

AGENDA ITEM NUMBER 16

CITY OF SEBASTOPOL CITY COUNCIL
MEETING OF: January 21, 2025

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To: Honorable Mayor and City Councilmembers
From: City Attorney Alex Mog
Mary Gourley, City Clerk
Subject: Ratification of Agenda Items From the December 17, 2024 City Council Meeting

Item Number 16
Consideration of Contract Amendment for Scope of Work for City Gate Contract for Fire Department Reorganization Items for an Additional Allocation of \$25,000. The FY 24 25 budget has budgeted and allocated \$50,000 for Consolidation Negotiation Advising and the City hired CityGates for fire negotiation items. This item requires Council approval for City Manager to sign this contract which is above the purchasing authority. \$25,000 will be transferred within the fire department budget which is within the City Manager's authority. There is no increase to the budget. (Responsible Department: City Manager)

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RECOMMENDATION:
That the City Council re-approve the Action Items from the December 17, 2024 City Council Meeting Due to an Alleged Brown Act Violation

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CITY OF SEBASTOPOL CITY COUNCIL
AGENDA ITEM REPORT FOR MEETING OF: December 17, 2024

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To: Honorable Mayor and City Councilmembers
From: Fire Ad Hoc Committee and City Administration
Subject: Consideration of Contract Amendment for Scope of Work for City Gate Contract for Fire Department Reorganization Items for an Additional Allocation of \$25,000. The FY 24 25 budget has budgeted and allocated \$50,000 for Consolidation Negotiation Advising and the City hired CityGates for fire negotiation items. This item requires Council approval for City Manager to sign this contract which is above the purchasing authority. \$25,000 will be transferred within the fire department budget which is within the City Manager’s authority. There is no increase to the budget. (Responsible Department: City Manager)

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RECOMMENDATIONS: Add up to \$25,000 to contract with Citygate Associates to support analysis of options and recommendations for reorganization of City’s Fire Department with the Gold Ridge Fire District and related matters, including expanded staffing.

EXECUTIVE SUMMARY: In October, with the support of the Fire Ad Hoc Committee, the City entered into an agreement with Citygate Associates to provide analytic support for the potential reorganization of the City’s Fire Department with the Gold Ridge Fire District. The contract allows up to \$49,991 in expenditures. The City Manager’s signing authority for contracts is \$50,000. Should the City need additional support, the contract will exceed this authority. Additional funding to support the Fire reorganization is available in the Department budget.

BACKGROUND AND DISCUSSION: The City Council approved moving toward consolidating – or reorganizing - the City’s fire services with Gold Ridge in April. We have taken numerous steps to that end, including forming the Fire Ad Hoc Committee to guide this effort, contracting with Gold Ridge for an interim Fire Chief, beginning negotiations with Gold Ridge, approving a resolution indicating our intent to merge, securing LAFCO’s approval of initial steps toward reorganization, and initiating an analysis of the costs to improve the Fire Station.

This is a large and complex effort. At the same time, we are considering options to expand Fire Department staffing. With the Fire Ad Hoc Committee’s direction, in October we contracted with Citygate Associates to provide assistance in analyzing the financial aspects of reorganization, including comparing the costs of reorganization with the costs of retaining independent fire services. The work with Citygate is well underway and within budget as to our original scope request. That contract allows up to \$49,991, near the City Manager’s contracting authority of \$50,000.

While the work is underway staff now anticipates more detailed discussions and review with the Ad Hoc, than was first anticipated. Second staff anticipates more outside assistance the preparing of reports and presentations for the City Council, the Fire District and perhaps LAFCO, related additional analytic support, or accommodating additional review and comment from the Ad Hoc or others; the current contract allows for one review cycle and one presentation. All together there is a reasonable possibility that Citygate will exceed the initial contract limit. Staff recommends adding funding to the contract in case additional work is needed. There is unlikely to be time to do so after the first of the year given LAFCO’s timelines for completing the reorganization.

STAFF ANALYSIS: Staff believes that it would be prudent to have additional funds available to support Citygate’s work in case they are needed. Staff does not have the expertise and capacity for thorough analysis as Citygate does.

COMMUNITY OUTREACH:

This item has been noticed in accordance with the Ralph M. Brown Act and was available for public viewing and review at least 72 hours prior to schedule meeting date.

FISCAL IMPACT: The FY 24-25 budget includes sufficient General Funds for the contract expansion. Additionally, we expect to have approximately \$500,000 in to-be-allocated Measure H funds available this Fiscal Year to support expanded staffing and other needs in the Fire Department.

OPTIONS: The City could decide to not fund the potential expansion of Citygate’s work. The result could be lesser quality analyses and reporting on Fire reorganization.

