



# REQUEST FOR PROPOSALS (RFP)



**CONSULTING SERVICES:  
MANAGEMENT SYSTEM REVIEW,  
CITYWIDE SOPS, AND PROCUREMENT-RELATED  
PROCESS IMPROVEMENT**

**RFP RESPONSE DUE DATE  
August 22, 2022 by 4:00 p.m.**



**RFP FOR MANAGEMENT SYSTEM REVIEW CONSULTING SERVICES AND  
ON-CALL CONSULTING SERVICES FOR  
CITYWIDE SOPS AND PROCUREMENT-RELATED PROCESS IMPROVEMENT**

## **1. About the City of Huntington Beach**

Huntington Beach is located along the Southern California coast in Orange County, 35 miles south of Los Angeles and 90 miles north of San Diego. The City is best known today for its 8.5 miles of uninterrupted beaches, excellent year-round weather, and a surf culture that draws 4 million visitors annually. Beyond the shoreline, Huntington Beach is a full-service charter city guided by a Council-Manager form of government, with its own fire and police departments, an extensive park and library system, robust investments in capital infrastructure, a diverse economic base, and an excellent education system.

During the COVID-19 pandemic in 2020, the City underwent [a major restructuring effort](#) to create greater organizational efficiencies. This has contributed towards the need for the City to review its existing regulations, policies and management systems and to identify those that may benefit from a similar modernizing effort.

Today, our restructured City organization is represented by approximately 1,500 full-time and part-time City employees working across 11 City departments delivering a full range of municipal services to the community. The City has a total annual operating budget of approximately \$532 million in all funds for Fiscal Year 2022-23.

## **2. Purpose of the RFP**

The Office of the City Manager is seeking a highly experienced and professional consulting firm(s) that can: provide on-call consulting services that includes review, recommend best practices, and – where appropriate – streamline the City’s Administrative Regulations (i.e. administrative policies and procedures) and other Standard Operating Procedures (SOP); review procurement and signature authorities processes (on call only), and conduct a review of the City’s management systems to identify any deficiencies and improvements.

Over the years, the City has developed a series of 93+ Administrative Regulations (ARs) that outline organizational policies and procedures for specific operational areas, including financial administration, personnel administration, public information, and facilities and equipment management. However, many of these ARs require updates, are inconsistent with current practices, and may be missing important SOPs specific to City operations.

The City seeks to improve its internal and external procurement process and contracting workflow from proposal submittal to contract execution. Working with the selected consultant(s), the City intends to identify inefficiencies, reduce process steps and time, and minimize errors in work through enhanced internal collaboration and streamlined workflows. Related to procurement, the City seeks to understand best practices for signature authorities for City officials.

Lastly, the City also seeks consulting services to undertake a comprehensive review of the existing citywide management system to identify any deficiencies and make any recommendations for system improvements that will improve processes, work flows, and decision making toward a more high performing government.



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### **3. Scope of Work**

Interested firms or individuals are invited to submit their proposals in accordance with the requirements of this RFP. These firms will have extensive experience in all of the following areas:

1. Knowledge of and experience executing projects related to management system review, organizational review, and/or SOP development.
2. Demonstrated ability to build strong, positive relationships with department heads and assigned City staff to fully engage them in the process and solicit input and feedback.
3. Demonstrated ability to successfully lead diverse stakeholders and city departments on major interdisciplinary projects. Must be able to quickly understand and execute project goals midstream.
4. A clear timeline and plan with specific deliverables (as applicable, recognizing some services are on-call). Deliverables may include interviews, monthly status updates, a draft and final report, final presentation to city management, as well as updated ARs/SOPs.

**(1) Administrative Regulation / SOP Improvement Consulting Services (On-Call)**

The scope of work may include: a high-level review of existing policies, regulations, and procedures/workflows, conducting interviews with City's executive leadership team and other key staff, research and provide best practices, and develop recommendations. Existing documents and a standard AR template will be provided by the City.

It is envisioned that the selected consultant(s) will conduct a high-level review of the existing ARs first and recommend how the City's ARs/management system should be modeled based on existing best practices. City staff will then use this framework to work with each department to create or update its respective ARs. The consultant(s) will then return to engage with staff in the final phases, providing a last review and feedback on those draft ARs before official approval by the City. Consultant may also be contracted to return and provide consulting services for ARs on an as-needed basis.

The Project is estimated to last six (6) months, and the selected consultant will be assigned to City staff members who will serve as project liaison to each department and division. The required number of hours required monthly will vary, depending on the phase of the project.

**(2) Procurement Process Improvement Consulting Services (On-Call)**

The scope of work may include: a thorough review of the City's existing procurement and contracting process, conducting interviews with City's executive leadership team, finance department and other key staff, identifying inefficiencies and making recommendations to reduce process steps and time, and minimize errors in work. A review of signature authorities in the context of best practices is desired.



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This process may occur concurrently with financial management-related AR update. The expected project time is less than three (3) months.

