



CITY OF EL SEGUNDO
FINANCE DEPARTMENT
350 Main Street
El Segundo, CA 90245

REQUEST FOR PROPOSALS

PROPOSAL NUMBER: 25-02
PROPOSAL TITLE: Water and Wastewater Rate Study
REQUESTING DEPARTMENT: Finance
RELEASE DATE: January 22, 2026

DUE DATE: February 27, 2026, no later than 11:00 AM

Notice is hereby given that sealed proposals will be received in the office of the City Clerk, City Hall, 350 Main Street Room 5, El Segundo, CA 90245 until 11:00 AM (PST), February 27, 2026

Late proposals will not be accepted.

Interested parties may obtain a copy of this RFP by accessing the City of El Segundo website:

<https://www.elsegundo.org/government/departments/city-clerk/bid-rfp>

Any and all updates, addenda, questions and answers and changes to this RFP will be distributed through the Bid/RFP webpage. The city will not be held responsible or liable if interested bidders or proposals miss any information relevant to this RFP

REQUEST FOR PROPOSALS

Water and Wastewater Rate Study

To be considered, proposers must submit five **(5) copies (one marked “Original” plus 4 copies)** in a sealed envelope with the name and address of the company submitting the proposal and it should be clearly marked with the words “Request for Proposal 25-02” and the title “Water and Wastewater Rate Study” no later than 11:00 AM PST on February 27, 2026, to the following address:

**City of El Segundo
Office of the City Clerk
350 Main Street, Room 5
El Segundo, CA 90245**

Proposals received after the schedule submittal deadline will not be accepted and may be returned at the proposer’s expense.

Firms mailing or shipping their proposals must allow sufficient delivery time to ensure timely receipt of their proposals by the specified time. **Postmarks and submissions by fax or other electronic media will not be accepted under any circumstances.** Firms are reminded to check with mail delivery services on delivery dates to ensure timely delivery of proposals by the posted due date. Firms are solely responsible for ensuring proposals are received by the City on time – the City will not be responsible for any delay in delivery by any mail delivery service.

The City of El Segundo reserves the right to reject any or all proposals, to waive any informality or irregularity in any proposal received, and to be the sole judge of the merits of the respective proposals received.

During the evaluation process, the City of El Segundo reserves the right, where it may serve the City of El Segundo’s best interest, to request additional information or clarifications from proposers, or to allow corrections of errors or omissions. At the discretion of the City of El Segundo, firms submitting proposals may be requested to make oral presentations as part of the evaluation process.

INTRODUCTION

The City of El Segundo Finance Department is seeking proposals from qualified firms/consultants to develop a comprehensive study of the City's Water and Wastewater rates. The study should ensure the City's Water and Wastewater utilities have sufficient, defensible funding to meet operational and capital improvement costs. In addition, the firm is to provide a financial model showing rate impacts created by new capital improvement projects and operational costs and develop a water rate structure that meets financial obligations and encourages more efficient water use. This model shall be used by City staff for future financial planning.

PURPOSE

To develop a study for Water and Wastewater rate structures to be implemented in April 2027 and used to calculate annual Water and Wastewater rates through 2031.

BACKGROUND

With our friendly, small-town charm and an ever-growing community of diverse businesses, El Segundo is a thriving coastal community and 5.5 square mile economic powerhouse.

El Segundo offers beautiful residential neighborhoods, a vibrant downtown, unequalled connectivity to greater LA, major freeways, three Metro stops, and is just minutes from Los Angeles International Airport (LAX).

The City has a vibrant hospitality sector with fifteen hotels, a welcoming downtown and a variety of restaurants, breweries, and shops. El Segundo is at the epicenter of sports culture and is the only city in America that is home to headquarters and practice facilities for three professional sports teams - the Los Angeles Chargers, Los Angeles Lakers, and the LA Kings. And with nearby SoFi stadium, home to the 2026 World Cup and 2028 Olympics, we are ready to welcome sports enthusiasts from around the world.

El Segundo is home to the Los Angeles Times, Los Angeles Air Force Base, and several Fortune 500 companies including Boeing, Chevron, L'Oreal, Mattel, and Raytheon. Recognized as the "Aerospace Capital of the World", our vibrant economy includes leaders in aerospace and defense, bioscience, information technology, energy, real estate, and creative media.

The City provides a full range of municipal services, including police, fire, public works, planning, building, parks & recreation, and library.

Water

The City is approximately 5.5 square miles and owns and operates its water distribution system. The City provides and maintains water service to nearly 17,000 residents and an approximately 70,000 people commute into El Segundo for work through approximately 6,000 water service connections. The Water Division operates and maintains approximately 65 miles of water lines.

The City supplies an average of approximately 10,000-acre feet of water per year to its water customers and provides reclaimed water for irrigation and industrial purposes. El Segundo is dependent on the Metropolitan Water District as its sole water provider through a long-standing agreement with the West Basin Water District.

Since 2021, the City has followed a tiered water rate structure. Water rates include fixed charges per meter size that are uniform for all customer classes, tiered rates for single family residential users, flat rates for multifamily residential users and for commercial and institutional users. The City also has Recycled rates from West Basin which are passed directly on to the use, with a surcharge for Chevron, and a fixed charge for the meter based on meter size. There are also Private Fire Protection Rates where users pay a fixed charge for the meter based on meter size, and appropriate rate for any consumption.