ATTACHMENTS:

1. Initial contract with Citygate Associates
2. Proposed Amendment to contract with Citygate Associates

APPROVALS:

Department Head Approval: Approval Date: _____

CEQA Determination (Planning): Approval Date: _____

The proposed action is not a project under the California Environmental Quality Act (CEQA)

Administrative Services (Financial) Approval Date: _____

Costs authorized in City Approved Budget: Yes No N/A

Account Code (f applicable) _____

City Attorney Approval: Approval Date: _____

City Manager Approval: Approval Date: _____12/9/24_____

AGREEMENT FOR PROFESSIONAL SERVICES

THIS AGREEMENT, made and entered into on Oct. 7, 2024 by and between the City of Sebastopol, located in the County of Sonoma, State of California (City), and Citygate Associates, LLC (Consultant).

RECITALS:

A. City desires to employ Consultant to furnish professional services in connection with the project described as Financial Analysis of Fire Services.

B. Consultant has represented that Consultant has the necessary expertise, experience, and qualifications to perform the required duties.

NOW, THEREFORE, in consideration of the mutual premises, covenants, and conditions herein contained, the parties agree as follows:

SECTION 1 – BASIC SERVICES

Consultant agrees to perform the services set forth in Consultant Proposal, incorporated herein as **Exhibit A, “Scope of Services”** and made part of this Agreement.

SECTION 2 – ADDITIONAL SERVICES

Consultant shall not be compensated for any services rendered in connection with its performance of this Agreement which are in addition to or outside of those set forth in this Agreement or **Exhibit A, “Scope of Services”**, unless such additional services and compensation are authorized in advance and in writing by the City Council or City Manager of the City.

SECTION 3 – TIME FOR COMPLETION

The time for completion of services shall be as identified in **Exhibit A, “Scope of Services”**.

SECTION 4 – COMPENSATION AND METHOD OF PAYMENT

A. Subject to any limitations set forth in this Agreement, City agrees to pay consultant the amount specified under “Project Fees” as part of Exhibit A, “Scope of Services”, attached hereto and made a part hereof. Total compensation shall not exceed a total of \$49,991, unless additional compensation is approved in accordance with Section 2.

B. Consultant shall furnish to City an original invoice for all work performed and expenses incurred during the preceding month. The invoice shall detail charges by the following categories if applicable: labor (by sub-category), travel, materials, equipment, supplies, subconsultant contracts, and miscellaneous expenses. City shall independently review each invoice submitted to determine whether the work performed, and expenses incurred are in compliance with the provisions of this Agreement. If no charges or expenses are disputed, the invoice shall be approved and City will use its best efforts to cause Consultant to be paid within 30 days of receipt of invoice. If any charges or expenses are disputed by City, the original invoice shall be returned by City to Consultant for correction and resubmission. If the City reasonably determines, in its sole judgment, that the invoiced

charges and expenses exceed the value of the services performed to date and that it is probable that the Agreement will not be completed satisfactorily within the contract price, City may retain all or a portion of the invoiced charges and expenses. Within thirty (30) days of satisfactory completion of the project, City shall pay the retained amount, if any, to Consultant.

C. Payment to the Consultant for work performed pursuant to this Agreement shall not be deemed to waive any defects in work performed by Consultant.

SECTION 5 – STANDARD OF PERFORMANCE

Consultant represents and warrants that it has the qualifications, experience and facilities necessary to properly perform the services required under this Agreement in a thorough, competent and professional manner. Consultant shall at all times faithfully, competently and to the best of its ability, experience and talent, perform all services described herein. In meeting its obligations under this Agreement, Consultant shall employ, at a minimum, generally accepted standards and practices utilized by persons engaged in providing services similar to those required of Consultant under this Agreement.

SECTION 6 – INSPECTION AND FINAL ACCEPTANCE

City may inspect and accept or reject any of Consultant's work under this Agreement, either during performance or when completed. City shall reject or finally accept Consultant's work within sixty (60) days after submitted to City, unless the parties mutually agree to extend such deadline. City shall reject work by a timely written explanation, otherwise Consultant's work shall be deemed to have been accepted. City's acceptance shall be conclusive as to such work except with respect to latent defects and fraud. Acceptance of any of Consultant's work by City shall not constitute a waiver of any of the provisions of this Agreement including, but not limited to, the sections pertaining to indemnification and insurance.

SECTION 7 – INSURANCE REQUIRED

Consultant shall procure and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the Consultant, its agents, representatives, or employees.

MINIMUM SCOPE AND LIMIT OF INSURANCE

Coverage shall be at least as broad as:

1. Commercial General Liability (CGL): Insurance Services Office Form CG 00 01 covering CGL on an "occurrence" basis, including products and completed operations, property damage, bodily injury, and personal & advertising injury with limits no less than \$2,000,000 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.
2. Automobile Liability: Insurance Services Office Form Number CA 0001 covering, Code 1 (any auto), or if Consultant has no owned autos, Code 8 (hired) and 9 (non-owned), with limit no less than \$1,000,000 per accident for bodily injury and property damage.
3. Workers' Compensation insurance, as required by the State of California, with Statutory Limits, and Employer's Liability Insurance with limit of no less than \$1,000,000 per accident

for bodily injury or disease.