**(3) Management System Review**

Consulting services are needed to review various existing management and operational systems for deficiencies and make recommendations for improvements. Such review is neither intended to be an audit nor conducted as an audit. Rather it is focused on identifying specific recommendations for improvement and clear communication of decision making systems and work flows relied upon by management throughout the organization, including executives and the City Manager's Office.

This process may occur concurrently with other scopes of work above and the expected project time is two (2) months.

For final deliverables for the project, the consultant will be expected to provide the entire reports, ARs, and other materials electronically (i.e. both Microsoft Word and Acrobat Adobe PDF including all the charts and graphics, if any, without password protection in a flash drive or through cloud-based applications).

## **4. Submittal Content**

Responses submitted to the City should include the following components and demonstrate extensive experience in the areas listed in Section 2 and Section 3:

**1. Cover Letter**

- A signed cover letter providing an introduction and a proposed approach.
- The letter should list all potential sub-consultants who will be engaging in this project.

**2. Firm Qualifications**

- An overview of qualifications for the firm, which should include the type of organization, size, professional registration, and affiliations of the company.
- Relevant project experience that includes project name, scope of work, costs, partnership structures, duration, and applicability to this RFP. All relevant project experience should fall within Section 3.
- Resumes and backgrounds of the principal staff who will be working directly and regularly on this project as well as their roles. Clearly identify the project lead who will be responsible for the day-to-day management of the project.
- Three references for whom the proposer has performed services of similar scope within the past ten years. Include the name, address of the organization, email and phone number of a contact person, with a description of the services performed.



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- Provide a 2-page sample Standard Operating Procedure document from the firm where at least one of the listed personnel played a key role in writing or reviewing said document.

**3. Cost Proposal**

- Provide an hourly rate fee to provide the aforementioned services in Section 3 above per three separate scope of work. For the management system review, a flat fee proposal is also desirable. Respondents may choose to provide three separate cost proposals for the (1) AR project, (2) Procurement Process Improvement and (3) consulting services for management system review.

## **5. SOQ Submittal Timeline and Process**

Respondents are required to submit the following:

Complete written proposals must be submitted electronically in PDF file format via the PlanetBids.com website no later than 4:00 p.m. (P.S.T) August 22, 2022. Proposals will not be accepted after this deadline. Faxed or e-mailed proposals will not be accepted.

Direct all questions or requests for information about this RFP in writing through the PlanetBids Q&A tab no later than 4:00 p.m. PST on August 10, 2022 for response.

From the date that this RFP is issued until a firm is selected and the selection is announced, firms are not allowed to communicate for any reason with any City employee other than the contracting officer listed above regarding this RFP, except during the pre-proposal conference. Refer to the Schedule of Events of this RFP the City webpage to determine if a pre-proposal conference has been scheduled. The City reserves the right to reject any proposal for violation of this provision. No questions other than written will be accepted, and no response other than written will be binding upon the City.

It is important to note that the City reserves the right to reject any and all responses. The City will not be liable for, nor pay for any costs incurred by responding firms relating to the preparation of the response. An explicit provision of this RFP is that any oral communication is not binding on the City's RFP response process or selection criteria.

### **RFP Assessment Process**

The City will coordinate a review and evaluation of all responses received by the City in response to this RFP. As part of the assessment process, the City will place particular emphasis on the qualifications/experience of the individuals assigned to the project; directly relevant qualifications /experience of the firm; the ability for the firm to undertake the management of the RFP scope of work; and each firm's understanding and proposed approach to the project. The following specific criteria will be used in the evaluation process:

1. Qualifications and experience of the individuals assigned to the contract
2. Qualifications and experience of the responding firm
3. Experience and track record conducting similar work for similar cities.
4. Understanding and approach to the proposed scope of work in Huntington Beach



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Overall Assessment / Selection Process

After assessing all of the responses received, the most qualified respondents will be invited to participate in an interview with City staff. Following that interview process, the City will identify a selected specialist(s) to partner with on this project. The selected specialist(s) will be asked to enter into a Professional Service Contract with the City. The anticipated timeline for these next steps is as follows:

- Deadline for Written Questions                    August 10, 2022 by no later than 4:00 p.m.
- Responses to Questions                            August 16, 2022
- RFP Submittal Deadline:                           August 22, 2022 by no later than 4:00 p.m.
- Interviews w/ Selected Firms:                    If needed, a mutually agreed upon time between the City and the identified firms, to take place in late August –early September 2022
- Anticipated Selection of Firm(s):                Early or mid-September, 2022

Terms and Conditions

The following terms and conditions apply to this RFP:

1. All responses shall become the property of the City.
2. Due care and diligence have been exercised in the preparation of this RFP and all information contained herein is believed to be substantially correct. However, the responsibility for determining the full extent of the services rests solely with those making responses. Neither the City nor its representatives shall be responsible for any error or omission in this response, nor for the failure on the part of the respondents to determine the full extent of their exposures.
3. The City reserves the right to select firms from the responses received; to waive any or all informalities and / or irregularities; to re-advertise with either an identical or revised scope, or to cancel any requirement in its entirety; or to reject any or all responses received.
4. A response to this RFP does not constitute a formal bid, therefore, the City retains the right to contact any / all proposing firms after submittal in order to obtain supplemental information and/or clarification in either oral or written form. Furthermore, an explicit provision of this RFP is that any oral communication made is not binding on the City's response process.
5. The City will not be liable for, nor pay for any costs incurred by responding firms relating to the preparation of any response for this RFP.
6. Insurance Requirements  
City Resolution 2008-63 requires that licensees, lessees, and vendors have an **approved** Certificate of Insurance (not a declaration or policy) on file with the City for the issuance of a permit or contract. Within ten (10) consecutive calendar days of award of contract, successful bidder must furnish the City with the Certificates of Insurance proving coverage as specified



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in insurance requirement chart. Failure to furnish the required certificates within the time allowed will result in forfeiture of the Proposal Security.

***Please carefully review the Sample Agreement and Insurance Requirements before responding to the Request for Proposal enclosed herein. The terms of the agreement, including insurance requirements have been mandated by City Council and can be modified only if extraordinary circumstances exist. Your response to the Request for Proposal must indicate if you are unwilling or unable to execute the agreement as drafted as well as providing the insurance requirements. The City will consider this in determining responsiveness to the Request for Proposal.***

## CITY OF HUNTINGTON BEACH INSURANCE REQUIREMENTS

Vendor Type	Minimum Insurance Requirements					
	Automobile Liability	General Liability	Professional Liability	Property Insurance	Workers' Comp	Additional Insured Endorsements
<p><i>Huntington Beach City Council Resolution No. 2008-63 requires submittal of certificates of insurance evidencing the following minimum limits with a California admitted carrier with a current A.M. Best's Rating of no less than A:VII. See Exhibits A1 - 4 for sample forms.</i></p> <p><i>Email: Justin.Wessels@surfcity-hb.org or Heather.Campbell@surfcity-hb.org Phone: 714-374-5378 or 714-536-5210. Fax: 714-536-5212.</i></p>						
<p><i>Any deductible other than those allowed in this matrix, self-insured retentions or similar forms of coverage limitations or modifications must be approved by the Risk Manager and City Attorney of the City of Huntington Beach. NOTE: Waivers and / or modifications are discouraged and will be considered only under extraordinary circumstances.</i></p>						
<p><b>Contractors:</b> Any persons or entities who contract with the City and/or provide services to the City which are readily available and efficiently procured by competitive bidding.</p>	<p>Minimum of \$1,000,000 per occurrence for bodily injury, personal injury and property damages. Allows up to \$1,000 deductible. (See Note 1 below.)</p>	<p>Combined single limit bodily injury and property damage. Minimum of \$1,000,000 per occurrence. Allows up to \$5,000 deductible. (Additional Insured Endorsement is always required with General Liability Ins.)</p>			<p>As required by the State of California, with Statutory Limits and Employer's Liability Insurance with a limit of no less than \$1,000,000 per accident for bodily injury or disease. (See Note 2 below.)</p>	<p>Include the policy number and Additional Insured Endorsement Requirement statement below. (See Note 3 below.)</p>
<p><b>Permittees:</b> Any persons or entities who make application to the City for any use of or encroachment upon any public street, waterway, pier, or City property.</p>						
<p><b>Vendors:</b> Any persons or entities who transfers property or goods to the City which may or may not involve delivery and/or installation.</p>						
<p>Note 1 - Automobile Liability: The City of Huntington Beach, its officers, elected or appointed officials, employees, agents and volunteers must be named as certificate holder and as additional insured by separate attached endorsement. Permittees who do not use vehicles or equipment in connection with the permit shall not be required to provide auto insurance. To be exempt from this requirement, permittees must execute a declaration such as Exhibit 1 attached.</p>						
<p>Note 2 - Workers' Compensation Exemption: If entity has no employees, a signed Declaration of Non-Employee Status form is required.</p>						
<p>Note 3 - Additional Insured Endorsement Requirements: The City, its officers, elected or appointed officials, employees, agents, and volunteers are to be covered as additional insureds by separate attached endorsement(s) as respects liability arising out of action performed by or on behalf of the contractor, products and completed operations of the contractor, premises owned, occupied or used by the contractor, or automobiles owned, leased or borrowed by the contractor. The coverage shall contain no special limitations on the scope of protection afforded to the City.</p>						