In 2020, a water study update was conducted by the City and an outside consultant to address changing factors such as rising water costs and changes to water usage patterns. The rate study update was used for the five-year Water and Wastewater rate adjustment schedule for calendar years 2021 through 2025.

Wastewater

The El Segundo **Wastewater (Sewer) Division**, a branch of Public Works, manages the collection and transport of sewage through 57 miles of mains and nine lift stations. The city does not treat waste itself; instead, it funnels approximately **500 million gallons** annually to the Hyperion Treatment Plant (LA City) or the Carson Plant (LA County).

Key Responsibilities

- **Maintenance:** Operates an automated 24/7 system to prevent blockages and overflows.
- **Compliance:** Manages the **Fats, Oils, and Grease (FOG)** program and industrial waste permits.
- **Infrastructure:** Oversees the city's Sewer System Management Plan (SSMP) and emergency repairs.

The wastewater system is currently funded by a uniform connection fee for residential customers, and a connection fee plus use fee based on water use for multifamily, industrial, and commercial customers. The funds are deposited in an enterprise fund which supports the operations, maintenance, equipment, and capital improvement costs of the sanitary wastewater system.

MINIMUM REQUIREMENTS

The consultant selected to perform a Water and Wastewater rate study shall demonstrate proven experience in Water and Wastewater Rate Studies of similar size and complexity within the last five (5) years.

SCOPE OF SERVICES

The firm/consultant will analyze the current rate structure, utility operations, and capital

needs and provide recommendations on a rate structure and meet with staff to determine what rate structure will be implemented taking into consideration Proposition 218 requirements. In addition, the firm/consultant will provide a rate modeling program with a dashboard to be used by City staff for subsequent years.

The following criteria shall apply to each of the rate studies:

- Evaluate current and future cost of providing services in conformance with established or anticipated changes to standards and regulations.
- Develop an understanding of the existing rate structures and the assumptions underlying cost distribution of the various categories.
- Quantify the expected impacts that will occur with implementation of the City's capital improvement plans and master plans.
- Provide justifications for the recommended rate structures, including a rate study narrative, documenting the report methodology, assumptions, and data behind the rate recommendations.
- Demonstrate that the costs from any proposed rate structures are equitable and work with staff regarding implementing a rate structure taking into consideration Proposition 218 requirements.
- A comprehensive cost of service-based study of water and wastewater rates and Recommended rate structures that will be planned for at least five years and that will provide a predictable and stable revenue stream.
- Develop a rate modeling program that will become the property of the City, that can forecast rates up to 30 years based on expected cost increases over time including increases in the cost of water. The modeling program should have the ability to run capital improvement project scenarios and quickly show the impact on rates.
- Reserve analysis, adopted and recommended Reserve Policies and any recommendations for changes in rates to meet the cash flow objectives of those policies, must be a part of the model.
- The model must have a user-friendly dashboard with interactive graphics that automatically produces a suite of reports and graphs as inputs are changed.
- Provide training to staff in running scenarios that will allow staff to fully understand how the model operates and how results of various future recommendations may be proposed and illustrated.

In addition to the items described above, the following criteria will apply for the study of Water and Wastewater rates:

Study of Water Rates

- Work with staff to assess possible water conservation elements of the recommended rates and their impacts on the ability to fund water operations, as well as their impact on the economic well-being of the community.
- Evaluate how drought conditions would impact water sales, water costs and overall revenue stream and recommend a drought impact fee structure or surcharge to continue to fund water operations and capital projects during times of reducing water

sales and potential increased water costs.

- Assess the impact on a rate structure due to drought, loss of supply, or other water shortage factors.
- Evaluate revenue and cash flow under drought scenarios.
- Assess the impacts from ADUs.

The City shall consider additional recommendations from the firm/consultant.

The scope of services shall consist of working directly with City staff to establish a potential schedule of Water and Wastewater rates that will fulfill the above-mentioned objectives. The proposed rate structures shall be based on the full cost of service and shall be sufficient to meet the short and long-term revenue requirements to maintain the Water and Wastewater systems.

Proposed **Water and Wastewater Rate Study** shall consider the following:

- Current and projected water demands and wastewater connections.
- Current and future costs of purchasing water.
- Fixed and variable costs of providing Water and Wastewater services in accordance with current and foreseeable standards and regulations.
- Supply availability (seasonal and long-term availability).
- Ability of rates to fully fund operations and maintenance costs plus capital improvements and equipment replacements.
- Review reserve policies and set rates to adequately fund reserves to react to catastrophic events.
- Recommendations to modify the rate structures in response to changing costs, customer demand patterns, and new regulations.
- Compliance with Proposition 218

PROJECT ELEMENTS

The reports for the proposed Water and Wastewater rate structures for residential single-family and multi-family customers shall include the following:

1. An assessment of the current rate structure for comparing recommended changes; and
2. An assessment of the equity of the proposed rates for all types of property ownership and/or customer classes; and
3. An assessment of the interaction between the proposed rate structure and water conservation and the impact on funding and the economic well-being of the community; and
4. A comprehensive summary of the proposed Water and Wastewater rate structures and an assessment of the performance of the recommended structures against the current rate structure; and
5. Development of a rate calculation worksheet to be used to calculate future rates.

