatives where necessary to resolve service and policy issues.
2. Identification of the lead professional responsible for the project and identification of the professional(s) who will be performing the day-to-day work.
  3. A statement of related experience accomplished in the last three years and references for each such project, including the contact name, address and telephone number.

4. A statement regarding the anticipated approach for this project, explicitly discussing and identifying any suggested changes to the Scope of Services.
5. An overall project schedule, including a task plan and estimated hours for each task.
6. Information about the availability of all professionals who will be involved in the work, including any associate consultants.
7. The anticipated project cost, including:
  - a) A not-to-exceed total budget amount.
  - b) The cost for each major sub-task identified in the draft Scope of Services.
  - c) The hourly rates for each person who will be involved in the work, including the rates of any associate consultants.
  - d) The cost of any expenses in addition to professional staff hourly rates.
8. Comments about the draft services agreement (Attachment 1) specifically including the ability of the firm to meet the insurance requirements and other provisions.

## TIMELINE AND SUBMITTAL INSTRUCTIONS

### Section VI: Timeline

The following is an outline of the anticipated schedule for the review of responses, contract award and the contract effective date. This schedule is subject to change:

Date	Task
<b>March 3, 2022</b>	RFP Posting & Transmittal
<b>April 15, 2022</b>	Submittal deadline (No later than 3pm)
<b>April 18 - 22, 2022</b>	Firm Interviews (if required)
<b>April 25 - 28, 2022</b>	Firm Selection
<b>May 4, 2022</b>	Commission Consideration of Contract with Selected Firm

Santa Cruz LAFCO reserves the right to adjust this timeline as deems necessary. Notification of adjustments to the timeline shall be provided to all respondents. LAFCO also reserves the right to award a contract, to modify the scope of serves required as necessary, and to accept or reject any or all submittals received as a result of this RFP. Additionally, the Commission will verify the information submitted by the respondents.

### Section VII: Instructions to Proposers and Procedures for Submittal

The submittal shall include the following:

- One hard copy of the RFP response; or

- One electronic copy in pdf format via email, on flash drive, or other compatible electronic media.

This RFP includes background information about LAFCO, the qualifications, requirements, scope of services, instructions for submittals, evaluation criteria, and the selection process. All inquiries regarding this RFP shall be submitted via email or hard copy by April 15, 2022 to:

Joe Serrano, Executive Officer  
Santa Cruz LAFCO  
701 Ocean Street, Room 318-D  
Santa Cruz, CA 95060  
[joe@santacruzlafco.org](mailto:joe@santacruzlafco.org)

The RFP response may be submitted via email. Submitting firms are solely responsible for ensuring their RFP response is received by LAFCO in accordance with the solicitation requirements, before submittal deadline. Postmarks will not be accepted in lieu of actual delivery. LAFCO shall not be responsible for any delays in mail or by common carriers or by transmission errors or delays or mistaken delivery. Delivery of RFP responses shall be made at the office specified in this Request for Proposals.

## RFP RESPONSE EVALUATION AND SELECTION PROCESS

The selection of a firm will be based on the following criteria. These criteria identify the weight or significance in the selection of the preferred firm. The submittals will be evaluated on the basis of the response to all the requirements of this RFP.

### Section VIII: Criteria Weight

The proposals shall be reviewed based on the following criteria and weighting. Most important are the qualifications of the firm and the costs of services. The goal is a contract with a firm that is qualified and cost effective:

- 1. Qualifications of Firm and Personnel:** 35% - expertise, experience, and capability of the proposer to provide professional services regarding LAFCO's mission.
- 2. Budget, Retainer, and/or Rates:** 35% - Overall cost of the proposal and the levels of service LAFCO can expect to receive from the proposer.
- 3. Identify Existing and Potential Conflicts of Interest:** 15% - Potential and Existing Conflicts of Interest need to be clearly articulated in the RFP.
- 4. Local and State Government Client References:** 10% - a list of two primary references that may be contacted. Other references may be provided as well.
- 5. Additional Information:** 5% - Location of firm and availability of appropriate professionals as needed for meetings or other circumstances. Other information may be provided as well.

## REFERENCE MATERIAL

### **Section IX: Draft Contract and Insurance Requirements**

Please refer to the Draft Professional Service Agreement (*Attachment A*) and the Insurance Requirements (*Attachment B*).