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<p><i>Any deductible other than those allowed in this matrix, self-insured retentions or similar forms of coverage limitations or modifications must be approved by the Risk Manager and City Attorney of the City of Huntington Beach. NOTE: Waivers and / or modifications are discouraged and will be considered only under extraordinary circumstances.</i></p>						
<p><b>Design Professionals:</b> Professional service contractors who contract with the City and/or provide architectural and/or engineering services to the City.</p>			<p>Minimum of \$1,000,000 per occurrence and in the aggregate. Allows up to \$10,000 deductible.</p>			
<p><b>Professional Services:</b> Services that involve the exercise of professional discretion and independent judgment based on an advanced or specialized knowledge, expertise or training gained by formal studies or experience or services which are not readily or efficiently procured by competitive bidding pursuant to HB Muni Code 3.02. Services includes but are not limited to those services provided by appraisers, architects, attorneys, engineers, instructors, insurance advisors, physicians and other specialized consultants.</p>						
<p>Claims made policies are acceptable if the policy further provides that:</p> <ol style="list-style-type: none"> <li>1) The policy retroactive date coincides with or precedes the professional services contractor's start of work (including subsequent policies purchased as renewals or replacements).</li> <li>2) The professional services contractor will make every effort to maintain similar insurance during the required extended period of coverage following project completion, including the requirement of adding all additional insureds.</li> <li>3) If insurance is terminated for any reason, professional services contractor agrees to purchase an extended reporting provision of at least two (2) years to report claims arising from work performed in connection with this agreement or permit.</li> <li>4) The reporting of circumstances or incidents that might give rise to future claims.</li> </ol>						

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	Automobile Liability	General Liability	Professional Liability	Property Insurance	Workers' Comp	Additional Insured Endorsements
<p><i>Huntington Beach City Council Resolution No. 2008-63 requires submittal of certificates of insurance evidencing the following minimum limits with a California admitted carrier with a current A.M. Best's Rating of no less than A:VII. See Exhibits A1 - 4 for sample forms.</i></p> <p><i>Email: Justin.Wessels@surfcity-hb.org or Heather.Campbell@surfcity-hb.org Phone: 714-374-5378 or 714-536-5210. Fax: 714-536-5212.</i></p>						
<p><i>Any deductible other than those allowed in this matrix, self-insured retentions or similar forms of coverage limitations or modifications must be approved by the Risk Manager and City Attorney of the City of Huntington Beach. NOTE: Waivers and / or modifications are discouraged and will be considered only under extraordinary circumstances.</i></p>						
<p><b>Licensees/Lessees:</b> Any persons or entities who contract with the City for the use of public property.</p>		<p>Combined single limit bodily injury and property damage. Minimum of \$1,000,000 per occurrence. Allows up to \$5,000 deductible.</p> <p><i>(Additional Insurance Endorsement is always required with General Liability Ins.)</i></p>		<p>Full replacement cost with no coinsurance penalty provision.</p>	<p>As required by the State of California, with Statutory Limits and Employer's Liability Insurance with a limit of no less than \$1,000,000 per accident for bodily injury or disease. <i>(See Note 1 below.)</i></p>	<p>Include the policy number and Additional Insured Endorsement Requirement statement below.<i>(See Note 2.)</i></p>
<p>Note 1 - Workers' Compensation Exemption: If entity has no employees, a signed Declaration of Non-Employee Status form is required.</p>						
<p>Note 2 - Additional Insured Endorsement Requirements: The City, its officers, elected or appointed officials, employees, agents, and volunteers are to be covered as additional insureds by separate attached endorsement(s) as respects liability arising out of action performed by or on behalf of the contractor, products and completed operations of the contractor, premises owned, occupied or used by the contractor, or automobiles owned, leased or borrowed by the contractor. The coverage shall contain no special limitations on the scope of protection afforded to the City.</p>						

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*Huntington Beach City Council Resolution No. 2008-63 requires submittal of certificates of insurance evidencing the following minimum limits with a California admitted carrier with a current A.M. Best's Rating of no less than A:VII.*

*Any deductible other than those allowed in this matrix, self-insured retentions or similar forms of coverage limitations or modifications must be approved by the Risk Manager and City Attorney of the City of Huntington Beach. NOTE: Waivers and / or modifications are discouraged and will be considered only under extraordinary circumstances.*

Vendor Type	Minimum Insurance Requirements
	Professional Liability
<p><b>Design Professionals:</b> Professional service contractors who contract with the City and/or provide architectural and/or engineering services to the City.</p>	<p>Minimum of \$1,000,000 per occurrence and in the aggregate. Allows up to \$10,000 deductible.</p>
<p><b>Professional Services:</b> Services that involve the exercise of professional discretion and independent judgment based on an advanced or specialized knowledge, expertise or training gained by formal studies or experience or services which are not readily or efficiently procured by competitive bidding pursuant to HB Muni Code 3.02. Services includes but is not limited to those services provided by appraisers, architects, attorneys, engineers, instructors, insurance advisors, physicians and other specialized consultants.</p>	

Claims made policies are acceptable if the policy further provides that:

- 1) The policy retroactive date coincides with or precedes the professional services contractor's start of work (including subsequent policies purchased as renewals or replacements).
- 2) The professional services contractor will make every effort to maintain similar insurance during the required extended period of coverage following project completion, including the requirement of adding all additional insureds.
- 3) If insurance is terminated for any reason, professional services contractor agrees to purchase an extended reporting provision of at least two (2) years to report claims arising from work performed in connection with this agreement or permit.
- 4) The reporting of circumstances or incidents that might give rise to future claims.