(Not required if consultant provides written verification that it has no employees)

4. Professional Liability (Errors and Omissions) Insurance appropriate to the Consultant's profession, with limit no less than \$2,000,000 per occurrence or claim, \$2,000,000 aggregate. The Retroactive Date must be shown and must be before the date of the contract or the beginning of contract work. Insurance must be maintained and evidence of insurance must be provided for at least five (5) years after completion of the contract of work. If coverage is canceled or non-renewed, and not replaced with another claims-made policy form with a Retroactive Date prior to the contract effective date, the Consultant must purchase "extended reporting" coverage for a minimum of five (5) years after completion of contract work. A copy of the claims reporting requirements must be submitted to the City of Sebastopol for review.

If the Consultant maintains broader coverage and/or higher limits than the minimums shown above, the City of Sebastopol requires, and shall be entitled to, the broader coverage and/or higher limits maintained by the Consultant. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the City of Sebastopol.

Other Insurance Provisions

The insurance policies are to contain, or be endorsed to contain, the following provisions: The City of Sebastopol, its officers, officials, employees, and volunteers are to be covered as additional insureds on the CGL policy with respect to liability arising out of work or operations performed by or on behalf of the Consultant including materials, parts, or equipment furnished in connection with such work or operations.

General liability coverage can be provided in the form of an endorsement to the Consultant's insurance at least as broad as one of the following ISO ongoing operations Forms: CG 20 10 or CG 20 26 or CG 20 33 (not allowed from subcontractors), or CG 20 38; **and** one of the following ISO completed operations Forms: CG 20 37, 2039 (not allowed from subcontractors), or CG 20 40.

Primary Coverage

For any claims related to this contract, the Consultant's insurance coverage shall be primary insurance coverage at least as broad as ISO CG 20 01 04 13 as respects the City of Sebastopol, its officers, officials, employees, and volunteers. Any insurance or self-insurance maintained by the City of Sebastopol, its officers, officials, employees, or volunteers shall be excess of the Consultant's insurance and shall not contribute with it.

Notice of Cancellation

Consultant shall provide immediate written notice if (1) any of the required insurance policies is terminated; (2) the limits of any of the required policies are reduced; (3) or the deductible or self-insured retention is increased. In the event of any cancellation or reduction in coverage or limits of any insurance, Consultant shall forthwith obtain and submit proof of substitute insurance.

Waiver of Subrogation

Consultant hereby grants to the City of Sebastopol a waiver of any right to subrogation which any insurer of said Consultant may acquire against the City of Sebastopol by virtue of the payment of any loss under such insurance. Consultant agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether or not the City of Sebastopol has received a waiver of subrogation endorsement from the insurer. However, the Workers' Compensation policy shall be endorsed with a waiver of subrogation in favor of the City of Sebastopol for all work performed by the Contractor, its employees, agents, and subcontractors.

Self-Insured Retentions

Self-insured retentions must be declared to and approved by the City of Sebastopol. The City of Sebastopol may require the Consultant to provide proof of ability to pay losses and related investigations, claim administration, and defense expenses within the retention. The policy language shall provide, or be endorsed to provide, that the self-insured retention may be satisfied by either the named insured or the City of Sebastopol.

Acceptability of Insurers

Insurance is to be placed with insurers authorized to conduct business in the state with a current A.M. Best's rating of no less than A:VII, unless otherwise acceptable to the City of Sebastopol.

Verification of Coverage

Consultant shall furnish the City of Sebastopol with original Certificates of Insurance including all required amendatory endorsements (or copies of the applicable policy language effecting coverage required by this clause) and a copy of the Declarations and Endorsement Page of the CGL policy listing all policy endorsements to the City of Sebastopol before work begins. However, failure to obtain the required documents prior to the work beginning shall not waive the Consultant's obligation to provide them. The City of Sebastopol reserves the right to require complete, certified copies of all required insurance policies, including endorsements required by these specifications, at any time.

Subcontractors

Consultant shall require and verify that all subcontractors maintain insurance, meeting all the requirements stated herein, and Contractor shall ensure that the City of Sebastopol is an additional insured on insurance required from subcontractors.

Special Risks or Circumstances

The City of Sebastopol reserves the right to modify these requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances.

SECTION 8 – INDEMNIFICATION

A. Consultant shall indemnify and hold harmless City, its agents, officers, officials, employees, and volunteers from any and all claims, demands, suits, loss, damages, injury, and/or liability (including any and all costs and expenses in connection therewith), incurred by reason of any negligent or otherwise wrongful act or omission of Consultant, its officers, agents, employees and subcontractors, or any of them, under or in connection with this Agreement; and Consultant agrees at its own cost, expense and risk to defend any and all claims, actions, suits, or other legal proceedings brought or instituted against City, its agents, officers, officials, employees and volunteers, or any of them, arising out of such negligent or otherwise wrongful act or omission, and to pay and satisfy any resulting judgments.