### **Section X: Supporting Documents**

Please refer to LAFCO's website ([www.santacruzlafco.org](http://www.santacruzlafco.org)) for general information about LAFCO and the following links for further information on this issue:

1. **2021 Countywide Fire Protection Service & Sphere Review:**  
[https://www.santacruzlafco.org/wp-content/uploads/2021/11/Countywide-Fire-Service-Sphere-Review-10-13-21-Adopted-Version\\_.pdf](https://www.santacruzlafco.org/wp-content/uploads/2021/11/Countywide-Fire-Service-Sphere-Review-10-13-21-Adopted-Version_.pdf)
2. **Map of the fire agencies in Santa Cruz County**  
[https://www.santacruzlafco.org/wp-content/uploads/2021/10/CountywideFire\\_Map.pdf](https://www.santacruzlafco.org/wp-content/uploads/2021/10/CountywideFire_Map.pdf)

## GENERAL CONDITIONS

### **Section XI: Authorized Signatures**

Every submittal must be signed by the person or persons legally authorized to bind the firm to a contract for the execution of the work. Upon request of LAFCO, any agent submitting a response on behalf of a firm shall provide a current power of attorney certifying the agent's authority to bind the firm.

For an individual, their name, signature, and post office address must be shown. For a firm or partnership, the name and post office address of the firm or partnership and the signature of at least one of the general partners must be shown. For a corporation, the name of the state under the laws of which the corporation is chartered, the name and post office address of the corporation and the title of the person signing on behalf of the corporation must be shown.

### **Section XII: Award of Contract**

Award may be made to the firm that presents the best qualifications after review and recommendation by the management staff and consideration by the full Commission. Discussions may, at LAFCO's option, be conducted with firms that submit responses determined to be qualified of being selected for an award. Discussions may be for clarification to assure full understanding of, and responsiveness to, the solicitation requirements. Firms shall be accorded fair and equal treatment with respect to any opportunity for discussion and written revision of responses.

### **Section XIII: Cancellation**

LAFCO may cancel this solicitation at any time.

### **Section XIV: Compliance with Laws**

All submittals shall comply with current federal, state, and other laws relative thereto.

## **Section XV: Costs**

LAFCO is not liable for any costs incurred by firms before entering into a formal contract. Costs of developing the submittal or any other such expenses incurred by the firm in responding to the RFP, are entirely the responsibility of the firm, and shall not be reimbursed in any manner by LAFCO. No reimbursable cost may be incurred in anticipation of award.

## **Section XVI: Interpretation of Contract Documents**

LAFCO reserves the right to make corrections or clarifications of the information provided in this RFP. Oral statement(s) interpretations or clarifications concerning meaning or intent of the contents of this RFP by any person are unauthorized and invalid. Requests for interpretations shall be made in writing and delivered to the address or email stated above.

## **Section XVII: Irregularities**

LAFCO reserves the right to waive non-material irregularities if such would be in the best interest of LAFCO as determined by LAFCO.

## **Section XVIII: Non Exclusive Contract**

The successful firm will enter a NON-EXCLUSIVE contract and LAFCO reserves the right to enter into agreements with other firms.

## **Section XIX: One RFP Response**

Proposers are not allowed to submit more than one RFP response. However, service options regarding the cost would be considered.

## **Section XX: No Obligation**

The release of this RFP does not obligate or compel LAFCO to enter into a contract or agreement.

## **Section XXI: Proprietary Information**

RFP responses must not be marked as confidential or proprietary. LAFCO may refuse to consider a submittal so marked. Information in responses is subject to the Public Records Act and other disclosure laws and will become public information as provided for in those laws. LAFCO reserves the right to keep responses confidential prior to award or other action on this RFP as permitted by law.

## **Section XXII: Terms of Offer**

LAFCO reserves the right to negotiate final contract terms with the firm selected. The contract between the parties will consist of LAFCO Professional Services Agreement, the RFP together with any modifications thereto, the awarded firm's submittal, and all modifications and clarifications that are submitted at the request of LAFCO during the evaluation and negotiation process. In the event of any conflict or contradiction between or among these documents, the documents shall control in the following order of precedence: the final executed contract, the RFP, any modifications and clarifications to the awarded firm's RFP response.

## **Section XXIII: Validity**

RFP response will be valid for a period of 90 days from the due date.



## **Section XXIV: Withdrawal of Response to the RFP**

Authorized representatives of the firm may withdraw RFP responses only by written request received by LAFCO.