PROFESSIONAL SERVICES CONTRACT BETWEEN  
THE CITY OF HUNTINGTON BEACH AND

FOR

THIS AGREEMENT ("Agreement") is made and entered into by and between the City of Huntington Beach, a municipal corporation of the State of California, hereinafter referred to as "CITY," and \_\_\_\_\_, a \_\_\_\_\_ hereinafter referred to as "CONSULTANT."

WHEREAS, CITY desires to engage the services of a consultant to \_\_\_\_\_; and

Pursuant to documentation on file in the office of the City Clerk, the provisions of the Huntington Beach Municipal Code, Chapter 3.03, relating to procurement of professional service contracts have been complied with; and

CONSULTANT has been selected to perform these services,

NOW, THEREFORE, it is agreed by CITY and CONSULTANT as follows:

1. SCOPE OF SERVICES

CONSULTANT shall provide all services as described in **Exhibit "A,"** which is attached hereto and incorporated into this Agreement by this reference. These services shall sometimes hereinafter be referred to as the "PROJECT."

CONSULTANT hereby designates \_\_\_\_\_ who shall represent it and be its sole contact and agent in all consultations with CITY during the performance of this Agreement.

2. CITY STAFF ASSISTANCE

CITY shall assign a staff coordinator to work directly with CONSULTANT in the performance of this Agreement.

3. TERM; TIME OF PERFORMANCE

Time is of the essence of this Agreement. The services of CONSULTANT are to commence on \_\_\_\_\_, 20\_\_\_\_ (the "Commencement Date"). This Agreement

shall automatically terminate three (3) years from the Commencement Date, unless extended or sooner terminated as provided herein. All tasks specified in **Exhibit "A"** shall be completed no later than \_\_\_\_\_ from the Commencement Date. The time for performance of the tasks identified in **Exhibit "A"** are generally to be shown in **Exhibit "A."** This schedule may be amended to benefit the PROJECT if mutually agreed to in writing by CITY and CONSULTANT.

In the event the Commencement Date precedes the Effective Date, CONSULTANT shall be bound by all terms and conditions as provided herein.

4. COMPENSATION

In consideration of the performance of the services described herein, CITY agrees to pay CONSULTANT on a time and materials basis at the rates specified in **Exhibit "B,"** which is attached hereto and incorporated by reference into this Agreement, a fee, including all costs and expenses, not to exceed \_\_\_\_\_ Dollars (\$ \_\_\_\_\_).

5. EXTRA WORK

In the event CITY requires additional services not included in **Exhibit "A"** or changes in the scope of services described in **Exhibit "A,"** CONSULTANT will undertake such work only after receiving written authorization from CITY. Additional compensation for such extra work shall be allowed only if the prior written approval of CITY is obtained.

6. METHOD OF PAYMENT

CONSULTANT shall be paid pursuant to the terms of **Exhibit "B."**

7. DISPOSITION OF PLANS, ESTIMATES AND OTHER DOCUMENTS

CONSULTANT agrees that title to all materials prepared hereunder, including, without limitation, all original drawings, designs, reports, both field and office notices, calculations, computer code, language, data or programs, maps, memoranda, letters and other documents, shall belong to CITY, and CONSULTANT shall turn these materials over to CITY upon expiration or

termination of this Agreement or upon PROJECT completion, whichever shall occur first. These materials may be used by CITY as it sees fit.

8. HOLD HARMLESS

A. CONSULTANT hereby agrees to protect, defend, indemnify and hold harmless CITY, its officers, elected or appointed officials, employees, agents and volunteers from and against any and all claims, damages, losses, expenses, judgments, demands and defense costs (including, without limitation, costs and fees of litigation of every nature or liability of any kind or nature) arising out of or in connection with CONSULTANT's (or CONSULTANT's subcontractors, if any) negligent (or alleged negligent) performance of this Agreement or its failure to comply with any of its obligations contained in this Agreement by CONSULTANT, its officers, agents or employees except such loss or damage which was caused by the sole negligence or willful misconduct of CITY. CONSULTANT will conduct all defense at its sole cost and expense and CITY shall approve selection of CONSULTANT's counsel. This indemnity shall apply to all claims and liability regardless of whether any insurance policies are applicable. The policy limits do not act as limitation upon the amount of indemnification to be provided by CONSULTANT.

B. To the extent that CONSULTANT performs "Design Professional Services" within the meaning of Civil Code Section 2782.8, then the following Hold Harmless provision applies in place of subsection A above:

"CONSULTANT hereby agrees to protect, defend, indemnify and hold harmless CITY and its officers, elected or appointed officials, employees, agents and volunteers, from and against any and all claims, damages, losses, expenses, demands and defense costs (including, without limitation, costs and fees of litigation of every nature or liability of any kind or nature) to the extent that the claims against CONSULTANT arise out of, pertain to, or relate to the negligence, recklessness, or willful misconduct of CONSULTANT. In no event shall the cost to defend charged

to CONSULTANT exceed CONSULTANT's proportionate percentage of fault. However, notwithstanding the previous sentence, in the event one or more other defendants to the claims and/or litigation is unable to pay its share of defense costs due to bankruptcy or dissolution of the business, CONSULTANT shall meet and confer with CITY and other defendants regarding unpaid defense costs. The duty to indemnify, including the duty and the cost to defend, is limited as provided in California Civil Code Section 2782.8.

C. Regardless of whether subparagraph A or B applies, CITY shall be reimbursed by CONSULTANT for all costs and attorney's fees incurred by CITY in enforcing this obligation. This indemnity shall apply to all claims and liability regardless of whether any insurance policies are applicable. The policy limits do not act as a limitation upon the amount of indemnification to be provided by CONSULTANT.

9. PROFESSIONAL LIABILITY INSURANCE

CONSULTANT shall obtain and furnish to CITY a professional liability insurance policy covering the work performed by it hereunder. This policy shall provide coverage for CONSULTANT's professional liability in an amount not less than One Million Dollars (\$1,000,000.00) per occurrence and in the aggregate. The above-mentioned insurance shall not contain a self-insured retention without the express written consent of CITY; however an insurance policy "deductible" of Ten Thousand Dollars (\$10,000.00) or less is permitted. A claims-made policy shall be acceptable if the policy further provides that:

- A. The policy retroactive date coincides with or precedes the initiation of the scope of work (including subsequent policies purchased as renewals or replacements).
- B. CONSULTANT shall notify CITY of circumstances or incidents that might give rise to future claims.

CONSULTANT will make every effort to maintain similar insurance during the required extended period of coverage following PROJECT completion. If insurance is terminated for any reason, CONSULTANT agrees to purchase an extended reporting provision of at least two (2) years to report claims arising from work performed in connection with this Agreement.

If CONSULTANT fails or refuses to produce or maintain the insurance required by this section or fails or refuses to furnish the CITY with required proof that insurance has been procured and is in force and paid for, the CITY shall have the right, at the CITY's election, to forthwith terminate this Agreement. Such termination shall not effect Consultant's right to be paid for its time and materials expended prior to notification of termination. CONSULTANT waives the right to receive compensation and agrees to indemnify the CITY for any work performed prior to approval of insurance by the CITY.

10. CERTIFICATE OF INSURANCE

Prior to commencing performance of the work hereunder, CONSULTANT shall furnish to CITY a certificate of insurance subject to approval of the City Attorney evidencing the foregoing insurance coverage as required by this Agreement; the certificate shall:

- A. provide the name and policy number of each carrier and policy;
- B. state that the policy is currently in force; and
- C. shall promise that such policy shall not be suspended, voided or canceled by either party, reduced in coverage or in limits except after thirty (30) days' prior written notice; however, ten (10) days' prior written notice in the event of cancellation for nonpayment of premium.

CONSULTANT shall maintain the foregoing insurance coverage in force until the work under this Agreement is fully completed and accepted by CITY.

The requirement for carrying the foregoing insurance coverage shall not derogate from CONSULTANT's defense, hold harmless and indemnification obligations as set forth in this Agreement. CITY or its representative shall at all times have the right to demand the original or a copy of the policy of insurance. CONSULTANT shall pay, in a prompt and timely manner, the premiums on the insurance hereinabove required.

11. INDEPENDENT CONTRACTOR

CONSULTANT is, and shall be, acting at all times in the performance of this Agreement as an independent contractor herein and not as an employee of CITY. CONSULTANT shall secure at its own cost and expense, and be responsible for any and all payment of all taxes, social security, state disability insurance compensation, unemployment compensation and other payroll deductions for CONSULTANT and its officers, agents and employees and all business licenses, if any, in connection with the PROJECT and/or the services to be performed hereunder.

12. TERMINATION OF AGREEMENT

All work required hereunder shall be performed in a good and workmanlike manner. CITY may terminate CONSULTANT's services hereunder at any time with or without cause, and whether or not the PROJECT is fully complete. Any termination of this Agreement by CITY shall be made in writing, notice of which shall be delivered to CONSULTANT as provided herein. In the event of termination, all finished and unfinished documents, exhibits, report, and evidence shall, at the option of CITY, become its property and shall be promptly delivered to it by CONSULTANT.

13. ASSIGNMENT AND DELEGATION

This Agreement is a personal service contract and the work hereunder shall not be assigned, delegated or subcontracted by CONSULTANT to any other person or entity without the prior express written consent of CITY. If an assignment, delegation or subcontract is approved, all

approved assignees, delegates and subconsultants must satisfy the insurance requirements as set forth in Sections 9 and 10 hereinabove.

14. COPYRIGHTS/PATENTS

CITY shall own all rights to any patent or copyright on any work, item or material produced as a result of this Agreement.

15. CITY EMPLOYEES AND OFFICIALS

CONSULTANT shall employ no CITY official nor any regular CITY employee in the work performed pursuant to this Agreement. No officer or employee of CITY shall have any financial interest in this Agreement in violation of the applicable provisions of the California Government Code.

16. NOTICES

Any notices, certificates, or other communications hereunder shall be given either by personal delivery to CONSULTANT's agent (as designated in Section 1 hereinabove) or to CITY as the situation shall warrant, or by enclosing the same in a sealed envelope, postage prepaid, and depositing the same in the United States Postal Service, to the addresses specified below. CITY and CONSULTANT may designate different addresses to which subsequent notices, certificates or other communications will be sent by notifying the other party via personal delivery, a reputable overnight carrier or U. S. certified mail-return receipt requested:

TO CITY:

TO CONSULTANT:

City of Huntington Beach  
ATTN:  
2000 Main Street  
Huntington Beach, CA 92648

17. CONSENT

When CITY's consent/approval is required under this Agreement, its consent/approval for one transaction or event shall not be deemed to be a consent/approval to any subsequent occurrence of the same or any other transaction or event.

18. MODIFICATION

No waiver or modification of any language in this Agreement shall be valid unless in writing and duly executed by both parties.

19. SECTION HEADINGS

The titles, captions, section, paragraph and subject headings, and descriptive phrases at the beginning of the various sections in this Agreement are merely descriptive and are included solely for convenience of reference only and are not representative of matters included or excluded from such provisions, and do not interpret, define, limit or describe, or construe the intent of the parties or affect the construction or interpretation of any provision of this Agreement.

20. INTERPRETATION OF THIS AGREEMENT

The language of all parts of this Agreement shall in all cases be construed as a whole, according to its fair meaning, and not strictly for or against any of the parties. If any provision of this Agreement is held by an arbitrator or court of competent jurisdiction to be unenforceable, void, illegal or invalid, such holding shall not invalidate or affect the remaining covenants and provisions of this Agreement. No covenant or provision shall be deemed dependent upon any other unless so expressly provided here. As used in this Agreement, the masculine or neuter gender and singular or plural number shall be deemed to include the other whenever the context so indicates or requires. Nothing contained herein shall be construed so as to require the commission of any act contrary to law, and wherever there is any conflict between any provision contained herein and any present or future statute, law, ordinance or regulation contrary to which

the parties have no right to contract, then the latter shall prevail, and the provision of this Agreement which is hereby affected shall be curtailed and limited only to the extent necessary to bring it within the requirements of the law.

21. DUPLICATE ORIGINAL

The original of this Agreement and one or more copies hereto have been prepared and signed in counterparts as duplicate originals, each of which so executed shall, irrespective of the date of its execution and delivery, be deemed an original. Each duplicate original shall be deemed an original instrument as against any party who has signed it.

22. IMMIGRATION

CONSULTANT shall be responsible for full compliance with the immigration and naturalization laws of the United States and shall, in particular, comply with the provisions of the United States Code regarding employment verification.

23. LEGAL SERVICES SUBCONTRACTING PROHIBITED

CONSULTANT and CITY agree that CITY is not liable for payment of any subcontractor work involving legal services, and that such legal services are expressly outside the scope of services contemplated hereunder. CONSULTANT understands that pursuant to *Huntington Beach City Charter* Section 309, the City Attorney is the exclusive legal counsel for CITY; and CITY shall not be liable for payment of any legal services expenses incurred by CONSULTANT.

24. ATTORNEY'S FEES

In the event suit is brought by either party to construe, interpret and/or enforce the terms and/or provisions of this Agreement or to secure the performance hereof, each party shall bear its own attorney's fees, such that the prevailing party shall not be entitled to recover its attorney's fees from the nonprevailing party.

25. SURVIVAL

Terms and conditions of this Agreement, which by their sense and context survive the expiration or termination of this Agreement, shall so survive.

26. GOVERNING LAW

This Agreement shall be governed and construed in accordance with the laws of the State of California.

27. SIGNATORIES

Each undersigned represents and warrants that its signature hereinbelow has the power, authority and right to bind their respective parties to each of the terms of this Agreement, and shall indemnify CITY fully for any injuries or damages to CITY in the event that such authority or power is not, in fact, held by the signatory or is withdrawn.

28. ENTIRETY

The parties acknowledge and agree that they are entering into this Agreement freely and voluntarily following extensive arm's length negotiation, and that each has had the opportunity to consult with legal counsel prior to executing this Agreement. The parties also acknowledge and agree that no representations, inducements, promises, agreements or warranties, oral or otherwise, have been made by that party or anyone acting on that party's behalf, which are not embodied in this Agreement, and that that party has not executed this Agreement in reliance on any representation, inducement, promise, agreement, warranty, fact or circumstance not expressly set forth in this Agreement. This Agreement, and the attached exhibits, contain the entire agreement between the parties respecting the subject matter of this Agreement, and supersede all prior understandings and agreements whether oral or in writing between the parties respecting the subject matter hereof.

29. EFFECTIVE DATE

This Agreement shall be effective on the date of its approval by the City Council.

This Agreement shall expire when terminated as provided herein.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by and through their authorized officers.