B. When Consultant under this Agreement is duly licensed under California Business and Professions Code as an architect, landscape architect, professional engineer, or land surveyor ("design professional"), the provisions of this section regarding Consultant's duty to defend and indemnify apply only to claims that arise out of or relate to the negligence, recklessness, or willful misconduct of the design professional.

C. If any action or proceeding is brought against Indemnitees by reason of any of the matters against which Consultant has agreed to indemnify Indemnitees as provided above, Consultant, upon notice from City, shall defend Indemnitees at Consultant's expense by counsel acceptable to City, such acceptance not to be unreasonably withheld. Indemnitees need not have first paid for any of the matters to which Indemnitees are entitled to Indemnification in order to be so indemnified. The

insurance required to be maintained by Consultant shall ensure Consultant's obligations under this section, but the limits of such insurance shall not limit the liability of Consultant hereunder. The provisions of this section shall survive the expiration or earlier termination of this Agreement.

D. The provisions of this section do not apply to claims to the extent occurring as a result of the City's sole negligence or willful acts or misconduct.

SECTION 9 – INDEPENDENT CONTRACTOR STATUS

A. Consultant is and shall at all times remain a wholly independent contractor and not an officer, employee, or agent of City. Consultant shall have no authority to bind City in any manner, nor to incur an obligation, debt or liability of any kind on behalf of or against City, whether by contract or otherwise, unless such authority is expressly conferred under this Agreement or is otherwise expressly conferred in writing by City.

B. The personnel performing the services under this Agreement on behalf of Consultant shall at all times be under Consultant's exclusive direction and control. Neither City, nor any elected or appointed boards, officers, officials, employees or agents of City, shall have control over the conduct of Consultant or any of Consultant's officers, employees or agents, except as set forth in this Agreement. Consultant shall not at any time or in any manner represent that Consultant or any of Consultant's officers, employees or agents are in any manner officials, officers, employees or agents of City.

C. Neither Consultant, nor any of Consultant's officers, employees or agents, shall obtain any rights to retirement, health care or any other benefits which may otherwise accrue to City's employees. Consultant expressly waives any claim Consultant may have to any such rights.

SECTION 10 – CONFLICTS OF INTEREST

A. Consultant covenants that neither it, nor any officer or principal of its firm, has or shall acquire any interest, directly or indirectly, which would conflict in any manner with the interests of City or which would in any way hinder Consultant's performance of services under this Agreement. Consultant further covenants that in the performance of this Agreement, no person having any such interest shall be employed by it as an officer, employee, agent, or subcontractor without the express written consent of the City Manager. Consultant agrees to at all times avoid conflicts with the interests of City in the performance of this Agreement.

B. City understands and acknowledges that Consultant is, as of the date of execution of this Agreement, independently involved in the performance of non-related services for other governmental agencies and private parties. Consultant is aware of any stated position of City relative to such projects. Any future position of City on such projects shall not be considered a conflict of interest for purposes of this section.

SECTION 11 – OWNERSHIP OF DOCUMENTS

A. All original maps, models, designs, drawings, photographs, studies, surveys, reports, data, notes, computer files, files and other documents prepared, developed or discovered by Consultant in the course of providing any services pursuant to this Agreement shall become the sole property of City and may be used, reused or otherwise disposed of by City without the permission of the Consultant.

Page 5 of 10

When requested by City, but no later than three years after project completion, Consultant shall deliver to City all such original maps, models, designs, drawings, photographs, studies, surveys, reports, data, notes, computer files, files and other documents.

B. All copyrights, patents, trade secrets, or other intellectual property rights associated with any ideas, concepts, techniques, inventions, processes, improvements, developments, works of authorship, or other products developed or created by Consultant during the course of providing services (collectively the "Work Product") shall belong exclusively to City. The Work Product shall be considered a "work made for hire" within the meaning of Title 17 of the United States Code. Without reservation, limitation, or condition, Consultant hereby assigns, at the time of creation of the Work Products, without any requirement of further consideration, exclusively and perpetually, any and all right, title, and interest Consultant may have in the Work Product throughout the world, including without limitation any copyrights, patents, trade secrets, or other intellectual property rights, all rights of reproduction, all rights to create derivative works, and the right to secure registrations, renewals, reissues, and extensions thereof.

SECTION 12 – CONFIDENTIAL INFORMATION; RELEASE OF INFORMATION

A. All information gained or work product produced by Consultant in performance of this Agreement shall be considered confidential, unless such information is in the public domain or already known to Consultant. Consultant shall not release or disclose any such information or work product to persons or entities other than City without prior written authorization from the City Manager, except as may be required by law.