## **Section XXV: Contact Information**

If you have any questions, please contact Joe Serrano, LAFCO Executive Officer, (831) 254-0178 or [joe@santacruzlafco.org](mailto:joe@santacruzlafco.org). Thank you for your consideration of this request for proposal.



LOCAL AGENCY FORMATION COMMISSION  
OF SANTA CRUZ COUNTY

**SERVICES AGREEMENT BETWEEN THE LOCAL AGENCY  
FORMATION COMMISSION OF SANTA CRUZ COUNTY AND  
\_\_\_\_\_ FOR CONDUCTING A SPECIAL STUDY TO  
ANALYZE THE IMPACTS OF THE POTENTIAL REORGANIZATIONS  
INVOLVING COUNTY SERVICE AREAS 4 (PAJARO DUNES) AND 48  
(COUNTY FIRE) WITH THE NEIGHBORING INDEPENDENT FIRE  
PROTECTION DISTRICTS**

This Agreement (“Agreement”) is made effective \_\_\_\_\_, by and between the Local Agency Formation Commission of Santa Cruz County (“LAFCO”) and \_\_\_\_\_ (“Contractor”) to provide consulting services for preparing a Special Study on the impacts of potential reorganizations involving the fire agencies in Santa Cruz County.

WHEREAS, pursuant to the Cortese-Knox-Hertzberg Act, Government Code section 56000 et seq., LAFCO is an independent body; and

WHEREAS, LAFCO needs assistance with the preparation of the special study; and

WHEREAS, Contractor has experience and expertise necessary to provide such services; and

WHEREAS, at the March 2, 2022 Regular LAFCO Meeting, the Commission delegated authority to the LAFCO Executive Officer to execute an agreement with the most qualified consultant for preparation of the special study;

THEREFORE, the parties agree as follows:

**1. Nature of Services.**

The Contractor will provide to LAFCO the services described in Exhibit A, Scope of Services, which is attached hereto and incorporated herein by this reference. Contractor shall perform the services in accordance with the project timeline as described in Exhibit B, which is attached hereto and incorporated herein by this reference.

## **2. Term of Agreement.**

This Agreement is effective from the date of final execution, to and including \_\_\_\_\_, unless terminated earlier in accordance with Section 4.

## **3. Compensation.**

A. Contractor will be compensated for services provided under this Agreement in accordance with the Rate Schedule included in Exhibit C, which is attached hereto and incorporated herein by this reference. Contractor will complete all the work and tasks described in Exhibit A for an amount not to exceed \$50,000. The Contractor shall be paid based on the rate schedule indicated in Exhibit C, but compensation and expenses shall not exceed the maximum compensation stated herein.

B. Contractor will provide LAFCO with task-specific invoices based on estimated costs in Contractor's proposal, which shall be accompanied by a detailed summary of activities undertaken over the course of completing the task.

C. Deliverables shall be in accordance with the project timeline provided in Exhibit B, which has been negotiated between the parties prior to the effective date of this Agreement, or as otherwise determined by mutual written agreement of the parties. If the deliverables are not according to such timeline in Exhibit B or as otherwise mutually agreed or if they do not comply with the requirements in the Scope of Services, it is understood, acknowledged and agreed that LAFCO will suffer damage. As fixed and liquidated damages, LAFCO shall withhold from Contractor the payment of the sum of \$200 per calendar day for each and every calendar day of delay beyond the date that such deliverables are due in accordance with Exhibit B, or as otherwise mutually agreed. For purposes of this section, the total cost for each of the tasks shall be consistent with the rate schedule in Exhibit C.

## **4. Termination.**

A. Termination Without Cause. Either party may terminate this Agreement without cause by giving the other party thirty (30) days written notice.

B. Termination for Cause. LAFCO may terminate this Agreement for cause upon written notice to Contractor. For purposes of this Agreement, cause includes, but is not limited to, any of the following: (1) material breach of this Agreement by Contractor, (b) violation by Contractor of any applicable laws, (c) assignment by Contractor of this Agreement without the written consent of LAFCO pursuant to Section 13, or (d) failure to provide services in a satisfactory manner. Such notice shall specify the reason for termination and shall indicate the effective date of such termination.

C. In the event of termination, Contractor will deliver to LAFCO copies of all reports and other work performed by Contractor under this Agreement whether complete or incomplete, and upon receipt thereof, Contractor will be compensated based on the completion of services provided, as solely and reasonably determined by LAFCO.