CONSULTANT,

COMPANY NAME

CITY OF HUNTINGTON BEACH, a  
municipal corporation of the State of  
California

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

print name

**ITS:** (circle one) Chairman/President/Vice President

**AND**

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

print name

**ITS:** (circle one) Secretary/Chief Financial Officer/Asst.  
Secretary - Treasurer

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
City Clerk

INITIATED AND APPROVED:

\_\_\_\_\_  
REVIEWED AND APPROVED:

\_\_\_\_\_  
City Manager

APPROVED AS TO FORM:

\_\_\_\_\_  
City Attorney

## **EXHIBIT "A"**

- A. STATEMENT OF WORK: (Narrative of work to be performed)
  
- B. CONSULTANT'S DUTIES AND RESPONSIBILITIES:
  
- C. CITY'S DUTIES AND RESPONSIBILITIES:
  
- D. WORK PROGRAM/PROJECT SCHEDULE:

## EXHIBIT "B"

### Payment Schedule (Hourly Payment)

#### A. Hourly Rate

CONSULTANT'S fees for such services shall be based upon the following hourly rate and cost schedule:

B. Travel Charges for time during travel are not reimbursable.

#### C. Billing

1. All billing shall be done monthly in fifteen (15) minute increments and matched to an appropriate breakdown of the time that was taken to perform that work and who performed it.
2. Each month's bill should include a total to date. That total should provide, at a glance, the total fees and costs incurred to date for the project.
3. A copy of memoranda, letters, reports, calculations and other documentation prepared by CONSULTANT may be required to be submitted to CITY to demonstrate progress toward completion of tasks. In the event CITY rejects or has comments on any such product, CITY shall identify specific requirements for satisfactory completion.
4. CONSULTANT shall submit to CITY an invoice for each monthly payment due. Such invoice shall:
  - A) Reference this Agreement;
  - B) Describe the services performed;
  - C) Show the total amount of the payment due;
  - D) Include a certification by a principal member of CONSULTANT's firm that the work has been performed in accordance with the provisions of this Agreement; and
  - E) For all payments include an estimate of the percentage of work completed.

Upon submission of any such invoice, if CITY is satisfied that CONSULTANT is making satisfactory progress toward completion of tasks in accordance with this Agreement, CITY shall approve the invoice, in which event payment shall be made within thirty (30) days of receipt of the invoice by CITY. Such approval shall not be unreasonably withheld. If CITY does not approve an invoice, CITY shall notify CONSULTANT in writing of the reasons for non-approval and the schedule of performance set forth in **Exhibit "A"** may at the option of CITY be suspended until the parties agree that past performance by CONSULTANT is in, or has been brought into compliance, or until this Agreement has expired or is terminated as provided herein.

5. Any billings for extra work or additional services authorized in advance and in writing by CITY shall be invoiced separately to CITY. Such invoice shall contain all of the information required above, and in addition shall list the hours expended and hourly rate charged for such time. Such invoices shall be approved by CITY if the work performed is in accordance with the extra work or additional services requested, and if CITY is satisfied that the statement of hours worked and costs incurred is accurate. Such approval shall not be unreasonably withheld. Any dispute between the parties concerning payment of such an invoice shall be treated as separate and apart from the ongoing performance of the remainder of this Agreement.

## **EXHIBIT "B"**

### Payment Schedule (Fixed Fee Payment)

1. CONSULTANT shall be entitled to monthly progress payments toward the fixed fee set forth herein in accordance with the following progress and payment schedules.

2. Delivery of work product: A copy of every memorandum, letter, report, calculation and other documentation prepared by CONSULTANT shall be submitted to CITY to demonstrate progress toward completion of tasks. In the event CITY rejects or has comments on any such product, CITY shall identify specific requirements for satisfactory completion.

3. CONSULTANT shall submit to CITY an invoice for each monthly progress payment due. Such invoice shall:

- A) Reference this Agreement;
- B) Describe the services performed;
- C) Show the total amount of the payment due;
- D) Include a certification by a principal member of CONSULTANT's firm that the work has been performed in accordance with the provisions of this Agreement; and
- E) For all payments include an estimate of the percentage of work completed.

Upon submission of any such invoice, if CITY is satisfied that CONSULTANT is making satisfactory progress toward completion of tasks in accordance with this Agreement, CITY shall approve the invoice, in which event payment shall be made within thirty (30) days of receipt of the invoice by CITY. Such approval shall not be unreasonably withheld. If CITY does not approve an invoice, CITY shall notify CONSULTANT in writing of the reasons for non-approval and the schedule of performance set forth in **Exhibit "A"** may at the option of CITY be suspended until the parties agree that past performance by CONSULTANT is in, or has been brought into compliance, or until this Agreement has expired or is terminated as provided herein.

4. Any billings for extra work or additional services authorized in advance and in writing by CITY shall be invoiced separately to CITY. Such invoice shall contain all of the information required above, and in addition shall list the hours expended and hourly rate charged for such time. Such invoices shall be approved by CITY if the work performed is in accordance with the extra work or additional services requested, and if CITY is satisfied that the statement of hours worked and costs incurred is accurate. Such approval shall not be unreasonably withheld. Any dispute between the parties concerning payment of such an invoice shall be treated as separate and apart from the ongoing performance of the remainder of this Agreement.

PROFESSIONAL SERVICES CONTRACT BETWEEN  
THE CITY OF HUNTINGTON BEACH AND

FOR

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