B. Consultant, its officers, employees, agents or subcontractors, shall not, without prior written authorization from the City Manager or unless requested by the City Attorney of City, voluntarily provide declarations, letters of support, testimony at depositions, response to interrogatories or other information concerning the work performed under this Agreement. Response to a subpoena or court order shall not be considered "voluntary" provided consultant gives City notice of such court order or subpoena.

C. If Consultant, or any officer, employee, agent, or subcontractor of Consultant, provides any information or work product in violation of this Agreement, then City shall have the right to reimbursement and indemnity from Consultant for any damages, costs and fees, including attorney's fees, caused by or incurred as a result of Consultant's conduct.

D. Consultant shall promptly notify City should Consultant, its officers, employees, agents or subcontractors be served with any summons, complaint, subpoena, notice of deposition, request for documents, interrogatories, request for admissions or other discovery request, court order or subpoena from any party regarding this Agreement and the work performed thereunder. City retains the right, but has no obligation, to represent Consultant or be present at any deposition, hearing or similar proceeding. Consultant agrees to cooperate fully with City and to provide City with the opportunity to review any such response to discovery requests provided by Consultant. However, this right to review any such response does not imply or mean the right by City to control, direct, or rewrite such response.

SECTION 13 – SUSPENSION OF WORK

City may, at any time, by ten (10) days written notice suspend further performance by Consultant. All suspensions shall extend the time schedule for performance in a mutually satisfactory manner and Consultant shall be paid for services performed and reimbursable expenses incurred prior to the suspension date.

SECTION 14 – COMPLIANCE WITH LAW

Consultant shall keep itself informed of and comply with all applicable federal, state and local laws, statutes, codes, ordinances, regulations and rules in effect during the term of this Agreement. Consultant shall obtain any and all licenses, permits and authorizations necessary to perform the services set forth in this Agreement. Neither City, nor any elected or appointed boards, officers, officials, employees or agents of City, shall be liable, at law or in equity, as a result of any failure of Consultant to comply with this section.

SECTION 15 – COMPLIANCE WITH CIVIL RIGHTS

During the performance of this contract, Consultant agrees as follows:

A. Equal Employment Opportunity. In connection with the execution of this Agreement, Consultant shall not discriminate against any employee or applicant for employment because of race, religion, color, ancestry, age, sexual orientation, physical handicap, medical condition, marital status, sex, or national origin. Such actions shall include, but not be limited to, the following: employment, promotion, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rate of pay or other forms of compensation; and selection for training including apprenticeship.

B. Nondiscrimination Civil Rights Act of 1964. Consultant will comply with all federal regulations relative to nondiscrimination to federally-assisted programs.

C. Solicitations for Subcontractors including Procurement of Materials and Equipment. In all solicitations, either by competitive bidding or negotiations, made by Consultant for work to be performed under a subcontract, including procurement of materials or leases of equipment, each potential subcontractor, supplier, or lessor shall be notified by Consultant of Consultant's obligations under this Agreement and the regulations relative to nondiscrimination.

SECTION 16 – RECORDS

A. Records of Consultant's direct labor costs, payroll costs, and reimbursable expenses pertaining to this project covered by this Agreement will be kept on a generally recognized accounting basis and made available to City if and when required for a period of up to 3 years from the date of Consultant's final invoice.

B. Consultant's records and design calculations will be available for examination and audit if and as required. The cost of any reproductions shall be paid by City.

SECTION 17 – COOPERATION BY CITY

All public information, data, reports, records, and maps as are existing and available to City as public records, and which are necessary for carrying out the work as outlined in the Exhibit A. “Scope of Services”, shall be furnished to Consultant in every reasonable way to facilitate, without undue delay, the work to be performed under this Agreement.

SECTION 18 – NOTICES

All notices required or permitted to be given under this Agreement shall be in writing and shall be personally delivered, or sent by facsimile or first class mail, addressed as follows:

To City: City Manager
7120 Bodega Ave
Sebastopol, California 95472

To Consultant: Citygate Associates, LLC
ATTN: Chad Jackson, President
600 Coolidge Drive, Suite 150
Folsom, CA 95630
cjackson@citygateassociates.com

Notice shall be deemed effective on the date personally delivered or transmitted by facsimile, or, if mailed, three (3) days after deposit in the custody of the U.S. Postal Service.

SECTION 19 – TERMINATION

A. City may terminate this Agreement, with or without cause, at any time by giving ten (10) days written notice of termination to Consultant. If such notice is given, Consultant shall cease immediately all work in progress.

B. If either Consultant or City fail to perform any material obligation under this Agreement, then, in addition to any other remedies, either Consultant, or City may terminate this Agreement immediately upon written notice.

C. Upon termination of this Agreement by either Consultant or City, all property belonging to City which is in Consultant’s possession shall be delivered to City. Consultant shall furnish to City a final invoice for work performed and expenses incurred by Consultant, prepared as set forth in this Agreement.