**5. Project Managers; Substitution**

A. Contractor designates \_\_\_\_\_ as the Contractor’s Project Manager for the purpose of performing the services under this Agreement. \_\_\_\_\_ will serve as day-to-day contact for LAFCO and work directly with staff.

B.LAFCO designates the LAFCO Executive Officer as its Project Manager for the purpose of managing the services performed under this Agreement.

C. Contractor may not substitute anyone other than \_\_\_\_\_ to serve as Project Manager without the written permission of the LAFCO Executive Officer or her authorized representative. Any such substitution shall be with a person or firm of commensurate experience and knowledge necessary for the tasks to be undertaken.

**6. Conflicts of Interest.**

In accepting this Agreement, Contractor covenants that it presently has no interest, and will not acquire any interest, direct or indirect, financial or otherwise, which would conflict in any manner or degree with the performance of the Services.

Contractor further covenants that, in the performance of this Agreement, it will not employ any contractor or person having such an interest.

**7. Indemnification/Insurance.**

Contractor’s indemnification and insurance obligations with respect to this Agreement are set forth in Exhibit D, attached hereto and incorporated herein by this reference.

**8. Compliance with all Laws.**

Contractor shall, during the term of this contract, comply with all applicable federal, state, and local rules, regulations, and laws.

**9. Maintenance of Records.**

Contractor shall maintain financial records adequate to show that LAFCO funds paid under the contract were used for purposes consistent with the terms of the contract. These records shall be maintained during the term of this contract and for a period of three (3) years from termination of this contract or until all claims, if any, have been resolved, whichever period is longer, or longer if otherwise required under other provisions of this contract.

**10. Nondiscrimination.**

Contractor will comply with all applicable Federal, State, and local laws and regulations including Santa Cruz County’s equal opportunity requirements. Such laws include but are not limited to the following: Title VII of the Civil Rights Act of 1964 as amended; Americans with Disabilities Act of 1990; The Rehabilitation Act of 1973

(Sections 503 and 504); California Fair Employment and Housing Act (Government Code sections 12900 et seq.); California Labor Code sections 1101 and 1102.

Contractor will not discriminate against any subcontractor, employee, or applicant for employment because of age, race, color, national origin, ancestry, religion, sex/gender, sexual orientation, mental disability, physical disability, medical condition, political beliefs, organizational affiliations, or marital status in the recruitment, selection for training including apprenticeship, hiring, employment, utilization, promotion, layoff, rates of pay or other forms of compensation. Nor will Contractor discriminate in provision of services provided under this contract because of age, race, color, national origin, ancestry, religion, sex/gender, sexual orientation, mental disability, physical disability, medical condition, political beliefs, organizational affiliations, or marital status.

### **11. Notices.**

All notices required by this Agreement will be deemed given when in writing and delivered personally or deposited in the United States mail, postage prepaid, return receipt requested, addressed to the other party at the address set forth below or at such other address as the party may designate in writing in accordance with this section:

To Contractor: \_\_\_\_\_  
\_\_\_\_\_

To LAFCO: LAFCO Executive Officer  
701 Ocean Street, Room 318-D  
Santa Cruz, CA 95060

### **12. Governing Law.**

This Agreement has been executed and delivered in, and will be construed and enforced in accordance with, the laws of the State of California. Venue shall be in Santa Cruz County.

### **13. Assignment.**

Contractor has been selected to perform services under this Agreement based upon the qualifications and experience of Contractor's personnel. Contractor may not assign this Agreement or the rights and obligations hereunder without the specific written consent of LAFCO. Any attempted assignment or subcontract without prior written consent will be null and void and will be cause, in LAFCO's sole and absolute discretion, for immediate termination of the Agreement.

#### **14. Relationships of Parties; Independent Contractor.**

Contractor will perform all work and services described herein as an independent contractor and not as an officer, agent, servant or employee of LAFCO. None of the provisions of this Agreement is intended to create, nor shall be deemed or construed to create, any relationship between the parties other than that of independent parties contracting with each other for purpose of effecting the provisions of this Agreement. The parties are not, and will not be construed to be in a relationship of joint venture, partnership or employer-employee. Neither party has the authority to make any statements, representations or commitments of any kind on behalf of the other party, or to use the name of the other party in any publications or advertisements, except with the written consent of the other party or as is explicitly provided herein. Contractor will be solely responsible for the acts and omissions of its officers, agents, employees, contractors, and subcontractors, if any.