SERVICES TO BE PROVIDED BY THE FIRM/CONSULTANT

- Conduct a review of the existing Water and Wastewater rates and status of the overall Water and Wastewater funds.
- Identify all necessary records, data, and statistics to be supplied by the City of El Segundo.
- Meet with City staff as needed and attend evening meetings with the City Council (study sessions, and/or public hearings) to present and discuss results of the Project.
- Conduct analysis as described in the scope of services.
- Provide water demand analysis and review of current tiered methodologies for appropriate customer classes and seasonal tiered rate structures for Single- Family, Multi-Family, and Non-Residential/Commercial classifications.
- Provide a preliminary report containing sufficient background and explanation of the project goals and elements, the proposed rate structures, and an electronic rate model which can be used by the City to calculate future Water and Wastewater rates. The electronic model should be easy to use for future rate setting.
- Provide a final report, printed and electronic copies, incorporating changes and recommendations of the preliminary report in a form sufficient to be used by the Finance Director for presentation to the City Council.
- Final Proposition 218 notification.

EVALUATION PROCESS & SELECTION CRITERIA

The City will review all submittals and make a recommendation based upon the established evaluation criteria. After the proposals have been evaluated, the highest ranked firms will be interviewed. The City reserves the right to award this contract not necessarily to the firm/consultant with the lowest cost proposal, but to the firm/consultant that provides the best overall match to the Project requirements, and which best serves the interest of the City. All firms submitting a proposal will be notified in writing as to their status in the selection process.

Proposals will be evaluated based on the following criteria:

1. The firm's experience and capability to complete all aspects of the work, approach to the project, stability, and past performance on similar projects **(15 points)**
2. Experience and qualifications of personnel assigned to this project and their availability **(20 points)**
3. References from clients with similar projects **(15 points)**
4. The quality of the proposed project approach, scope, value-added, manner and thoroughness in which it is presented in the proposal **(20 points)**
5. The proposed project implementation timeline **(15 points)**
6. Price proposal (including expenses) **(15 points)**

Final selection will be made based upon both the written proposal and the interview.

Information contained in the cost envelope will be secondary and will be opened after the proposals have been reviewed; how that information is used is at the discretion of the City.

PROPOSAL FORMAT & CONTENT

So that competing proposals can be compared equally, firms/consultants must assemble their proposals in strict adherence to the layout requirements. **Failure to follow all proposal layout requirements may result in disqualification of your proposal for being non-responsive.**

Proposals should be brief and concise, devoid of extraneous material and promotional information. They should be in sufficient detail to allow a thorough evaluation of the plan of work and its correlated costs. The proposal must be assembled in the following order, with tabs separating each section.

- 1. Cover/transmittal letter indicating interest in and understanding of this RFP and its requirements** (e.g., summarize the proposal).
 - a. The signature of an authorized representative must appear on the cover sheet of the firm/consultant's proposal. The signature shall be interpreted to indicate the firm's/consultant's willingness to comply with all the terms and conditions set forth in this solicitation unless specific written exceptions are noted.
- 2. A description of the organization's professional qualifications.**
- 3. A statement indicating the number of employees, by level, who will perform the study.**
- 4. A resume for each employee who will be assigned to this project, which includes:**
 - a. Name of individual
 - b. Education/professional credentials
 - c. Experience with utility rate structures
 - d. Hourly rates
 - e. Amount of time that will be dedicated to this project
 - f. Position/role in this project
- 5. A separate listing of current and prior utility rate structure clients** indicating the following:
 - a. Types of services performed
 - b. Names, addresses, and telephone numbers of persons who may be contacted by the City of El Segundo as references
- 6. A written work plan outlining in detail how the firm/consultant proposes to complete the project.**

7. A project timeline or schedule of completion per task.

- 8. In a separate sealed envelope, provide a not-to-exceed cost estimate adequate to cover the scope of services for the project.** The cost estimate should be itemized by task and include a list of charge out rates related to the names of key personnel to be used by the firm during this project. Include time, materials, travel, and other expenses, which may be associated with the duties and obligations under this Request for Proposal. All costs must be identified.

Rates for additional Professional Services the City may request due to recommendations or supplemental services related to this RFP will be set forth in an addendum to the contract and will be performed at the same rates submitted in the proposal unless otherwise noted.

This process is not considered a bid, nor will the cost alone decide who is selected. Please note that the City of El Segundo relies heavily on the not-to-exceed amount and is reluctant to grant further increases unless substantial reasons are made for coverage.

- 9. The Proposer must include in their proposal a written statement acknowledging they can provide all the insurance required in the Insurance Requirements section as referenced in the attached sample Agreement.**

DISCRETION & LIABILITY WAIVER

The City reserves the right to reject all proposals or to request and obtain from one or more of the firms submitting proposals, supplementary information as may be necessary for City staff to analyze the proposals pursuant to the consultant selection criteria. The City is not liable for costs incurred by the firms/consultants for the cost of the proposal. The firm/consultant, by submitting a response to this RFP, waives all rights to protest or seek any legal remedies whatsoever regarding any aspect to this RFP.

All proposals shall be binding for a period of 90 days after the proposal due date. The City also reserves the following rights and options with respect to this RFP:

- To re-issue this RFP with or without change or modification, at any time prior to the City's execution of a Professional Services Agreement pursuant to this RFP;
- To cancel this RFP with or without issuing another request for proposals;
- To supplement, amend, substitute or otherwise modify this RFP at any time prior to the City's execution of a Professional Services Agreement pursuant to this RFP;
- To waive informality, defect, non-responsiveness and/or deviation from this RFP that is not, in the City's sole judgment, material to the proposal;

- To request modification of some, or all proposals following evaluation by the City; To request clarifications of any proposals;
- To negotiate simultaneously, or otherwise, with one or more Respondents; and
- To discontinue and resume negotiations with one or more Respondents.