SECTION 20 – ATTORNEY FEES

If litigation or other proceeding is required to enforce or interpret any provision of this Agreement, the prevailing party in such litigation or other proceeding shall be entitled to an award of reasonable attorneys’ fees, costs and expenses, in addition to any other relief to which it may be entitled. In addition, any legal fees, costs and expenses incurred to enforce the provisions of this Agreement shall be reimbursed to the prevailing party.

SECTION 21 – ENTIRE AGREEMENT

This Agreement, including the attached Exhibits, is the entire, complete, final and exclusive expression of the parties with respect to the matters addressed therein and supersedes all other agreements or understandings, whether oral or written, or entered into between Consultant and City prior to the execution of this Agreement. No statements, representations or other agreements, whether oral or written, made by any party which are not embodied herein shall be valid and binding unless in writing duly executed by the parties or their authorized representatives.

SECTION 22 – SUCCESSORS AND ASSIGNS

This Agreement shall be binding on the heirs, executors, administrators, successors and assigns of the parties. However, this Agreement shall not be assigned by Consultant without written consent of the City.

SECTION 23 – CONTINUITY OF PERSONNEL

Consultant shall make every reasonable effort to maintain the stability and continuity of Consultant's staff assigned to perform the services required under this Agreement. Consultant shall notify City of any changes in Consultant's staff assigned to perform the services required under this Agreement, prior to any such performance.

SECTION 24 – DEFAULT

In the event that Consultant is in default under the terms of this Agreement, the City shall not have any obligation or duty to continue compensating Consultant for any work performed after the date of default and may terminate this Agreement immediately by written notice to Consultant.

SECTION 25 – WAIVER

Waiver by any party to this Agreement of any term, condition, or covenant of this Agreement shall not constitute a waiver of any other term, condition, or covenant. Waiver by any party of any breach of the provisions of this Agreement shall not constitute a waiver of any other provision, nor a waiver of any subsequent breach or violation of any provision of this Agreement. Acceptance by City of any work or services by Consultant shall not constitute a waiver of any of the provisions of this Agreement.

SECTION 26 – LAW TO GOVERN; VENUE

This Agreement shall be interpreted, construed and governed according to the laws of the State of California. In the event of litigation between the parties, venue in state trial courts shall lie exclusively in the County of Sonoma. In the event of litigation in a U.S. District Court, venue shall lie exclusively in the Northern District of California, in San Francisco.

SECTION 27 – SEVERABILITY

If any term, condition or covenant of this Agreement is declared or determined by any court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions of this Agreement shall not be affected thereby and the Agreement shall be read and construed without the invalid, void or unenforceable provision(s).

SECTION 28 – SPECIAL PROVISIONS

This Agreement is subject to the following special provisions: none.

IN WITNESS WHEREOF, the parties hereto have accepted, made, and executed this Agreement upon the terms, conditions, and provisions above stated, the day and year first above written.

Consultant:

By: 
Name: Chad Jackson
Title: President

City:

By: 
Name: Don Schwartz
Title: City Manager

Approved as to Form:


By: 
Name: Alex Mog
Title: City Attorney

EXHIBIT A: Scope of Services



600 COOLIDGE DRIVE, SUITE 150 ▪ FOLSOM, CA 95630 ▪ PH (916) 458-5100 ▪ FX (916) 983-2090

October 4, 2024

Don Schwartz, City Manager
Mary Gourley, Assistant City Manager
City of Sebastopol
7120 Bodega Avenue
Sebastopol, CA 95472
dschwartz@cityofsebastopol.gov
mgourley@cityofsebastopol.gov

RE: PROPOSAL TO CONDUCT A FINANCIAL ANALYSIS OF FIRE SERVICES

Dear Mr. Schwartz and Ms. Gourley:

Citygate Associates, LLC (Citygate) is pleased to present this cost of services proposal letter to assist the City of Sebastopol, CA (City) with a Financial Analysis of Fire Services. This letter responds to your requests from our meeting on September 26th.

PROJECT UNDERSTANDING

We understand the City needs two comparative sets of analysis completed quickly. The first analysis would be to examine the feasibility and cost implications to the City to maintain an operational and fiscally sustainable independent fire service. This would include an “as-is” analysis and projection assuming expansion of coverage and services within the City, while remaining independent. The second analysis would be to examine the cost implications should the City agree to a proposal from Gold Ridge Fire District (District) to annex the City. The two options will provide a side-by-side, bottom-line comparison of services and fiscal impacts. Both analysis sets will include near and long-term fiscal impacts for 3-10 years based on sufficiency of data.

SCOPE OF SERVICES

Citygate’s work will be conducted in up to five tasks under the direction of the City Manager and the City Fire Ad Hoc Committee (Ad Hoc Committee) as follows. The first two tasks will provide the City with enough information, on a tight timeline, to make an informed decision on which path to pursue to success.