#### **15. Entire Agreement.**

This document represents the entire Agreement between the parties with respect to the subject matter hereof. All prior negotiations and written and/or oral agreements between the parties with respect to the subject matter of this Agreement are merged into this Agreement.

#### **16. Amendments.**

This Agreement may be amended only by an instrument signed by the parties.

#### **17. Counterparts.**

This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument.

#### **18. Severability.**

If any provision of this Agreement is found by a court of competent jurisdiction to be void, invalid or unenforceable, the same will either be reformed to comply with applicable law or stricken if not so conformable, so as not to affect the validity or enforceability of this Agreement.

#### **19. Waiver.**

No delay or failure to require performance of any provision of this Agreement shall constitute a waiver of that provision as to that or any other instance. Any waiver granted by a party must be in writing, and shall apply to the specific instance expressly stated.

#### **20. Ownership of Materials and Confidentiality.**

A. Documents & Data; Licensing of Intellectual Property. This Agreement creates a non-exclusive and perpetual license for LAFCO to copy, use, modify, reuse, or sublicense any and all copyrights, designs, and other intellectual property embodied

in plans, specifications, studies, drawings, estimates, and other documents or works of authorship fixed in any tangible medium of expression, including but not limited to, physical drawings or data magnetically or otherwise recorded on computer diskettes, which are prepared or caused to be prepared by Contractor under this Agreement ("Documents & Data"). Contractor shall require all sub consultants to agree in writing that LAFCO is granted a non-exclusive and perpetual license for any Documents & Data the sub consultant prepares under this Agreement. Contractor represents and warrants that Contractor has the legal right to license any and all Documents & Data. Contractor makes no such representation and warranty in regard to Documents & Data which were prepared by design professionals other than Contractor or provided to Contractor by LAFCO. LAFCO shall not be limited in any way in its use of the Documents & Data at any time, provided that any such use not within the purposes intended by this Agreement shall be at LAFCO's sole risk.

B. Confidentiality. All ideas, memoranda, specifications, plans, procedures, drawings, descriptions, computer program data, input record data, written information, and other Documents & Data either created by or provided to Contractor in connection with the performance of this Agreement shall be held confidential by Contractor. Such materials shall not, without the prior written consent of Contractor, be used by Contractor for any purposes other than the performance of the Agreement. Nor shall such materials be disclosed to any person or entity not connected with the performance of the Agreement. Nothing furnished to Contractor which is otherwise known to Contractor or is generally known, or has become known, to the related industry shall be deemed confidential. Contractor shall not use LAFCO's name or insignia, photographs of the Services, or any publicity pertaining to the Services in any magazine, trade paper, newspaper, television or radio production or other similar medium without the prior written consent of LAFCO.

C. Confidential Information. LAFCO shall refrain from releasing Contractor's proprietary information ("Proprietary Information") unless LAFCO's legal counsel determines that the release of the Proprietary Information is required by the California Public Records Act or other applicable state or federal law, or order of a court of competent jurisdiction, in which case LAFCO shall notify Contractor of its intention to release Proprietary Information. Contractor shall have five (5) working days after receipt of the Release Notice to give LAFCO written notice of Contractor's objection to LAFCO's release of Proprietary Information. Contractor shall indemnify, defend and hold harmless LAFCO, and its officers, directors, employees, and agents from and against all liability, loss, cost or expense (including attorney's fees) arising out of a legal action brought to compel the release of Proprietary Information. LAFCO shall not release the Proprietary Information after receipt of the Objection Notice unless either: (1) Contractor fails to fully indemnify, defend (with LAFCO's choice of legal counsel), and hold LAFCO harmless from any legal action brought to compel such release; and/or (2) a final and non-appealable order by a court of competent jurisdiction requires that LAFCO release such information.

**TO EFFECTUATE THIS AGREEMENT**, the parties have caused their duly authorized representatives to execute this Agreement as of the last date indicated below:

“Commission”

“Contractor”

By: \_\_\_\_\_

By: \_\_\_\_\_

Joe Serrano, Executive Officer

TBD

Date: \_\_\_\_\_

Date: \_\_\_\_\_

Approved as to form:

By: \_\_\_\_\_

Joshua Nelson, General Counsel

Date: \_\_\_\_\_

**Exhibits to this Agreement:**

- Exhibit A – Scope of Services
- Exhibit B – Project Timeline
- Exhibit C – Rate Schedule
- Exhibit D – Indemnification and Insurance