DRAFT PROFESSIONAL SERVICES AGREEMENT (ATTACHMENT)

For the firm’s information, a copy of the standard Professional Services Agreement (PSA) for consulting services is attached. **By proposing, the Proposer agrees to be bound by the requirements under this Agreement unless otherwise noted in the Proposal.** The Proposer may suggest alternative language to any section. Some negotiation is possible to accommodate the Proposer’s suggestions. However, the Agreement is subject to change with revisions pursuant to review by the City Attorney; and the contract to be awarded by the City Council.

INSURANCE REQUIREMENTS

The chosen firm/consultant will be required to maintain insurance coverage throughout the course of the Professional Services Agreement and shall provide the City with evidence of said coverage as set forth in the Professional Services Agreement. The requirement is subject to change and modification pursuant to review by the City Attorney. The sample PSA delineates the City’s insurance requirements.

All certificates and endorsements must be received and approved by the City before work commences. The City reserves the right to require complete, certified copies of all required insurance policies, at any time.

BUSINESS LICENSE REQUIREMENT

The successful consultant shall purchase a City of El Segundo Business License prior to commencing work.

SCHEDULE**

**This is a tentative schedule and may be modified at the City’s discretion.

TASK	DUE DATE
RFP Release Date	January 22, 2026
Questions Deadline	February 5, 2026 5:00 PM
Answers to Questions	February 12, 2026
Proposals Due Date	February 27, 2026 11:00 AM

Proposal Evaluation	March 2-6, 2026
Interviews and Selection of Firms	March 9-13, 2026
City Council Award	April 7, 2026

DIRECTIONS FOR SUBMITTING THE PROPOSAL

To be considered, proposers must submit **five (5) copies (one marked “Original” plus 4 copies)** in a sealed envelope with the name and address of the company submitting the proposal and it should be clearly marked with the words **“Request for Proposal 25-02” and the title “Water and Wastewater Rate Study”** no later than **11:00 A.M. PST on February 27, 2026 to the following address:**

**City of El Segundo
Office of the City Clerk 350 Main Street, Room 5
El Segundo, CA 90245**

Proposals received after the schedule submittal deadline will not be accepted and may be returned at the proposer’s expense.

Firms mailing or shipping their proposals must allow sufficient delivery time to ensure timely receipt of their proposals by the specified time. Postmarks and submissions by fax or other electronic media will not be accepted under any circumstances. Firms are reminded to check with mail delivery services on delivery dates to ensure timely delivery of proposals by the posted due date. Firms are solely responsible for ensuring proposals are received by the City on time.

The City of El Segundo reserves the right to reject any or all proposals, to waive any informality or irregularity in any proposal received, and to be the sole judge of the merits of the respective proposals received.

RFP QUESTIONS

All questions pertaining to this RFP shall be submitted via email to Dino Marsocci, Treasury & Customer Services Manager, at Dmarsocci@elesgundo.org. The email subject line items must be “RFP 25-02 Water and Wastewater Rate Study” and must be received no later than 5:00 P.M. PST on February 5, 2026. Answer to all questions will be published and distributed through the City website by end of day on February 12, 2026.

Attachment: Exhibit A – Sample of the City of El Segundo’s Professional Services Agreement (PSA)

EXHIBIT A

DRAFT PROFESSIONAL SERVICES AGREEMENT



**PROFESSIONAL SERVICES AGREEMENT
BETWEEN
THE CITY OF EL SEGUNDO AND**

[REDACTED]

This AGREEMENT is entered into this [REDACTED] day of [REDACTED], 2026, by and between the CITY OF EL SEGUNDO, a municipal corporation and general law city ("CITY") and [ENTITY NAME], a [LOCATION AND TYPE OF ENTITY, E.G., A CALIFORNIA CORPORATION] ("CONSULTANT").

1. CONSIDERATION.

- A. As partial consideration, CONSULTANT agrees to perform the work listed in the SCOPE OF SERVICES, below;
- B. As additional consideration, CONSULTANT and CITY agree to abide by the terms and conditions contained in this Agreement;
- C. As additional consideration, CITY agrees to pay CONSULTANT a sum not to exceed \$ [REDACTED] for CONSULTANT's services. CITY may modify this amount as set forth below. Unless otherwise specified by written amendment to this Agreement, CITY will pay this sum as specified in the attached Exhibit "A," which is incorporated by reference.

2. SCOPE OF SERVICES.

- A. CONSULTANT will perform services listed in the attached Exhibit "A," which is incorporated by reference.
- B. CONSULTANT will, in a professional manner, furnish all of the labor, technical, administrative, professional and other personnel, all supplies and materials, equipment, printing, vehicles, transportation, office space and facilities, and all tests, testing and analyses, calculation, and all other means whatsoever, except as herein otherwise expressly specified to be furnished by CITY, necessary or proper to perform and complete the work and provide the professional services required of CONSULTANT by this Agreement.

3. PERFORMANCE STANDARDS. While performing this Agreement, CONSULTANT will use the appropriate generally accepted professional standards of practice existing at the time of performance utilized by persons engaged in providing similar services. CITY will continuously monitor CONSULTANT's services. CITY will notify CONSULTANT of any deficiencies and CONSULTANT will have fifteen (15) days after such notification to cure any shortcomings to CITY's satisfaction. Costs associated with curing the deficiencies will be borne by CONSULTANT.

4. PAYMENTS. For CITY to pay CONSULTANT as specified by this Agreement, CONSULTANT must submit a detailed invoice to CITY which lists the hours worked and hourly

rates for each personnel category and reimbursable costs (all as set forth in Exhibit "A") the tasks performed, the percentage of the task completed during the billing period, the cumulative percentage completed for each task, the total cost of that work during the preceding billing month and a cumulative cash flow curve showing projected and actual expenditures versus time to date.

5. NON-APPROPRIATION OF FUNDS. Payments due and payable to CONSULTANT for current services are within the current budget and within an available, unexhausted, and unencumbered appropriation of the CITY. In the event the CITY has not appropriated sufficient funds for payment of CONSULTANT services beyond the current fiscal year, this Agreement will cover only those costs incurred up to the conclusion of the current fiscal year.

6. FAMILIARITY WITH WORK. By executing this Agreement, CONSULTANT agrees that it has:

- A. Carefully investigated and considered the scope of services to be performed;
- B. Carefully considered how the services should be performed; and
- C. Understands the facilities, difficulties, and restrictions attending performance of the services under this Agreement.

If services involve work upon any site, CONSULTANT agrees that CONSULTANT has or will investigate the site and is or will be fully acquainted with the conditions there existing, before commencing the services hereunder. Should CONSULTANT discover any latent or unknown conditions that may materially affect the performance of the services, CONSULTANT will immediately inform CITY of such fact and will not proceed except at CONSULTANT's own risk until written instructions are received from CITY.

7. TERM. The term of this Agreement will be from [REDACTED], to [REDACTED]. Unless otherwise determined by written amendment between the parties, this Agreement will terminate in the following instances:

- A. Completion of the work specified in Exhibit "A";
- B. Termination as stated in Section 15.

8. TIME FOR PERFORMANCE. CONSULTANT will not perform any work under this Agreement until:

- A. CONSULTANT furnishes proof of insurance as required under Section 22 of this Agreement; and
- B. CITY gives CONSULTANT a written notice to proceed.

Should CONSULTANT begin work on any phase in advance of receiving written authorization to proceed, any such professional services are at CONSULTANT's own risk.

9. TIME EXTENSIONS. Should CONSULTANT be delayed by causes beyond CONSULTANT's control, CITY may grant a time extension for the completion of the contracted services. If delay occurs, CONSULTANT must notify the Manager within forty-eight hours (48 hours), in writing, of the cause and the extent of the delay and how such delay interferes with the

Agreement's schedule. The Manager will extend the completion time, when appropriate, for the completion of the contracted services.

10. CONSISTENCY. In interpreting this Agreement and resolving any ambiguities, the main body of this Agreement takes precedence over the attached Exhibits; this Agreement supersedes any conflicting provisions. Any inconsistency between the Exhibits will be resolved in the order in which the Exhibits appear below:

- A. Exhibit A: [REDACTED]; and
- B. Exhibit B: [REDACTED]. [LIST AND DESCRIBE EXHIBITS, AS APPLICABLE. FOR EXAMPLE, THERE MAY ONLY BE EXHIBIT "A" AND NOT AN EXHIBIT "B"]

11. CHANGES. CITY may order changes in the services within the general scope of this Agreement, consisting of additions, deletions, or other revisions, and the contract sum and the contract time will be adjusted accordingly. All such changes must be authorized in writing, executed by CONSULTANT and CITY. The cost or credit to CITY resulting from changes in the services will be determined in accordance with written agreement between the parties.

12. TAXPAYER IDENTIFICATION NUMBER. CONSULTANT will provide CITY with a Taxpayer Identification Number.

13. PERMITS AND LICENSES. CONSULTANT, at its sole expense, will obtain and maintain during the term of this Agreement, all necessary permits, licenses, and certificates that may be required in connection with the performance of services under this Agreement.

14. WAIVER. CITY's review or acceptance of, or payment for, work product prepared by CONSULTANT under this Agreement will not be construed to operate as a waiver of any rights CITY may have under this Agreement or of any cause of action arising from CONSULTANT's performance. A waiver by CITY of any breach of any term, covenant, or condition contained in this Agreement will not be deemed to be a waiver of any subsequent breach of the same or any other term, covenant, or condition contained in this Agreement, whether of the same or different character.

15. TERMINATION.

- A. Except as otherwise provided, CITY may terminate this Agreement at any time with or without cause.
- B. CONSULTANT may terminate this Agreement at any time with CITY's mutual consent. Notice will be in writing at least thirty (30) days before the effective termination date.
- C. Upon receiving a termination notice, CONSULTANT will immediately cease performance under this Agreement unless otherwise provided in the termination notice. Except as otherwise provided in the termination notice, any additional work performed by CONSULTANT after receiving a termination notice will be performed at CONSULTANT's own cost; CITY will not be obligated to compensate CONSULTANT for such work.
- D. Should termination occur, all finished or unfinished documents, data, studies, surveys, drawings, maps, reports, and other materials prepared by CONSULTANT

will, at CITY's option, become CITY's property, and CONSULTANT will receive just and equitable compensation for any work satisfactorily completed up to the effective date of notice of termination, not to exceed the total costs under Section 1(C).

- E. Should the Agreement be terminated pursuant to this Section, CITY may procure on its own terms services similar to those terminated.
- F. By executing this document, CONSULTANT waives any and all claims for damages that might otherwise arise from CITY's termination under this Section.

16. OWNERSHIP OF DOCUMENTS. All documents, data, studies, drawings, maps, models, photographs, and reports prepared by CONSULTANT under this Agreement are CITY's property. CONSULTANT may retain copies of said documents and materials as desired but will deliver all original materials to CITY upon CITY's written notice. CITY agrees that use of CONSULTANT's completed work product, for purposes other than identified in this Agreement, or use of incomplete work product, is at CITY's own risk.

17. PUBLICATION OF DOCUMENTS. Except as necessary for performance of service under this Agreement, no copies, sketches, or graphs of materials, including graphic artwork, prepared pursuant to this Agreement, will be released by CONSULTANT to any other person or public CITY without CITY's prior written approval. All press releases, including graphic display information to be published in newspapers or magazines, will be approved, and distributed solely by CITY, unless otherwise provided by written agreement between the parties.

18. INDEMNIFICATION.

A. CONSULTANT agrees to the following:

- A. *Indemnification for Professional Services*. CONSULTANT will save harmless and indemnify and at CITY's request reimburse defense costs for CITY and all its officers, volunteers, employees and representatives from and against any and all suits, actions, or claims, of any character whatever, brought for, or on account of, any injuries or damages sustained by any person or property resulting or arising from any negligent or wrongful act, error or omission by CONSULTANT or any of CONSULTANT's officers, agents, employees, or representatives, in the performance of this Agreement.
- B. *Indemnification for other Damages*. CONSULTANT indemnifies and holds CITY harmless from and against any claim, action, damages, costs (including, without limitation, attorney's fees), injuries, or liability, arising out of this Agreement, or its performance. Should CITY be named in any suit, or should any claim be brought against it by suit or otherwise, whether the same be groundless or not, arising out of this Agreement, or its performance, CONSULTANT will defend CITY (at CITY's request and with counsel satisfactory to CITY) and will indemnify CITY for any judgment rendered against it or any sums paid out in settlement or otherwise.
- C. For purposes of this section "CITY" includes CITY's officers, officials, employees, agents, representatives, and certified volunteers.
- D. It is expressly understood and agreed that the foregoing provisions will survive termination of this Agreement.

- E. The requirements as to the types and limits of insurance coverage to be maintained by CONSULTANT as required by Section 22, and any approval of said insurance by CITY, are not intended to and will not in any manner limit or qualify the liabilities and obligations otherwise assumed by CONSULTANT pursuant to this Agreement, including, without limitation, to the provisions concerning indemnification.

19. ASSIGNABILITY. This Agreement is for CONSULTANT’s professional services. CONSULTANT’s attempts to assign the benefits or burdens of this Agreement without CITY’s written approval are prohibited and will be null and void.

20. INDEPENDENT CONTRACTOR. CITY and CONSULTANT agree that CONSULTANT will act as an independent contractor and will have control of all work and the manner in which it is performed. CONSULTANT will be free to contract for similar service to be performed for other employers while under contract with CITY. CONSULTANT is not an agent or employee of CITY and is not entitled to participate in any pension plan, insurance, bonus, or similar benefits CITY provides for its employees. Any provision in this Agreement that may appear to give CITY the right to direct CONSULTANT as to the details of doing the work or to exercise a measure of control over the work means that CONSULTANT will follow the direction of the CITY as to end results of the work only.

21. AUDIT OF RECORDS. CONSULTANT will maintain full and accurate records with respect to all services and matters covered under this Agreement. CITY will have free access at all reasonable times to such records, and the right to examine and audit the same and to make transcript therefrom, and to inspect all program data, documents, proceedings, and activities. CONSULTANT will retain such financial and program service records for at least three (3) years after termination or final payment under this Agreement.

22. INSURANCE.

- A. Before commencing performance under this Agreement, and at all other times this Agreement is effective, CONSULTANT will procure and maintain the following types of insurance with coverage limits complying, at a minimum, with the limits set forth below:

<u>Type of Insurance</u>	<u>Limits</u>
Commercial general liability:	\$1,000,000
Professional Liability	\$1,000,000
Business automobile liability	\$1,000,000
Workers compensation	Statutory requirement

- B. Commercial general liability (“CGL”) insurance must meet or exceed the requirements of ISO-CGL Form No. CG 00 01 04 13, or equivalent, covering CGL on an “occurrence” basis, including property damage, bodily injury, and personal & advertising injury with limits no less than \$1,000,000 per occurrence. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location (ISO CG 25 03 or 25 04) or the general aggregate limit shall be twice the required occurrence limit.

- C. Professional liability coverage will be on an “occurrence basis” if such coverage is available, or on a “claims made” basis if not available. When coverage is provided on a “claims made basis,” CONSULTANT will continue to renew the insurance for a period of three (3) years after this Agreement expires or is terminated. Such insurance will have the same coverage and limits as the policy that was in effect during the term of this Agreement and will cover CONSULTANT for all claims made by CITY arising out of any errors or omissions of CONSULTANT, or its officers, employees, or agents during the time this Agreement was in effect.
- D. For automobiles, the insurance must meet or exceed the requirements of Insurance Services Office Form Number CA 0001 covering Code 1 (any auto), or, if CONSULTANT provides proof of a personal automobile policy, such personal policy must include and indicate business venture coverage with limits no less than \$1,000,000 per accident for bodily injury and property damage. If CONSULTANT has no owned autos, Code 8 (hired) and 9 (non-owned), with limits no less than \$1,000,000 per accident for bodily injury and property damage must be included in coverage. If CONSULTANT does not use an auto for any component of this Agreement’s performance, then CONSULTANT must sign and submit the form attached as Exhibit “B” to CITY before carrying out work under this Agreement.
- E. The amount of insurance set forth above will be a combined single limit per occurrence for bodily injury, personal injury, and property damage for the policy coverage. Liability policies will be endorsed to name CITY, its officials, and employees as “additional insureds” under said insurance coverage and to state that such insurance will be deemed “primary” such that any other insurance that may be carried by CITY will be excess thereto. CITY’s additional insured status will apply with respect to liability and defense of suits arising out of CONSULTANT’s acts or omissions. Such insurance will be on an “occurrence,” not a “claims made,” basis and will not be cancelable or subject to reduction except upon thirty (30) days prior written notice to CITY, and the notice must include any necessary endorsement to facilitate such notice to CITY.
- F. CONSULTANT will furnish to CITY valid Certificates of Insurance evidencing maintenance of the insurance required under this Agreement, a copy of an Additional Insured endorsement confirming CITY has been given Additional Insured status under the CONSULTANT’s General Liability policy, and such other evidence of insurance or copies of policies as may be reasonably required by CITY from time to time. Insurance must be placed with insurers with a current A.M. Best Company Rating equivalent to at least a Rating of “A:VII.”
- G. Required insurance endorsement language is as follows:
 - i. Additional Insured Endorsement with this language: “The City of El Segundo, its elected and appointed officials, employees, and volunteers as additional insureds.”
 - ii. Cancellation Endorsement with this language: “The City of El Segundo will receive thirty (30) days written notice in the event of cancellation, nonrenewed or reduction.”
 - iii. Primary and Non-Contributory Endorsement with this language: “Coverage is primary and non-contributory such that any other insurance that may be carried by the City will be excess thereto.”

23. Should CONSULTANT, for any reason, fail to obtain and maintain the insurance required by this Agreement, CITY may obtain such coverage at CONSULTANT's expense and deduct the cost of such insurance from payments due to CONSULTANT under this Agreement or terminate pursuant to Section 15.

24. USE OF SUBCONTRACTORS. CONSULTANT must obtain CITY's prior written approval to use any consultants while performing any portion of this Agreement. Such approval must approve of the proposed consultant and the terms of compensation.

25. INCIDENTAL TASKS. CONSULTANT will meet with CITY monthly to provide the status on the project, which will include a schedule update and a short narrative description of progress during the past month for each major task, a description of the work remaining and a description of the work to be done before the next schedule update.

26. NOTICES. All communications to either party by the other party will be deemed made when received by such party at its respective name and address as follows:

If to CONSULTANT:

Attention: Click here to enter text.
Click here to enter text.
Click here to enter text.
Click here to enter text.
phone
email

If to CITY:

Attention: Click here to enter text.
City of El Segundo
Click here to enter text.
Click here to enter text.
phone
email

Any such written communications by mail will be conclusively deemed to have been received by the addressee upon deposit thereof in the United States Mail, postage prepaid and properly addressed as noted above. In all other instances, notices will be deemed given at the time of actual delivery. Changes may be made in the names or addresses of persons to whom notices are to be given by giving notice in the manner prescribed in this paragraph.

27. PROHIBITED USE OF ARTIFICIAL INTELLIGENCE.

- A. Restriction on Artificial Intelligence Usage. CONSULTANT must not utilize, employ, or incorporate any form artificial intelligence, machine learning, or other similar technologies (collectively, "AI") in the provision of professional services in this Agreement without CITY's express written consent.
- B. Exclusions. The AI prohibition set forth directly above will not apply to general business tools and software that may have AI components but are not directly involved in the execution or delivery of professional services that this Agreement covers, provided that such tools and software do not significantly impact the quality or nature of such services.
- C. Notification. CONSULTANT must promptly notify CITY, in writing, of any proposal to employ AI in connection its provision of services to the CITY under this Agreement. CITY will have the sole discretion to grant or deny such proposal.

28. CONFLICT OF INTEREST. CONSULTANT will comply with all conflict of interest laws and regulations including, without limitation, CITY's conflict of interest regulations.

29. BACKGROUND CHECK; FINGERPRINTING; ASSOCIATED TRAINING. If CONSULTANT's work involves contact with minors, before conducting any performance of this Agreement, all Seller's employees, subcontractors, volunteers, or other agents that will perform CONSULTANT's work under this Agreement must submit to and pass a background/fingerprint investigation conducted or approved by City. CONSULTANT affirms and attests that its employees, subcontractors, volunteers, or other agents that will perform CONSULTANT's work under this Agreement have completed training in child abuse and neglect identification and training in child abuse and neglect reporting, which may be met by completing the online mandated reporter training provided by the Office of Child Abuse Prevention in the State Department of Social Services. CONSULTANT affirms and agrees that the background and reporting training will be completed before beginning performance under this Agreement. Upon City request, CONSULTANT will promptly furnish proof of completion of such mandated reporter training to City, but in no event no later than two business days following City's request.

30. SOLICITATION. CONSULTANT maintains and warrants that it has not employed nor retained any company or person, other than CONSULTANT's bona fide employee, to solicit or secure this Agreement. Further, CONSULTANT warrants that it has not paid nor has it agreed to pay any company or person, other than CONSULTANT's bona fide employee, any fee, commission, percentage, brokerage fee, gift or other consideration contingent upon or resulting from the award or making of this Agreement. Should CONSULTANT breach or violate this warranty, CITY may rescind this Agreement without liability.

31. THIRD PARTY BENEFICIARIES. This Agreement and every provision herein is generally for the exclusive benefit of CONSULTANT and CITY and not for the benefit of any other party. There will be no incidental or other beneficiaries of any of CONSULTANT's or CITY's obligations under this Agreement.

32. INTERPRETATION. This Agreement was drafted in, and will be construed in accordance with the laws of the State of California, and exclusive venue for any action involving this agreement will be in Los Angeles County.

33. COMPLIANCE WITH LAW. CONSULTANT agrees to comply with all federal, state, and local laws applicable to this Agreement.

34. ENTIRE AGREEMENT. This Agreement, and its Attachments, sets forth the entire understanding of the parties. There are no other understandings, terms or other agreements expressed or implied, oral, or written. This Agreement will bind and inure to the benefit of the parties to this Agreement and any subsequent successors and assigns.

35. RULES OF CONSTRUCTION. Each Party had the opportunity to independently review this Agreement with legal counsel. Accordingly, this Agreement will be construed simply, as a whole, and in accordance with its fair meaning; it will not be interpreted strictly for or against either Party.

36. SEVERABILITY. If any portion of this Agreement is declared by a court of competent jurisdiction to be invalid or unenforceable, then such portion will be deemed modified to the extent necessary in the opinion of the court to render such portion enforceable and, as so modified, such portion and the balance of this Agreement will continue in full force and effect.

37. AUTHORITY/MODIFICATION. The Parties represent and warrant that all necessary action has been taken by the Parties to authorize the undersigned to execute this Agreement and to engage in the actions described herein. This Agreement may be modified by written amendment. CITY's

executive manager, or designee, may execute any such amendment on behalf of CITY.

38. ELECTRONIC SIGNATURES; SIGNATURE AUTHORITY. This Agreement may be executed by the Parties on any number of separate counterparts, and all such counterparts so executed constitute one Agreement binding on all the Parties notwithstanding that all the Parties are not signatories to the same counterpart. In accordance with Government Code § 16.5, the Parties agree that this Agreement, Agreements ancillary to this Agreement, and related documents to be entered into in connection with this Agreement will be considered signed when the signature of a party is delivered by electronic transmission. Such electronic signature will be treated in all respects as having the same effect as an original signature. CONSULTANT warrants that its signatory (or signatories, as applicable) to this Agreement has the legal authority to enter this Agreement and bind CONSULTANT accordingly.

39. CAPTIONS. The captions of the paragraphs of this Agreement are for convenience of reference only and will not affect the interpretation of this Agreement.

40. TIME IS OF ESSENCE. Time is of the essence for each and every provision of this Agreement.

41. FORCE MAJEURE. Should performance of this Agreement be prevented due to fire, flood, explosion, acts of terrorism, war, embargo, government action, civil or military authority, the natural elements, or other similar causes beyond the Parties' reasonable control, then the Agreement will immediately terminate without obligation of either party to the other.

42. STATEMENT OF EXPERIENCE. By executing this Agreement, CONSULTANT represents that it has demonstrated trustworthiness and possesses the quality, fitness, and capacity to perform the Agreement in a manner satisfactory to CITY. CONSULTANT represents that its financial resources, surety and insurance experience, service experience, completion ability, personnel, current workload, experience in dealing with private consultants, and experience in dealing with public agencies all suggest that CONSULTANT is capable of performing the proposed contract and has a demonstrated capacity to deal fairly and effectively with and to satisfy a public CITY.

[Signatures on next page]

IN WITNESS WHEREOF the parties hereto have executed this contract the day and year first hereinabove written.

CITY OF EL SEGUNDO

[CONSULTANT NAME] [REVIEW VENDOR SIGNATURE GUIDE]

[SIGNATORY DEPENDS ON \$ AMOUNT]

By: _____

Title: _____

ATTEST:

Susan Truax,
City Clerk

Taxpayer ID No. _____

APPROVED AS TO FORM:

Mark D. Hensley,
City Attorney

EXHIBIT "A"
SCOPE OF SERVICES

EXHIBIT "B"
ATTESTATION OF NON-AUTO USE FOR BUSINESS ENGAGEMENT

I, _____, hereby declare and attest under penalty of perjury under the laws of the State of California as follows:

1. I seek to be a Consultant with the City of El Segundo (the "City").
2. In my capacity as a Consultant, I will not utilize any personal or business automobile for the purpose of performing any work, duties, or services on behalf of the City, including without limitation, travel to or from City facilities for such performance.
3. All services I will provide for the City are conducted in a manner that does not require the use of any automobile for transporting equipment, individuals, or for any work-related purposes.
4. As a result, I do not require business automobile insurance as typically mandated for other contractors who use automobiles in their service to the City.
5. I understand and acknowledge that this attestation is provided to comply with the City's contractual requirements and insurance obligations. Should my circumstances change and I begin utilizing an automobile in connection with my services to the City, I agree to notify the City immediately and obtain the necessary business automobile insurance coverage.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

DATE: _____

NAME AND TITLE (print): _____

BY: _____