Don Schwartz and Mary Gourley

October 4, 2024

Page 2

Task 1 – Initiate and Manage the Project

1.1 Request and Review Department Information

- ◆ At the start of the project, Citygate will develop and submit a request for documentation relevant to this project, including prior studies, contracts, costs, revenues and incident demands.
- ◆ Citygate will utilize Dropbox (an online file sharing service) to make it convenient for the City and District staff to provide requested documentation.

1.2 Listening Engagement

- ◆ Upon review of the City and District documents, Citygate will virtually interview key City and District staff identified by the City for follow-up understanding regarding the provision and cost modeling of services.

1.3 Ongoing Project Management

- ◆ Throughout the project's duration, we will monitor engagement progress and completion of tasks, including providing monthly written status reports and Bi-weekly emails and oral communications as needed.

Task 2 – Detailed Analysis of Options

2.1 Analyze Service Provision and Cost Options

In this task, Citygate will analyze the independent and annexed service provision and cost options. This work includes analyzing financial impacts of personnel, facilities, capital equipment, replacement funds, and any other long-term cost exposures. Analysis will include short-term expansion of city based fire services.

If the City's separate adequacy analysis of the fire station is completed in time, Citygate will incorporate those findings as appropriate.

The level of fire services analysis will consist of 4 Staffing Scenarios:

- ◆ Independent city provided services at 2.0 or 3.0 staff per day
- ◆ Merged fire services with the Gold Ridge Fire District at 2.0 or 3.0 staff per day.



Don Schwartz and Mary Gourley

October 4, 2024

Page 3

2.2 Conduct Mid-Project Briefing

- ◆ Citygate will conclude our analysis with the preparation of a key findings and draft recommendations briefing. Citygate will conduct a virtual briefing of the preliminary findings for City Ad Hoc Committee, to include a discussion of any anomalies in the data and the resolution of any remaining issues.
- ◆ Pursuant to input received from the Ad Hoc Committee, Citygate will make any data-driven changes and then refinements, if needed.

Task 3 – On-Going Assistance to Assist the City with the Chosen Direction

3.1 Implementation Analysis

- ◆ Upon completion of Task 2, Citygate will be available for the City to delegate on-going analysis work, peer review of documents, and/or drafting reports.
- ◆ Citygate will provide coaching and/or assistance as needed in discussions with the Fire District.

Task 4 – Draft and Final Reports

4.1 Prepare and Submit Draft Report with Exhibits

If desired, the Citygate team can prepare a Draft Report, including fiscal exhibits, after the final analysis is complete. This Draft Report will include:

- ◆ An Executive Summary describing the nature of the report, the methods of analysis, the primary findings, and critical recommendations
- ◆ Detailed narrative analysis of each report component structured in easy-to-read sections, accompanied by explanatory support to encourage understanding by both staff and civilian readers
- ◆ Clearly designated recommendations highlighted for easy reference
- ◆ Supportive charts, graphs, and diagrams, where appropriate
- ◆ Appendices, exhibits, and attachments, as necessary

Upon completion of the Draft Report, an electronic version in Microsoft Word will be sent to the City's project representative for comments using the "track changes" and "insert comments" tools.



Don Schwartz and Mary Gourley

October 4, 2024

Page 4

4.2 Review Draft Report with City Ad Hoc Committee

- ◆ Citygate's normal practice is to review the Draft Report with management personnel to ensure that the factual basis for the recommendations is correct and to allow time for a thorough review. In addition, Citygate takes time to discuss any areas that require further clarification or amplification. It is during this time that understandings beyond the written text can be communicated.
- ◆ Citygate will facilitate a videoconference review of the Draft Report with City Ad Hoc Committee.
- ◆ Fact-check as needed with District.

4.3 Prepare and Deliver Final Report

- ◆ The process of Final Report preparation is an important one. Implicit in this process is the need for a sound understanding of how the review was conducted, what issues were identified, why the recommendations were made, and how implementation should be accomplished, including next steps.
- ◆ Citygate will prepare and submit an Executive Summary and Final Report, including appropriate exhibits as needed.

4.4 Final Report Presentation

- ◆ Citygate will present key elements of the Final Report in one *on-site* meeting should the City so chose. The briefing will use Microsoft PowerPoint to an audience as determined by the City's project representative. The presentation will include the following:
 - A summary of the nature of the report, the methods of analysis, the primary findings, and critical recommendations.
 - Supportive audio-visual presentation.
 - Review and explanation of primary supportive charts, graphs, diagrams, and maps, where appropriate.
 - Opportunity for questions and answers.
 - All presentation materials, files, graphics, and written materials will be provided to the City at the conclusion of the presentation(s).



CITYGATE

Don Schwartz and Mary Gourley
 October 4, 2024
 Page 5

PROJECT TIMELINE

Citygate is available to start this engagement upon execution of a contract for services in October 2024, and we expect the first two tasks to take two months (eight weeks) of which up to the first two weeks consists of the City and District providing the requested background information.