DRAFT





LOCAL AGENCY FORMATION COMMISSION  
OF SANTA CRUZ COUNTY

EXHIBIT D: INSURANCE REQUIREMENTS FOR  
STANDARD SERVICE CONTRACTS

**Indemnity**

During the term of this contract, the Contractor shall indemnify, defend, and hold harmless the Local Agency Formation Commission of Santa Cruz County (hereinafter "LAFCO"), its officers, agents and employees from any claim, liability, loss, injury or damage arising out of, or in connection with, performance of this Agreement by Contractor and/or its agents, employees or sub-contractors, excepting only loss, injury or damage caused by the active negligence or willful misconduct of personnel employed by LAFCO. It is the intent of the parties to this Agreement to provide the broadest possible coverage for LAFCO. The Contractor shall reimburse LAFCO for all costs, attorneys' fees, expenses and liabilities incurred with respect to any litigation in which the Contractor is obligated to indemnify, defend and hold harmless the LAFCO under this Agreement.

**Insurance**

Without limiting the Contractor's indemnification of LAFCO, the Contractor shall provide and maintain at its own expense, during the term of this Agreement, or as may be further required herein, the following insurance coverages and provisions:

**A. Evidence of Coverage**

Prior to commencement of this Agreement, the Contractor shall provide a Certificate of Insurance certifying that coverage as required herein has been obtained. Individual endorsements executed by the insurance carrier shall accompany the certificate. In addition, a copy of the policy or policies shall be provided by the Contractor upon request.

This verification of coverage shall be sent to the LAFCO Executive Officer, unless otherwise directed. The Contractor shall not receive a Notice to Proceed with the work under the Agreement until it has obtained all insurance required and such insurance has been approved by LAFCO Executive Officer. This approval of insurance shall neither relieve nor decrease the liability of the Contractor.

**B. Qualifying Insurers**

All coverages, except surety, shall be issued by companies which hold a current policyholder's alphabetic and financial size category rating of not less than A- V, according

to the current Best's Key Rating Guide or a company of equal financial stability that is approved by the LAFCO Executive Officer.

### C. Notice of Cancellation

All coverage as required herein shall not be canceled or changed so as to no longer meet the specified insurance requirements without 30 days' prior written notice of such cancellation or change being delivered to the LAFCO Executive Officer.

### D. Insurance Required

#### 1. Automobile Liability Insurance

For bodily injury (including death) and property damage which provides total limits of not less than \$15,000 per person, \$30,000 per occurrence, \$5,000 property damage applicable to all owned, non-owned and hired vehicles.

#### 2. Workers' Compensation and Employer's Liability Insurance

a. Statutory California Workers' Compensation coverage including broad form all-states coverage.

b. Employer's Liability coverage for not less than one million dollars (\$1,000,000) per occurrence.

### E. Special Provisions

The following provisions shall apply to this Agreement:

1. The foregoing requirements as to the types and limits of insurance coverage to be maintained by the Contractor and any approval of said insurance by the LAFCO Executive Officer or insurance consultant(s) are not intended to and shall not in any manner limit or qualify the liabilities and obligations otherwise assumed by the Contractor pursuant to this Agreement, including but not limited to the provisions concerning indemnification.

2. LAFCO acknowledges that some insurance requirements contained in this Agreement may be fulfilled by self-insurance on the part of the Contractor. However, this shall not in any way limit liabilities assumed by the Contractor under this Agreement. Any self-insurance shall be approved in writing by LAFCO upon satisfactory evidence of financial capacity. Contractors obligation hereunder may be satisfied in whole or in part by adequately funded self-insurance programs or self- insurance retentions.

3. Should any of the work under this Agreement be sublet, the Contractor shall require each of its subcontractors of any tier to carry the aforementioned coverages, or Contractor may insure subcontractors under its own policies.

4. LAFCO reserves the right to withhold payments to the Contractor in the event of material noncompliance with the insurance requirements outlined above.

F. Fidelity Bonds (Required only if contractor will be receiving advanced funds or payments)

Before receiving compensation under this Agreement, Contractor will furnish County with evidence that all officials, employees, and agents handling or having access to funds received or disbursed under this Agreement, or authorized to sign or countersign checks, are covered by a BLANKET FIDELITY BOND in an amount of AT LEAST fifteen percent (15%) of the maximum financial obligation of the County cited herein. If such bond is canceled or reduced, Contractor will notify County immediately, and County may withhold further payment to Contractor until proper coverage has been obtained. Failure to give such notice may be cause for termination of this Agreement, at the option of County.

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