STUDY COMPONENTS WITH WHICH THE CITY MUST ASSIST

City staff have the best capability to collect much of the required data that can assist the Citygate study. Therefore, Citygate asks the City to assist with:

- ◆ Providing data and documents describing the organization, services, budgets, expenses and performance measures, and other information as requested by Citygate, as available
- ◆ Identifying a single point of contact for this project

PROJECT FEES

Our charges are based on *actual time* spent by our consultants at their established billing rates, plus reimbursable expenses incurred in conjunction with travel, printing, clerical, and support services related to the engagement. We will undertake this study for a “not-to-exceed” total cost based on our Work Plan and Scope of Work as follows:

Task	Consulting Fees of Project Team	Administration (7.5% of Hourly Fees)	Reimbursable Expenses*	Total Citygate Core Fees
1 – Initiate and Manage the Project	\$8,130	\$610	\$0	\$8,740
2 – Detailed Analysis of Options	\$15,680	\$1,176	\$0	\$16,856
3 – Ongoing Assistance	\$10,080	\$756	\$0	\$10,836
4 – Draft and Final Reports	\$12,460	\$935	\$165*	\$13,559
Total	\$46,350	\$3,476	\$165	\$49,991

*Local consultant travel cost for one on-site meeting.

The combined cost for Tasks 1 and 2 is \$25,596.

This cost proposal reflects our best effort to be responsive to the City’s needs for this project. If our proposed scope of work and costs are not in alignment with City needs or expectations, we are open to discussing modifications.



Don Schwartz and Mary Gourley
October 4, 2024
Page 6

We caution the City that we have not yet seen all the Fire District’s background material. Our cost for Tasks 1 and 2 are a close estimate as to what a typical situation would present for review and analysis. The cost and hours for Task 3 are a conceptual estimate only. The cost for Task 4 is representative of what smaller project reporting will cost.

The price quoted is effective for 60 days and includes one Draft Report review cycle. Additional draft cycles or processing delays requested by the City would be billed in addition to the contracted amount at our time and materials rates.

Hourly Rates

Classification	Rate	Consultant
Citygate President	\$260 per hour	Chad Jackson
Public Safety Principal	\$260 per hour	Stewart Gary
Fire and EMS Specialist	\$205 per hour	Landon Stallings
Fiscal Specialist	\$225 per hour	Andrew Green
General Government Specialist	\$195 per hour	Lisa Shaffer
Report Project Administrator	\$140 per hour	Various
Administrative Support	\$100 per hour	Various

Billing Schedule

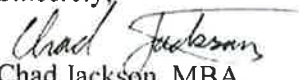
We will bill monthly for time, reimbursable expenses incurred at actual costs (travel), plus a 7.5 percent (7.5%) administration charge in lieu of individual charges for copies, phone, etc. Our invoices are payable within thirty (30) days. Citygate’s billing terms are net thirty (30) days plus two percent (2%) for day thirty-one (31) and two percent (2%) per month thereafter. Our practice is to send both our monthly status report and invoice electronically. We prefer to receive payment through ACH Transfer, if available.

* * *

If this proposal is acceptable, you can sign acceptance on the following page or forward a standard consultant contract for us to complete.

As President of the firm, I am authorized to execute a binding contract on behalf of Citygate. For questions concerning this proposal, please contact Stewart Gary, Citygate’s Public Safety Principal, at (916) 458-5100, extension 305 or via email at sgary@citygateassociates.com. Please also send emails to admin@citygateassociates.com to ensure a prompt response.

Sincerely,


Chad Jackson, MBA
President



Amendment #1
City of Sebastopol and Citygate Associates
December 17, 2024

This Amendment to the October 7, 2024 Agreement for Services between the City of Sebastopol and Citygate Associations for Financial Analysis of Fire Services (the "Agreement") is entered into as of December 17, 2024.

That Agreement is amended as follows:

1. Section 4A, Compensation and Method of Payment, is amended to increase the total compensation to an amount not to exceed \$74,991.
2. Scope of Services established in Exhibit A is amended to add:
 - a. Additional detailed discussions and review with the Sebastopol Fire Ad Hoc Committee and/or staff
 - b. Incorporating comments from the Ad Hoc or others; the current contract allows for one review cycle and one presentation
 - c. Additional assistance in preparing reports and presentations for the City Council and/or Committees, the Gold Ridge Fire District, and /or LAFCO
 - d. Assistance in analyzing costs for options to expand staffing prior to reorganization.
3. Except as explicitly set forth in this Amendment, all other terms and conditions of the Agreement shall remain in full force and effect.

DocuSigned by:

Chad Jackson
President, Citygate Associates
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Date: 12/10/2024

Don Schwartz
City Manager, City of Sebastopol

Date: